

Global manufacturing production has stabilized, but with industrialized economies experiencing a delayed recovery

Global manufacturing production has stabilized following the economic disruptions caused by COVID-19, reaching pre-crisis levels in September 2020. Recent data indicate that regional recovery has varied: while China's manufacturing production has recorded year-over-year growth since June, many industrialized countries continue to report negative annual growth rates due to the extension of containment measures since autumn.

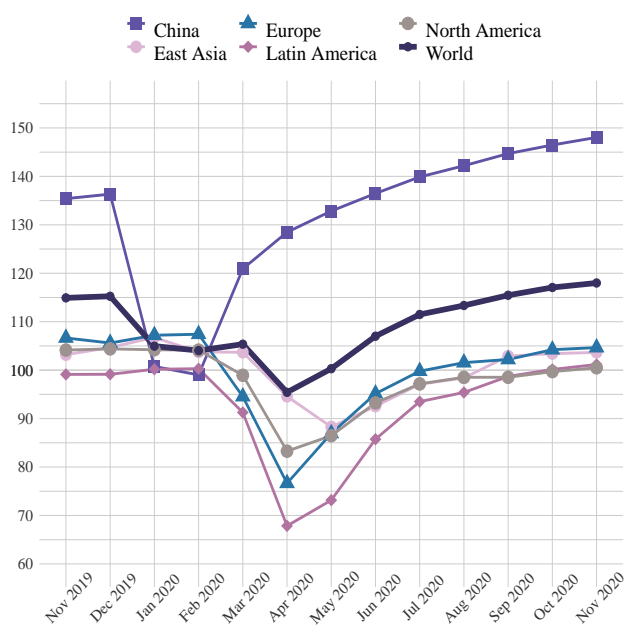


Figure 1: Index of world manufacturing output for specific regions (base 2015)

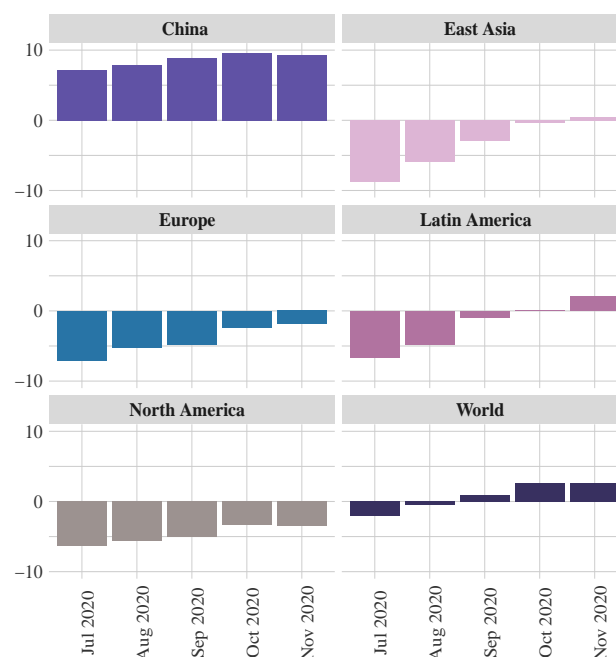


Figure 2: Growth of manufacturing output of specific regions, percentage change compared to the same period of the previous year

Figures 1 and 2 present global manufacturing production and that of selected country groups, and clearly depict the severe decline caused by the COVID-19 pandemic. In November, world ma-

World Manufacturing Production in November 2020

Manufacturing production recorded a year-over-year growth rate of 2.6 per cent, attributable primarily to China's positive performance. Taking a closer look at specific regions reveals diverging trends. China's manufacturing sector recovered quickly, with a growth in production of over 9 per cent for the last two months. Production data for Latin America also suggest that recovery is underway, with a year-over-year growth rate of 2.1 per cent in November 2020. By contrast, industrialized countries (grouped into North America, Europe and East Asia) continue to struggle with the ongoing economic and health crisis. Among these groups, only East Asia reported a low but positive growth rate compared to November 2019. It remains to be seen how the health crisis will unfold and how fast the vaccination campaigns, which were launched at the end of 2020, will allow an easing of the economic restrictions still in force in these countries.

