

## GOVERNMENT MEASURES

For your notes

### Govt to discuss law on auctions, smart quarantine, support for L-159

Friday, November 25 | ČIANEWS | [Information Source](#)

Prime Minister Petr Fiala's (ODS) government will discuss a draft law on public auctions on November 30, 2022. It will also discuss the securing of the operation of the Smart Quarantine 2.0 project in 2023. The government will also deal with information on the public procurement called L-159 aircraft service support - all versions. ■

### MZ: Of 18,545,761 vaccinations, 15,003,215 were Pfizer-BioNtech/Comirnaty

Thursday, December 1 | ČIANEWS | [Information Source](#)

As of December 1, 2022, 18,545,761 vaccinations against the disease COVID-19 were reported in the Czech Republic. The number of doses increased by 4522 compared to the previous day. Administered Comirnaty/Pfizer, BioNtech vaccines totalled 15,003,215. They were followed by SPIKEVAX/Moderna (1,632,953), VAXZEVRIA/AstraZeneca (886,710), Janssen (413,941), Comirnaty 5- 11 (111,922) and Nuvaxovid/Novavax (10,936). This is evidenced by data published by the Ministry of Health (MZ). ■

### OpenDataLab: No. of fully vaccinated people up to 6,891,312

Thursday, December 1 | ČIANEWS | [Information Source](#)

As of November 29, 2022, 6,891,312 people in the Czech Republic were fully vaccinated against COVID-19, up 14 on the previous day (64.4%; 68.0% older than 5 years). 6,975,854 residents received at least one dose. 4,353,432 citizens were given a booster dose. The statistics were compiled by OpenDataLab (ČVUT) based on data from the Ministry of Health. ■

### MZ: No. of hospitalized with COVID-19 fell from 638 to 623

Thursday, December 1 | ČIANEWS | [Information Source](#)

The number of confirmed cases related to COVID-19 increased by 991 to 4,559,200 in the country on the morning of December 1, 2022. The number of hospitalizations as of November 30 decreased from 638 to 623 from the previous day. The number of deaths for the week increased to 41,888 from 41,853. This is according to updated data from the Ministry of Health. ■

### P. Fiala: 2023 budget is guarantee for citizens and firms

Wednesday, November 30 | ČIANEWS | [Information Source](#)

MPs will discuss the state budget for 2023 in the third reading, which envisages revenues of CZK 1.93 trillion and expenditures of CZK 2.22 trillion. The projected budget balance will thus reach minus CZK 295bn. Prime Minister Petr Fiala (ODS) said that this is a lot of money, but thanks to these funds it will be possible to overcome the energy crisis and will bring a considerable degree of certainty to Czech companies and citizens that they can cope with the difficult situation. The government has set aside over CZK 200bn to help companies and people, including CZK 100bn for energy capping. ■

### ČNB confirmed setting of limits for mortgage loans

Wednesday, November 30 | ČIANEWS | [Information Source](#)

The Bank Board of the Czech National Bank (ČNB) has left in force the setting of binding limits of indicators for the provision of mortgage loans, which apply from April 1, 2022. The limit of the DTI indicator will continue to be 8.5 (9.5 for applicants under 36 years of age). The DSTI limit remains at 45%, with 50% for under-36s. The LTV upper limit will remain at 80%. For applicants under the age of 36, it will be 90%. The Bank Board of the ČNB also decided to keep the countercyclical capital reserve rate at 2.5%, which banks will be required to comply with from April 1, 2023. ■

### ÚOHS monitors anti-competitive behaviour on energy markets

Friday, November 25 | ČIANEWS | [Information Source](#)

The turmoil that the energy market has been experiencing over the past two years may lead to a strengthening of the big players in the market. Petr Mlsna, the chairman of the Office for the Protection of Competition, said that the Office is ready to intervene if it detects any sign of anti-competitive behaviour. The Office has issued a material explaining what is happening on the energy markets in terms of competition, public procurement and public aid. It looks at the measures taken by the EU and the Czech government to prevent the most dramatic effects of the energy crisis on consumers and businesses through regulatory intervention. ■

### MPO: CR applies for EUR 1bn from National Recovery Plan

Saturday, November 26 | ČIANEWS | [Information Source](#)

The Czech Republic has submitted its first request to the European Commission (EC) for the disbursement of funds from the National Recovery Plan (NPO). The Ministry of Industry and Trade (MPO) informed that if the EC evaluates the fulfilment of 37 milestones and targets positively, the Czech Republic will receive more than EUR 1bn out of the total amount of EUR 7.1bn. The commission now has a two-month deadline to assess the application. The NPO was created in response to the crisis caused by the pandemic and its economic impact. It consists of reforms and investments to steer the country towards sustainability and digitalisation. ■

## STČ approved change in PID fare prices

Tuesday, November 29 | ČIANEWS | [Information Source](#)

