

# INDUSTRIAL SURVEY

ECONOMIC INDICATORS **CNI**

**CNI** Brazilian National  
Confederation  
of Industry

## Industrial activity advances in July

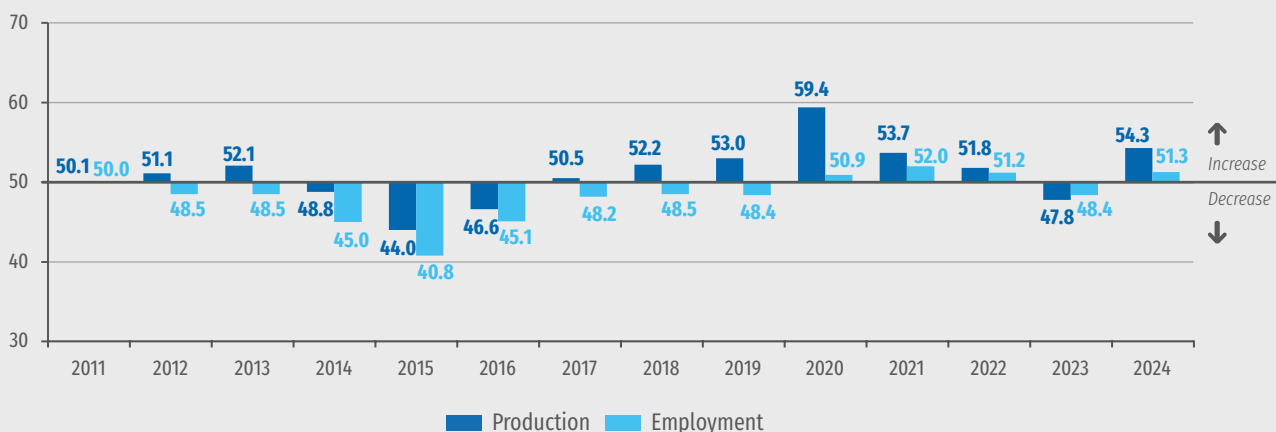
In July 2024, both industrial production and industry's number of employees advanced. These growths were observed across all regions of the country.

Even with the growth in the sector's production, the industry's inventory evolution index fell for the third consecutive month in July. Thus, the sector's inventories remain at a level lower than that planned by the sector's entrepreneurs.

From June to July, the industry's Capacity Utilization – which, four consecutive months, has remained at a level of more intensive use than that usual for each period – advanced 1 percentage point (p.p.), reaching 71% in the month.

In this context, expectations on purchases of input and raw materials, demand, and number of employees in the industry, rose in August. In July, only the expectation on exports fell. Despite this decline, all expectation indices continue to reveal the sector's optimism.

**Production and number of employees evolution indices in July**  
Diffusion Indices (0 to 100 points)\*



\*A score above 50 points indicates an increase in production or in employment compared to the previous month, while 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 JULY 2024

### Industrial production and employment advance in July

In July 2024, the industrial production evolution index reached 54.3 points. Above the dividing line of 50 points, July's result indicates that there was growth in industrial production in relation to June – the growth occurs after two months of decline.

The index for the month reveals a better July for industrial production than observed in recent years. In 2022, the July index (51.8) revealed less intense and widespread growth than that observed in 2024. In 2023, the index for the month revealed a decline in industrial production (47.8).

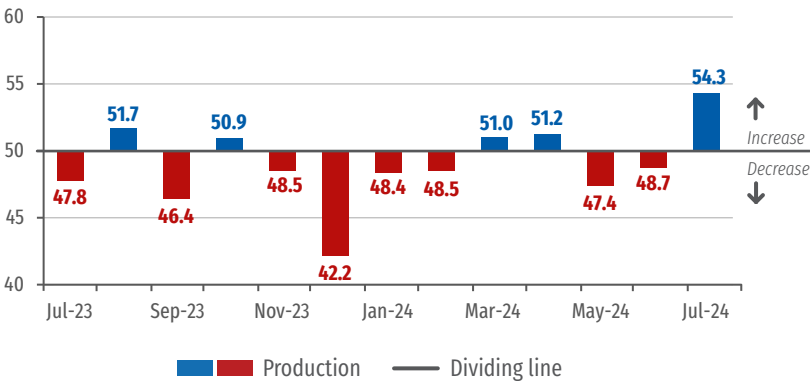
Among regions, all indices reveal production growth in July. Additionally, almost all indices surpassed the 50-point line from June to July, i.e., they began to register production growth – the exception is the central-west region's index, which already revealed production growth in June.

