

World Manufacturing Production in July 2022

In July 2022, global manufacturing production continued to grow at a stable year-over-year growth rate of 2.5 per cent. A modest deceleration in comparison with the previous months is visible across all regions, with the exception of Latin America and the Caribbean (which accelerated to a 4.5 per cent increase). China's production kept recovering from the effects of localized lockdowns implemented in earlier months, though the recovery remains fragile. The latest data revealed stagnation in the manufacturing production in Europe, reflecting the growing consequences of inflation and the energy crisis. The ongoing conflict in Ukraine keeps the prospects uncertain.

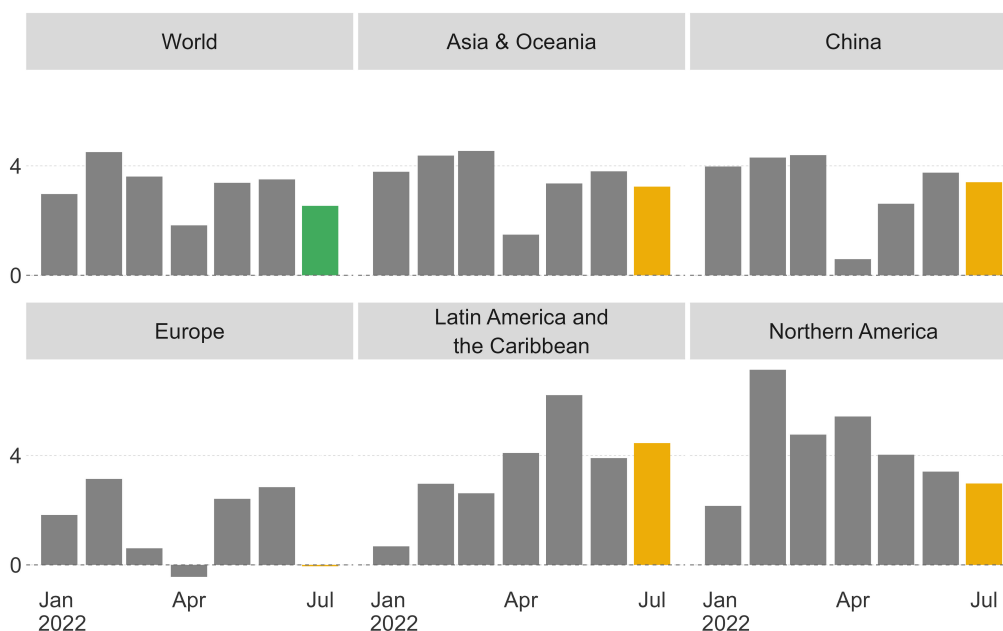


Figure 1: Annual growth rates of regional manufacturing output

Year-over-year growth rates of regional manufacturing production in recent months are shown in Figure 1. In July 2022, Asia and Oceania registered output growth of 3.2 per cent. A slight decrease in performance mirrored the manufacturing development of major economies in the region: China 3.4 per cent, Republic of Korea 3.0 per cent and India 3.3 per cent growth rate. On an annual basis, Japan recorded another contraction this month. However, prospects are improving as the manufacturing of motor vehicles, one of the largest industries in the country, gained some strength. Northern America's manufacturing registered a 3.0 per cent increase, a further deceleration in comparison with the previous months. Output growth of European economies stagnated in year-over-year comparison. The main contributor to this result was Ireland, reporting 25.0 per cent decline in manufacturing. Among the biggest economies in this group, Germany and Italy experienced a production decline of 1.4 and 1.6 per cent, respectively. On the other hand, Denmark and Poland reached a strong growth of more than 10 per cent.

