

# Chartbook

Overview of macroeconomic,  
financial and monetary indicators

———— Winter 2021



Czech National Bank — Chartbook — Winter 2021



# 2%

The chartbook is a parallel publication to the Monetary Policy Report. It contains an up-to-date overview of the main macroeconomic, financial and monetary indicators that enter the CNB's monetary policy decisions. Unless stated otherwise, the historical data are sourced from the CZSO or the CNB. The outlook (indicated by the grey area) is the CNB forecast, with a few exceptions. The deadline for this issue was 29 January 2021.

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# A — Forecasts of key variables

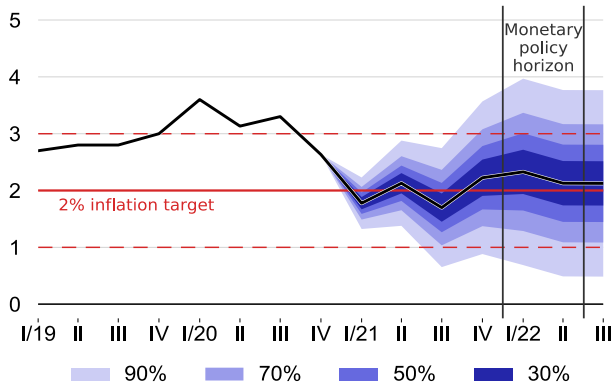
		2020	2021	2022	
<b>Headline inflation</b>	in %	<b>3.2</b>	<b>2.0</b>	<b>2.2</b>	Inflation will fall more markedly this year due to lower growth in food prices and adm. prices. Next year it will be higher, owing to the newly incorporated increase in excise duties.
	pp	(-0.1)	(-0.3)	(0.1)	
<b>Monetary policy -relevant inflation</b>	in %	<b>3.2</b>	<b>1.8</b>	<b>2.0</b>	Monetary policy-relevant inflation has been revised more markedly than headline inflation this year due to adjustment for the first-round effects of changes to indirect taxes.
	pp	(-0.1)	(-0.5)	(-0.1)	
<b>GDP</b>	y-o-y changes in %	<b>-5.8</b>	<b>2.2</b>	<b>3.8</b>	The GDP forecast has been revised upwards both this year and the next due to a stronger economic recovery in the second half of 2020 and a better situation in industry.
	pp	(1.4)	(0.5)	(-0.4)	
<b>Interest rate</b>	3M PRIBOR in %	<b>0.9</b>	<b>0.7</b>	<b>1.5</b>	The market rate outlook remains similar.
	pp	(0.1)	(0.0)	(0.1)	
<b>Exchange rate</b>	CZK/EUR	<b>26.5</b>	<b>25.8</b>	<b>24.9</b>	The koruna will be stronger due to its appreciation at the end of 2020, the unexpectedly good condition of domestic industry and a wider interest rate differential vis-à-vis the euro area.
		(-0.1)	(-0.8)	(-1.0)	

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

## A — Forecasts of key variables

Chart A.1  
**Headline inflation**

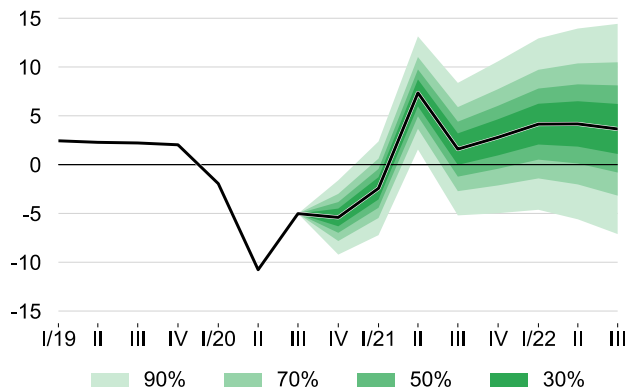
year on year in %; confidence intervals in colour



The confidence intervals of the headline inflation forecast reflect the predictive power of past forecasts and are symmetric. They widen only for the first five quarters and then stay constant. This is consistent with both the past predictive power and the stabilising role of monetary policy.

Chart A.3  
**GDP**

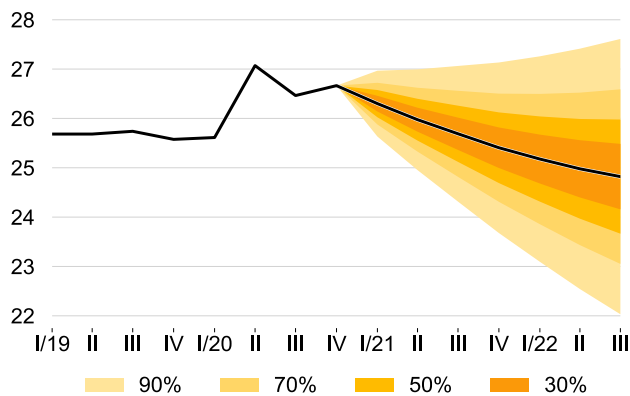
y-o-y changes in %; seasonally adjusted; confidence intervals in colour



The confidence intervals of the GDP growth forecast reflect the predictive power of past forecasts. They are symmetric and linearly widening.

Chart A.5  
**Exchange rate**

CZK/EUR; confidence intervals in colour



The confidence intervals of the CZK/EUR exchange rate reflect the predictive power of past forecasts (with the exception of the exchange rate commitment period). They are symmetric and linearly widening.

Chart A.2  
**Headline inflation – comp. with previous forecast**

year on year in %; differences in pp

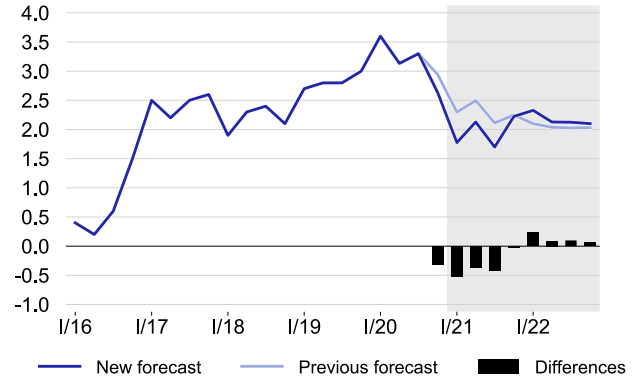


Chart A.4  
**GDP – comparison with previous forecast**

y-o-y changes in %; differences in pp; seasonally adjusted

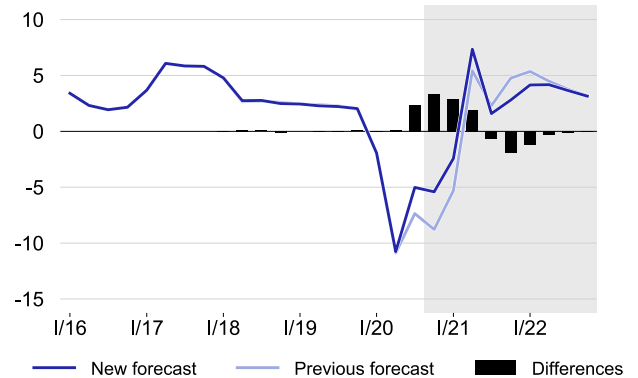
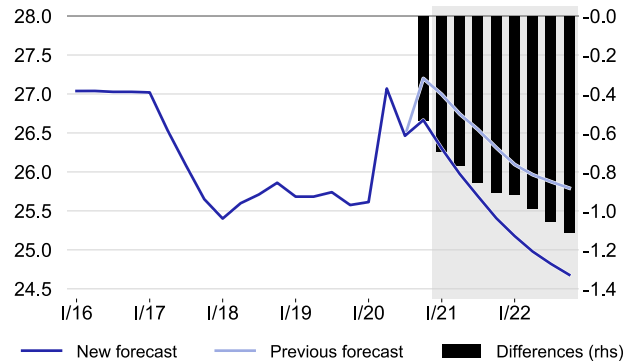


Chart A.6  
**Exchange rate – comp. with previous forecast**

CZK/EUR; differences in CZK (right-hand scale)

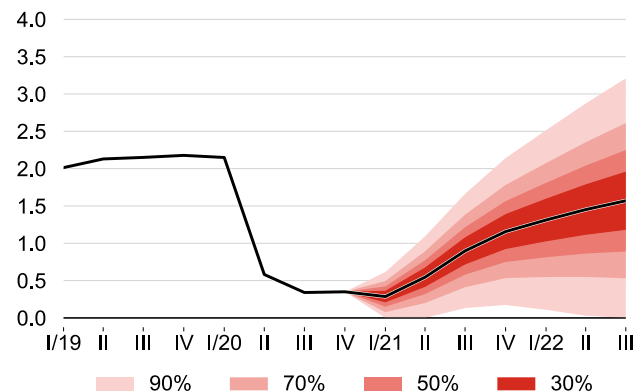


## A — Forecasts of key variables

Chart A.7

### Interest rate

3M PRIBOR in %; confidence intervals in colour



The confidence intervals of the 3M PRIBOR forecast reflect the predictive power of past forecasts (with the exception of the exchange rate commitment period). They are symmetric; linearly widening and limited below by the zero lower bound.

Chart A.8

### Decomposition of changes in int. rate forecast

3M PRIBOR; differences from previous forecast in pp

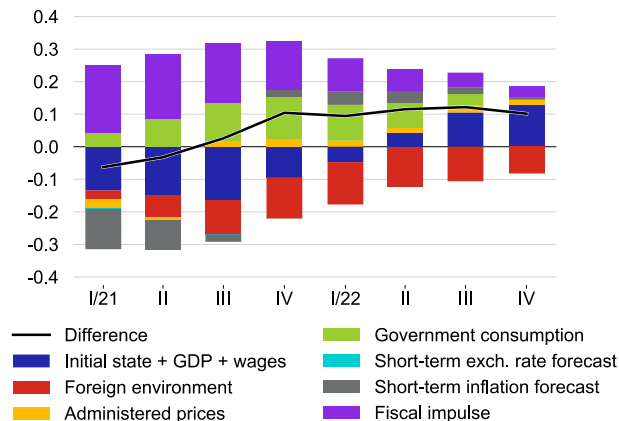
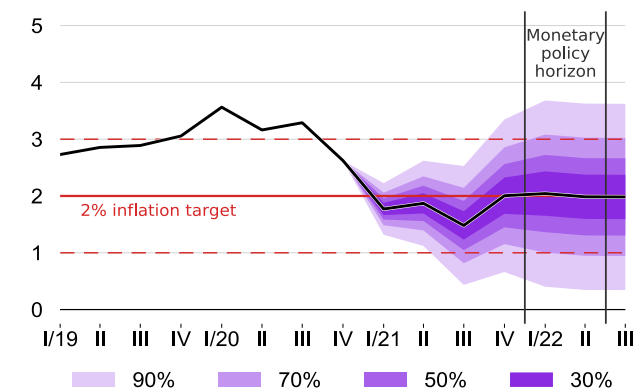


Chart A.9

### Monetary policy-relevant inflation

year on year in %; confidence intervals in colour

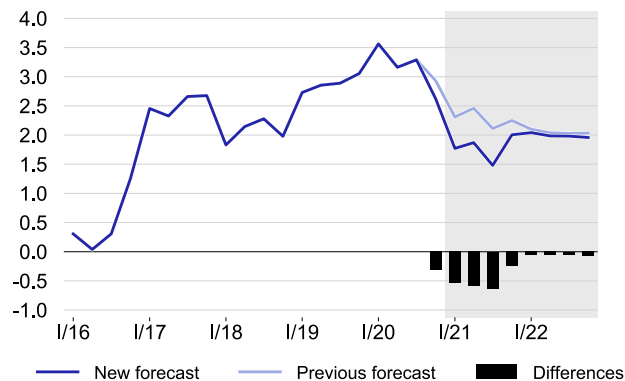


The confidence intervals of the monetary policy-relevant inflation forecast reflect the predictive power of past forecasts and are symmetric. They widen only for the first five quarters and then stay constant. This is consistent with both the past predictive power and the stabilising role of monetary policy.

