6 February 2018

Industrial production increased by 5.7% in 2017

Industry – December 2017

In December 2017, working days adjusted industrial production increased at constant prices by 8.0%, year-on-year (y-o-y). Non-adjusted industrial production was by 2.7% higher. Seasonally adjusted industrial production decreased by 1.5%, month-on-month (m-o-m). The value of new orders increased by 6.8%, y-o-y.

In 2017, industrial production increased by 5.7%, y-o-y. The value of new orders was 6.6% up. The employment was 2.0% up and the average wage increased by 6.9%.

In December 2017, seasonally adjusted (as well as working days adjusted) industrial production decreased at constant prices by 1.5%, m-o-m. Working days adjusted industrial production increased by 8.0%, y-o-y; non-adjusted industrial production increased by 2.7%, y-o-y. December 2017 had two working days less compared to December 2016. The following contributed the most to the y-o-y increase of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +1.8 p.p., growth by 10.3%), manufacture of electrical equipment (contribution +0.7 p.p., growth by 9.9%), and manufacture of fabricated metal products (contribution +0.4 p.p., growth by 4.3%). Industrial production decreased in manufacture of basic metals (contribution -0.3 p.p., drop by 17.1%), manufacture of other transport equipment (contribution -0.3 p.p., drop by 10.8%), and repair and installation of machinery and equipment (contribution -0.2 p.p., drop by 4.5%).

**Sales from industrial activity at current prices** decreased by 0.4%, y-o-y, in December 2017. Direct export sales of industrial enterprises decreased at current prices by 0.4%. Domestic sales, which include also indirect export via non-industrial enterprises decreased at current prices by 0.3%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 6.8%, y-o-y, in December 2017. Non-domestic new orders increased by 3.7%, while domestic new orders increased by 13.2%. The y-o-y increase of new orders in total was the most contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution +2.0 p.p., increase by 4.9%), manufacture of electrical equipment (contribution +1.6 p.p., growth by 17.7%), and manufacture of basic metals (contribution +1.0 p.p., growth by 20.6%). New orders decreased in manufacture of wearing apparel (contribution -0.1 p.p., drop by 10.7%), manufacture of paper and paper products (contribution -0.1 p.p., drop by 3.0%), and manufacture of textiles (contribution -0.01 p.p., drop by 0.7%).

The **average registered number of employees\*)** in enterprises with 50+ employees in industry increased in December 2017 by 2.1%, y-o-y. Their **average gross monthly nominal wage** increased in December 2017 by 6.5%, y-o-y, and reached CZK 32 268.

According to the Eurostat news release, working days adjusted **industrial production in the EU28 in November 2017** increasedby 3.5%, y-o-y. According to a preliminary time schedule, data for December 2017 will be released by Eurostat on 14 February 2018 at 11:00 a.m.

**Industry in the Q4 2017**

Seasonally adjusted **industrial production** in the Q4 2017 increased by 4.2% compared to the Q3 2017. In the year-on-year comparison it increased by 7.3%.

**Sales from industrial activity** at current prices were higher by 4.8%, y-o-y, in the Q4 2017. Direct export sales of industrial enterprises increased at current prices by 5.1%. Domestic sales, which include also indirect export via non-industrial enterprises, increased at current prices by 4.4%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 6.7%, y-o-y, in the Q4 2017. Non-domestic new orders increased by 4.8%, while domestic new orders increased by 10.6%.

The **average registered number of employees\*)** in industrial enterprises with 50+ employees increased by 2.0%, y-o-y, in the Q4 2017. Their **average gross monthly nominal wage** in the Q4 2017 increased by 7.4%, y-o-y, and reached CZK 33 428.

**Industry in 2017**

In 2017, **industrial production** increased by 5.7%, y-o-y. Working days adjusted industrial production increased by 6.2%. In 2017, there were 2 working days less compared to the year 2016. The following contributed the most to the y-o-y growth of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +1.8 p.p., growth by 9.1%), electricity, gas, steam and air conditioning supply (contribution +0.8 p.p., growth by 6.8%), and manufacture of electrical equipment (contribution +0.7 p.p., growth by 9.6%). Industrial production decreased in manufacture of other transport equipment (contribution -0.2 p.p., drop by 11.1%), repair and installation of machinery and equipment (contribution -0.2 p.p., drop by 6.4%), and mining and quarrying (contribution -0.2 p.p., drop by 6.1%).

**Sales from industrial activity** at current prices were higher by 6.5%, y-o-y, in 2017. Direct export sales of industrial enterprises increased at current prices by 6.3%. Domestic sales, which include also indirect export via non-industrial enterprises, increased at current prices by 6.7%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 6.6%, y-o-y, in 2017. Non-domestic new orders increased by 5.3%, while domestic new orders increased by 9.1%.

### The average registered number of employees\*) in industrial enterprises with 50+ employees increased by 2.0%, y-o-y, in 2017. Their average gross monthly nominal wage in 2017 increased by 6.9%, y-o-y, and reached CZK 31 418.

\* \* \*

**Starting from the News Release with results for January 2018, there will be a new base period for short-term statistics. Besides the change of the base period at fixed-base indices (that will be newly compared to the average of the year 2015 instead of the average of 2010), also the weighting scheme of the year 2015 will be used. Recalculated time series of indicators will be available from the year 2000.**

*Notes:*

*\*) The registered number of employees indicator does not include persons working under various contracts for work, working owners of enterprises, and cooperating household members, who do not have contracts of employment. The piece of data on the registered number of employees in industry also excludes agency workers, who have contracts of employment within activities of services (CZ-NACE 78.2).*

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*Method of data acquisition: direct survey of the CZSO (*Prům 1-12*)*

*End of data collection: 31 January 2018*

*Related outputs: time series* <https://www.czso.cz/csu/czso/pru_ts>

*Next News Release will be published on: 15 March 2018*

Annexes:

Table 1 Industrial production (year-on-year indices – IPI, not seasonally adjusted)

Table 2 Sales and new orders in industry (year-on-year indices)

Chart 1 Industrial production (base indices)

Chart 2 Industrial production (year-on-year indices)

Chart 3 Industrial production index – international comparison (base indices, seasonally adjusted)