31 March 2022

Household consumption expenditure per capita increased by 5.1% in 2021

Quarterly sector accounts – the fourth quarter of 2021

The total of monetary and non-monetary income of households increased in real terms by 3.9% in 2021. The real consumption per capita increased by 5.1%, year-on-year (y-o-y). The saving rate decreased by 1.1 percentage point (p. p.) to 20.1% compared to 2020. Profit belonging to foreign owners of corporations (profit from foreign investment) reached 6.1% of GDP in 2021.

Non-financial corporations: the profit rate decreased in the fourth quarter

The *profit rate* in the Q4 2021 was 43.9%, which is by 0.7 percentage point (p. p.) less, quarter-on-quarter, and by 2.7 p. p.1 less, year-on-year. The total labour costs of non-financial corporations increased by 7.2%1, y-o-y. The *investment rate* increased by 0.4 p. p., q-o-q, and reached 26.7%. It slightly decreased by 0.1 p. p.1, year-on-year.

Households: consumption decreased in real terms by 2.6% in the fourth quarter

*The total of real monetary and non-monetary income of households per capita* increased in the Q4 2021 by 1.5%, q-o-q, and in the year-on-year comparison it increased by 0.1%1. *Household real consumption per capita* decreased by 2.6%, q-o-q. It increased by 6.6%1 in the year-on-year comparison.

The ***average monthly income from employment*** reached CZK 41 5191 in the Q4 2021. It decreased in real terms by 0.2%, q-o-q; in the y-o-y comparison, it decreased by 1.3%.

Resulting from the quarter-on-quarter decrease of household expenditure and from the increase of their total income was a higher ***saving rate***, namely 18.4%. In the quarter-on-quarter comparison, the household saving rate was by 1.9 p. p. higher; in the y-o-y comparison, it decreased by 6.4 p. p.1. The ***investment rate*** in the household sector increased by 0.3 p. p., quarter-on-quarter, and reached 10%. The investment rate of households increased by 1.0 p. p.1, year-on-year.

Non-financial corporations in 2021: investment rate decreased by 1.4 p. p.

The ***profit rate*** in 2021 reached 45.4%, which was by 0.5 p. p.1 more, y-o-y. The profit rate in the Czech Republic remained above the European Union’s average, which is approximately 40%. Also in nominal terms, profits increased, y-o-y, despite an increase of labour costs, which increased by 6.8%1, year-on-year. The ***investment rate*** decreased by 1.4 p. p.1 compared to that of 2020 and reached 26.5%.

The ***profit rate*** and the ***investment rate*** of non-financial corporations (%)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Q1 | Q2 | Q3 | **Q4** | **Year 2021** |
| Profit rate | 46.9 | 46.1 | 44.6 | **43.9** | **45.4** |
| Investment rate | 26.4 | 26.6 | 26.3 | **26.7** | **26.5** |

Households in 2021: real income increased by 3.9%

The *household real income per capita* increased by 3.9% compared to that of 2020. The *household real consumption per capita* increased by 5.1%.

***Household real income and expenditure***, y-o-y change (%)1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Q1 | Q2 | Q3 | **Q4** | **Year 2021** |
| Real income | 5.1 | 7.3 | 3.9 | **0.1** | **3.9** |
| Real consumption (expenditure) | -3.0 | 9.7 | 6.9 | **6.6** | **5.1** |

The ***average monthly income from employment*** reached CZK 38 515**1** in 2021 and increased by 2.7%, in real terms, compared to 2020.

The ***saving rate*** reached 20.1% in 2021 and was by 1.1 p. p.1 lower than in 2020. The ***investment rate*** in the household sector reached 9.8% in 2021 and thus it increased by 0.7 p. p.1

**Relationship to the rest of the world in 2021: profit from foreign investment reached CZK 372 billion**

***The profit from foreign investment*** reached 6.1% of GDP. Foreign owners distributed CZK 204 billion in the form of dividends; almost CZK 168 billion were reinvested. This development reflects high profitability of foreign direct investment in the Czech Republic.

On the contrary, the outflow of income from profit was partially compensated by an inflow of income from abroad, especially by income from employment and by subsidies. A balance of primary income from abroad was by CZK 53 billion worse, y-o-y, and reached CZK −237 billion.

The **gross national income** increased in real terms by 2.8% in 2021.

The **gross disposable income** for the whole economy increased in real terms by 2.8% in 2021.

**GDP estimate refinement**

New data for the general government sector were also included in the sector accounts for the fourth quarter of 2021, which resulted in the refinement of the gross domestic product (GDP) growth rate estimate. The GDP increased by 3.6% in the year-on-year comparison and by 0.8%, quarter-on-quarter, in the fourth quarter of 2021. The GDP in 2021 increased by 3.3%. For the time series of GDP resources and uses see: <https://www.czso.cz/csu/czso/hdp_ts>.

1 seasonally non-adjusted piece of data

All terms are in terms of national accounts; for explanations of terms written in **bold italics** see: <https://apl.czso.cz/nufile/Definitions.pdf>.

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Used data sources updated as at: 24 March 2022

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

Next News Release will be published on: 30 June 2022 (Quarterly Sector Accounts for the first quarter of 2022)

*Data of quarterly sector accounts are seasonally adjusted unless otherwise stated.*

*The news releases of Eurostat on quarterly sector accounts are published later. The latest published information for the third quarter of 2021 is available at:*

https://ec.europa.eu/eurostat/web/products-euro-indicators/-/2-27012022-AP,

https://ec.europa.eu/eurostat/web/products-euro-indicators/-/2-11012022-AP.

*Quarterly sector accounts data are published on the CZSO website in the tables of Transactions in Products and Distributive Transactions by Sector:* <http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa?mylang=EN&oblast=@RU>

*and Quarterly Non-financial Sector Accounts (Current and Capital Accounts):*

<http://apl.czso.cz/pll/rocenka/rocenkavyber.kvart_qsa_mat?mylang=EN&oblast=@RU>