

On Production Volumes of Manufacturing in February 2024

Manufacturing returned to growth on an annual basis in February 2024

According to data from the Central Statistical Bureau (CSB), the output volumes of the manufacturing industry in February 2024 increased by 0.5% compared to February 2023, based on unadjusted data. However, when considering calendar-adjusted data, the output volumes decreased by 5%.

It is important to note that development trends continue to vary across different sub-sectors of the industry. In February of this year, on an annual basis and according to unadjusted data, the most significant positive impact on the manufacturing industry was seen in

woodworking, which increased by 4.4% compared to February of the previous year. This increase is partly due to the base effect, as the volume of wood processing fell sharply in February of last year. Additionally, positive contributions to the growth of the manufacturing industry were made by the chemical industry (+20.8%), the food industry (+2.7%), printing (+19.7%), and automobile and trailer manufacturing (+13.2%). Conversely, there were declines in the production volumes of computers and electronic equipment (-12.8%), beverages (-12.7%), finished metal products (-5.2%), machinery and equipment (-13.3%), and furniture (-15.9%).

In February, the annual turnover of the manufacturing industry decreased by 4.3% in actual prices. Export volumes decreased somewhat more rapidly, while the volume of production sold on the domestic market declined more moderately. Sales volumes of wood and its products saw a significant decrease, as did, to a lesser extent, the production of non-metallic minerals.

Looking ahead, it is expected that the manufacturing industry will return to growth in 2024, driven mainly by improved export opportunities. However, some companies still connected to the markets of Russia and the CIS countries may continue to face challenges and will need to explore new supply opportunities and markets. Industries oriented towards the domestic market will have an impact on the purchasing power of the population.

