ICC CZECH REPUBLIC

# CORPORATE STABILITY INDEX

Czech Republic | Q2 2026

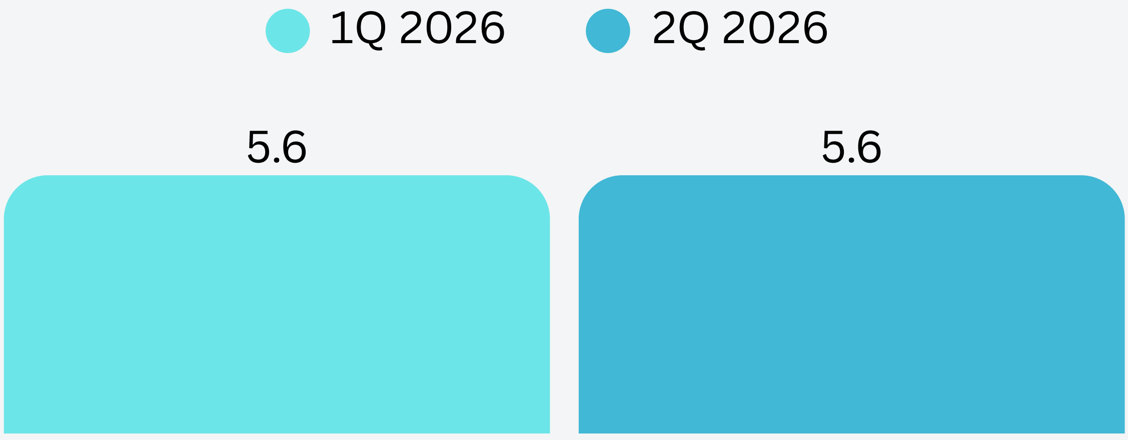
# Czech Corporate Stability Stops Declining but Remains Low

Corporate stability in the Czech Republic improved slightly in Q2 2026. However, the overall Corporate Stability Index, rounded to one decimal place, remained at 5.6 points. This result reflects differing developments across individual sectors.

Of the twelve sectors monitored, stability improved in five, deteriorated in two, and remained unchanged in five. The overall index therefore points to a stabilization in the financial condition of Czech companies, rather than a broad-based improvement..

The stabilization of the index is consistent with the continued growth of the Czech economy. However, the impact of economic growth continues to vary significantly across individual sectors.

At the same time, the number of corporate insolvencies continues to rise both year-on-year and quarter-on-quarter. Although the index has stabilized, it is still too early to conclude that the financial condition of Czech companies is improving on a lasting basis.



