SOCR ČR
Svaz obchodu a cestovního ruchu ČR

ECONOMIC REPORT

CZECH TRADE AND TOURISM ASSOCIATION

NOVEMBER 2025

This report works with data published as of 19 November 2025

KEY MESSAGES

- **Inflation.** Consumer prices rose by 2.5% year-on-year in October, which is 0.2 percentage points more than in September. Inflation was thus slightly higher than the CNB's forecast (2.2%). However, core inflation remained stable at 2.8%. The central bank expects inflation to remain close to current levels for the rest of the year.
- **Food prices.** Prices of food and non-alcoholic beverages rose by 3.6% year-on-year, which represents an acceleration compared to September (2.7%). In October, bakery products and cereals (+3%), meat (+6.3%) and milk, cheese and eggs (+7.7%) got particularly more expensive year-on-year. In the alcoholic beverages and tobacco section, prices of spirits (+4%) and tobacco products (+6%) rose.
- **Retail sales.** In September, retail sales rose by 2.6% y-o-y, reflecting the continuation of moderate growth in demand. The largest increases were in sales of fuel (+9.5%) and non-food goods (+2.8%), while sales of food fell slightly (-0.2%). Month-on-month, sales fell by 0.2%.
- **Labour market.** The unemployment rate remained at 3.1% in September, the same as in the previous month. The highest numbers of job seekers were again reported in the Ústí nad Labem and Moravian-Silesian regions, while the lowest unemployment rate remains in Prague and the surrounding regions. The increase of registered job seekers compared to last year is mainly related to the arrival of recent graduates, who accounted for more than a fifth of new arrivals.
- **Exchange rate.** In October and early November, the koruna traded in a range of 24.38–24.17 CZK/EUR, its strongest levels in two years. Its strengthening was mainly due to a change in market expectations after the CNB's forecast indicated that, following a prolonged period of stability, interest rates could rise again in the coming years.
- **Agricultural harvest estimate.** According to the latest harvest estimates, the harvest of most late crops will be higher year-on-year. Significant growth in production is expected for potatoes (+11.2%) – with the highest harvest since 2011 – as well as for poppy seeds (+14.7%), soybeans (+14.6%), sunflowers (+40.3%) and green corn (+18%).

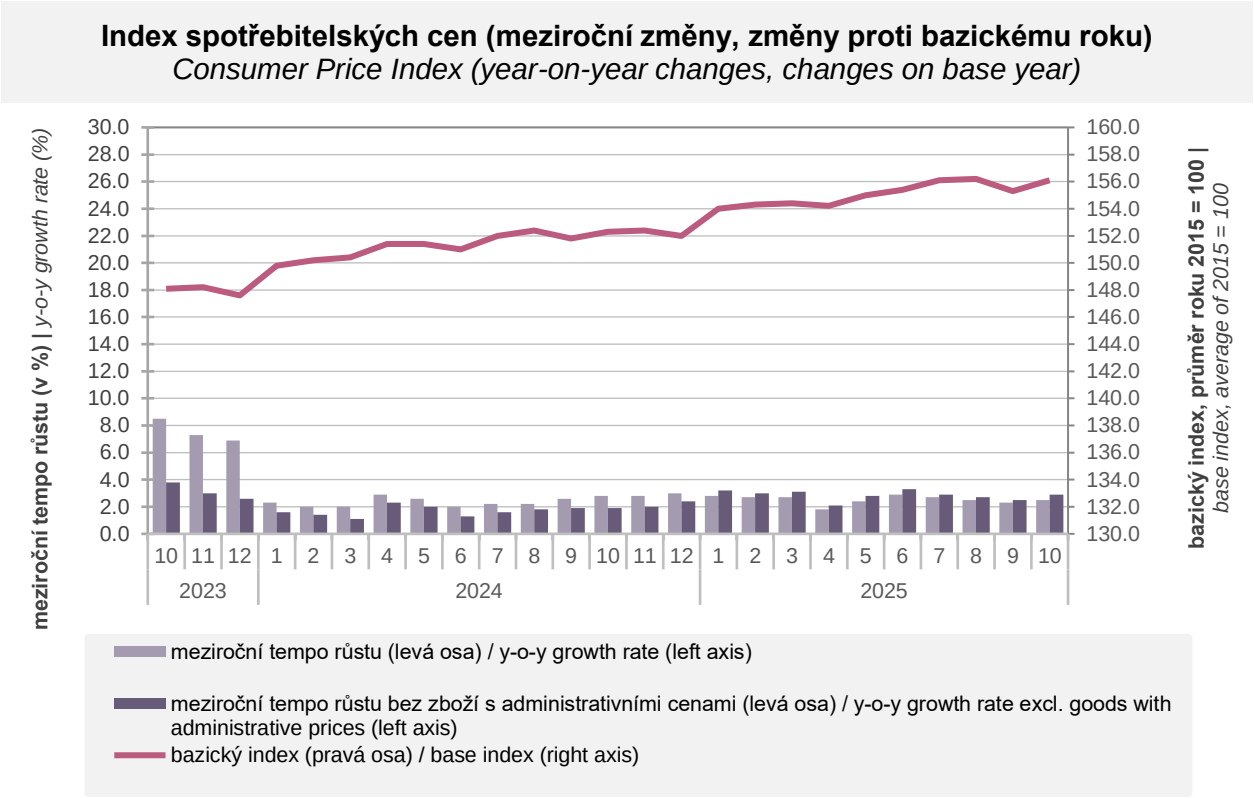
Indicator		Current value	Previous report
Inflation 10/2025	y-o-y	**+ 2,5 %**	+ 2,3 %
	m-o-m	**+ 0,5 %**	- 0,6 %
Food prices 10/2025	y-o-y	**+ 3,6 %**	+ 2,7 %
	m-o-m	**+ 1,1 %**	- 1,1 %
Retail sales 9/2025	y-o-y	**+ 2,6 %**	+ 3,5 %
	m-o-m	**- 0,2 %**	+ 0,6 %
Unemployment rate 9/2025		**3,1 %**	3,1 %
CZK/EUR (18.11.2025)		**24,169**	24,358

