



## United Kingdom / Royaume-Uni

### Industrial production unchanged

*In May, industrial output remained unchanged after slightly decreasing in April. Mining and quarrying activity, in particular, underpinned industrial production. However this increase was partially offset by the decrease in manufacturing production (-0.8% m/m).*

■ In May, industrial output remained unchanged after slightly decreasing the previous month (-0.1% m/m in April).

■ Mining and quarrying as well as water, sewerage and waste management activities, up by 3.5% m/m and 3.6% m/m respectively, underpinned industrial production. Indeed, oil and gas extraction rose markedly as there wasn't significant summer maintenance taking place during May. However these increases were partially offset by the decrease in manufacturing production (-0.8% m/m). The manufacture of food products, beverages and tobacco (+2.3% m/m) positively contributed to manufacturing production. However, in contrast, the manufacture of basic pharmaceutical and preparations (-5.9% m/m) as well as metal products (-4.1% m/m) weighed on activity.

■ The May data are disappointing. Production has been volatile at the beginning of the year in line with bad weather conditions, and has remained flat since March. Industrial activity thus remained very weak in comparison with the level observed at the end of 2007 (around -16%). Moreover if the level of activity remains unchanged in June, production will then be up by only 0.2% q/q in Q2 2013 (after +0.3% q/q in Q1). Year-on-year, the pace of decrease in industrial production slightly accelerated (-2.3% y/y after -1.6% in April).

■ However there was an additional working day in May 2012, and thus has probably contributed negatively to growth between May 2012 and May 2013. Moreover even if data have been less positive than surveys until now, the prospects seem less negative in the coming months. The manufacturing PMI index for activity was up in May (to 55.0 after 54.7 in May), rising for the third consecutive month. In addition, the new orders index, one of the leading indicators of the survey, also increased further in June, up from 54.7 in May to 54.7. This suggests that the performance of manufacturing sector may be less negative in Q2 than in Q1 (-0.3% q/q).

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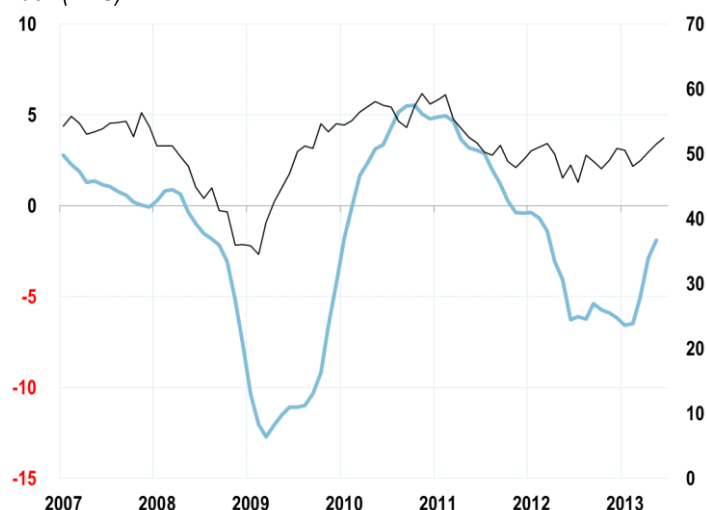
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### La production industrielle inchangée

*En mai, la production industrielle est restée stable, après n'avoir enregistré qu'une légère progression en avril (-0,1% m/m). La progression de l'activité dans les industries extractives a soutenu l'activité, mais la contraction de l'activité dans le secteur manufacturier (-0.8% m/m) a pallié cette hausse.*

#### ■ An expected improvement

— Manufacturing output (y/y, %); — PMI manufacturing headline index (RHS)



Source : ONS, Markit

#### ■ Data in details

MAY 2013	m/m	y/y	3m/3m
Total production	0.0	-2.3	0.2
Mining and quarrying	3.5	-3.5	-2.2
Manufacturing	-0.8	-2.9	0.3
Electricity, gas, water	-1.7	-0.8	3.4

Source: Office of National Statistics



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