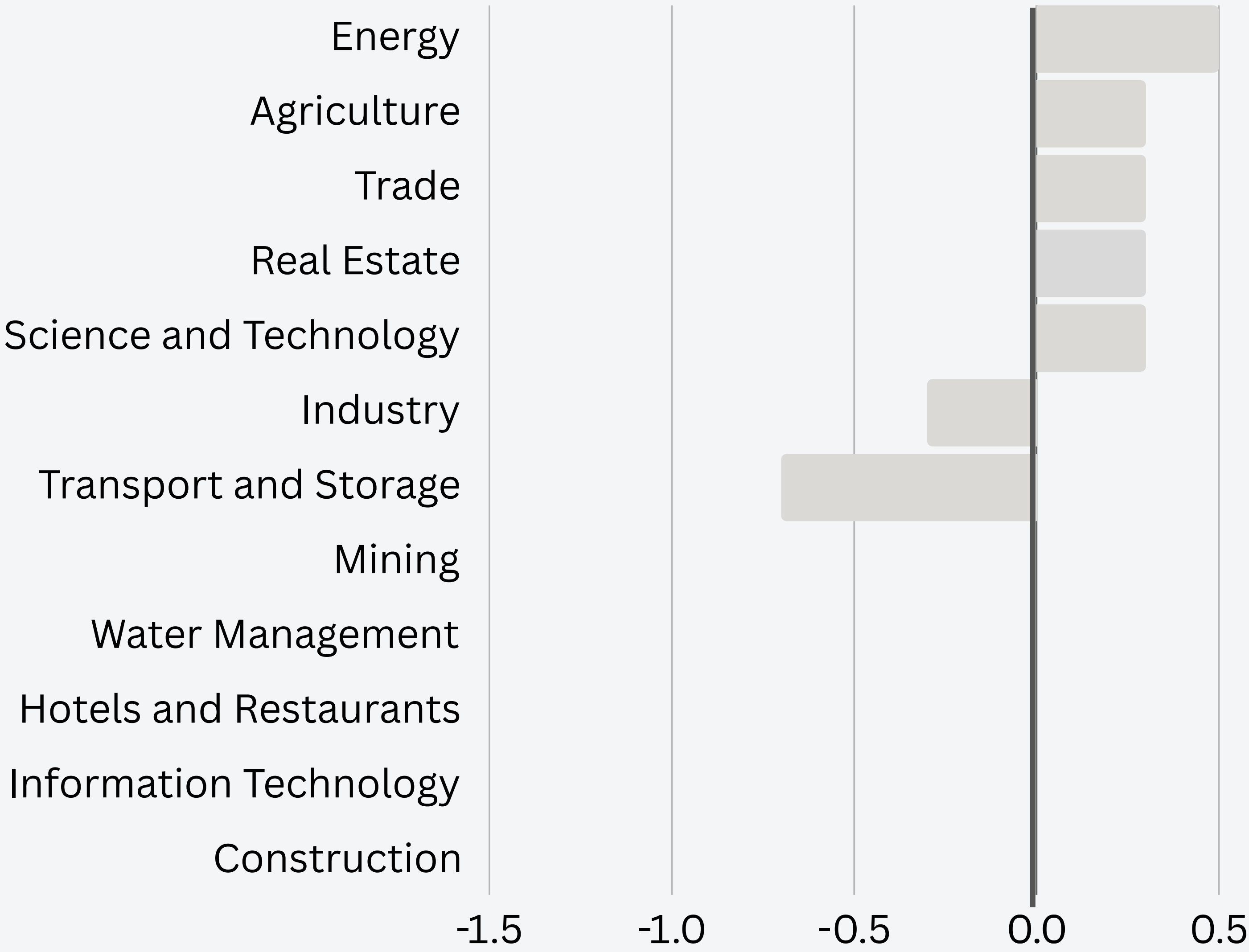
# Corporate Stability


**Key Factors Behind Stability Trends**

During 2025, the Corporate Stability Index gradually increased, reaching its highest level to date in the third quarter. This was followed by a sharp decline in the fourth quarter to the lowest value recorded since measurement began.

In Q1 and Q2 2026, the index stabilized. The overall value remained at 5.6 points after rounding, although individual changes occurred across the sectors monitored. The results confirm that the financial condition of individual sectors continues to develop at different rates.

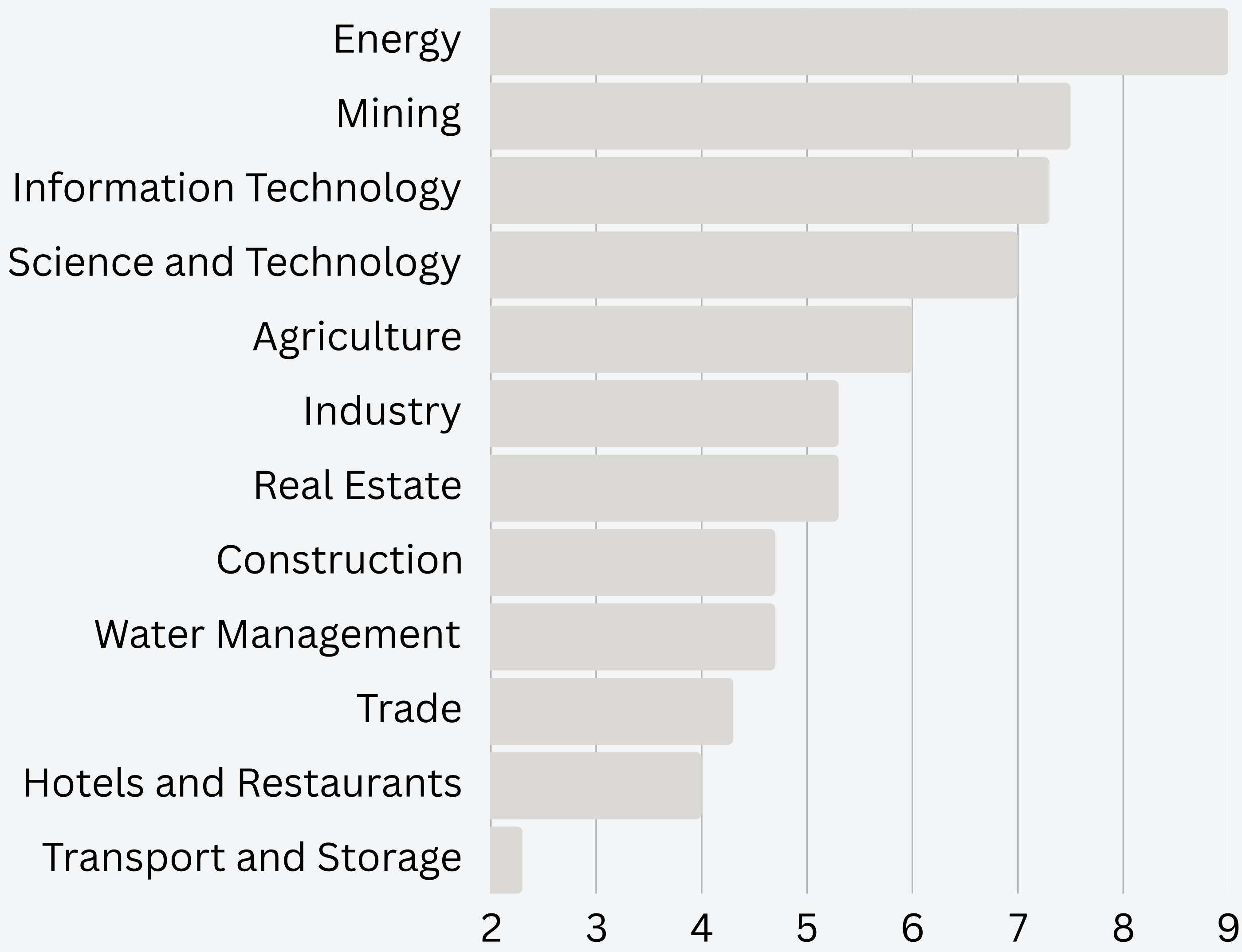
# Change in Corporate Stability by Sector Q1 2026 → Q2 2026




Between Q1 and Q2 2026, corporate stability changed in seven of the twelve sectors monitored. Five sectors improved, two deteriorated, and five remained unchanged.

The largest improvement was recorded in the energy sector, followed by agriculture, trade, real estate, and science and technology. By contrast, transportation and storage continued to decline, while industry recorded a slight deterioration.