INFLATION AND FOOD PRICES

In October, consumer prices rose by 0.5% month-on-month, with the increase driven mainly by higher prices in the food and non-alcoholic beverages section. Year-on-year, consumer prices rose by 2.5%, which is 0.2 percentage points more than in September. The faster price growth in October thus partially offset the slowdown from the previous month.[1]

Month-on-month price growth in October was strongly influenced by food. In particular, bakery products and cereals (+1.6%), fruit (+2.1%), pork (+2.1%), eggs (+5.1%), chocolate and chocolate products (+4.9%) and semi-skimmed long-life milk (+3.4%) became significantly more expensive. On the other hand, there was a significant decline in the prices of butter (-9.4%) and potatoes (-10.9%). Prices also rose in the alcoholic beverages and tobacco section, particularly wine (+4.2%) and tobacco products (+0.9%).

FIGURE 1: CONSUMER PRICE INDEX



Source: CZSO

The year-on-year inflation rate reached 2.5% in October. Prices of food and non-alcoholic beverages rose by 3.6% year-on-year (2.7% in September). Growth accelerated particularly in bakery products

[1] Consumer price indices - inflation - October 2025 | Rychlé informace

and cereals (+3%), meat (+6.3%) and items in the milk, cheese and eggs group (+7.7%). In the alcoholic beverages and tobacco section, prices of spirits (+4%) and tobacco products (+6%) rose. Wine and beer prices shifted from a decline in September to growth (+2% and +1.1%, respectively).

Prices in the housing section also contributed to the overall increase in the price level. Rents rose by 5.8% year-on-year, water charges by 4.2%, sewage charges by 3.7% and heating and hot water prices by 1.8%. Energy prices continued to fall, with electricity down 3.6%, natural gas down 7.9% and solid fuels down 2.6%. On the other hand, clothing and footwear prices continued to dampen year-on-year inflation, with clothing falling by 1.6% and footwear by 3.3% for the twelfth month in a row.

The current inflation rate is also higher than forecasted by the CNB (2.2%). According to the central bank, inflation fluctuations continue to be caused mainly by fluctuations in food and beverages prices, which accelerated again in October. However, core inflation remained stable at 2.8%, continuing to be influenced by increased inflation in market services (4.4%) and rising housing costs. The CNB expects inflation to remain close to current levels for the rest of the year. Nevertheless, according to the bank, the development of core inflation confirms that price developments in the domestic economy are not fully stabilized and require a cautious monetary policy approach.[2]

In terms of the harmonized index of consumer prices (HICP), food prices in the Czech Republic rose by 3.2% year-on-year in October (up 2.3% in September). On average across the EU, food prices rose by 2.5% in October (up 3% in September). For comparison with neighbouring countries: food prices rose by 1.4% year-on-year in Germany, 3.4% in Austria, 3% in Poland, 0.5% in Hungary, and remained unchanged in Slovakia compared to October last year.[3]

RETAIL SALES

Retail sales continued to grow in September, rising by 2.6% year-on-year in real terms, while falling slightly by 0.2% month-on-month. The largest contributors to year-on-year growth were sales of fuel (+9.5%) and non-food goods (+2.8%), while food sales fell slightly (-0.2%).