The number of industrial employees evolution index reached 51.3 points in July 2024. Above the dividing line, the index signals that there was an advancement of industrial employment from June to July 2024.

The number of employees evolution index reveals, in July 2024, a better situation than that observed in July in recent years. The index recorded less intense and widespread growth in 2022 (51.2) and decline in 2023 (48.4). Among regions, all indices reveal expansion of industrial employment in July.

#### Production Evolution

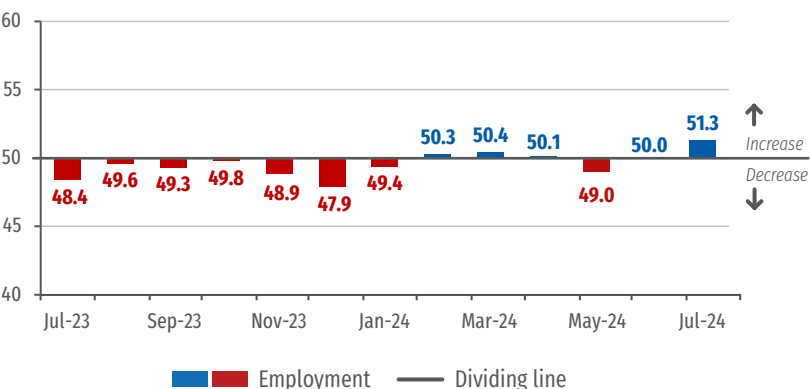
Diffusion index (0 to 100 points)\*



\*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)\*



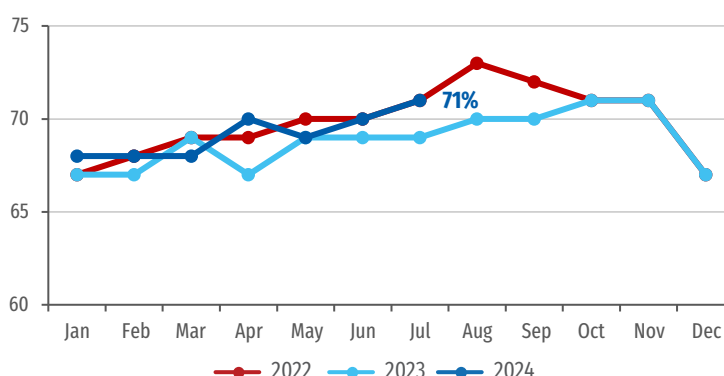
\*A score above 50 points indicates an increase in employment compared to the previous month, while a score below 50 points indicates a decrease in employment compared to the previous month. The further the point score is from 50 points, the greater and more widespread the variation.

## Capacity Utilization expansion in July

In July 2024, industrial Capacity Utilization (UCI) reached 71%, after advancing 1 percentage point (p.p.) in relation to June. The percentage of utilization, which is at a level 2 p.p. above the average for July's historic values, indicates a more intensive utilization of industry's capacity than that usual.

Among regions, almost all indices revealed an advance in UCI from June to July – the index for the central-west region, which remained stable, was the only exception. The index for the south region, in turn, showed the greatest growth between periods (+5 p.p.), reaching 73% in July. With that growth, the region's UCI reaches a level higher than that observed in April (72%), a month that preceded the floods that hit Rio Grande do Sul. Most part of this advance, therefore, still represents a recovery from the sharp decline observed in May (-9 p.p.), a period in which the region's UCI reached 63%.

**Capacity Utilization**  
Percentage (%)



The actual to usual capacity utilization index reached 46.8 points in July 2024, after advancing 2.5 points in relation to June. Among regions, the movements of the indices resemble those observed for the UCI: almost all indices grew between June and July, the index for the central-west region, which revealed stability (-0.1 point), was the only exception. The index for the south region, on the other hand, revealed the greatest growth among regions (+3.8 points).