# Corporate Stability by Sector Q2 2026




Stability levels continue to vary significantly across the twelve sectors monitored. Energy, mining, information technology, and science and technology consistently record the highest values, while the lowest levels are found in transport and storage, hotels and restaurants, and trade.

Differences in the Corporate Stability Index across sectors confirm that their financial condition remains highly uneven over time.

# Corporate Stability Builds Trust in the Czech Economy

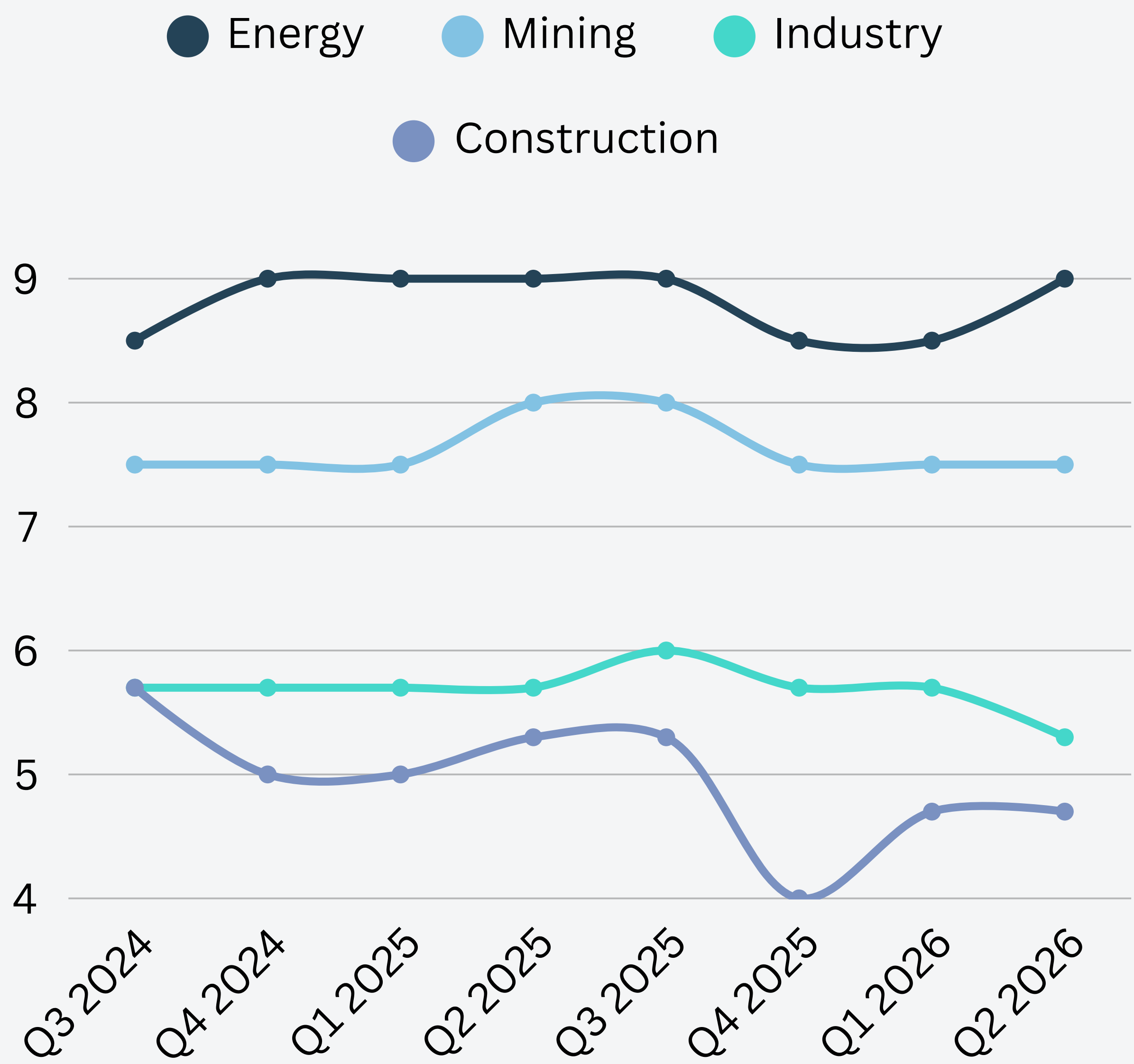
**Jan Čarný**
ICC Czech Republic

At a time of growing geopolitical uncertainty and a rapidly changing international trade environment, the mission of the International Chamber of Commerce (ICC) is more important than ever. For more than a century, ICC has promoted open, rules-based international trade and helped companies navigate an increasingly complex world.

One of ICC Czech Republic's initiatives is the Corporate Stability Index, which offers a new perspective on the financial stability of Czech companies and the condition of the Czech economy. In an open economy, transparent and reliable data are important not only for Czech companies and public institutions, but also for foreign trading partners and investors. The Corporate Stability Index thus contributes to greater transparency and confidence in the Czech business environment.

The results for Q2 2026 confirm that the overall stability of the Czech business environment has not changed significantly. At the same time, they reveal differing trends across individual sectors and regions. The greatest value of the Corporate Stability Index lies in its ability to identify these changes before they become visible in traditional macroeconomic indicators.

# Stability Trends in Industrial and Capital-Intensive Sectors




Industrial and capital-intensive sectors as a whole remain stable. Energy and mining have consistently maintained high levels of corporate stability. Industry weakened slightly in Q2 2026, while construction remains at a low level following its sharp decline at the end of 2025.

