7 October 2016

August increase of industrial production balanced the drop from July

Industry – August 2016

In August 2016, industrial production increased at constant prices by 13.1%, year-on-year (y-o-y). Working days adjusted industrial production increased by 7.7%. Seasonally adjusted industrial production was higher by 12.1%, month-on-month (m-o-m). The value of new orders increased by 18.7%, y-o-y.

July and August data were significantly influenced by a different number of working days, distribution of public holidays within a working week, and movement of company holidays within both the holiday months. July plus August 2016 in total had one working day less than both the months in 2015. Working days adjusted industrial production in cumulation for July and August 2016 reached the level of 2015 while dropping by 0.2%. Non-adjusted industrial production decreased by 1.3%, y-o-y.

In August 2016, **industrial production** increased at constant prices by 13.1%, y-o-y. Working days adjusted industrial production increased by 7.7%. There were 2 working days more in August 2016 than in August 2015. Seasonally (as well as working days) adjusted industrial production was by 12.1% higher, m-o-m. The following contributed the most to the y-o-y increase of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +8.0 p.p., growth by 53.1%), manufacture of rubber and plastic products (contribution +1.2 p.p., growth by 17.1%), and manufacture of fabricated metal products (contribution +1.0 p.p., growth by 10.6%). Industrial production decreased in electricity, gas, steam and air conditioning supply (contribution -0.8 p.p., drop by 7.2%), manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution -0.2 p.p., drop by 15.9%), and mining and quarrying (contribution -0.2 p.p., drop by 4.6%).

**Sales from industrial activity at current prices** increased by 14.9%, y-o-y, in August 2016. Direct export sales of industrial enterprises increased at current prices by 19.6%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 9.1%.

The value of **new orders** in selected industrial CZ-NACE activities increased by 18.7%, y-o-y, in August 2016. Non-domestic new orders increased by 20.0%, while domestic new orders increased by 16.1%. The y-o-y increase of new orders in total was the most contributed to by the following CZ-NACE divisions: manufacture of motor vehicles, trailers and semi-trailers (contribution +14.7 p.p., growth by 39.7%), manufacture of computer, electronic and optical products (contribution +1.8 p.p., growth by 21.7%), and manufacture of fabricated metal products (contribution +1.3 p.p., growth by 10.1%). New orders decreased in manufacture of chemicals and chemical products (contribution -0.3 p.p., drop by 4.9%), manufacture of basic metals (contribution -0.3 p.p., drop by 4.4%), and manufacture of basic pharmaceutical products and pharmaceutical preparations (contribution -0.04 p.p., drop by 3.5%).

The **average registered number of employees\*)** in industrial enterprises with 50+ employees increased in August 2016 by 2.6%, y-o-y. Their **average gross monthly nominal wage** increased in August 2016 by 6.9%, y-o-y, and reached CZK 28 531.

According to the Eurostat news release, working days adjusted **industrial production in the EU28 in July 2016** decreasedby 0.1%, y-o-y. According to a preliminary time schedule, data for August 2016 will be released by Eurostat on 12 October 2016 at 11:00 a.m.

*Notes:*

*\*) The registered number of employees indicator does not include persons working under various contracts for work, working owners of enterprises, and cooperating household members, who do not have contracts of employment. Data on the registered number of employees in industry also exclude agency workers, who have contracts of employment within activities of services (CZ-NACE 78.2).*

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*End of data collection: 3 October 2016*

*Related outputs: time series* <https://www.czso.cz/csu/czso/pru_ts>

*Next News Release will be published on: 8 November 2016*

Annexes:

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

Table 2 Sales and new orders in industry (year-on-year indices)

Graph 1 Industrial production (changes on the base year)

Graph 2 Industrial production (year-on-year changes)

Graph 3 Industrial production index – international comparison