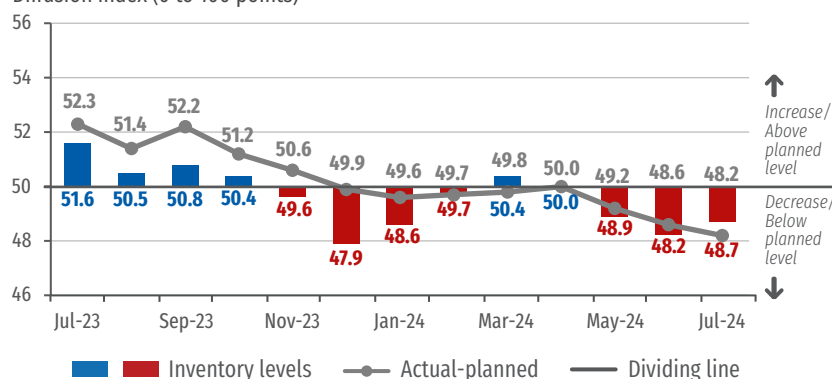
## Inventories remain below planned level

In July 2024, the inventory evolution index reached 48.7 points. Below the dividing line, the index reveals that there was a reduction in inventory levels in relation to June. Among regions, none of the indices signaled an increase in inventories – only the index for the northeast region, which reached the 50-point mark, revealed stability in inventory levels in July.

The actual to planned inventory index reached 48.2 points in July, after falling 0.4 point in relation to June. Below 50 points, the index signals that inventories are at a level lower than that planned by industrial entrepreneurs for the month. Among regions, all indices are below 50 points.

**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 AUGUST 2024

### Maintenance of optimism in August

In August 2024, the expectation indices on demand, purchases of input and raw materials, and number of employees for the next six months grew. The exports expectation index, in turn, fell in August. Despite the decline, the expectation index on exports remains at an optimistic level, as do the other expectation indices.

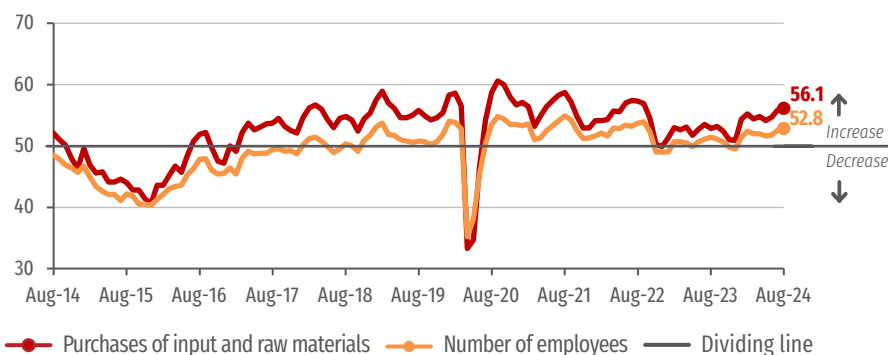
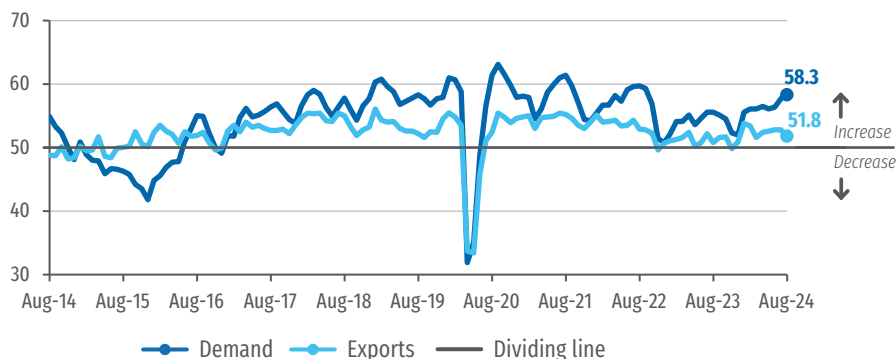
In August, the demand expectation index reached 58.3 points, after advancing 0.6 point in relation to July. Among regions, all indices remain above 50 points, revealing optimism, though there was a decline in optimism in the north region (-1.8) and stability in the southeast (-0.1) and central-west (+0.1) regions.

The input and raw material purchase expectation index reached 56.1 points in August, after advancing 0.2 point in relation to July. The regional indices also remain at an optimistic level, although there have been declines in optimism in north (-1.5) and central-west (-1.7) regions.

The number of employees expectation index reached 52.8 points, with an advance of 0.2 point in relation to July. Among regions, all indices remain above 50 points, despite the 0.5 point decline observed in north and northeast regions.

