7 May 2018

Production and employment increased in the Q1 2018

Industry – March 2018

In March 2018, industrial production adjusted for working days increased at constant prices by 5.5%, year-on-year (y-o-y). Non-adjusted industrial production dropped by 1.1%, y-o-y. Seasonally adjusted industrial production increased by 1.4%, month-on-month (m-o-m). The value of new orders decreased by 0.9%, y-o-y.

In **March 2018**, seasonally adjusted industrial production (including working days adjustment) increased at constant prices by 1.4%, m-o-m. Working days adjusted industrial production increased by 5.5%, y-o-y; non-adjusted industrial production dropped by 1.1%, y-o-y. March 2018 had 2 working days less compared to March 2017. The following contributed the most to the y-o-y decrease of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution -1.2 p.p., drop by 5.8%), manufacture of rubber and plastic products (contribution -0.5 p.p., drop by 6.4%), and manufacture of other non-metallic mineral products (contribution -0.3 p.p., drop by 8.0%). Industrial production increased in electricity, gas, steam and air conditioning supply (contribution +1.2 p.p., growth by 11.2%), manufacture of computer, electronic and optical products (contribution +0.4 p.p., growth by 12.8%), and manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution +0.2 p.p., growth by 17.3%).

**Sales from industrial activity at current prices** decreased by 3.8%, y-o-y, in March 2018. Direct export sales of industrial enterprises decreased at current prices by 6.6%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 0.2%.

The value of **new orders** in selected industrial CZ-NACE activities decreased by 0.9%, y-o-y, in March 2018. Non-domestic new orders decreased by 1.4%, while domestic new orders increased by 0.4%. The y-o-y decrease of new orders in total was the most contributed to by the following CZ-NACE divisions: manufacture of electrical equipment (contribution -0.8 p.p., drop by 7.9%), manufacture of motor vehicles, trailers and semi-trailers (contribution -0.5 p.p., drop by 1.2%), and manufacture of machinery and equipment (contribution -0.4 p.p., drop by 3.7%). New orders increased in manufacture of fabricated metal products (contribution +0.8 p.p., growth by 7.1%), manufacture of computer, electronic and optical products (contribution +0.4 p.p., growth by 4.3%), and manufacture of chemicals and chemical products (contribution +0.1 p.p., growth by 2.9%).

The **average registered number of employees\*)** in enterprises with 50+ employees in industry increased in March 2018 by 1.9%, y-o-y. Their **average gross monthly nominal wage** increased in March 2018 by 6.1%, y-o-y, and reached CZK 33 458.

According to the Eurostat news release, working days adjusted **industrial production in the EU28 in February 2018** increasedby 3.1%, y-o-y. According to the preliminary time schedule, Eurostat will release data for March 2018 on 15 May 2018.

### Industry in the Q1 2018

Seasonally adjusted **industrial production** in the Q1 2018 was higher at constant prices by 0.4% compared to the Q4 2017. Working days adjusted industrial production increased in the Q1 2018 by 4.6%, y-o-y; non-adjusted industrial production increased by 2.2%, y-o-y. In the Q1 2018, there were 2 working days less compared to the corresponding period of the previous year.

**Sales from industrial activity** at current pricesincreased by 0.4%, y-o-y, in the Q1 2018. Direct export sales of industrial enterprises decreased at current prices by 1.5%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 3.2%.

The value of **new orders**, non-domestic new orders, and domestic new orders in the Q1 2018 in selected industrial CZ-NACE activities increased the same (+2.3%).

The **average registered number of employees\*)** in enterprises with 50+ employees in industry increased in the Q1 2018 by 2.1%, y-o-y. Their **average gross monthly nominal wage** increased in the Q1 2018 by 7.6%, y-o-y, and reached CZK 31 884.

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

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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)