

1. General Economic Situation

Economic indicators

	2008	2009	2010
Unemployment (%)	4,6	8,0	7,3
Inflation (%)	6,3	1,3	1,5
Industrial production (%)	0,4	2,1	2,3
Building operations (%)	0,6	3,5	-18
GDP (%)	0,2	-4,3	2,2

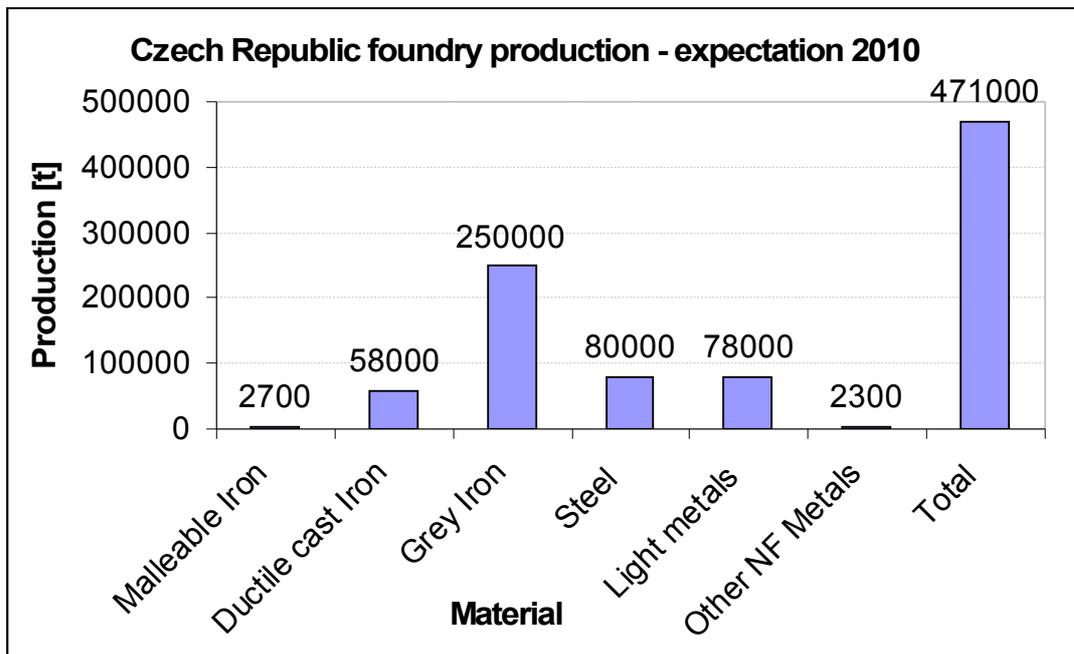
2. Industrial development in 2010

There was a 10% growth in industrial production in 2010 in comparison with 2009 whereas 1/3 of this growth was formed by automobile industry. Foreign trade turn-over increased by 19%, contrary to 18% decrease in building industry.

3. Foundry production – internal study by the Association of foundries of the Czech Republic

The first half of the year 2010 was marked by the recession from 2009 and by decreasing volume of casting shipments. New orders from the first half of the year 2010 took effect as late as in the second half of the year 2010 by the increase of 12% (in comparison with 2009). As for the resulting year 2010 in comparison with the year 2009: moderate growth is being expected. Supposed casting production exceeds 450 tons. Production of Al castings for automobile industry and grey cast iron are the most important parts of the production. Production of steel castings and ductile cast iron is being expected approximately the same as in 2009.

Graph of expected foundry production



4. Negative influences in the foundry industry:

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- price increase of raw material
- national legislation (price of fuels)
- price increase of energies (see the graph)
- payment morals – delayed payments
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