7 October 2021

Industrial production was influenced by temporary shutdowns and holidays

Industry – August 2021

In August, industrial production decreased in real terms by 1.4%, year-on-year (y-o-y). In the month-on-month (m-o-m) comparison, it was by 3.2% lower. The value of new orders increased by 3.5%, y-o-y.

**Industrial production1** in August 2021 was in real terms by 3.2% lower, m-o-m. In the year-on-year comparison, it decreased by 1.4%. The following economic activities contributed the most to the y-o-y change of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution −5.1 percentage points (p. p.), decrease by 28.4%), electricity, gas, steam and air conditioning supply (contribution −0.7 p. p., decrease by 6.6%), 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 19.8%). Industrial production increased the most in manufacture of machinery and equipment (contribution +0.8 p. p., growth by 11.3%), manufacture of fabricated metal products (contribution +0.6 p. p., growth by 6.0%), and manufacture of electrical equipment (contribution +0.5 p. p., growth by 7.1%).

*“The decrease of industrial production in August was mainly influenced by unplanned extended holidays in the car industry and planned temporary shutdowns in the energy sector. Conversely, in most of industrial economic activities, production increased in the year-on-year comparison. In an accumulation of both the summer vacation months, industrial production increased by almost 3%, y-o-y,”* Veronika Doležalová, Head of Industrial Statistics Unit, says.

**Sales from industrial activity at current prices1** increased by 5.4%, y-o-y, in August 2021. Direct export sales of industrial enterprises increased at current prices by 4.4%. Domestic sales, which also include indirect export via non-industrial enterprises, increased at current prices by 6.5%.

The value of **new orders1** in surveyed industrial CZ-NACE activities increased by 3.5%, y-o-y, in August 2021. Non-domestic new orders increased by 3.2%, while domestic new orders increased by 4.3%. The year-on-year increase of new orders in total was contributed to by the following CZ-NACE divisions: manufacture of basic metals (contribution +2.2 p. p., growth by 41.3%), manufacture of fabricated metal products (contribution +2.0 p. p., growth by 16.0%), and manufacture of machinery and equipment (contribution +1.9 p. p., growth by 18.7%). New orders only decreased in manufacture of motor vehicles, trailers and semi-trailers (contribution −8.4 p. p., decrease by 20.4%).

*“New industrial orders grew especially owing to the price growth, not the volume itself. It is noticeable mainly in industries related to manufacture of metals. Orders in the car industry considerably fell. Also foreign demand for wearing apparel dropped,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, adds.

The **average registered number of employees2** in industry decreased by 0.2%, y-o-y, in August 2021. Their average gross monthly nominal wage increased by 6.9%, y-o-y, in August 2021.

According to data released by Eurostat, **industrial production in the EU27 in July 2021** increasedby 8.3%, y-o-y. Czech industrial production increased by 6.8%. The highest year-on-year growth was reported by Belgium and Ireland; German industry increased by 6.2%. On the other hand, industrial production in Portugal dropped by 0.1%, year-on-year. According to a preliminary release calendar, Eurostat will release data for August 2021 on 13 October 2021.

*Notes:*

**1** The year-on-year development of all indicators 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. August 2021 had one working day more than August 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 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 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).

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

*End of data collection: 30 September 2021*

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

*Next News Release will be published on: 8 November 2021*

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)