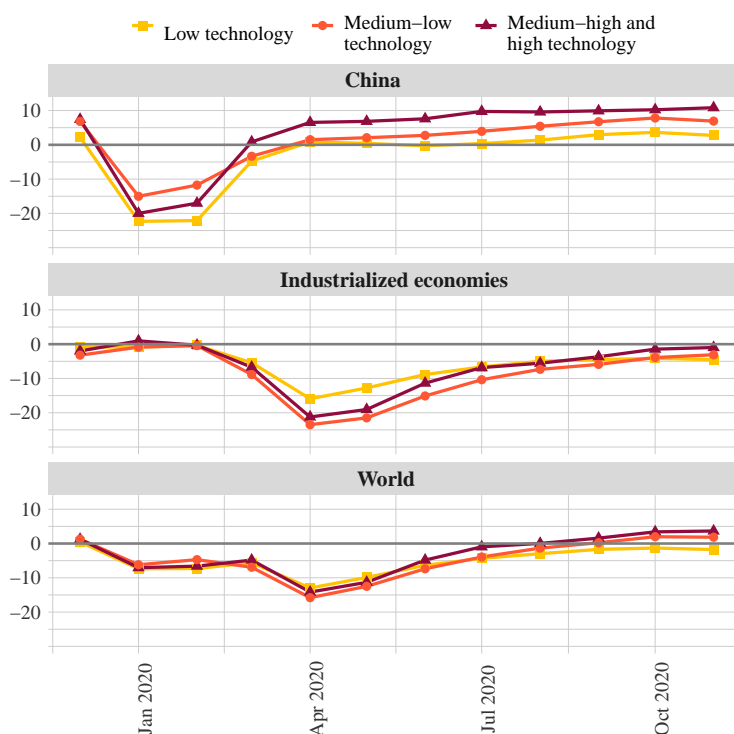


Figure 3: Estimated growth by technological intensity, percentage change compared to the same period of the previous year

Data on industries grouped by technological intensity (figure 3) reveal that medium-high and high-technology industries have recovered faster from the crisis than industries with lower technological

World Manufacturing Production in November 2020

intensity. Typical high technology industries are basic pharmaceutical products, computer, electronic and optical products or motor vehicles, whose production are already registering comparatively high rates of growth across the majority of country groups (figure 4). On the contrary, wearing apparel and leather products, as representatives of low technology industries, face high production decreases across all country groups.

