

## On Manufacturing Output in May 2021

**In May 2021, manufacturing continued to grow rapidly on an annual basis**

According to the Central Statistical Bureau (CSB), manufacturing output in May 2021, according to unadjusted data, was 14% higher than a year ago, largely due to the base effect. However, based on calendar adjusted data, output increased by 11%. Compared to the pre-Covid-19 crisis period - May 2019 - the growth of manufacturing reached 0.5 percent.

In May 2021, annual growth was observed in almost all sub-sectors of manufacturing. The largest sub-sector of manufacturing – i.e., wood processing - grew rapidly by 14.1%. Also, the manufacture of motor vehicles, trailers, and semi-trailers increased by 76%. The manufacture of furniture (+ 52.7%), the manufacture of machinery and equipment (+ 33.1%), and the manufacture of chemicals and chemical products (+ 22.1%) also made a significant positive contribution to the growth of the sector. Production volumes of other manufacturing sub-sectors also increased.

On the other hand, negative trends in manufacturing in May 2021, similarly to the first four months of the year, were observed in metal production (-21.5%). The production volumes of the second largest sub-sector – i.e., food industry - also slightly decreased (-0.4%).

Overall, in January-May 2021, manufacturing output was 8.3% higher than a year ago (according to unadjusted data).

In May 2021, annual manufacturing turnover at current prices also grew rapidly. The volumes of products sold on the domestic market increased by 20.1%. However, the volumes of exported products increased even more rapidly - by 34.3%.

As the epidemiological situation gradually improves due to vaccination, economic activity in manufacturing is anticipated to increase. Manufacturing continues to have the potential for growth, especially at the expense of rising exports.

