8 September 2014

Growth of industrial production continued

Industry – July 2014

In July 2014, industrial production increased at constant prices by 8.6%, year-on-year. Working days adjusted industrial production increased by 6.0%. Compared to the previous month, seasonally adjusted industrial production was higher by 0.7%. The value of new orders increased by 17.6%, y-o-y.

In July 2014, **industrial production** increased at constant prices by 8.6%, y-o-y. Working days adjusted industrial production increased by 6.0%. July 2014 had 1 working day more than July 2013. Seasonally (as well as working days) adjusted industrial production was higher by 0.7%, m-o-m. The following contributed the most to the y-o-y increase of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +6.3 p.p., growth by 46.6%*\**), manufacture of rubber and plastic products (contribution +0.8 p.p., growth by 11.3%), and manufacture of electrical equipment (contribution +0.7 p.p., growth by 9.2%). Industrial production decreased in electricity, gas, steam and air conditioning supply (contribution -1.4 p.p., drop by 12.0%), mining and quarrying (contribution -0.5 p.p., drop by 12.3%), and manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution
-0.2 p.p., drop by 12.3%).

**Sales from industrial activity at current prices** increased by 14.8%, y-o-y, in July 2014. Direct export sales of industrial enterprises increased at current prices by 23.7%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 5.5%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 17.6%, y-o-y, in July 2014. Non-domestic new orders increased by 14.0%, while domestic new orders increased by 24.7%. The y-o-y growth 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 +11.3 p.p., growth by 36.4%), manufacture of other transport equipment (contribution +2.2 p.p., growth by 82.9%), and manufacture of chemicals and chemical products (contribution +1.9 p.p., growth by 32.1%). New orders decreased in manufacture of machinery and equipment (contribution
-0.2 p.p., drop by 1.8%), manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution -0.1 p.p., drop by 10.1%), and manufacture of basic metals (contribution -0.1 p.p., drop by 1.6%).

The **average registered number of employees\*\*** in industrial enterprises with 50+ employees increased in July 2014 by 1.7%, y-o-y. Their **average monthly nominal gross wage** increased in July 2014 by 1.8%, y-o-y, and reached CZK 27 728.

According to the Eurostat news release working day adjusted **industrial production in the EU28 in June 2014** increasedby 0.7%, y-o-y. According to a preliminary time schedule, data for July 2014 will be released by Eurostat on 12 September 2014 at 11 a.m.

*Notes:*

*\* Results for holiday months may be influenced by shifts in company holidays between July and August, which make seasonal fluctuations irregular. Information on some important enterprises confirm that this phenomenon occurred also in this year. It has an influence also on the year-on-year comparison, especially in manufacture of motor vehicles but also in other CZ-NACE activities.*

\*\* 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. Data on the registered number of employees in industry also exclude agency workers, who have contracts of employment within activities of services (CZ-NACE 78.2).

In accordance with the CZSO revision policy, together with the processing of data for July 2014 also data for April to June 2014 were revised.

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

*End of data collection: 1 September 2014*

*Related outputs: time series* [*http://www.czso.cz/eng/redakce.nsf/i/pru\_ts*](http://www.czso.cz/eng/redakce.nsf/i/pru_ts)

*Next News Release will be published on: 7 October 2014*

Annexes:

Table 1 Industrial production (year-on-year indices - IPI)

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

Graph 1 Industrial production (changes on the base year)

Graph 2 Industrial production (year-on-year changes)

Graph 3 Industrial production index – international comparison