

| Instant Reaction |

# EcoAlert

## The drop in unemployment halted in December



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### Share of unemployed – December 2017

	Actual	KB forecast	Consensus (Bloomberg)
<b>Share of unemployed (%)</b>	3.8	3.7	3.7

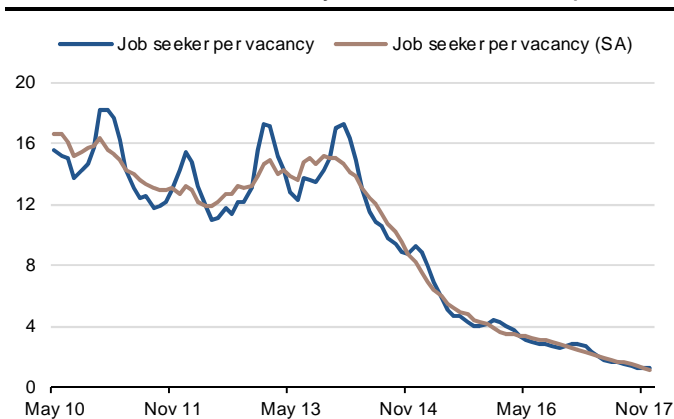
Source: Bloomberg, MLSA, Economic & Strategy Research, Komerční banka

**The share of unemployed bounced from November's record-low figure and printed 3.8%. After many months, December's figures did not even show a decrease on a seasonally adjusted basis. However, the number of vacancies has been growing and reaches new records. The labour market situation is thus still extremely favourable for households, while it represents a growth risk for some businesses.**

The share of unemployed increased to 3.8% due to December's unfavourable seasonality. After seasonal adjustment, the share remained virtually unchanged. The data thus suggest that the problem of finding a sufficient labour force has become critical for some businesses. The highest unemployment is still in Karviná district (8.1%), yet it is still a lower figure than the euro area average (8.7%). The number of vacancies increased despite unfavourable calendar effects when it printed 216,629. The number of job seekers and vacancies is thus almost equal.

The CZSO also released its labour market survey. According to the figures, the unemployment rate (ILO methodology) dropped to 2.5% after seasonal adjustment and thus remains the lowest in the whole EU.

### The number of vacancies and job seekers is almost equal



Source: MLSA, Macrobond, Economic & Strategy Research, Komerční banka

### The share of unemployed stopped its decrease










Source: MLSA, Macrobond, Economic & Strategy Research, Komerční banka

**The unfavourable calendar effect will impact the share of unemployed also in the first months of this year. The share should thus increase to 3.9% according to our preliminary**

estimates. In March, unemployment is set to turn south again and later during the year will create new lows when by reaching 3.3%.




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


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

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


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