

ECONOMIC NEWS SUMMARY DECEMBER 6 – DECEMBER 12

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ECONOMY & FINANCE

CTK MUNICIPALITIES' BUDGETS TO SHOW LOWER SURPLUS IN 2018 – 6.12.

Czech municipalities' budgets are estimated to run a surplus of CZK17.7bn this year, against CZK21.4bn last year, and 2019 will see another fall to CZK14.4bn, Finance Minister Alena Schillerova said at a conference on municipalities' financing today.

There are about 6,250 municipalities in Czechia.

The aggregate revenues will rise by 12.5% to CZK331bn and expenditures by 14.8% to CZK313.3bn this year, growing to CZK337.8bn and CZK323.4bn, respectively, next year, according to a Finance Ministry estimate.

Tax revenues of municipalities should add 12.3% to CZK231.7bn in 2018 and rise to CZK246.3bn in 2019. Tax revenues make up about 70% of their total revenues figure.

Schillerova said she did not expect the municipalities' share in tax distribution to go up. Shared taxes include VAT, corporate and individual income, gambling and immovable property taxes whose revenues flow to the state, municipalities' and regions' budgets. Regions get 8.92% and municipalities 23.58% of gross collection of corporate income tax, withholding tax on individual income and VAT. The latter's share in VAT revenues grew this year from the previous 21.4 percent.

The Finance Ministry said earlier that budgets of municipalities posted a surplus of CZK18.4bn for Q1-Q3, an annual drop of CZK13.3bn, with revenues at CZK239.9bn, up by CZK24bn yr/yr, and expenditures at CZK221.5bn, rising by CZK37.3bn in annual terms.

GIA CRIF: 57 COMPANIES DECLARE BANKRUPTCY IN NOVEMBER – 6.12.

In November 2018, 57 commercial companies, 486 natural entities-entrepreneurs and 1,108 persons declared bankruptcy. At the same time, 101 proposals for bankruptcy of a commercial company, 505 proposals for bankruptcy of a natural entity-entrepreneur and 1,243 proposals for personal bankruptcy were submitted. These figures stem from an analysis conducted by CRIF - Czech Credit Bureau. Over the past 12 months, 647 companies (-18% year-on-year) and 5,525 natural entities-entrepreneurs.

CTK CNB'S FOREX RESERVES GROW TO EUR124.440BN IN NOV – 7.12.

The Czech National Bank's (CNB) foreign currency reserves reached EUR124.440bn in November, growing by from October's revised EUR124.353bn, according to data the central bank published today.

In year-on-year comparison, they grew by EUR1.5bn.

The central bank's reserves in Czech crowns and dollars increased in month-on-month terms. In annual comparison, reserves in US dollars decreased while reserves in crowns rose.

CNB's forex reserves (updated data)

As of	USD bn	CZKbn	EUR bn
Nov 30, 2018	141.362	3,229.839	124.440
Oct 31, 2018	140.740	3,223.239	124.353
Nov 30, 2017	145.626	3,133.718	122.915

CTK CPI GROUP SELLS BONDS WORTH CZK2.22BN ON JAPANESE MARKET – 11.12.

The CPI Property Group (CPI) controlled by Czech billionaire Radovan Vitek has sold bonds worth JPY11bn, which is about CZK2.22bn, on the Japanese capital market in two bond issues, the dailies E15 and Hospodarske noviny (HN) said today.

The bonds will be traded on the Tokyo Pro-Bond market.

Technically-speaking, the issue will take place next week, E15 said.

"The transaction is a historical milestone not only for our group but for the Japanese bond markets as well," HN quoted CPI head Martin Nemecek.

CPI has become the first European real estate company to complete a public offering of bonds in Japan, Nemecek added.

The money raised through the bond subscription will be converted to euros and used for partial repayment of bank loans.

Japan ranks among the countries with the lowest interest rates.

CPI offered a ten-year maturity bond to the Japanese with an interest of 1.995% per annum.

For the same period, the Czech state borrows in crowns at an interest of more than 2% a year, E15 said.

CPI will pay 1.414% a year to investors on a three-year bond.

CPI Property Group focuses on long-term investment and property lease in Central and Eastern Europe. The group manages assets of EUR8bn (over CZK200bn).

The group, based in Luxembourg, is traded on the Frankfurt Stock Exchange. It has 418 property items in its portfolio. Last year, its net profit was CZK16.9bn, which was about 40% more in annual terms.

CTK FINANCE MINISTRY, CNB RECOMMEND NO EURO ADOPTION DATE FOR NOW, GOVT AGREES – 12.12.

The Finance Ministry and the Czech National Bank (CNB) recommended again that the cabinet should not set any euro adoption dates for the time being, and the government approved their report at its meeting today, Finance Minister Alena Schillerova said on Twitter.

The material assessing the fulfilment of the Maastricht convergence criteria and a degree of economic alignment of the CR with the euro area has been discussed by the cabinet every year.

The government of Andrej Babis said in its policy statement it would not be seeking joining the euro.

"We definitely do not want to run a risk that savings of our citizens will depreciate significantly," Schillerova said.

"In addition, the rules in the euro zone notably changed recently and it is hard to say what the CR's commitments would be once it entered the area," she added.

The CR pledged to take steps to get ready for joining the euro area as soon as possible. Setting the date falls within the powers of an EU member state and depends on a degree of its preparedness.

Failure to meet the convergence criteria has no direct consequences for the CR, the exception being the criterion of public finance sustainability.

In the report, the ministry and the central bank said the country was better prepared for adopting the single currency compared to previous years although some problems still persisted. They see as the main obstacle the process of real economic convergence, that is the country's approaching the EU level, which remains unfinished.

Convergence has been restored in recent years, however, there is a big difference (between Czechia and euro area) in some key indicators such as the price and the wage level or the structure of the economy, the ministry said.

Given the ageing population, the problem of long-term public finance sustainability also needs to be resolved, it said.

Another problem is non-alignment of the Czech and euro zone financial cycles.

The report said, however, that Czechia will most likely meet all the criteria this year, except the exchange rate criterion. The price stability and long-term interest rates criteria have been fulfilled. Last year it had a higher inflation rate but this year it should meet the inflation criterion.

There has been no problem with the public debt criterion. Public debt cannot exceed 60% of GDP in line with the EU requirements. According to a Finance Ministry estimate, public debt will fall to 30% of GDP this year.

When it comes to the public finance sustainability criterion, the CR will fulfil it this year. Public finance surplus will reach 1.6% of GDP this year, with the ratio to go down to 0.8% in 2020. Last year saw a public finance surplus at 1.5% of GDP, which was one of the best figures in the EU. The Union requires that public finance deficit stay below 3% of GDP.

Fulfilment of the exchange rate stability criterion can be assessed after the Czech currency joins the ERM-II mechanism and the central parity of the crown and the euro is set. A country must participate in the mechanism without severe tensions for at least two years before it can qualify to adopt the euro.

Opinion polls show that Czechs are against adopting the single currency. In an April poll of CVVM agency, a fifth of the population was in favour of euro adoption, while 73% rejected it.

AGRICULTURE & ENVIRONMENT

MMR TO PROVIDE CZK500M FOR BROWNFIELD REGENERATION – 6.12.

The Czech Ministry for Regional Development (MMR) has published a call to submit applicants for a subsidy to demolish buildings at socially excluded locations and to regenerate brownfields for non-entrepreneurial use. A total of CZK500mn is prepared for the applicants.

