

SA manufacturing production up 1.9% y/y vs Jan -2.5%

Manufacturing production recovered in February, increasing by 1.9% compared with a year earlier, following a 2.6% year-on-year contraction in January, Statistics SA data showed on Thursday.



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Although the 1.9% is the fastest pace of output growth since July last year, it is still low by historical standards - reflecting tepid demand and weak commodity prices.

Manufacturing makes up 12.5% of gross domestic product, so an increase in output will support economic growth in the first quarter.

The increase was mainly due to higher production in the petroleum, food, wood and communication apparatus divisions. The production of steel and metals fell.

Seasonally adjusted manufacturing production increased by 1.3% in February compared with January (month-on-month,) following a 1.8% decline in January and a 2% increase in December 2015.

Seasonally adjusted manufacturing production fell by 0.3% in the three months ended February, compared with the previous three months. Five of the ten manufacturing divisions reported negative growth rates over this period.

Seasonally adjusted manufacturing sales rose by 0.7% in February compared with January, following month-on-month changes of a 1% increase in January and a 0.2% contraction in December 2015.

Source: BDpro

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