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Provisional seasonally adjusted industrial turnover in the second quarter decreased by 2.6 per cent over the previous quarter. Over the corresponding quarter last year, working-day adjusted industrial turnover decreased by 11.1 per cent.

Short-term Industrial Indicators: Q2/2014

Cut-off date:
10 September 2014

Quarterly Comparison

Seasonally adjusted industrial turnover for the second quarter decreased by 2.6 per cent to 96.8 points when compared to the first quarter. While capital goods increased by 7.9 per cent, all the other main industrial groupings registered a decline, ranging from 3.5 per cent in intermediate goods to 6.9 per cent in non-durable consumer goods (Table 1).

Seasonally adjusted industrial employment during the quarter under review remained stable when compared to the first quarter. Employment increases in consumer goods (+0.7 per cent) and capital goods (+0.2 per cent) were mitigated by a decrease in employment in intermediate goods (-1.5 per cent) and energy (-0.2 per cent) (Table 3). During this period, hours worked adjusted for seasonal effects edged up by 0.5 per cent, whereas seasonally adjusted wages and salaries increased by 2.5 per cent, when compared to the previous quarter.

Annual Comparison

When compared to the second quarter last year, working-day adjusted industrial turnover decreased by 11.1 per cent, mainly due to a drop of 21.6 per cent in intermediate goods. However, this decline was partially mitigated by an increase of 28.0 per cent in capital goods (Table 2).

Year-on-year data for unadjusted industrial employment went up by 0.2 per cent on account of an increase in capital goods (+0.7 per cent) and consumer goods (+0.4 per cent). These increases were mitigated by a decline in employment in energy (-0.9 per cent) and intermediate goods (-0.1 per cent) (Table 4). Additionally, hours worked adjusted for calendar effects decreased by 0.2 per cent while industrial gross wages and salaries increased by 1.3 per cent (Table 8) ■

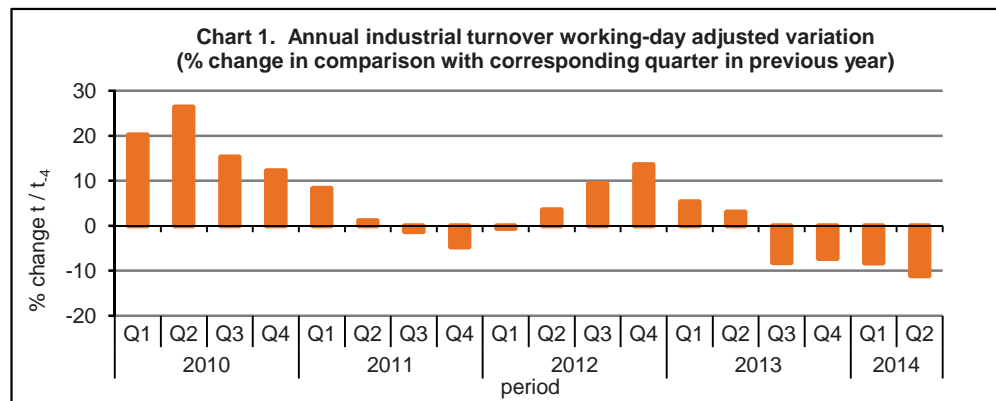
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Table 1. Industrial turnover by main industrial groupings
Seasonally adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with previous quarter				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	108.9	100.7	102.1	99.4	96.8	0.4	-7.5	1.4	-2.6	-2.6
Intermediate goods	101.7	88.2	83.4	82.6	79.7	-3.5	-13.3	-5.4	-1.0	-3.5
Energy	108.3	101.2	111.4	103.3	98.8	3.2	-6.6	10.1	-7.3	-4.4
Capital goods	117.0	127.6	146.0	139.8	150.9	1.3	9.1	14.4	-4.2	7.9
Consumer goods	116.1	112.5	112.4	109.8	103.5	2.7	-3.1	-0.1	-2.3	-5.7
Durable consumer goods	88.8	87.3	88.4	88.0	88.4	-2.5	-1.7	1.3	-0.5	0.5
Non-durable consumer goods	119.2	115.5	114.8	112.2	104.5	3.3	-3.1	-0.6	-2.3	-6.9

Table 2. Industrial turnover by main industrial groupings
Working-day adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with same quarter of the previous year				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	110.2	102.8	101.4	97.0	98.0	3.0	-8.2	-7.3	-8.3	-11.1
Intermediate goods	101.7	88.1	85.7	80.5	79.7	3.6	-18.8	-22.7	-21.6	-21.6
Energy	101.9	115.0	108.2	98.3	92.8	1.2	-6.5	2.3	-1.6	-8.9
Capital goods	120.8	123.5	143.5	142.6	154.6	1.4	9.9	27.1	20.5	28.0
Consumer goods	124.2	113.8	108.2	106.4	109.2	3.6	1.2	1.2	-2.3	-12.1
Durable consumer goods	89.0	86.0	92.1	83.0	94.1	-1.4	-17.0	-0.7	-3.2	5.7
Non-durable consumer goods	127.9	116.7	109.9	108.9	110.7	4.0	3.0	1.3	-2.2	-13.4

