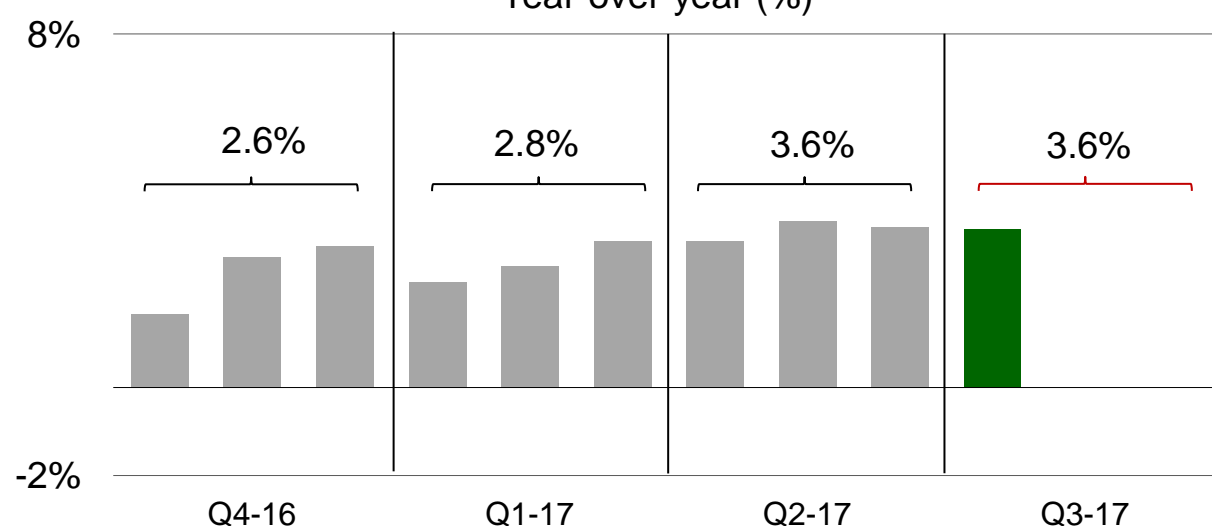
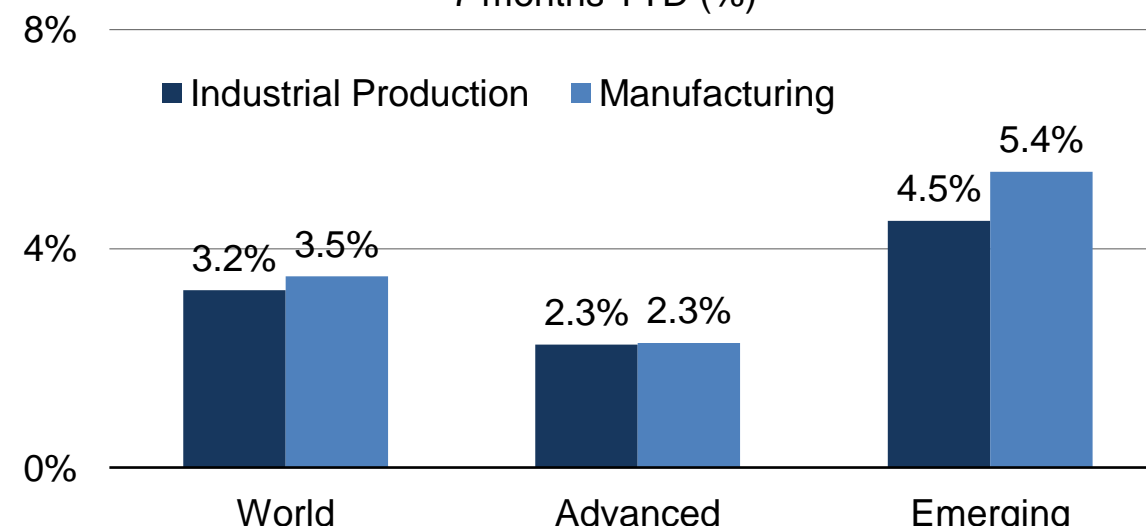


