Index of Industrial Production

Quarterly Bulletin Q1, 2022

Department of Census and Statistics
Ministry of Economic Policies and Plan Implementation

The Index of Industrial Production (IIP) is an abstract number, the magnitude of which represents the status of production in the industrial sector for a given period of time. Its main purpose is to provide a measure of the short-term changes in the volume of industrial production from the manufacturing sector in the country.

The IIP provides Information to gauge industrial performance and to forecast the future economic performance. It can be used to identify the turning points in economic development at an early stage. The major advantage of the production index compared to other indicators is the combination of fast availability and detailed breakdown of activities.

- The volume of industrial production for the first quarter of 2022 has decreased by 5.4 % compared to the same quarter in 2021.
- The volume of industrial production has decreased by 10.2 % in the month of March, 2022 compared to the same month in 2021.
- The production in the month of March 2022 has decreased by 1.0 % when compare to the production in the month of February 2022.

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ISSN 2513 - 2857 | Issue No.25

Uses of the IIP

The IIP is a key indicator of economic performance in most countries. Index numbers summarize past developments, facilitate forecasting of future trends and assist with evidence based policy decisions. In addition, index numbers facilitate International comparisons. The IIP also has an important role in the compilation of the Quarterly National Accounts. Analysis of economic changes, IIP has a crucial role because industrial production is one of the more dynamic and fluctuating element in the economy.

IIP for the 1st quarter 2022

Month & Quarter	IIP ^{P} (2015=100)
January - 2022	100.5
February - 2022	101.4
March - 2022	107.3
2022 1st Quarter	103.1

Table 1: IIP for the 1st quarter 2022
P - Provisional

The volume of industrial production has decreased by 10.2 % in March, 2022 compared to the same month in 2021. Among the manufacturing industries; volume of products of 'Manufacture of coke and refined petroleum products' (2686.4%, this was due to shut down in petroleum plant in March 2021) 'Manufacture of wood and products of wood' (78.8%) have shown remarkable increases meanwhile 'Other manufacturing' (25.6%) has reported decrease during this period. (Source: Table 5)

Month to month % changes of the IIP

	% Change
December 21 / January 22	-0.6
January 22 / February 22	0.2
February 22 / March 22	-1.0

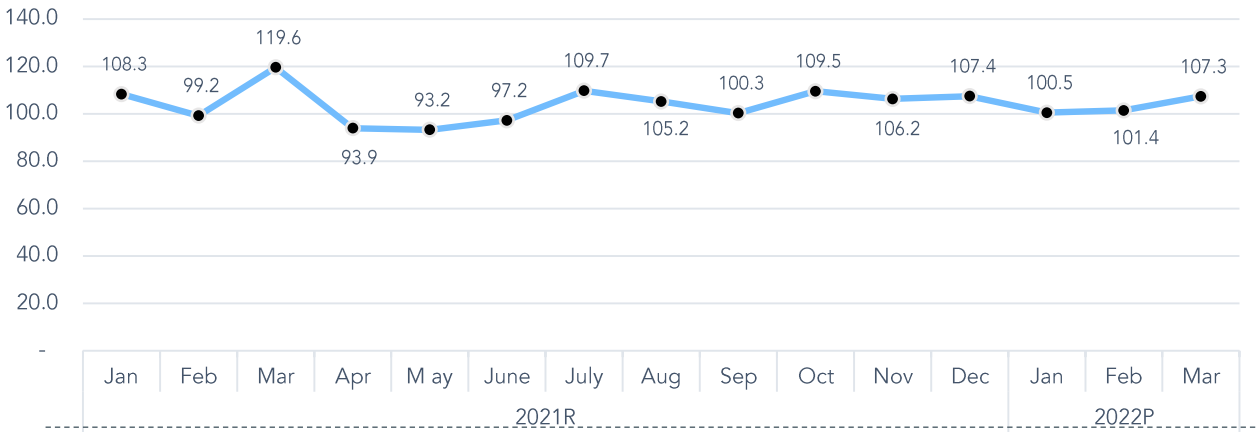
Table 2: Month to month % changes of the IIP

