6 April 2020

Industrial production decreased only slightly in February

Industry – February 2020

In February, working day adjusted industrial production decreased in real terms (at constant prices) by 0.9%, year-on-year (y-o-y). Seasonally adjusted industrial production decreased by 0.3%, month-on-month (m-o-m). The value of new orders decreased by 3.1%, y-o-y.

**Industrial production1)** decreased in February 2020 in real terms (at constant prices) by 0.3%, m-o-m. In the year-on-year comparison, it decreased by 0.9%. The following economic activities contributed the most to the y-o-y change in industrial production: electricity, gas, steam and air conditioning supply (contribution −0.9 percentage point (p. p.), drop by 7.5%), manufacture of machinery and equipment (contribution −0.6 p. p., drop by 7.6%), and manufacture of fabricated metal products (contribution −0.3 p. p., drop by 2.8%). Industrial production increased in the following economic activities: manufacture of motor vehicles, trailers and semi-trailers (contribution +0.6 p. p., growth by 3.0%), manufacture of electrical equipment (contribution +0.34 p. p., growth by 4.7%), and manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials (contribution +0.27 p. p., growth by 16.0%).

**Sales from industrial activity at current prices2)** increased by 0.5%, y-o-y, in February 2020. Direct export sales of industrial enterprises decreased at current prices by 1.7%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 3.7%.

The value of **new orders2)** in surveyed industrial CZ-NACE activities decreased by 3.1%, y-o-y, in February 2020. Non-domestic new orders decreased by 5.5%, while domestic new orders increased by 2.8%. The y-o-y decrease of new orders in total was the most contributed to by the following CZ-NACE divisions: manufacture of basic metals (contribution −1.2 p. p., drop by 18.4%), manufacture of fabricated metal products (contribution −0.9 p. p., drop by 7.3%), and manufacture of computer, electronic and optical products (contribution −0.7 p. p., drop by 8.4%). New orders increased in manufacture of other transport equipment (contribution +0.7 p. p., growth by 41.6%), manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution +0.04 p. p., growth by 3.2%), and manufacture of motor vehicles, trailers and semi-trailers (contribution +0.02 p. p., growth by 0.04%).

The **average registered number of employees3)** in industry decreased in February 2020 by 2.4%, y-o-y. Their **average gross monthly nominal wage** increased in February 2020 by 6.8%, y-o-y.

According to the Eurostat news release, working day adjusted **industrial production in the EU27 in January 2020** decreasedby 1.5%, y-o-y. According to a preliminary release calendar, Eurostat will release data for February 2020 on 16 April 2020.

Results for February 2020 have been compiled in a standard way based on processing of a monthly report (“***Prům*** *1–12*” questionnaire) and using administrative data sources. We express our thanks to all enterprises, which provided us with data also in the current difficult situation and thus enabled the CZSO to process results in full extent.

*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.

**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 entire 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, 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).

In accordance with the CZSO revision policy, concurrently with processing of data for February 2020, data for January have been revised.

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

*End of data collection: 31 March 2020*

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

*Next News Release will be published on: 7 May 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)