

INDUSTRIAL INDICATORS

ECONOMIC INDICATORS **CNI**

CNI

Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY






Industrial activity fell in May, but remains at a high level

Industrial activity decreased in May 2021, with a reduction in hours worked in production and a decline in Capacity Utilization. Despite the decline, hours worked are still at a level similar to that recorded in February 2020, before the crisis caused by COVID-19, and Capacity Utilization is still at a higher level than the one recorded in that period.

Employment in the Manufacturing Industry stands out. The variable recorded a seasonally-adjusted growth of 0.5% in May in comparison with April, the tenth consecutive increase. This percent change is considered strong for this indicator and was last observed with this intensity in 2010.


Real sales and real average earnings have been oscillating throughout 2021 and show a downward trend in the year. Total payroll, despite its fluctuations, shows an upward trend, in line with employment growth.

Industrial Indicators - May 2021

	PERCENTAGE CHANGE		
	MAY21/APR21 Seasonally adjusted	MAY21/ MAY20	JAN-MAY21/ JAN-MAY20
 Real sales¹	0.7	29.1	18.0
 Hours worked in production	-1.8	27.4	15.1
 Employment	0.5	6.0	2.6
 Real total payroll²	-0.8	13.0	1.3
 Real average earnings²	-2.5	6.7	-1.1

¹ Deflator: IPA/OG-FGV

² Deflator: INPC-IBGE

	AVERAGE PERCENTAGE			CHANGE IN PERCENTAGE POINTS
	MAY21	APR21	MAY20	
 Capacity Utilization	Seasonally adjusted			-0.3 p.p. May21/Apr21
	81.6	81.9	72.2	
	Original			9.4 p.p. May21/May20
	80.5	80.4	71.1	

Real sales fluctuate with a downward trend

Seasonally-adjusted real sales in Manufacturing Industry increased by 0.7% between April and May 2021. The index has been fluctuating up and down since the beginning of 2021. Nevertheless, it can be said that the index shows a downward trend, as the highs have not offset the retractions and the index is 3.3% lower than in January 2021.

Real sales

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



Deflator: IPA/OG-FGV

Hours worked in production show a downward trend

Hours worked in production declined 1.8% in May in relation to April 2021, on a seasonally-adjusted basis. The data for March and April were adjusted downwards from 1.1% growth to stability, and from 0.7% growth to a 1.3% drop, respectively. Thus, the index starts to show a downward trend in 2021.

Hours worked in production

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

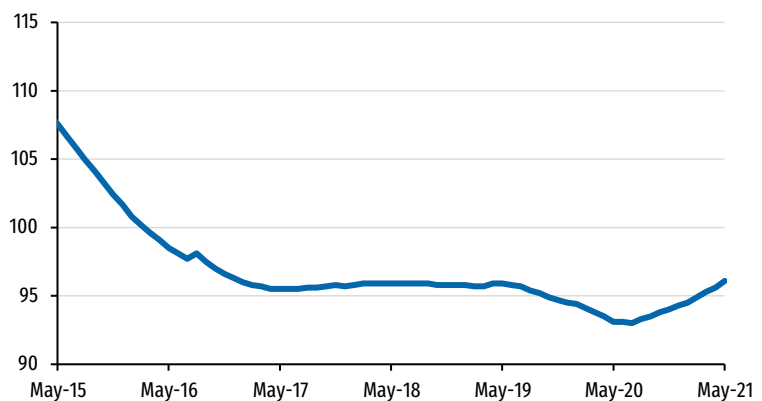


Employment grows for the tenth consecutive month

Employment in Manufacturing Industry reinforced the upward trend, with a growth of 0.5% in May in comparison to April 2021, on a seasonally-adjusted basis. This is the highest monthly employment growth since August 2010. The index has already grown by 1.9% in 2021, and is 6.0% higher than in May 2020.

