6 November 2020

Industrial production slightly decreased

Industry – September 2020

In September, working day adjusted industrial production decreased in real terms (at constant prices) by 1.5%, year-on-year (y-o-y). Seasonally adjusted industrial production increased by 4.1%, month-on-month (m-o-m). The value of new orders increased by 4.8%, y-o-y.

**Industrial production1)** increased in September 2020 in real terms (at constant prices) by 4.1%, m-o-m. In the year-on-year comparison, it decreased by 1.5%. The following economic activities contributed the most to the y-o-y change of industrial production: electricity, gas, steam and air conditioning supply (contribution −0.7 percentage point (p. p.), drop by 7.5%), manufacture of machinery and equipment (contribution −0.7 p. p., drop by 8.3%), and repair and installation of machinery and equipment (contribution −0.5 p. p., drop by 14.3%). Industrial production increased in the following economic activities: manufacture of motor vehicles, trailers and semi-trailers (contribution +1.0 p. p., growth by 4.9%), manufacture of rubber and plastic products (contribution +0.3 p. p., growth by 4.0%), and manufacture of food products (contribution +0.2 p. p., growth by 4.8%).

**Sales from industrial activity at current prices2)** decreased by 0.4%, y-o-y, in September 2020. Direct export sales of industrial enterprises increased at current prices by 1.3%. Domestic sales, which include also indirect export via non-industrial enterprises decreased at current prices by 2.8%.

The value of **new orders2)** in surveyed industrial CZ-NACE activities increased by 4.8%, y-o-y, in September 2020. Non-domestic new orders increased by 7.3%, while domestic new orders decreased by 0.9%. The y-o-y increase 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 +5.2 p. p., growth by 13.6%), manufacture of fabricated metal products (contribution +0.4 p. p., growth by 3.1%), and manufacture of other transport equipment (contribution +0.3 p. p., growth by 15.3%). New orders decreased in manufacture of chemicals and chemical products (contribution −0.4 p. p., drop by 8.5%), manufacture of machinery and equipment (contribution −0.4 p. p., drop by 3.7%), and manufacture of electrical equipment (contribution −0.3 p. p., drop by 2.6%).

The **average registered number of employees3)** in industry decreased in September 2020 by 4.1%, y-o-y. Their **average gross monthly nominal wage** increased in September 2020 by 4.8%, y-o-y.

According to data released by Eurostat, working day adjusted **industrial production in the EU27 in August 2020** decreasedby 6.2%, y-o-y. According to a preliminary release calendar, Eurostat will release data for September 2020 on 12 November 2020.

### Industry in the third quarter of 2020

Seasonally adjusted **industrial production1** in the Q3 2020 was by 22.6% higher when compared to the Q2 2020. In the year-on-year comparison it decreased by 3.9%.

**Sales from industrial activity at current prices2** decreased by 3.6%, y-o-y, in the Q3 2020. Direct export sales of industrial enterprises decreased at current prices by 2.4%. Domestic sales, which include also indirect export via non-industrial enterprises decreased at current prices by 5.1%.

The value of **new orders2** in surveyed industrial CZ-NACE activities decreased by 2.7%, y-o-y, in the Q3 2020. Non-domestic new orders decreased by 1.7%, while domestic new orders decreased by 5.1%.

The **average registered number of employees3** in industry decreased in the Q3 2020 by 4.1%, y-o-y. Their **average gross monthly nominal wage** increased in the Q3 2020 by 2.8%, y-o-y.

*Notes:*

1)The year-on-year development of industrial production is 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 that are adjusted for working days. September 2020 had the same number of working days as September 2019.

2)The year-on-year development of sales at current prices and the value of new orders are not adjusted.

3)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 does not include persons working under various contracts for work (an agreement on work performance and an agreement on work activity), 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>

*Next News Release will be published on: 8 December 2020*

Annexes:

Table 1 Industrial production (year-on-year indices – IPI, calendar days 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)