7 February 2020

Sales in services increased by 0.8% in 2019

Services – the fourth quarter of 2019

**In the Q4 2019, sales adjusted for calendar effects decreased in real terms (at constant prices) by 0.2%, year‑on-year (y-o-y); non-adjusted sales dropped by 0.7%. Seasonally adjusted sales in services decreased in real terms (at constant prices) by 0.2%, quarter-on-quarter (q-o-q).**

**For the whole year 2019, non-adjusted sales in services increased in real terms by 0.8%, y-o-y.**

**Development in the fourth quarter of 2019**

In the Q4 2019, **seasonally adjusted** sales **in services1)** decreased **in real terms** (at constant prices) **by 0.2%**, **q-o-q**. A q-o-q increase was recorded only by the section of information and communication and by the section of accommodation and food service activities.

**Year-on-year,** sales **adjusted for calendar effects** decreasedby 0.2% (there was one working day less in the Q4 2019 compared to the Q4 2018). A sales growth was reported only by the section of information and communication.

**Year-on-year, non-adjusted** sales decreased by 0.7%.Development in individual industries of services (CZ-NACE sections) was as follows:

* sales **in** **transportation and storage** decreased by 2.6%. The deepest sales fall was in water transport (−7.2%). The following also recorded decreases of sales: air transport (−6.7%), warehousing and support activities for transportation (−5.5%), and land transport and transport via pipelines (−3.3%), which is the most important as for its volume. On the other hand, sales increased in postal and courier activities (+22.7%);
* sales **in** **accommodation and food service activities** decreased by 0.5%. In the accommodation sales grew by 1.0%, while in the food and beverage service activities the sales decreased by 1.1%;
* sales **in** **information and communication** increased by 5.8%. The growth was mainly owing to the development in telecommunications (growth by 10.4%) and in computer programming, consultancy and related activities (+5.9%). Sales increased also in publishing activities (+6.9%) and in information service activities, which include, for example, data processing, web portals, and hosting (+3.6%). On the other hand, lower sales compared to the previous year were in programming and broadcasting activities (−3.4%) and in the so-called music and motion picture activities (−22.5%);

* sales **in** **real estate activities** decreased by 1.1%, y-o-y. The deepest sales decrease was reported by real estate activities on a fee or contract basis (−4.2%). Lower sales were reported also by buying and selling of own real estate and renting and operating of own or leased real estate (−0.2%);
* sales **in** **professional, scientific and technical activities2)**decreased by 3.2%, which was contributed to by all economic activities. The deepest decrease of sales was in activities of head offices; management consultancy activities (−7.7%). Sales were decreasing also in other professional, scientific and technical activities (−4.6%), which include, for example, business brokerage activities, translation services and photographic services, or activities of quantity surveyors. Further, sales decreases were reported by advertising and market research (−3.4%), architectural and engineering activities (−2.0%), and legal and accounting activities (−0.6%);
* sales **in** **administrative and support service activities**decreased by 2.8%, y-o-y. The deepest decrease of sales was reported by employment activities (−9.8%); they were decreasing already for the fourth successive quarter. Lower sales were also in travel agency, tour operator reservation service and related activities (−4.8%), rental and leasing activities (−4.7%), and services to buildings and landscape activities (−3.7%). On the other hand, sales were growing in office administrative and support activities (+5.6%) and in security and investigation activities (+0.9%).

**Development in 2019**

**In 2019**,sales **in services1) adjusted for calendar effects increased in real terms (at constant prices) by 0.7%, year-on-year**; **non-adjusted** sales increased **by 0.8%** (there was one working day more in 2019 compared to 2018).

**Year-on-year development of seasonally non-adjusted sales in services by CZ-NACE section:**

* sales **in** **transportation and storage** decreased by 0.7%, mainly owing to the development in warehousing and support activities for transportation (drop by 2.8%). For the whole year 2019, services decreased also in air transport (−3.8%) and land transport and transport via pipelines (−0.4%). On the contrary, sales increased in postal and courier activities (+14.4%) and in water transport (+5.5%);
* sales in the whole section of **accommodation and food service activities** increased by 1.0%, y-o-y. Sales in food and beverage service activities were growing by 1.2% and sales in the accommodation by 0.6%;
* sales **in information and communication** increased by 5.7%. The highest sales growth was in publishing activities (+10.2%), which were growing already for the fourth successive quarter. Sales increased also in information service activities (+6.6%) and computer programming, consultancy and related activities (+6.2%), which include also computer programming activities, computer facilities management activities, and computer consultancy activities. For the whole year 2019, sales increased also in telecommunications (+4.5%) and programming and broadcasting activities (+2.6%). On the contrary, a decrease of sales was reported by the so-called music and motion picture activities (−2.1%), although in the Q1 and Q2 they were growing with a double-digit growth rate;
* sales **in** **real estate activities** decreased by 0.7%, y-o-y. A decrease was reported by real estate activities on a fee or contract basis (−3.6%). On the contrary, sales increased in buying and selling of own real estate and renting and operating of own or leased real estate (+0.1%);

* sales **in** **professional, scientific and technical activities2)** decreased by 0.5%. The deepest sales decrease was in other professional, scientific and technical activities (−3.6%). Lower sales were reported also by architectural and engineering activities (−0.9%) and advertising and market research activities (−0.8%). On the contrary, a sales growth was in legal and accounting activities (+2.6%) and in activities of head offices; management consultancy activities (+1.0%);
* sales **in administrative and support service activities** decreased by 0.7%, y-o-y. In this section, the deepest sales decrease was in employment activities (−6.2%). Lower sales were reported also by tour operator reservation service and related activities (−3.0%) and services to buildings and landscape activities (−1.0%). Sales of security and investigation activities were stagnating, y-o-y. On the other hand, sales increased in office administrative and support activities (+5.5%) and in rental and leasing activities (+1.3%).

Notes:

1) For the purpose of the News Release, services include the following CZ-NACE sections: Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Real estate activities (L), Professional, scientific and technical activities – excluding Scientific research and development and Veterinary activities (M excluding 72 and 75), Administrative and support service activities – excluding Landscape service activities (N excluding 81.3).

2) For the purpose of the News Release, section M – Professional, scientific and technical activities does not include CZ-NACE 72 – Scientific research and development and CZ-NACE 75 – Veterinary activities.

All data in the text of the News Release are at constant prices.

Data for the Q4 2019 are preliminary; final data for individual quarters of 2019 will be published in March 2020.

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

#### *End of data collection: 28 January 2020*

#### *End of data processing: 31 January 2020*

*Related outputs: Base indices since 2000 and y-o-y indices since 2001 are available in time series (excluding section J, which is available since 2005 or rather 2006).*

 *(*[*https://www.czso.cz/csu/czso/slu\_ts*](https://www.czso.cz/csu/czso/slu_ts)*)*

Next News Release will be published on: 11 May 2020

Annexes:

Table 1 Sales in services (year-on-year indices)

Table 2 Sales in services (year-on-year changes, decomposition of increase – year-on-year)

Table 3 Sales in services (year-on-year indices, adjusted for calendar effects)

Chart Sales in services – base indices, constant prices

Chart Sales in services – international comparison, seasonally adjusted, current prices