In specialized stores, year-on-year growth in September was particularly strong for cosmetics and toiletries (+11.6%), pharmaceuticals and medical goods (+3.1%), and cultural, sports, and recreational goods (+2.6%). On the contrary, stores selling computer and communication equipment (-3.4%) and clothing and footwear (-0.2%) recorded a decline. Sales in specialized food stores fell by 0.5%, in non-specialized stores with a predominance of food by 0.2%, while stores with a predominance of non-food goods grew by 4.7%. Internet and mail order stores recorded a growth of 4.2%.

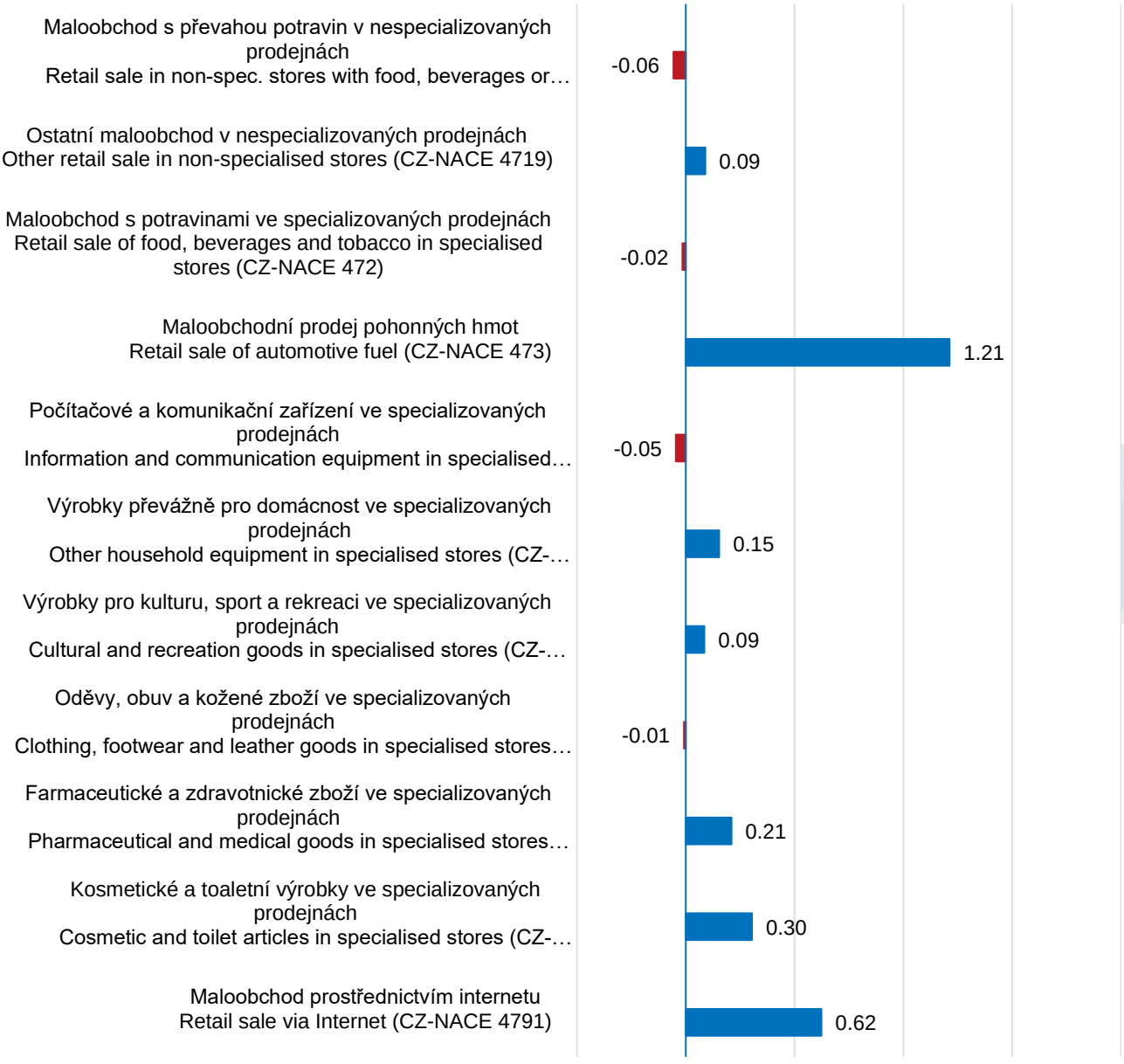
[2] Food prices push inflation up to 2.5% in October - Czech National Bank

[3] HICP - monthly data (annual rate of change)

Month-on-month, sales in September fell by 0.2%, with food sales down 0.5% and non-food goods down 0.1%. In contrast, fuel sales rose by 0.5%.