# The Corporate Stability Index Detects Changes Earlier Than GDP

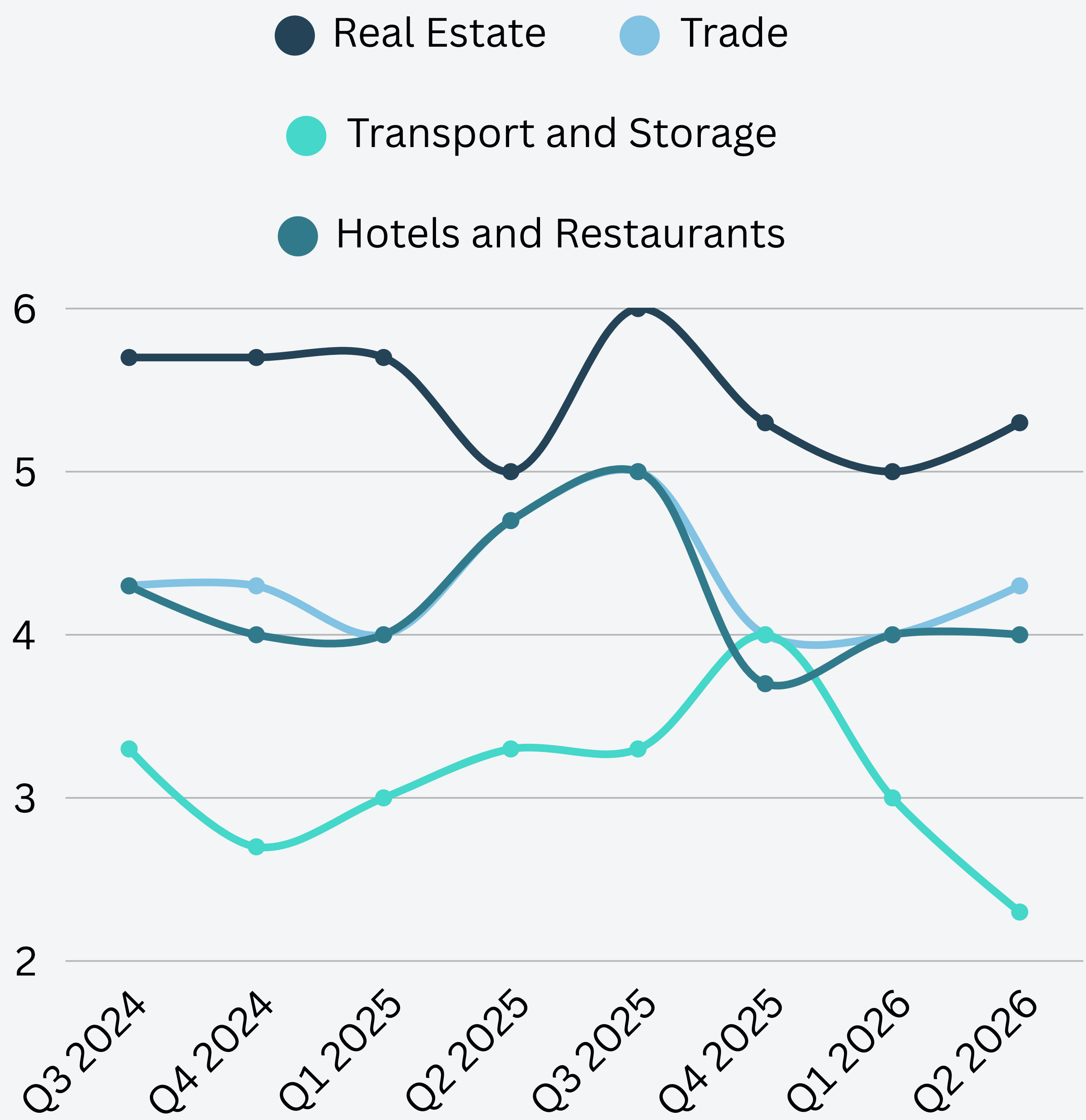
**Petr Bartoň**
Economist, Index Advisor

The fact that the Corporate Stability Index did not recover from its previous decline even in the second quarter provides further confirmation of the marked slowdown in economic growth in the first quarter, to an annualized rate of less than 1%. Yet the economic growth figure for the second quarter will not be available until early September. This illustrates another important advantage of the Corporate Stability Index. While its principal benefit lies in its ability to examine companies in individual sectors in detail, during periods of changing economic momentum it also provides a highly valuable early indication of the state of the economy—well before GDP data become available.

The lack of improvement in the overall Corporate Stability Index also makes sense when viewed alongside the results for individual sectors. We have long known that transportation and logistics are among the sectors with the lowest levels of corporate stability. The sector is undergoing profound economic and technological changes, compounded by its position at the transport crossroads of Europe. These challenges were further intensified throughout the quarter by the closure of the Strait of Hormuz. This resulted not only in expensive fuel, but also in cargo being unable to leave the Gulf and often having to be transported by airlift.

The bad news is that the difficulties affecting transportation may now spread to the rest of the economy with a delay. The good news is that the Corporate Stability Index will once again have its finger on the pulse of the economy in Q3.

# Stability Trends in Services and Consumer Sectors




Real estate, trade, and hotels and restaurants show broadly similar trends in the Corporate Stability Index. A different pattern is evident in transport and storage, where a short-term improvement at the end of 2025 was followed by another sharp deterioration.

