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INDUSTRIAL SURVEY

ECONOMIC INDICATORS CNI

CNI Brazilian National Confederation of Industry

Industrial production index posts its worst August reading since 2015

In August 2026, the industrial production index fell sharply and dropped below the 50-point threshold. The result runs counter to what is typical for the period: from July to August, the index usually stays above 50 points, signaling higher production. Installed Capacity Utilization (ICU) also declined, and the number of employees continued to fall.

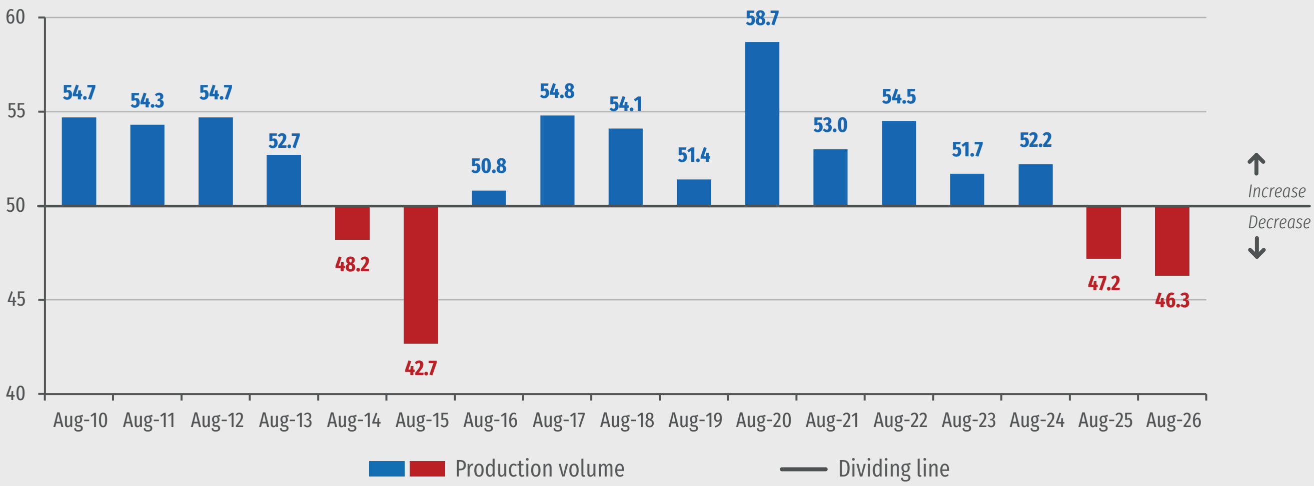
The effective-to-planned inventory index, in turn, fell and moved into negative territory, even though actual inventories remained practically in line with what companies had planned.

Industry expectations for the next six months also lost momentum from August to September 2026: all four expectation indicators declined. Expectations for product demand and for the purchase of inputs and raw materials remained positive, though less intense and less widespread, while expectations for exported quantity and for the number of employees stayed negative, pointing to an expected drop in exports and a reduction in the number of employees over the next six months.

Against this backdrop, industrial investment intention fell for the fourth consecutive month, reaching its lowest level since August 2020, during the Covid-19 pandemic, reinforcing the cooling of industrial expectations in the period.

Industrial Production index for the month of August

Diffusion indices (0 to 100 points)*



*Values above 50 indicate an increase in production compared with the previous month. Values below 50 points indicate a decline in production compared with the previous month. The further the reading is from 50 points, the larger and more widespread the change.

PERFORMANCE OF THE INDUSTRY IN AUGUST 2026

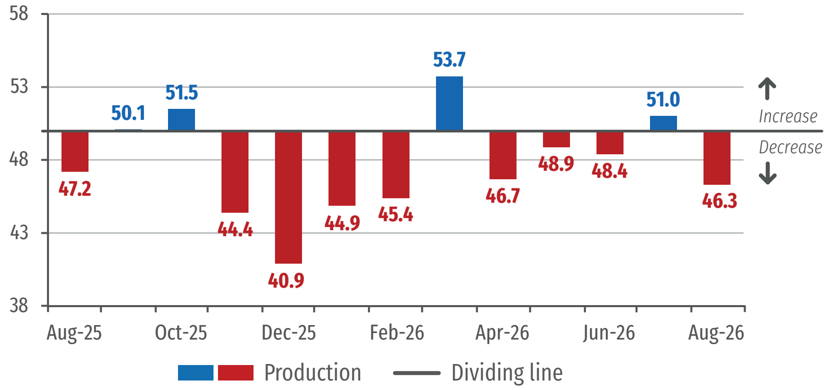
Industrial production falls sharply in August