Chart A.10

### Monetary policy-relevant inflation – comparison with previous forecast

year on year in %; differences in pp



## A — Forecasts of key variables

Table A.1

### Key macroeconomic indicators – years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>DEMAND AND SUPPLY</b>												
<i>Gross domestic product</i>												
GDP (CZK bn, constant p. of 2015, seas. adjusted)	4323.3	4292.6	4290.7	4387.7	4627.5	4740.7	4994.7	5153.6	5269.3	<b>4964.3</b>	<b>5074.5</b>	<b>5266.1</b>
GDP (CZK bn, current p., seas. adjusted)	4058.3	4087.8	4141.8	4344.6	4627.5	4794.8	5117.4	5415.7	5751.4	<b>5641.2</b>	<b>5886.7</b>	<b>6207.7</b>
GDP (% , y-o-y, real terms, seas. adjusted)	1.8	-0.7	0.0	2.3	5.5	2.4	5.4	3.2	2.2	<b>-5.8</b>	<b>2.2</b>	<b>3.8</b>
GDP (% , q-o-q, real terms, seas. adjusted)	-	-	-	-	-	-	-	-	-	-	-	-
Household consumption (% , y-o-y, real terms, seas. adjusted)	0.4	-1.1	0.9	1.4	3.9	3.7	4.0	3.3	2.9	<b>-5.0</b>	<b>1.0</b>	<b>4.8</b>
Government consumption (% , y-o-y, real terms, seas. adjusted)	-3.5	-1.9	2.4	1.0	1.8	2.5	1.8	3.8	2.2	<b>2.5</b>	<b>1.7</b>	<b>2.2</b>
Gross capital formation (% , y-o-y, real terms, seas. adjusted)	1.8	-4.1	-4.3	7.1	13.1	-4.0	6.6	7.7	1.5	<b>-13.2</b>	<b>1.0</b>	<b>5.4</b>
Gross fixed capital formation (% , y-o-y, real terms, seas. adjusted)	1.1	-3.2	-2.2	3.3	9.8	-3.1	5.1	10.0	2.2	<b>-8.8</b>	<b>-0.5</b>	<b>4.3</b>
Exports of goods and services (% , y-o-y, real terms, seas. adjusted)	9.2	4.4	0.3	8.7	6.2	4.1	7.6	3.7	1.2	<b>-6.5</b>	<b>13.6</b>	<b>4.8</b>
Imports of goods and services (% , y-o-y, real terms, seas. adjusted)	6.7	2.7	0.1	10.0	6.9	2.7	6.5	5.8	1.3	<b>-6.6</b>	<b>13.3</b>	<b>5.7</b>
Net exports (CZK bn, constant p. of 2015, seas. adjusted)	230.1	289.0	295.6	283.1	276.4	337.4	400.7	337.3	336.8	<b>317.0</b>	<b>372.7</b>	<b>351.3</b>
<b>PRICES</b>												
<i>Main price indicators</i>												
Consumer Price Index (% , y-o-y, average)	1.9	3.3	1.4	0.4	0.3	0.7	2.5	2.1	2.8	3.2	<b>2.0</b>	<b>2.2</b>
Regulated prices (14.58%)* (% , y-o-y, average)	4.7	8.6	2.2	-3.0	0.0	0.2	0.0	1.8	4.4	3.1	<b>0.6</b>	<b>2.7</b>
Food prices (incl. alcoholic beverages and tobacco) (26.41%)* (% , y-o-y, average)	4.3	2.9	3.1	1.8	0.1	0.2	3.6	1.6	2.6	4.2	<b>1.5</b>	<b>2.3</b>
Core inflation (55.61%)* (% , y-o-y, average)	-0.4	-0.3	-0.5	0.5	1.2	1.2	2.4	2.1	2.7	3.4	<b>2.1</b>	<b>2.0</b>
Fuel prices (3.40%)* (% , y-o-y, average)	7.2	6.0	-2.1	0.2	-13.5	-8.5	6.7	6.3	-0.4	<b>-11.4</b>	<b>2.2</b>	<b>-4.3</b>
Monetary policy-relevant inflation (% , y-o-y, average)	1.9	2.1	0.6	0.2	0.2	0.5	2.5	2.1	2.9	3.2	<b>1.8</b>	<b>2.0</b>
<i>Partial price indicators</i>												
Industrial producer prices (% , y-o-y, average)	5.6	2.1	0.8	-0.8	-3.2	-3.3	1.8	2.0	2.6	0.1	<b>-0.5</b>	<b>0.5</b>
Agricultural prices (% , y-o-y, average)	22.1	3.3	-12.1	4.7	-6.2	-6.0	7.4	-0.2	5.7	-3.2	<b>0.5</b>	<b>-0.7</b>
<b>LABOUR MARKET</b>												
Average monthly wage (% , y-o-y, nominal terms)	2.5	2.5	-0.1	2.9	3.2	4.4	6.7	8.2	6.4	<b>3.2</b>	<b>5.2</b>	<b>3.3</b>
Average monthly wage in market sectors (% , y-o-y, nominal terms)	2.9	2.6	-0.3	3.0	3.2	4.3	6.7	7.7	5.9	<b>2.6</b>	<b>5.4</b>	<b>3.3</b>
Average monthly wage (% , y-o-y, real terms)	0.6	-0.8	-1.6	2.6	2.8	3.8	4.3	6.0	3.6	<b>0.0</b>	<b>3.2</b>	<b>1.1</b>
Unit labour costs (% , y-o-y)	0.5	3.6	0.9	1.6	-0.4	3.1	3.9	6.2	4.3	<b>4.7</b>	<b>3.0</b>	<b>0.5</b>
Aggregate labour productivity (% , y-o-y)	2.1	-1.2	-0.4	1.7	3.9	0.9	3.6	1.8	2.1	<b>-4.4</b>	<b>3.3</b>	<b>3.3</b>
ILO general unemployment rate (% , average, age 15–64, seas. adjusted)	6.8	7.0	7.0	6.2	5.1	4.0	2.9	2.3	2.0	<b>2.6</b>	<b>3.6</b>	<b>3.5</b>
Share of unemployed persons (MLSA) (% , average, seas. adjusted)	6.7	6.8	7.7	7.7	6.5	5.5	4.2	3.2	2.8	<b>3.6</b>	<b>4.4</b>	<b>4.3</b>
Employment (ILO) (% , y-o-y)	0.3	0.4	1.0	0.8	1.4	1.9	1.6	1.4	0.2	<b>-1.2</b>	<b>-1.0</b>	<b>0.5</b>
Full-time employment (% , y-o-y)	-0.3	0.0	-1.0	1.1	2.1	1.8	2.2	1.5	0.3	<b>-2.7</b>	<b>-1.1</b>	<b>1.1</b>
<b>PUBLIC FINANCE</b>												
Government budget balance (ESA2010) (CZK bn, current prices)	-109.7	-159.3	-53.2	-90.2	-29.8	34.1	76.7	49.4	15.3	<b>-344.4</b>	<b>-379.6</b>	<b>-347.0</b>
Government budget balance / GDP** (% , nominal terms)	-2.7	-3.9	-1.3	-2.1	-0.6	0.7	1.5	0.9	0.3	<b>-6.1</b>	<b>-6.5</b>	<b>-5.6</b>
Government debt (ESA2010) (CZK bn, current prices)	1613.7	1805.3	1840.2	1818.9	1836.0	1754.7	1749.7	1734.6	1738.5	<b>2163.4</b>	<b>2548.8</b>	<b>2898.3</b>
Government debt / GDP** (% , nominal terms)	39.7	44.2	44.4	41.9	39.7	36.6	34.2	32.1	30.2	<b>38.4</b>	<b>43.3</b>	<b>46.7</b>
<b>EXTERNAL RELATIONS</b>												
<i>Current account</i>												
Trade balance (CZK bn, current prices)	75.5	123.8	167.0	220.0	187.7	258.5	259.3	200.9	236.1	<b>277.0</b>	<b>281.1</b>	<b>287.3</b>
Trade balance / GDP (% , nominal terms)	1.9	3.0	4.0	5.1	4.1	5.4	5.1	3.7	4.1	<b>4.9</b>	<b>4.8</b>	<b>4.6</b>
Balance of services (CZK bn, current prices)	81.3	77.6	70.4	55.7	86.6	106.6	124.6	120.0	104.4	<b>108.4</b>	<b>97.4</b>	<b>104.4</b>
Current account (CZK bn, current prices)	-84.8	-63.3	-21.8	7.9	20.7	85.2	79.1	24.1	-17.0	<b>168.9</b>	<b>33.2</b>	<b>65.3</b>
Current account / GDP (% , nominal terms)	-2.1	-1.5	-0.5	0.2	0.4	1.8	1.5	0.4	-0.3	<b>3.0</b>	<b>0.6</b>	<b>1.1</b>
<i>Foreign direct investment</i>												
Direct investment (CZK bn, current prices)	-46.8	-121.3	7.4	-80.4	49.7	-186.5	-45.9	-51.0	-61.0	<b>-65.0</b>	<b>-110.0</b>	<b>-70.0</b>
<i>Exchange rates</i>												
CZK/USD (average)	17.7	19.6	19.6	20.8	24.6	24.4	23.4	21.7	22.9	23.2	<b>21.3</b>	<b>20.3</b>
CZK/EUR (average)	24.6	25.1	26.0	27.5	27.3	27.0	26.3	25.6	25.7	26.5	<b>25.8</b>	<b>24.9</b>
<b>MONEY AND INTEREST RATES</b>												
M3 (% , y-o-y, average)	1.0	5.1	5.1	5.1	7.3	9.1	11.7	6.6	6.3	<b>9.1</b>	<b>8.5</b>	<b>5.8</b>
2W repo rate (% , average)	0.75	0.05	0.05	0.05	0.05	0.05	0.50	1.75	2.00	0.25	<b>0.62</b>	<b>1.41</b>
3M PRIBOR (% , average)	1.2	1.0	0.5	0.4	0.3	0.3	0.4	1.3	2.1	0.9	<b>0.7</b>	<b>1.5</b>
<b>EXTERNAL ASSUMPTIONS</b>												
Foreign GDP (% , y-o-y, seas. adjusted, effective)	2.9	0.3	0.2	1.9	1.9	2.0	2.8	1.9	1.2	<b>-6.0</b>	<b>3.8</b>	<b>3.9</b>
Foreign GDP (% , q-o-q, seas. adjusted, effective)	-	-	-	-	-	-	-	-	-	-	-	-
Foreign HICP (% , y-o-y, seas. adjusted, effective)	2.8	2.6	1.6	0.6	0.4	0.3	1.6	2.0	1.5	0.6	<b>1.4</b>	<b>1.5</b>
Foreign PPI (% , y-o-y, seas. adjusted, effective)	5.3	2.1	-0.1	-1.6	-2.5	-2.3	2.7	3.3	1.1	<b>-1.6</b>	<b>1.6</b>	<b>1.4</b>
Brent crude oil (in USD/barrel) (% , y-o-y, average)	38.2	0.7	-2.6	-8.5	-46.1	-16.0	21.7	30.5	-10.3	<b>-32.7</b>	<b>20.8</b>	<b>-3.2</b>
3M EURIBOR (% , average)	1.4	0.6	0.2	0.2	0.0	-0.3	-0.3	-0.3	-0.4	<b>-0.4</b>	<b>-0.6</b>	<b>-0.5</b>
USD/ EUR (average)	1.4	1.3	1.3	1.3	1.1	1.1	1.1	1.2	1.1	1.1	<b>1.2</b>	<b>1.2</b>

\* figures in brackets are constant weights in current consumer basket

\*\* CNB calculation

- data not available/forecasted/released

data in bold = CNB forecast

## A — Forecasts of key variables

Table A.2

### Key macroeconomic indicators – quarters

	2020				2021				2022			
	QI	QII	QIII	QIV	QI	QII	QIII	QIV	QI	QII	QIII	QIV
<b>DEMAND AND SUPPLY</b>												
<i>Gross domestic product</i>												
GDP (CZK bn, constant p. of 2015, seas. adjusted)	1282.3	1173.2	1254.6	<b>1254.2</b>	<b>1251.2</b>	<b>1259.4</b>	<b>1274.5</b>	<b>1289.4</b>	<b>1303.2</b>	<b>1311.9</b>	<b>1321.1</b>	<b>1330.0</b>
GDP (CZK bn, current p., seas. adjusted)	1439.8	1331.3	1429.6	<b>1440.5</b>	<b>1443.0</b>	<b>1458.1</b>	<b>1481.1</b>	<b>1504.5</b>	<b>1527.4</b>	<b>1543.0</b>	<b>1559.8</b>	<b>1577.6</b>
GDP (% , y-o-y, real terms, seas. adjusted)	-1.9	-10.8	-5.0	<b>-5.4</b>	<b>-2.4</b>	<b>7.3</b>	<b>1.6</b>	<b>2.8</b>	<b>4.2</b>	<b>4.2</b>	<b>3.7</b>	<b>3.1</b>
GDP (% , q-o-q, real terms, seas. adjusted)	-3.3	-8.5	6.9	<b>0.0</b>	<b>-0.2</b>	<b>0.7</b>	<b>1.2</b>	<b>1.2</b>	<b>1.1</b>	<b>0.7</b>	<b>0.7</b>	<b>0.7</b>
Household consumption (% , y-o-y, real terms, seas. adjusted)	-0.2	-8.3	-3.9	<b>-7.6</b>	<b>-5.0</b>	<b>3.2</b>	<b>0.6</b>	<b>5.4</b>	<b>6.1</b>	<b>5.8</b>	<b>4.2</b>	<b>3.3</b>
Government consumption (% , y-o-y, real terms, seas. adjusted)	4.6	1.6	0.1	<b>3.5</b>	<b>0.4</b>	<b>2.6</b>	<b>3.9</b>	<b>-0.3</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>	<b>2.4</b>
Gross capital formation (% , y-o-y, real terms, seas. adjusted)	-9.3	-7.8	-16.5	<b>-19.1</b>	<b>-9.6</b>	<b>-1.7</b>	<b>8.4</b>	<b>8.6</b>	<b>8.1</b>	<b>5.8</b>	<b>4.4</b>	<b>3.7</b>
Gross fixed capital formation (% , y-o-y, real terms, seas. adjusted)	-5.3	-5.1	-10.8	<b>-14.0</b>	<b>-5.4</b>	<b>-4.0</b>	<b>2.5</b>	<b>5.5</b>	<b>5.7</b>	<b>4.5</b>	<b>3.7</b>	<b>3.4</b>
Exports of goods and services (% , y-o-y, real terms, seas. adjusted)	-1.9	-23.4	-3.1	<b>2.6</b>	<b>6.2</b>	<b>36.5</b>	<b>9.9</b>	<b>6.9</b>	<b>6.3</b>	<b>5.2</b>	<b>4.3</b>	<b>3.4</b>
Imports of goods and services (% , y-o-y, real terms, seas. adjusted)	-1.8	-18.2	-5.1	<b>-1.3</b>	<b>3.3</b>	<b>28.8</b>	<b>13.4</b>	<b>10.2</b>	<b>8.7</b>	<b>6.4</b>	<b>4.5</b>	<b>3.5</b>
Net exports (CZK bn, constant p. of 2015, seas. adjusted)	71.9	22.2	109.2	<b>113.7</b>	<b>105.2</b>	<b>93.7</b>	<b>86.2</b>	<b>87.6</b>	<b>87.9</b>	<b>86.2</b>	<b>87.7</b>	<b>89.5</b>
<b>PRICES</b>												
<i>Main price indicators</i>												
Consumer Price Index (% , y-o-y, average)	3.6	3.1	3.3	2.6	<b>1.8</b>	<b>2.1</b>	<b>1.7</b>	<b>2.2</b>	<b>2.3</b>	<b>2.1</b>	<b>2.1</b>	<b>2.1</b>
Regulated prices (14.58%)* (% , y-o-y, average)	4.2	3.4	3.4	1.7	<b>0.4</b>	<b>0.3</b>	<b>0.0</b>	<b>1.9</b>	<b>2.7</b>	<b>2.7</b>	<b>2.6</b>	<b>2.6</b>
Food prices (incl. alcoholic beverages and tobacco) (26.41%)* (% , y-o-y, average)	4.8	5.5	4.0	2.4	<b>0.7</b>	<b>0.8</b>	<b>1.9</b>	<b>2.7</b>	<b>2.8</b>	<b>2.2</b>	<b>2.1</b>	<b>2.1</b>
Core inflation (55.61%)* (% , y-o-y, average)	2.9	3.2	3.7	3.7	<b>3.1</b>	<b>2.3</b>	<b>1.5</b>	<b>1.7</b>	<b>1.8</b>	<b>2.1</b>	<b>2.1</b>	<b>2.0</b>
Fuel prices (3.40%)* (% , y-o-y, average)	1.3	-19.4	-14.1	-13.2	<b>-7.7</b>	<b>10.4</b>	<b>4.9</b>	<b>1.2</b>	<b>-4.1</b>	<b>-5.6</b>	<b>-5.2</b>	<b>-2.3</b>
Monetary policy-relevant inflation (% , y-o-y, average)	3.6	3.2	3.3	2.6	<b>1.8</b>	<b>1.9</b>	<b>1.5</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
<i>Partial price indicators</i>												
Industrial producer prices (% , y-o-y, average)	1.4	-0.6	-0.3	0.1	<b>-1.0</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.5</b>	<b>0.1</b>	<b>0.4</b>	<b>0.6</b>	<b>0.8</b>
Agricultural prices (% , y-o-y, average)	-3.6	-3.2	-3.2	-3.1	<b>-2.6</b>	<b>0.3</b>	<b>2.3</b>	<b>2.6</b>	<b>-0.1</b>	<b>-3.0</b>	<b>-1.1</b>	<b>2.3</b>
<b>LABOUR MARKET</b>												
Average monthly wage (% , y-o-y, nominal terms)	5.1	0.6	5.1	<b>2.2</b>	<b>5.8</b>	<b>7.3</b>	<b>2.6</b>	<b>5.1</b>	<b>1.3</b>	<b>3.7</b>	<b>3.8</b>	<b>4.2</b>
Average monthly wage in market sectors (% , y-o-y, nominal terms)	5.2	-0.3	4.5	<b>1.3</b>	<b>5.8</b>	<b>7.5</b>	<b>2.7</b>	<b>5.6</b>	<b>0.9</b>	<b>4.0</b>	<b>4.0</b>	<b>4.3</b>
Average monthly wage (% , y-o-y, real terms)	1.4	-2.4	1.7	<b>-0.5</b>	<b>4.0</b>	<b>5.2</b>	<b>0.9</b>	<b>2.9</b>	<b>-1.0</b>	<b>1.6</b>	<b>1.7</b>	<b>2.1</b>
Unit labour costs (% , y-o-y)	5.9	4.9	6.9	<b>1.3</b>	<b>5.2</b>	<b>1.4</b>	<b>0.6</b>	<b>4.6</b>	<b>-2.6</b>	<b>1.0</b>	<b>1.4</b>	<b>2.2</b>
Aggregate labour productivity (% , y-o-y)	-1.2	-8.7	-3.6	<b>-4.0</b>	<b>-0.5</b>	<b>8.0</b>	<b>2.4</b>	<b>3.6</b>	<b>4.3</b>	<b>3.7</b>	<b>2.9</b>	<b>2.3</b>
ILO general unemployment rate (% , average, age 15–64, seas. adjusted)	2.0	2.5	2.8	<b>2.9</b>	<b>3.2</b>	<b>3.6</b>	<b>3.8</b>	<b>3.8</b>	<b>3.7</b>	<b>3.6</b>	<b>3.5</b>	<b>3.4</b>
Share of unemployed persons (MLSA) (% , average, seas. adjusted)	2.8	3.7	3.8	<b>4.0</b>	<b>4.1</b>	<b>4.4</b>	<b>4.6</b>	<b>4.6</b>	<b>4.5</b>	<b>4.4</b>	<b>4.2</b>	<b>4.1</b>
Employment (ILO) (% , y-o-y)	-0.5	-1.6	-1.4	<b>-1.2</b>	<b>-1.6</b>	<b>-0.6</b>	<b>-0.9</b>	<b>-0.8</b>	<b>-0.2</b>	<b>0.4</b>	<b>0.7</b>	<b>0.8</b>
Full-time employment (% , y-o-y)	-1.1	-3.4	-3.1	<b>-3.4</b>	<b>-2.7</b>	<b>-1.4</b>	<b>-0.5</b>	<b>0.1</b>	<b>0.7</b>	<b>1.1</b>	<b>1.3</b>	<b>1.2</b>
<b>PUBLIC FINANCE</b>												
Government budget balance (ESA2010) (CZK bn, current prices)	-	-	-	-	-	-	-	-	-	-	-	-
Government budget balance / GDP** (% , nominal terms)	-	-	-	-	-	-	-	-	-	-	-	-
Government debt (ESA2010) (CZK bn, current prices)	-	-	-	-	-	-	-	-	-	-	-	-
Government debt / GDP** (% , nominal terms)	-	-	-	-	-	-	-	-	-	-	-	-
<b>EXTERNAL RELATIONS</b>												
<i>Current account</i>												
Trade balance (CZK bn, current prices)	68.2	29.9	82.1	<b>96.8</b>	<b>92.3</b>	<b>83.3</b>	<b>53.8</b>	<b>51.8</b>	<b>98.8</b>	<b>87.0</b>	<b>52.9</b>	<b>48.5</b>
Trade balance / GDP (% , nominal terms)	5.0	2.2	5.7	<b>6.5</b>	<b>6.8</b>	<b>5.7</b>	<b>3.6</b>	<b>3.3</b>	<b>6.9</b>	<b>5.6</b>	<b>3.3</b>	<b>3.0</b>
Balance of services (CZK bn, current prices)	38.7	27.4	27.3	<b>15.0</b>	<b>25.4</b>	<b>28.2</b>	<b>23.2</b>	<b>20.6</b>	<b>28.0</b>	<b>30.6</b>	<b>24.5</b>	<b>21.3</b>
Current account (CZK bn, current prices)	79.5	8.3	70.5	<b>10.6</b>	<b>25.4</b>	<b>19.6</b>	<b>-11.9</b>	<b>0.1</b>	<b>40.7</b>	<b>32.7</b>	<b>-7.3</b>	<b>-0.8</b>
Current account / GDP (% , nominal terms)	5.9	0.6	4.9	<b>1.8</b>	<b>3.2</b>	<b>2.5</b>	<b>0.4</b>	<b>1.1</b>	<b>4.1</b>	<b>3.2</b>	<b>0.6</b>	<b>1.0</b>
<i>Foreign direct investment</i>												
Direct investment (CZK bn, current prices)	0.2	-34.5	20.3	<b>79.0</b>	<b>-27.5</b>	<b>-27.5</b>	<b>-27.5</b>	<b>-27.5</b>	<b>-17.5</b>	<b>-17.5</b>	<b>-17.5</b>	<b>-17.5</b>
<i>Exchange rates</i>												
CZK/USD (average)	23.2	24.6	22.6	22.4	<b>21.7</b>	<b>21.4</b>	<b>21.1</b>	<b>20.8</b>	<b>20.6</b>	<b>20.4</b>	<b>20.3</b>	<b>20.2</b>
CZK/EUR (average)	25.6	27.1	26.5	26.7	<b>26.3</b>	<b>26.0</b>	<b>25.7</b>	<b>25.4</b>	<b>25.2</b>	<b>25.0</b>	<b>24.8</b>	<b>24.7</b>
<b>MONEY AND INTEREST RATES</b>												
M3 (% , y-o-y, average)	8.6	8.2	9.6	<b>10.2</b>	<b>9.9</b>	<b>9.6</b>	<b>7.9</b>	<b>6.7</b>	<b>6.0</b>	<b>5.6</b>	<b>5.7</b>	<b>5.9</b>
2W repo rate (% , average)	1.90	0.25	0.25	0.25	<b>0.19</b>	<b>0.45</b>	<b>0.80</b>	<b>1.06</b>	<b>1.21</b>	<b>1.35</b>	<b>1.47</b>	<b>1.63</b>
3M PRIBOR (% , average)	2.1	0.6	0.3	0.4	<b>0.3</b>	<b>0.5</b>	<b>0.9</b>	<b>1.2</b>	<b>1.3</b>	<b>1.5</b>	<b>1.6</b>	<b>1.7</b>
<b>EXTERNAL ASSUMPTIONS</b>												
Foreign GDP (% , y-o-y, seas. adjusted, effective)	-2.8	-12.9	-3.9	<b>-4.6</b>	<b>-1.7</b>	<b>11.2</b>	<b>2.2</b>	<b>4.3</b>	<b>5.3</b>	<b>4.5</b>	<b>3.3</b>	<b>2.5</b>
Foreign GDP (% , q-o-q, seas. adjusted, effective)	-3.1	-10.5	10.6	<b>-0.6</b>	<b>-0.1</b>	<b>1.3</b>	<b>1.6</b>	<b>1.4</b>	<b>0.8</b>	<b>0.6</b>	<b>0.5</b>	<b>0.5</b>
Foreign HICP (% , y-o-y, seas. adjusted, effective)	1.6	0.7	0.2	<b>0.0</b>	<b>0.3</b>	<b>1.2</b>	<b>1.9</b>	<b>2.3</b>	<b>1.9</b>	<b>1.6</b>	<b>1.3</b>	<b>1.2</b>
Foreign PPI (% , y-o-y, seas. adjusted, effective)	-0.5	-2.9	-1.8	<b>-1.1</b>	<b>-0.1</b>	<b>2.6</b>	<b>2.2</b>	<b>1.7</b>	<b>1.1</b>	<b>1.3</b>	<b>1.5</b>	<b>1.7</b>
Brent crude oil (in USD/barrel) (% , y-o-y, average)	-20.4	-51.2	-30.1	-27.5	<b>4.2</b>	<b>57.5</b>	<b>19.9</b>	<b>13.5</b>	<b>-3.8</b>	<b>-3.6</b>	<b>-3.0</b>	<b>-2.4</b>
3M EURIBOR (% , average)	-0.4	-0.3	-0.5	-0.5	<b>-0.5</b>	<b>-0.5</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>-0.5</b>	<b>-0.5</b>
USD/ EUR (average)	1.1	1.1	1.2	1.2	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>	<b>1.2</b>

