



PRESS RELEASE

THE INDEX OF INDUSTRIAL PRODUCTION: DECEMBER 2017

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Issuing a communique on releasing IIP for the month of December, 2017 Director General of DCS, Dr. A.J. Satharasinghe stated that the IIP; the volume of industrial production has increased by 4.3% in the month of December, 2017 compared to the same month in 2016. IIP reported for the month of December 2017 and 2016 were 107.7 and 103.3 respectively.

The Department of Census and Statistics compiles number of economic indicators including IIP. This economic index is a crucial measure to understand the trends and patterns in Sri Lankan economy, identify the drivers of economic growth and evaluate economic performance of the country. IIP conveys the status of production in the industrial sector of an economy in a given period of time, in comparison with a fixed reference point in the past. It reveals the short term changes of the industrial sector.

The manufacturing industries; 'Fabricated Metal Products', 'Manufacture of rubber & plastic products' and 'Basic metal products' have shown remarkable increases of 25.1%, 10.9% and 9.7% respectively in their volume of production during the month of December, 2017 compared to that of December, 2016. The above increases could be attributed by the increase in construction activities and increase in rubber production. The volume of food products has increased by 8.4%.

However, manufacturing industries: Volume of 'Manufacture of basic pharmaceutical products', 'Manufacture of furniture' 'Manufacture of electrical equipment' have reported decreases by 27.3%, 23.9% and 19.2% respectively during this period. The reason for the decrease in production of pharmaceutical products (capsules) in this month may be due to reported high production in the previous month. The industrial production of the manufacturing sector for the **fourth quarter of 2017** has increased by 4.1% compared to the same quarter in 2016.

The DCS stated that further details on monthly IIP of December, 2017 have been published in its website: (www.statistics.gov.lk/Industries).

Index of Industrial Productions (2015=100)

Month/ Quarter	Index Value
December - 2016	103.3
December - 2017	107.7
Year on Year (%) Change 4.3	
4 th Quarter 2017	108.4