

Industrial activity in the Basque Country fell by 12.4% in July 2020

Compared to the previous month, June 2020, the industrial sector increased production by 3.0%

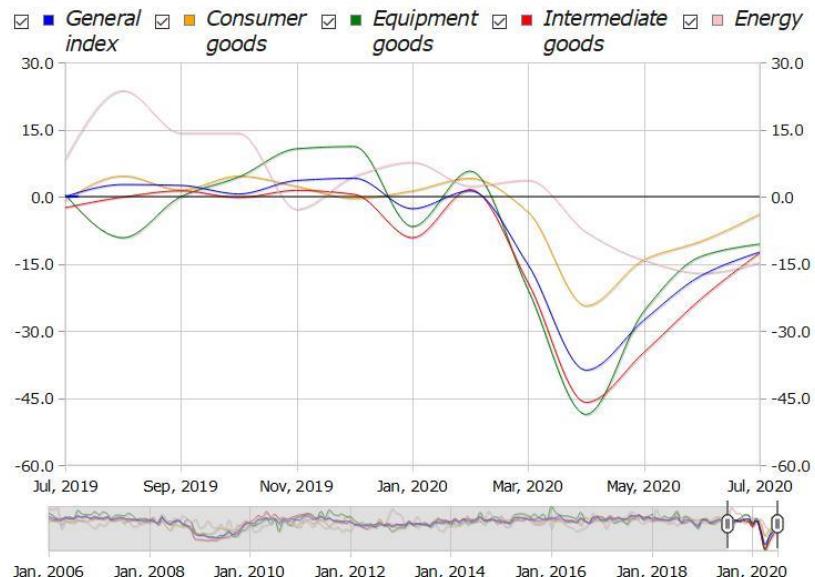
Industrial production of the Basque Country in July 2020 was down 12.4% compared to the same month of 2019, in homogeneous terms of the working calendar, according to Eustat data. This year-on-year decrease is less than those observed since March.

Comparing July 2020 with June 2020, the industrial production of the Basque Country rose by 3.0%, once corrected for seasonal effects.

The balance for the first seven months of 2020 closed with an accumulated contraction of 16.2% in industrial activity.

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

Corrected for calendar effects



Source: Eustat. Industrial production index

The index showed a downward trend for all the major industrial sectors in July 2020 compared to July 2019. *Consumer Goods*, as a whole, posted a year-on-year decrease of 3.9%, due to the 8.3% decrease in *Consumer Durables* and the 2.9% drop in *Consumer Non-Durables*. 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 preparation, processing and conservation of foodstuffs; manufacture of cleaning and hygiene products; and manufacture of clothing.

Capital Goods fell by 10.6% and *Intermediate Goods* were down 12.6%. Of note among the former were manufacture of motor vehicles, construction of locomotives and railway material, naval construction and manufacture of aircraft, while among the latter were the activities of metallurgy, manufacture of metal products, chemical industry and manufacture of rubber and plastic products.

Finally, *Energy* fell by 14.7%, once corrected for the appropriate calendar effects. Among the activities that stood out in this sector were the supply of electrical power and oil refining.

In contrast, the month-on-month variation, July 2020 on June 2020, showed a positive evolution in all the main industrial sectors, once corrected for seasonal effects. *Consumer Goods* as a whole were up by 2.6%, due to the combination of two different trends: *Consumer Non-Durables* increased by 3.3%, whilst *Consumer Durables* were down 0.6%. *Capital Goods* rose by 3.3% and *Intermediate Goods* were up 2.4%. Finally, *Energy* increased by 3.8% in month-on-month terms, once corrected for seasonal effects.

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

SECTOR A38	m / m-12
KEY SECTORS⁽¹⁾	
10 - Metallurgy and metal products	-20,7
16 - Electricity, gas and steam	-16,8
09 - Rubber and plastic	-4,2
13 - Machinery and equipment	-10,0
14 - Transport material	-2,4
03 - Food, beverages and tobacco industries	-7,9
12 - Electrical equipment and material	-10,6
05 - Timber, paper and printing and reproduction	-3,8

Data corrected for calendar effects

(1) Sectors with greatest weight in industry

Source: Eustat. Industrial production index

At a more disaggregated level, among the largest sectors in Basque industry, those that registered the most significant downturns in July 2020 with regards to year-on-year variations, were: *Metallurgy & Metal Products*, which shrank by 20.7%, *Electricity, Gas & Steam*, down 16.8% and *Electrical Material & Equipment*, which decreased by 10.6%, once corrected for the corresponding calendar effects.

By province, the year-on-year performance of the Industrial Production Index for July 2020 was negative in the three provinces: In Bizkaia there was a decrease of 14.4%, in Gipuzkoa there was a fall of 11.9% and, finally, in Álava it was down 10.1%.

In month-on-month terms, July 2020 on June 2020, once corrected for seasonal effects, there was an increase in production of 5.2% in Bizkaia, 1.9% in Álava and 1.6% in Gipuzkoa.

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

	Data corrected for calendar effects		Deseasonalised data	
	Jul2020 / Jul2019	A(Jul2020) / A(Jul2019)(*)	Jul2020 / Jun2020	Jun2020 / May2020
General index				
Basque Country	-12,4	-16,2	3,0	17,0
Araba/Álava	-10,1	-17,4	1,9	25,6
Bizkaia	-14,4	-16,7	5,2	11,1
Gipuzkoa	-11,9	-14,9	1,6	17,8
INDEXES BY ECONOMIC DESTINATION OF THE GOODS				
Consumer goods	-3,9	-7,4	2,6	2,4
Durable consumer goods	-8,3	-15,5	-0,6	7,8
Non-durable consumer goods	-2,9	-5,5	3,3	1,3
Equipment goods	-10,6	-16,8	3,3	9,1
Intermediate goods	-12,6	-20,6	2,4	21,8
Energy	-14,7	-5,7	3,8	-0,9

(*) 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

The models used in the correction of calendar effects and deseasonalisation of the series include the effect of COVID-19 on the variables studied, following the recommendations of the Statistical Office of the European Union (Eurostat) (Eurostat) in its methodological note [Guidance on Time Series Treatment in the context of the COVID-19 crisis..](#)

Eustat would like to thank all the establishments that have collaborated in making this effort despite the extraordinary circumstances. As a result, the July index was calculated with **86.28% coverage** of the sample - whose information was collected during August.

For further information:

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