\* figures in brackets are constant weights in current consumer basket

\*\* CNB calculation

- data not available/forecasted/released

data in bold = CNB forecast



## B — Economic developments abroad

		2020	2021	2022	
<b>GDP (in the effective euro area)</b>	y-o-y changes in % pp	<b>-6.0</b> (1.2)	<b>3.8</b> (-0.7)	<b>3.9</b> (1.1)	The worse pandemic situation at the turn of the year is reflected in lower external demand growth this year. In 2022, it will conversely be higher.
<b>Consumer prices (in the effective euro area)</b>	y-o-y changes in % pp	<b>0.6</b> (0.0)	<b>1.4</b> (0.4)	<b>1.5</b> (0.0)	The outlook for consumer price inflation in our main trading partners is only higher this year due to higher expected inflation in Germany.
<b>Producer prices (in the effective euro area)</b>	y-o-y changes in % pp	<b>-1.6</b> (0.2)	<b>1.6</b> (1.2)	<b>1.4</b> (-0.6)	A favourable situation in industry coupled with growth in cost pressures will foster higher producer prices this year. In 2022, by contrast, there will be a slowdown in price growth.
<b>Brent crude oil price</b>	USD/barrel	<b>43.2</b> (0.7)	<b>52.2</b> (7.8)	<b>50.5</b> (4.1)	According to market outlooks, the price of Brent crude oil will slowly fall. The entire futures curve is significantly higher than in the autumn forecast, especially this year.
<b>3M EURIBOR</b>	% pp	<b>-0.4</b> (0.0)	<b>-0.6</b> (0.0)	<b>-0.5</b> (0.0)	The 3M EURIBOR outlook is unchanged.
<b>Exchange rate</b>	USD/EUR	<b>1.14</b> (0.00)	<b>1.22</b> (0.03)	<b>1.23</b> (0.03)	Continued, slightly faster, appreciation of the euro against the dollar can be expected.

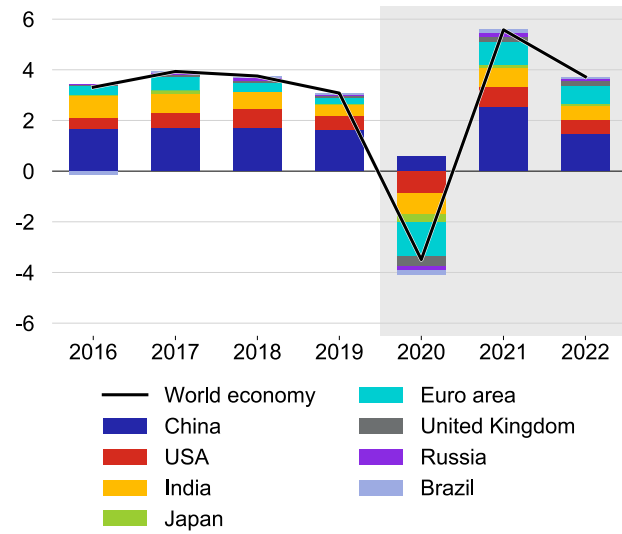
Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

## B — Economic developments abroad

Chart B.1 (source EIU, CF, CNB calculation)

### Economic growth abroad

real GDP; y-o-y changes in %; contributions in pp



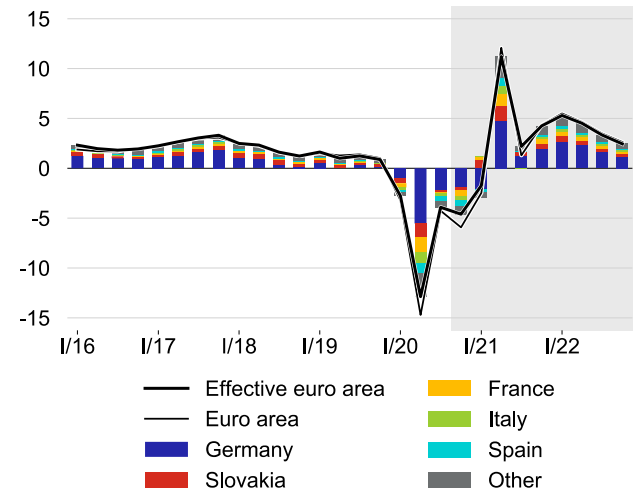
The growth of the world economy is proxied by the growth of the eight largest economies, which account for around 75% of global GDP. The weights of the industrial economies are calculated on the basis of nominal GDP at PPP.

Chart B.2 (source Eurostat, CNB forecast)

Chart B.2 (source Eurostat, CNB forecast)

### Economic growth in euro area

real GDP; y-o-y changes in %; contributions in pp; seasonally adjusted



Other comprises 12 other euro area countries. Its forecasted growth corresponds to the average growth of the five countries shown in the chart.

Chart B.3 (source Eurostat, CNB calculation)

### Structure of GDP in euro area

y-o-y changes in %; contributions in pp; seasonally adjusted

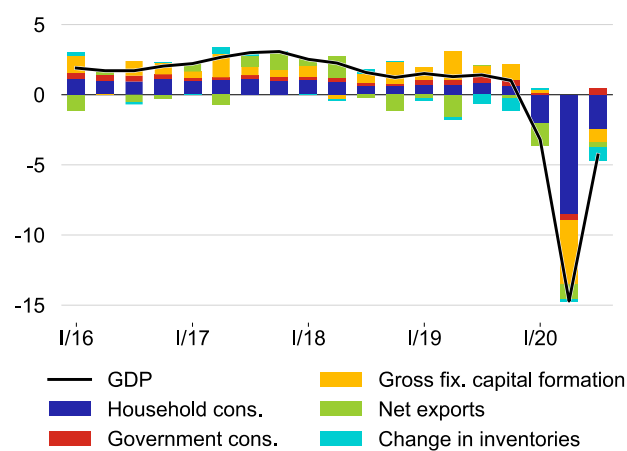


Chart B.4 (source Eurostat, CNB forecast)

Chart B.4 (source Eurostat, CNB forecast)

### GDP level in effective euro area

index (2000 = 100)

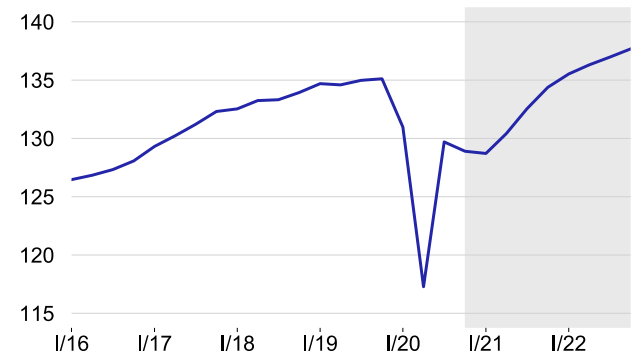


Chart B.5 (source Eurostat)

### Sentiment indicator for industry

subindex of the Economic sentiment indicator (ESI)

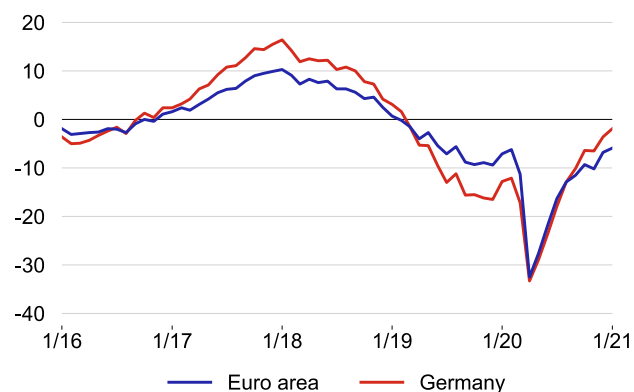
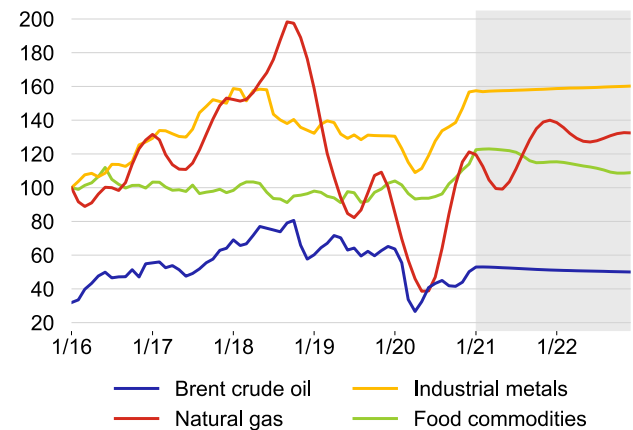


Chart B.6 (source Bloomberg, World Bank, CNB calculation)

### Prices of crude oil and other commodities

oil in USD/barrel; other commodities: index (January 2016 = 100); average price of natural gas in Europe

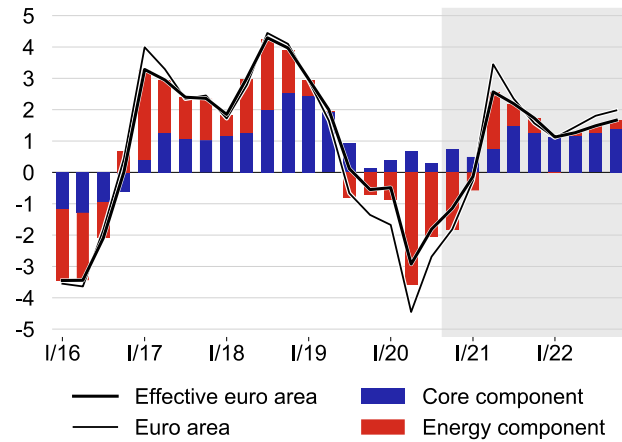


## B — Economic developments abroad

Chart B.7 (source Eurostat, CNB forecast)

### Industrial producer prices in euro area

y-o-y changes in %; contributions in pp; seasonally adjusted

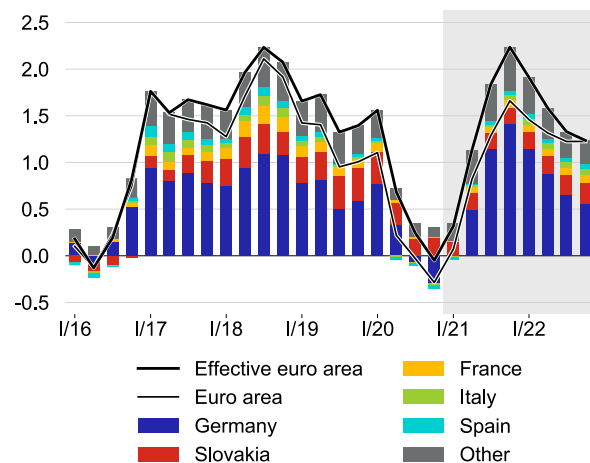


The energy component is determined by developments in industries strongly linked to the oil price. The rest of the PPI index in effective terms is the core component.

Chart B.9 (source Eurostat, CNB forecast)

### Consumer price inflation in euro area

HICP; year on year in %; contributions in pp; seasonally adjusted



Other comprises 12 other euro area countries. Its forecasted growth corresponds to the average growth of the five countries shown in the chart.

Chart B.11 (source Bloomberg, CNB calculation)

### 3M EURIBOR and 3M USD LIBOR

%; differences in pp

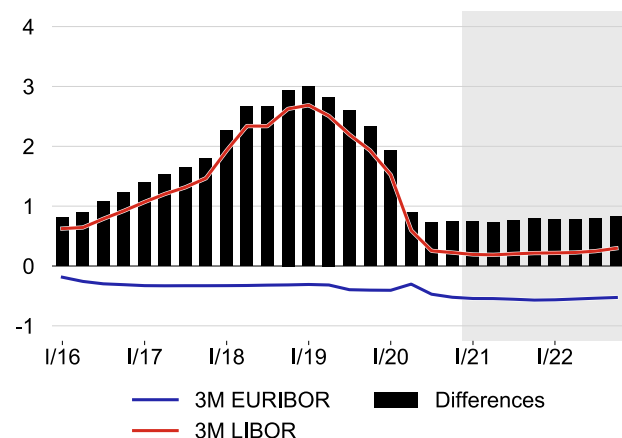


Chart B.8 (source Eurostat, CNB forecast)

### Industrial producer prices by country

y-o-y changes in %; contributions in pp; seasonally adjusted

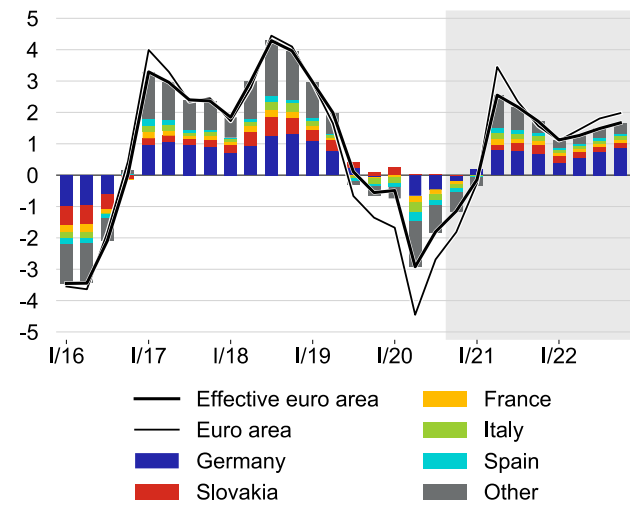


Chart B.10 (source Bloomberg, CNB calculation)

### Euro exchange rate

USD/EUR; NEER of euro against currencies of euro area countries' 18 main partners (January 2016 = 100; right-hand scale)

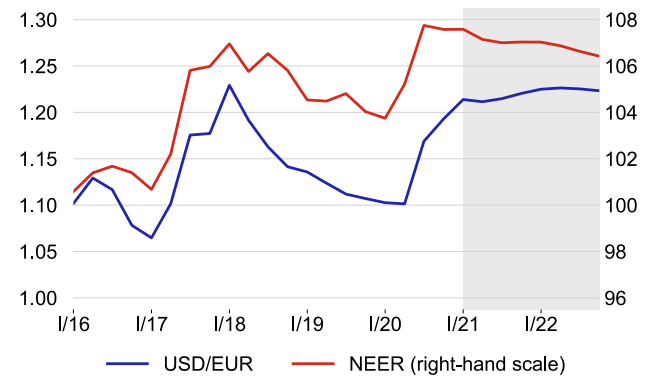
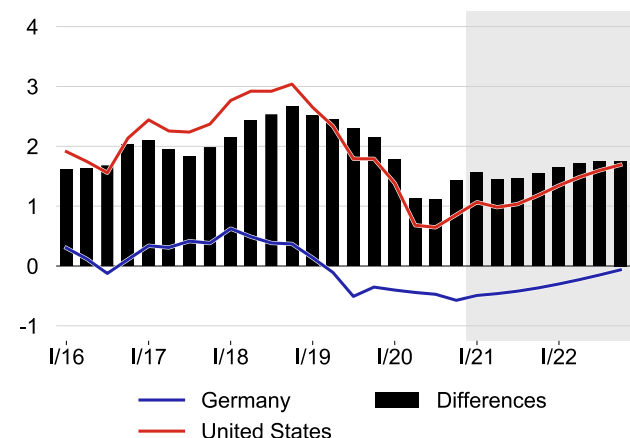


Chart B.12 (source Bloomberg, CNB calculation)

### 10Y government bond yields

%; differences in pp



## C — Domestic economic activity

		2020	2021	2022	
<b>GDP</b>	y-o-y changes in % pp	<b>-5.8</b> (1.4)	<b>2.2</b> (0.5)	<b>3.8</b> (-0.4)	The GDP forecast for this year has been revised upwards due to a better situation in industry and a less restrictive fiscal impulse.
<b>Household consumption</b>	y-o-y changes in % pp	<b>-5.0</b> (-0.4)	<b>1.0</b> (-0.6)	<b>4.8</b> (1.3)	Household consumption fell more strongly last year relative to the last forecast due to more extensive shutdowns. Their persistence will be reflected in slower growth this year too.
<b>Government consumption</b>	y-o-y changes in % pp	<b>2.5</b> (-1.7)	<b>1.7</b> (0.4)	<b>2.2</b> (-0.3)	Government consumption reduced last year's GDP contraction less than in the autumn forecast. In 2021 and 2022 it has been revised only slightly.
<b>Gross fixed capital formation</b>	y-o-y changes in % pp	<b>-8.8</b> (-2.4)	<b>-0.5</b> (0.9)	<b>4.3</b> (0.8)	The decline in investment will be slightly more modest this year than in the previous forecast due to the resilience of investment-intensive industry.
<b>Net exports</b>	contr. to GDP growth pp	<b>-0.4</b> (2.7)	<b>1.1</b> (0.5)	<b>-0.3</b> (-1.3)	The observed data and the higher resilience of export-oriented industry increase the contribution of net exports this year.

