

Performance of the basic sectors

- ***The growth rate of industry dropped*** The index of industrial production, including seasonal influences, increased by 5.3% year on year, while the 3rd quarter was the weakest with the year-on-year growth of 4.2%. The change in the trends in the individual quarters without seasonal influence in the period reached in the 1st quarter 0.7%, in the 2nd quarter 0.2% and in the 3rd quarter 0.4%, which in comparison with the previous period represents a drop in the growth rate of the industrial economic performance.
- ***Engineering industries branches were doing best, however they suffered the biggest decline of new orders*** Good results were achieved in manufacturing of electric and optical devices with the year-on-year growth of 18.7% and contributed to the total growth of industrial production by + 2.6 p.p. The other major contributors to the growth included manufacturers of vehicles (+ 1.6 p.p.) and companies dealing with manufacture and repairs of machines and equipment (+ 0.6 p.p.). On the contrary, the biggest negative impact on the growth was due to food and drinks production and tobacco products (– 0.4 p.p.).

New contracts for manufacturers of motor vehicles dropped in the first three quarters of 2008 by 6.8% year on year (in the 3rd quarter of 2008 by 5.9%) and for companies dealing with manufacture and repairs of machines and equipment they grew by 0.7% (from which in the 3rd quarter of 2008 by 14.3%).
- ***Employment in the industry kept growing*** The average number of persons employed in the industrial sector in the first three quarters of 2008 grew by 1.0% year on year, however in the 3rd quarter it dropped by 0.6%. The average monthly nominal wage increased from January to September by 9.2% year on year, however the real wage increased by 2.2%.
- ***Growth of construction production*** The construction production at fixed prices increased by 2.2% year on year, with the fastest growth in the 3rd quarter (by 4.8%). The change in the trends in the individual quarters without seasonal influences reached in the 1st quarter 1.7%, in the 2nd quarter 0.9% and the 3rd quarter 1.4%. In companies with 20 and more employees the engineering construction succeeded in increasing the production by 12.6% year on year, on the other hand the building projects decreased by 4.3%. The basic construction production (ZSV) increased by 5.2% year on year, while in the 3rd quarter it increased by 7.6%. The values of building contracts as at 30 September 2008 amounted to 223.0 billion CZK at current prices, which means the year-on-year increase of 4.7%. Construction of 33 845 apartments started (year-on-year increase by 6.4%) and 25 986 apartments were completed (year-on-year increase by 9.1%). As at 30 September 2008 178 831 apartments were under construction, which means the year-on-year increase by 1.1%.
- ***Decreased employment in the building industry*** In the first three quarters of 2008 the average registered number of employees working in construction companies with 20 and more employees decreased by 0.5%. Their average monthly wages increased by 11.3% year on year, in real terms by 4.1%.
- ***Revenues in the service sector mostly slightly increased*** The revenues in retail (with seasonal influences, at fixed prices) grew in the motoring segment by 2.7% year on year and in the other retail segments by 2.0%. In hospitality services the revenues dropped by 1.7%. Revenues from market services increased in total by 4.4%. Revenues in transport and communications increased by 1.6%.