Global industrial production
Year-over-year (%)



Industrial production by region
7 months YTD (%)



Global industrial production up 3.6% in July, supported by strong factor output; production up 3.2% after 7M

World industrial activity continues to trend upwards, growing 3.6% year-over-year in July. Industrial production is up 3.2% after seven months, well above the 1.6% rate of growth recorded in 2016. Underlying the improvement in industrial production is stronger demand for manufactured goods, which is also contributing to higher merchandise trade flows. World manufacturing production was up 3.5% through July, with sturdy rates of growth recorded in most large economies. Perhaps the one major exception is the United States, where the pickup in activity primarily reflects a rebound in mining output (+5.6% year-to-date).

A key factor behind the recovery of manufacturing activity is a noticeable improvement in non-residential investment, as evidenced by higher supply of capital goods. In G7 countries, for instance, production of investment goods (machinery, equipment) grew 4.1% in July and is up 3% so far in 2017, with manufacturers in all countries but France reporting much stronger production volumes than in 2016. Higher confidence, rising capacity utilization rates and rapid credit growth are among the key reasons behind sturdy growth in non-residential investment in industrialized countries. Reduced monetary support as inflationary pressures develop could hold back growth in 2018.

Global industrial production ^{1,2} 2010=100, SA	July		June		7 months	
	2017 (p)	% chg yoy	2017 (r)	% chg yoy	2017	% chg yoy
Industrial production	119.6	3.6%	119.7	3.6%	118.6	3.2%
Advanced	107.9	2.9%	107.8	2.8%	107.1	2.3%
Emerging	138.6	4.3%	139.6	4.7%	137.7	4.5%
of which: manufacturing	123.1	4.0%	3.6%	3.6%	122.1	3.5%
Advanced	108.0	2.6%	2.5%	2.5%	107.6	2.3%
Emerging	154.8	6.0%	5.4%	5.4%	152.8	5.4%

Industrial production by region 2010=100, SA	July		June		7 months	
	2017 (p)	% chg yoy	2017 (r)	% chg yoy	2017	% chg yoy
North America	112.5	2.6%	112.3	2.7%	111.4	1.8%
Latin America	100.3	0.7%	100.0	0.4%	99.8	0.2%
Western Europe	105.8	2.9%	105.7	2.6%	105.1	2.0%
Eastern Europe	119.4	3.5%	122.2	4.6%	120.7	4.0%
Asia	136.3	4.6%	136.7	4.8%	135.0	4.8%

Manufacturing production by region 2010=100, SA	July		June		7 months	
	2017 (p)	% chg yoy	2017 (r)	% chg yoy	2017	% chg yoy
North America	110.7	1.4%	122.8	1.6%	110.5	1.3%
Latin America	103.6	3.0%	107.9	1.5%	102.6	1.9%
Western Europe	108.8	3.1%	154.4	2.5%	108.1	2.1%
Eastern Europe	128.2	4.2%	110.7	5.2%	129.6	4.4%
Asia	142.4	5.7%	102.5	5.3%	140.7	5.5%

¹ Monthly sample represents ~94% of global industrial production. Split by region, the index accounts for 100% of industrial activity in advanced economies and ~88% of industrial output in emerging markets. For countries that have not reported the latest month, the last two columns present year-to-date results.