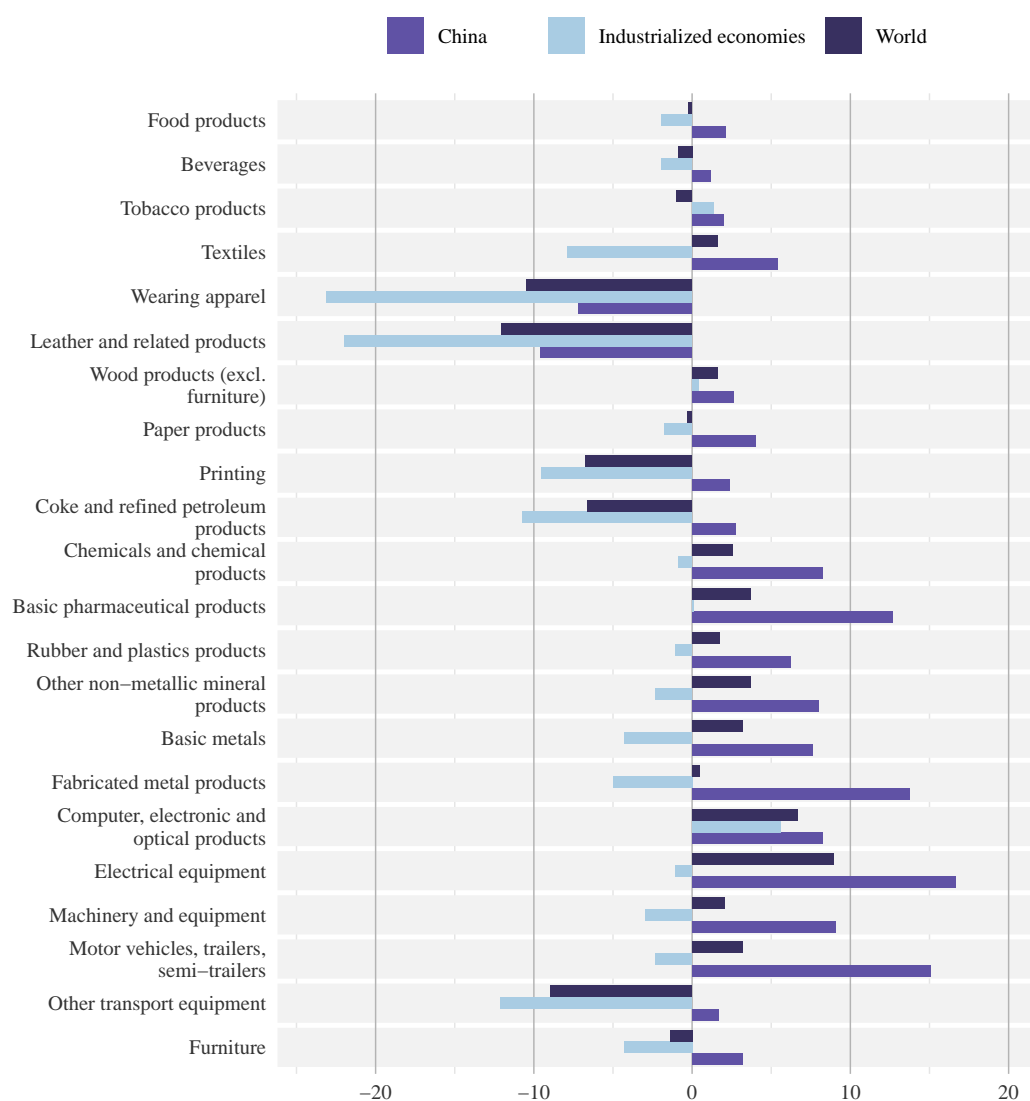


Figure 4: Estimated growth by industry, percentage change compared to the same period of the previous year, November, 2020

At the country level, most industrialized (figure 5) and developing or emerging industrial economies (Dev. and EIE, figure 6) registered a significant decrease in production due to COVID-19.

World Manufacturing Production in November 2020

Countries categorized as Dev. and EIE generally witnessed more intense production declines after the plunge in April 2020, but also seem to be recovering faster than industrialized countries.

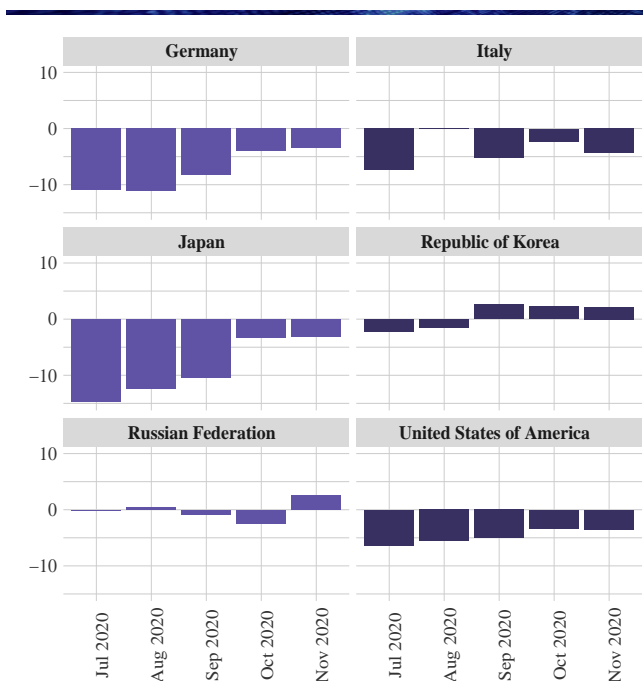


Figure 5: Growth of manufacturing output for specific industrialized economies, percentage change compared to the same period of the previous year

