

INDUSTRIAL PRODUCTION INDEX, MARCH 2020

Industrial activity in the Basque Country fell by 14.3% in March 2020

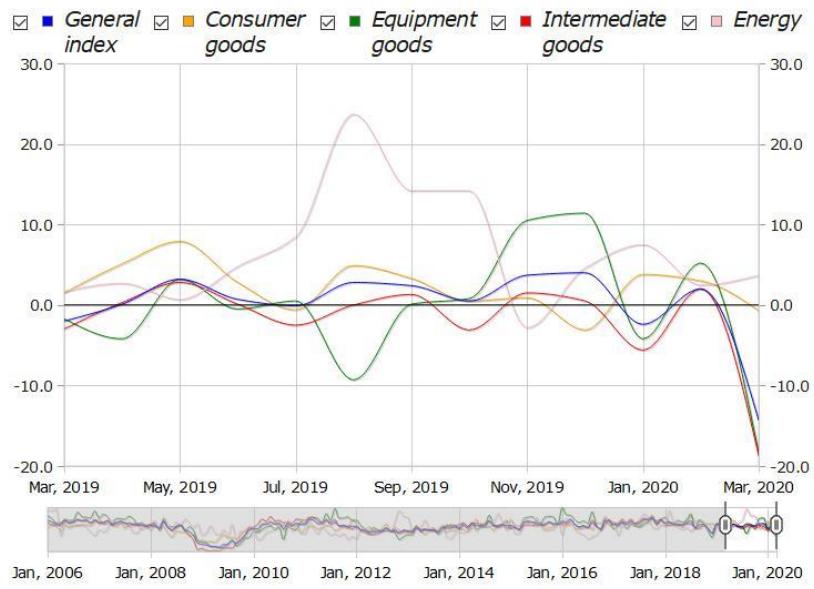
The balance for the first quarter of 2020 closed with a 4.9% drop in industrial activity

Industrial production of the Basque Country in March 2020 was down 14.3% compared to the same month of 2019, in homogeneous terms of the working calendar, according to Eustat data.

Compared to the previous month, February 2020, the industrial production of the Basque Country fell by 16.3%, once seasonal effects had been corrected.

Year-on-year variation rate of the industrial production index in the Basque Country (%)

Corrected for calendar effects



Source: Eustat. Industrial production index

The evolution of the index for March 2020 compared to March 2019 registered downward trends for all the large industrial sectors, with the exception of *Energy*, which rose by 3.7%. Among the activities that stood out in this sector were the supply of electrical power and oil refining.

Intermediate Goods were down by 18.7% and *Capital Goods* fell by 18.4%. Predominating among the former are the activities of metallurgy, manufacture of metal products, chemical industry and manufacture of rubber and plastic products; while among the latter it is worth mentioning manufacture of motor vehicles, construction of locomotives and railway material, naval construction and manufacture of aircraft.

Consumer Goods, as a whole, registered a slight fall of 0.7%, due to the extremely disparate performance of its components, given that *Consumer Durables* were down 13.4%, while *Consumer Non-Durables* were up 2.1%. Within *Consumer Durables* are the activities of manufacture of furniture, domestic appliances and electronic products. Included in the large sector of *Consumer Non-Durables* are the activities of preparation, processing and conservation of foodstuffs; manufacture of cleaning and hygiene products; and manufacture of clothing.

The month-on-month variation, March 2020 on February 2020 was also negative for all the large industrial sectors, except for *Energy*, which rose by 1.4%. *Capital Goods* fell by 24.0%; *Intermediate Goods* were down by 19.4%, and *Consumer Goods*, as a whole, dropped by 4.8%, also due to the combination of two disparate negative trends: *Consumer Durables* fell by 21.2% while *Consumer Non-Durables* were down 0.9%.

At a more disaggregated level, among the largest sectors in Basque industry, those that registered the most significant downturns in March 2020 with regards to year-on-year variations, were: *Transport Material*, which shrank by 34.5%, *Rubber and Plastics*, down 27.8%, *Metallurgy & Metal Products*, which decreased by 18.4% and *Electrical Material & Equipment*, with a fall of 15.7%. In contrast, the only sector that posted a positive year-on-year performance was *Electricity, Gas & Steam*, with a year-on-year rate of 1.9%, once corrected for the corresponding calendar effects.

Industrial production in the Basque Country. Key Sectors. Year-on-year growth rates. A-38 Sectorisation. Provisional Data

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SECTOR A38	
KEY SECTORS⁽¹⁾	
10 - Metallurgy and metal products	-18,4
16 - Electricity, gas and steam	1,9
09 - Rubber and plastic	-27,8
13 - Machinery and equipment	-6,7
14 - Transport material	-34,5
03 - Food, beverages and tobacco industries	-3,3
12 - Electrical equipment and material	-15,7
05 - Timber, paper and printing and reproduction	-2,3

Data corrected for calendar effects

(1) Sectors with greatest weight in industry

Source: Eustat. Industrial production index

By province, the year-on-year performance of the Industrial Production Index in March was negative in the three provinces, particularly in Álava, where it fell by 24.1%. In Gipuzkoa there was a drop of 12.5% and, finally, in Bizkaia it decreased by 9.8%.

Industrial Production in the Basque Country. Growth rates. Provisional data. March 2020

	Data corrected for calendar effects		Deseasonalised data	
	Mar2020 / Mar2019	A(Mar2020) / A(Mar2019)(*)	Mar2020 / Feb2020	Feb2020 / Jan2020
General index				
Basque Country	-14,3	-4,9	-16,3	1,7
Araba/Álava	-24,1	-6,9	-28,3	4,9
Bizkaia	-9,8	-4,4	-9,3	-0,2
Gipuzkoa	-12,5	-4,3	-15,8	1,7
INDEXES BY ECONOMIC DESTINATION OF THE GOODS				
Consumer goods	-0,7	2,0	-4,8	1,0
Durable consumer goods	-13,4	-0,8	-21,2	3,3
Non-durable consumer goods	2,1	2,6	-0,9	0,5
Equipment goods	-18,4	-5,7	-24,0	5,5
Intermediate goods	-18,7	-7,5	-19,4	2,5
Energy	3,7	4,6	1,4	-3,3

(*) Year-on-year variation rate for the accumulated period from January to the current month of 2020 compared to the same accumulated period of 2019

Source: Eustat. Industrial production index

NOTE ON THE EFFECT OF THE COVID-19 CRISIS ON THE MARCH IPI

Royal Decree 463/2020 of 14 March, declared a state of alarm in order to manage the health crisis caused by COVID-19.

The exceptional measures adopted brought the majority of industrial companies to a partial or total standstill during the last two weeks of March.

Due to this situation, obtaining the necessary information for compiling the Industrial Production Index required a greater degree of effort, by both the companies surveyed and the personnel dedicated to collecting and processing the information.

Eustat would like to thank all the companies that have collaborated in making this effort despite the extraordinary circumstances. As a result, the March index was calculated with 90.3% coverage of the sample - whose information was collected during April.

For further information:

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