

GOVERNMENT MEASURES

Government approved launch of preparations for loan

Wednesday, October 12 | [ČIANEWS](#) | [Information Source](#)

The Government of the Czech Republic has approved the launch of preparations and assessment of the possibility of using financial resources from the RRF, which is the main pillar of the European Union's Next Generation Recovery Plan. The Czech Republic could borrow up to CZK 350bn from the European Commission. The loan could mitigate the economic and social impact of the coronavirus pandemic, revitalise the economy and, last but not least, help fundamentally accelerate the modernisation of the energy sector. In the context of the war in Ukraine, it will be necessary not only to increase allocations for existing measures, but also to focus on areas that have been neglected so far. The exact amount and areas to be covered by the loan are still to be discussed by the government. ■

HK CR: Companies plan to resume relations in Mongolia

Friday, October 7 | [ČIANEWS](#) | [Information Source](#)

The Chamber of Commerce of the Czech Republic (HK ČR) is preparing business forums for Czech and Mongolian companies in the capital of Mongolia, Ulaanbaatar, and in Chentijisk Ajmag. The businessmen's mission will take place from 10 to 16 October 2022 on the occasion of the opening of the Expo Mongolia fair. The Czech delegation will consist mainly of representatives of companies involved in the production of mass media, transportation of goods, preparation and realization of buildings, development and production of radar technology. Legal offices, insurance companies or recruitment companies are also represented. It will try to build on the business negotiations on orders and investments that were in place in Mongolia before the pandemic. In 2021, domestic companies exported goods to Mongolia with a total value of CZK 390m, imports to the Czech Republic reached CZK 13m. ■

SYRI: Sputnik V vaccine was available in Hungary and Serbia

Wednesday, October 12 | [ČIANEWS](#) | [Information Source](#)

The Russian Sputnik V vaccine against COVID-19 was used by European countries where democracy was eroding. This is according to the staff of the National Institute for Research on Socioeconomic Impacts of Diseases and Systemic Risks (SYRI). Petra Guasti from SYRI said that Sputnik V was available especially in Hungary and Serbia. On the contrary, in the Czech Republic and Slovakia, the effort to distribute it was completely or largely unsuccessful. ■

OpenDataLab: No. of fully vaccinated people rose to 6,890,367

Thursday, October 13 | [ČIANEWS](#) | [Information Source](#)

As of October 13, 2022, 6,890,367 people in the Czech Republic were fully vaccinated against COVID-19, 423 more than a week ago (64.4%; 68.0% older than 5 years). 6,975,365 residents received at least one dose. 4,327,234 citizens were given the booster dose. The statistics were compiled by OpenDataLab (ČVUT) based on data from the Ministry of Health. ■

MZ: Number of people hospitalized with COVID-19 fell to 1,651

Thursday, October 13 | [ČIANEWS](#) | [Information Source](#)

The number of confirmed cases in connection with the infection causing COVID-19 in the Czech Republic increased by 2,214 to 4,136,263 on the morning of October 13, 2022. The number of hospitalized patients decreased from 1,848 to 1,651 on October 12 compared to the previous day. The number of deaths for the week rose to 41,332 from 41,210, according to updated data from the Ministry of Health (MZ). ■

PRIVATE SECTOR – ACTIVITIES

LF Ostrava opens simulation centre for CZK 250m

Wednesday, October 12 | [ČIANEWS](#) | [Information Source](#)

The Faculty of Medicine (LF) of the University of Ostrava opened a new simulation centre for CZK 250m. The training hospital will prepare both future doctors and medical students for practice. Medics and paramedics will train, among other things, receiving an emergency call, treating an injured motorcyclist, taking blood, suturing a wound, complicated childbirth or rescuing a patient after a drug overdose. In the two-storey building there is an emergency room, an intensive care unit with modern equipment, an operating or delivery room. On the other hand, there are no patients. They will be replaced by simulators. ■

Omnio seeks 20 developers; cooperates with Uber

Tuesday, October 11 | [ČIANEWS](#) | [Information Source](#)

Omnio's development centre in Prague is currently looking for twenty new people. Omnio's platform enables passengers to easily search, compare and buy train and bus tickets, as well as air and ferry tickets in 37 countries. The Prague team is working e.g. on integrating the booking systems of individual carriers. The platform is now cooperating with Uber, to which it will provide its database of ground connections. Omnio reported that it is currently achieving double the turnover compared to the pre-Covid year 2019. ■

For your notes

Brno Airport to handle 460,000 passengers

Thursday, October 13 | ČIANEWS | [Information Source](#)