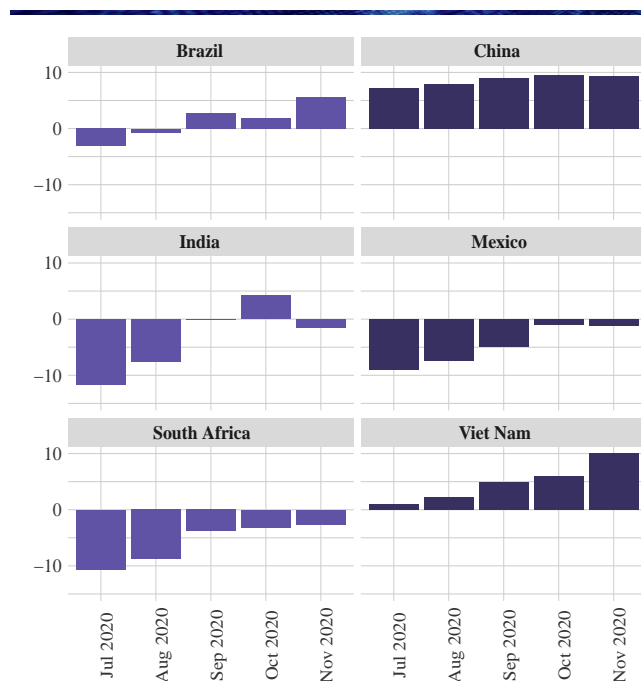


Figure 6: Growth of manufacturing output for specific developing and emerging economies, percentage change compared to the same period of the previous year

Methodological note: Preliminary index numbers of industrial production (base 2015) are derived from national statistical sources. UNIDO conducts seasonal adjustment where necessary and appropriate. The most recent monthly¹ or quarterly² data are available on the UNIDO Statistics data portal. Country coverage is limited due to data availability, with the aggregate of world manufacturing output including around 40 countries and a share of approximately 80 per cent of global manufacturing output. Information on the methodology of index numbers can be found in a methodological document³ as well as in a document on seasonal adjustment.⁴

¹<https://stat.unido.org/database/Monthly%20IIP>

²<https://stat.unido.org/database/Quarterly%20IIP>

³<https://stat.unido.org/content/publications/world-manufacturing-production-%2528methodological-note%2529>

⁴<https://stat.unido.org/content/publications/seasonal-adjustment-of-iip>

World Manufacturing Production in November 2020

Table 1

Estimated index of industrial production, selected country groups (base 2015)

	China	East Asia	Europe	Latin America	North America	World
Jan 2019	126.5	105.0	108.2	99.8	104.9	112.8
Feb 2019	126.5	104.7	108.4	100.7	104.4	112.8
Mar 2019	128.2	104.2	108.4	99.8	104.3	113.3
Apr 2019	126.8	105.6	107.8	101.2	103.4	112.9
May 2019	128.6	106.0	108.4	101.0	103.5	113.5
Jun 2019	130.2	104.9	107.4	99.8	104.1	113.4
Jul 2019	130.5	106.4	107.4	100.2	103.7	113.9
Aug 2019	131.8	104.6	107.2	100.2	104.4	114.0
Sep 2019	132.9	106.0	107.3	99.7	103.7	114.4
Oct 2019	133.6	103.8	106.8	100.1	103.1	114.1
Nov 2019	135.4	103.2	106.6	99.1	104.1	114.9
Dec 2019	136.3	104.7	105.6	99.1	104.4	115.3
Jan 2020	100.8	106.8	107.2	100.2	104.2	105.0
Feb 2020	99.0	103.8	107.4	100.3	104.1	104.0
Mar 2020	120.9	103.7	94.5	91.3	98.9	105.4
Apr 2020	128.5	94.6	76.6	67.9	83.3	95.4
May 2020	132.8	88.3	86.9	73.2	86.5	100.3
Jun 2020	136.5	92.6	95.1	85.7	93.2	107.0
Jul 2020	139.9	97.1	99.8	93.5	97.2	111.5
Aug 2020	142.2	98.4	101.5	95.4	98.5	113.3
Sep 2020	144.7	102.9	102.2	98.7	98.5	115.5
Oct 2020	146.5	103.4	104.2	100.1	99.7	117.1
Nov 2020	148.0	103.7	104.7	101.2	100.5	118.0

Source: UNIDO Statistics.

Note: Seasonally adjusted data.