Agriculture, transport among most risky sectors for businesses

Agriculture, the manufacturing industry, trade and transport rank among the most risky sectors for business activities in the Czech Republic, according to an analysis made by the CEKIA agency. On the other hand, companies active in financial services, education, health care and the energy sector are the most stable.

The results are based on CEKIA's Stability Rating method aimed at estimating the risk of bankruptcy of companies in the coming twelve months.

Detailed analysis has shown that every third company in agriculture and every fourth company in the manufacturing industry, trade and transport are in danger of bankruptcy.

Economic recession in the Czech Republic has affected most the companies active in sectors directly dependent on the development of the economic cycle, CEKIA director Alena Seoud commented on the results.

In construction, 23 percent of companies got one of the three ratings in the category of "excellent" and nearly 16 percent are at risk or in bankruptcy.

CEKIA's rating model thus does not fully confirm builders' concerns that up to a fifth of companies in the sector may go bust, said Seoud, adding that construction will be affected by further fall in state orders in the coming period.