

In May 2020, the seasonally adjusted index of industrial production increased by 2.9 per cent over the previous month. When compared to May 2019, the working-day adjusted index of industrial production decreased by 4.5 per cent.

Index of Industrial Production: May 2020

Cut-off date:
30 June 2020

Monthly comparison

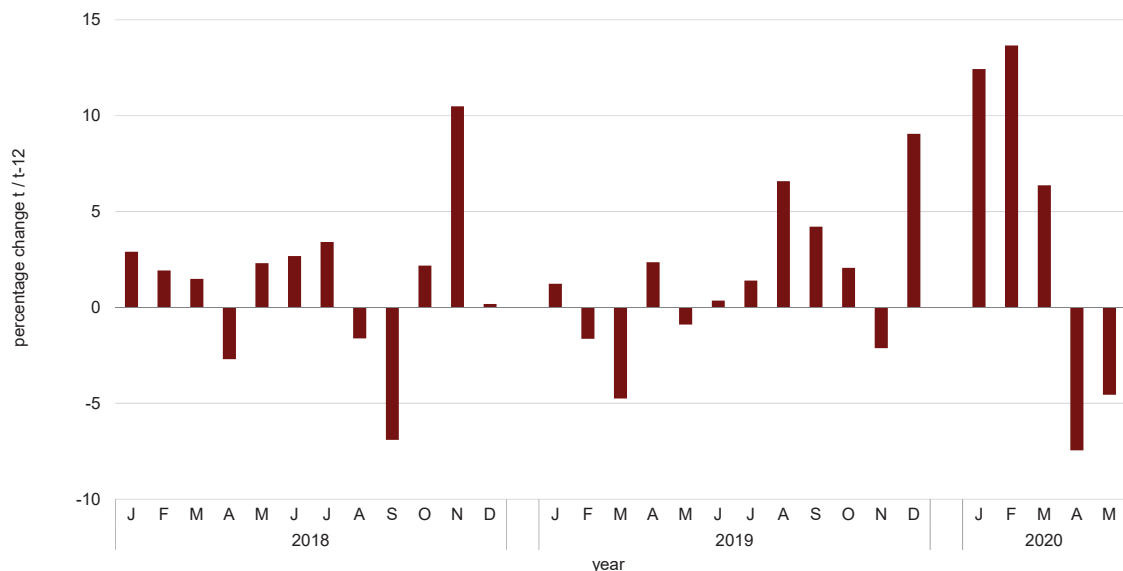
In May 2020, the seasonally adjusted index of industrial production increased by 2.9 per cent. Production of consumer goods and capital goods increased by 7.5 per cent and 2.3 per cent respectively. On the other hand, decreases were registered in the production of intermediate goods (2.4 per cent) and energy (0.1 per cent) (Table 2).

Annual comparison

When compared to May 2019, the working-day adjusted index of industrial production decreased by 4.5 per cent. Decreases in production were registered in all main industrial groupings except for consumer goods. Production of capital goods, intermediate goods and energy decreased by 15.0 per cent, 8.7 per cent and 0.5 per cent respectively. On the other hand, production of consumer goods increased by 1.6 per cent (Table 4).

Chart 1. Annual working-day adjusted variation

(% change over corresponding month of the previous year)



Note: Data for 2018-2019 in Chart 1 is on an annual basis; data for 2020 is from January to May

Statistics in this News Release should be interpreted in the context of the COVID-19 situation.

