



INDUSTRIAL SURVEY

ECONOMIC INDICATORS **CNI**

CNI
Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY

Despite the growth in industrial production, inventories remain adjusted

In April 2024, industrial activity revealed an upturn. Despite the stability in industrial employment from March to April, there were notable improvements in both industrial production and Capacity Utilization (UCI).

During this period, industrial production rose, a deviation from the typical fallback experienced in April. This progression can be partially attributed to the adjustments in inventory levels, which

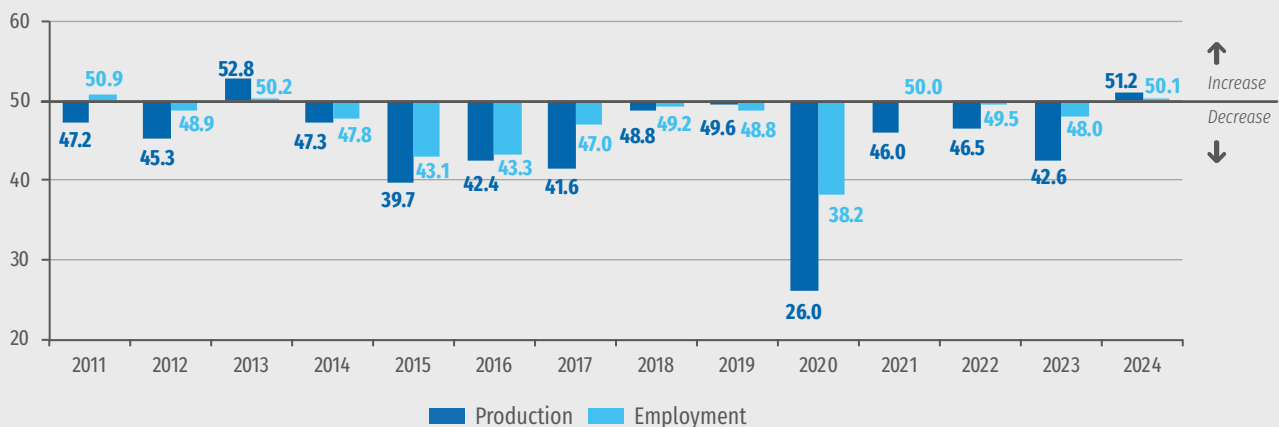
have been maintained at a level lower than or as planned by industrial entrepreneurs for five consecutive months.

Concurrent with the surge in production, there was a 2 percentage point (p.p.) increase in the UCI, reaching a level of 70% in April 2024. Despite the growth in production, inventory levels remained constant for the month, aligned with the sector's planned level.

In this context, the expectations indices still reflect optimism from industrial entrepreneurs, despite the moderate decline observed on the indices regarding demand, number of employees and purchase of input and raw materials expectations.

Production and number of employees evolution in April

Diffusion index (0 to 100 points)*



*Indicators range from 0 to 100 points. A score above 50 points indicates an increase in production or employment compared to the previous month. A score below 50 points indicates a decrease in production or employment compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation

INDUSTRIAL PERFORMANCE IN APRIL 2024

Industrial production advances in April, while employment remains stable

In April 2024, the production evolution index reached 51.2 points. This marks the second consecutive month where the index has surpassed the 50-point threshold, implying a growth in production over the past two months. It's worth noting that this upward trajectory from March to April 2024 deviates from the typical trend for this period, as the production evolution index usually dips below 50 points in April, indicating a contraction in production relative to the previous month.