# Rising Costs and Geopolitical Risks Weigh on Logistics

Dr Petr Rožek

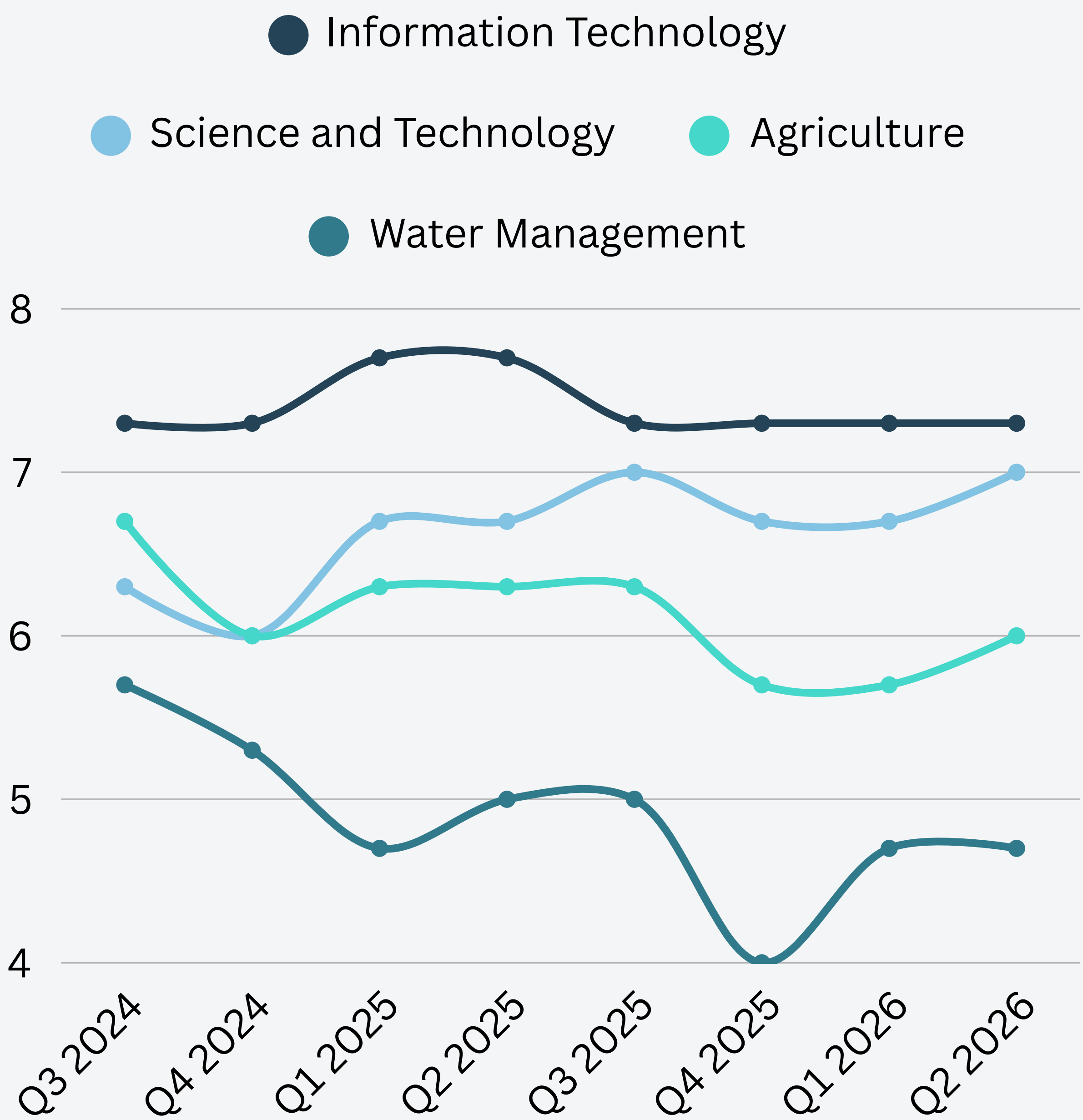
Executive Director, Association of Forwarding and Logistics of the Czech Republic

Freight transport, as a complex service, is now largely dependent on linking multiple processes and participants into a single logistics chain. Any disruption in this chain immediately affects service quality, customer expectations, and their willingness to pay a reasonable price.

Ocean freight provides a clear example. Worldwide, the average schedule reliability of vessels arriving at their destination ports is approximately 62%, while reliability on routes to Europe is even lower. Subsequent transport through the German rail network has been extended from the usual 18–24 hours to three or four days because of closures and diversions. The mismatch between vessel arrivals and the availability of onward transport creates significant additional costs and delays, which are further compounded by geopolitical risks.

Transport and freight forwarding are traditionally high-turnover, very low-margin sectors. It is not unusual for a company with revenues exceeding CZK 100 million to achieve a net margin of only 1.5–2%. When unexpected additional costs that are difficult to pass on to customers are added, profitability quickly falls towards zero and the sustainability of the business is pushed to its limits.

# Stability Trends in Knowledge-Based and Regulated Sectors




Information technology and science and technology have consistently maintained high levels of stability. Agriculture shows a stable trend, while water management remains at a lower level following its sharp decline at the end of 2025.

