7 December 2021

Production decrease continued due to issues in car industry

Industry – October 2021

In October, industrial production decreased in real terms by 4.9%, year-on-year (y-o-y). In the month-on-month (m-o-m) comparison, it was by 0.9% higher. The value of new orders decreased by 2.0%, y-o-y.

**Industrial production1** in October 2021 was in real terms by 0.9% higher, m-o-m. In the year-on-year comparison, it decreased by 4.9%. 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 −6.8 percentage points (p. p.), decrease by 32.9%), manufacture of rubber and plastic products (contribution −0.7 p. p., decrease by 9.3%), and manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (contribution −0.5 p. p., decrease by 26.2%). Industrial production increased the most in electricity, gas, steam and air conditioning supply (contribution +1.0 p. p., growth by 10.4%), manufacture of machinery and equipment (contribution +0.45 p. p., growth by 6.1%), and manufacture of other transport equipment (contribution +0.37 p. p., growth by 22.2%).

*“October results of industry are similar to September ones, to a considerable extent. Production was increasing in most of industrial economic activities. However, issues with deliveries of components in car production started to also affect the related industries, for example, production of tyres,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, says.

**Sales from industrial activity at current prices1** decreased by 3.8%, y-o-y, in October 2021. Direct export sales of industrial enterprises decreased at current prices by 7.4%. Domestic sales, which also include indirect export via non-industrial enterprises, increased at current prices by 1.3%.

The value of **new orders1** in surveyed industrial CZ-NACE activities decreased by 2.0%, y-o-y, in October 2021. Non-domestic new orders decreased by 4.3%, whereas domestic new orders increased by 3.6%. *“The volume of newly contracted industrial orders was lower, year-on-year, for the second successive month. The dominant influence of car industry supported by a high comparison basis of last October was there, too,”* Veronika Doležalová, Head of Industrial Statistics Unit, adds. 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 −8.3 p. p., decrease by 20.0%), manufacture of computer, electronic and optical products (contribution −0.5 p. p., decrease by 5.0%), and manufacture of other transport equipment (contribution −0.1 p. p., decrease by 7.2%). New orders increased in manufacture of basic metals (contribution +1.8 p. p., growth by 34.0%), manufacture of chemicals and chemical products (contribution +1.5 p. p., growth by 35.6%), and manufacture of machinery and equipment (contribution +1.4 p. p., growth by 14.2%).

The **average registered number of employees2** in industry in October 2021 was on the same level as in October 2020. Their average gross monthly nominal wage increased by 2.8%, y-o-y, in October 2021.

According to data released by Eurostat, **industrial production in the EU27 in September 2021** increasedby 5.0%, y-o-y. Production of Irish and Belgian industry increased the most. Conversely, the biggest year-on-year decrease was recorded by Slovakia by 4.9%. Czech industry decreased by 4.0%, German by 1.1%. According to a preliminary release calendar, Eurostat will release data for October 2021 on 14 December 2021.

*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. October 2021 had one working day less compared to October 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).

*In accordance with the CZSO revision policy, concurrently with processing of data for October 2021, data for July through September 2021 have been revised.*

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

*End of data collection: 30 November 2021*

*Related outputs: time series* <https://www.czso.cz/csu/czso/pru_ts>

*Next News Release will be published on: 7 January 2022*

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)