9 October 2023

Industrial production decrease continued

Industry – August 2023

Industrial production decreased in real terms by 1.7%, year-on-year (y-o-y), in August. In the month-on-month (m-o-m) comparison, it was by 0.2% higher. The value of new orders decreased by 4.2%, y-o-y.

**Industrial production** in August 2023 was in real terms by 0.2% higher, m-o-m. In the year-on-year comparison, it decreased by 1.7%. *“August results of industry were very similar to those in July. Most of economic activities of industry recorded a year-on-year decrease. The decrease in industrial production was the most contributed to by electricity, gas, steam and air conditioning supply, in which mainly a higher comparison basis of the previous year was reflected, and by manufacture of other non-metallic mineral products, especially manufacture of building materials and glass,”* Radek Matějka, Director of the Agricultural and Forestry, Industrial, Construction, and Energy Statistics Department of the Czech Statistical Office (CZSO), says. A double-digit decrease in production continued in manufacture of basic metals. Manufacture of motor vehicles, trailers and semi-trailers (in which production of both manufacture of motor vehicles and manufacture of parts and accessories for motor vehicles increased, y-o-y), contributed the most to the growth. In manufacture of other transport equipment, completion of big long-term orders for rail vehicles was again reflected.

The value of **new orders** at current prices in surveyed industrial CZ-NACE activities decreased by 4.2%, y-o-y, in August 2023. Non-domestic new orders decreased by 3.4%, y-o-y; domestic new orders dropped by 5.5%. *“In the year-on-year comparison, the value of new orders is already decreasing for the fourth month in a row. This was the most contributed to by manufacture of basic metals and manufacture of chemicals and chemical products. In August, compared to the previous year, the value of new orders decreased in both the aforementioned economic activities by almost a fifth,”* Veronika Doležalová, Head of the Industrial Statistics Unit of the CZSO, says. On the other hand, new orders increased in manufacture of other transport equipment, manufacture of basic pharmaceutical products and pharmaceutical preparations, and in manufacture of electrical equipment. In manufacture of motor vehicles, the value of new orders was virtually at the same level as last year.

The **average registered number of employees** in industry decreased by 2.0%, y-o-y, in August 2023; their average gross monthly nominal wage increased by 9.0%, y-o-y.

According to data released by Eurostat, industrial production in the EU27 decreased by 2.4%, year-on-year, in July 2023. The biggest y-o-y decrease was recorded by Bulgaria (by 11.5%) and Estonia (by 9.5%). Czech industry decreased by 2.8%, performance of German industry decreased by 2.5%. On the other hand, the following increased the most: Danish industry (by 5.7%) and French industry (by 2.8%).

Notes:

August 2023 had the same number of working days as August 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 (the number of) 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: 2 October 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: 6 November 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