



Headline News

Deutsche Börse opens its Prague office

Deutsche Börse has officially opened its Czech IT development centre, which contributes to the development of software for the trading and clearing systems of Deutsche Börse Group. The Czech branch currently employs 40 software developers; it aims to hire 150 IT specialists by the end of 2008.

Business

Infosys opens branch in Brno

Infosys Technologies has announced the expansion of its nearshore facility in Brno. Infosys has set up a 400-seat facility to provide BPO as well as additional IT service capacity to its clients in Europe. The centre offers services in 20 languages.

Foxconn headed to Kutna Hora

Foxconn, a Taiwanese producer of flat screens and computer components, has chosen Kutna Hora for its expansion in the Czech Republic. The investment

of more than USD 100 million will create up to 5,000 jobs in the town.

Electro World financial centre to open in the Czech Republic

DSG International, the largest European seller of electronic products, will establish its financial centre in Brno. The company, which owns the Electro World retail chain, plans to handle part of the entire group's financial services from Brno within two years. The centre will employ 50 people from September 2007, a number which should increase to 200 within two years.

BCD to invest USD 1 billion in As

The Israeli developer BCD Group is planning to invest USD 1 billion in the municipality of As. The firm intends to build an industrial zone, a hotel, an entertainment centre, a casino, a hospital for discerning clients, and roughly 500 apartments in four high-rises on a 70-hectare property. BCD should employ roughly 10,000 people at the site.

NBC Universal coming to the Czech Republic

The media group NBC Universal is entering the Central European market, including the Czech Republic. The firm has announced plans to introduce 20 new local television channels in 23 countries in Europe, Asia, and Latin America. According to Peter Smith, president of NBC Universal International, the Czech Republic is a key market and should see the introduction of channels such as Sci-Fi, 13th Street, and the Universal Channel this year and next. The firm has yet to present a specific timeline for its expansion.

Kyocera to invest USD 33 million in expanding production in Kadan

The Japanese concern Kyocera has announced that it will invest USD 250 million in increasing its production of solar panels from 240 MW to 500 MW per year in 2011. The firm will invest USD 33 million (CZK 680 million) of this total in expanding production in the Czech city of Kadan from 100 MW to 150 MW per year. Kyocera began manufacturing solar panels at its Kadan facility in October 2005. It has already invested almost CZK 200 million

in the plant, at which the company employs 300 people.

Sungwoo Hitech to build new facilities in Ostrava-Hrabova

The South Korean auto-body part manufacturer **Sungwoo Hitech** will build a new stamping shop and new welding shop on its grounds in the Ostrava-Hrabova industrial zone. The new facilities will allow the firm to double its production capacity to 600,000 auto-body sets; the firm will also double its existing employee base of 800; 750 of the new employees will work in production.

R&D

Plzen Science and Technology Park to open in September

The **Plzen Science and Technology Park** will be opened to research and development firms in September. A total of 4,200 m² of space will be available in four buildings in the vicinity of the Borska pole industrial zone. The park will serve particularly as support for the research activities of the University of West Bohemia in Plzen, which is leasing a third of the space for its planned Centre of New Technologies.

Two new technology centres to open in Brno

Two planned centres for innovative firms that are to be established in Brno in January and June 2008, respectively, will be able to offer services to 55 companies with new research projects. The incubators are being established in connection with an initiative of the South Moravian Innovation Centre, which has operated a successful incubator with 29 companies since 2003.

Economy

Government approves plan for implementation of euro

The government has approved the **National Plan for the Implementation of the Euro in the Czech Republic**. The first draft of the plan does not include a date for the implementation of the European common currency. According to Prime Minister Mirek Topolánek, the government expects to announce a date after public-finance reforms are approved. The state is also considering drafting an act on the euro that is to ensure the continuity of contracts.

Industry in the Czech Republic growing five times faster than EU average

Industrial production in February 2007 grew by 15.4% in comparison with the same period last year. According to analysts, such growth was spurred particularly by strong foreign demand and demonstrates that Czech industry is resilient against the effects of the strong Czech crown. The most dynamic sector was electronics, which grew at a rate of 41%, thus overtaking automobile production.

Exchange Rates
Averages for the 2nd half of 2006
EUR 1 = CZK 28.185
GBP 1 = CZK 41.674
USD 1 = CZK 21.992
Source: Czech National Bank;
January 2007

Sources: Czech AM by Czech Information Agency, Prague Daily Monitor, Radio Prague, dailies Hospodarske noviny, Pravo, MF Dnes and Lidove noviny