

Production falls - Easter holidays blamed

Manufacturing production fell 2.2% year-on-year (y/y) in March after a slightly revised 2.8% (2.9%) year-on-year decline in February, data released by Statistics SA on Thursday (9 May) showed.



Statistics SA however issued a cautionary note, saying it was worth noting that the Easter weekend fell partly in March and partly in April, whereas last year it fell in April. This, it said, might have adversely affected the performance of manufacturers in March, which should be taken into account in assessing the decrease of 2.2% y/y.

The decrease in March was due to lower production in the basic iron and steel, non-ferrous metal products, metal products and machinery (-9.0% and contributing -1.9 percentage points); wood and wood products, paper, publishing and printing (-8.5% and contributing -0.8 of a percentage point); and furniture and 'other' manufacturing (-10.7% and contributing -0.5 of a percentage point) divisions.

Stats SA said there were 19 working days in March compared with 21 working days in March last year. The seasonally adjusted index declined by 2.5% between February and March, but this change should also be treated with caution, the agency said.

Figures showed that seasonally adjusted manufacturing production for the first quarter of this year decreased by 2.2% compared with the fourth quarter of last year.

Six of the ten manufacturing divisions reported negative growth rates over this period.

The largest negative contributions to the decrease of 2.2% were made by the sub-categories of petroleum, chemical products, rubber and plastic products (-4.8% and contributing -1.2 percentage points); basic iron and steel, non-ferrous metal products, metal products and machinery (-4.3% and contributing -0.8 of a percentage point); wood and wood products, paper, publishing and printing (-6.6% and contributing -0.7 of a percentage point); furniture and 'other' manufacturing (-6.8% and contributing -0.3 of a percentage point); and radio, television and communication apparatus and professional equipment (-5.3% and contributing -0.1 of a percentage point).

Seasonally adjusted sales of manufactured products (at current prices) for the first quarter of this year increased by 0.4% (R1.639bn) compared with the fourth quarter of last year. Four of the ten manufacturing divisions reported positive growth rates over this period.

The manufacturing division that was mainly responsible for the increase in total manufacturing sales was motor vehicles, parts and accessories and 'other' transport equipment (10.2% or R4.595bn)

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