6 February 2019

Industrial production 3.0% up in 2018

Industry – December 2018

In December 2018, working days adjusted industrial production increased at constant prices by 1.8%, year-on-year (y-o-y); non-adjusted industrial production decreased by 1.4%. Seasonally adjusted industrial production increased by 0.6%, month-on-month (m-o-m). The value of new orders decreased by 4.8%, y-o-y.

In 2018, industrial production increased by 3.0%, y-o-y. The value of new orders was by 3.7% higher. Employment increased by 1.4% and the average wage increased by 7.5%.

In December 2018, seasonally adjusted **industrial production** (including adjustment for working days) increased at constant prices by 0.6%, m-o-m. In the year-on-year comparison, working days adjusted industrial production increased by 1.8%; non-adjusted industrial production decreased by 1.4%. December 2018 had one working day less compared to December 2017. The following economic activities contributed the most to the y-o-y change of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution −1.2 percentage point (p. p.), drop by 7.0%), manufacture of machinery and equipment (contribution −0.7 p. p., drop by 7.1%), and manufacture of fabricated metal products (contribution −0.4 p. p., drop by 4.3%). Industrial production increased in the following economic activities: electricity, gas, steam and air conditioning supply (contribution +1.2 p. p., growth by 9.2%), manufacture of other transport equipment (contribution +0.7 p. p., growth by 31.7%), and manufacture of computer, electronic and optical products (contribution +0.4 p. p., growth +11.3%).

**Sales from industrial activity at current prices** increased by 1.1%, y-o-y, in December 2018. Direct export sales of industrial enterprises decreased at current prices by 0.5%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 3.1%.

The value of **new orders** in surveyed industrial CZ-NACE activities decreased by 4.8%, y-o-y, in December 2018. Non-domestic new orders decreased by 5.4%, while domestic new orders decreased by 3.4%. The y-o-y decrease 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 −5.1 p. p., drop by 13.6%), manufacture of machinery and equipment (contribution −0.8 p. p., drop by 6.6%), and manufacture of electrical equipment (contribution −0.4 p. p., drop by 4.2%). New orders increased in manufacture of other transport equipment (contribution +0.8 p. p., growth by 28.2%), manufacture of computer, electronic and optical products (contribution +0.4 p. p., growth by 3.6%), and manufacture of paper and paper products (contribution +0.2 p. p., growth by 9.9%).

The **average registered number of employees\*)** in enterprises with 50+ employees in industry increased in December 2018 by 0.4%, y-o-y. Their **average gross monthly nominal wage** increased in December 2018 by 6.6%, y-o-y, and reached CZK 34 271.

According to the Eurostat news release, working days adjusted **industrial production in the EU28 in November 2018** decreasedby 2.2%, y-o-y. According to a preliminary release calendar, Eurostat will release data for December 2018 on 13 February 2019.

**Industry in the fourth quarter of 2018**

Seasonally adjusted **industrial production** in the Q4 2018 increased by 0.4% compared to the Q3 2018. In the year-on-year comparison it increased by 3.6%. There was one working day more in the Q4 2018 compared to the Q4 2017.

**Sales from industrial activity** at current prices were higher by 6.9%, y-o-y, in the Q4 2018. Direct export sales of industrial enterprises increased at current prices by 6.8%. Domestic sales, which include also indirect export via non-industrial enterprises, increased at current prices by 7.1%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 4.6%, y-o-y, in the Q4 2018. Non-domestic new orders increased by 4.3%, while domestic new orders increased by 5.1%.

The **average registered number of employees\*)** in industrial enterprises with 50+ employees increased by 0.6%, y-o-y, in the Q4 2018. Their **average gross monthly nominal wage** in the Q4 2018 increased by 7.3%, y-o-y, and reached CZK 35 825.

**Industry in 2018**

In 2018, **industrial production** increased by 3.0%, y-o-y. The following contributed the most to the y-o-y growth of industrial production: manufacture of computer, electronic and optical products (contribution +0.44 p. p., growth by 13.7%), manufacture of fabricated metal products (contribution +0.43 p. p., growth by 4.1%), and manufacture of electrical equipment (contribution +0.36 p. p., growth by 5.5%). Industrial production decreased in manufacture of leather and related products (contribution −0.04 p. p., drop by 21.0%) and mining and quarrying (contribution −0.02 p. p., drop by 0.8%).

**Sales from industrial activity** at current prices were higher by 3.5%, y-o-y, in 2018. Direct export sales of industrial enterprises increased at current prices by 2.9%. Domestic sales, which include also indirect export via non-industrial enterprises, increased at current prices by 4.3%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 3.7%, y-o-y, in 2018. Non-domestic new orders increased by 3.9%, while domestic new orders increased by 3.1%.

The **average registered number of employees\*)** in industrial enterprises with 50+ employees increased by 1.4%, y-o-y, in 2018. Their **average gross monthly nominal wage** in 2018 increased by 7.5%, y-o-y, and reached CZK 33 775.

*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 economic 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)