8 November 2021

Difficulties in car production caused a decrease in total industrial output

Industry – September 2021

In September, industrial production decreased in real terms by 4.0%, year-on-year (y-o-y). In the month-on-month (m-o-m) comparison, it was by 3.3% lower. The value of new orders decreased by 1.2%, y-o-y.

**Industrial production1** in September 2021 was in real terms by 3.3% lower, m-o-m. In the year-on-year comparison, it decreased by 4.0%. The following economic activities contributed the most to the year-on-year change of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution −7.0 percentage points (p. p.), decrease by 33.5%), manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (contribution −0.4 p. p., decrease by 21.6%), and manufacture of rubber and plastic products (contribution −0.3 p. p., decrease by 4.7%). Industrial production increased the most in manufacture of machinery and equipment (contribution +0.8 p. p., growth by 9.9%), manufacture of fabricated metal products (contribution +0.62 p. p., growth by 6.2%), and manufacture of other transport equipment (contribution +0.60 p. p., growth by 32.8%).

*“September results reflect especially reduction of production of cars and their parts. It also affected results for the whole 3rd quarter, in which the growth of industrial production slowed down and in the year-on-year comparison it only increased by 0.2%. However, that doesn’t alter the fact that many other industries (economic activities) of manufacturing continue to be rather successful and their production is on the rise,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, says.

**Sales from industrial activity at current prices1** decreased by 0.7%, y-o-y, in September 2021. Direct export sales of industrial enterprises decreased at current prices by 4.6%. Domestic sales, which also include indirect export via non-industrial enterprises, increased at current prices by 5.2%.

The value of **new orders1** in surveyed industrial CZ-NACE activities decreased by 1.2%, y-o-y, in September 2021. Non-domestic new orders decreased by 3.1%, whereas domestic new orders increased by 3.5%. The year-on-year decrease of new orders in total was contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution −9.6 p. p., decrease by 23.2%) and manufacture of wearing apparel (contribution −0.1 p. p., decrease by 10.4%). New orders increased in manufacture of fabricated metal products (contribution +1.7 p. p., growth by 14.4%), manufacture of chemicals and chemical products (contribution +1.5 p. p., growth by 35.0%), and manufacture of basic metals (contribution +1.5 p. p., growth by 28.5%).

The **average registered number of employees2** in industry in September 2021 was on the same level as in September 2020. Their average gross monthly nominal wage increased by 4.2%, y-o-y, in September 2021.

According to data released by Eurostat, **industrial production in the EU27 in August 2021** increasedby 5.3%, y-o-y. *“August results of Czech industry are not a success in the context of whole Europe. Czechia together with Portugal and Malta were the only three countries with a year-on-year decrease. Industrial production in Italy, Hungary, and Slovakia increased, however, only slightly,”* Veronika Doležalová, Head of Industrial Statistics Unit, says. The highest year-on-year growth was recorded in Belgium and Ireland; German industry increased by 1.9%. According to a preliminary release calendar, Eurostat will release data for September 2021 on 12 November 2021.

**Industry in the third quarter of 2021**

Seasonally adjusted **industrial production1** in the Q3 2021 was by 1.7% lower when compared to the Q2 2021. In the year-on-year comparison it increased by 0.2%.

**Sales from industrial activity at current prices1** increased by 5.2%, y-o-y, in the Q3 2021. Direct export sales of industrial enterprises increased at current prices by 2.8%. Domestic sales, which also include indirect export via non-industrial enterprises increased at current prices by 8.6%.

The value of **new orders1** in surveyed industrial CZ-NACE activities increased by 6.6%, y-o-y, in the Q3 2021. Non-domestic new orders increased by 5.6%, while domestic new orders increased by 8.7%.

The **average registered number of employees2** in industry decreased in the Q3 2021 by 0.3%, y-o-y. Their **average gross monthly nominal wage2** increased in the Q3 2021 by 5.4%, y-o-y.

*Notes:*

**1** The year-on-year development of all indicators has been adjusted for working days unless otherwise stated. Month-on-month or quarter-on-quarter rates are also seasonally adjusted. Contributions to an increase or to a decrease are calculated from data adjusted for working days. September 2021 had the same number of working days as September 2020.

**2**Indicators related to employment in industry apply to the whole population of enterprises the principal (prevailing) activity of which is industry. The indicator of the registered number of employees doesn’t include persons working under an agreement on work performance and an agreement on work activity, working owners of enterprises, and contributing family workers (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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*Method of data acquisition: direct survey of the CZSO (*Prům 1–12*)*

*End of data collection: 1 November 2021*

*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)

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)