The representatives of Central Bohemia approved the change of fares in the Prague Integrated Transport (PID) in the outer zones in the territory of the Central Bohemian Region (STČ). The changes will come into effect at the beginning of April 2023. The region is responding step by step to inflation and the energy crisis. The price adjustment does not apply to trips around the capital. In the case of individual fares, the existing fares of CZK 14 and CZK 22 are combined into one ticket with a fare of CZK 20 and a time validity of 15 minutes. ■

## PRIVATE SECTOR – ACTIVITIES

### DIANA Biotechnologies investing CZK 0.5bn into research

Tuesday, November 29 | ČIANEWS | [Information Source](#)

The DIANA Biotechnologies Group earned a record CZK 926.8m in 2021. This is a 335% increase compared to 2020, when DIANA Lab and DIANA Engineering did not yet exist. The company reported a consolidated net profit of CZK 580.3m for 2021, has grown to almost a hundred employees and continues to expand. In 2020 and 2021, the company supplied over 6 million PCR tests to laboratories, which it primarily focused on during the pandemic. It plans to invest in research, focus on foreign expansion, expand the portfolio and gradually build a pharmaceutical and diagnostic company with a global reach. In the following years, approximately CZK 500m will be invested in development. ■

### New innovation center in Pardubice to help companies

Thursday, November 24 | ČIANEWS | [Information Source](#)

A new building is to be built in the Ke Tvrzi area in Pardubice, where the Pardubice Innovation Center will operate. The Pardubice Business Incubator (P-PINK), CzechInvest, the Regional Development Agency of the Pardubice Region or the Pardubice Regional Chamber of Commerce are to be located under one roof and provide their services to the public. ■

### RegioJet carried 7.7m passengers, posts record revenues

Friday, November 25 | ČIANEWS | [Information Source](#)

RegioJet registers an increase of almost 40% y/y to almost CZK 2bn in train transport revenues for 9M 2022. In bus transport, revenues rose to almost CZK 600m. This represents a doubling. The rail and bus operator reported that it achieved the highest revenues in the company's history. It carried up to a third more passengers: 7.7 million. Occupancy rates on trains and buses have reached a high level after the pandemic, exceeding 80%. The Prague-Amsterdam bus line is among the busiest (99%). ■

### DPD CZ registers record number of shipments

Wednesday, November 30 | ČIANEWS | [Information Source](#)

DPD CZ delivered approximately 250,000 parcels during the Black Friday event on November 29, 2022, which is a record number for the carrier. These are packages that people ordered on Friday, November 25, or over the weekend. Managing Director Miloš Malaník said that the clients' savings were reflected, for example, in reduced interest in winter tyres, which the company shipped more of in 2021. In the Christmas season, DPD CZ expects an increase in the volume of shipments by more than 100% compared to the normal standard, however, according to the carrier, the level of the covid period is unlikely to be reached. ■

### KSÚS invests over CZK 500m in road repairs

Wednesday, November 30 | ČIANEWS | [Information Source](#)

The Karlovy Vary Region Road Administration and Maintenance (KSÚS) continued to repair and modernise roads of the second and third classes in the region in 2022. CZK 212.5m was spent on repairs of surfaces, bridges, and road drainage, and CZK 346.8m on major road reconstruction and modernisation. Jan Bureš (ODS), a deputy of the Karlovy Vary Region, said that despite the rise in prices of construction materials and energy, the KSÚS completed the planned investment projects and minor non-investment repairs. In 2023, funding for construction projects should increase. Among other things, the reconstruction of the road in the section Radyně - Smilov will take place for CZK 150m. ■

## ECONOMY - CONSEQUENCES

### Most people pay by card in e-shops, BNPL method expands

Monday, November 28 | ČIANEWS | [Information Source](#)

A third of e-shops introduced new payment methods during the pandemic to meet customer requirements. The most common method is card payment, offered by 87% of online shops. Apple Pay or Google Pay is currently offered by 47% of e-shops and many others are considering its implementation. This is according to the Payment Trends survey by payment and shopping solution provider Twisto, with 14% of e-shops also currently offering the BNPL (Buy Now Pay Later) payment method. A further 18% of online shops are considering introducing this method. ■

For your notes

## Hlídač shopů: Shops state real prices in Black Friday

Monday, November 28 | ČIANEWS | [Information Source](#)

Most of the e-shops that launched Black Friday switched to the new rules of the Consumer Protection Act and displayed real discounts calculated on the lowest sale price in the 30 days before the campaign. This was reported by Hlídač shopů (Shop Guard). The online stores Alza.cz and CZC.cz, which displayed real discounts already in 2021, were newly joined by Mall.cz, TSBohemia.cz, Datart.cz, ElektroWorld.cz, Pilulka.cz, Benu.cz and AAAauto.cz. The reported discounts at these e-shops are half of what they were last year. Alza.cz offered 12,871 products on Black Friday with an average discount of 28%. Mall.cz discounted 17,249 products by an average of 17%. ■