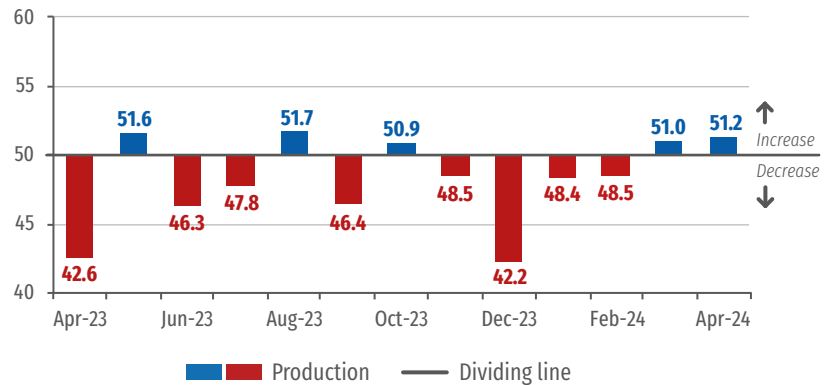
This unusual outcome can be primarily attributed to the production growth in large enterprises and the stability observed in medium-sized ones. The production evolution index for large enterprises stood at 53.5 points. The index for medium-sized enterprises hovered around the dividing line at 50.1 points, while the index for small enterprises indicated a contraction in production, registering 47.6 points.

The number of employees evolution index reached 50.1 points in April 2024, suggesting that employment levels in the industry remained relatively stable from March to April 2024. This is the third consecutive month where the index has been above, albeit marginally, the 50-point threshold. Similarly to the production evolution index, this stability is not typical for April, as there is usually a decrease in the number of employees in the sector during this period.

Among the indices for varying sizes industries, only the index for small companies revealed a decrease in the number of employees. Conversely, the indices for medium and large enterprises suggested an expansion in the number of employees in April, despite the typical trend for this period being a contraction.

Production Evolution

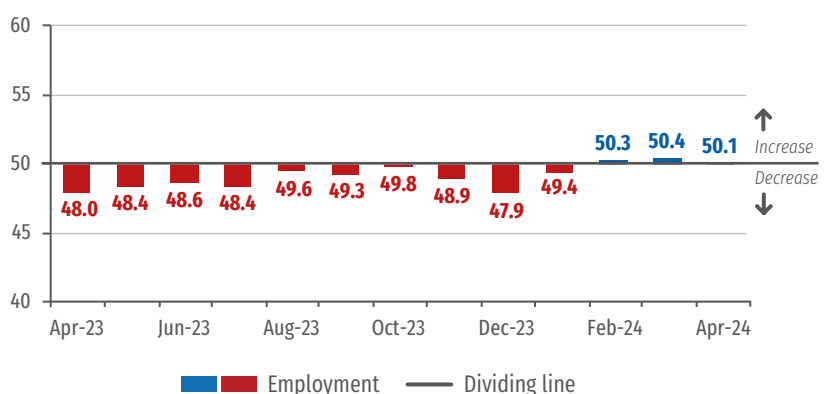
Diffusion index (0 to 100 points)*



*A score above 50 points indicates an increase in production compared to the previous month, while a score below 50 points indicates a decrease in production compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation.

Number of Employees Evolution

Diffusion index (0 to 100 points)*



*A score above 50 points indicates an increase in employment compared to the previous month, while a score below 50 points indicates a decrease in employment compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation.

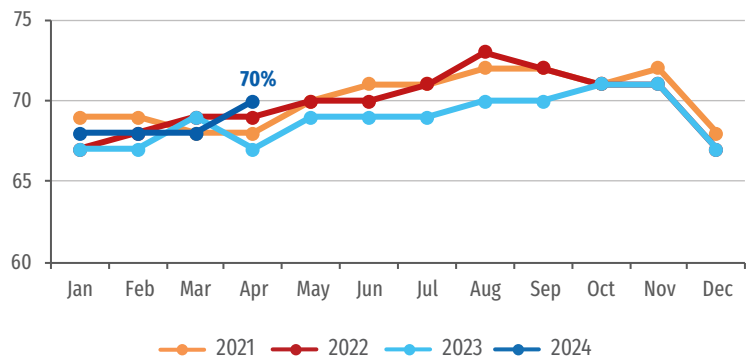
Capacity utilization increased in April

The capacity utilization index reached 70% in April 2024, marking a 2 percentage point (p.p.) rise from March to April. The index is 3 p.p. above April average values, indicating that the use of installed capacity is at a higher level than that usual for the period.