Table 1. Industrial production indices by period and main industrial grouping
(seasonally adjusted; 2015=100)

Main industrial grouping	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20
Intermediate goods	104.7	101.8	102.2	101.7	103.2	103.7	104.3	102.5	104.2	105.5	104.5	101.3	98.9
Energy	140.8	147.0	133.9	139.7	131.5	137.0	132.1	143.8	170.7	167.0	151.7	140.3	140.2
Capital goods	104.1	106.0	106.0	107.7	106.0	105.4	103.0	110.2	114.1	109.8	94.1	86.4	88.4
Consumer goods	90.7	91.5	96.2	101.9	100.8	98.0	98.1	105.1	100.1	100.4	94.3	86.3	92.8
of which:													
Durable consumer goods	94.8	94.5	96.9	98.2	97.9	93.3	94.9	99.9	94.9	94.6	91.1	88.6	88.6
Non-durable consumer goods	90.7	91.4	96.1	101.9	100.9	98.3	98.3	104.2	100.9	100.9	94.7	86.4	93.1
Total production	103.6	103.5	104.7	108.9	105.8	105.8	106.2	109.0	111.7	110.9	103.5	96.4	99.2

Table 2. Monthly variation by period and main industrial grouping
(seasonally adjusted)

Main industrial grouping	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20
Intermediate goods	1.8	-2.8	0.4	-0.5	1.5	0.5	0.6	-1.7	1.7	1.2	-0.9	-3.1	-2.4
Energy	3.7	4.4	-8.9	4.3	-5.9	4.2	-3.6	8.9	18.7	-2.2	-9.2	-7.5	-0.1
Capital goods	-0.5	1.8	0.0	1.6	-1.6	-0.6	-2.3	7.0	3.5	-3.8	-14.3	-8.2	2.3
Consumer goods	-1.1	0.9	5.1	5.9	-1.1	-2.8	0.1	7.1	-4.8	0.3	-6.1	-8.5	7.5
of which:													
Durable consumer goods	0.2	-0.3	2.5	1.3	-0.3	-4.7	1.7	5.3	-5.0	-0.3	-3.7	-2.7	0.0
Non-durable consumer goods	-1.3	0.8	5.1	6.0	-1.0	-2.6	0.0	6.0	-3.2	0.0	-6.1	-8.8	7.8
Total production	0.3	-0.1	1.2	4.0	-2.8	0.0	0.4	2.6	2.5	-0.7	-6.7	-6.9	2.9

Notes:

1. Table 2 shows percentage change compared to the previous month.
2. The calculation of growth rates from the indices table may differ slightly from the published growth rates, due to rounding.

Table 3. Industrial production indices by period and main industrial grouping
(working-day adjusted; 2015=100)

Main industrial grouping	May 18	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20
Intermediate goods	114.1	110.9	103.9	102.1	89.4	105.4	110.1	107.9	87.5	100.5	107.1	115.8	101.0	101.3
Energy	130.1	133.0	148.5	157.7	170.2	140.8	139.1	120.1	137.8	171.4	152.6	139.6	125.0	132.3
Capital goods	103.7	105.0	110.6	102.6	97.9	108.3	109.8	105.2	101.5	115.7	106.8	101.4	86.4	89.2
Consumer goods	98.6	96.7	94.5	103.5	100.3	107.6	105.4	106.7	83.5	93.2	94.9	93.2	83.0	98.2
of which:														
Durable consumer goods	99.2	97.1	93.9	99.6	87.7	99.1	96.6	97.3	92.7	97.0	95.0	91.9	89.5	90.3
Non-durable consumer goods	98.6	96.7	94.5	103.8	101.0	108.1	105.9	107.2	83.0	93.0	94.9	93.3	82.6	98.7
Total production	107.1	106.1	106.8	109.7	106.1	111.3	111.5	108.3	94.9	109.1	107.4	105.9	93.0	101.3

Table 4. Annual variation by period and main industrial grouping
(working-day adjusted)

