

World Manufacturing Production in July 2021

The recovery in global manufacturing production is consolidating further, with a year-over-year growth of eight per cent registered in July 2021. However, a gradual decline in growth over the past months can be observed across all country groups. In addition, risks remain that rising infection rates, gaps in vaccination and new virus variants could dictate new socioeconomic restrictions, putting the ongoing recovery at risk.

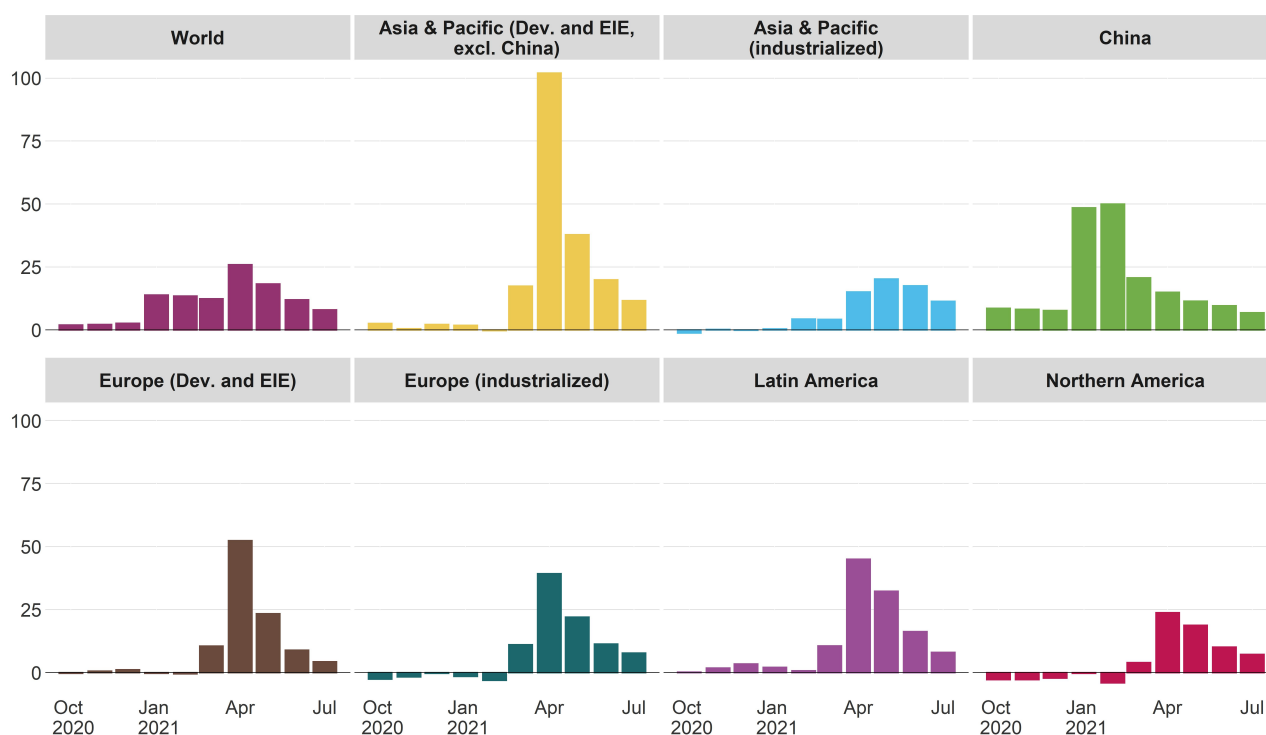


Figure 1: Annual growth rates of manufacturing output for selected country groups

The recovery from the impacts of COVID-19 in the sector can be verified in Figure 1, which shows the latest year-over-year growth rates of manufacturing production. In July 2021, growth rates ranged from 4.3 per cent in Europe (Dev. and EIE) to 11.7 per cent in Asia & Pacific (Dev. and EIE). The biggest manufacturers in the world, such as China, United States, Japan or Germany, recorded growth rates of at least five per cent. The same trend can be observed in Dev. and EIE, where manufacturing production of its largest economies, e.g. India, Mexico or Turkey, in addition to China, grew by at least six per cent. Furthermore, almost all of the country groups shown in the figure have already reached and exceeded their pre-pandemic level of December 2019.

