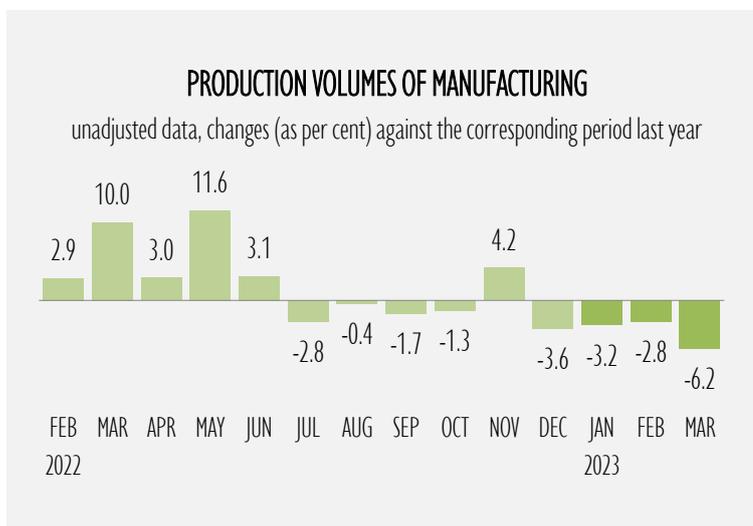


On Manufacturing Output in March 2023

In March 2023, the volumes of the manufacturing sector were 6.2% lower than a year ago

According to the data of the Central Statistical Bureau (CSB), the output volumes of the manufacturing sector in March 2023, compared to March 2022, both according to unadjusted data and calendar-adjusted data, were 6.2% lower than a year ago. To a large extent, the decline in March was influenced by the base effect, since in March 2022 all restrictions related to the spread of Covid-19 were lifted and a rapid increase in economic activity was observed. Overall, in Q1 of 2023, the production volumes of the manufacturing sector were 4.3% lower than a year ago.



In March 2023, in accordance with the contribution to changes in the volume of the sector, similarly to a month ago, the production volumes of woodworking (-19.3%), non-metallic minerals (-19.9%), chemical industry (-22.1%), printing (-30.9%), and fabricated metal products (-5.9%) declined. On the other hand, the production volumes of computers, electronic and optical equipment (+61.4%), as well as electrical equipment (+21.5%), and food industry (+2.4%) increased significantly.

In March 2023, the annual turnover of the manufacturing sector continued to grow in actual prices, which was largely influenced by the increase in producer prices. The volume of production realized on the domestic market increased by 6.3%, and the volume of exported production increased by 4.5%. Sales volumes of computers, electronic and optical equipment, food products, electrical equipment, automobiles and trailers, as well as rubber and plastic products grew faster. On the other hand, sales of wood and its products and chemical industry production decreased.

In 2023, the development of the manufacturing sector will continue to be affected by the war in Ukraine, as a result of which the existing raw material supply chains will continue to be disrupted. Companies will be affected by the prices of raw materials, including energy resources. In this situation, companies that are connected to the markets of countries involved in the war should continue to look for new supply opportunities and new markets for goods.