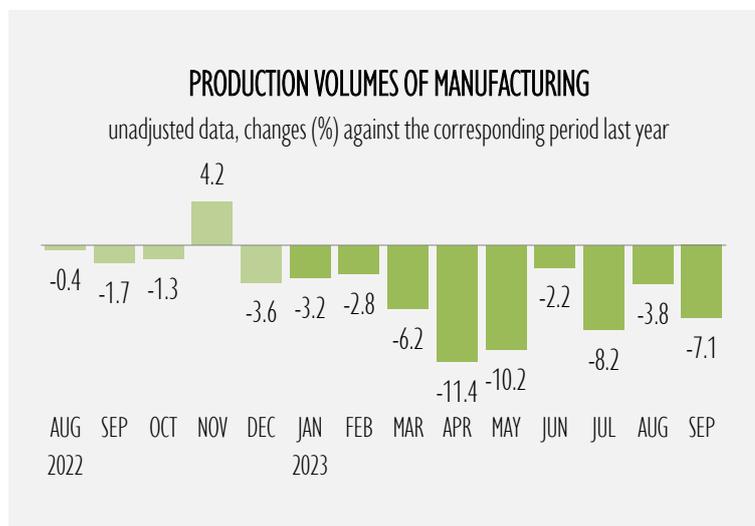


On Manufacturing Output in September 2023

In September 2023, production volumes of manufacturing declined by 7.1% annually

According to the data of the Central Statistical Bureau (CSB), the output volumes of the manufacturing sector in September 2023, compared to September 2022, based on unadjusted data, decreased by 7.1%, while according to calendar-adjusted data, the decrease was smaller - 4.6%. The decrease in the volume of the manufacturing sector has been observed for the tenth consecutive month. Overall, in Q1-Q3 of 2023, the production volumes of the manufacturing sector were 6.3% lower than a year ago.



It is important to highlight that development trends vary across different sub-sectors of the industry. In September of this year, on an annual basis, the manufacturing industry witnessed a significant overall decrease, with the most substantial contribution to this decline, similar to the previous month, coming from wood processing, which contracted by 8.6%. Other sectors experiencing notable reductions in production volumes included non-metallic minerals (-19%), furniture (-28.7%), printing (-30.4%), and automobiles and trailers (-18.5%). Conversely, there were increases in the production volumes of food products (+4%) and electrical equipment (+10.6%).

In September, the annual turnover of the manufacturing industry also decreased by 9.8% in actual prices. The decline in production realized on the domestic market was slightly more pronounced, decreasing by 10.6%, while production realized through exports showed a more moderate decrease of 9.4%. Sales of wood and its products, as well as chemicals and related items, witnessed significant declines. However, this was partially offset by an increase in sales of food products.

The manufacturing industry is anticipated to continue facing challenges due to weak external demand and geopolitical uncertainty in the coming months. In this scenario, it becomes imperative to actively seek new supply opportunities and explore alternative markets for goods.