

On Manufacturing Output in May 2024

Manufacturing output in May fell by 1.1% year-on-year

According to the Central Statistical Bureau, the output of the manufacturing industry in May 2024, compared to May 2023, decreased by 1.1% based on unadjusted data, while according to calendar-adjusted data, it decreased by 4.5%. Overall, in the first five months of the year, manufacturing production volumes were 2.7% lower than during the corresponding period a year ago.

It should be noted that different development trends persist across various industrial sub-sectors. In May of this year, according to unadjusted data,

the largest positive impacts in the manufacturing industry came from growth in the food industry (+3.9%, compared to May of last year), beverage production (+17.2%), and wood processing (+2%). The chemical industry (+11%), rubber and plastics production (+11%), and non-metallic mineral products (+3.4%) also contributed positively to growth. However, production volumes decreased significantly in computers, electronic and optical equipment (-16.6%), finished metal products (-10%), and equipment and mechanisms (-23.7%).

In May, the turnover of the manufacturing industry decreased by 1.4% year-on-year in current prices. Export volumes fell by 1.7%, while production sold on the domestic market decreased by 0.8%. Sales volumes of chemicals and food products increased, while sales of computers, electronic and optical equipment, finished metal products, and equipment and mechanisms declined.

It is expected that the manufacturing industry will return to growth rates in 2024, primarily driven by export opportunities. Challenges will persist for individual companies still connected to the markets of Russia and the CIS countries, requiring them to continue seeking new supply opportunities and markets for goods. Industrial sectors focused on the domestic market will be influenced by the purchasing power of the population.