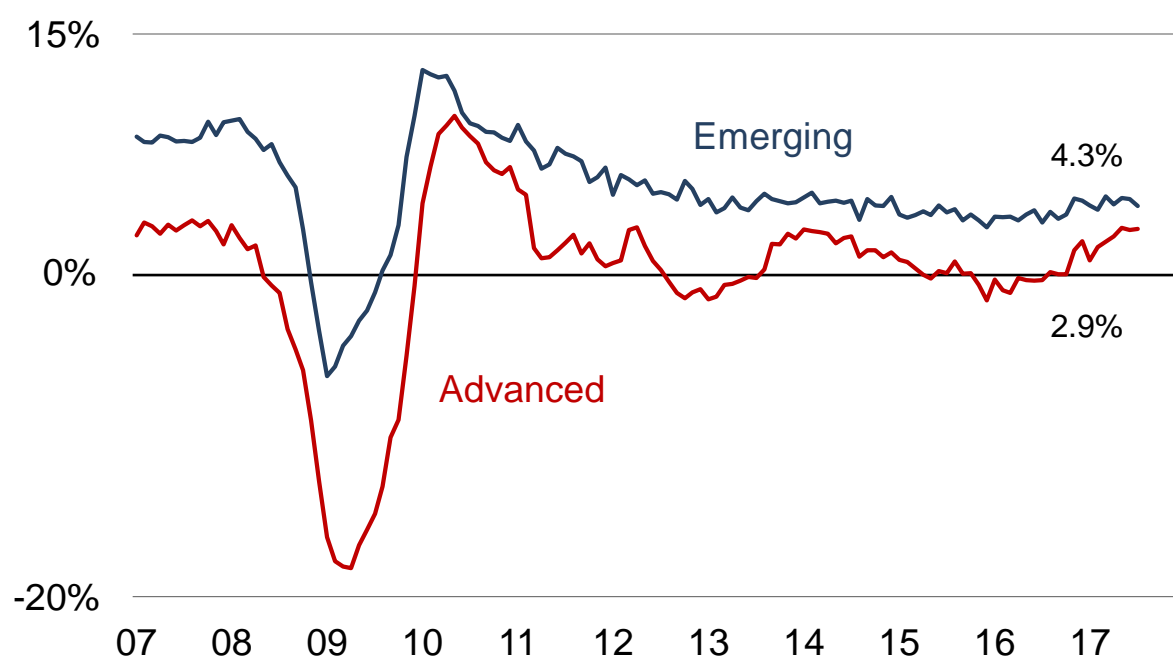
² Industrial production is unavailable for most oil major oil producing countries. For these countries, we proxy industrial production with crude oil production.