SCIENTISTS TEST AIR POLLUTION, FIND SMOG EVEN IN SPA

RESORTS – 11.12.

Measurements in four countries have shown the smog situation limits crossed up to 50 times at some places and the air polluted even in unexpected localities such as mountain and spa resorts, the Czech organising Science In company and Charles University's Faculty of Science said today.

Science In and the Faculty of Science have coordinated the Conspiro project of air pollution tests in villages and small settlements during the heating season.

On December 12-14, European experts are meeting in Prague to discuss the tests' results.

The impulse for making the tests and drafting the relevant study was the situation where household and other local boilers are one of the crucial polluters in Europe. The measurements in Czechia, Germany, Bulgaria and Serbia were initiated by the Czech scientists.

"We have experience with making similar measurements in our country. It is far from simple. Mobile measurement devices are applied and it is necessary to take factors such as the different types of villages and the current meteorological situation into account," said Jan Hovorka, from the Faculty of Sciences' Laboratory for the Study of Air Quality.

He said the scientists developed a method of measurements, upgraded it in cooperation with foreign partners and now they are also applying it in selected localities in the respective foreign countries.

The countries involved differ in their approach to the environment protection. While in Germany, experts measure what is in fact clean air, similar villages on the Czech part of the border are hit by smog on evenings, Hovorka said.

"We have noteworthy experience from Bulgaria, where a spa town, with outdoor hot mineral pools, was veiled in smog that crossed the permitted limits 50 times," he said.

The Conspiro project's goal is not only to measure air pollution but also provoke a discussion in the society on how to improve the situation.

"We are preparing programmes for schools and public discussion meetings. The information about the detected pollution will be shared via a mobile application and people will also be able to make their own measurements by means of devices with cheaper sensors," said Petr Mares, from Science In.

SZIF TO DISTRIBUTE CZK1.3BN FOR DAIRY COWS TO FARMERS – 11.12.

The State Agricultural Intervention Fund (SZIF) has begun issuing decisions on subsidies for dairy cows.

It will distribute over CZK1.3bn among 1,840 applicants.

The tariff for 2018 is CZK3,687 per dairy cow, which is CZK90 more year-on-year.

ENERGY & INDUSTRY & TRANSPORT

PASSENGER CAR REGISTRATIONS IN CR DOWN 1.93% - 6.12.

Passenger car registrations in CR dropped 1.93% to 246,771 in 11M 2018.

Registrations in November 2018 dropped 15.89% y/y. Škoda brand was the leader with 79,748 registered passenger cars and 32.32% market share.

Škoda was followed by Volkswagen (23,091; 9.36%) and Hyundai (19,288; 7.82%).

The information was provided by the Automobile Importers Association (SDA).

SKODA SCALA PRODUCTION TO START IN FEBRUARY – 6.12.

Production of the new Skoda Scala model, a successor to Rapid, will start in the main plant of the Skoda Auto car manufacturer in Mlada Boleslav, central Bohemia, in February next year, Skoda Auto representatives told CTK during the world premiere of the model in Tel Aviv today.

Skoda Scala will be launched on the market in April and delivered to the first customers in May. Its price will be announced in January.

Scala is the first Skoda model based on the MQB Ao platform of the Volkswagen group.

"With the new Skoda Scala we are proposing a new chapter in the compact class of Skoda. It is a completely new development that sets standards in terms of technology, safety and design in this class. That is even borne out by the new name. At the same time, the Skoda Scala oozes appeal with the smart understatement typical for the Skoda brand. Thus we are confident that the Skoda Scala will redefine compact cars for Skoda," Skoda Auto board chairman Bernhard Maier said.

Scala is to become a competitor of traditional hatchbacks produced by VW Golf, Ford Focus, Kia Ceed and Opel Astra.

"Three TSI petrol engines, with a capacity of 1.0 or 1.5 litres, and one 1.6 TDI diesel engine deliver power ranging from 70 to 110 kW (95 to 150 PS). At some point in 2019, these will be joined by the 1.0 G-TEC, a 66 kW (90 PS) engine powered by environmentally-friendly natural gas (CNG)," the company writes on its website.

Scala is Skoda's first production car in Europe to have the Skoda name in letters on the fifth door instead of a logo. It is also the first one with standard LTE connection.

Skoda Auto has invited 400 guests from 22 countries to the world premiere of Scala.

Skoda is the top-selling European car make in Israel and it cooperates with local start-ups closely.

"We want to sell nearly 10,000 Scala cars in the CR next year. Later it will be joined by a planned urban crossover in this category. Both models together should increase our share in this segment considerably," Lubos Vlcek, Skoda director for the CR, told CTK.

Vlcek refused to speculate on the price. He only said it was a brand new model the quality of which is markedly above Rapid.

According to experts, the price can be expected to amount to CZK350,000.

Skoda offers seven model series in Europe at present: Citigo, Fabia, Rapid, Octavia, Superb, Karoq and Kodiaq.

Next year it plans to present the Superb model in the plug-in hybrid version, the Citigo electric car and an urban crossover.

ČD WANTS TO PRESENT HYBRID TRAINS IN LATE 2019 – 6.12.

Czech Railways (ČD) wants to present first hybrid trains in its colours in late 2019. The information was confirmed by ČD's board of directors' chairman and CEO Miroslav Kupec. The first two RegioPanter trains, modified in cooperation with the manufacturer, will run on electricity on electrified routes and on a battery outside electrified tracks. Mr. Kupec has added that this is the first step towards the reduction of environmentally less friendly diesel trains.

APPOINTMENTS: KOITO CZECH – 6.12.

Yasunori Aoshima was appointed KOITO CZECH's chief clerk, according to the Commercial Register.

ŠKODA AUTO SUPPLIED MORE THAN 200,000 VEHICLES TO ISRAEL – 7.12.

ŠKODA AUTO supplied more than 200,000 vehicles to Israel. In the past ten years the brand has increased deliveries to customers almost four times and its market share has since 2011 increased from 4.1 % to 8.0 %. Through importer Champion Motors Israeli customers have between January and November 2018 received roughly 20,000 vehicles. The Czech automaker is thus fourth on the Israeli automobile market. Fleet vehicles account for roughly 50 % of the brand's sales in the country. The three largest Israeli fleet customers from the financial sector ordered a total of 1,200 ŠKODA vehicles.

PIVOVARÝ LOBKOWICZ HAS INCREASED ITS TURNOVER TO CZK1.55BN – 7.12.

The brewery Pivovary Lobkowicz Group posted profit of CZK81.28m for the year 2017. The result is especially due to accepting a dividend of CZK259m. Net turnover has increased to CZK1.55bn year on year from CZK1.25bn.

EUROSTAT: COMPANIES IN CR HAVE THIRD CHEAPEST ELECTRICITY IN EU – 10.12

Companies in the CR have the third lowest electricity prices in the European Union. This is based on data from European statistics office Eurostat for 1H 2018. Electricity costs less only in Finland and Sweden. Companies pay the most in Germany and Italy.

CZECH CAR OUTPUT TO TOP 1.4MN UNITS THIS YEAR – 11.12.

Czech car makers will produce over 1.4mn cars this year, thus getting even with or slightly surpassing record results from last year, with over 1.3mn cars manufactured in Jan-Nov, Automotive Industry Association (AutoSAP) president Bohdan Wojnar said today.