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

C — Domestic economic activity

Chart C.1  
**Potential output**

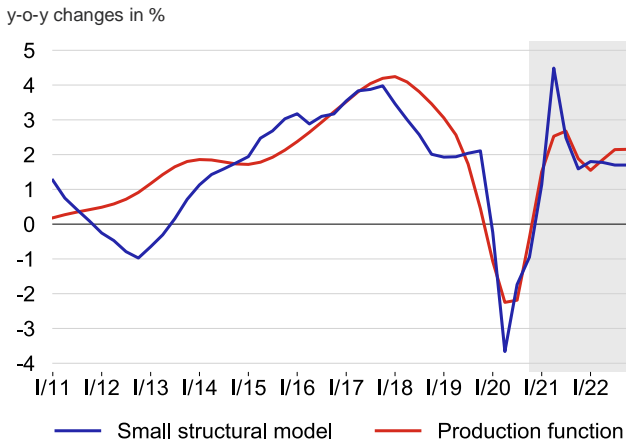


Chart C.2  
**Output gap**

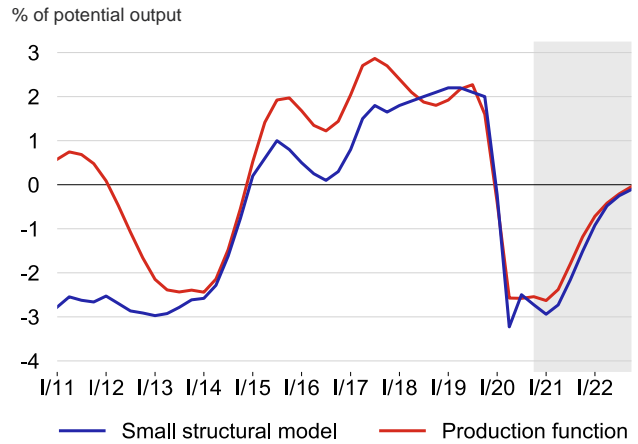


Chart C.3  
**Gross domestic product**

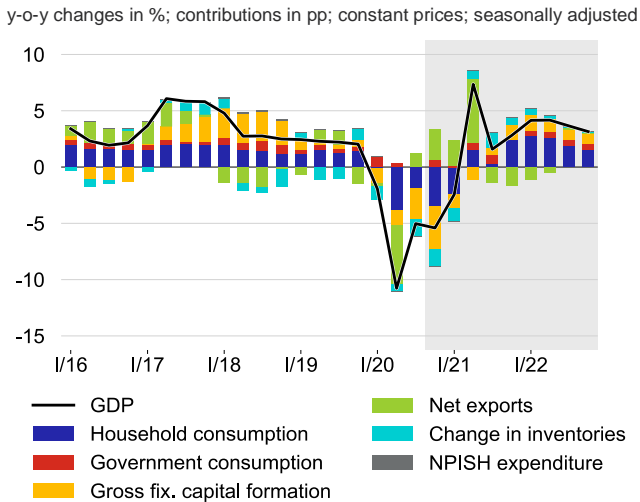
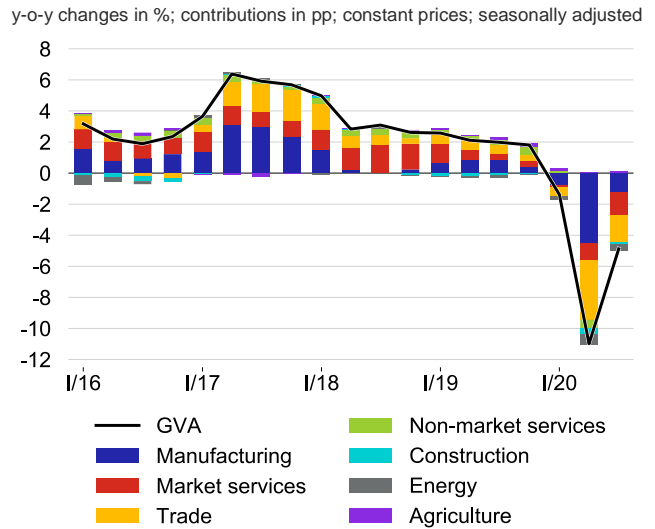


Chart C.4  
**Gross value added**



Trade also includes hotels and restaurants and transport. Energy also includes mining and quarrying.

Chart C.5  
**Disposable income and household consumption**

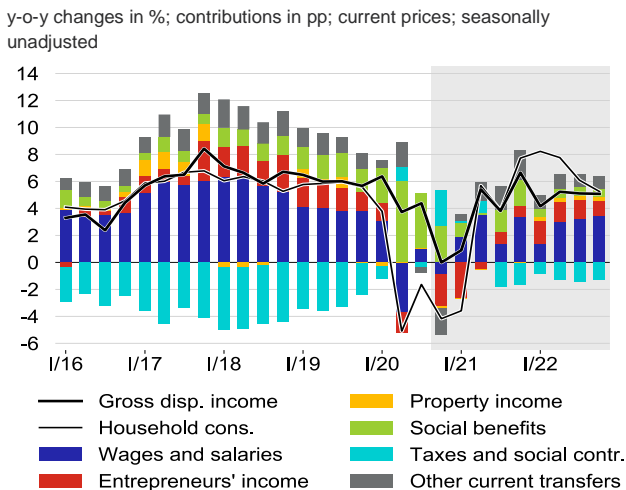
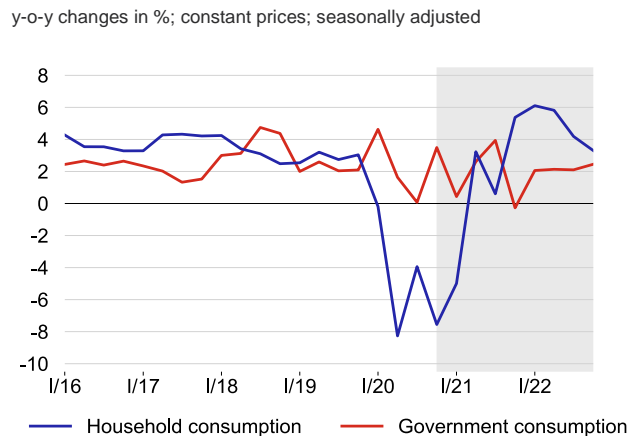


Chart C.6  
**Household and government consumption**



C — Domestic economic activity

Chart C.7

**Gross capital formation**

y-o-y changes in %; contributions in pp; constant prices; seasonally adjusted

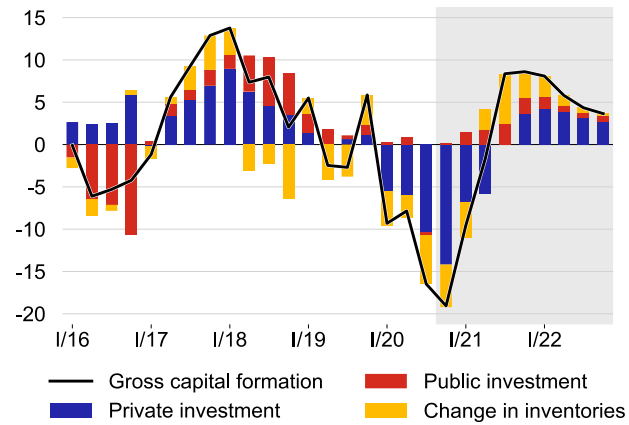


Chart C.8

**Exports and imports**

y-o-y changes in % and CZK billions; constant prices; seasonally adjusted

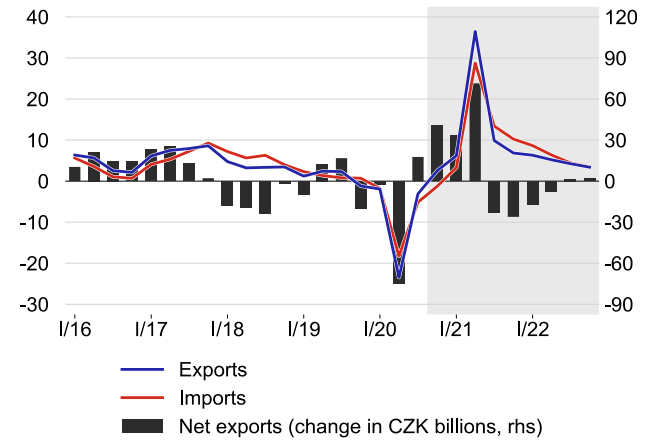


Chart C.9

**Industrial production and construction output**

y-o-y changes in %; constant prices; seasonally adjusted

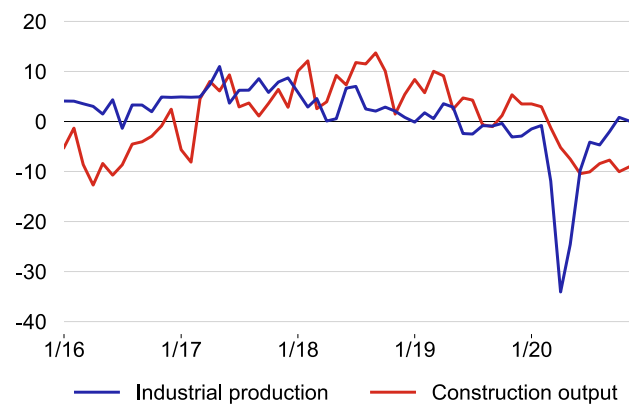


Chart C.10

**Barriers to growth in industry**

%

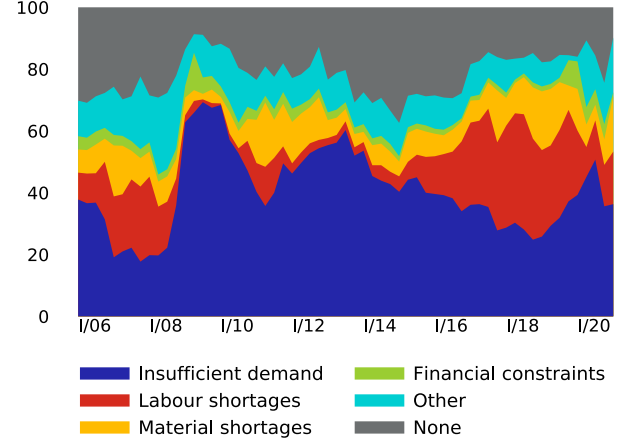


Chart C.11

**Key financial indicators**

y-o-y changes in %; constant prices; seasonally unadjusted

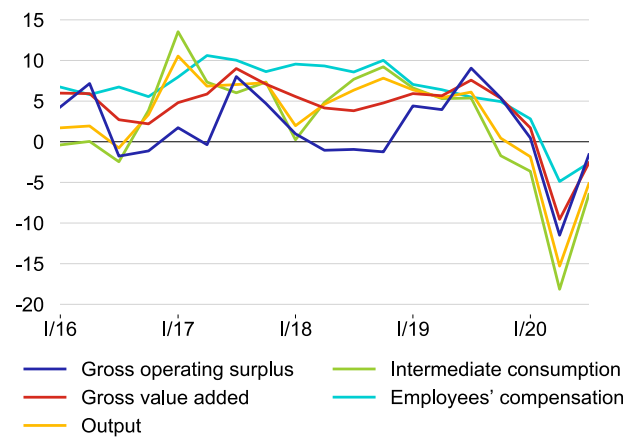
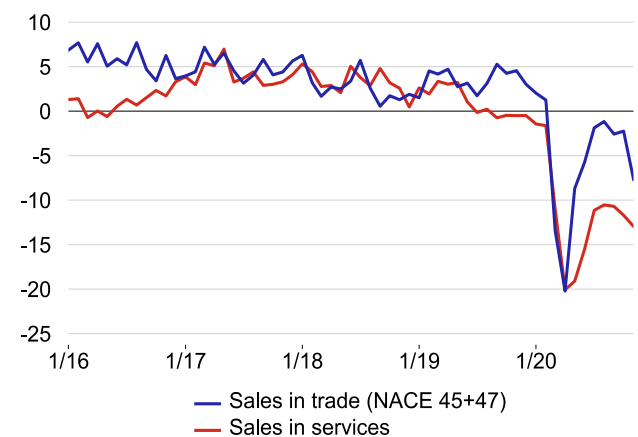


Chart C.12

**Retail sales and sales in services**

y-o-y changes in %; constant prices; seasonally adjusted



## C — Domestic economic activity

Chart C.13

### Consumer confidence balance

balance is difference in % between answers expressing improvement and deterioration in expected and ongoing tendencies

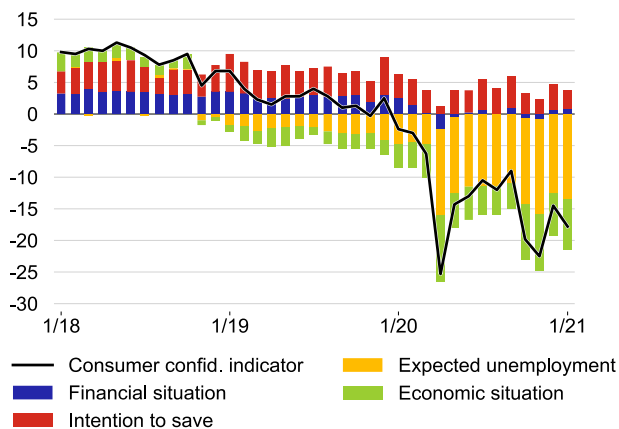


Chart C.14

### Business confidence indicator

balance is difference in % between answers expressing improvement and deterioration in expected and ongoing tendencies

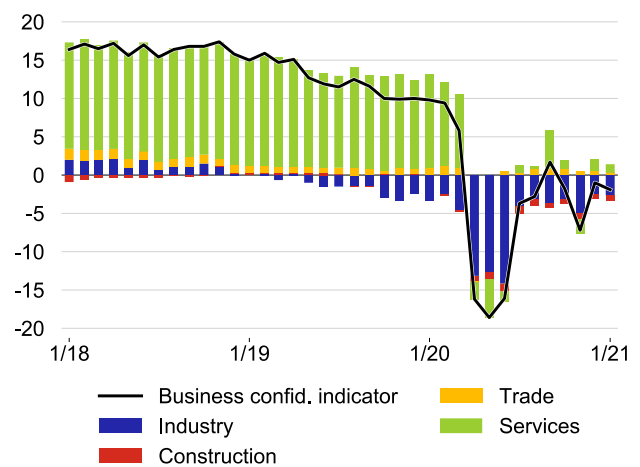


Table C.1

### Expected indicators of FMIE, CF and corporations

1Y horizon; y-o-y changes in % unless otherwise indicated

	9/20	10/20	11/20	12/20	1/21
<b>FMIE:</b>					
CPI	1.9	2.0	2.1	2.1	2.1
CPI, 3Y horizon	2.0	2.0	2.0	2.0	2.0
Real GDP in 2020	-6.5	-7.1	-7.4	-7.0	
Real GDP in 2021	4.5	4.3	3.2	3.5	3.4
Nominal wages in 2020	3.1	2.7	2.3	2.5	
Nominal wages in 2021	2.9	2.9	2.7	2.9	3.2
CZK/EUR exchange rate (level)	25.8	25.9	25.8	25.6	25.5
2W repo rate (in per cent)	0.3	0.2	0.3	0.4	0.4
1Y PRIBOR (in per cent)	0.5	0.5	0.5	0.7	0.7
<b>Corporations:</b>					
CPI				2.4	
CPI, 3Y horizon				2.6	2.7
<b>CF:</b>					
Real GDP in 2020	-6.6	-6.5	-7.0	-6.7	
Real GDP in 2021	5.0	4.6	3.5	3.8	3.6
Nominal wages in 2020	3.3	2.5	2.4	2.8	
Nominal wages in 2021	3.3	2.7	2.7	2.9	2.9
CZK/EUR exchange rate (level)	25.7	25.7	25.9	25.7	25.6
3M PRIBOR (in per cent)	0.5	0.4	0.5	0.5	0.6

