



News Release

Index of Industrial Production (IIP) - May 2024

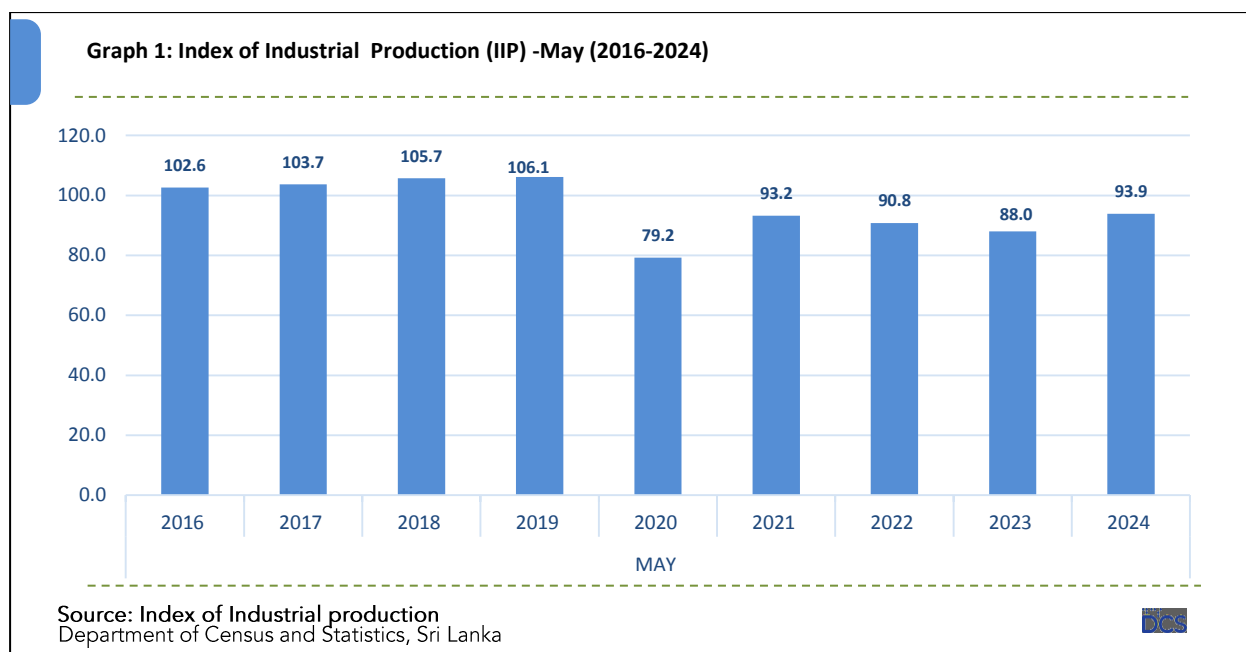
Base Year – 2015

Department of Census and Statistics
 Ministry of Finance, Economic Sabilization and National Policies

Introduction

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 (Month). 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. Index numbers summarize past developments, facilitate forecasting of future trends and assist with evidence based policy decisions. Analysis of economic changes, IIP has a crucial role because industrial production is one of the more dynamic and fluctuating element in the economy.

According to the International Standard Industrial Classification (ISIC-REV-04), the economic activities applicable to industrial production are classified under 20 main sectors and the performance of industrial production in those sectors is measured monthly. The year 2015 is used as the base year and the annual average production volume of each industrial sector in the year 2015 is taken as 100 and this industrial production index is calculated monthly.

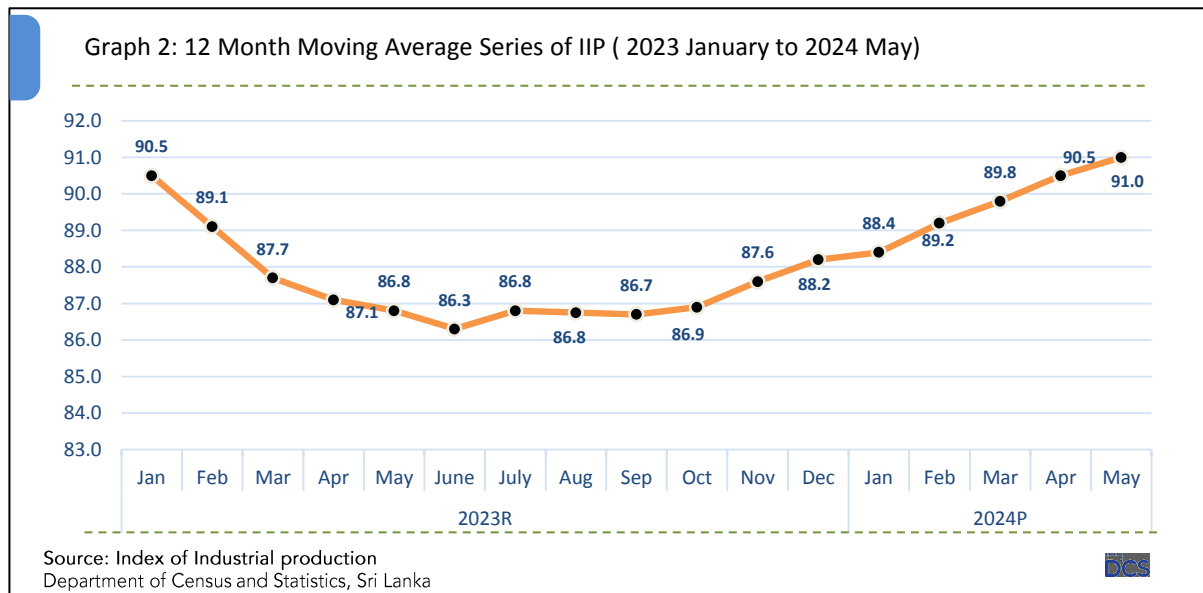


IIP 2024 May – Highlights

- **The value of index of industrial production for the month of May 2024 is 93.9**
- **The volume of industrial production for the month of May 2024 has increased by 6.8% compared to the same month in 2023 recorded as 88.0**
- **Among the manufacturing industries; volume of products of “Manufacture of wood and products of wood and cork except furniture; manufacture of articles of Straw and plaiting materials (92.1%)”; has shown remarkable increase meanwhile “Manufacture of Machinery & equipment (19.4%)” has reported remarkable decrease in this month**

Seasonally adjusted month to month percentage changes of IIP

This percentage change computed through evaluating the 12-month moving average (12MMA) of twelve-month moving total (12MMT) index values of the monthly data for the past 12 months. The 12MMA removes seasonal variation to derive the underlying cyclical trend. It is also referred to as the annual total or average. Using this indicator one can get an accurate understanding of the monthly growth (trend) of the manufacturing industries in the country.



Highlights

- The 12 month moving average for May 2024 is 91.0
- The 12 month moving average for April 2024 is 90.5
- When the monthly difference of volume is considered, in May 2024 it has increased by 0.5% compared to April 2024
- Among the manufacturing industry sectors, the volume of production in the "Manufacture of electrical equipment" increased by 5.4%, making a significant contribution to this positive change

Detailed information about the index of industrial production for the month of May 2024 has been published in the department website.

<http://www.statistics.gov.lk/Industry/StaticalInformation/IndexIndustrialProduction>

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.”

This publication is produced by the Industry, Constructions, Trade & Services Division.

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