INDUSTRIAL PRODUCTION

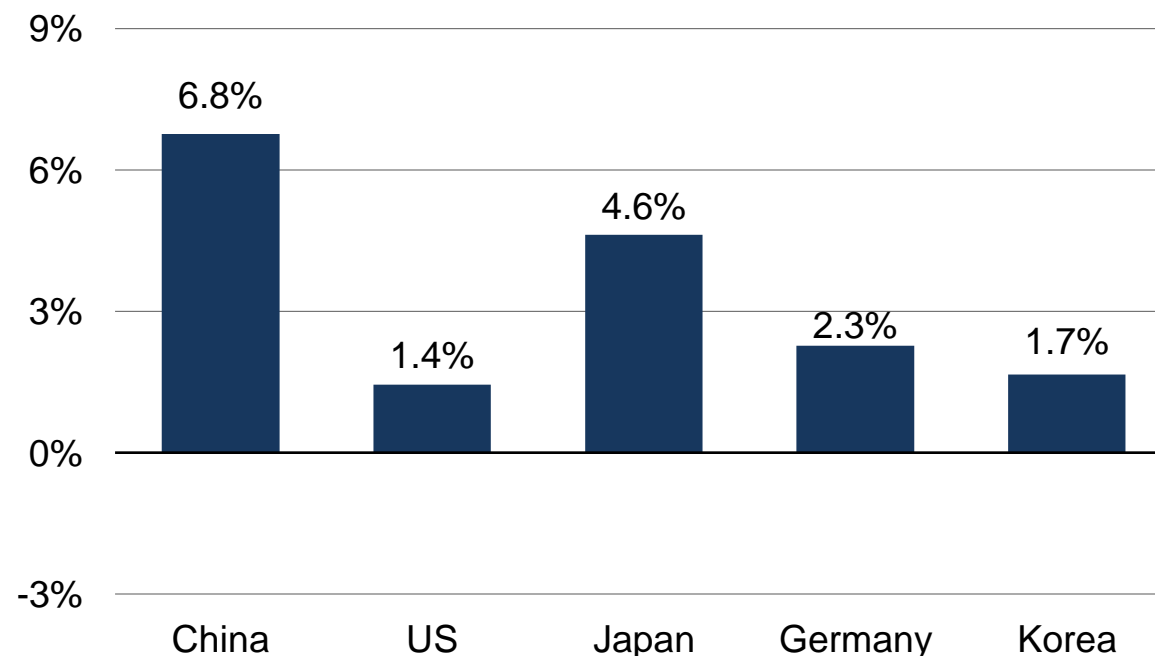
Industrial production, regional detail 2010=100, SA	July		June		7 months	
	2017 (p)	% chg yoy	2017 (r)	% chg yoy	2017	% chg yoy
World	119.6	3.6%	119.7	3.6%	118.6	3.2%
Advanced	107.9	2.9%	107.8	2.8%	107.1	2.3%
Emerging	138.6	4.3%	139.6	4.7%	137.7	4.5%
North America	112.5	2.6%	112.3	2.7%	111.4	1.8%
Canada	-	-	116.5	7.4%	114.7	5.2%
United States	112.0	2.2%	111.8	2.1%	111.0	1.4%
Latin America	100.3	0.7%	100.0	0.4%	99.8	0.2%
Brazil	85.8	1.4%	85.1	0.5%	84.5	1.2%
Mexico	108.2	-1.5%	109.3	-0.1%	109.3	-0.3%
Western Europe	105.8	2.9%	105.7	2.6%	105.1	2.0%
France	103.3	3.7%	102.7	2.3%	102.4	1.6%
Germany	113.3	3.9%	113.4	2.2%	112.8	2.3%
Italy	97.4	4.4%	97.3	5.2%	96.0	2.8%
Spain	97.5	2.2%	97.9	2.8%	97.4	2.1%
United Kingdom	100.7	0.4%	100.5	0.3%	100.4	0.9%
Eastern Europe	119.4	3.5%	122.2	4.6%	120.7	4.0%
Poland	129.6	6.7%	131.4	6.4%	129.5	5.9%
Russia	115.4	1.3%	116.8	3.0%	115.4	1.9%
Asia	136.3	4.6%	136.7	4.8%	135.0	4.8%
China	178.1	7.5%	179.4	7.5%	176.1	6.8%
India	-	-	-	-	113.6	1.9%
Indonesia	132.6	6.3%	142.2	6.3%	136.6	4.2%
Iran	102.1	5.2%	101.9	5.2%	101.6	10.1%
Japan	100.9	5.2%	101.4	5.2%	100.3	4.6%
Saudi Arabia	115.2	-3.3%	114.6	-3.3%	113.4	-2.7%
South Korea	111.2	-0.6%	109.1	-0.6%	110.8	1.7%
Turkey	134.3	3.8%	131.3	3.8%	131.5	4.7%
United Arab Emirates	127.0	-3.0%	127.0	-3.0%	126.6	0.1%

Industrial production, political aggregates 2010=100, SA	July		June		7 months	
	2017 (p)	% chg yoy	2017 (r)	% chg yoy	2017	% chg yoy
European Union (EU28)	108.0	3.2%	108.3	2.8%	107.7	2.5%
Eurozone	107.4	3.4%	107.3	2.7%	106.8	2.2%
NAFTA	112.1	2.2%	112.0	2.4%	111.2	1.6%

Industrial production by region
Year-over-year (%)



Industrial production - Top 5 countries
7 months YTD (%)



Definitions: Data measures physical production or supply of industrial goods. The sector coverage corresponds to categories B, C and D of the International Standard Industrial Classification (ISIC Rev. 4). The production indices aggregate extraction of fossil fuels, metal ores and minerals (category B - Mining), production of consumer, intermediate and investment goods (category C - Manufacturing) and provision of utilities such as electric power or natural gas (category D - Utilities). Globally, manufacturing production accounts for ~75% of industrial activity, although mining and quarrying represents a much larger share of the total in Latin America, Africa and Oceania. All time series are seasonally and calendar adjusted.

Source: Numera Analytics calculations based on publicly available information; current month for regional aggregates is partly estimated.