Since the beginning of 2022, Brno Airport has handled 420,000 passengers. Of them, 201,000 passengers travelled in July and August. This year's summer season (until the end of October) is at 89% of the 2019 season. The number of realised flights during the summer season, which began in March 2022, exceeded 2,000 in mid-September. Passengers from Brno could visit 18 destinations. Traditionally, holidays in Greece, Bulgaria, Turkey, Egypt, and Spain were at the forefront of their interest. The airport expects to handle almost 460,000 passengers in 2022, compared to 543,000 in 2019. ■

HubHub shared offices fully occupied, at 70% pre-Covid

Thursday, October 13 | ČIANEWS | [Information Source](#)

HubHub, the operator of two Prague co-working offices, has achieved full occupancy of offered premises in 2022, even though during the strictest coronavirus lockdown periods, the occupancy rate dropped to 50%. One of the reasons is a hybrid style of work, which a substantial part of companies re-oriented to. Instead of start-ups, flexible offices are more frequently leased by larger companies. Before the onset of the pandemic, the occupancy rate at HubHub was around 70%. ■

Smartwings: Number of passengers grows by 120%

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Smartwings carried almost 4.6 million passengers in the first nine months of 2022, an increase of 120% y/y. From January to September, Smart Smartwings operated over 29,000 flights (+92%) not only from the Czech Republic, but also from eight foreign bases in seven countries. The largest number of passengers, over 2.7 million (+109.4%), flew to/from the Czech Republic. In the summer season, the company offered connections from five Czech airports (Prague, Brno, Ostrava, Pardubice and Karlovy Vary) to 70 destinations. During June-August, almost 3 million passengers (+100.6%) used Smartwings services and the company reached 97% of its 2019 pre-flight level. ■

Knihobot doubles book sales to 98,000 in September

Thursday, October 13 | ČIANEWS | [Information Source](#)

In September 2022, Knihobot sold more than 98,000 second-hand books. One year ago, the number totalled almost 50,000. By selling older books, people earned CZK 8m in September and over CZK 50m since the beginning of the year. In the summer, when e-shops, in general, reported a decrease in customer interest, Knihobot's revenue equalled the last Christmas. It does not only mean that existing customers purchase more on the portal. Out of the approximately 225,000 customers, more than 60% have come since the beginning of 2022. ■

Invia: CEO M. Tůma quit, group is restructuring business

Monday, October 10 | ČIANEWS | [Information Source](#)

The CEO of the online travel agency Invia Michal Tůma is leaving and his agenda will be taken over by the management team until his successor is chosen. Invia has currently completed the integration process of centralization in Central and Eastern Europe, where the directors of individual departments will be responsible for each market and report to the Invia Group. In addition to the Czech Republic, it also operates in Slovakia, Hungary, Germany, Austria, Switzerland and Poland and processes 3 million clients annually. ■

Hello bank! will again donate CZK 1m for charity

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Hello bank! will donate CZK 1m to charitable projects in 2022. The winners were again decided by clients and will be announced by the bank on October 13 at the SDGs Awards. In 2021, the company donated hundreds of thousands of CZK to tree planting, the dignity of the elderly and soil health in the Hello Earth programme. It also contributed to the development of projects for the visually impaired and virtual reality rehabilitation. ■

ECONOMY - CONSEQUENCES

Inflation accelerated to 18%, gas rose by 86%

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Consumer prices rose 18.0% y/y in September 2022, up 0.8% from August. The Czech Statistical Office (ČSÚ) data also show that the higher prices in the housing section influenced the development, where the growth of electricity prices accelerated to 37.8% (34.6% in August), natural gas to 85.9% (61.4%) and solid fuels to 55.8% (45.8%). Prices of goods and services increased by 20.7% and 13.7% in aggregate, respectively. The inflation rate, expressed as the increase in the average consumer price index over the last 12 months compared with the average of the previous period, was 12.7% in September. According to Eurostat, inflation in the EU27 was 10.1% in August. In the Slovak Republic, it was 13.6%. ■

IMF: Economic growth rate to fall below 2% in CR, SR

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Czech economic growth will slow down from 3.5% to 1.9% y/y in 2022 and slow down to 1.5% in 2023. This is according to the forecast of the International Monetary Fund (IMF). The unemployment rate will fall from 2.8% to 2.5%. Inflation will accelerate to 16.3% next year from 3.8% last year and reach 8.6% the following year. In Slovakia, GDP growth will fall to 1.8% this year from 3.0%. Unemployment will fall from 6.8% to 6.2%. Inflation will reach 11.9%, down from 2.8% in 2021. ■