# Fragile Stability Is No Reason for Optimism

**ThDr. Ing. Josef Jaroš, MBA**
Chairman of the Board, Association of Small and Medium-Sized Enterprises and Crafts of the Czech Republic

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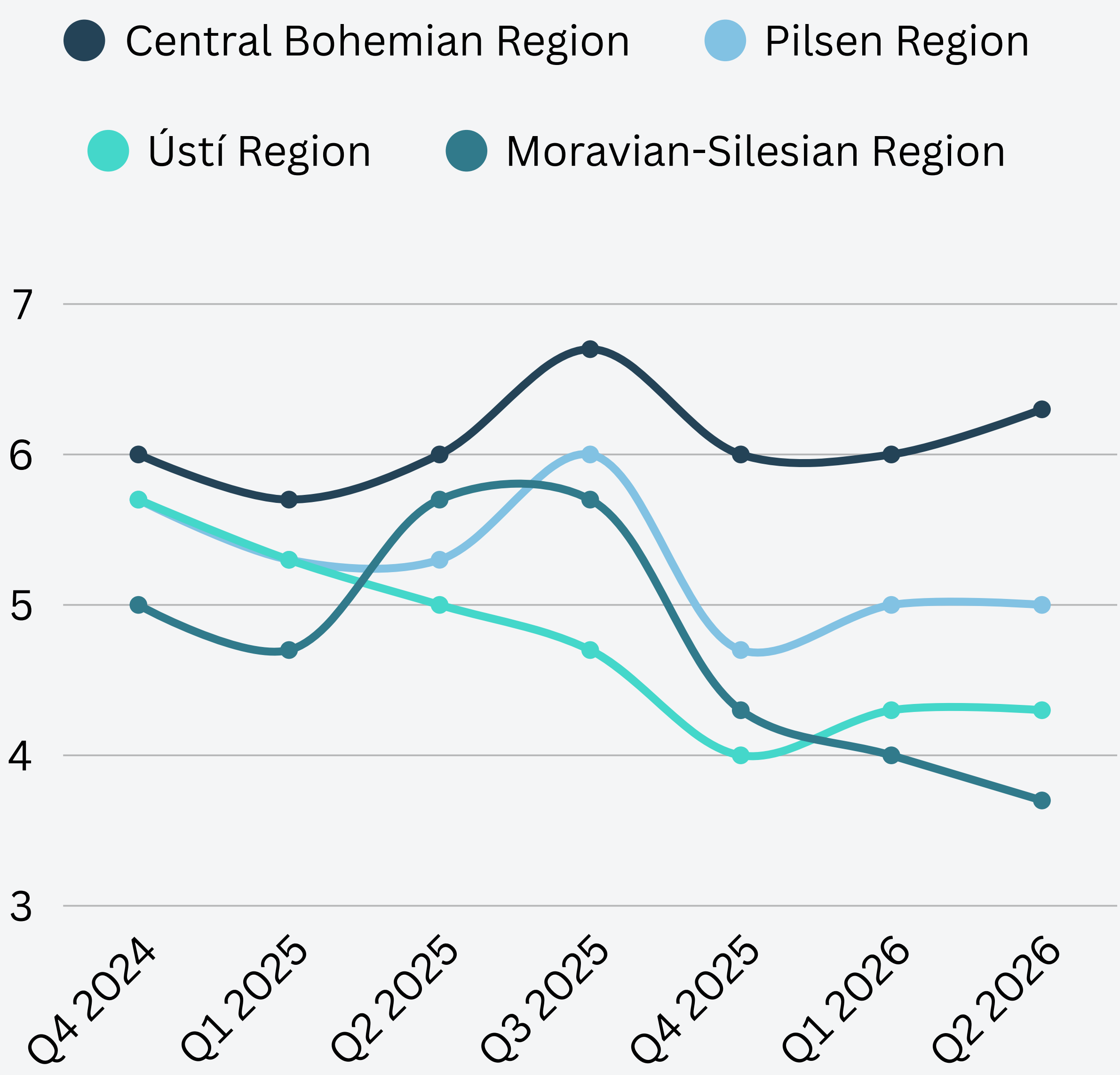
The fact that the index has stopped deteriorating following its previous decline can be viewed as a positive sign. From the perspective of small and medium-sized enterprises, however, there is no reason for excessive optimism. Many entrepreneurs are maintaining stability primarily through considerable flexibility and cautious financial management, rather than because business conditions have improved significantly.

Smaller companies are particularly affected when operating costs rise, legislation changes, and new administrative obligations are introduced at the same time. Instead of focusing on long-term development, they are often forced to deal with day-to-day operations. This limits investment in modernization, innovation, and employee development—all of which are essential to future competitiveness.

If the Czech economy is to build on the current recovery, entrepreneurs need, above all, a stable and predictable environment. The role of the state should be to create conditions that allow companies to focus on doing business rather than on increasingly complex administration. Only then can today's fragile stability develop into long-term growth.