"Although the Czech car industry continued growing in 2018, the growth rate has slowed down," Wojnar said at a meeting of the domestic car industry managers.

"These results are not God-given but based on an enormous effort of our employees at all levels at times when we face a chronic lack of labour force as well as a number of newly arising external and internal factors," he said.

According to Wojnar, the sector should work on a long-term vision to be able to respond to changes in electromobility, digitisation and new business models.

"This is the second year we have been trying to make (CO₂) emission limits real and not jeopardise the essence of the car industry in the CR, future competitiveness of firms and employment. Next year, we will work towards making ourselves ready for the forthcoming regulations and trends not only as producers but it should also be done by the state administration and gradually also by employees and people," said Wojnar.

The association wants to contribute to creating such an environment where there will not be any rash legislative and non-legislative changes, which might have significant

consequences for the car industry in the CR and in Europe, added Wojnar.

The European Union wants to curb emission limits for cars. As of 2021, a new emission limit of 95 grams of CO₂ per kilometre will come into effect and as of 2025, the target will be even lower. The European Commission has suggested a further decline in CO₂ emissions by 15% by 2025, and by 30% by 2030. The European Parliament wants to reduce the CO₂ emission limits by 20 and 40 percent, respectively, and the European Council by 15 and 35 percent. Experts say this means that a third of cars produced will have to have a low-emission engine, electric or hydrogen motors. If not, producers will have to pay to a common fund.

The car industry in the CR employs 150,000 people, creating indirectly jobs for about 400,000 people in total.

Car production is an important export segment, making a fourth of the overall Czech export and 9% of GDP.

TOYOTA CZECH RAISED SALES BY 20% TO 9,655 CARS – 11.12.

Toyota Central Europe - Czech registered 9,655 vehicles in 11M 2018, up almost 20% y/y.

The sales were not affected by the stricter limits and new emission measuring methods, WLTP, in September.

Toyota's sales grew by 27% in September and 22% in November.

Registrations on the private vehicle market grew by 19% to 4,745 vehicles.

The best-selling model is the Toyota Yaris with 2,106 registrations.

BABIS WANTS NEW CONSTRUCTION LAW BY 2021 – 11.12.

Prime Minister Andrej Babis considers it a priority that a new construction law that will shorten building permit proceedings notably is passed by the end of the current government's term of office in 2021, he said at a conference and at a meeting with Central Bohemian mayors in Prague today.

According to developers, investors and experts, the sluggishness of authorities and unbinding time limits are the main cause of the excessive length of building permit proceedings in the CR.

According to last year's data of the World Bank, the CR ranked 127th among 185 countries in terms of the length of building permit proceedings. In some cases, it takes up to ten years for some developer projects to be launched.

An amendment to the construction law aimed at simplifying and accelerating the proceedings took effect at the beginning of this year, but the Regional Development Ministry is working on a new construction law.

"Our ambition is one authority, one stamp, one permit," Regional Development Minister Klara Dostalova said at the Zofin Forum conference.

The ministry expects the new law to come into force in spring 2022.

According to Dostalova, 89 related laws will have to be amended as well.

The steps taken by the Regional Development Ministry so far were, however, criticised by Babis at the Zlata koruna forum. He said he would push on the ministry to speed up the preparation of the law.

The Regional Development Ministry would like to fasten the building permit process by introducing the "legal fiction of approval" until the new law is adopted.

Under the fiction of approval, authorities would be obliged to handle building permit applications within 60 days. Unless they issued a decision within the period, the respective construction project would automatically be considered approved.

According to Dostalova, the government will debate the introduction of the fiction of approval in January and the principle could come into force in September 2019.

Deputy Regional Development Minister Marcela Pavlova said at the Zofin Forum that the ministry would try to push through the proposal despite objections raised by ministries of interior, agriculture, environment, culture and education as well as by the Supreme Administrative Court and regions.

According to Babis, the housing crisis could be improved if municipalities are motivated to build flats in the form of subsidies from the state.

The Regional Development Ministry is going to launch the programme of support of construction of social flats by municipalities in March 2019, Dostalova said.

Municipalities will be able to can get 100-percent subsidies from the state for 20% of social flats they will build. For the remaining 80% of flats, municipalities can take advantageous loans from the State Housing Development Fund or standard commercial loans.

The programme Vystavba (Housing Construction) covers two types of flats: social flats for socially unadaptable persons as well as for seniors or single mothers, and rental flats for publicly beneficial professions such as doctors or teachers, Dostalova said.

According to National Budget Council chairwoman Eva Zamrazilova, it is desirable that towns build municipal flats.

Neither buying nor renting a flat are accessible options at present, and the problem will increase as the population is ageing, Zamrazilova said.

According to latest data, the most expensive capital cities, such as Paris and Vienna, offer relatively cheaper rental flats than Prague, Budapest and Bratislava, she noted.

"Prices of flats are so high that a part of generation can be dependent on rental flats for the entire life ... People can thus be dependent on the state," Zamrazilova said.

The Housing Construction programme was mentioned for the first time by Babis at the beginning of September.

Babis said then that some 65,000 social flats were needed, and the state would earmark up to 80bn crowns for them in the years to come.

Dostalova said earlier the project would be implemented in the form of a government directive and will also use EU money.

According to a survey carried out by the Ipsos company for the Zlata koruna forum and made public at the conference today, only 10% of people who are planning to change their housing have savings worth more than CZK500m.

Ipsos conducted the survey among 3,150 people in November. A total of 42% of them said they were considering changing their housing.

About 25% of them have savings worth less than CZK50,000, while 4% have savings of more than CZK1m.

CTK PRAGUE AIRPORT BEATS 2017 RECORD, HANDLING 16MN

PASSENGERS – 12.12.

Letiste Praha, the operator of Vaclav Havel Airport Prague, handled 16mn passengers by December 11, beating its record of 2017, and expects the figure to rise to 16.8mn by the end of the year, which will be 9% more than last year, the company said in a press release today.

"Letiste Praha is registering a record-breaking number of handled passengers for the third year in a row. For the entire 2018 we expect to handle about 1.4mn passengers more than last year. We expect growth in 2019 as well, both in terms of the number of handled passengers, which may reach 3 to 5 percent, and in the number of direct air lines," Letiste Praha board chairman Vaclav Rehor said.

According to the company, it is growing faster than the average of European airports of similar size.

In Q3, for instance, the number of passengers handled at the Prague airport rose by 9.3 percent, while the European average was around 5 percent.

The Prague airport registered about 46,000 passengers daily. The busiest month was July, with almost 1.9mn passengers cleared.

London stays the most popular destination, with over 1.28mn passengers having flown there so far this year.

With regard to the growing number of passengers, the airport plans to complete several investment projects next year to increase its capacities.

In the years to come, capacities should also rise thanks to the construction of a new runway, which is to start in four years. The Prague airport is offering flights to 114 destinations in 42 countries during this winter season, with ten new destinations added. Most of the flights head for Britain (16), followed by France (10).

Year	No. of passengers (in mn)
2016	13.07
2017	15.41
2018 (as of Dec 11, 2018)	16.00

INVESTMENTS & TRADE & SERVICES

CTK UNCERTAINTY IS WORSE THAN HARD BREXIT FOR EXPORTERS

– 11.12.