For your notes

CzechTourism: Number of foreign visitors in hotels grows

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Visitors to hotels in the Czech Republic in August 2022 were mainly foreign tourists, who numbered 737,427, up almost 90% y/y. They accounted for more than 50% of the domestic hotel clientele. Most of the arrivals were Germans (164,000), Poles (74,500), Slovaks (72,400) and Americans (37,000), according to data from the Czech Statistical Office published by CzechTourism. Its director, Jan Herget, added that foreign visitor arrivals were 24.4% lower compared to August 2019. This is due to a drop in tourists from Russia and China. Domestic hotels were used by 736,882 Czechs (-14.5%). The reason could be the current socio-economic situation. Petr Janeček, head of the CzechTourism Institute, added that there was a 23.6% increase compared to August 2019. ■

BC: Funds show losses, only real estate ones show profit

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Capital markets returned to a correction during September 2022, lasting for most of the year except July. According to the Broker Consulting (BC) Mutual Fund Index, the decline in values is evident in most funds. Equity funds fell to -10.04%, which contributed to the overall increase in annual losses (-24.82% on average). There was also a decline in bond funds (-3.51%), mainly due to interest rate hikes by the US and European Central Banks. Money market funds recorded a loss of -1.10%. Only real estate funds were profitable, gaining 5.19% over the year. ■

Sophos: 39% of managers think cyber-attack is likely

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Almost half (45%) of Czech managers from non-IT departments believe that a cyber-attack on their company is unlikely or impossible. On the contrary, 39% consider it likely, according to a study by Sophos, a provider of cyber security solutions. Managers of larger companies are more aware of the risks associated with a cyber-attack. Businesses are at greater risk today due to events in the last two years, according to 72% of CEOs. A change in attitude towards threats due to the pandemic is confirmed by 30%, and 22% due to war. ■

BCI: Average mortgage rate stopped at 5.90 %

Monday, October 10 | ČIANEWS | [Information Source](#)

The average mortgage interest rate totaled 5.90 % in September 2022. It increased by 8 pp m/m. This represents an exceptionally low increase in recent months. This results from the Broker Consulting Index (BCI) of mortgage loans. Mortgage rates have already more than tripled since January 2021. Experts estimate that the peak of interest rates is already behind the mortgage market. According to them, stagnation is most likely in the following months. ■

NetMonitor: Energy, war increased interest in news sites

Monday, October 10 | ČIANEWS | [Information Source](#)

The number of real Internet users via PC in the Czech Republic increased by 1.12 % m/m to 7.17m in September 2022. This is according to the NetMonitor survey conducted by Gemius for the Internet Development Association. In the mobile phone category, the number of visitors increased by 1.54 % to 6.86m. The number of tablet users reached 1.59m (+1.67 %). The development of the war in Ukraine, the attack on the Nordstream gas pipelines, or the government's plans to cap energy prices caused an increase in user interest in the News category. News websites grew the most on tablets (+9 %) and traditional PCs (+7 %), as well as on mobile phones (+4 %). ■

External trade shows deficit of CZK 28.2bn

Friday, October 7 | ČIANEWS | [Information Source](#)

The balance of foreign trade in goods at current prices ended with a deficit of CZK 28.2bn in August 2022. It was CZK 0.4bn higher y/y. The balance with EU countries improved by CZK 30.9bn to CZK 71.9bn. The deficit with non-EU countries widened by CZK 31.2bn. Data from the Czech Statistical Office show that exports rose by 27.9% y/y to CZK 360.6bn and imports by 25.5% to CZK 388.8bn. In January-August 2022, the trade balance showed a deficit of CZK 127.7bn, while in the same period of 2021 it ended with a surplus of CZK 36.7bn. ■

Industry accelerated to 7.2%

Friday, October 7 | ČIANEWS | [Information Source](#)

Industrial production grew by 7.2% y/y in real terms in August 2022, picking up from July's revised 0.9% pace. According to the Czech Statistical Office, the higher dynamics was mainly influenced by a low comparative base in motor vehicle production. In machinery and equipment production, the increase in demand has been evident for a longer period of time. By contrast, a decline has been recorded in some energy-intensive sectors, such as basic metals, metallurgy, and foundry production. The value of new orders increased by 18.7% y/y. On a month-on-month basis, industrial production was 0.8% higher. ■

ČSOB: Women form 40% of investors

Friday, October 7 | ČIANEWS | [Information Source](#)

A total of 29% of Czechs invest irregularly or on a one-off basis, and 40% of investors are women. According to a survey conducted by Ipsos for ČSOB Asset Management (AM), women are more often motivated by the specific purpose of their finances, for example, the purchase and reconstruction of a house or savings for children or grandchildren. For men, the biggest motivation is protecting the value of money. About 55% of men and 63% of women put money into banking products such as pension and building savings or life savings. A third of men, but only a fifth of women, buy shares outright. Bonds came third, with 19% of male and female investors reaching for them. ■

