10 January 2020

Income of households continued to increase in real terms

Quarterly sector accounts – the third quarter of 2019

According to seasonally adjusted data, the total of monetary and non-monetary income of households increased in real terms by 1.6%, quarter-on-quarter (q-o-q). The real consumption per capita increased by 1.2%, q-o-q, and the saving rate increased by 0.5 percentage point (p. p.). The investment rate of non-financial corporations increased by 0.3 p. p. compared to the previous quarter.

Non-financial corporations: both profit rate and investment rate increased

The *profit rate* in the Q3 2019 was 46.4%, which is by 0.1 percentage point more, quarter-on quarter, and by 0.7 p. p.1 more, year-on-year. The total labour costs of non-financial corporations increased by 6.2%1, y-o-y. The *investment rate* increased by 0.3 p. p., q-o-q, and reached 28.0%. It decreased by 1.2 p. p.1, year-on-year.

Households: both real income and consumption of households increased

*The total of real monetary and non-monetary income of households per capita* increased in the Q3 2019 by 1.6%, q-o-q, and by 3.6%1 in the year-on-year comparison. The *household real consumption per capita* grew slower, q-o-q, namely by 1.2%. In the year-on-year comparison, the real consumption increased by 3.9%1.

The ***average monthly income from employment*** reached CZK 34 5321 in the Q3 and it increased in real terms by 1.2%, q-o-q; in the y-o-y comparison it was 3.5%1 up.

Resulting from the faster growth of household income compared to their expenditure was a higher ***saving rate*** compared to the previous quarter, i.e. 11.0%. The ***investment rate*** in the household sector increased by 0.1 p. p., q-o-q, and reached 8.8%.

**GDP estimate refinement**

According to the revision policy, annual national accounts for the year 2018 have been newly published; now they are fully in accordance with the notification version of the accounts for the general government sector from October 2019. The refinement had no influence on total growth rates of the GDP in the Q3 2019. The GDP increased by 0.4%, q-o-q; in the y-o-y comparison it grew by 2.5%. For the time series of the GDP resources and uses see: <https://www.czso.cz/csu/czso/hdp_ts>.

1 Seasonally non-adjusted piece of data.

All terms are in terms of national accounts; for explanations of terms written in **bold italics** see: <https://apl.czso.cz/nufile/Definitions.pdf>.

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Used data sources updated as at: 17 December 2019

Related CZSO website: <https://www.czso.cz/csu/czso/quarterly-national-accounts-gdp-resources-and-uses-and-gdp-preliminary-estimate>

Next Release will be published on: 31 March 2020 (Quarterly Sector Accounts for the fourth quarter of 2019)

*Data of quarterly sector accounts are seasonally adjusted unless otherwise stated.*

*The news releases of Eurostat on quarterly sector accounts are published later. The latest published information for the second quarter of 2019 is available at:*

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-04102019-BP,

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-04102019-CP,

https://ec.europa.eu/eurostat/web/products-press-releases/-/2-29102019-AP.

*Quarterly sector accounts data are published on the CZSO website in the tables of Transactions in Products and Distributive Transactions by Sector:* <http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa?mylang=EN&oblast=@RU>

*and Quarterly Non-financial Sector Accounts (Current and Capital Accounts):*

<http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa_mat?mylang=EN&oblast=@RU>