Table 3. Industrial employment by main industrial groupings
Seasonally adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with previous quarter				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	97.9	97.7	97.0	98.1	98.1	-0.1	-0.2	-0.7	1.1	0.0
Intermediate goods	102.0	102.9	102.6	103.6	102.0	0.2	0.9	-0.3	1.0	-1.5
Energy	90.5	90.8	90.4	89.9	89.7	-0.3	0.3	-0.4	-0.6	-0.2
Capital goods	96.5	97.1	96.4	97.0	97.2	-0.3	0.6	-0.7	0.6	0.2
Consumer goods	96.8	95.8	95.4	96.4	97.1	-0.7	-1.0	-0.4	1.0	0.7
Durable consumer goods	87.4	86.2	82.7	84.2	83.3	2.4	-1.4	-4.1	1.8	-1.1
Non-durable consumer goods	99.0	98.2	98.1	99.2	100.1	-1.2	-0.8	-0.1	1.1	0.9

Table 4. Industrial employment by main industrial groupings
Unadjusted

2010=100

Main industrial grouping	2013			2014		% change compared with same quarter of the previous year				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	97.7	98.5	97.1	97.4	97.9	-1.0	-1.7	-1.5	0.1	0.2
Intermediate goods	101.9	103.7	102.7	102.8	101.8	1.3	-0.3	0.1	1.8	-0.1
Energy	89.8	91.4	90.5	89.9	89	-0.7	-1.1	-0.8	-1.0	-0.9
Capital goods	96.5	97.8	96.6	96.1	97.2	-1.7	-0.1	-0.7	0.1	0.7
Consumer goods	97.2	96.6	94.7	95.8	97.6	-2.7	-3.7	-3.4	-1.1	0.4
Durable consumer goods	87	85.8	83.5	84.0	82.9	2.6	1.5	-0.8	-1.4	-4.7
Non-durable consumer goods	99.5	99.1	97.3	98.4	100.9	-3.6	-4.6	-3.9	-1.1	1.4

Table 5. Industrial hours worked by main industrial groupings
Seasonally adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with previous quarter				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	99.1	98.5	97.7	98.4	98.9	-0.7	-0.6	-0.8	0.7	0.5
Intermediate goods	105.1	107.3	104.5	105	103.7	0.3	2.1	-2.6	0.5	-1.2
Energy	86.7	86.8	87.8	88.9	88.4	-2.6	0.1	1.2	1.3	-0.6
Capital goods	97.9	97	96.2	93.8	98.7	1.6	-0.9	-0.8	-2.5	5.2
Consumer goods	98.2	96.9	96.6	97.0	97.8	-1.7	-1.3	-0.3	0.4	0.8
Durable consumer goods	79.2	78.7	74.6	76.4	74.9	-0.9	-0.6	-5.2	2.4	-2.0
Non-durable consumer goods	101.5	99.4	99.9	100.8	101.9	-1.9	-2.1	0.5	0.9	1.1

Table 6. Industrial hours worked by main industrial groupings
Working-day adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with same quarter of the previous year				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	99.8	98.9	97.4	97.5	99.6	-0.8	-1.7	-1.5	-1.4	-0.2
Intermediate goods	106.6	106.8	103.8	104.7	105.1	3.6	1.8	-1.1	0.1	-1.4
Energy	84.9	88.3	88.6	88.4	86.7	-5.8	-5.6	0.4	0.0	2.1
Capital goods	97.4	97.7	97.3	92.6	98.1	1.5	0.1	0.9	-2.7	0.7
Consumer goods	100.5	96.7	94.8	96.6	100.3	-3.8	-3.9	-3.8	-2.9	-0.2
Durable consumer goods	79.2	78.7	74.6	76.4	74.9	-2.9	4.6	-1.5	-4.4	-5.4
Non-durable consumer goods	103.9	99.5	98.1	100.1	104.4	-4.1	-5.2	-4.1	-2.6	0.5

7. Industrial gross wages and salaries by main industrial groupings
Seasonally adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with previous quarter				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	107.4	109.8	106.9	106.1	108.8	2.9	2.2	-2.6	-0.7	2.5
Intermediate goods	108.9	110.3	106.1	107.4	109.5	3.7	1.3	-3.8	1.2	2.0
Energy	100.1	120.8	101.3	100.1	105.6	3.7	20.7	-16.1	-1.2	5.5
Capital goods	105.1	106.0	110.3	106.7	109.8	0.4	0.9	4.1	-3.3	2.9
Consumer goods	108.9	107.5	108.0	108.1	107.6	1.3	-1.3	0.5	0.1	-0.5
Durable consumer goods	81.3	79.8	75.7	78.4	74.7	2	-1.8	-5.1	3.6	-4.7
Non-durable consumer goods	112.7	109.9	110.8	111.4	112.0	1.8	-2.5	0.8	0.5	0.5

