8 November 2017

Growth of sales in services decelerated

Services – the third quarter of 2017

**In the Q3 2017, seasonally adjusted sales in services decreased at constant prices by 0.2%, quarter-on-quarter (q-o-q). Sales adjusted for calendar effects increased at constant prices by 3.1%, year‑on-year (y-o-y); non-adjusted sales increased by 2.5%, y‑o‑y.**

In the Q3 2017, **seasonally adjusted sales in services[[1]](#footnote-1)1)** decreased **at constant prices by 0.2%**, **quarter-on-quarter (q-o-q)**. A q-o-q growth was recorded only by the sections of transportation and storage and of information and communication.

**Year-on-year,** sales **adjusted for calendar effects** increasedby 3.1%. There was 1 working day less in the Q3 2017 than in the corresponding period of the previous year. A drop was recorded only by the section of real estate activities.

**Non-adjusted** sales increased by 2.5%, **year-on-year**. Development in individual industries of services (CZ-NACE sections) was as follows:

* sales **in** **transportation and storage** increased by 2.7%. The growth was achieved mainly owing to the development in warehousing and support activities for transportation, in which sales increased by 6.0%. In the following sales also increased: air transport by 7.5%, water transport by 3.2%, and land transport and transport via pipelines by 0.3%, which is the most important as for the volume of sales. On the contrary, sales for postal and courier activities dropped by 2.9%;
* sales **in** **accommodation and food service activities** increased by 4.4%. Development in both the accommodation (+5.6%) and in the food and beverage service activities (+3.7%) contributed to an overall sales growth;
* sales **in** **information and communication** increased by 3.3%. Sales in information service activities, which include, for example, data processing, web portals, and hosting increased by 8.5%. A sales increase was recorded also by computer programming, consultancy and related activities (+5.6%), which include, for example, computer programming activities, computer consultancy activities, and computer facilities management activities. Sales increased also in publishing activities (+3.0%) and telecommunications (+2.7%). On the contrary, a decrease in sales was reported by the so-called music and motion picture activities (-19.3%) and programming and broadcasting activities (-3.3%);

* sales **in** **real estate activities** stagnated, y-o-y. A growth of sales was reported by real estate activities on a fee or contract basis (+3.9%); however, in (the more important as for their volume) buying and selling of own real estate and renting and operating of own or leased real estate sales decreased (-1.3%);
* sales **in** **professional, scientific and technical activities[[2]](#footnote-2)2)**stagnated. The most marked growth was in legal and accounting activities (+5.8%), in which sales have been growing y-o-y already since the Q2 2015. Higher sales were recorded also by other professional, scientific and technical activities (+5.7%), which include, for example, translation services and photographic services, but also business brokerage activities or activities of quantity surveyors. In this section, increasing was also: activities of head offices; management consultancy activities (growth by 2.1%). On the contrary, sales decreased in two most important groups of activities as for their volume, namely: architectural and engineering activities (-4.6%) and advertising and market research (-1.1%);
* sales **in** **administrative and support service activities[[3]](#footnote-3)3)**increased by 4.7%. The most successful were travel agency, tour operator reservation service and related activities (growth by 10.1%), which were growing with a two-digit growth rate already for the third quarter. In employment activities there was a deceleration of growth to 6.0% (in the Q2 there was a growth by 16.1%). Higher sales, y-o-y, were also in office administrative, office support and other business support activities (+3.9%) and in rental and leasing activities (+3.3%). On the contrary, a decrease was in services to buildings and landscape activities (-1.2%) and security and investigation activities (-1.8%).

Notes:

All data in the text of the News Release are at constant prices.

Data for the Q3 2017 are preliminary; final data for individual quarters of 2017 will be available in June 2018.

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

#### *End of data collection: 27 October 2017*

#### *End of data processing: 1 November 2017*

*Related outputs: Base indices since 2000 and y-o-y indices since 2001 are available in time series (excluding section J, which is available since 2005 or rather 2006).*

*(*[*https://www.czso.cz/csu/czso/slu\_ts*](https://www.czso.cz/csu/czso/slu_ts)*)*

Next News Release will be published on: 8 February 2018

Annexes:

Table 1 Sales in services (year-on-year indices)

Table 2 Sales in services (year-on-year changes, decomposition of increase - year-on-year)

Table 3 Sales in services (year-on-year indices, adjusted for calendar effects)

Chart Sales in services – base indices, constant prices

Chart Sales in services – international comparison, seasonally adjusted, current prices

1. 1) *For the purpose 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 – without Scientific research and development and Veterinary activities (M without 72 and 75), Administrative and support service activities without Landscape service activities (N without 81.3).*  [↑](#footnote-ref-1)
2. 2) *For the purpose 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.* [↑](#footnote-ref-2)
3. 3) *For the purpose of the News Release, section N – Administrative and support service activities does not include CZ-NACE 81.3 – Landscape service activities.* [↑](#footnote-ref-3)