7 July 2021

Industry slowed down in May

Industry – May 2021

In May, industrial production increased in real terms by 25.3%, year-on-year (y-o-y). In the month-on-month (m-o-m) comparison, it was by 3.6% lower. The value of new orders increased by 46.5%, y-o-y.

**Industrial production1** in May 2021 was in real terms by 3.6% lower, m-o-m. In the year-on-year comparison, it increased by 25.3%. The following economic activities contributed the most to the y-o-y increase of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +8.5 percentage points (p. p.), growth by 59.5%), manufacture of rubber and plastic products (contribution +3.3 p. p., growth by 54.7%), and manufacture of fabricated metal products (contribution +3.1 p. p., growth by 29.1%). Industrial production decreased in electricity, gas, steam and air conditioning supply (contribution −0.2 p. p., decrease by 2.2%), manufacture of computer, electronic and optical products (contribution −0.1 p. p., decrease by 2.0%), and manufacture of beverages (contribution −0.04 p. p., decrease by 2.0%).

*“May industrial results were still influenced by last year’s large shutdowns. Industrial production increased in May by a fourth, y-o-y. Virtually all economic activities of manufacturing increased. The volume of new orders in industry increased by almost a half, year-on-year,”* Veronika Doležalová, Head of Industrial Statistics Unit, says.

*“Domestic producers are not short of orders; however, lack of components and raw materials starts to hinder further industrial growth. Industrial production between April and May decreased. It was substantially contributed to by the automotive industry, in which components are missing the most,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department, adds.

**Sales from industrial activity at current prices1** increased by 31.2%, y-o-y, in May 2021. Direct export sales of industrial enterprises increased at current prices by 35.3%. Domestic sales, which also include indirect export via non-industrial enterprises, increased at current prices by 26.2%.

The value of **new orders1** in surveyed industrial CZ-NACE activities increased by 46.5%, y-o-y, in May 2021. Non-domestic new orders increased by 49.9%, while domestic new orders increased by 39.6%. The year-on-year increase of new orders in total was contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution +26.5 p. p., increase by 79.6%), manufacture of basic metals (contribution +4.8 p. p., growth by 89.1%), and manufacture of fabricated metal products (contribution +4.6 p. p., growth by 36.3%). New orders decreased only in manufacture of computer, electronic and optical products (contribution −0.6 p. p., decrease by 5.5%).

The **average registered number of employees2** in industry decreased by 1.4%, y-o-y, in May 2021. Their average gross monthly nominal wage increased by 12.0%, y-o-y, in May 2021. The average wage growth was influenced by a low comparison basis and pay-outs of bonuses.

According to data released by Eurostat, **industrial production in the EU27 in April 2021** increasedby 38.7%, y-o-y. Czech industrial production increased by 55.1%. The biggest year-on-year increase was reported by Italy and Slovakia; German industry increased by 33.0%. According to a preliminary release calendar, Eurostat will release data for May 2021 on 14 July 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. May 2021 had two working days more than May 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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*Related outputs: time series* <https://www.czso.cz/csu/czso/pru_ts>

*Next News Release will be published on: 6 August 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)