## D — The labour market

		2020	2021	2022	
<b>Employment</b>	y-o-y changes in %	<b>-1.2</b>	<b>-1.0</b>	<b>0.5</b>	The drop in employment will be lower than in the last forecast due to a smaller economic decline in 2020 and greater resilience of industry to the second wave of the pandemic.
	pp	(0.2)	(0.9)	(-0.1)	
<b>Unemployment (ILO)</b>	%	<b>2.6</b>	<b>3.6</b>	<b>3.5</b>	Stronger demand for labour will lead to lower growth in the unemployment rate.
	pp	(-0.1)	(-0.9)	(-0.8)	
<b>Average monthly nominal wages</b>	y-o-y changes in %	<b>3.2</b>	<b>5.2</b>	<b>3.3</b>	Wage growth this year has been revised upwards substantially due to tax optimisation, higher growth in fundamental market wages and stronger non-market wage growth.
	pp	(-0.1)	(2.4)	(-0.6)	

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

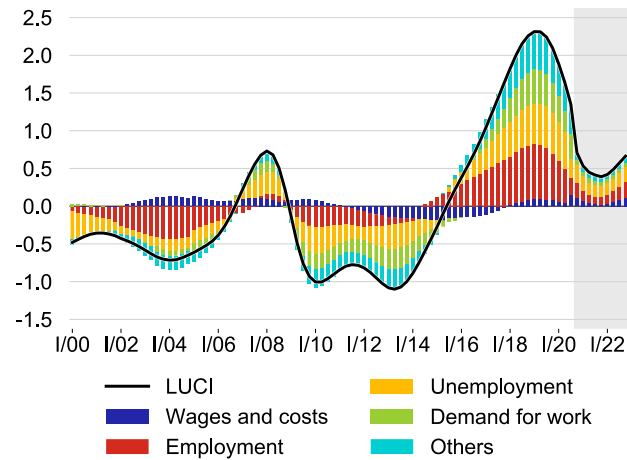


## D — The labour market

Chart D.1

### LUCI – Labour Utilisation Composite Index

index; standard deviations



Positive values mean that the labour market is above its long-term equilibrium level. Negative values indicate the opposite situation.

Chart D.2

### Employment

y-o-y changes in %; Labour Force Survey methodology

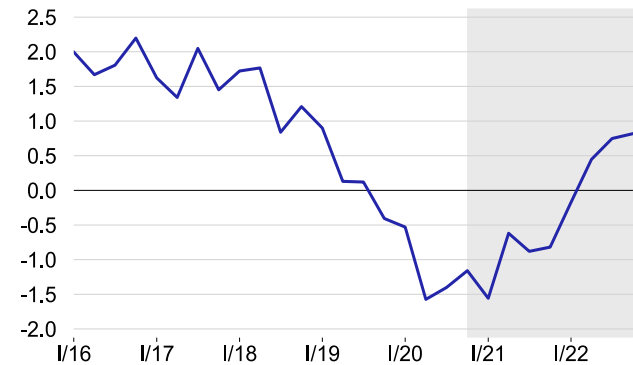


Chart D.3

### Converted number of employees – sectors

y-o-y changes in %; contributions in pp

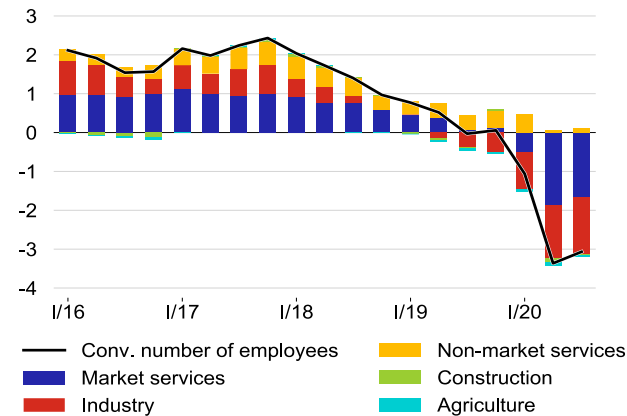


Chart D.4

### Converted number of employees – structure

y-o-y changes in %; contributions in pp

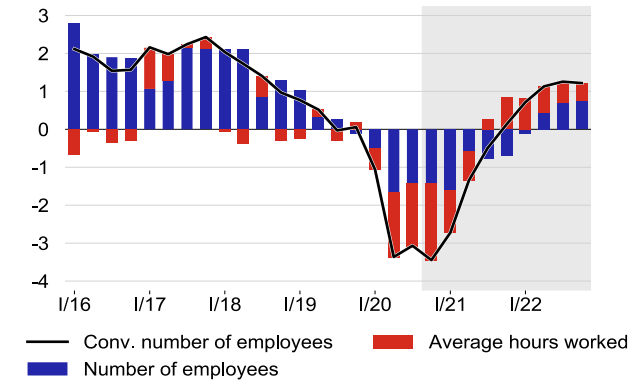


Chart D.5 (source MLSA, CZSO, CNB forecast)

### Unemployment

%; seasonally adjusted

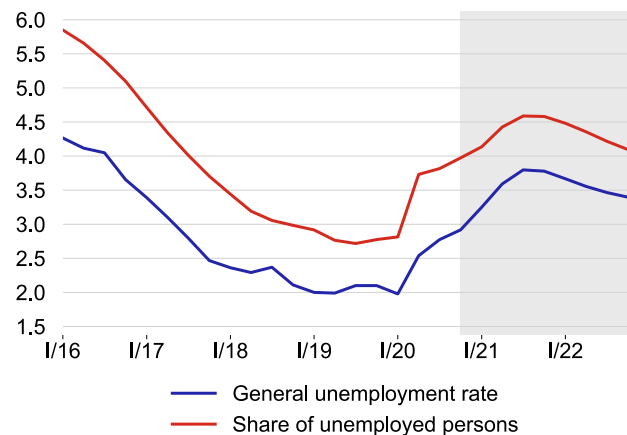
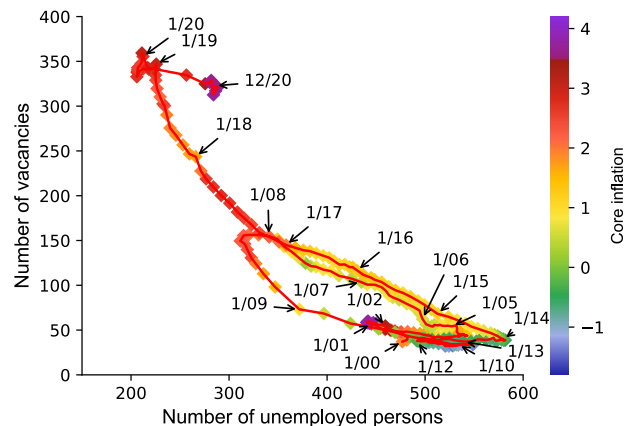


Chart D.6 (source MLSA, CZSO)

### Beveridge curve

numbers in thousands; seas. adjusted; core inflation: year on year in %



D — The labour market

Chart D.7  
**Average nominal wage**

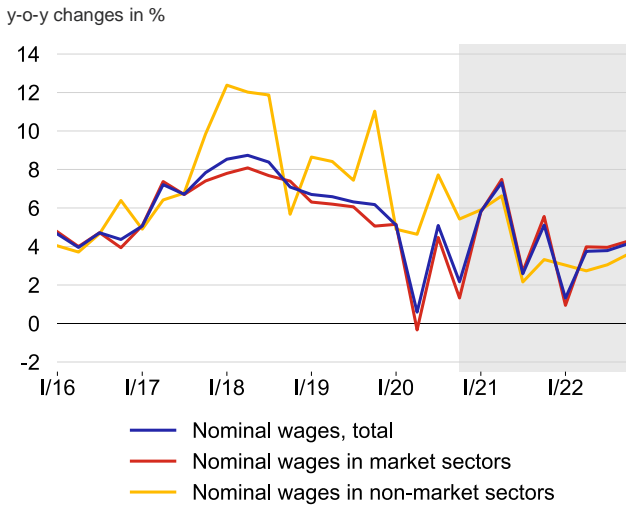


Chart D.8  
**Average wage and whole-economy productivity**

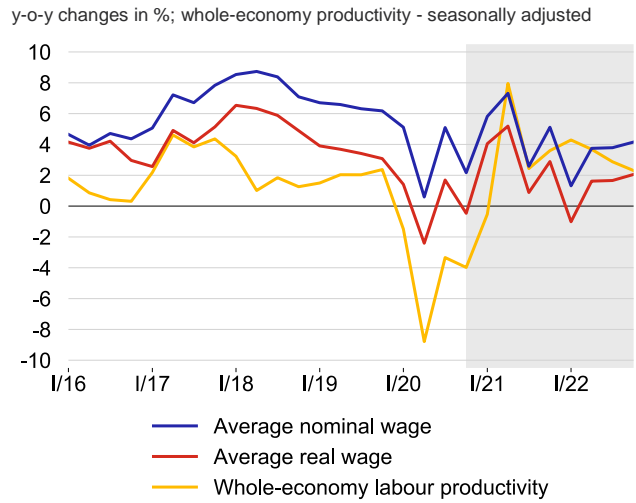


Chart D.9  
**Volume of wages and salaries**

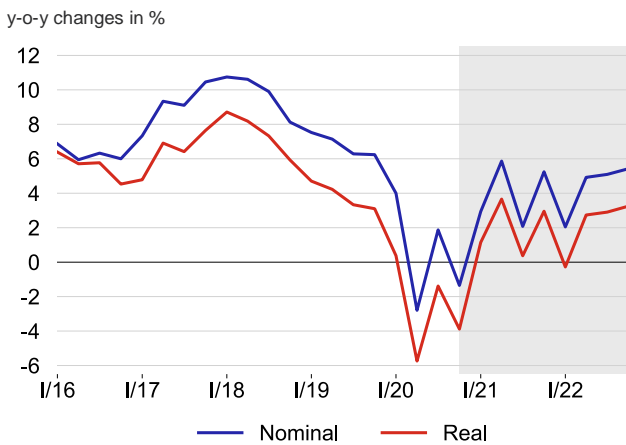


Chart D.10  
**Labour productivity in sectors**

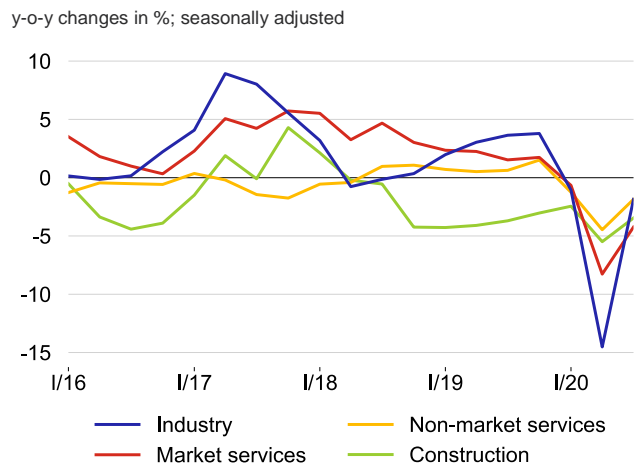


Chart D.11  
**Nominal unit labour costs**

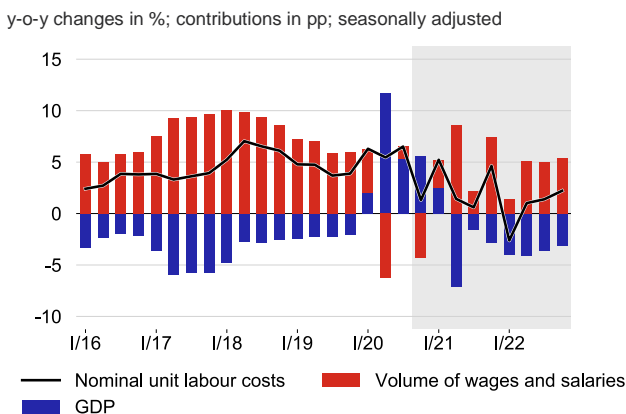
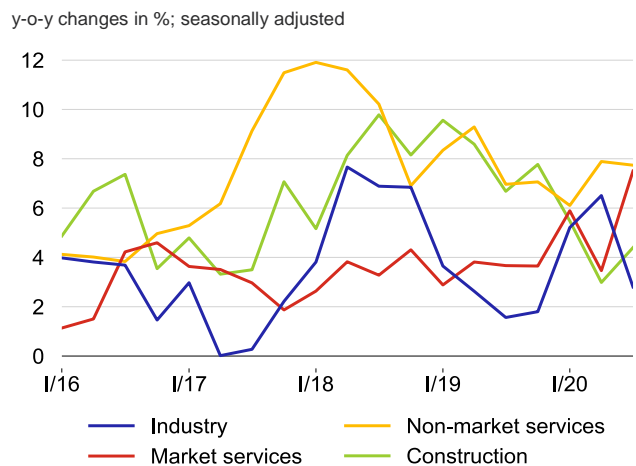


Chart D.12  
**Nominal unit labour costs in sectors**



## E — Inflation and other price areas

		2020	2021	2022	
<b>Consumer prices</b>	y-o-y changes in % pp	<b>3.2</b> (-0.1)	<b>2.0</b> (-0.3)	<b>2.2</b> (0.1)	The forecast for inflation in 2021 is reduced by all its components except fuel prices and the effects of changes to indirect taxes.
<b>Administered prices</b>	y-o-y changes in % pp	<b>3.1</b> (0.0)	<b>0.6</b> (-0.6)	<b>2.7</b> (0.4)	The decrease in administered price inflation this year reflects lower energy prices.
<b>Core inflation</b>	% pp	<b>3.4</b> (0.0)	<b>2.1</b> (-0.5)	<b>2.0</b> (0.0)	The stronger exchange rate pushes core inflation down via import prices.
<b>Food prices (incl. prices of alc. bev. and tobacco)</b>	y-o-y changes in % pp	<b>4.2</b> (-0.2)	<b>1.5</b> (-0.7)	<b>2.3</b> (0.4)	Food price inflation will slow noticeably this year in connection with the evolution of agricultural producer prices.

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

## E — Inflation and other price areas

Chart E.1  
**Headline and monetary policy-relevant inflation**

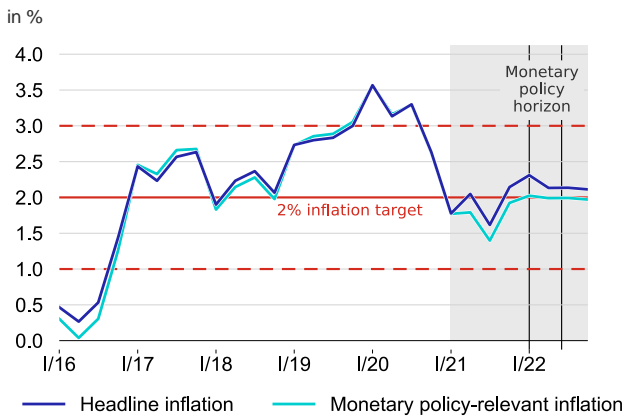


Chart E.2  
**Structure of inflation**

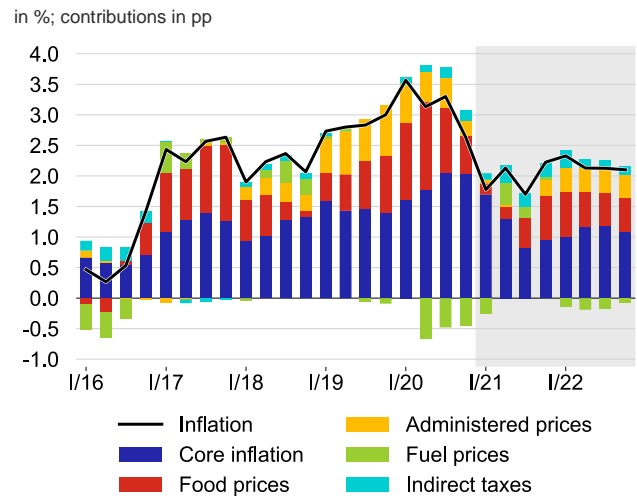


Chart E.3  
**Components of inflation**

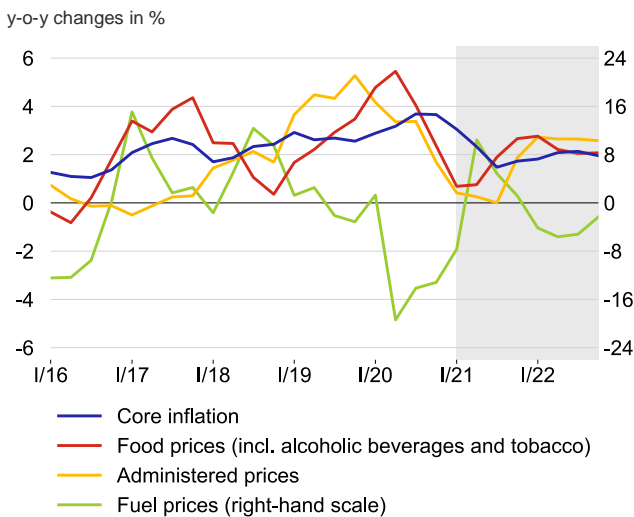


Table E.1  
**Forecast of administrative effects**

average y-o-y changes in %; contributions to headline inflation in pp

	2019	2020	2021	2022
IMPACTS OF CHANGES TO INDIRECT TAXES	-0.04	0.00	0.18	0.18
ADMINISTERED PRICES <sup>a)</sup>	4.4	0.69	3.1	0.46
of which (main changes):				
electricity	10.6	0.45	7.2	0.28
natural gas	3.3	0.08	-0.5	-0.01
heat	4.6	0.08	-1.2	-0.02
water	2.6	0.02	2.9	0.02
health care	2.3	0.03	3.1	0.04
transport	-5.0	-0.08	1.3	0.02
			0.6	0.09
			2.7	0.39