For your notes

SDA: Sales of cars with alternative propulsion grow

Friday, October 7 | ČIANEWS | [Information Source](#)

In the Czech Republic, 26,910 alternatively powered cars were registered from January to September 2022 (+28% y/y). Electric cars account for 1.99% of total passenger car registrations. In addition, 20,386 hybrid-electric vehicles were registered (+21%). Of these, 2,435 were plug-in hybrids (-21.4%). Statistics from the Car Importers Association (SDA) further show that in terms of fuel, petrol came first with 66.83% (96,124 units), followed by diesel with 24.42% (35,132 units), followed by petrol+LPG (2,966 units), electric (2,869 units), petrol+electric (2,260 units) and CNG (688 units). ■

NEWS FROM SLOVAKIA

MF SR: EU fund drawing rate reached 62%

Tuesday, October 11 | ČIANEWS | [Information Source](#)

As of August 31, 2022, Slovak Ministry of Finance (MF SR) registers the subsidy absorption at the level of 61.89%, i.e. EUR 8.98bn out of EUR 14.50bn, of the total allocation of 10 operational programmes in the period 2014-2020. Based on the state of declared expenditure, the N+3 milestone of EUR 1.77bn for 2022 has been met for six operational programmes. ■

Orange preps more transmitters with solar power

Tuesday, October 11 | ČIANEWS | [Information Source](#)

Slovak operator Orange has put 100 solar-powered transmitters into operation in 2021 and is preparing more. In total, Orange has 180 such transmitters and plans to build 100 more by the end of the year. Each one reduces the company's carbon footprint by hundreds of kilograms of CO2 per year. The operator also wants to save on energy costs. ■

Industrial production in SR down 2.0 percent in Aug

Monday, October 10 | ČIANEWS | [Information Source](#)

Industrial production in Slovakia fell by 2.0% year-on-year in August 2022. The result was most affected by the decrease in the production of electricity, gas and steam by 30.0%, the decrease in the production of metals and metal structures by 12.4% and in the production of computers by 22.6%. The balance of industry was improved by the growth of the production of means of transport by 20.5%. Furthermore, double-digit growth in the production of electrical equipment, other production and repair of machines or the production of coke and petroleum products. The Statistical Office of the Slovak Republic informed about it. In the eight months of 2022, industrial production decreased by 3.5%. It fell by 0.9% month-on-month. ■

Sales in industry in SR rose by 19.5% and by 3% in services

Thursday, October 13 | ČIANEWS | [Information Source](#)

In August 2022, sales in industry in Slovakia increased by 19.5% year on year. A positive result was recorded by 14 out of 16 monitored sectors, according to data published by the Slovak Statistical Office. Sales in selected market services fell by 3%. In transport and storage, they saw 35.9% growth. The revenue of enterprises from the ICT sector increased by 16.4%. Companies operating in the construction industry had 1% less. ■

Employment in SR increased in restaurants, but decreased in industry

Thursday, October 13 | ČIANEWS | [Information Source](#)

Employment in Slovakia increased year-on-year in August 2022 in nine out of ten monitored sectors of the economy, most significantly in restaurants and hospitality establishments (by 6.5%). In accommodation, the number of employed persons increased by 5.8% and in the ICT sector, it was by 5.3%. The Slovak Statistical Office stated that in industry that employs the largest number of people, employment decreased by 1.1%. ■

Wages in SR increased most in construction

Thursday, October 13 | ČIANEWS | [Information Source](#)

The average nominal monthly wage in Slovakia increased year-on-year in August 2022 in all ten monitored sectors of the economy. The Slovak Statistical Office reported that the largest increase was in the construction sector, namely by 13.1% to 921 euros. In accommodation, wages rose by 12.9% to 1,012 euros. In industry, they rose by 9.1% to 1,351 euros. Inflation caused real wages to fall in all industries. The most significant reduction of more than 12% was recorded in restaurant and hospitality activities. In selected market services, real wages fell by 8.5%. ■

Number of guests in Slovak accommodation facilities fell

Wednesday, October 12 | ČIANEWS | [Information Source](#)

Slovak accommodation facilities were visited by 663,000 people in August 2022. This represents a year-on-year decrease of 0.7%. Compared to pre-Covid 2019, there were 16% fewer visitors. Guests spent more than 1.9 million nights in accommodations. The Statistical Office of the Slovak Republic informed about it. ■

For your notes