

Embargo: 11:00hrs 18 December 2017

## MANUFACTURING ENDS THE YEAR ON A STRONG NOTE

*Manufacturing output grew at a robust pace in the three months to December, maintaining the momentum reported in the quarter to November. Order books remain, by a small margin, stronger than at any time since August 1988. Consequently, output is expected to continue growing in the three months to March, though at a more moderate pace. Meanwhile, expectations for output price inflation remain far above average.*

- **Output** growth was steady at a rate far above the long-run average in the three months to December. Output expanded in 15 out of 17 sub-sectors, with growth was driven by food, drink and tobacco, mechanical engineering, motor vehicle and transport equipment, and electronic engineering. Output growth is expected to slow over the next three months, but to remain above average.
- **Total order books** remained at the highest since August 1988, just eclipsing the level reached in June this year. Order book strength was broad-based with 14 out of 17 sub-sectors reporting that the level of order books was above normal, particularly in motor vehicles and transport equipment and mechanical engineering. Meanwhile, **export order books** softened a little from the preceding survey, but still remained stronger than at any other time since 1995.
- **Expectations for output price inflation** picked up for the next three months.
- **Stocks** of finished goods were considered to be broadly adequate in the three months to December, but stock adequacy remained below the long-run average.

Percentage balances	2017													Average**
	Dec	Jan*	Feb	Mar	Apr*	May	Jun	Jul*	Aug	Sep	Oct*	Nov	Dec	
1a Total order book	0	+5	+8	+8	+4	+9	+16	+10	+13	+7	-2	+17	+17	-14
1b Export order book	-15	-9	-10	+10	+3	+10	+13	+2	+11	+10	+5	+20	+16	-18
2 Stocks	+10	+7	+5	+12	-1	+4	+2	-6	+4	+6	+5	+2	-3	+13
3 Volume of output - <b>past</b> three months	+19	+15	+16	+23	+22	+28	+15	+31	+30	+17	+14	+28	+30	+4
3 Volume of output - <b>next</b> three months	+21	+26	+33	+36	+16	+28	+27	+28	+30	+28	+19	+13	+13	+8
4 Average prices - <b>next</b> three months	+26	+28	+32	+29	+29	+23	+23	+9	+19	+18	+18	+17	+23	+2

\* 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	28	61	11	0
1b Your present export order book is	28	65	12	4

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	7	74	10	3

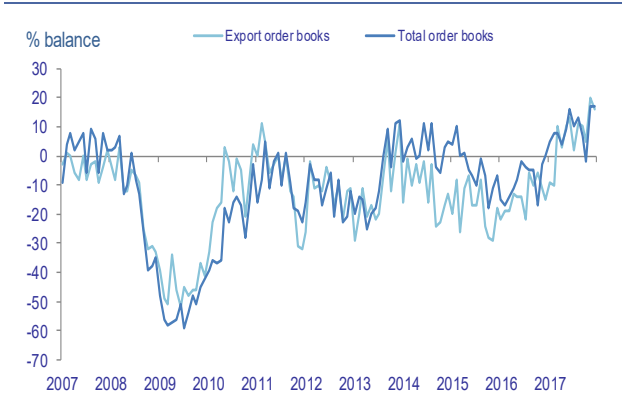
What, excluding seasonal variations, is the expected trend with regards to:

	Up	Same	Down	N/A
3 Volume of output over the <b>past</b> three months	42	47	11	0
3 Volume of output over the <b>next</b> three months	26	61	13	0
4 Average prices at which domestic orders are booked over the <b>next</b> three months	29	64	6	2

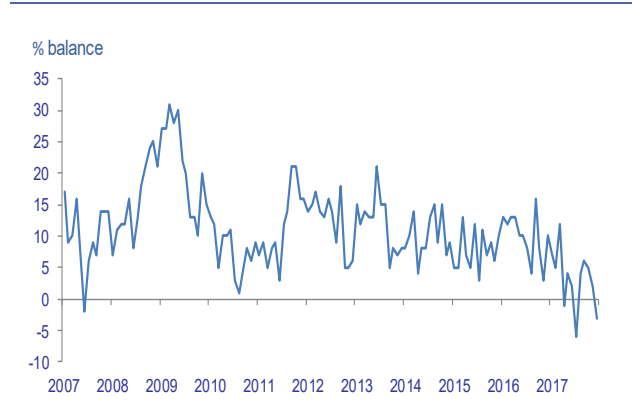
The survey was conducted between 22nd November and 12th December. 371 manufacturers responded.

## Monthly industrial trends survey

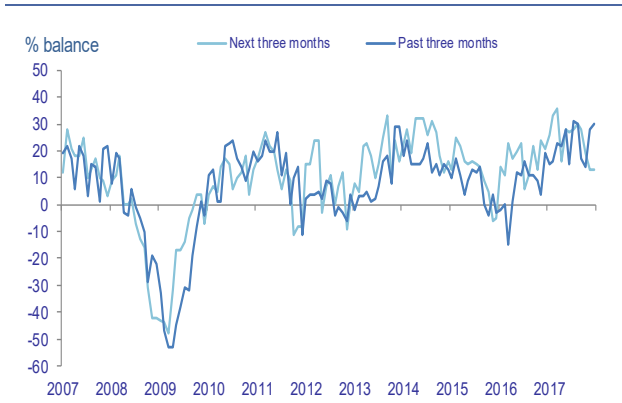
### Demand



### Stocks



### Output



### Price expectations