Uncertainty around Britain leaving the European Union is worse than a hard Brexit for exporters, and Czech products are getting dearer, and with that less competitive, because of the pound's major fall, head of CzechTrade agency's London office Martin Macourek told journalists today.

While in November 2015, the Czech crown's exchange rate vis-a-vis the British pound was over CZK38/GBP, now it is at CZK28.60/GBP.

Brexit is revealing that some Czech products' value added is rather low, which is something that has been a problem for some time, Macourek said.

This challenges Czech companies to invest in innovations, whether Britain quits the EU or not, he said.

In January-October, Czech exports to Britain dropped annually by 3.7 percent, while exports to most major markets is growing.

The British government on Monday delayed a vote in parliament on Prime Minister Theresa May's Brexit deal planned for today.

CTK PUBLIC INVESTMENT BOARD TO MEET FOR IFIRST TIME IN

JANUARY – 11.12.

The first meeting of the government board for public investment, which will be responsible for the implementation of the National Investment Plan, will take place on January 28, Prime Minister Andrej Babis said at a meeting of leaders of Czech industry and export today.

The board will be responsible for selecting projects for the plan.

The board members will include the ministers of industry, transport and environment.

"We also want to invite representatives of the Confederation of Industry, the Chamber of Commerce and most likely also developers and the Association of Building Entrepreneurs," Babis said.

Industry and Trade Minister Marta Novakova said she wanted to push the CR from the 35th to the 20th place in the annual chart of the World Bank assessing the best conditions for business by the end of her term of office.

The government has recently also drafted a new innovation strategy, aimed at turning the CR into an innovation leader of Europe by 2030.

At present, Czech spendings on science and research account for 1.8% of GDP. "This puts us to the 11th place within Europe. European leaders spend 3 percent," Council for Research, Development and Innovations deputy chairman Karel Havlicek said.

In the forthcoming years, the spendings should rise by 0.1 percentage point annually, he said.

The government's National Investment Plan comprises over 17,000 projects worth a total of CZK3,450bn for the years 2019-2030. They will be divided into two parts, with projects worth CZK1,226bn to be included in the first stage to last until 2022.

LABOUR & HEALTH & SOCIAL

CTK MOST COMPANIES TO GIVE 13TH MONTH PAY THIS YR – 6.12.

A total of 56% of companies plan to give their employees a 13th month pay this year, while it was 47% in 2017 and 39% in 2016, according to the latest Czech Chamber of Commerce survey among entrepreneurs.

The bigger the company, the more likely it is it will pay a 13th salary, as 74% of large companies (250+ employees) plan to provide this benefit this year. It was 71% last year, and 70% the year before last.

A 13th month pay will also be earned by employees of 47% of companies with up to 10 staff members this year. It was less than a third in 2017 and a fifth in 2016.

Companies in construction will most often pay an extra salary to their employees, as the sector has been experiencing a major boom this year. The manufacturing industry follows, being a key driver of Czech business with the highest share of employees.

The average 13th month pay will exceed CZK30,000, most often being in the CZK15,000-35,000 band as last year, the Chamber of Commerce estimates.

Last year, the CR's average wage increased by 6.2% to CZK29,496, according to the Czech Statistical Office (CSU).

Including seasonal benefits and 13th month pays, the average nominal wage will increase by 8.6% to about CZK32,000 a month, according to estimates of the Chamber of Commerce.

Wages will continue to grow, adding 8.1% in 2019 on average. Next year, companies will have to deal with a fast wage growth, the Chamber of Commerce has said. For the first time in three years, employers feel it is a bigger obstacle to their growth than a lack of workforce.

Employers are short of 440,000 people, and it will be 500,000 in June, the Chamber of Commerce said.

The Chamber of Commerce has recommended employers not to put off investments in production effectiveness because of wages. Companies which do not invest are at risk of losing competitiveness.

CZECHIA'S POPULATION RISES TO OVER 10.6MN – 12.12.

The population of the CR rose by 27,700 to 10,638,794 people in the first three quarters of 2018, according to the preliminary data that the Czech Statistical Office (CSU) released today.

The population growth was achieved mainly thanks to foreign migration, primarily from Ukraine and Slovakia.

The number of live births was higher than that of deaths.

The statisticians also say the share of the children born out of wedlock decreased by 0.2 percentage point to 48.5 percent, while it was rising till the first quarter of this year.

NEW FLATS IN CR ARE LEAST ACCESSIBLE IN PRAGUE – 12.12.

The flats in the CR can be bought most cheaply in the Vysocina region, where buyers spend 7.3 times their average annual wage, while flats in Prague cost twice more, reaching 14.4 times the annual wage, according to a study conducted by developer Central Group.

Central Group's calculations used data from the Czech Statistical Office (CSU) and developers Trigema and Skanska Reality.

The smallest difference between the average prices of new flats and old flats was registered in South Moravia, where it reaches 11.5 percent, while in Prague it amounts to about 20 percent.

The average gross wage in Vysocina increased by CZK2,320 to CZK29,131 in Q3, while in Prague it rose to CZK39,298.

A buyer in Vysocina thus spends CZK2.5m on a new flat, while a buyer in Prague has to pay CZK6.8m for the same type of flat.

Selling prices of new flats in Prague have grown by nearly three quarters over the past three years, approaching CZK100,000 per square metre.

"Owing to a very limited influx of new flats, prices in Prague have jumped steeply. Due to the persisting high demand, even prices of old flats and rent started to rise," Central Group executive director Michaela Tomaskova said.

Number of annual wages necessary for purchase of a new flat in individual regions of CR

Region	Number
Prague	14.4
Central Bohemia	11.3
Olomouc	10.4
South Moravia	10.5
Hradec Kralove	10.3
Karlovy Vary	10.3
Pardubice	10.1
South Bohemia	9.7
Liberec	9.7

Moravia-Silesia	9.6
Plzen	9.0
Zlin	8.1
Usti	7.4
Vysocina	7.3

Difference in prices between old and new flats in individual regions (in %)

Region	Difference
South Moravia	11.5
Prague	21.5
Zlin	36.9
Vysocina	40.6
Plzen	46.9
Karlovy Vary	52.1
Olomouc	56.2
Hradec Kralove	57.9
Central Bohemia	65.2
Pardubice	69.6
South Bohemia	74.8
Liberec	80.0
Moravia-Silesia	169.3
Usti	196.0

HK ČR: 80% OF BIGGER COMPANIES PLAN MORE BENEFITS – 12.12.

80% of bigger employers in CR newly introduced or expanded the employee benefit portfolio in 2018.

They are planning to continue to expand employee benefits in 2019.

A total of 25% of respondents are not considering it now.

This stems from a survey by the Chamber of Commerce (HK ČR).

Companies mainly intend to contribute to catering (54%) and general social benefits (49%).

Healthcare contributions hold the same share as financial contributions in certain life situations (43%).

MINISTRY FOR REGIONAL DEVELOPMENT TO PROVIDE 100 % SUBSIDY FOR SOCIAL HOUSING – 12.12.

The ministry for regional development of the CR (MoRD) will announce the Programme Construction, where municipalities will be able to obtain 100% subsidy for construction of social housing, if social apartments represent 20% of a residential project.

Regional development minister Klára Dostálová (from the ANO) said this at the Žofín Forum on 11 December 2018.

According to her words, the ministry is also opening discussions about cooperating housing and its financing.