Month to month % changes of the IIP by industry divisions

ISIC 2digit	Description	IIP 2022 (12-Month Moving Average)		Month to month % Change
		February^{P}	March^{P}	
10	Food products	109.0	107.3	-1.6
11	Beverages	109.5	111.0	1.3
12	Tobacco products	78.2	78.7	0.6
13	Manufacture of Textiles	126.8	126.2	-0.5
14	Manufacture of wearing Apparels	94.5	92.3	-2.4
15	Manufacture of leather and related products	78.9	78.6	-0.3
16	Manufacture of wood and products of wood and cork except furniture; manufacture of articles of Straw and plaiting materials	79.9	85.4	7.0
17	Manufacture of paper and paper products	79.0	77.7	-1.7
18	Printing and reproduction of recorded media	114.3	115.3	0.8
19	Manufacture of coke and refined petroleum products	65.3	68.7	5.2
20	Manufacture of chemicals & chemical products	94.0	93.7	-0.3
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	116.3	117.0	0.6
22	Manufacture of rubber & plastic products	104.0	103.0	-1.0
23	Manufacture of other non-metallic mineral products	139.3	138.2	-0.8
24	Manufacture of basic metals	132.9	129.9	-2.3
25	Manufacture of fabricated metal products	123.0	122.4	-0.5
26-27	Manufacture of electrical equipment	81.2	79.5	-2.1
28	Manufacture of Machinery & equipment	126.9	130.0	2.5
31	Manufacture of furniture	74.6	74.4	-0.3
29-30 32-33	Other manufacturing	69.3	67.3	-2.9
Overall Index for the Manufacturing Sector		**103.8**	**102.8**	**-1.0**

Table 3: Month to month % changes of the IIP by Industry Divisions (2015=100)
P - Provisional

Graph 1: Index of Industrial Production (IIP) 2021 January - 2022 March



Source: Index of Industrial production
Department of Census and Statistics, Sri Lanka

Quarterly trend of IIP by industry divisions

ISIC 2digit	Description	1st Quarter		Year on year % Change
		2021[R]	2022[P]	
10	Food products	109.1	101.0	-7.4
11	Beverages	121.7	141.8	16.5
12	Tobacco products	80.5	83.5	3.7
13	Manufacture of Textiles	130.7	120.6	-7.8
14	Manufacture of wearing Apparels	114.1	101.7	-10.9
15	Manufacture of leather and related products	96.0	96.1	0.1
16	Manufacture of wood and products of wood and cork except furniture; manufacture of articles of Straw and plaiting materials	104.3	115.9	11.1
17	Manufacture of paper and paper products	111.7	76.7	-31.3
18	Printing and reproduction of recorded media	156.0	145.3	-6.9
19	Manufacture of coke and refined petroleum products	51.3	41.5	-19.1
20	Manufacture of chemicals & chemical products	91.5	107.0	16.9
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	113.7	110.3	-3.0
22	Manufacture of rubber & plastic products	104.1	104.6	0.4
23	Manufacture of other non-metallic mineral products	134.9	138.0	2.3
24	Manufacture of basic metals	144.4	129.5	-10.3
25	Manufacture of fabricated metal products	134.2	125.7	-6.4
26-27	Manufacture of electrical equipment	98.8	91.0	-7.9
28	Manufacture of Machinery & equipment	119.3	151.4	27.0
31	Manufacture of furniture	92.4	79.9	-13.5
29-30 32-33	Other manufacturing	74.0	64.9	-12.3
Overall Index for the Manufacturing Sector		**108.9**	**103.1**	**-5.4**

Table 4: Quarterly trend of IIP by industry divisions (2015=100)
R - Revised P - Provisional

The industrial production of the manufacturing sector for the 1st quarter of 2022 has decreased by 5.4 % compared to the same quarter in 2021. Among the manufacturing industries; volume of products of 'Manufacture of Machinery & equipment' (27.0 %), has shown a remarkable increase in production during the 1st Quarter of 2022, compared to 1st Quarter of 2021 and volume of products of 'Manufacture of paper and paper products' (31.3 %), reported a decrease during this period.

