31 July 2020

GDP decreased by 8.4%, q-o-q

GDP preliminary estimate – the second quarter of 2020

According to a preliminary estimate, the gross domestic product decreased in the Q2 2020 by 8.4%, quarter-on-quarter, and by 10.7%, year-on-year.

In the Q2 2020, the Czech economy was at a historical low. The gross domestic product (GDP) adjusted for price effects and seasonally adjusted[[1]](#footnote-1) decreased in the Q2 2020, according to the preliminary estimate, by 8.4% compared to the Q1 2020 and compared to the Q2 2019 it decreased by 10.7%.

The negative year-on-year GDP development was caused mainly by a marked decrease in external demand and by lower household consumption as well as investment activity. The gross value added (GVA) decreased in almost all economic activities of the national economy. A markedly negative influence on the GVA decrease came from industry and a group of economic activities of trade, transportation, and accommodation and food service activities.

Employment[[2]](#footnote-2) decreased in the Q2 2020, compared to the previous quarter, by 1.6%; when compared to the corresponding quarter of the previous year, it decreased by 2.1%.

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Used data sources updated as at: 28 July 2020

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

*Next News Release will be published on: 1 September 2020*

 *(GDP resources and uses for the Q2 2020)*

1. *All data presented in this News Release are adjusted for seasonal and calendar effects.*  [↑](#footnote-ref-1)
2. *In terms of national accounts.* [↑](#footnote-ref-2)