Among varying sizes industries (small, medium, and large), all the indices rose from March to April and are above their respective averages for April values. This indicates a more intensive utilization of installed capacity than is typically observed across companies of different sizes.

Capacity Utilization

Percentage (%)



The actual to usual capacity utilization index reached 44.9 points in April, marking an increase of 1.1 points from the March reading.

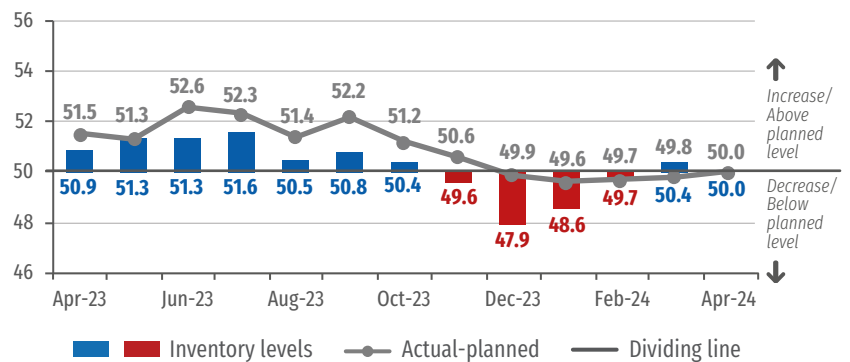
Inventory level remains stable and in line with the sector's planned level

The inventory evolution index stood at 50 points in April 2024, indicating that the inventory level remained stable compared to what was observed in March 2024.

Similarly, the actual to planned inventory index also registered 50 points in April, marking a slight increase of 0.2 points from the March index. This indicates that the inventory levels remain adjusted according to what was planned by industrial entrepreneurs. Notably, this marks the fifth consecutive period in which no inventory surplus was registered.

Inventory evolution and actual to planned inventory evolution

Diffusion index (0 to 100 points)*



*A score above 50 points indicates an increase in inventory levels or that actual inventory is above planned levels. A score below 50 points indicates a decline in inventory levels or that actual inventory is below planned levels. The further the point score is from 50 points, the greater the change or the distance from planned levels.

INDUSTRIAL EXPECTATIONS IN MAY 2024

Expectation indices maintain optimism despite minor downturns

In May 2024, the expectation indices for demand, purchases of input and raw materials, and number of employees in the industry retreated - only the expectation index for exports advanced. Despite the setbacks, all indices remained above the 50-point threshold, indicating positive expectations, with most changes being relatively modest.

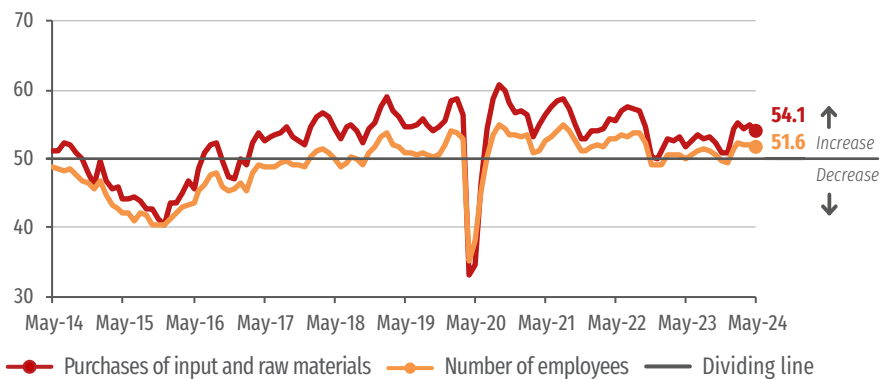
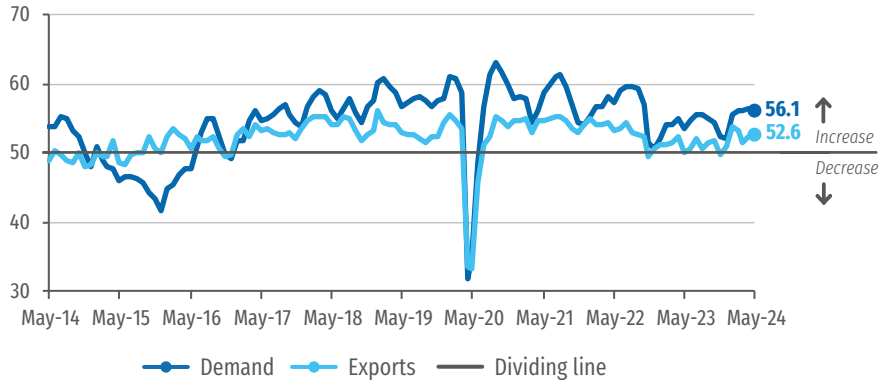
The purchase of input and raw materials expectation index reached 54.1 points in May 2024, after retreating 0.7 points in relation to April's index. The demand expectation index reached 56.1 points, after retreating 0.4 points from April to May. Both for the purchase of input and raw materials expectation and for the demand expectation, the indices for medium-sized companies registered an increase from April to May, while the indices for small and large companies fell, thereby influencing the overall indices.