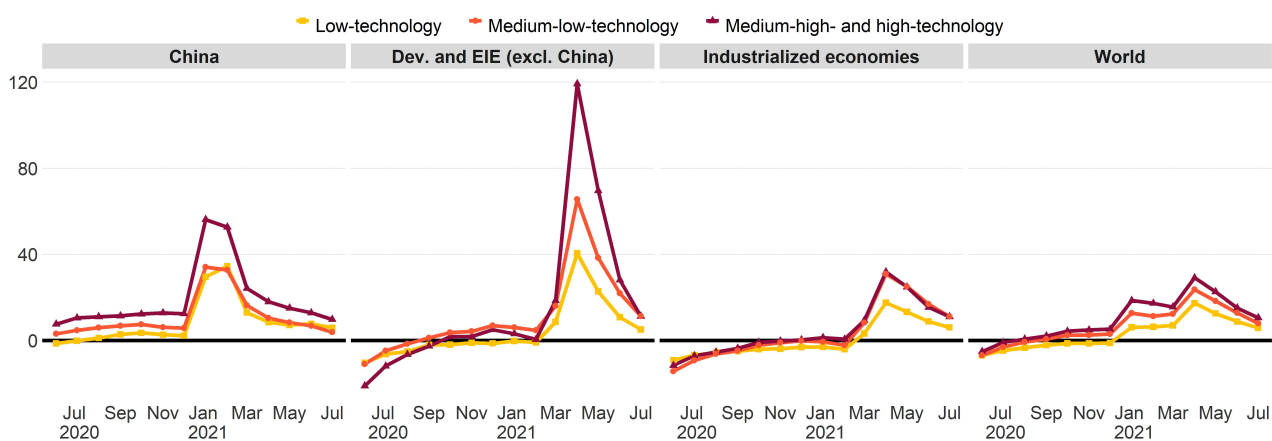


Figure 2: Annual growth rates of manufacturing production grouped by technological intensity for selected country groups

Data on industries grouped by technological intensity (Figure 2) reveal that industries with higher technological intensity continue to recover faster after the crisis. Many of the medium-high- and high-technology industries with high influence on global manufacturing, such as basic pharmaceuticals, electrical equipment as well as computer, electronic and optical products, have registered significant annual growth rates for several months (Figure 3). Generally, output in almost all industries increased considerably compared to the level observed a year before. One exception, however, is the production of motor vehicles, which dropped by two per cent in July 2021 due to troubles in its supply chains.

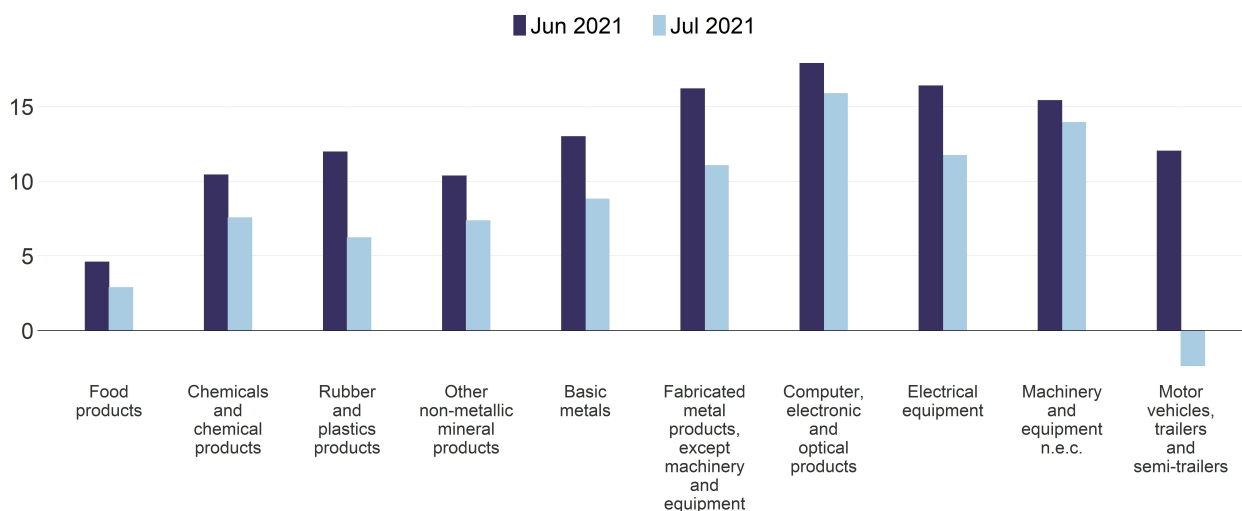


Figure 3: Annual growth rates of global manufacturing production by industry

Methodological note: Preliminary index numbers of industrial production (base 2015) are obtained from national statistical sources. UNIDO conducts seasonal adjustment where necessary and appropriate. The most recent [monthly](#) and [quarterly](#) data are available on the UNIDO Statistics data portal. The detailed data according to country groups used in this overview can be downloaded [here](#). Country coverage for this monthly report is limited due to data availability, with the aggregate of world manufacturing output including around 50 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 document](#) as well as in a [document on seasonal adjustment](#).