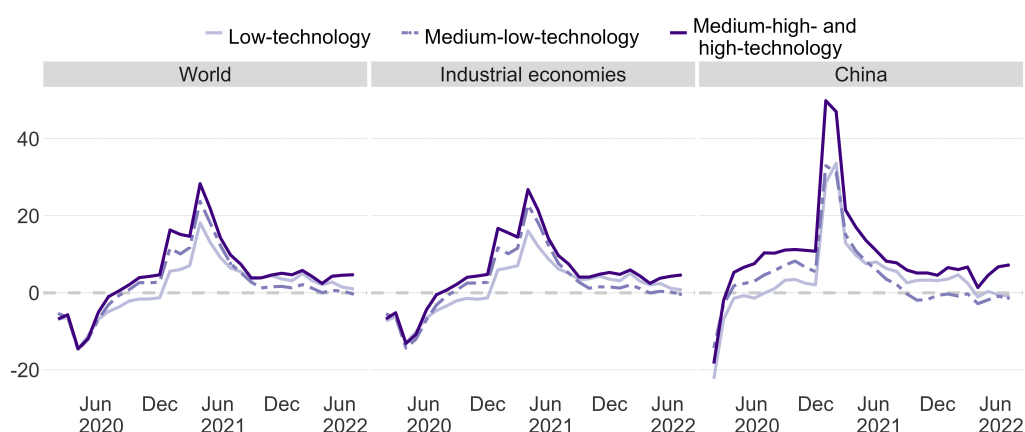


Figure 2: Annual global growth rates of manufacturing production grouped by technological intensity for selected country groups

Data on industries grouped by technological intensity (Figure 2) show that global production of medium-high and high-technology industries maintained a healthy growth of 4.7 per cent in July 2022, while medium-low technology manufacturing remained almost flat. At the same time, the output of low-technology industries increased by 1.1 per cent at a global level. In China, low- and medium-low technology manufacturing recorded a decrease, which was compensated with a growth of 7.2 per cent in higher-technology sectors. Manufacturing of motor vehicles appeared at the top of industries with the highest performance on an annual basis not only in China (17.6 per cent), but also at a global level, where this industry continued its recovery and reached almost 10 per cent increase in production. Most other industries kept growing, except the manufacturing of basic metals, other mineral products and pharmaceuticals (Figure 3).

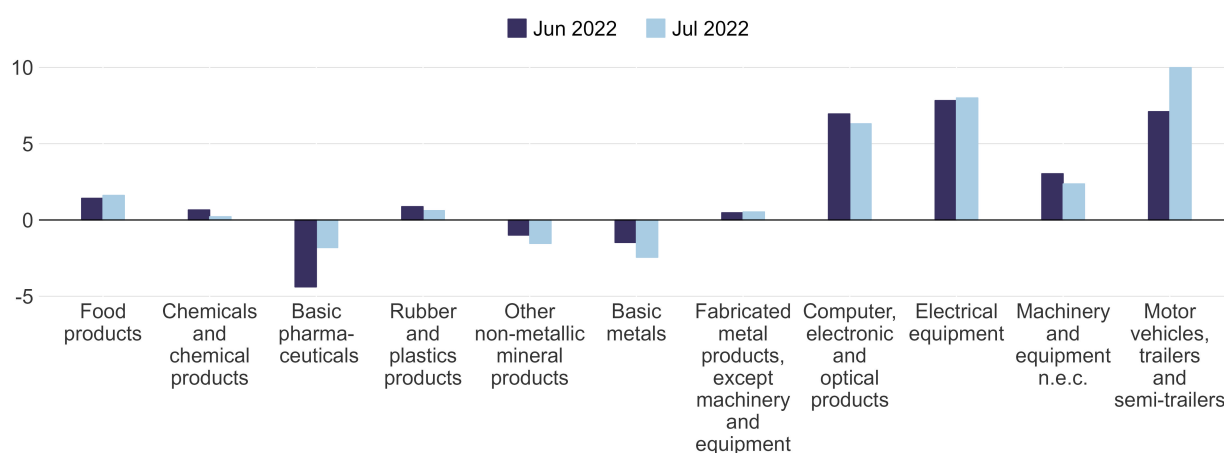


Figure 3: Annual growth rates of global manufacturing production by industry

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 for 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 70 countries and a share of approximately 90 per cent of global manufacturing output. Information on the methodology of index numbers can be found in this [methodological document](#) as well as in this [document on seasonal adjustment](#).