She added that the ministry is opening new brownfields for public use, that is for construction of schools or municipal apartments.

Previously it was only possible to use brownfields for business purposes.

MISCELLANEOUS

STEM: ANO WOULD WIN PARLIAMENTARY ELECTIONS IN NOVEMBER – 6.12.

With 35.7% of votes, ANO would win the election to the Chamber of Deputies of the Parliament of the CR in November. The Pirates would finish second (13.1%) and ODS

would be third (12.4%). Other parties that would make it to the Chamber of Deputies would be KSČM (7.6%), SPD (6.9%), ČSSD (6.6%) and KDU-ČSL (5.1%). The 5% limit would not be reached by TOP 09 (4.9%), STAN (4.6%), Svobodní (1.5%) and the Green Party (0.8%). The November model is based on a voter turnout lower than 55%. These figures stem from a poll conducted by Středisko Empirických Výzkumů (STEM).

AGROFERT RECEIVED 7BN AS SUBSIDIES – 8.12

Agrofert, a giant chemical, agricultural, food and media holding, received roughly sevenbn crowns since the moment its former owner Prime Minister Andrej Babis (ANO) entered politics, the daily Pravo writes today.

The sum relates to the period between 2014 and 2017, when he became the finance minister, Pravo writes.

Last weekend, the European media mentioned an internal document of the EC legal service saying that Babis faces a conflict of interest based on the EU's new directive that took effect in August.

The document suggests Babis is in a conflict of interest according to Article 61. The EU lawyers say that Babis is interested in the economic success of the Agrofert holding, which he transferred to trust funds in early 2017, and as a PM he can influence decisions connected to the using of EU grants. Babis and his government dismiss such interpretation. The Justice Ministry's own analysis says Babis is not in a conflict of interest.

Babis insists there is no reason for the CR to return any of the EU subsidies granted to the firms in the Agrofert holding, which he placed in trust funds last year, over the suspected conflict of interest.

Agrofert received the biggest sum, over twobn crowns, last year, Pravo writes.

By contrast, it only paid 739mn crowns in taxes, the smallest sum since the time Babis became a politician, Pravo writes, referring to the information on the EU subsidies from Agrofert's annual reports as well as its individual companies. The firms mostly gain the money from European funds, which is distributed among businesspeople by the trade and industry and agriculture ministries. To some smaller extent, some subsidies are paid by the Environment Ministry.

The subsidies themselves can be divided into three categories: operational, investments and those as compensation for purchasing prices of energy from renewable energy.

The operational subsidies are the main recipient of the EU money. They are sent to agricultural companies of the holding. This is no surprise since Agrofert is the biggest Czech concern in agriculture and the food industry.

In all, it includes roughly 200 companies also from other fields such as the chemical industry, forestry and timbering.

The sum of the operational subsidies is calculated according to the number of the livestock heads and the area under crops.

It is often criticised since a large part of the money is sent to huge holdings, instead of supporting small- and medium-sized companies like in other EU member countries.

Last year, Agrofert obtained 1.3bn crowns in the form of operational subsidies. Before 2014, it was receiving smaller sums.

The operational subsidies are gained, e.g., by the firm Agro Jevišovice which farms 6,000 hectares of land. Last year alone, the south Moravian firm received over 153mn crowns for the area under crops.

The operational subsidies are also sent to the Agrofert's companies which breed livestock.

In the CR, Vodnanske kure, associating almost 30 farms, is the biggest supplier of poultry.

Last year, the firm obtained the record 67mn crowns, while the sum was only 50mn a year ago and in 2014, only 42 million. Second, there were the investment subsidies, sent to the companies for having implemented some investments, or the money from an investment incentive the companies gained through a tax relief.

Agrofert's companies gained the biggest number of the subsidies in 2015. The money amounted to over 660mn crowns. This largely related to the chemical parts of the holding. They have to modernise their plants to meet environmental criteria.

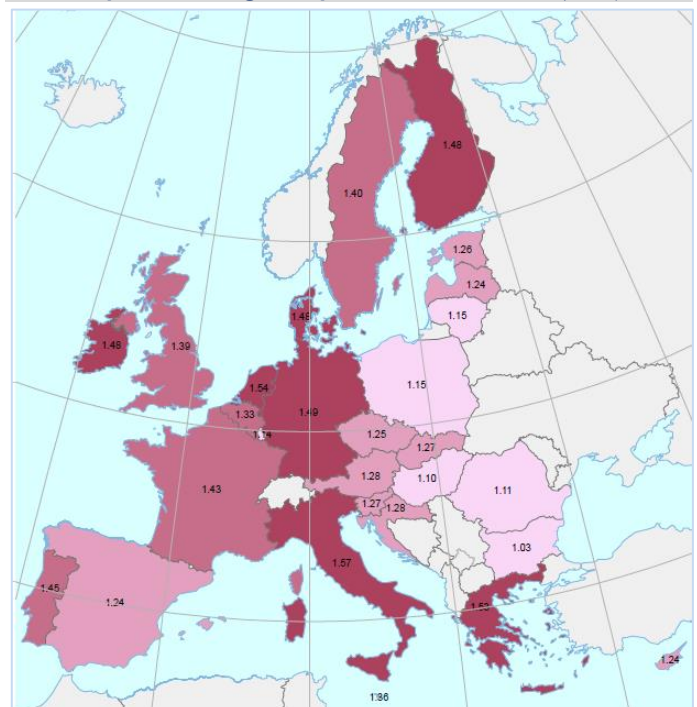
An investment stimulus is connected with one of the biggest investment in the history of the holding, the opening of a new ammonia plant in Sala, western Slovakia.

The building of the new plant, open since this September, cost the equivalent of almost eightbn crowns. For this, Agrofert will be able to claim tax reliefs over 1.5bn crowns in the next ten years. Next week, the European Parliament will deal with what some say is a conflict of interest on the part of Babis. At the beginning of next year, the European Commission is expected to adopt an official statement on the affair, Pravo writes.

STATISTICS

FUEL PRICES IN THE EU¹ – 3.12.

Map 1: EU, Average fuel prices, Natural 95, 3.12. (in €/l)



¹ data issued by the European Commission; <https://ec.europa.eu/energy/en/data-analysis/weekly-oil-bulletin>

Map 2: EU, Average fuel prices, Diesel, 3.12. (in €/l)



RETAIL TRADE - OCTOBER 2018: RETAIL TRADE SALES
GROWTH ACCELERATED – 6.12.

In October 2018, sales adjusted for calendar effects increased at constant prices by 5.2%, year-on-year (y-o-y); non-adjusted sales grew by 6.4%. Seasonally adjusted sales in retail trade increased by 1.0%, month-on-month (m-o-m).

Seasonally adjusted sales in retail trade, except of motor vehicles and motorcycles (CZ-NACE 47), increased in October by 1.0% at constant prices, month-on-month. Sales for sale of non-food goods increased by 1.7%, sales for sale of automotive fuel increased by 0.2%, while sales for sale of food dropped by 2.6%.

Sales in retail trade adjusted for calendar effects increased by 5.2%, year-on-year; sales for sale of non-food goods increased by 9.4% and sales for automotive fuel increased by 4.0%, while sales for food dropped by 1.5%. In October 2018, there was one working day more than in October 2017.

Non-adjusted sales in retail trade increased by 6.4%, y-o-y. Sales for sale of non-food goods increased by 11.2%, sales for sale of automotive fuel grew by 5.4%, and sales for sale of food increased by 0.7%.