Year on Year % changes of IIP by industry divisions

ISIC 2digit	Description	January		Year on year % Change	February		Year on year % Change	March		Year on year % Change
		2021[R]	2022[P]		2021[R]	2022[P]		2021[R]	2022[P]	
10	Food products	100.5	104.1	3.5	100.4	94.0	-6.4	126.3	105.1	-16.8
11	Beverages	104.1	123.1	18.2	115.3	139.1	20.7	145.6	163.1	12.0
12	Tobacco products	76.9	87.6	13.9	69.9	62.5	-10.6	94.7	100.4	6.0
13	Manufacture of Textiles	142.3	104.5	-26.6	114.3	129.0	12.9	135.5	128.2	-5.4
14	Manufacture of wearing Apparels	108.9	102.1	-6.2	102.1	98.5	-3.5	131.2	104.4	-20.4
15	Manufacture of leather and related products	101.1	95.3	-5.8	90.0	99.2	10.2	96.9	94.0	-3.0
16	Manufacture of wood and products of wood and cork except furniture; manufacture of articles of Straw and plaiting materials	150.0	92.8	-38.1	78.3	103.3	32.0	84.8	151.6	78.8
17	Manufacture of paper and paper products	133.1	84.5	-36.5	109.1	68.5	-37.2	92.8	77.1	-17.0
18	Printing and reproduction of recorded media	187.0	152.7	-18.3	121.8	112.7	-7.5	159.2	170.4	7.1
19	Manufacture of coke and refined petroleum products	106.5	7.6	-92.9	45.8	74.4	62.5	1.5	42.5	2686.4
20	Manufacture of chemicals & chemical products	82.3	102.8	24.9	72.8	102.2	40.4	119.5	116.1	-2.9
21	Manufacture of basic pharmaceutical products and pharmaceutical preparations	106.5	96.6	-9.3	119.9	111.6	-6.9	114.6	122.6	6.9
22	Manufacture of rubber & plastic products	105.0	106.8	1.7	83.5	94.8	13.6	124.0	112.1	-9.6
23	Manufacture of other non-metallic mineral products	132.3	135.7	2.6	127.4	146.1	14.7	145.1	132.1	-9.0
24	Manufacture of basic metals	132.7	141.2	6.4	152.1	134.8	-11.3	148.4	112.3	-24.3
25	Manufacture of fabricated metal products	115.9	112.6	-2.8	139.9	124.5	-11.1	146.9	139.9	-4.8
26-27	Manufacture of electrical equipment	92.5	97.4	5.3	96.6	89.2	-7.7	107.3	86.6	-19.3
28	Manufacture of Machinery & equipment	91.4	128.2	40.2	115.9	137.8	18.9	150.4	188.4	25.2
31	Manufacture of furniture	88.3	68.0	-23.1	88.1	74.0	-16.0	100.7	97.7	-2.9
29-30 32-33	Other manufacturing	62.0	67.9	9.5	66.5	57.2	-13.9	93.6	69.7	-25.6
Overall Index for the Manufacturing Sector		**108.1**	**100.5**	**-7.1**	**99.2**	**101.4**	**2.3**	**119.6**	**107.3**	**-10.2**

Table 5 : Year on Year % changes of IIP by industry divisions (2015=100)
R - Revised; P - Provisional

The Vision of DCS

"To be the leader in the region in producing timely statistical information to achieve the country's development goals."

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"Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilising the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalised environment."

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