# Stability Trends in Industrial and Export-Oriented Regions

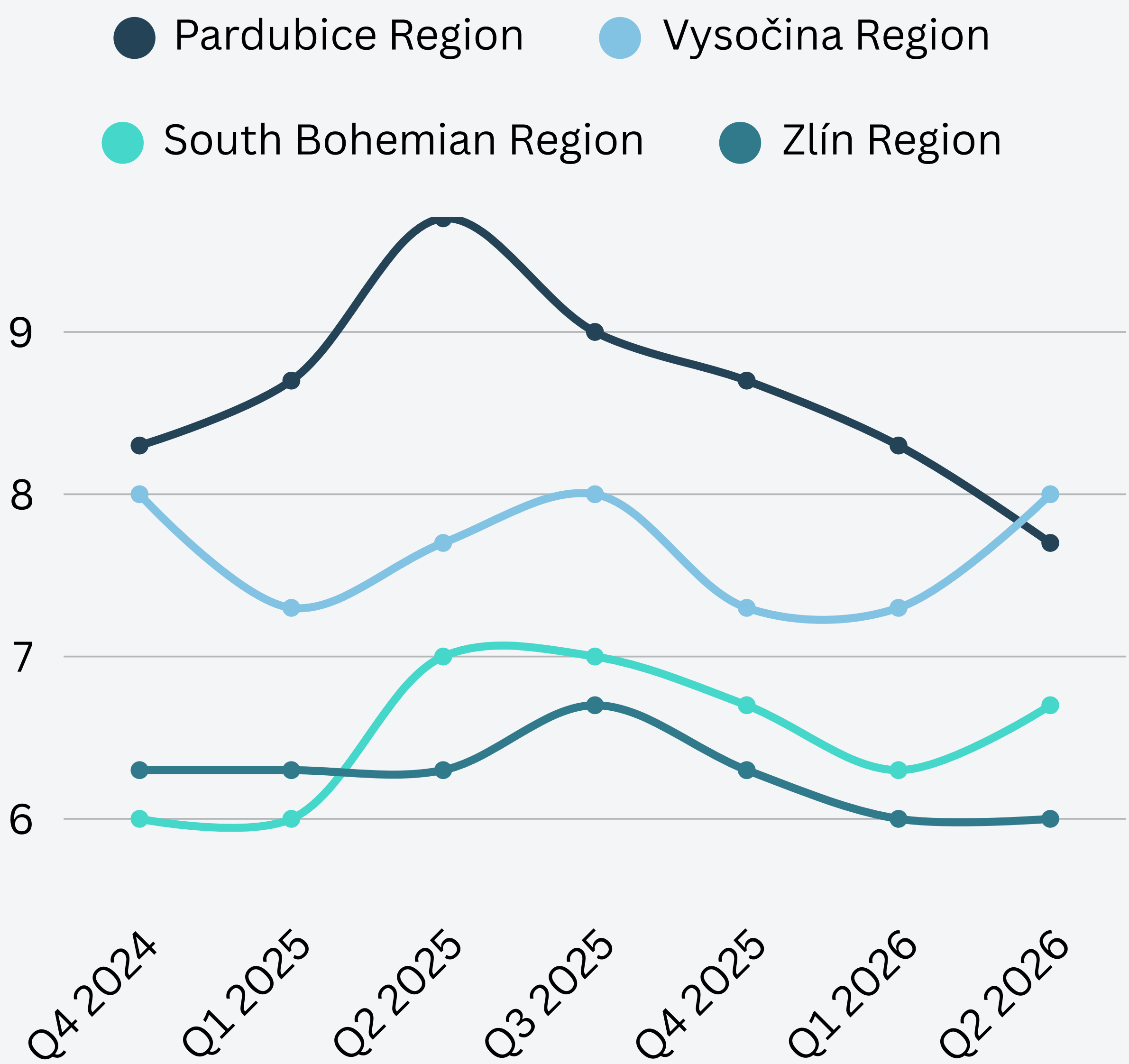
These regions are characterized by a high share of industrial production and strong export orientation, making them more sensitive to economic cycles and external shocks.




The Central Bohemian Region has consistently maintained the highest level of corporate stability within this group. Following their decline at the end of 2025, the Pilsen and Ústí Regions are showing stable trends, while the Moravian-Silesian Region continues its long-term deterioration.

# Stability Trends in Economically Diversified Regions

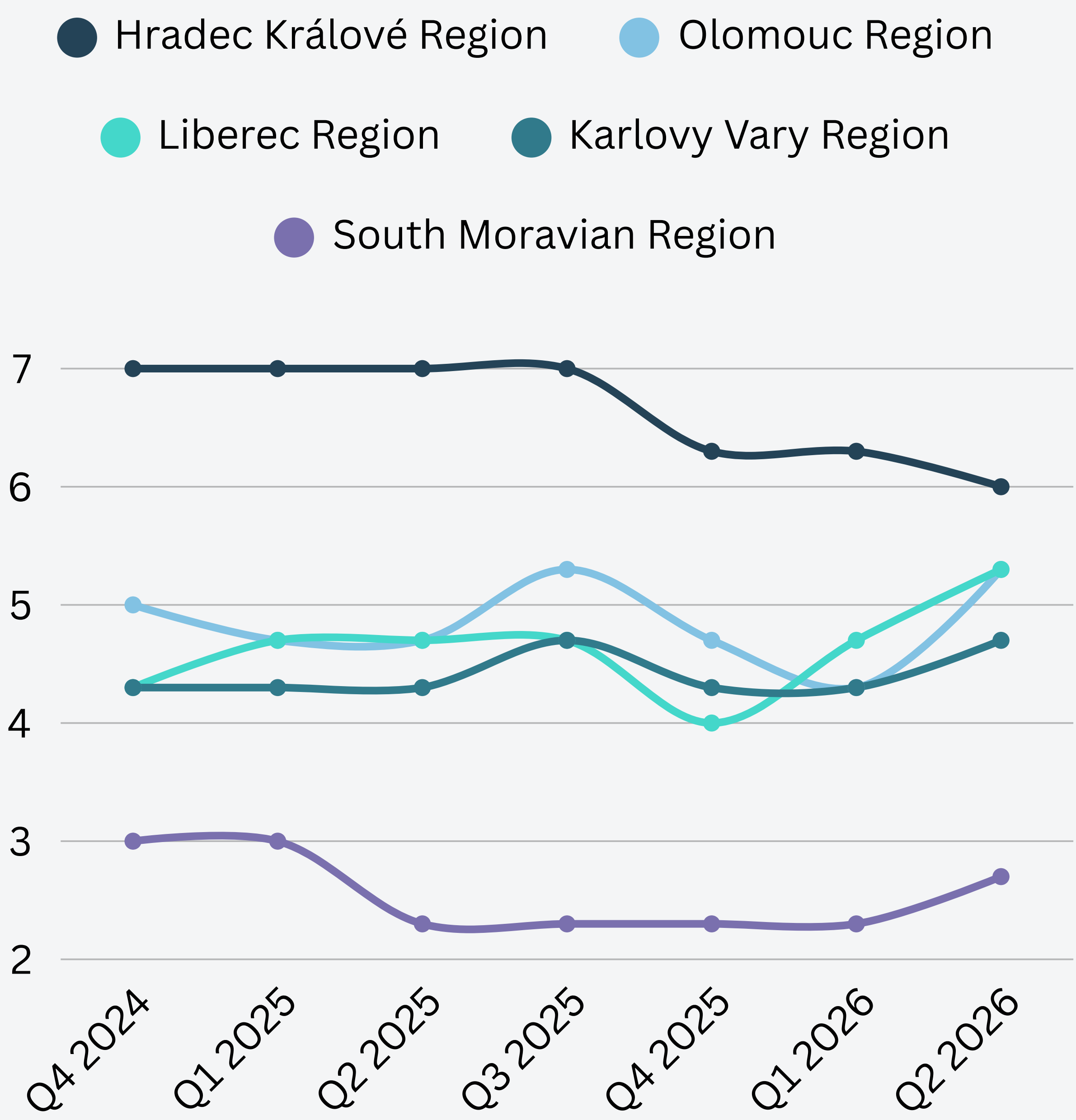
Regions with balanced economic structures combining industry, services, and agriculture, showing relatively stable index trends over time.