#### 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.

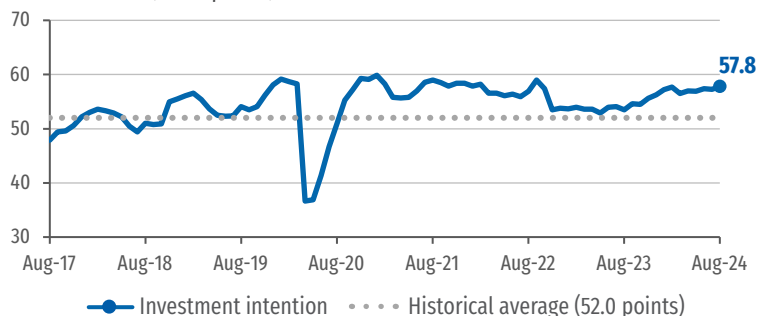
Finally, the exports expectation index reached 51.8 points in August, after falling 1 point in relation to July. Among regions, only the indices for north and south regions do not indicate positive expectations. From July to August, north region index crossed the 50-point line, reaching 48.9 points, which indicates pessimistic expectations. Despite being the only one to advance in August, the south region index, which was already at a level below the 50-point line, remains at a pessimistic level (48.5 points).

### Investment intention advance in August

The investment intention index reached 57.8 points in August, after an advance of 0.5 point in relation to July. With this growth, the index now stands 5.8 points above the index's historical average of 52 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		
	Jul-23	Jun-24	Jul-24	Jul-23	Jun-24	Jul-24	Jul-23	Jun-24	Jul-24	Jul-23	Jun-24	Jul-24	Jul-23	Jun-24	Jul-24	Jul-23	Jun-24	Jul-24
Total	47.8	48.7	54.3	48.4	50.0	51.3	69	70	71	42.6	44.3	46.8	51.6	48.2	48.7	52.3	48.6	48.2
BY INDUSTRIAL ACTIVITY																		
Mining and quarrying	45.5	47.8	53.6	47.8	51.3	51.0	74	71	72	49.5	41.5	44.9	49.6	45.6	49.6	50.6	48.9	51.5
Manufacturing	47.8	48.7	54.3	48.3	49.9	51.3	68	70	71	42.4	44.4	46.8	51.6	48.4	48.6	52.3	48.7	48.1
BY COMPANY SIZE																		
Small <sup>1</sup>	45.5	46.7	50.2	47.4	47.8	49.5	62	64	64	41.4	43.0	44.7	48.9	47.2	46.2	47.8	46.5	45.2
Medium <sup>2</sup>	47.7	49.2	52.9	49.3	49.5	49.8	68	68	69	41.7	43.2	44.9	51.7	49.8	48.8	51.2	49.1	48.6
Large <sup>3</sup>	48.9	49.4	57.1	48.4	51.4	53.0	72	74	76	43.6	45.6	48.9	52.8	47.8	49.9	55.1	49.4	49.4

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*		
	Aug-23	Jul-24	Aug-24	Aug-23	Jul-24	Aug-24	Aug-23	Jul-24	Aug-24	Aug-23	Jul-24	Aug-24	Aug-23	Jul-24	Aug-24
Total	55.6	57.7	58.3	50.8	52.8	51.8	52.8	55.9	56.1	51.4	52.6	52.8	53.5	57.3	57.8
BY INDUSTRIAL ACTIVITY															
Mining and quarrying	53.7	58.2	57.9	61.6	58.9	57.8	52.6	51.9	52.2	54.6	52.7	50.6	67.7	61.7	63.7
Manufacturing	55.7	57.7	58.3	50.2	52.5	51.5	52.8	56.0	56.3	51.3	52.5	52.9	53.0	57.1	57.6
BY COMPANY SIZE															
Small <sup>1</sup>	55.4	56.0	56.9	50.3	51.7	49.7	53.8	54.6	55.4	51.6	52.1	51.7	40.6	42.7	45.2
Medium <sup>2</sup>	54.8	56.3	57.2	50.7	54.3	53.8	52.6	54.7	55.2	51.1	51.8	52.3	51.8	55.2	55.5
Large <sup>3</sup>	56.1	59.3	59.6	51.2	52.6	51.8	52.5	57.1	57.0	51.4	53.2	53.6	60.7	65.6	65.3

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.

\*Index 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

1,488 enterprises, including 576 small, 535 medium and 377 large companies.

#### Collection period

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