Main industrial grouping	May 18	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Apr 20	May 20
Intermediate goods	0.1	-2.8	-3.4	-5.4	-3.1	-1.2	-1.2	1.6	-0.5	-3.5	5.9	6.1	-4.3	-8.7
Energy	44.4	2.2	15.8	-5.2	0.9	-6.5	-0.5	-11.6	6.0	17.6	30.3	16.8	3.4	-0.5
Capital goods	-4.8	1.3	2.1	4.6	6.3	4.7	-2.9	-10.2	2.8	13.6	5.3	-8.1	-17.5	-15.0
Consumer goods	-2.6	-1.9	-4.3	7.2	14.7	12.2	7.6	3.6	22.0	19.9	16.1	11.3	-8.0	1.6
of which:														
Durable consumer goods	0.0	-2.1	-0.8	2.3	4.2	3.7	-3.1	-0.7	3.3	0.5	-0.2	-3.4	-6.9	-7.0
Non-durable consumer goods	-3.5	-1.9	-4.5	7.5	15.3	12.8	8.2	3.8	23.5	21.3	17.1	12.3	-8.1	2.1
Total production	2.3	-0.9	0.4	1.4	6.6	4.2	2.1	-2.1	9.1	12.4	13.7	6.4	-7.4	-4.5

Notes:

1. Table 4 shows percentage change compared to the corresponding month of the previous year.
2. The calculation of growth rates from the indices table may differ slightly from the published growth rates, due to rounding.

Methodological Notes

1. The Index of Industrial Production (IIP) is regarded as one of the most important measures of economic activity. Developments in the industrial production index describe the economic cycles of industry. For short-term statistics, this index is the reference indicator for economic development and is used in particular to identify changes in trends at an early stage. The index of industrial production has been compiled since January 2000 and monitors the changes in the production of leading products from a sample of industrial enterprises. Such enterprises cover over 95 per cent of the total industrial production.
2. A Laspeyres-type index is used for calculating the index of industrial production, with 2015 as the base year.
3. The number of surveyed enterprises is approximately 200. The activities covered by the index are calculated as follows: 60 per cent are calculated using the physical quantities method, 20 per cent are calculated using the deflated turnover approach, while the remaining 20 per cent are computed using the hours worked method.
4. The index numbers in this release are working-day and seasonally adjusted. These statistical methods aid interpretation of data by removing regularly recurring variations from a time series:
 - a. Working-day adjustment is a statistical method which is used to remove the calendar effect from an economic time series. The calendar effect is the variation caused by the changing number of working days in different months. The number of working days for a given month may depend on the timing of certain public holidays, the possible overlap between public holidays and non-working days, and the occurrence of a leap year. This method is used to compare data with the corresponding month of the preceding year.
 - b. Seasonal adjustment removes variation effects which are caused by the number of days in a month, holidays and particular events such as Christmas. Statistically, seasonal adjustment takes place after a time series has already been cleared of calendar effects by means of working-day adjustment. Seasonal adjustment is used to compare data with the preceding month.
 - c. In seasonal and working-day adjustments, the direct approach is used. The direct approach means that each time series is individually adjusted.
5. The NSO has adopted methodologies and guidelines which are recommended by both Eurostat and the International Monetary Fund (IMF).
6. The objective of the Main Industrial Groupings (MIGs) is to provide an activity breakdown of industry (NACE Rev. 2 sections B, C, D and E). There are five MIGs which regroup all activities between NACE sections B to E, covering the economic activities of companies in quarrying, manufacturing and energy.
7. The 2015 weights for the main industrial groupings are shown in the table below:

Main industrial grouping	Value added (%)
Intermediate goods	22.7
Energy	12.5
Capital goods	20.6
Consumer goods	44.2
Durable consumer goods	2.4
Non-durable consumer goods	41.8
Total	100.0

8. Figures for the past 26 months, inclusive of the reference month, are to be considered as provisional and therefore subject to revision.
9. As from the year 2018, the index has been re-referenced from 2010 = 100 to 2015 = 100. Hence, news releases with reference month January 2018 onwards, cannot be directly compared with those published beforehand.
10. More information relating to this news release may be accessed at:

Sources and Methods: https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_B2/Short-term_Statistics/Pages/Short-term-Statistics.aspx
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>
Metadata: <http://nso.gov.mt/metadata/reports.aspx?id=13>
Classifications: http://nso.gov.mt/metadata/classificationdetails.aspx?id=NACE_Rev._2
11. References to this news release are to be cited appropriately.
12. A detailed news release calendar is available on: https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx