

INDUSTRIAL INDICATORS

ECONOMIC INDICATORS **CNI**

CNI

Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY






Industrial activity grew in March, after declining in February

The trend of recovery from the crisis stopped in February 2021, when real sales, hours worked, total payroll, and average earnings showed retraction. In March, the indices resumed growth.

The moderate recovery fully offsets the decline in hours worked in February and partially offsets the drop in real sales. Employment increased for the eighth consecutive month and capacity utilization remained above 80%.


Total payroll and average earnings also showed moderate recovery, but they remain at levels below those recorded before the crisis.

Industrial Indicators - March 2021

	PERCENTAGE CHANGE		
	MAR21/FEB21 Seasonally adjusted	MAR21/ MAR20	JAN-MAR21/ JAN-MAR20
 Real sales¹	2.2	12.7	7.5
 Hours worked in production	0.9	10.7	6.5
 Employment	0.3	2.1	1.1
 Real total payroll²	2.2	-4.6	-2.7
 Real average earnings²	2.1	-6.5	-3.7

¹ Deflator: IPA/OG-FGV

² Deflator: INPC-IBGE

	AVERAGE PERCENTAGE			CHANGE IN PERCENTAGE POINTS
	MAR21	FEB21	MAR20	
 Capacity Utilization	Seasonally adjusted			0.4 p.p. Mar21/Feb21
	81.1	80.7	76.2	
	Original			4.8 p.p. Mar21/Mar20
	80.8	79.0	76.0	

Real sales increased, offsetting part of the February drop

Seasonally-adjusted real sales increased 2.2% in March 2021. This indicates a recovery of more than half of the drop recorded in February, when real sales dropped 3.6%. In comparison with March of the previous year, the increase was 12.7%, having in mind the critical context of that month, when real sales felt the first effects of the crisis resulting from the pandemic.

Real sales

Seasonally adjusted (fixed-base index: 2006 average = 100)



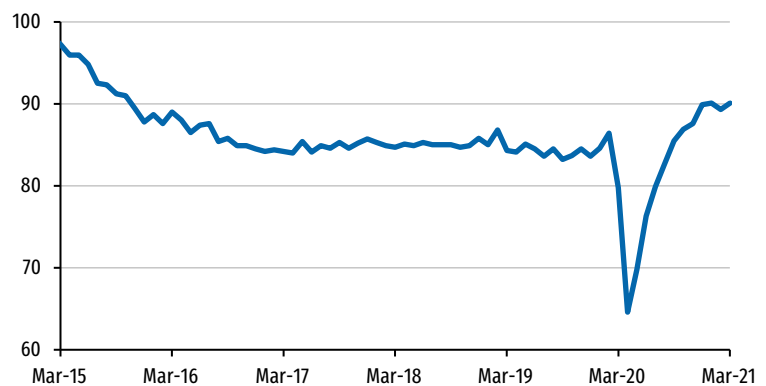
Deflator: IPA/OG-FGV

Hours worked in production grew in March

Hours worked in production increased 0.9% in March 2021, on a seasonally-adjusted basis. With this increase, the index returns to January levels, recovering from the drop recorded in February. When compared to March 2020, the index increased 10.7%, which reflects the recovery from the crisis and the consolidation at a higher level than the one before the pandemic.

Hours worked in production

Seasonally adjusted (fixed-base index: 2006 average = 100)