The number of employees expectation index reached 51.6 points in May 2024, marking a decrease of 0.4 points April to May. This decrease was primarily driven by a decline in the index for large companies, since the index for medium-sized companies registered an increase and the index for small companies remained stable.

Lastly, the exports expectation index reached 52.6 points in May, remaining

Expectation indices

Diffusion index (0 to 100 points)*



*A score above 50 points indicates expectations of growth, while a score below 50 points indicates an expected decrease. The further the point score is from 50 points, the greater and more widespread the expected variation.

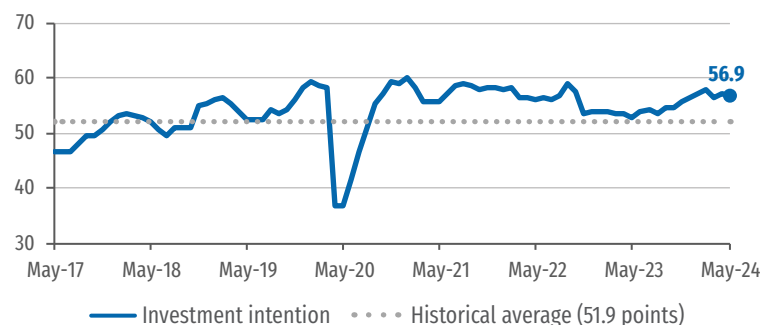
practically stable in relation to April's index (+0.2 points). This increase occurred primarily due to the variation in the index for small industries: from April to May, the index rose 2.6 points, while the index for medium-sized industries remained stable with a marginal decrease of 0.1 points, and the index for large industries registered a decrease of 0.8 points.

Investment intention remains practically stable in May

The investment intention index reached 56.9 points in May 2024, demonstrating relative stability, with a marginal decrease of 0.1 points compared to April's index. Notably, the index continues to surpass the series' historical average of 51.9 points by 5 points.

Investment intention

Diffusion index (0-100 points)*



*The higher the index, the greater the industry's propensity to invest.

RESULTS

Industry Performance

	PRODUCTION EVOLUTION			NUMBER OF EMPLOYEES EVOLUTION			CAPACITY UTILIZATION (%)			ACTUAL-USUAL CAPACITY UTILIZATION			INVENTORIES LEVELS EVOLUTION			ACTUAL-PLANNED INVENTORIES		
	Apr-23	Mar-24	Apr-24	Apr-23	Mar-24	Apr-24	Apr-23	Mar-24	Apr-24	Apr-23	Mar-24	Apr-24	Apr-23	Mar-24	Apr-24	Apr-23	Mar-24	Apr-24
Total	42.6	51.0	51.2	48.0	50.4	50.1	67	68	70	41.1	43.8	44.9	50.9	50.4	50.0	51.5	49.8	50.0
BY INDUSTRIAL ACTIVITY																		
Mining and quarrying	46.7	47.0	49.1	51.3	50.1	53.1	73	74	75	43.2	46.5	45.3	50.6	53.2	51.3	53.0	57.7	53.9
Manufacturing	42.4	51.0	51.2	47.9	50.4	49.9	67	68	70	41.1	43.7	44.8	50.9	50.3	49.9	51.5	49.6	49.9
BY COMPANY SIZE																		
Small ¹	41.5	46.4	47.6	46.8	47.5	47.6	61	62	63	39.8	40.7	42.3	47.5	47.4	47.7	46.5	45.8	46.3
Medium ²	42.3	50.4	50.1	47.7	50.7	51.0	66	67	69	39.2	43.4	44.2	51.6	51.1	50.5	51.0	49.6	50.2
Large ³	43.3	53.6	53.5	48.8	51.7	50.8	70	72	74	42.8	45.6	46.5	52.2	51.6	50.8	54.2	51.8	51.7

