

INDUSTRIAL INDICATORS

ECONOMIC INDICATORS **CNI**

CNI

Brazilian National Confederation of Industry
THE FUTURE OF INDUSTRY






Employment in Industry continues to grow

The index measuring employment in Industry completed twelve months of consecutive growth in July 2021, accumulating a 7% growth in the period. The last time employment accumulated a 7% rise over twelve months was in October 2010, a year of strong expansion in the manufacturing industry.

The seasonally-adjusted Capacity Utilization dropped 0.3 percentage points in July, but has completed five consecutive months above 80%. It should also be noted that the hours worked in production, which had come from a sequence of five consecutive drops, increased 0.3% in July, on a seasonally-adjusted basis.


However, real sales fell for the second consecutive month. The average real income paid to Industry workers also dropped in July. Both show a downward trend.

Industrial Indicators - July 2021

	PERCENTAGE CHANGE		
	JUL21/JUN21 Seasonally adjusted	JUL21/ JUL20	JAN-JUL21/ JAN-JUL20
 Real sales¹	-0.4	-0.2	14.1
 Hours worked in production	0.3	9.4	14.6
 Employment	0.5	7.0	3.7
 Real total payroll²	-2.3	5.5	2.4
 Real average earnings²	-3.1	-1.5	-1.2

¹ Deflator: IPA/OG-FGV

² Deflator: INPC-IBGE

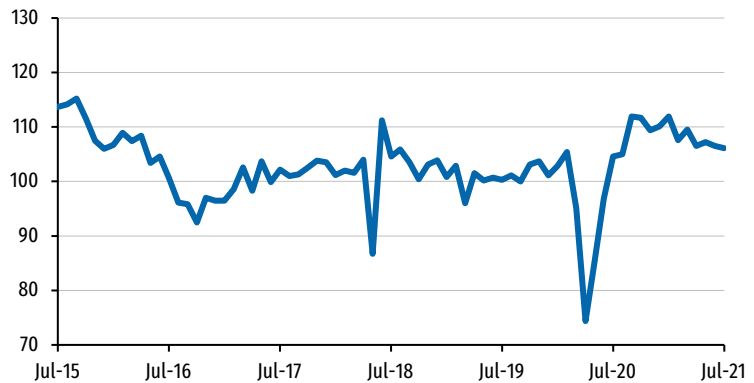
	AVERAGE PERCENTAGE			CHANGE IN PERCENTAGE POINTS
	JUL21	JUN21	JUL20	
 Capacity Utilization	Seasonally adjusted			-0.3 p.p. Jul21/Jun21
	82.3	82.6	76.2	
	Original			6.1 p.p. Jul21/Jul20
	82.7	81.6	76.6	

Real sales drops for the second consecutive month

Seasonally-adjusted real sales in Industry dropped 0.4% in July 2021, after falling 0.7% in the previous month. Real sales had been fluctuating up and down since January, with highs followed by declines of greater magnitude. Compared to December 2020, real sales declined 3.6%. Real sales dropped (0.2% retreat) even in comparison with July 2020, when sales were still recovering after the stoppage of activities in March and April.

Real sales

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



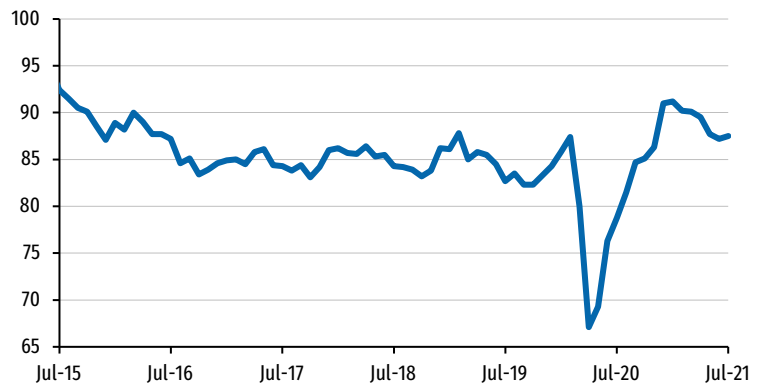
Deflator: IPA/OG-FGV

Hours worked increase after five months

Hours worked in production increased 0.3% in July compared to June, on a seasonally-adjusted basis. The June result, which had been positive, was revised down to a 0.6% drop. With this, before this month's increase, the hours worked had dropped five consecutive months. Thus, in the year-to-date figure for 2021, the index dropped by 3.8%. The current level of hours worked, after seasonal adjustment, is very close to that recorded in February 2020, right before the crisis caused by the pandemic.