a) including effects of indirect tax changes

Chart E.4  
**Costs in consumer sector**

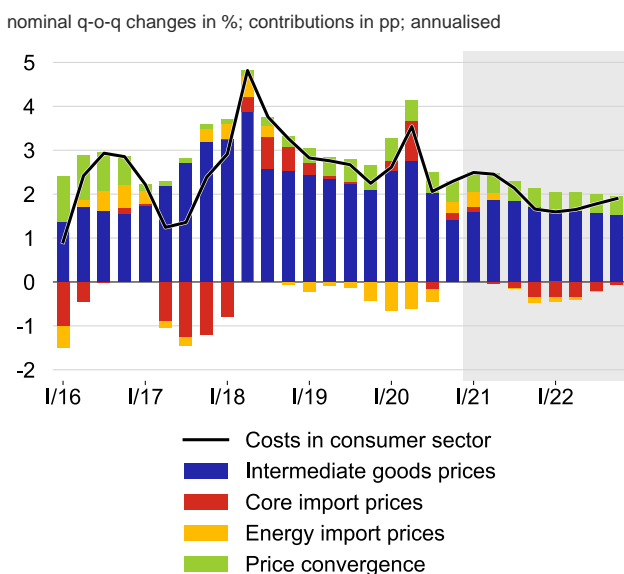
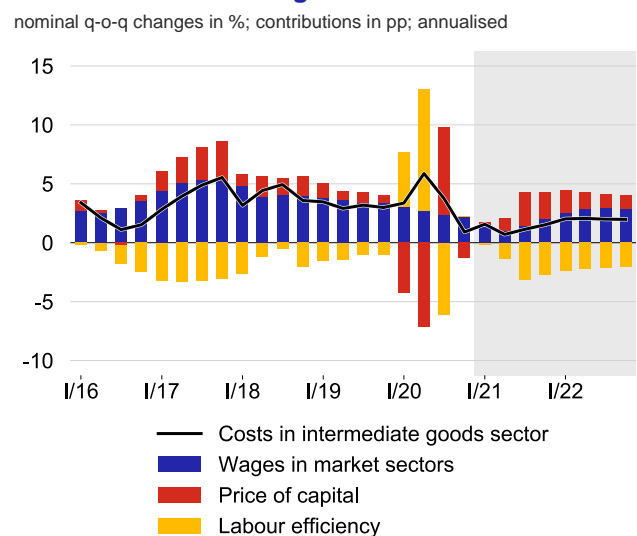


Chart E.5  
**Costs in intermediate goods sector**



## E — Inflation and other price areas

Chart E.6

### Components of core inflation

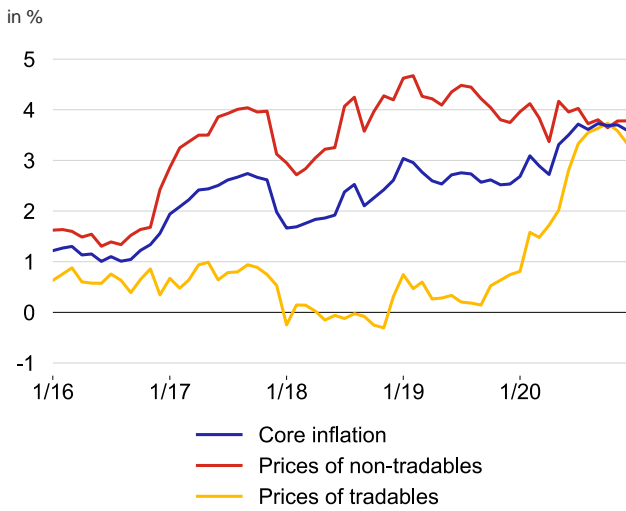
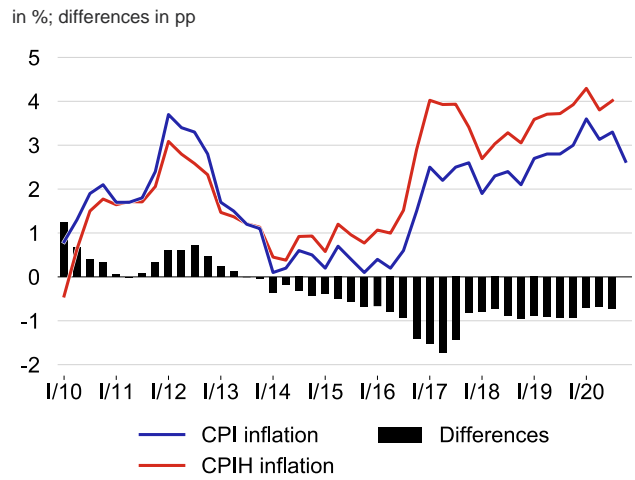


Chart E.7

### Inflation and experimental CPIH price index



In contrast to CPI inflation, the experimental CPIH index also includes prices of older real estate, including land.

Chart E.8

### Import prices

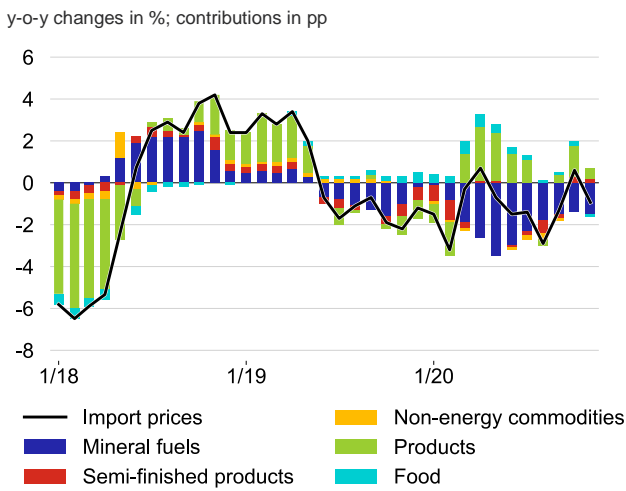


Chart E.9

### Industrial producer prices

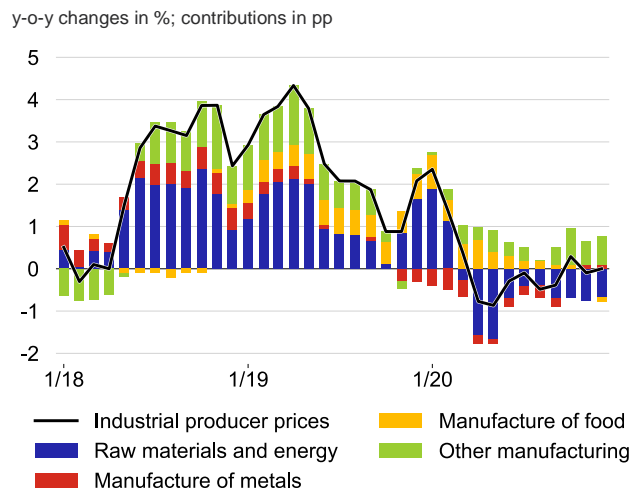


Chart E.10

### Agricultural producer prices

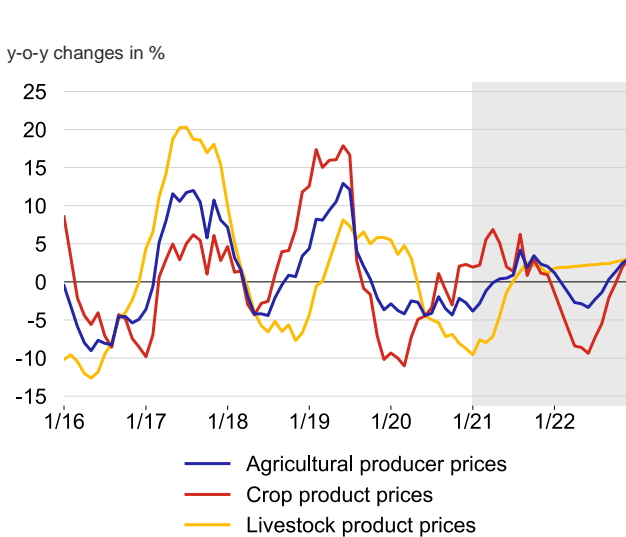
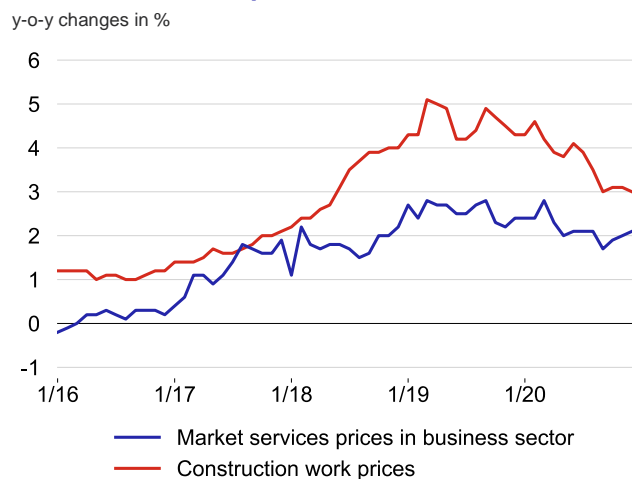


Chart E.11

### Market services prices in business sector and construction work prices



## E — Inflation and other price areas

Chart E.12

### Inflation expectations at one-year horizon

%; 1Y horizon

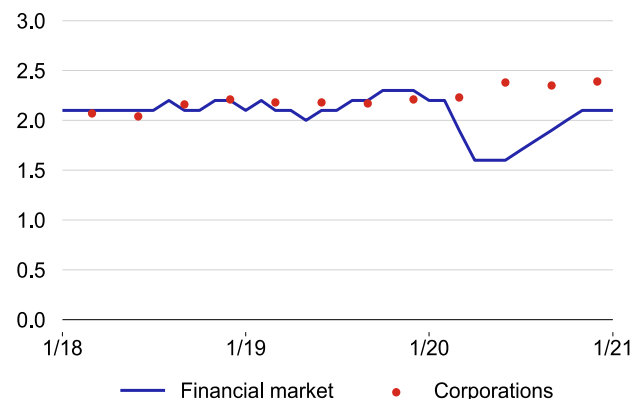


Chart E.13

### Inflation expectations at three-year horizon

%; 3Y horizon

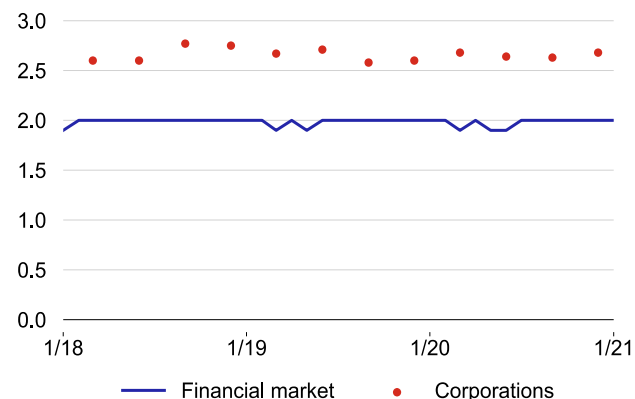


Chart E.14 (European Commission Business and Consumer Survey)

### Inflation perceived by households

indicator of inflation perceived in last 12 months; balance of answers

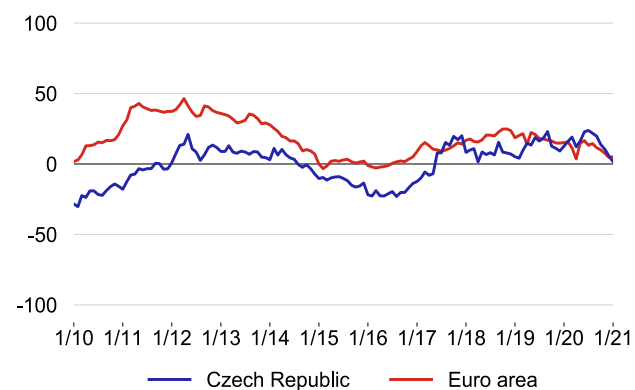


Chart E.15 (European Commission Business and Consumer Survey)

### Inflation expected by households

indicator of expected inflation in next 12 months; balance of answers

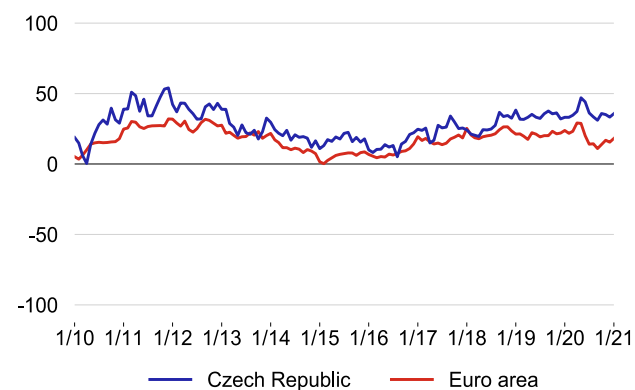
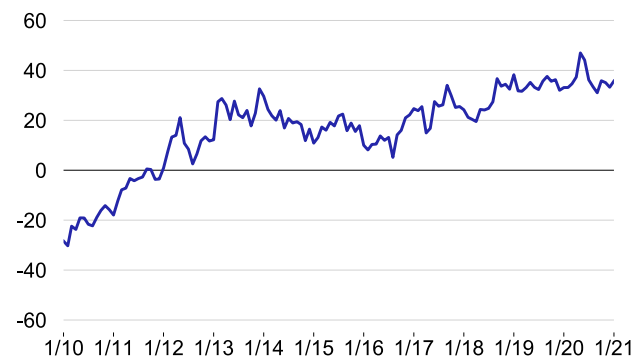


Chart E.16 (CZSO)

### Concerns about rises in prices

balance of answers



## F — Financial and monetary indicators

		2020	2021	2022	
<b>Interest rate</b>	3M PRIBOR in % pp	<b>0.9</b> (0.1)	<b>0.7</b> (0.0)	<b>1.5</b> (0.1)	The market rate outlook remains similar.
<b>Exchange rate</b>	CZK/EUR	<b>26.5</b> (-0.1)	<b>25.8</b> (-0.8)	<b>24.9</b> (-1.0)	The koruna will be stronger due to its appreciation at the end of 2020, the unexpectedly good condition of domestic industry and a wider interest rate differential vis-à-vis the euro area.

