

# INDUSTRIAL INDICATORS

ECONOMIC INDICATORS **CNI**

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Brazilian National Confederation of Industry  
THE FUTURE OF INDUSTRY

## Industrial Activity Shows Signs of Waning Momentum in June

Data from the June Industrial Indicators further emphasize the decline in industrial activity momentum in 2023. The indexes for real average income, real wage bill, and hours worked in the industry experienced a moderate decline in June, while industry's employment remained steady. Meanwhile, capacity utilization continues decreasing, as has been observed since 2021.


The real manufacturing turnover indicator, however, made strides during the month. Nonetheless, it also indicates a slow down, alternating between positive and negative outcomes, with the latter being more pronounced. As a result, real turnover has accumulated a decline over the year.

### Industrial Indicators - June 2023

		PERCENTAGE VARIATION		
		Jun23/ May23 seasonally adjusted	Jun23/ Jun22	Jan-Jun23/ Jan-Jun22
	Real revenue <sup>1</sup>	1.0	0.0	-0.2
	Hours worked in production	-0.2	0.4	0.8
	Employment	0.0	0.1	0.8
	Real wage bill <sup>2</sup>	-0.1	3.1	4.3
	Real average income <sup>2</sup>	-0.1	3.1	3.5

<sup>1</sup> Deflator: IPA/OG-FGV

<sup>2</sup> Deflator: INPC-IBGE

		AVERAGE PERCENTAGE			VARIATION IN PERCENTAGE POINTS
		Jun23	May23	Jun22	
	Capacity Utilization	Seasonally adjusted			-0.3 p.p. Jun23/May23
		78.7	79.0	80.7	
		Original			-2.4 p.p. Jun23/Jun22
		78.5	79.4	80.9	

### Real revenue increases in June

In June 2023, the Manufacturing real revenue increased by 1.0% compared to May for the series without seasonal effects. Compared to June 2022, the indicator shows stability. The indicator has been alternating between positive and negative outcomes since the last quarter of 2022. Nevertheless, the recorded increases are insufficient to fully counteract the downward trends, resulting in an accumulation of retreat in turnover. During the first semester, turnover experienced a cumulative decrease of 0.2% compared to the corresponding period in 2022.

### Real revenue

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



Deflator: IPA/OG-FGV

### Hours worked decreased in June

Hours worked in industrial production dropped 0.2% in June 2023 compared to May. Throughout the year, the indicator continues to alternate between positive and negative outcomes, oscillating around a consistent level. Compared to June 2022, there was a 0.4% growth, and the series accumulated a year growth of 0.8% compared to the same period in 2022.

### Hours worked in production

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



### Industrial employment shows stability in June

The industrial employment indicator remained unchanged from May to June 2023. During the year, the series has alternated between declines and advancements, indicating a diminishing momentum as the declines have grown more pronounced. However, the series remains higher than that observed in 2022. Compared to June 2022, there was a 0.1% growth, and the series accumulated growth of 0.8% in the first semester, compared to the same period in 2022.

### Employment

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

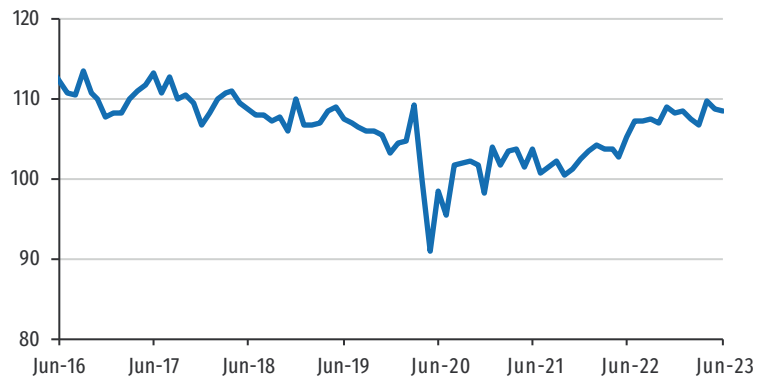


### Wage bill decreased in June

In June 2023, the real wage bill for the manufacturing industry displayed a nearly stable result, experiencing a marginal decrease of 0.1% compared to May. The indicator has decreased in four out of the first six months of the year, signifying a weakening momentum. Nevertheless, it persists at a level surpassing that observed throughout 2022: in comparison to June 2022, there has been a rise of 3.1%, and during the first half of the year, the series has accumulated a 4.3% increase in comparison to the corresponding period of the previous year.

### Real wage bill

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



Deflator: INPC-IBGE

### Average income experienced a decline in June

The real average income decreased by 0.1% in June compared to May 2023. Throughout the first semester, the indicator decreased in five out of the six months. However, the recent setbacks in the series do not negate the significant increase observed in April (+2.8%), leaving the indicator at a higher level than at the beginning of the year. Compared to June 2022, there was a 3.1% growth, and the series accumulated a year growth of 3.5%.

### Real average income

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



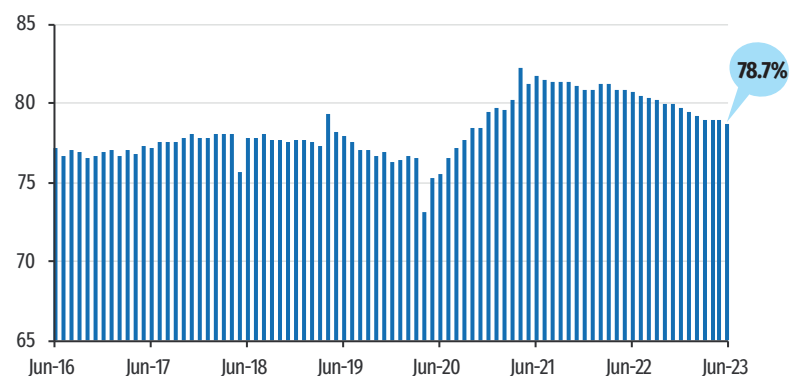
Deflator: INPC-IBGE

### In June, there was a decrease in capacity utilization

The Capacity utilization in the manufacturing industry reached 78.7% in June 2023, marking a decrease of 0.3 percentage points (p.p.) compared to May. In comparison to June 2022, the decrease amounted to 2.4 p.p. This result aligns with the ongoing downward trend observed in the series since 2021.

### Capacity Utilization

Seasonally adjusted (Average percentage)



Learn More

For further information on sectorial results, previous issues, methodology, and historical series, please visit: [www.cni.com.br/e\\_industriais](http://www.cni.com.br/e_industriais)

Document completed on August 2, 2023.

**INDUSTRIAL INDICATORS** | English version of "Indicadores Industriais Junho 2023" | Published monthly by CNI - National Confederation of Industry | [www.cni.com.br](http://www.cni.com.br) | Board of Industrial Development and Economy - DDIE | Director: Lytha Battiston Spindola | Economics Office - ECON | Executive Officer: Mário Sérgio Carraro Telles | Economic Analysis Unit- GAE | Manager: Marcelo Souza Azevedo | Analysis: Isabella Bianchi | Statistics Management- GEST | Manager: Edson Velloso | Team: Edson Velloso and Roxana Rossy Campos | Dissemination Coordination - CDIV | Coordinator: Carla Gadêlha | Graphic Design: Simone Marcia Broch.

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

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