8. Industrial gross wages and salaries by main industrial groupings
Working-day adjusted

2010=100

Main industrial grouping	2013			2014		% change compared with same quarter of the previous year				
						2013			2014	
	Q2	Q3	Q4	Q1	Q2	Q2	Q3	Q4	Q1	Q2
TOTAL	107.4	109.8	106.9	106.1	108.8	3.0	2.2	0.8	1.7	1.3
Intermediate goods	108.9	110.3	106.1	107.4	109.5	3.7	3.5	0.5	2.3	0.6
Energy	100.1	120.8	101.3	100.1	105.6	0.7	5.2	-2.2	3.7	5.5
Capital goods	105.1	106	110.3	106.7	109.8	3.9	4.3	4.8	1.9	4.5
Consumer goods	110.2	107	108.1	107.1	109.1	2.8	-1.4	0.3	0.4	-1.0
Durable consumer goods	81.3	79.8	75.7	78.4	74.7	1.2	2.8	-6.0	-1.7	-8.1
Non-durable consumer goods	113.2	109.8	111.5	110.2	112.7	2.7	-1.8	0.8	0.6	-0.4

Methodological Notes

Objectives

The Short-term Industrial Indicators news release comprises a number of business cycle indicators showing the quarterly evolution of the market of goods and services in the industrial sector. It records the evolution of turnover, employment, wages and salaries, and hours worked over long periods of time. The objective of these indicators is to measure the market activity in the industrial sector. These indicators are compiled as a "fixed-base-year Laspeyres type volume index". The current base year is 2010 (Index 2010=100). The results are compiled and published according to the statistical classification of economic activities in the European Community, NACE Rev. 2.

Data Collection and Index Compilation

The data is collected by means of a monthly questionnaire sent to a representative sample of 418 enterprises categorised within the Industrial Sector. The data is then grossed up to represent the entire industrial population.

The calculation of growth rates from the indices table may slightly differ from the growth rates published due to rounding.

For the scope of the index calculation, NACE divisions 09,12,19,24, and NACE groups 27.5 and 30.9 are excluded because of their negligible activity.

The calendar and seasonal adjustments for this release are done directly on quarterly indices. These indices cannot be compared directly to the indices published by Eurostat, since quarterly adjusted European aggregates are calculated from monthly adjusted series, which are provided by the Member States.

Calendar adjustment is a statistical method for removing the calendar effect from an economic time series. The calendar effect is the variation caused by the changing number of particular weekdays or holidays in different months or other time periods (quarters, years). The number of working days for a given quarter may depend on the timing of certain public holidays, the possible overlap of certain public holidays and non-working days and the occurrence of a leap year. This method is used to compare the same quarter of the previous year.

Working-day adjustment is the part of calendar adjustment which focuses on the changing number of working days (Monday - Friday) in the various months/quarters and their effect on statistical indicators for these months/quarters.

Seasonal adjustment removes variations which include effects due to quarter lengths, holidays and particular events such as Christmas. Statistically, seasonal adjustment takes place after a time series has already been cleared of calendar effects by way of working-day adjustment. This method is used to compare data with the previous quarter.

The objective of Main Industrial Groupings (MIGs) is to provide an activity breakdown of industry (NACE Rev. 2 Sections B, C, D and E). These regroup all the activities between Sections B to E and cover economic activities of companies in the quarrying, manufacturing, water and energy sectors. There are 4 MIGs, namely intermediate goods, energy, capital goods and consumer goods, of which the consumer goods grouping is further broken down into durable consumer goods and non-durable consumer goods:

- Intermediate goods;
- Energy;
- Capital goods;
- Consumer goods;
 - Durable consumer goods;
 - Non-durable consumer goods.

Summary Definitions of Key Variables

Turnover: includes total sales and other income and is expressed net of VAT. Turnover is presented in current prices.

Wages and Salaries: covers wages and salaries including bonuses, weekly allowances (cost of living allowances), overtime and national social security contributions by the employee. It does not include employer's social security charges.

Employment: covers all persons employed, regardless of whether they are part-time or full-time, and includes paid employees, working proprietors and unpaid family workers. Employment is not working-day adjusted since the number of employees does not depend on the factors that make up the working-day effect.

Hours worked: covers total amount of hours actually worked; regular working hours and hours worked during overtime; during nights, Sundays or Public holidays. Hours worked but not paid are also considered.

A distribution of the aggregation weights by flow and by main industrial grouping is presented in the following table:

	Industry			
	Turnover	Employment	Wages and salaries	Hours worked
TOTAL	100.0	100.0	100.0	100.0
Intermediate goods	47.4	31.0	32.6	32.0
Energy	13.4	10.5	14.1	12.3
Capital goods	10.9	19.4	18.3	19.6
Consumer goods	28.3	39.1	35.0	36.1
Durable consumer goods	2.7	7.2	3.4	5.1
Non-durable consumer goods	25.6	31.9	31.6	31.0

Data Status

The data contained in this release should be considered as provisional and thereby subject to revision. Each release may include revisions of the past quarterly data in respect of a rolling two-year period.