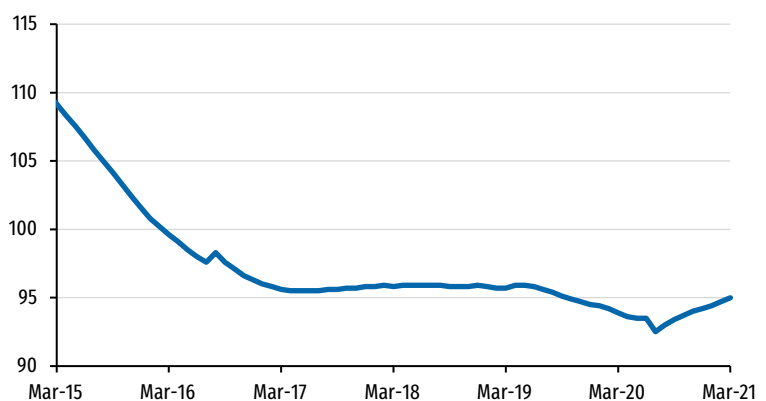


Employment grew for the eighth consecutive month

In March 2021, employment in the industry increased for the eighth consecutive time, by 0.3% in relation to February, on a seasonally-adjusted basis. When compared to March 2020, this represents a 2.1% increase in employment.

Employment

Seasonally adjusted (fixed-base index: 2006 average = 100)

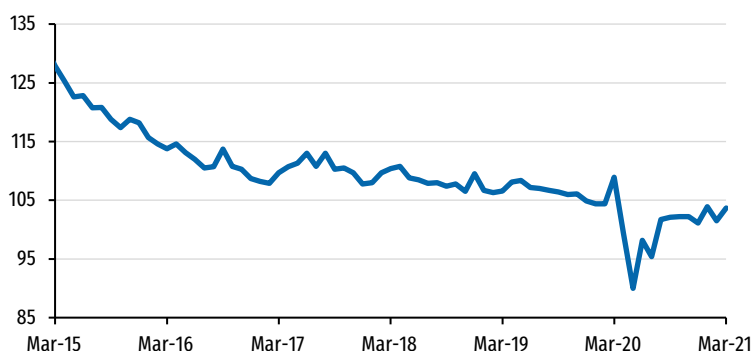


Total payroll increased, but is still below pre-crisis levels

The seasonally-adjusted total payroll increased 2.2% in March 2021, returning to the level recorded in January. Compared to the same month of 2020, this represents a drop of 4.6%. Part of the drop is explained by the layoffs that occurred in March 2020 and the consequent increase in severance payments, which was reflected as a peak in total payroll, deviating from the trend that had been present until then.

Real total payroll

Seasonally adjusted (Fixed-base index: 2006 average = 100)



Deflator: INPC-IBGE

Real average earnings increased in March, but remains at a low level

The seasonally-adjusted average earnings increased 2.1% in March in relation to February 2021. When compared to March 2020, the index dropped 6.5%, driven, in part, by the peak resulting from the layoffs occurred in that month. Despite the increase in the month, the index is below the pre-crisis level.

Real average earnings

Seasonally adjusted (Fixed-base index: 2006 average = 100)



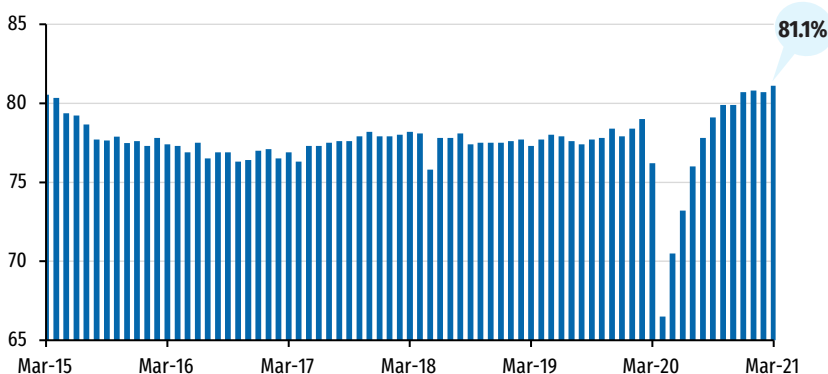
Deflator: INPC-IBGE

Capacity utilization remains at a high level

The seasonally-adjusted Capacity Utilization of the industry reached 81.1%. This percentage represents an increase of 0.4 percentage points in March compared to February and consolidates a level persistently higher than the one recorded before the crisis.

Capacity utilization (UCI)

Seasonally adjusted (Average percentage)



Learn more

For more information on the survey, including sectoral results, previous editions, methodology and historical series, visit: www.cni.com.br/e_industriais

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