## MF: Municipalities and regions managed CZK 60bn surplus

Saturday, November 26 | ČIANEWS | [Information Source](#)

Municipalities, regions and voluntary associations of municipalities operated with a budget surplus balance of CZK 60.3bn as of September 30, 2022. After adjusting the total revenue and expenditure of regions and municipalities for direct education costs and subsidies to private schools, the surplus is CZK 47.6bn. The economic result has improved by 34.8% y/y, however, it has increased by 143.7% compared to 2020. Compared to September 2019, the economic result increased by 43.6%. This was reported by the Ministry of Finance (MF), adding that territorial budgets are now accumulating savings in the economic downturn caused by the war. ■

## Unemployment in CR down to 2.3%

Thursday, December 1 | ČIANEWS | [Information Source](#)

The share of the employed persons in the total population of the Czech Republic in the 15-64 age group increased by 1.0 pp y/y to 75.8% in October 2022. The unemployment rate fell by 0.2 pp to 2.3%. The unemployment rate for men was 2.0% and for women 2.6%. The data were published by the Czech Statistical Office (ČSÚ). The share of the economically active to the population in the 15-64 age group rose by 0.8 pp to 77.5%. ČSÚ sends the data to Eurostat, which uses them to compile unemployment reports for EU Member States, but for the 15-74 age group. The unemployment rate for this age group was 2.1% for the Czech Republic. ■

## CI: Apartment prices in Prague up 7% to CZK 155,000 per m2

Thursday, December 1 | ČIANEWS | [Information Source](#)

The average offer price for a newly built apartment in Prague was ca. CZK 155,000/m2 in Q3 2022, up 7% year-to-date. The Colliers International (CI) analysis also showed that given the current economic situation, institutional rents are expected to boom. The number of new apartments delivered annually averages about 5,500 units, which is half of what the city needs. The current average price of older flats is CZK 124,000/m2 (up 2%). Following the growth of the secondary market in the last three years, CI expects prices to fall this year. ■

## Export Index: Exports up 20%, growth is slowing down

Thursday, December 1 | ČIANEWS | [Information Source](#)

The value of exports continued to grow at an annual rate of over 20% during September 2022. The updated Export Index forecast, compiled by the Association of Exporters (AE) in conjunction with Raiffeisenbank, has moved in a more optimistic direction, although it continues to predict a reduction in the growth rate to close to 10% in the early months of 2023. The improvement in the export outlook comes mainly against the backdrop of reduced difficulties in global supply chains, clearing the way for barter trade. ■

## PMI fell to 41.6 points due to weak demand

Thursday, December 1 | ČIANEWS | [Information Source](#)

The seasonally adjusted S&P Global Manufacturing Purchasing Managers' Index (PMI) for the Czech Republic fell from 41.7 in November 2022 from 41.6 in the preceding month. The index continued to signal a decline in the health of the Czech manufacturing sector, which was also the fastest in 2.5 years. Output volumes in manufacturing declined for the sixth consecutive month. Survey participants attributed the decline to weak demand and a further reduction in new order intake. The reduction in production was the steepest since May 2020. Input prices continued to rise. Higher energy and transportation costs weighed on spending, and the pace of inflation was the slowest in two years. ■

## Frequency of online shopping falls

Wednesday, November 30 | ČIANEWS | [Information Source](#)

A total of 41% of online shoppers in the Czech Republic mainly use their mobile phone for online shopping. This is according to the E-commerce Study 2022 by the Association for Electronic Commerce (APEK) and Nielsen. There has also been, among other things, a slight decline in the monthly frequency of shopping to around 2019 levels. Customers place more emphasis on price than in the past and compare individual offers more. APEK Executive Director Jan Vetyška said that there has been a year-on-year increase in interest in buying holidays or tickets to events of all kinds, activities that have been significantly limited in the last two years. On the other hand, customers were less likely to order goods that had to be newly purchased or renewed during the pandemic, i.e. mobile phones, consumer electronics, white goods, and computers. ■

## ČNB: Loans to non-financial corporations increased

Wednesday, November 30 | ČIANEWS | [Information Source](#)

The total balance sheet of asset financing intermediaries as of September 30, 2022 was CZK 434.3bn, which increased by 4.9% y/y. The data was published by the Czech National Bank (ČNB). The largest item of assets consists of granted loans with a total value of CZK 342.7bn, which is CZK 24.7bn more. Loans to residents represented CZK 336.5bn. The largest part of this was made up of loans to non-financial enterprises worth CZK 267.9bn. Year-on-year, their value increased by CZK 22.2bn. This was followed by loans to households for CZK 65.9bn. ■

