

Embargo: 11:00hrs 20 March 2019

MANUFACTURING ACTIVITY GRADUALLY WEAKENS

Manufacturers reported that output growth was broadly unchanged in the three months to March. It is worth noting, though, that the pace of growth was substantially weaker than the average for 2017-18. Total order books softened from February but remained above their long-run average. Meanwhile, export order books firmed from a weak February, and continue to be elevated in historical terms. Stocks of finished goods remained “above adequate”, at a broadly similar balance to February. Looking ahead, manufacturers expect output volumes to grow at a similar pace in the next three months. Meanwhile, expectations for output price inflation in the next three months are at their weakest since September 2016.

- Total order books (+1) softened a little from February (+6) but continue to be well above the long-run average (-13). Meanwhile, export order books (+8) strengthened from February (+1) and remain historically elevated (-17)
- Output growth was roughly steady in the three months to March (+4 from +7 in February), in line with the long-run average (+4). Output expanded in 11 out of 17 sub-sectors, with growth being driven predominantly by the food, drink, & tobacco, chemicals, and metal manufacture sub-sectors. The drags on growth came largely from the mechanical engineering, paper, printing & media, and motor vehicles & transport equipment sub-sectors. Respondents anticipate output volumes to grow at a broadly similar pace in the next three months (+7)
- Expectations for output price inflation in the next three months have eased noticeably (+7 from +22 in February), and are now at their lowest since September 2016
- The present stocks of finished goods (+11 from +10 in February) remained roughly in line with the long-run average (+13), following a small increase last month.).

Percentage balances	Mar	2019												Average**
		Apr*	May	Jun	Jul*	Aug	Sep	Oct*	Nov	Dec	Jan*	Feb	Mar	
1a Total order book	+4	+4	-3	+13	+11	+7	-1	-6	+10	+8	-1	+6	+1	-13
1b Export order book	+10	+9	+8	+9	+9	+9	+5	-4	0	+14	-5	+1	+8	-17
2 Stocks	+20	+12	+12	+8	+1	0	+3	0	+5	-2	+2	+10	+11	+13
3 Volume of output - past three months	+16	+13	+3	+29	+27	+21	+11	+13	+18	+23	+16	+7	+4	+4
3 Volume of output - next three months	+13	+21	+27	+18	+14	+20	+19	-3	+8	+14	+14	+8	+7	+9
4 Average prices - next three months	+18	+18	+19	+13	+13	+15	+13	+10	+9	+14	+18	+22	+7	+3

* Indicates a quarterly survey ** Since 1995

Percentages	Above Normal	Normal	Below Normal	N/A
Excluding seasonal variations, do you consider that in volume terms:				
1a Your present total order book is	27	46	26	0
1b Your present export order book is	28	57	20	1

Firms with no order book are requested to estimate the level of demand

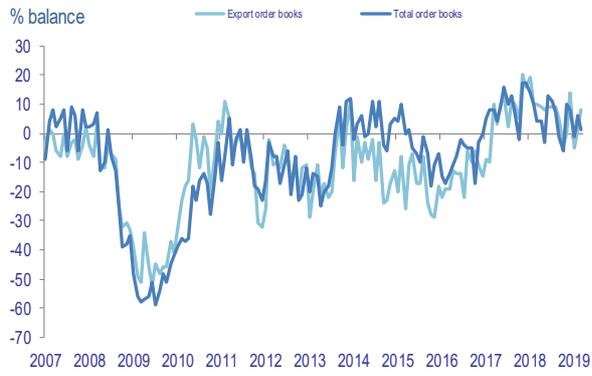
	More than adequate	Adequate	Less than adequate	N/A
2 Your present stocks of finished goods are	21	64	10	7

What, excluding seasonal variations, is the expected trend with regards to:

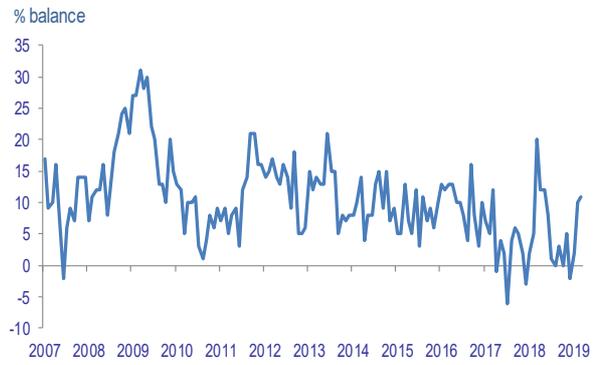
	Up	Same	Down	N/A
3 Volume of output over the past three months	30	44	26	0
3 Volume of output over the next three months	29	50	22	0
4 Average prices at which domestic orders are booked over the next three months	16	74	9	1

Monthly Industrial Trends Survey

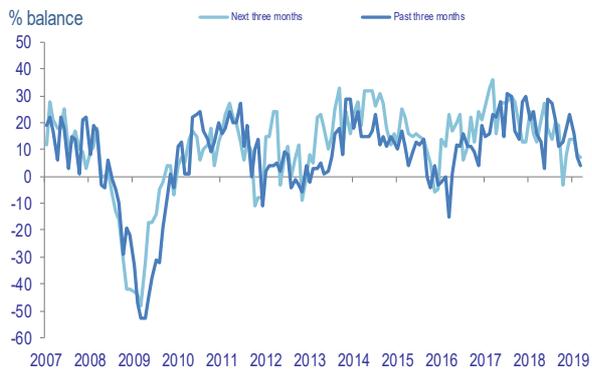
Demand



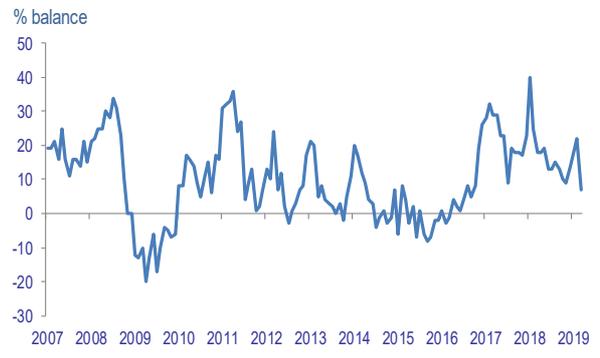
Stocks



Output



Price Expectations



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