Hours worked in production

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

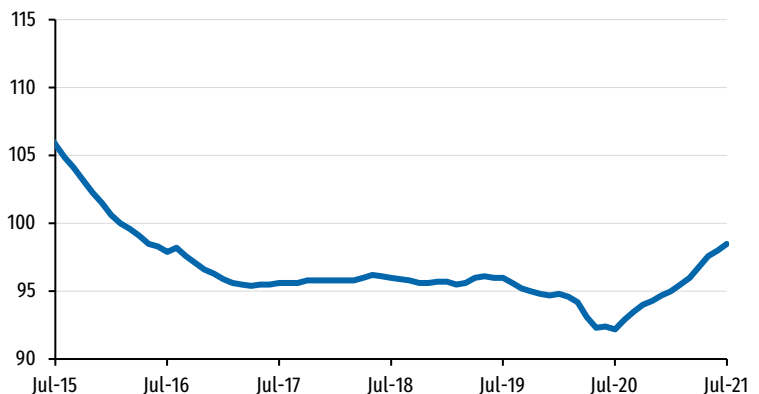


Employment continues on an upward trend

Employment in industry increased 0.5% in July on a seasonally-adjusted basis. With this increase, employment completed a year of consecutive monthly growth. Employment increased 7% in the last twelve months. The last time employment accumulated a 7% rise over twelve months was in October 2010. Employment is at its highest level since April 2016.

Employment

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



Total payroll keeps oscillating

Seasonally-adjusted total payroll dropped 2.3% in July, after a 1.0% rise in the previous month. This index has been alternating highs and lows since the beginning of the year, keeping it at practically the same level as in December 2020. Compared to the same month in 2020, the total payroll increased by 5.5%.

Real total payroll

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



Deflator: INPC-IBGE

Real average earnings fell in July

Seasonally-adjusted real average earnings paid to industry workers fell 3.1% in July 2021, after increasing 1.3% in the previous month. With the drop, real average earnings dropped 2.5% in comparison to December and 1.5% in relation to July 2020.

Real average earnings

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



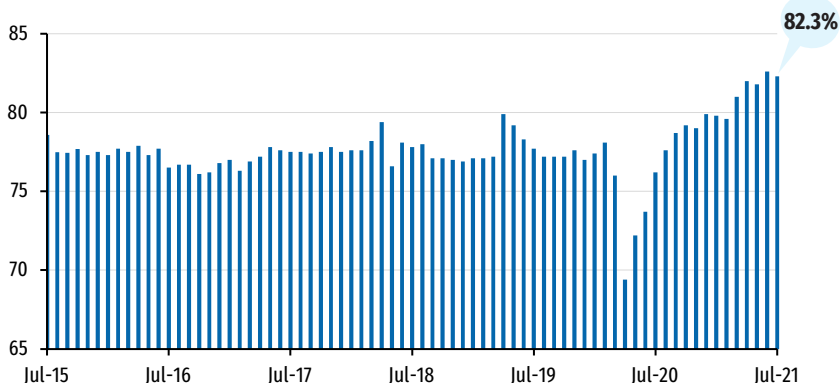
Deflator: INPC-IBGE

Capacity utilization remains high

The seasonally-adjusted Capacity Utilization stood at 82.3% in July 2021, a drop of 0.3 percentage points in relation to June. Capacity Utilization remains high, recording a level above 80% for five consecutive months. The Capacity Utilization increased 6.1 percentage points in comparison to July 2020, when Industry was still resuming its activities, after the stoppage months earlier caused by the pandemic.

Capacity utilization (UCI)

Seasonally adjusted (average percentage)



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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