

The year 2011 was successful for Estonian industry

According to Statistics Estonia, in 2011 the production of industrial enterprises grew 18% compared to the previous year. The growth of production was mainly influenced by the external demand, but the domestic demand also increased continually during the year.

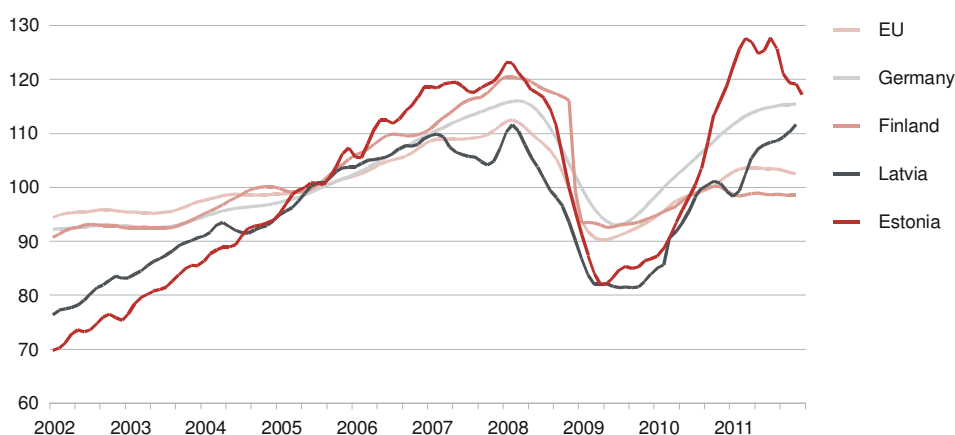
The rapid growth in production when the production grew steadily more than 20% compared to the same month of the previous year, continued till August 2011. Since September the growth in manufacturing slowed down considerably. At the end of the year, the main reason for the slowdown was deceleration of the economic growth in the European Union countries, which caused lower demand for the Estonian products, as well as essentially higher comparison basis. In 2011, the production in manufacturing increased 22% compared to previous year and the production of energy decreased 3% due to the decrease of heat production.

The production in manufacturing grew mainly due to the increase in exports. More than 70% of the whole production of manufacturing was sold on the external market. Export sales of the manufacturing production grew more than a third (36%) compared to 2010. The demand on the domestic market was lower – in 2011 domestic sales increased over a tenth (14%) compared to the previous year. However, the growth in the demand on the domestic market was faster than on the external market during the last quarter of 2011. In 2011, the production exceeded the volume of the previous year in most branches. The growth in the production of manufacturing was most influenced by the branches holding bigger shares – manufacturing of electronic products where the production increased by two times compared to 2010, and manufacturing of wood and metal products where the production grew 12% and 16%, respectively. With respect to the branches of manufacturing holding smaller shares, the production increased considerably in the manufacturing of machinery and equipment, electrical equipment, chemicals and motor vehicles.

In December 2011, the production of industry decreased 3% compared to December of the previous year; mainly due to the fall in energy production. In December compared to December 2010, the production of electricity decreased 13% and the production of heat 34%. The production of manufacturing grew 1%.

In December 2011 compared to November, the seasonally adjusted industrial production fell 1%; the production of manufacturing grew 1% during the month.

Volume index trends of production in manufacturing in the European Union, January 2002 – December 2011 (2005 = 100)



Change in volume index of industrial production, 2011 and December 2011
(percentages)

Economic activity	2011 compared to 2010	December 2011		
		change compared to the previous month according to seasonally adjusted data ^a	change compared to the corresponding month of the previous year according to unadjusted data	change compared to the corresponding month of the previous year according to working-day adjusted data ^b
TOTAL	17.9	-0.6	-5.1	-2.6
Energy production	-3.1	-6.1	-20.9	-20.9
Mining	7.5	-2.2	4.6	4.6
Manufacturing	22.3	0.7	-2.1	0.6
manufacture of computer, electronic and optical products	100.3	-4.9	-38.9	-37.2
manufacture of wood and wood products	12.0	2.8	11.8	14.5
manufacture of food products	3.1	-0.9	-0.7	0.8
manufacture of fabricated metal products	15.9	11.3	5.7	9.9
manufacture of electrical equipment	19.5	0.2	8.5	8.5
manufacture of chemicals and chemical products	19.5	-21.5	9.4	12.8
manufacture of motor vehicles	17.7	0.2	-7.5	-5.3
manufacture of machinery and equipment	45.3	-0.7	42.1	47.5
manufacture of furniture	10.7	3.7	0.9	4.4
manufacture of building materials	6.9	-2.7	20.5	24.3

^a In case of the seasonally adjusted volume index, the impact of the differing numbers of working days in a month and seasonally recurring factors has been eliminated. It is calculated only in comparison with the previous period.

^b In case of the working-day adjusted volume index, the impact of the differing number of working days in a month has been eliminated. It is calculated only in comparison with the corresponding period of the previous year.

For further information:

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More detailed data have been published in the Statistical Database (volume index of industrial production http://www.stat.ee/sdb-update?db_update_id=10677 and production of electricity and heat http://www.stat.ee/sdb-update?db_update_id=10667).