The industrial production index stood at 46.3 points in August 2026, down 4.7 points from July 2026, when it had registered 51.0 points. With this result, the indicator left positive territory and began signaling a decline in industrial production for the period. This is the worst reading for the month of August since 2015, during the economic crisis, when the index registered 42.7 points. It is also worth noting that the result runs counter to what is usually observed for the period. Since 2015, August had only posted a reading below 50 points – that is, a decline in activity from July to August – in 2025; in the other nine years, the indicator stayed above the 50-point threshold.

The number of employees index, in turn, stood at 48.2 points in August 2026, down 0.4 point from July 2026. This small decline does not change the pattern seen in previous years, of a contraction in industrial employment as perceived by business owners.

Production evolution

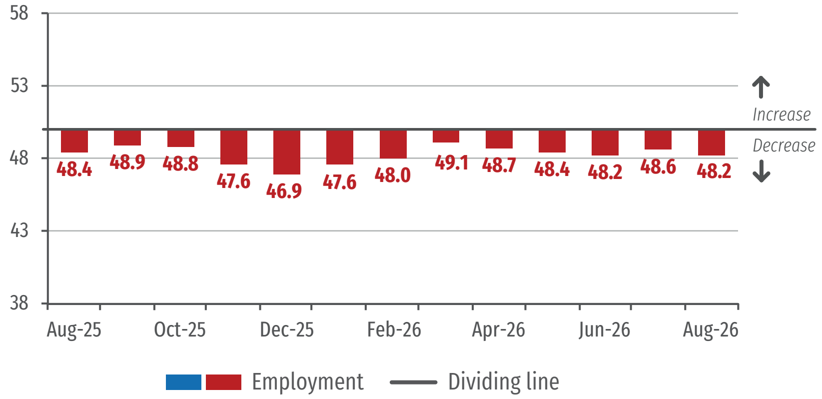
Diffusion index (0 to 100 points)*



*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

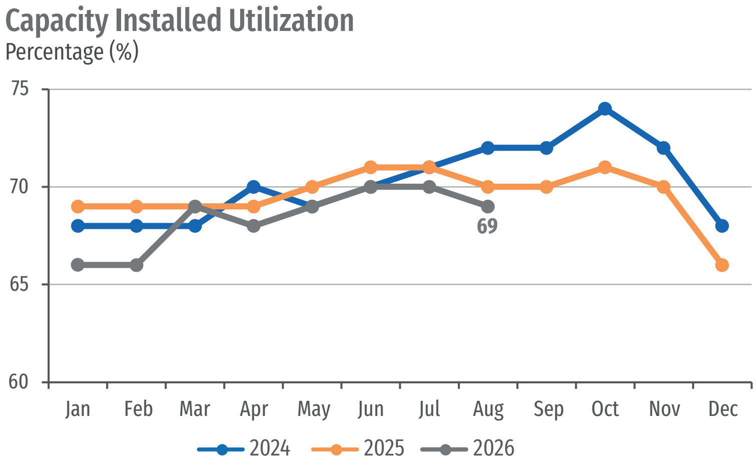
Diffusion index (0 to 100 points)*



*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 declines in August

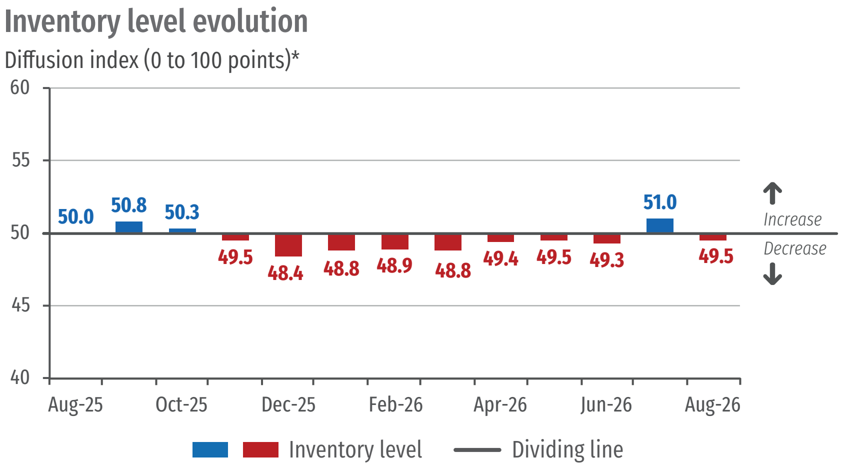
In August 2026, Installed Capacity Utilization (ICU) in industry fell 1.0 percentage point compared with July 2026, from 70% to 69%. The percentage is 2.0 percentage points below the average for the month of August, which is 71%.



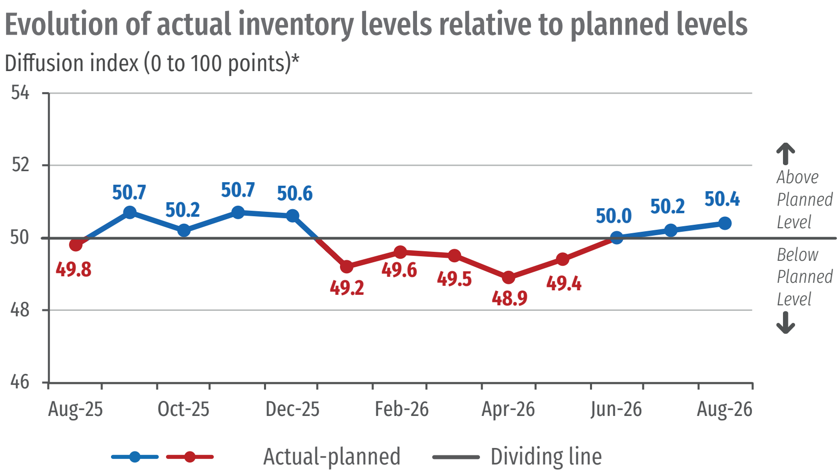
Inventory levels fall again, but remain in line with plans

The industrial inventories index fell 1.5 points from July to August 2026, from 51.0 to 49.5 points. With this result, the indicator crossed the 50-point threshold, moving to signal a decline in finished-goods inventories in industry for the period.

At the same time, the effective-to-planned inventory index, which compares the level of inventories held by industrial companies at the end of the month with the level planned (or desired) by companies, rose 0.2 point, from 50.2 points in July 2026 to 50.4 points in August 2026. This result indicates that industrial inventory levels remained practically in line with companies' plans.



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



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

INDUSTRY EXPECTATIONS IN SEPTEMBER 2026

Expectations decline broadly

In September 2026, all four industry expectation indicators declined compared with August. Despite the decline, the expectation indexes for product demand and for the purchase of inputs and raw materials remained above the 50-point threshold, while expectations for exported quantity and for the number of employees moved further below that threshold.

The index of expectation of demand posted the largest decline of the month, 1.4 points, from 52.6 points in August to 51.2 points in September 2026. Despite the decline, the indicator remains above the 50-point threshold, showing that expectations for demand over the next six months still point to an increase, albeit a smaller one.