The highest increase of sales was in retail sale via mail order houses or via Internet (+24.1%). Retail sale of information and communication equipment in specialised stores was also successful (sales growth by 18.1%) as well as the following: retail sale of cultural and recreation goods in specialised stores (+11.8%), retail sale of other household equipment in specialised stores (+10.1%), retail sale of clothing, footwear and leather goods in specialised stores (+8.3%), and retail sale of dispensing chemist, medical and orthopaedic goods, and cosmetic and toilet articles in specialised stores (+7.0%). Retail sale in non-specialised stores with food, beverages or tobacco predominating reported growth by 0.8%, while retail sale of food, beverages and tobacco in specialised stores dropped by 1.1%.

The price deflator (CZ-NACE 47) related to the corresponding period of the previous year (VAT excluded) was 101.3%. It was

influenced mainly by higher prices of automotive fuel, dispensing chemist, medical and orthopaedic goods, cosmetic and toilet articles, food, and other household equipment. On the other hand, prices decreased in retail sale of information and communication equipment in specialised stores and in retail sale of clothing and footwear.

Seasonally adjusted sales for sale and repair of motor vehicles (CZ-NACE 45) remained unchanged at constant prices, m-o-m; sales adjusted for calendar effects decreased by 6.2%, y-o-y. Non-adjusted sales decreased by 3.1%, y-o-y. Sales for repair of motor vehicles decreased by 5.5%, y-o-y; sales for sale of motor vehicles (including spare parts) decreased by 2.6%, y-o-y.

CONSTRUCTION - OCTOBER 2018: NUMBER OF COMPLETED DWELLINGS GREW SUBSTANTIALLY – 7.12.

In October 2018 the working days adjusted construction output increased by 9.0% year-on-year (y-o-y), in real terms. The unadjusted construction output grew by 10.4%, y-o-y. The planning and building control authorities granted by 2.0% less building permits, y-o-y, and the approximate value of permitted constructions declined by 1.8%, y-o-y. The number of started dwellings decreased by 1.7%, y-o-y, and the number of completed dwellings soared by 55.6%, y-o-y.

In October 2018 the seasonally adjusted, including working days, construction output decreased by 1.0%, month-on-month, in real terms. The working days adjusted construction output in October 2018 was by 9.0% higher, y-o-y. The working days unadjusted one grew by 10.4%, y-o-y. October 2018 was by one working day longer than October 2017. The production in building construction increased by 11.6% (contribution +8.1 percentage points (p.p.)), y-o-y. The production of civil engineering construction grew by 7.7% (contribution +2.3 p.p.), y-o-y.

The average registered number of employees*, in construction enterprises with 50+ employees in October 2018 increased by 0.7%, y-o-y. Their average gross monthly nominal wage increased by 11.3%, compared year-on-year, and reached CZK 39 743.

In October 2018 the number of building permits granted decreased by 2.0%, y-o-y. The planning and building control authorities granted 7 603 building permits. The approximate value of the permitted constructions attained CZK 36.3 billion and fell by 1.8% compared to the same period of 2017.

The number of dwellings started in October 2018 decreased by 1.7%, y-o-y, and attained 2 780 dwellings. The number of dwellings started in family houses increased by 9.0% and that of dwellings started in multi-dwelling buildings dropped by 35.4%.

The number of completed dwellings soared by 55.6%, y-o-y, in October 2018 and was 3 642 dwellings. The number of completed dwellings in family houses soared by 52.4%. The number of completed dwellings in multi-dwelling buildings soared even more by 71.9%.

According to Eurostat the WDA (working days adjusted) construction output in the EU28 increased by 4.2%, y-o-y, in September 2018. Buildings increased by 2.9% and civil engineering works grew by 7.7%. According to the preliminary schedule Eurostat shall release the data for October 2018 on 19 December 2018.

INDUSTRY - OCTOBER 2018: INDUSTRIAL PRODUCTION AND ORDERS INCREASED – 7.12.

In October 2018, working days adjusted industrial production increased at constant prices by 3.3%, year-on-year (y-o-y); non-adjusted industrial production increased by 6.7%. Seasonally adjusted industrial production decreased by 1.1%, month-on-month (m-o-m). The value of new orders increased by 12.3%, y-o-y.

In October 2018, seasonally adjusted industrial production (including adjustment for working days) decreased at constant prices by 1.1%, m-o-m. In the year-on-year comparison, working days adjusted industrial production increased by 3.3%; non-adjusted industrial production increased by 6.7%. October 2018 had one working day more compared to October 2017. The following economic activities contributed the most to the y-o-y growth of industrial production: manufacture of motor vehicles, trailers and semi-trailers (contribution +1.6 p. p., growth by 8.4%), manufacture of fabricated metal products (contribution +1.0 p. p., growth by 9.4%), and manufacture of electrical equipment (contribution +0.5 p. p., growth by 7.5%). Industrial production decreased in the following economic activities: mining and quarrying (contribution -0.08 percentage point (p. p.), drop by 3.1%), manufacture of chemicals and chemical products (contribution -0.05 p. p., drop by 1.5%), and manufacture of wearing apparel (contribution -0.03 p. p., drop by 5.1%).

Sales from industrial activity at current prices increased by 9.6%, y-o-y, in October 2018. Direct export sales of industrial enterprises increased at current prices by 9.3%. Domestic sales, which include also indirect export via non-industrial enterprises increased at current prices by 10.0%.

The value of new orders in selected industrial CZ-NACE activities increased by 12.3%, y-o-y, in October 2018. Non-domestic new orders increased by 14.2%, while domestic new orders increased by 8.1%. 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 +5.3 p. p., growth by 14.4%), manufacture of computer, electronic and optical products (contribution +1.9 p. p., growth by 19.1%), and manufacture of fabricated metal products (contribution +1.6 p. p., growth by 13.3%). New orders decreased only in manufacture of wearing apparel (contribution -0.01 p. p., drop by 1.2%).

The average registered number of employees*) in enterprises with 50+ employees in industry increased in October 2018 by 0.7%, y-o-y. Their average gross monthly nominal wage increased in October 2018 by 8.4%, y-o-y, and reached CZK 33 835.

According to the Eurostat news release, working days adjusted industrial production in the EU28 in September 2018 increased by 1.1%, y-o-y. According to a preliminary release calendar, Eurostat will release data for October 2018 on 12 December 2018.

EXTERNAL TRADE - OCTOBER 2018: EXPORTS AND IMPORTS GREW MARKEDLY YEAR-ON-YEAR – 7.12.

According to preliminary data in current prices, in October 2018 the external trade balance in goods ended in a surplus of

CZK 5.7 bn, which was by CZK 3.4 bn lower, year-on-year (y-o-y).

The total balance in the national concept¹⁾, was unfavourably influenced mainly by a larger deficit in 'crude petroleum and natural gas' by CZK 4.9 bn (due to higher imports and rising prices) and 'chemicals and chemical products' by CZK 1.3 bn. Y-o-y, balance in 'other transport vehicles' got worse by CZK 4.7 bn.

A higher surplus in 'motor vehicles, trailers and semitrailers' by CZK 5.3 bn and better balance of 'rubber and plastics products' by CZK 1.0 bn brought the main positive effect on the total balance.