FIGURE 2: RETAIL SALES (SEPTEMBER 2025)

Tržby v maloobchodě - příspěvky vybraných odvětví CZ-NACE k meziroční změně v procentních bodech (kalendářně očištěné údaje)
Chart 4 Sales in retail trade - contribution of the selected CZ-NACE divisions to year-on-year change (percentage points, adjusted for calendar effects)



Source: CZSO

LABOUR MARKET

According to current data from the Czech Statistical Office, the unemployment rate remained at 3.1% in September, the same as in August. However, it increased by 0.3 percentage points year-on-year. The unemployment rate for men reached 2.7% and for women 3.4%. The employment rate rose year-on-year to 75.5%, confirming the continuing high labour force participation.[4]

Additional data from the Czech Labour Office show that the administrative number of job seekers in September remained higher than a year ago. At the end of the month, there were 337,900 job seekers registered, representing a year-on-year increase of approximately 47,000 people. The number of job vacancies rose to 95,800, which means an average of 3.5 job seekers per vacancy, although regional differences remain significant. Recent graduates contributed significantly to the influx of new applicants, accounting for more than a fifth of new arrivals.[5]

From a regional perspective, the situation on the labour market remains uneven. Traditionally, the highest administrative numbers of job seekers were registered in the Ústí nad Labem and Moravian-Silesian regions, while Prague, the Pardubice region, the Plzeň region, and the Vysočina region have long had the lowest unemployment rates. Problematic districts such as Most, Karviná, and Chomutov are struggling with persistent structural unemployment, while districts such as Prague-East, Prague-West, and Rychnov nad Kněžnou are among the regions with the lowest number of job seekers in the entire country. Overall, the labour market remains stable, despite a slight year-on-year increase in unemployment and clearly persistent regional polarization.

EXCHANGE RATE

Over the past month, the Czech koruna traded in a range of 24.378–24.169 CZK/EUR. Since the beginning of November in particular, we have seen a relatively significant shift of the koruna towards its strongest values in the past two years. The EUR/CZK currency pair was last traded at comparable levels in September 2023.

Although the CNB Bank Board left interest rates unchanged at its last meeting (the main rate remains at 3.5%), the new forecast was rather cautious.[6] The financial market is thus reassessing the outlook for the CNB's monetary policy and is beginning to prepare for the CNB to raise rates after a period of prolonged stability (throughout 2026), with the main rate forecast for 2027 at 3.8%.[7]

[4] Rates of employment, unemployment and economic activity - September 2025 | Rychlé informace
[5] Nezaměstnanost v Česku v září zůstala na 4,5 %, do evidence přicházeli čerství absolventi | ÚP
[6] Current forecast - Czech National Bank
[7] Koruna vůči euru pod hladinou 24,20 EURCZK

FIGURE 3: DEVELOPMENT OF THE CZK/EUR EXCHANGE RATE

Source: ECB [8]

YIELD ESTIMATES FOR MOST CROPS EXCEED LAST YEAR'S FIGURES

According to the latest harvest estimate, most crops with a later harvest date are expected to yield higher yields year-on-year. Significant growth in production is expected particularly for potatoes (+11.2%), with an estimated 729,000 tons representing the highest harvest since 2011. Higher yields are also reported for poppy seeds (+14.7%), soybeans (+14.6%), sunflower seeds (+40.3%) and green corn (+18%). Stronger production is supported not only by the expansion of acreage, but also by slightly higher yields per hectare compared to August estimates. The total harvest of cereals, including grain corn, is estimated at 8.3 million tons, representing a year-on-year increase of 10.9% and exceeding the five-year average by 4%.

The exception to the overall favourable development is sugar beet, whose estimated harvest is down 18.7%, mainly due to a reduction in the area under cultivation. Grain corn itself also shows a year-on-year decline in yield (-6.4%). Although the rapeseed harvest remains higher year-on-year (+8.4%), it is still about one-tenth below the five-year average. Overall, the estimates confirm that, despite significant weather fluctuations, this year's season will be favourable for most crops, with robust yields of key commodities and a shift above the levels typical for recent years.[9]

[8] Czech koruna (CZK)

[9] Harvest Estimates - September 2025 | Rychlé informace