For your notes

## AMSP: One half of SMEs use circular economy principles

Wednesday, November 30 | ČIANEWS | [Information Source](#)

Half of small and medium-sized enterprises (SMEs) use the principles of the circular economy. Almost all companies use at least one of the principles, only some of them are not aware of it. This results from a survey conducted by Ipsos for the Association of Small and Medium-sized Enterprises and Tradesmen of the Czech Republic (AMSP). Josef Jaroš, Chairman of the Board of Directors of the Association, said that the most common reasons for interest in the circular economy are the desire to save money or to adapt to the trend of business sustainability. Companies most often sort waste and use eco-friendly materials. Barriers to the introduction of circularity principles are a lack of information and finance. ■

## KRUK: 13 % buy gifts in sales before Christmas

Tuesday, November 29 | ČIANEWS | [Information Source](#)

Almost half of Czechs (45 %) buy Christmas presents one to three months before Christmas, have money saved for them in advance and keep an eye on their price. 13 % of the people surveyed in the KRUK survey in the Czech and Slovak Republic only buy gifts just before Christmas and only during sales. Slightly over 9 % of respondents said that they will not buy any Christmas presents because they do not have enough money for them. Most often, these are people of retirement age and without a job. ■

## UlovDomov: 75 % of flats change subtenants during year

Tuesday, November 29 | ČIANEWS | [Information Source](#)

In total, 75 % of apartments change subtenants during the year. Seven owners out of 100 have to deal with flooding during the year, and 13 owners have to deal with neighborhood disturbances. This follows from the statistics of UlovDomov.cz, which operates the Ideal Tenant service. Because of subtenants, 6 % of owners are renovating their flats while 1 % are involved in extensive renovations. The investigation further showed that two landlords out of a hundred are forced to evict the subtenant due to non-payment of rent. A total of 22 % of apartment owners also deal with problems with boilers, radiators or thermostats. ■

## DLA Piper: AI used by 85% of construction firms in Europe

Thursday, November 24 | ČIANEWS | [Information Source](#)

More than four in five (85%) construction executives in Europe expect material prices to rise in the next 18 months. The same percentage of executives have incorporated artificial intelligence (AI), robotics and analytics software into project preparation processes. 79% have implemented AI technologies to automate ordering, payment, invoicing and delivery tracking. The report by global law firm DLA Piper also shows that 47% of executives expect their investment in digital technology to increase significantly over the next two years. Projects with flexible pricing arrangements are a priority for 54% of executives. 82% of construction executives are committed to reducing the carbon footprint of their operations and supply chains. ■

## Petrol price down to 40.86 CZK/l, diesel to 43.28 CZK/l

Friday, November 25 | ČIANEWS | [Information Source](#)

The average consumer price of Natural 95 petrol in the 47th week compared to the 46th week of 2022 in the Czech Republic fell from CZK 41.75 to CZK 40.86 per litre on average. Diesel fuel fell from CZK 45.05 to CZK 43.28/l. The price of LPG decreased from CZK 17.79 to CZK 17.73/l. According to the survey of the Czech Statistical Office, the price of gas oil fell from CZK 24,629 to CZK 23,185 per 1,000 litres. ■

## NEWS FROM SLOVAKIA

### SZRB lent EUR 33m to entrepreneurs as part of anti-corona measures

Thursday, November 24 | ČIANEWS | [Information Source](#)

From April 2020 to June 2022, Slovenská záručná a rozvojová banka (SZRB) provided operating loans to entrepreneurs in the amount of EUR 33m with the option of 0% interest as part of the anti-corona program. In order to obtain the interest subsidy, the applicant had to maintain its business activity and employment for at least 12 months and at the end of this period, it had to have no debts on social and health contributions. All loans were secured by a state guarantee of up to 80%. This information was published by the Slovak Ministry of Finance. ■

### Confidence in industry in SR fell but increased in construction

Tuesday, November 29 | ČIANEWS | [Information Source](#)

The indicator of confidence in industry in November 2022 in Slovakia fell month-on-month to -15. This is the lowest since May 2020. Confidence in services showed a decrease of 0.6 points to -0.3. On the contrary, the sentiment improved in the trade sector, by 5.4 points to 23.7, and also in construction, where the indicator increased by 4 points to the level of -6.5. Consumer confidence increased by 3.8 to -32.2. The Statistical Office of the Slovak Republic informed about it. ■

### Market services in Slovakia rose in price by 5.7% in 3Q 2022

Wednesday, November 30 | ČIANEWS | [Information Source](#)

Prices of market services increased by 5.7% y/y in Slovakia in 3Q 2022. They increased especially in architectural and engineering services (+36.7%). On the contrary, prices fell the most in financial services, except for insurance (-14.8%). Market services prices rose by 0.4% q/q. The Statistical Office of the Slovak Republic informed about it. ■

For your notes

