7 July 2023

Industrial production slightly increased; orders fell again

Industry – May 2023

Industrial production increased in real terms by 1.4%, year-on-year (y-o-y), in May. In the month-on-month (m-o-m) comparison, it was by 1.6% higher. The value of new orders decreased by 4.4%, y-o-y.

**Industrial production** in May 2023 was in real terms by 1.6% higher, m-o-m. In the year-on-year comparison, it increased by 1.4%. *“The slight growth of industrial production was the most contributed to by manufacture of motor vehicles, in which production also increased in the month-on-month comparison. Both car production and production of their components increased. Planned shutdowns and lower production of coal power plants affected the decline in electricity, gas, steam and air conditioning supply,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department of the Czech Statistical Office (CZSO), says. As in previous months, production decreased, year-on-year, in majority of economic activities of industry. The production in mining and quarrying decreased by a fifth, compared to May 2022, namely due to lower brown coal mining (production). A double-digit decline in production, year-on-year, was also recorded in manufacture of other non-metallic mineral products, chemical industry, and manufacture of basic metals. Contrarily, manufacture of other transport equipment reported a substantial increase in May thanks to completion of long-term orders.

The value of **new orders** at current prices in surveyed industrial CZ-NACE activities decreased by 4.4%, y-o-y, in May 2023. Non-domestic new orders decreased by 4.7%, y-o-y. Domestic new orders dropped by 3.9%. *“The value of new orders in industry stagnated, month-on-month. However, the 4% y-o-y decrease is the highest since summer 2020. It was influenced the most by a double-digit decrease in the value of new orders in manufacture of basic metals and in chemical industry,”* Veronika Doležalová, Head of Industrial Statistics Unit of the CZSO, says. The value of new orders slightly increased, year-on-year, in manufacture of motor vehicles, trailers and semi-trailers. Orders have been increasing in recent months in manufacture of wearing apparel and in manufacture of basic pharmaceutical products and pharmaceutical preparations.

The **average registered number of employees** in industry decreased by 1.7%, y-o-y, in May 2023. The average gross monthly nominal wage of those employees increased by 11.1%, y-o-y, in May 2023.

According to data released by Eurostat, industrial production in the EU27 increased by 0.1%, year-on-year, in April 2023. The biggest y-o-y increase was recorded by Irish industry (by 22.5%) and by Maltese industry (by 14.3%). Czech industry increased by 1.2%, performance of German industry increased by 1.3%. On the other hand, the highest decrease occurred in Estonian industry (by 15.1%). Slovak industry dropped by 2.0%.

Notes:

May 2023 had one working day less compared to May 2022.

The year-on-year development of all indicators is published after having been adjusted for the influence of the number of working days. Month-on-month or quarter-on-quarter rates have also been seasonally adjusted. Contributions to an increase or to a decrease have been calculated from data that had been adjusted for working days.

Methodology: <https://www.czso.cz/csu/czso/pru_m>

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

*End of data collection: 28 June 2023*

*Related outputs: time series in the* [*Public database, the Industry chapter*](https://vdb.czso.cz/vdbvo2/faces/en/index.jsf?page=statistiky&katalog=30835)

*international comparison in EU countries:* [*Eurostat*](https://ec.europa.eu/eurostat/web/short-term-business-statistics/publications)

*Next News Release will be published on: 7 August 2023*

Annexes:

Table 1 Industrial production (year-on-year indices)

Table 2 New orders in industry (year-on-year indices)

Chart 1 Industrial production index (base indices)

Chart 2 Industrial production index (year-on-year indices)

Chart 3 Industrial production index – international comparison (base indices)

Chart 4 Industrial production index – contributions of economic activities to the y-o-y change

Chart 5 New orders in industry – contributions of economic activities to the y-o-y change