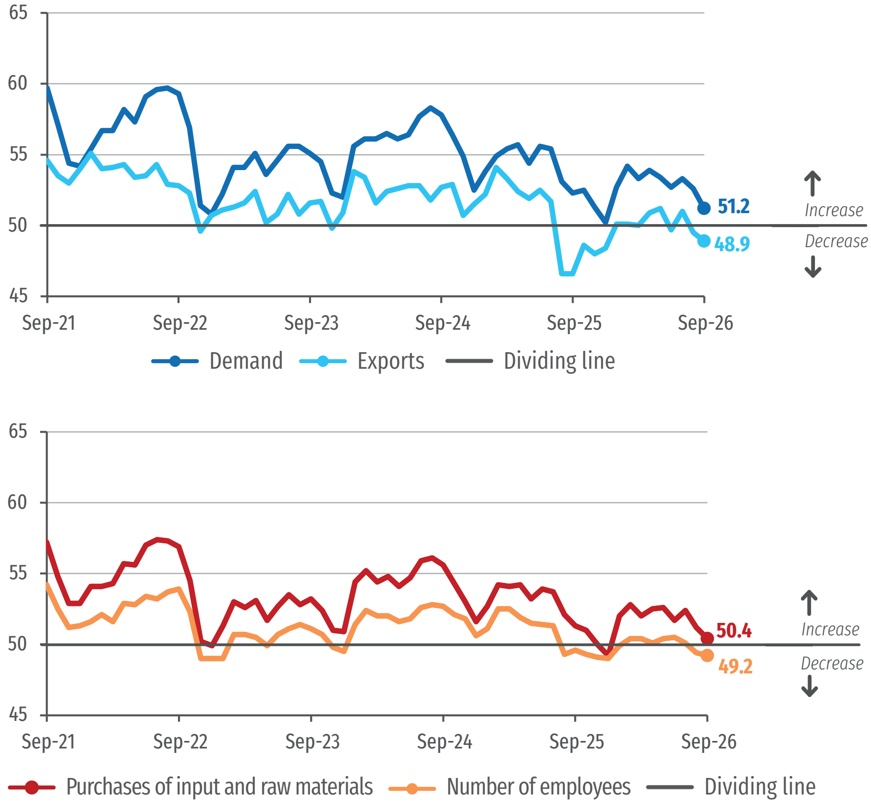
The expectation index for the purchase of inputs and raw materials fell 0.8 point, from 51.2 points to 50.4 points from August to September 2026. As it approaches the 50-point threshold, the indicator reveals a moderate expectation of an increase in the purchase of inputs and raw materials over the next six months.

The expectations index for export quantity, in turn, fell 0.6 point, from 49.5 points to 48.9 points between August and September 2026. The indicator is moving further away from the 50-point threshold, reinforcing expectations of a decline in exported quantity over the next six months.

Lastly, the expectation index for the number of employees had the smallest change among the indicators, a decline of 0.2 point, from 49.4 points to 49.2 points from August to September 2026. The indicator remains below the 50-point threshold, signaling an expected reduction in the number of employees over the next six months.

Expectation indices

Diffusion index (0 to 100 points)*



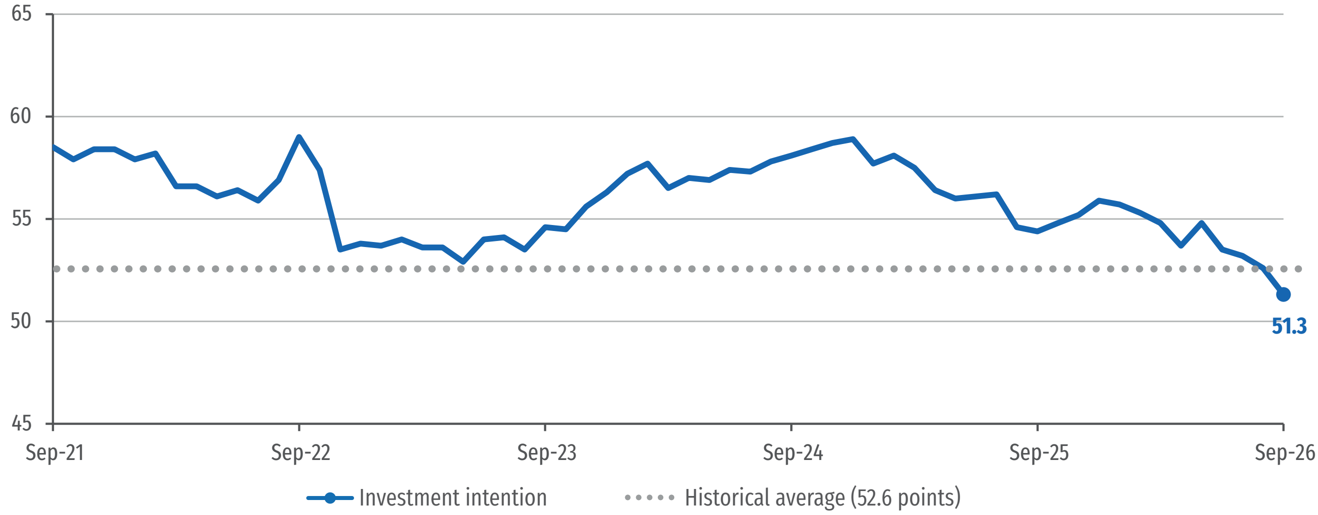
*The indices vary from 0 to 100. Values above 50 indicate an expectation of growth. Values below 50 indicate an expectation of decline.

