

## On Manufacturing Output In November 2020

**In November 2020, manufacturing output increased by 4.3% annually**

In November 2020, according to the Central Statistical Bureau (CSB), manufacturing output, based on both unadjusted data and calendar adjusted data, was 4.3% higher than a year ago, representing the largest monthly increase on an annual basis.

Following the Covid-19 crisis, most sectors have continued to recover and have shown positive trends in recent months. In November 2020, on an annual basis, the largest manufacturing sub-sector (i.e., wood processing) grew rapidly – an increase of 14.6% was observed. The production of electrical equipment (+ 20.4%), printing (+ 22%), machinery and equipment (+ 11.4%), and rubber and plastics (+ 8.6%) also made a positive contribution to the growth of the sector.

On the other hand, in November 2020, after two months of continued growth, negative trends have been observed in the second largest sub-sector of manufacturing (i.e., food production) (-1.5%). Production volumes of beverages (-13.8%), furniture (-5.9%), and fabricated metal products (-1.8%) also decreased.

Overall, in January-November 2020, manufacturing output was 2% lower than a year ago (according to unadjusted data).

In November 2020, manufacturing turnover also grew rapidly in real terms - by 7%. The volumes of products sold on the domestic market increased by 2.1%, while export volumes increased by 9.6%.

As in the overall economy, the outlook for manufacturing in the coming months remains uncertain. Evidently producers were able to adapt to the current situation; however, new outbreaks of the epidemic and measures to limit the spread of the virus, at least at the beginning of the year, may hamper manufacturing. It is anticipated that, as in the summer of 2020, with the end of the 2<sup>nd</sup> wave of pandemic, manufacturing has the potential for larger growth, especially at the expense of an increase in export volumes. Overall, it is expected that in 2021, the growth rates in manufacturing could reach 4%, which would exceed the overall growth of the economy.