After reaching a peak in Q2 2025, the Pardubice Region gradually weakened, while the Vysočina Region became the highest-rated region in this group in Q2 2026. The South Bohemian and Zlín Regions continue to show stable long-term trends.

# Stability Trends in Structurally Distinct Regions

Regions with smaller or more specific economic structures, where index trends may be more strongly influenced by demographic factors, public investment, or local conditions.




Despite a slight decline, the Hradec Králové Region continues to maintain the highest level of corporate stability in this group. Following its decline at the end of 2025, the Liberec Region returned to growth, while the Olomouc and Karlovy Vary Regions continue to show similar levels of corporate stability. The South Moravian Region remained the region with the lowest Corporate Stability Index value in Q2 2026.

# What Is the Corporate Stability Index?

The Corporate Stability Index is a unique tool for measuring corporate financial stability and the probability of company distress.

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**Large Data Sample**

More than 400,000 companies
Representative sample of active Czech companies

**Broad Sector Coverage**

Covers key sectors of the Czech economy (NACE classification)

**Regional Coverage**

Comparison of stability across Czech regions

**Standardized Evaluation**

Comparability over time, across sectors and regions

# Why Was the Index Created?

The ICC Corporate Stability Index was created in response to growing economic uncertainty, rising insolvencies, and increasing geopolitical and geoeconomic tensions.

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**Economic and Geopolitical Uncertainty**

Growing economic unpredictability, rising insolvencies, and intensifying geoeconomic competition

**Accessible Data**

Aggregated information for companies, investors, and public institutions

**Broad User Base**

Designed for both experts and the wider public, including foreign investors

# How Is Corporate Stability Measured?

The Corporate Stability Index evaluates the financial stability of companies on a scale from 0 to 10, where a higher score indicates greater stability and a lower risk of financial distress.

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Czech Companies Today

**5.6**

0

Low level of stability,
high risk of distress

10

High level of stability,
minimal financial distress risk

# How Is the Corporate Stability Index Calculated?

The ICC Corporate Stability Index is based on a combination of financial data, advanced distress probability modelling, and expert evaluation.

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**Financial Data Collection**

Financial statements, payment discipline, and negative records

**Distress Probability Modelling**

Distress probability modelling in cooperation with rating providers

**Index Calculation and Expert Analysis**

Index calculation and expert evaluation of results

**Publication of Results**

Press releases, direct communication, and expert events

# About the International Chamber of Commerce (ICC)

The International Chamber of Commerce (ICC) is the world's largest business organization, promoting open international trade, investment, and responsible business practices worldwide.

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## ICC Mission

ICC's mission is to enable business worldwide to secure peace, prosperity, and opportunity for all.

## Global Reach

ICC is the institutional representative of more than 45 million companies in over 170 countries and plays a key role in shaping international trade rules and cooperation with institutions such as the UN and WTO.

## ICC Czech Republic

The ICC national committee in the Czech Republic coordinates the activities of the business community, represents its interests domestically and internationally, and contributes to expert positions on current trade and economic issues.

ICC Czech Republic

# The Corporate Stability Index Is Developed in Cooperation With

The Corporate Stability Index is developed in cooperation with leading data and analytics partners and independent experts.

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## Data and Analytics Partners

coface

CRIF

dun & bradstreet

**Petr Bartoň**
Economist, Independent Expert

## Institutional Partner

CZECH TOP 100

# Contact

Jan Čarný

Chair of the Supervisory Board, ICC Czech Republic
Chair of the ICC Czech Republic Commission for Global Trade and Investment

E-mail: jan.carny@businesslab.cz
Phone: +420 724 613 084
Web: www.icc-cr.cz

ICC Corporate Stability Index:
https://www.icc-cr.cz/cs/o-icc/temata-a-komise-icc/index-stability