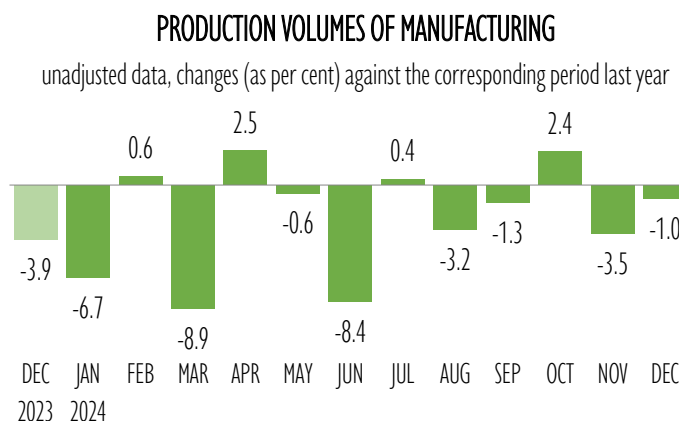


On Production Volumes of Manufacturing in December 2024

Manufacturing output in December fell by 1% year-on-year

According to the Central Statistical Bureau, manufacturing output in December 2024, compared to December 2023, decreased by 1% according to unadjusted data, while according to calendar-adjusted data, it increased by 3.2%.

It should be noted that different development trends remain in different industrial sub-sectors. In December of this year, according to unadjusted data, the most significant positive impact in manufacturing was the increase in the production of rubber and plastics (+36.4%) and non-metallic mineral products (+13%). Woodworking output also increased slightly (+0.9%). In turn, the production volumes of computers, electronic and optical equipment (-29.2%), automobiles and trailers (-33.5%), machinery and equipment (-16.6%) and furniture (-18.1%) decreased.



Overall, in 2024, manufacturing production volumes were 2.3% lower than a year ago. The decrease was influenced by the decrease in the production volumes of computers, electronic and optical equipment, finished metal products, automobiles, trailers, and machinery and equipment.

In December, on the other hand, the turnover of the manufacturing industry at current prices increased by 0.6% year-on-year, which was determined by the increase in the volumes of production sold on the domestic market (+1.8%). In turn, the volumes of production sold in exports were similar to a year ago. The sales volumes of wood processing, chemical industry, rubber and plastics, and non-metallic mineral products grew more significantly.

Overall, in 2024, the turnover of the manufacturing industry at current prices decreased by 2.9%. This was mainly influenced by the decrease in the sales of computers, electronic and optical equipment, wood products, finished metal products, and equipment.

It is expected that in 2025, the manufacturing industry will return to positive growth rates, which will mainly be influenced by export opportunities. Difficulties will remain for those companies that were or are still connected to the markets of Russia and other CIS countries. In this situation, they will have to continue to look for new supply opportunities and markets for their goods. Industrial sectors oriented towards the domestic market will be affected by the purchasing power of the population.