In October 2018 the trade balance with the EU28 Member States ended in a surplus of CZK 67.0 bn, and thus it was by CZK 12.1 bn higher, y-o-y. The trade deficit with the non-EU countries increased by CZK 15.7 bn to reach the amount of CZK 59.8 bn.

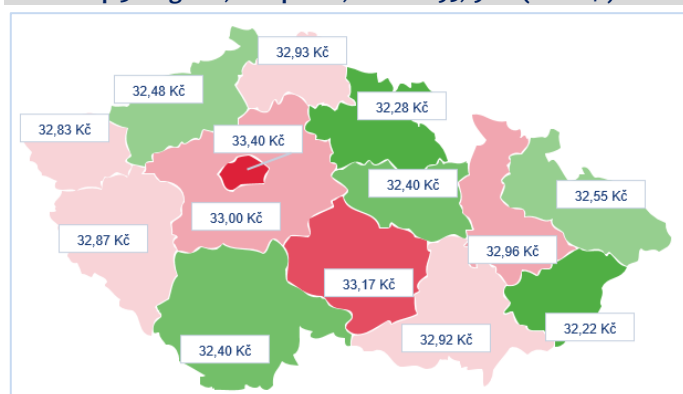
Compared to September 2018 the seasonally adjusted exports and imports in the national concept increased by 1.9% and 2.3% respectively. The development trend shows increasing exports (+0.4%) and imports (+0.8%).

Compared to the same month of 2017, exports and imports rose by 9.0% (to CZK 344.4 bn) and 10.3% (to CZK 338.7 bn) respectively. October 2018 had one working day more than October 2017.

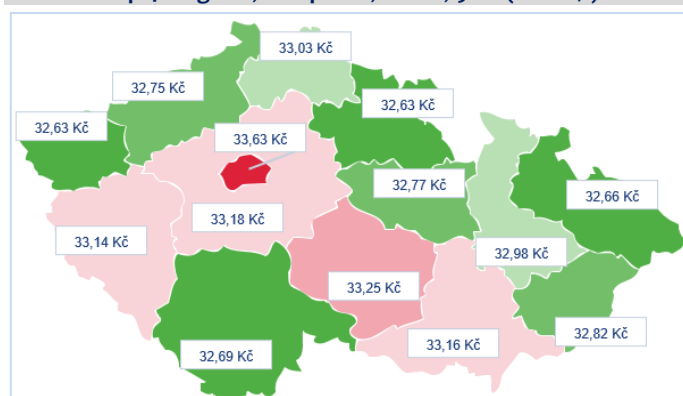
In the period from January to October 2018 the trade balance surplus in the national concept reached CZK 116.2 bn which represented a decrease by CZK 39.6 bn, y-o-y. From the beginning of the year exports and imports increased by 2.8% and 4.4% respectively, y-o-y.

penize.cz **FUEL PRICES IN THE CR – 9.12.**

Map 3: Regions, fuel prices, Natural 95, 9.12. (in CZK/l) ²



Map 4: Regions, fuel prices, Diesel, 9.12. (in CZK/l)



² data issued by the mBenzin.cz; <https://www.penize.cz/ceny-benzinu-a-ceny-nafty>

CONSUMER PRICE INDICES - INFLATION - NOVEMBER

2018: FOOD PRICES WENT DOWN – 10.12.

Consumer prices in November decreased by 0.1% compared with October. This development came from a price decrease in 'food and non-alcoholic beverages' in particular. The year-on-year growth of consumer prices decelerated to 2.0% in November, which was 0.2 percentage points down on October and the lowest value since April 2018.

The **month-on-month** decrease in 'food and non-alcoholic beverages' came primarily from lower prices of fruit and vegetables (-6.3% and -4.2%, respectively). Prices of oils and fats also went down by 4.2%, pork by 2.9%, sugar by 8.8% and non-alcoholic beverages by 0.8%. In 'recreation and culture', prices of package holidays dropped by 1.2%. The decline in prices in 'furnishings, household equipment and routine household maintenance' influenced especially lower prices of goods and services for routine household maintenance (-1.8%).

The increase in the overall consumer price level in November came mainly from higher prices in 'housing, water, electricity, gas and other fuels' due to a rise in prices of heat and hot water by 1.0% and natural gas by 0.2%. In 'clothing and footwear', prices of shoes and other footwear went up by 2.8%. The growth of prices in 'hotels and restaurants' was due primarily to higher prices of catering services by 0.5%. In food, prices of poultry and UHT semi skimmed milk rose (2.5% and 4.6%, respectively).

Prices of goods in total went down by 0.4%, while prices of services increased by 0.2%.

In terms of the **year-on-year** comparison, in November, the consumer prices rose by 2.0%, i.e. 0.2 percentage points down on October. The deceleration in the year-on-year rise occurred primarily in 'food and non-alcoholic beverages', where the price drop of many kinds of food deepened. Prices of eggs deepened their fall to -26.1% (-0.5% in October). It was also partly due to their significant month-on-month increase in November 2017. Prices of bread and cereals were lower by 1.7% (0.9% in October), pork by 2.7% (1.2% in October), oils and fats by 1.8% (1.4% in October), fruit by 9.4% (4.1% in October). The biggest influence on the growth of the y-o-y price level came, as before, from prices in 'housing, water, electricity, gas and other fuels', where prices of actual rentals for housing increased by 3.3%, water supply by 1.8%, sewage collection by 1.3%, electricity by 5.6%, heat and hot water by 1.0%. The price growth continued also in 'alcoholic beverages and tobacco', where prices of spirits went up by 3.4%, beer by 4.5% and tobacco products by 3.9%. The impact on the price level increase had also prices in 'transport', where prices of fuels and lubricants for personal transport equipment rose by 10.1%, year-on-year. In 'miscellaneous goods and services', prices of personal care were higher by 4.0%, insurance by 5.7% and financial services by 4.3%. In 'hotels and restaurants', prices of catering services were higher by 3.7% and prices of accommodation services by 3.6%.

A reduction in the price level in November came from prices in 'food and non-alcoholic beverages', where prices of sugar fell by 33.3%. In 'clothing and footwear', prices of garments were lower by 2.5%. In 'housing, water, electricity, gas and other fuels', prices of natural gas decreased by 0.5%.

Prices of goods in total and services went up (1.2% and 3.3%, respectively). The overall consumer price index excluding imputed rentals for housing was 101.6%, year-on-year.

Inflation rate, i.e. the increase in the average consumer price index in the twelve months to November 2018 compared with the average CPI in the previous twelve months, amounted to 2.2% in November.

According to preliminary data of Eurostat, the **year-on-year** change in the average harmonized index of consumer prices (HICP) in the EU28 member states amounted to 2.2% in October (0.1 percentage point up on September). The rise in prices was the highest in Estonia (4.5%) and the lowest price increase was in Denmark (0.7%). In Slovakia, the price rise decelerated to 2.5% in October from 2.7% in September. In Germany, prices were higher by 2.4% (2.2% in September). According to preliminary calculations, the HICP in the Czech Republic in November went down by 0.3% month-on-month and rose by 1.6%, year-on-year. The MUICP (Monetary Union Index of Consumer Prices) flash estimate for the Eurozone in November 2018 was 2.0%, y-o-y, as Eurostat announced

POPULATION CHANGE - 1ST - 3RD QUARTER OF 2018:

PROPORTION OF LIVE BIRTHS OUTSIDE MARRIAGE STOPPED RISING – 12.12.

