8 November 2023

Year-on-year sales decrease in services continued

Services – the third quarter of 2023

**In the Q3 2023, sales for services decreased by 1.2%, quarter-on-quarter (q-o-q), and by 5.2%, year‑on-year (y-o-y). The biggest y-o-y decrease was recorded by the CZ-NACE section of transportation and storage.**

**Quarter-on-quarter, seasonally adjusted** sales **in services1)** **decreased in real terms by 1.2%** in the Q3. A sales increase was only recorded in the sections of accommodation and food service activities and in professional, scientific and technical activities.

**In the year-on-year comparison,** sales **adjusted for calendar effects decreased by 5.2%.** A sales decrease was reported by all economic activities of services except for accommodation and food service activities and professional, scientific and technical activities.

*“Sales in services were decreasing for the third quarter in a row and the decrease has gradually deepened. It was the most contributed to by the CZ-NACE section of transportation and storage.”* Tomáš Harák, Head of the Services, Trade, and Environmental Statistics Data Support Unit of the Czech Statistical Office (CZSO), says.

Development in individual industries of services (CZ-NACE sections) was as follows:

* **In** **transportation and storage**,sales decreased by 12.9%. The biggest sales decrease was recorded by warehousing and support activities for transportation (by 17.4%) and in land transport and transport via pipelines (by 11.1%). Sales also decreased in water transport (by 6.8%), postal and courier activities (by 6.4%), and air transport (by 1.9%).
* **In** **accommodation and food service activities**, sales increased by 2.5%. In food and beverage service activities sales increased more (by 3.0%) than in accommodation (by 1.2%).
* **In** **information and communication**,sales decreased by 4.1%. A double-digit sales decrease (by 13.5%) was recorded by information service activities, which include, for example, data processing, hosting and related activities; web portals. A sales decrease was also reported by computer programming, consultancy and related activities (by 5.2%), publishing activities (by 4.4%), music and motion picture activities (by 2.9%), and telecommunications (by 1.4%). On the other hand, higher sales, year-on-year, were reported by programming and broadcasting activities (by 14.8%).
* **In** **real estate activities**, sales decreased by 2.5%, year-on-year.

**In** **professional, scientific and technical activities2)**sales increased by 0.5%. The highest sales increase (by 6.1%) was recorded in advertising and market research. Architectural and engineering activities; technical testing and analysis increased by 2.5%, activities of head offices; management consultancy activities increased by 2.1%. On the other hand, a sales decrease was reported by legal and accounting activities (by 1.3%). Other professional, scientific and technical activities, which include, for example, business brokerage activities, translation and photographic activities, or activities of quantity surveyors decreased by 6.2%.

* **In** **administrative and support service activities**,sales decreased by 1.8%, y-o-y. The biggest decrease of sales occurred in employment activities (by 15.5%) and in services to buildings and landscape activities (by 8.0%). Office administrative, office support and other business support activities decreased by 6.3% and security and investigation activities by 3.2%. Sales in rental and leasing activities decreased by 2.0%. On the other hand, an increase of sales (by 9.3%) was reported by travel agency, tour operator and other reservation service and related activities.

Notes:

All data in the text of the news release are presented at constant prices. The year-on-year development is published after having been adjusted for an influence of the number of working days. Quarter-on-quarter rates have also been seasonally adjusted.

Enterprises are classified to the economic activity according to their principal (prevailing) activity, i.e. such an activity, from which the enterprise gets the highest value added.

Data for the Q3 2023 are preliminary; final data for individual quarters of 2023 will be released in March 2024.

Methodology: <https://www.czso.cz/csu/czso/2-slu_m2013>

We point out that since the way estimates for a non-surveyed part of the sample are made has changed, previously released data may be revised more.

1) For the purposes of the news release, services include the following CZ-NACE sections: Transportation and storage (H), Accommodation and food service activities (I), Information and communication (J), Real estate activities (L), Professional, scientific and technical activities – excluding Scientific research and development and Veterinary activities (M excluding 72 and 75), and Administrative and support service activities (N).
2) For the purposes of the news release, section M – Professional, scientific and technical activities does not include CZ-NACE 72 – Scientific research and development and CZ-NACE 75 – Veterinary activities.

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#### *Method of data acquisition: direct survey of the CZSO (*SP 1-12*)*

#### *End of data collection: 27 October 2023*

#### *End of data processing: 1 November 2023*

*Related outputs: time series in the Public database:*

[*Statistics VDB*](https://vdb.czso.cz/vdbvo2/faces/en/index.jsf?page=statistiky#katalog=31030)

The next news release will be published on: 8 February 2024

Annexes:

Table 1 Sales in services (year-on-year indices, adjusted for calendar effects, constant prices)

Chart 1 Sales in services (base indices, constant prices)

Chart 2 Sales in services (year-on-year indices, constant prices)

Chart 3 Sales in services – international comparison (base indices, seasonally adjusted, current prices)

Chart 4 Sales in services – contributions of selected industries (CZ-NACE sections) to the year-on-year change (adjusted for calendar effects, constant prices)