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

F — Financial and monetary indicators

Chart F.1  
Interest rate forecast

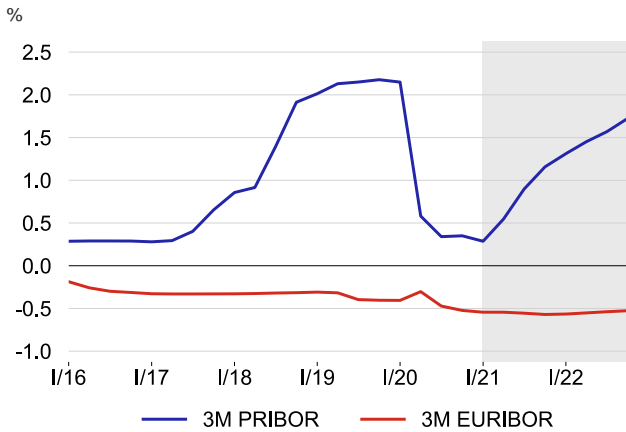


Chart F.2  
Exchange rate forecast

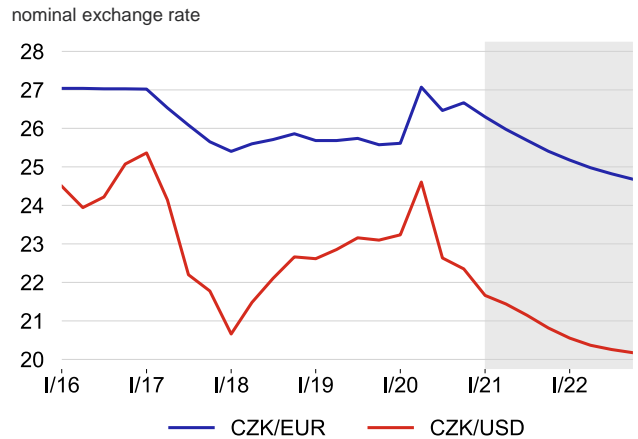


Chart F.3  
Interest rates

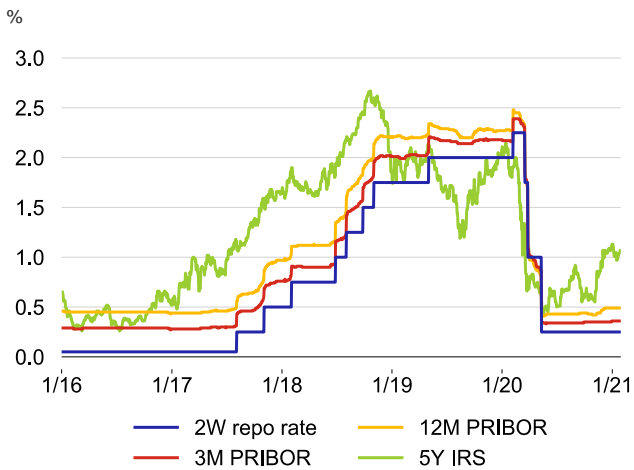


Chart F.4  
Interest rate spread in Czech Republic

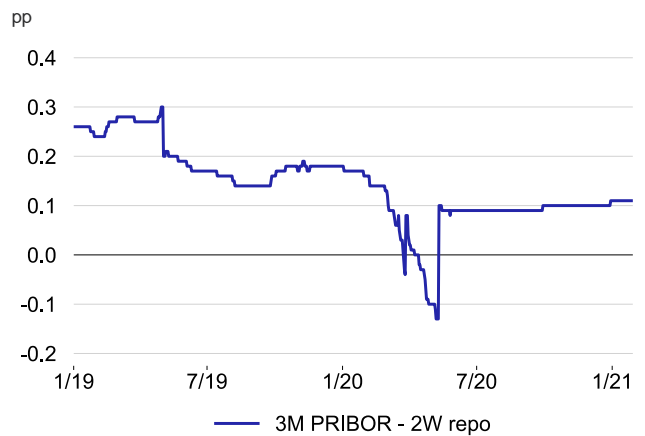


Chart F.5  
Interest rate spread in Czech Republic

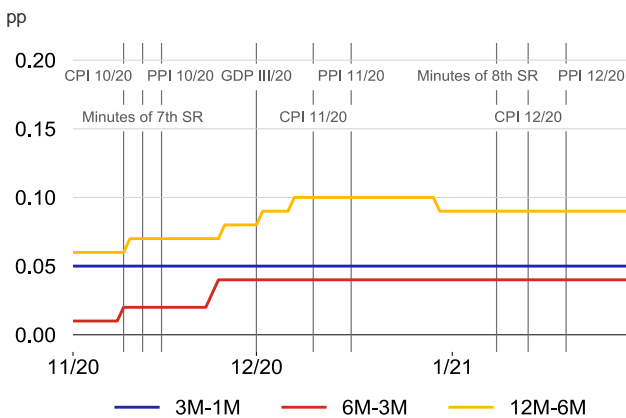
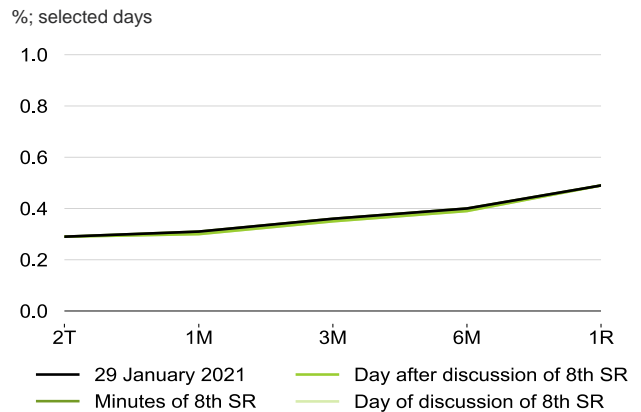


Chart F.6  
PRIBOR yield curve





F — Financial and monetary indicators

Chart F.7  
**3M PRIBOR, FRA**

%; selected days

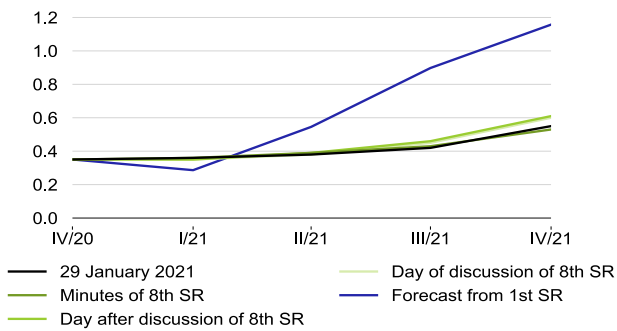


Chart F.8  
**IRS yield curve**

%; selected days

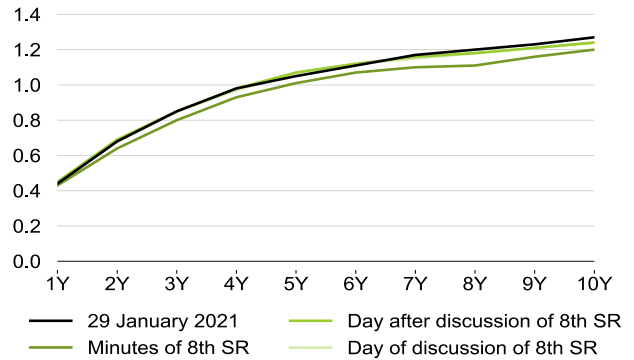


Chart F.9  
**Government bond yield curve**

%; monthly averages

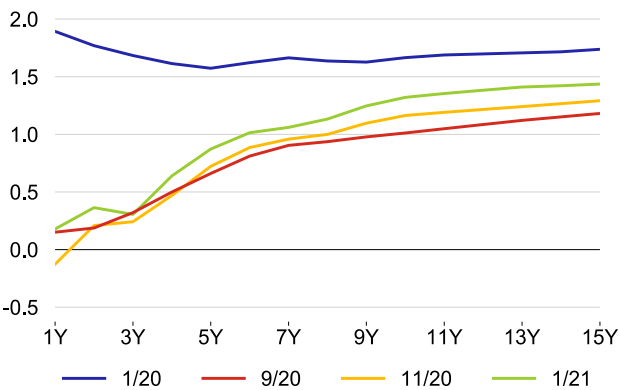


Chart F.10  
**Government bond yield curve**

%; selected days

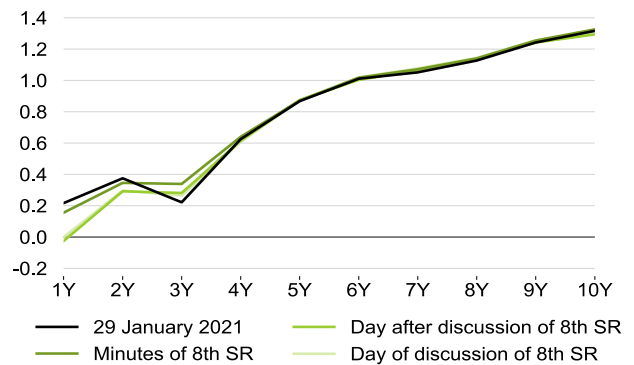


Chart F.11  
**Exchange rate**

CZK/EUR and CZK/USD

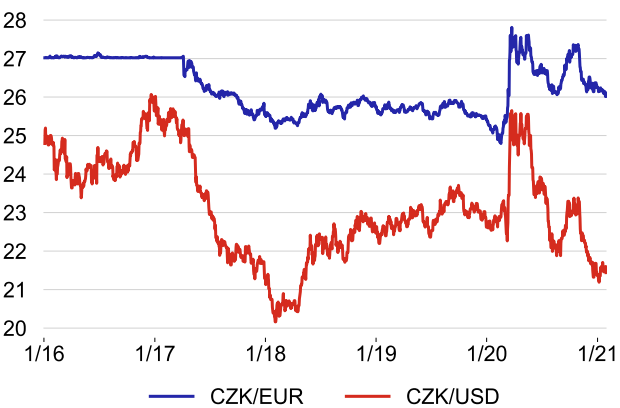
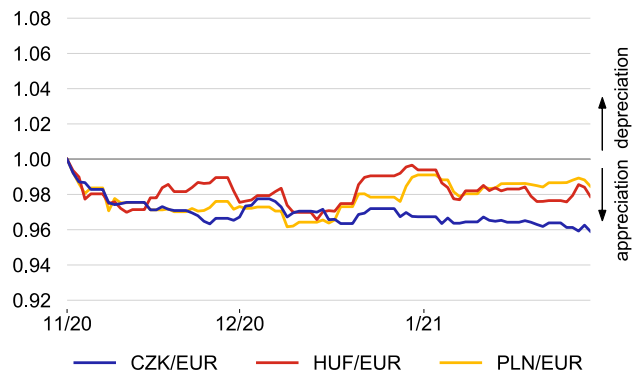


Chart F.12  
**Central European exchange rates**

index (1 November 2020 = 1.00)



## F — Financial and monetary indicators

Chart F.13

### Current development of koruna exchange rate

nominal CZK/EUR exchange rate



Chart F.14

### Expected change in koruna exchange rate

nominal CZK/EUR exchange rate at 1Y horizon; %

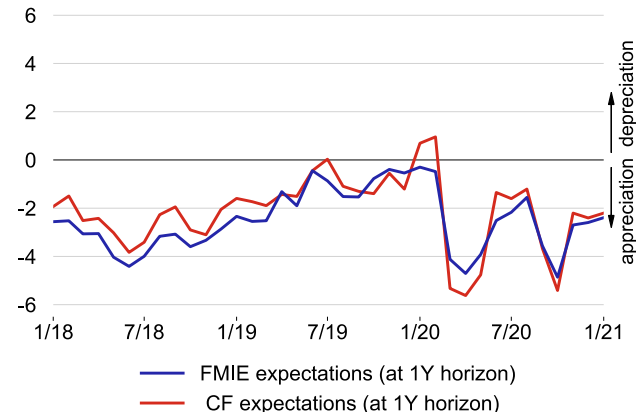


Chart F.15 (MF CR, CNB)

### Volume of koruna assets of non-residents

CZK billions

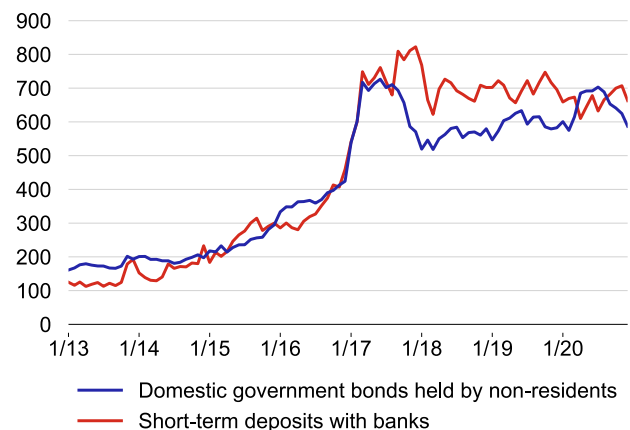


Chart F.16 (Statistical survey of CNB and Confederation of Industry of CR)

### Hedging of exports against exchange rate risks

weighted mean in %

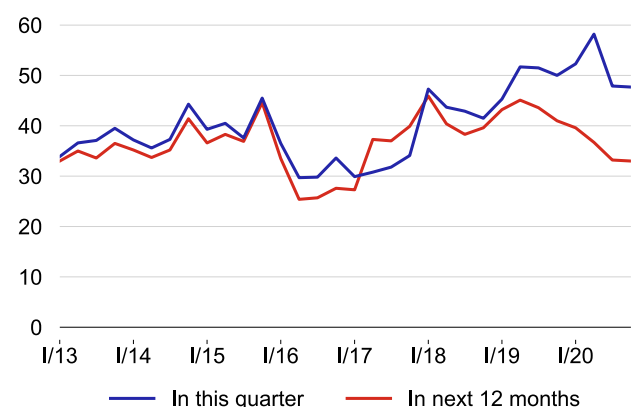


Chart F.17

### Interest rate differentials

pp

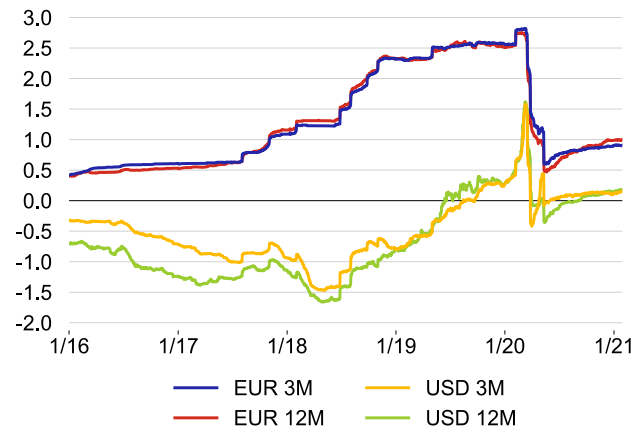
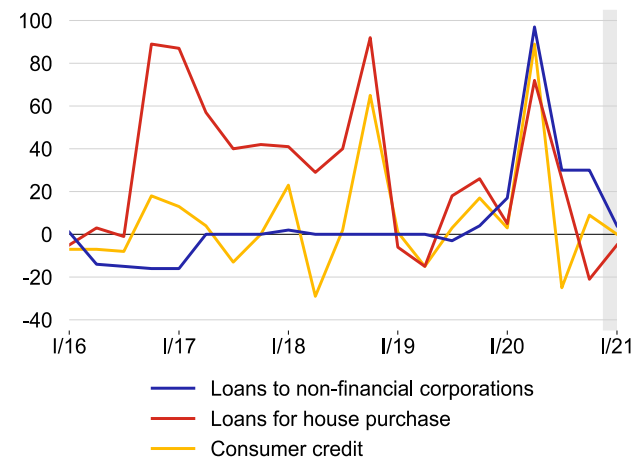


Chart F.18 (Bank Lending Survey, CNB)

### Credit standards of banks

q-o-q changes; net market shares of banking market in %



Positive (negative) values indicate a tightening (relaxing) of credit standards. Banks' expectations for the next quarter are shown in the grey area.

## F — Financial and monetary indicators

Table F.1

### Client interest rates on loans and deposits

new business unless otherwise indicated; %; changes in pp

	Interest rate 12/20	Change since		
		9/20	2/20	11/16
<b>HOUSEHOLDS</b>				
Mortgages	2.0	-0.1	-0.4	0.1
Mortgages with rate fixation 1–5 years	2.0	-0.1	-0.5	0.1
Mortgages with rate fixation 5–10 years	2.0	-0.1	-0.4	0.2
Genuinely new mortgages	2.0	-0.1	-0.5	0.1
Consumer credit	7.7	-0.3	-0.4	-2.5
Deposits (outstanding amounts, total)	0.3	0.0	-0.2	-0.1
Overnight deposits	0.1	0.0	-0.2	0.0
New deposits with agreed maturity	0.6	0.1	-1.1	-0.4
<b>NON-FINANCIAL CORPORATIONS</b>				
Total loans	1.9	0.5	-1.5	0.0
Small loans (up to CZK 30 million)	2.8	0.0	-1.3	0.4
Large loans (over CZK 30 million)	1.7	0.6	-1.5	-0.1
Genuinely new loans	1.7	0.5	-1.5	-0.2
Total outstanding loans	2.6	0.0	-1.3	0.1
Deposits (outstanding amounts, total)	0.1	0.0	-0.4	0.0
Overnight deposits	0.0	0.0	-0.2	0.0
New deposits with agreed maturity	0.2	0.0	-1.6	0.1

Client interest rates were close to their historical lows in 2016.