The population of the Czech Republic increased by 27.7 thousand to 10.638 million persons in the first three quarters of 2018. The most of the increase, 26.1 thousand, was due to international migration. A total of 1.7 thousand inhabitants were added thanks to a higher number of live births over the number of deaths.

According to the preliminary statistical balance the population of the Czech Republic stood at 10 637.8 thousand on 30 September and was by 27.7 thousand higher than on 1 January. The major part of the increase was caused by international migration, which balance amounted to 26.1 thousand persons. Another 1.7 thousand inhabitants was added by the balance of natural change, as the number of live births exceeded the number of deaths.

According to the preliminary data a total of 86.6 thousand children were born alive during the first nine months of 2018. It was by 43 fewer as against the final results of the same period of the previous year. The married women gave a birth to 44.6 thousand children, the single women to 37.9 thousand children and the divorced or widowed women gave a birth to 4.1 thousand children. The proportion of live births outside marriage increased to 48.5%, and it was slightly lower in the year-on-year comparison (48.7% in the period from January to September of 2017). The third quarter data confirmed that the long-term increase in the share of live births outside marriage stopped. The first born children accounted for 48% of all live births, the second born children 37% and children born in the third or higher order 14%. The most children were born to women aged 30.

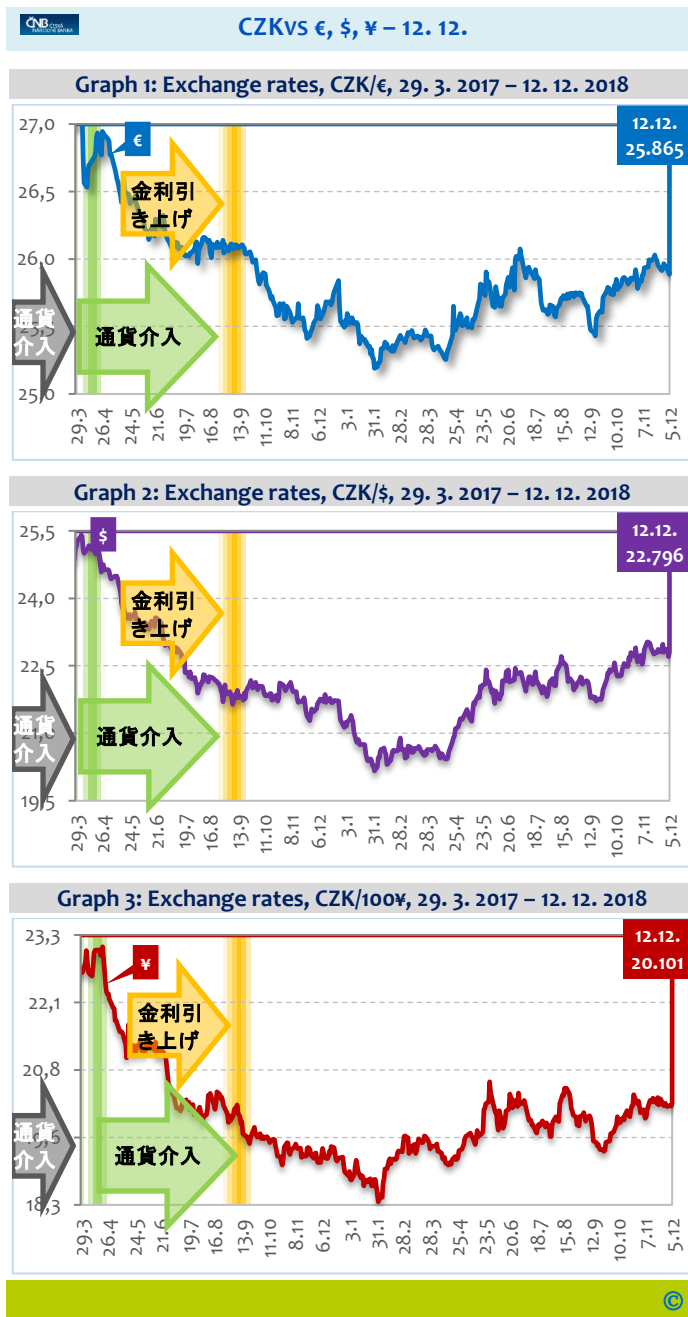
According to the preliminary data there were 85.0 thousand deaths from the beginning of the year to the end of September, almost 1.3 thousand more than in the same period of 2017. The major part of the year-on-year increase fell on the third quarter of the year, during which 26.6 thousand persons died, by 1.0 thousand more in the year-on-year comparison. A total of 43.0 thousand deceased were men and 42.0 thousand were women. The deceased men

were aged 72.6 years on average and the average age of women at death was 79.7 years. A total of 220 children died during their first year of life, by 10 less than in the first three quarters of the previous year. The infant mortality rate decreased slightly year-on-year to 2.5%.

According to the preliminary data a total of 47.8 thousand marriages were entered into during the first three quarters of the year, by 1.5 thousand more than in the same period of the previous year. Over 10.0 thousand of wedding ceremonies took place in June (10.6 thousand) and August (10.4 thousand). On the contrary, the lowest number, 0.8 thousand, of couples entered into their marriage in January. Three-quarters of grooms and brides married for the first time, one-quarter of grooms and brides entered into their higher-order marriage. Most grooms were aged 29 years and most brides were at the age of 27.

According to the preliminary data, the Czech courts issued 17.5 thousand decisions about divorces by the end of September 2018, by 1.0 thousand fewer than in the same period of 2017. The divorces of marriages without minors represented about 40% of all divorces; divorced marriages with minors accounted for 60%. The average age of a divorced man was 44.7 years and 41.8 years of a divorced woman.

The international migration statistics for the first nine months of 2018 refers to 43.1 thousand immigrants and 17.0 thousand emigrants. The net migration of the population of the Czech Republic were 26.1 thousand and it was about 7.3 thousand higher than in the same period of 2017. The international migration flows of both immigrants and emigrants were increased in the year-on-year comparison. The growth of migrants was significantly caused by the increase in Ukraine nationals. The highest positive migration balance was registered with nationals of Ukraine (8.9 thousand) in the first three quarters of 2018, which made up one-third of total net migration. The second highest was the net migration of Slovak nationals (3.9 thousand), followed by the migration balance of Romanian (1.5 thousand) and Bulgarian nationals (1.4 thousand).



News outside the time span of this News summary

CIA News (Česká informační agentura Ltd.); a news agency, specialising in the CR's economy and markets. It is owned by Inergo Slovakia Jsc., owned by Emil Hubinák.

ČNB, CNB (Česká národní banka); is the central bank and financial market supervisor in the CR and a member of the European System of Central Banks.

ČTK, Czech Press Agency (Česká tisková kancelář); a national news agency dealing with the gathering, processing, storing, and distributing of text and pictorial information. ČTK is a

public corporation and is governed by the law on ČTK no. 517/1992 Coll.

ČSÚ, Czech Statistical Office (Český statistický úřad), is the main organization which collects, analyses and disseminates statistical information for the benefit of the various parts of the local and national governments of the CR.

European Commission; European Commission, is the executive body of the EU responsible for proposing legislation, implementing decisions, upholding the EU treaties and managing the day-to-day business of the EU.

Peníze.cz; is an online news magazine published by Partners Media, owned by Partners Financial Services, jsc.