Industrial investment intention posts worst result since the pandemic

The investment intention index for the industrial sector fell for the fourth consecutive month in September 2026. The index dropped 1.3 points compared with August 2026, from 52.6 to 51.3 points. The indicator shows a strong downward trend over the course of the year, posting its lowest value since August 2020, during the Covid-19 pandemic, when it registered 51.0 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 VOLUTION			CAPACITY UTILIZATION (%)			ACTUAL-USUAL CAPACITY UTILIZATION			INVENTORIES LEVELS EVOLUTION			ACTUAL-PLANNED INVENTORIES		
	Aug-25	Jul-26	Aug-26	Aug-25	Jul-26	Aug-26	Aug-25	Jul-26	Aug-26	Aug-25	Jul-26	Aug-26	Aug-25	Jul-26	Aug-26	Aug-25	Jul-26	Aug-26
Total	**47.2**	**51.0**	**46.3**	**48.4**	**48.6**	**48.2**	**70**	**70**	**69**	**43.5**	**44.3**	**42.2**	**50.0**	**51.0**	**49.5**	**49.8**	**50.2**	**50.4**
BY INDUSTRIAL ACTIVITY																		
Mining and quarrying	47.4	46.9	**49.6**	51.3	48.5	**48.6**	75	70	**69**	46.2	45.4	**45.0**	47.5	51.5	**48.9**	49.5	50.8	**48.4**
Manufacturing	47.1	51.1	**46.2**	48.3	48.6	**48.2**	70	70	**70**	43.4	44.2	**42.0**	50.2	50.9	**49.5**	49.9	50.1	**50.6**
BY COMPANY SIZE																		
Small[1]	46.7	47.0	**44.0**	47.8	47.4	**46.6**	65	64	**63**	43.6	43.5	**40.8**	47.6	47.7	**46.2**	46.5	45.1	**45.7**
Medium[2]	47.3	49.7	**45.7**	48.4	48.2	**47.5**	69	69	**67**	42.3	43.0	**42.4**	50.1	52.3	**51.0**	49.6	51.0	**51.0**
Large[3]	47.4	53.6	**47.8**	48.6	49.5	**49.4**	75	75	**75**	44.0	45.4	**42.7**	51.2	52.0	**50.3**	51.6	52.4	**52.5**

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*		
	Sep-25	Aug-26	Sep-26	Sep-25	Aug-26	Sep-26	Sep-25	Aug-26	Sep-26	Sep-25	Aug-26	Sep-26	Sep-25	Aug-26	Sep-26
Total	**52.3**	**52.6**	**51.2**	**46.6**	**49.5**	**48.9**	**51.3**	**51.2**	**50.4**	**49.6**	**49.4**	**49.2**	**54.4**	**52.6**	**51.3**
BY INDUSTRIAL ACTIVITY															
Mining and quarrying	53.1	54.3	**52.1**	52.9	54.4	**54.1**	49.5	51.4	**50.9**	49.0	49.4	**49.0**	57.5	60.4	**51.6**
Manufacturing	52.3	52.5	**51.2**	46.3	49.3	**48.5**	51.4	51.2	**50.4**	49.6	49.5	**49.2**	54.2	52.2	**51.1**
BY COMPANY SIZE															
Small[1]	53.1	53.3	**51.2**	45.6	47.4	**47.4**	51.7	51.0	**50.7**	50.0	49.5	**49.1**	39.7	39.2	**39.3**
Medium[2]	52.6	52.5	**51.1**	46.7	50.3	**48.4**	52.2	51.2	**49.8**	49.6	49.2	**48.4**	51.6	51.0	**49.0**
Large[3]	51.8	52.4	**51.3**	47.0	50.1	**50.0**	50.6	51.2	**50.6**	49.5	49.5	**49.6**	63.2	60.2	**58.5**

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
1,403 enterprises, including 587 small, 487 medium and 329 large companies.

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Learn more

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

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