Indicators range from 0 to 100 points. A score above 50 points indicates an increase, above-planned inventories, or capacity utilization higher than usual. On the other hand, a score below 50 points suggests a decrease, lower-than-planned inventories, or a capacity utilization lower than usual.

1 - Company with 10 to 49 employees. 2 - Company with 50 to 249 employees. 3 - Company with 250 or more employees.

Industrial Expectations

	DEMAND			EXPORTS VOLUMES			PURCHASES OF RAW MATERIALS			NUMBER OF EMPLOYEES			INVESTMENT INTENTIONS*		
	May-23	Apr-24	May-24	May-23	Apr-24	May-24	May-23	Apr-24	May-24	May-23	Apr-24	May-24	May-23	Apr-24	May-24
Total	53.6	56.5	56.1	50.2	52.4	52.6	51.7	54.8	54.1	49.9	52.0	51.6	52.9	57.0	56.9
BY INDUSTRIAL ACTIVITY															
Mining and quarrying	53.1	56.7	55.9	55.5	50.0	53.4	51.6	52.0	54.1	51.4	55.2	54.2	68.3	65.7	62.6
Manufacturing	53.6	56.4	56.1	50.0	52.4	52.3	51.7	54.8	54.1	49.8	51.9	51.5	52.4	56.7	56.6
BY COMPANY SIZE															
Small ¹	51.1	54.6	53.7	45.1	50.0	52.6	50.1	53.1	52.1	48.3	50.0	50.0	39.6	42.7	42.7
Medium ²	52.3	55.8	56.4	51.4	54.1	54.0	50.2	53.8	54.4	49.0	51.9	52.0	51.3	57.1	56.5
Large ³	55.5	57.8	57.2	52.1	52.7	51.9	53.3	56.1	54.9	51.1	53.1	52.2	60.4	64.0	64.2

Indicators range from 0 to 100 points. A score above 50 points indicates expectations of growth, while a score below 50 points indicates an expected decrease.

*Indicator ranges from 0 to 100 points. The higher the index, the greater the industry's propensity to invest.

1 - Company with 10 to 49 employees. 2 - Company with 50 to 249 employees. 3 - Company with 250 or more employees.



Technical Specifications

Sample profile

1,668 enterprises, including 664 small, 588 medium and 416 large companies.

Collection period

May 1-16, 2024

Document completed on May 22, 2024.

INDUSTRIAL SURVEY | English version of "Sondagem Industrial Abril 2024" | Published monthly by CNI - National Confederation of Industry - CNI | www.cni.com.br | Board of Industrial Development - DDI | Director: Rafael Lucchesi Ramacciotti | Superintendency of Economy - ECON | Superintendent: Mário Sérgio Carraro Telles | Economic Analysis Unit - GAE | Manager: Marcelo Souza Azevedo | Analysis: Isabella Bianchi | Statistics Management | Manager: Edson Velloso | Team: Brenda Ribeiro | Dissemination Coordination - CDIV | Coordinator: Carla Gadelha | Graphic Design: Simone Marcia Broch

Subscriptions: Customer Service - Phone: +55 (61) 3317-9992 - email: sac@cni.com.br

This publication may be copied, provided that the source is mentioned.



Learn more

For further information on sectorial and regional results, previous issues, methodology, and historical series, please visit: www.cni.com.br/e_sondaindustrial