Employment

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

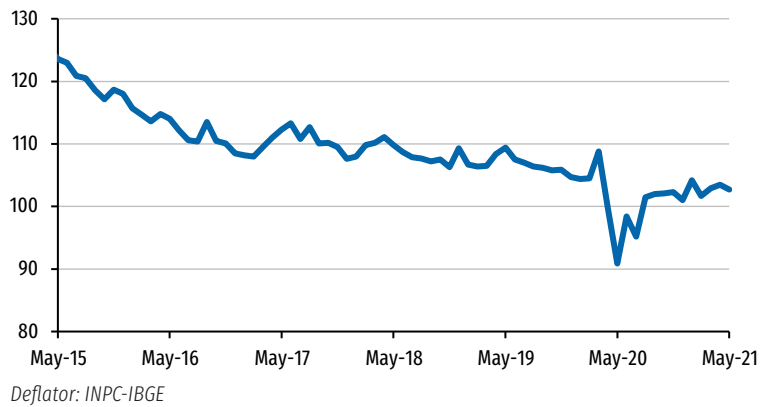


Real total payroll drops again after two monthly increases

Real total payroll declined 0.8% in May in relation to April, on a seasonally-adjusted basis. This decline comes after two months of growth in total payroll. In comparison with May of the previous year, total payroll still recorded a growth of 1.7%.

Real total payroll

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

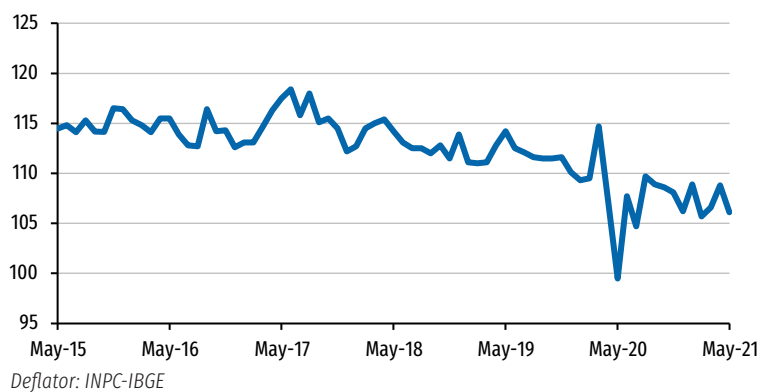


Real average earnings reverses the high recorded in April

Seasonally-adjusted real average earnings dropped 2.5% in May in relation to April. This decline more than offsets the increase recorded last month. In comparison with May of the previous year, real average earnings are practically stable, recording a -0.1% change. The index remains 3.1% lower than the pre-crisis levels of February 2020.

Real average earnings

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

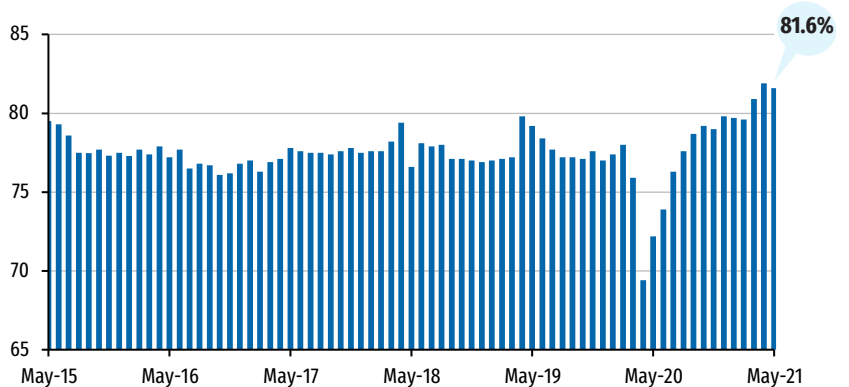


Capacity utilization remains at a high level in May

The seasonally-adjusted Capacity Utilization is 81.6% in May, down 0.3 percentage points compared to April. This is the third consecutive month with Capacity Utilization above 80%, on a seasonally-adjusted basis. The indicator has not recorded an above 80-points streak like this since the period between November 2014 and January 2015.

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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