Chart F.20

### Interest rates on bank loans

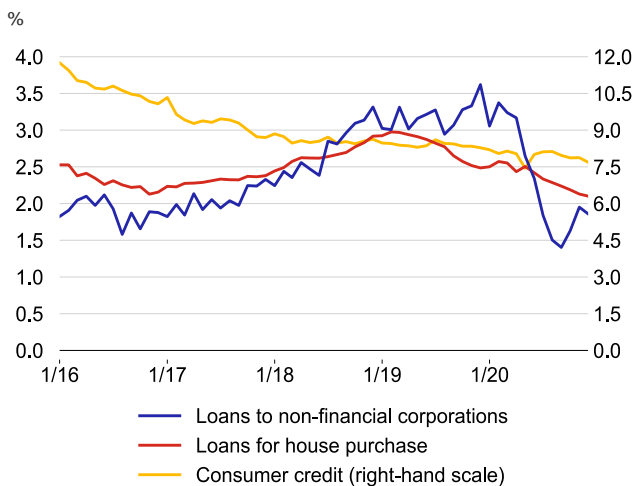


Chart F.22

### Loans to private sector

annual rates of growth in %

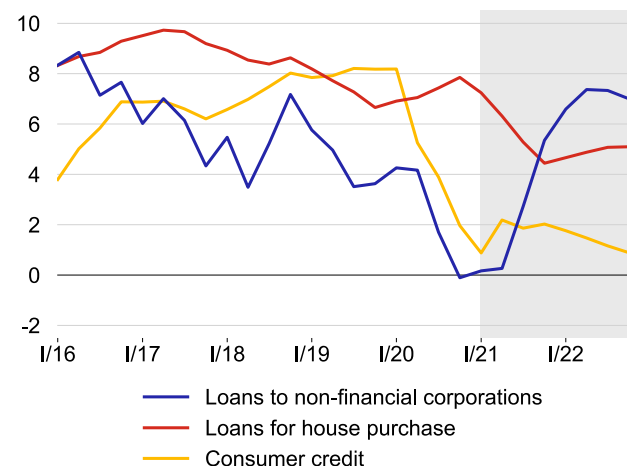


Chart F.19

### Client interest rates in CZ and euro area

total credit costs as expressed by cost of borrowing; %

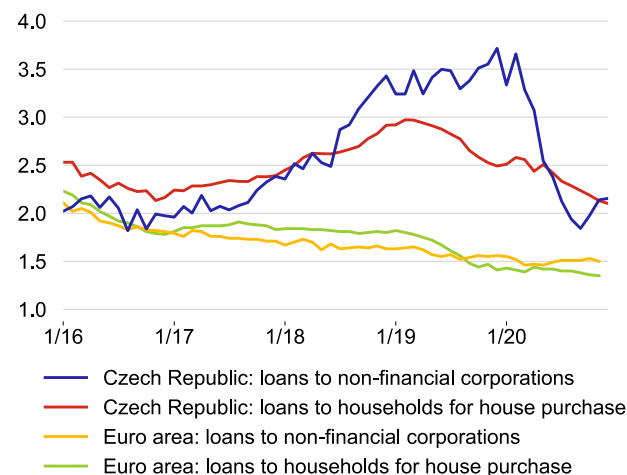


Chart F.21

### Interest rates on bank deposits

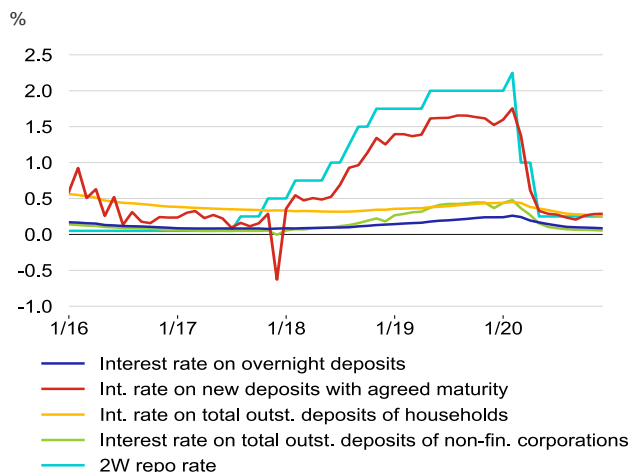
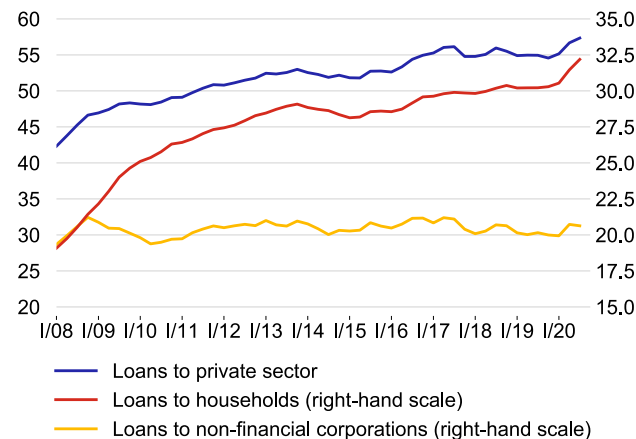


Chart F.23

### Ratios of loans to private sector to GDP

ratios to annualised nominal GDP in %

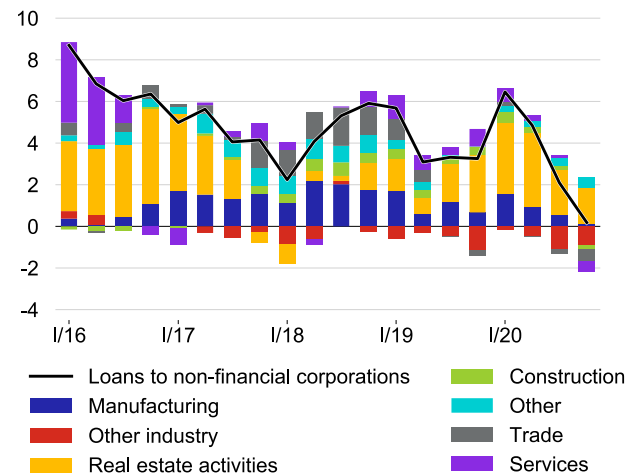


## F — Financial and monetary indicators

Chart F.24

### Loans to non-financial corporations

y-o-y changes in %; contributions in pp; end-of-quarter data



Other comprises agriculture and transport.

Chart F.25

### Loans to households

y-o-y changes in %; contributions in pp; end-of-quarter data

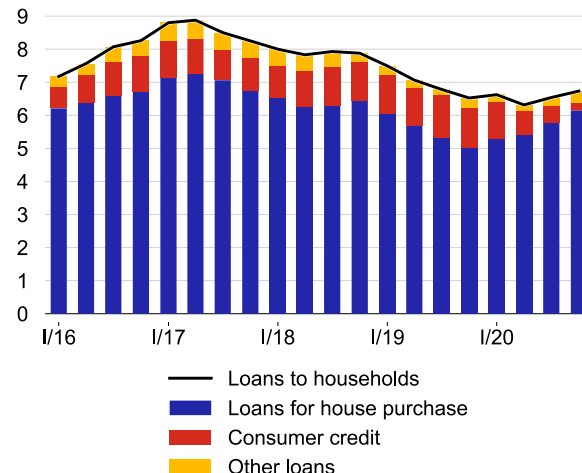


Chart F.26

### New loans to households for house purchase

genuinely new mortgages including increases; volumes in CZK billions; y-o-y changes in %

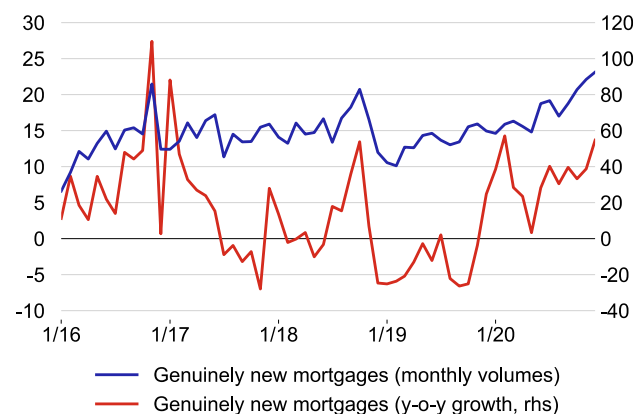


Chart F.27

### Debt of NFCs and households

ratios to annualised nominal GDP in %

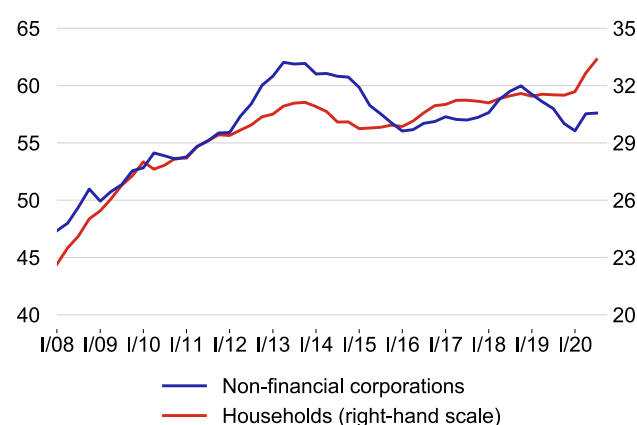


Chart F.28

### Loans and monetary aggregates

annual rates of growth in %

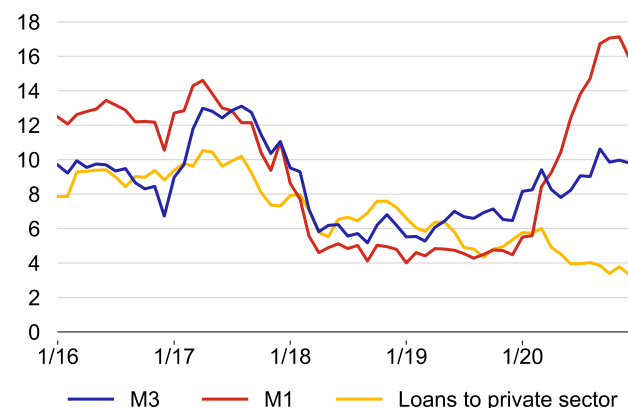
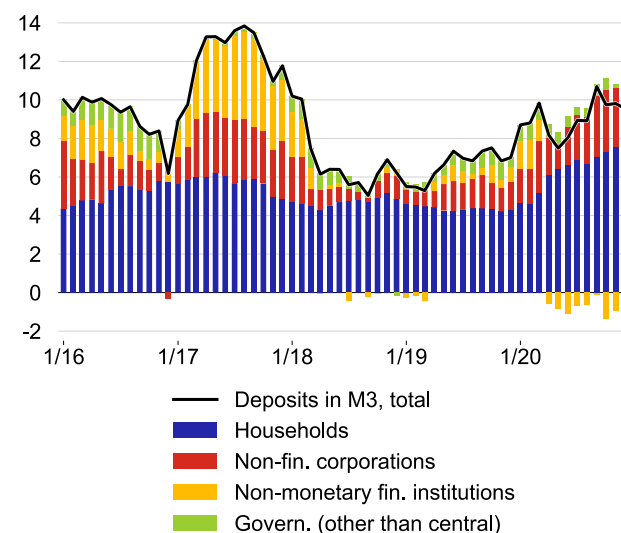


Chart F.29

### Deposits included in M3

annual rates of growth in %; contributions in pp



## G — Fiscal developments

		2020	2021	2022	
<b>Government budget balance</b>	% of GDP pp	<b>-6.1</b> (0.2)	<b>-6.5</b> (-1.6)	<b>-5.6</b> (-1.3)	The government budget balance has been revised down significantly in 2021 and 2022, mainly due to lower tax revenues.
<b>Government debt</b>	% of GDP pp	<b>38.4</b> (0.0)	<b>43.3</b> (1.6)	<b>46.7</b> (2.8)	The nominal debt will rise faster over the entire forecast horizon due to worse government budget balances.
<b>Fiscal impulse</b>	contr. to GDP growth pp	<b>1.9</b> (-0.1)	<b>-0.3</b> (1.0)	<b>-0.3</b> (-0.1)	The fiscal impulse in 2021 has been revised by comparison with the previous forecast due to the inclusion of the second tax package and new support measures.

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

## G — Fiscal developments

Table G.1

### Fiscal forecast

% of nominal GDP

	2019	2020	2021	2022
Government revenue	41.6	41.4	40.3	40.0
Government expenditure	41.3	47.5	46.8	45.6
<b>GOVERN. BUDGET BALANCE</b>	<b>0.3</b>	<b>-6.1</b>	<b>-6.5</b>	<b>-5.6</b>
of which: primary balance <sup>a)</sup>	1.0	-5.4	-5.8	-4.9
<b>ADJUSTED BUDGET BALANCE<sup>b)</sup></b>	<b>0.0</b>	<b>-6.3</b>	<b>-6.7</b>	<b>-5.7</b>
Cyclical component <sup>c)</sup>	0.6	-0.6	-0.6	-0.1
Structural balance <sup>c)</sup>	-0.6	-5.7	-6.0	-5.6
Fiscal stance in pp <sup>d)</sup>	-0.8	-5.1	-0.3	0.5
<b>GOVERNMENT DEBT</b>	<b>30.2</b>	<b>38.4</b>	<b>43.3</b>	<b>46.7</b>

a) government budget balance minus interest payments

b) CNB estimate, balance adjusted for extraordinary one-off operations (revenues from the sale of emission permits, expenditures on the (new) Green Savings Programme, realised guarantees and revenues from the sale of frequency bands to mobile operators, etc.).

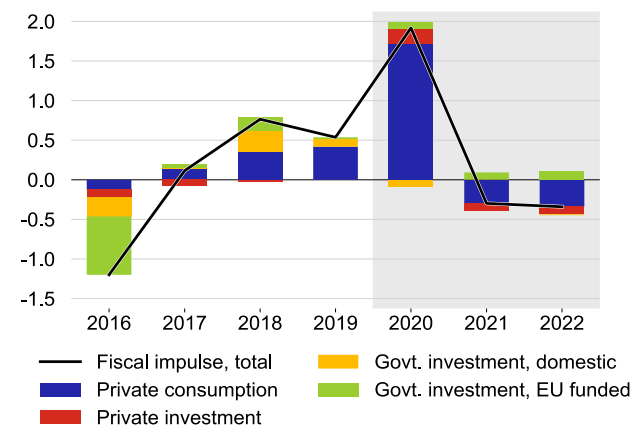
c) CNB estimate based on an aggregate method that defines the position of the cycle based on the output gap

d) year-on-year change in structural balance

Chart G.1

### Fiscal impulse

contributions to GDP growth in pp



# H — The balance of payments

		2020	2021	2022	
<b>Current account</b>	% of GDP pp	<b>3.0</b> (2.3)	<b>0.6</b> (0.2)	<b>1.1</b> (0.8)	The current account will show larger surpluses due to the favourable expected evolution of foreign trade.
<b>Capital account</b>	% of GDP pp	<b>1.3</b> (0.3)	<b>1.2</b> (0.0)	<b>1.1</b> (0.0)	The capital account surplus will be unchanged compared with the previous forecast.
<b>Goods and services balance</b>	CZK billions	<b>385</b> (110)	<b>378</b> (81)	<b>392</b> (82)	Higher surpluses will be fostered primarily by foreign trade due to the competitiveness of Czech industry during the second wave of the pandemic.

Note: Changes compared to the previous forecast are in brackets (green label indicates an increase in value, red label indicates a decrease).

In this section, we update the main balance of payments variables which we monitor when creating a forecast. More detailed information can be found once a year in the [Balance of Payments Report](#).

## H — The balance of payments

Chart H.1

### Ratios of balance of payments accounts to GDP

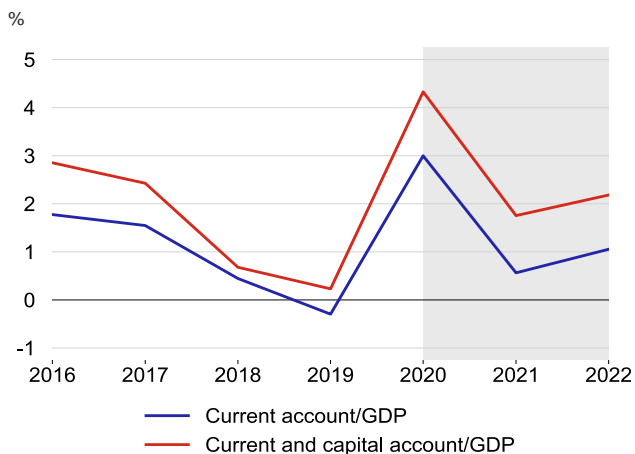


Table H.1

### Balance of payments forecast

CZK billions

	2019	2020	2021	2022
<b>A. CURRENT ACCOUNT</b>	-16.9	168.8	33.2	65.4
Goods	236.1	277.0	281.1	287.3
Services	104.4	108.4	97.4	104.4
Primary income	-324.4	-171.6	-310.3	-291.3
Secondary income	-33.0	-45.0	-35.0	-35.0
<b>B. CAPITAL ACCOUNT</b>	30.2	75.0	70.0	70.0
<b>C. FINANCIAL ACCOUNT<sup>a)</sup></b>	44.6	230.0	-20.0	25.0
Direct investment	-61.0	-65.0	-110.0	-70.0
Portfolio investment	-117.6	135.0	-50.0	-60.0
Financial derivatives	1.0			
Other investment	112.0	90.0	40.0	40.0
Reserve assets	110.2	70.0	100.0	115.0

a) forecast excluding operations of banking sector and financial derivatives

Chart H.2

### Direct investment structure

CZK billions

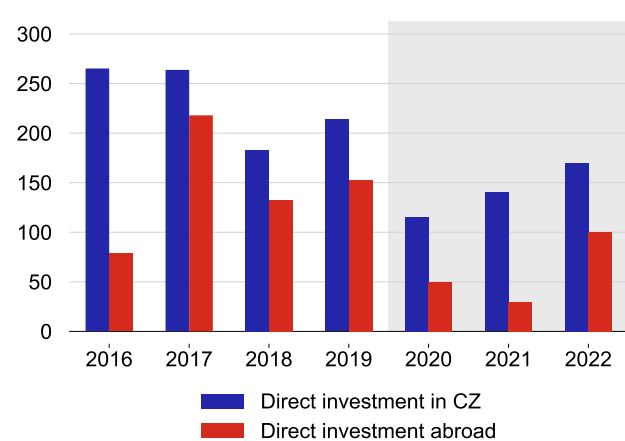
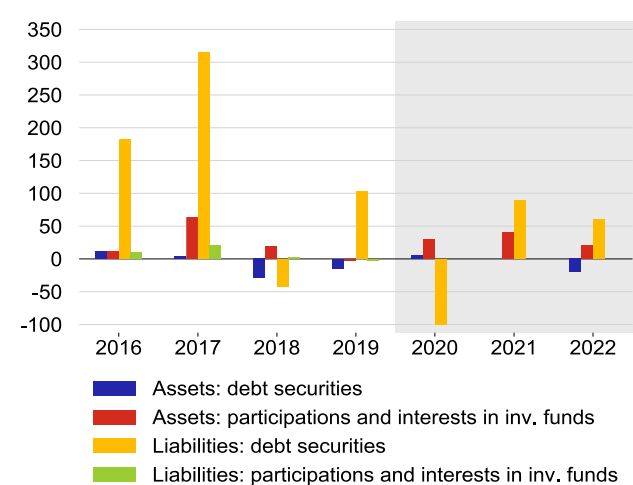


Chart H.3

### Portfolio investment structure

CZK billions





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