

Industrial Production up by 7.7% in October 2021

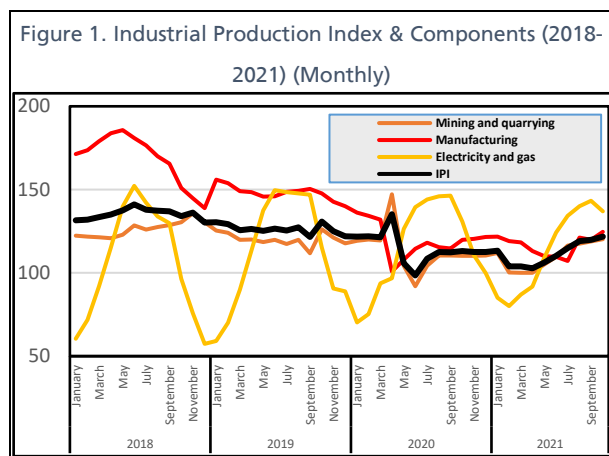
The Industrial Production Index (IPI) increased by 7.7% in October 2021 relative to the same month of 2020, to reach its highest level since April 2020. The increase in the industrial production resulted to a large extent from the surge of the production in mining and quarrying sector – with a weight of 74.5% in the IPI - by 9.1%. Saudi Arabia increased its oil production from 8.9 million barrels per day (bpd) in October 2020 to 9.7 million bpd in October 2021. The manufacturing activity also continued to improve in October 2021, recovering from the effects of the Corona pandemic that the world has witnessed during the last period and that adversely impacted the recovery of international trade and the increasing rise in national exports during the current year, which in turn was reflected in the improvement in the performance of the activity. Production in manufacturing activity increased by 4% compared to the same month of the previous year.

Mining and Quarrying dominate Industrial Production

Saudi industrial production is driven by mining and quarrying activity (including oil production), which increased in October by 9.1% as Saudi oil production operated at higher capacities.

Also, the non-oil manufacturing activities increased by 4.0% compared to October 2020 and 7.0% increase over the average performance of the activity during the previous year.

Electricity and gas supply activities recorded an increase of 4.7%. However, its impact was low because of its low weight of 2.9% in the IPI.

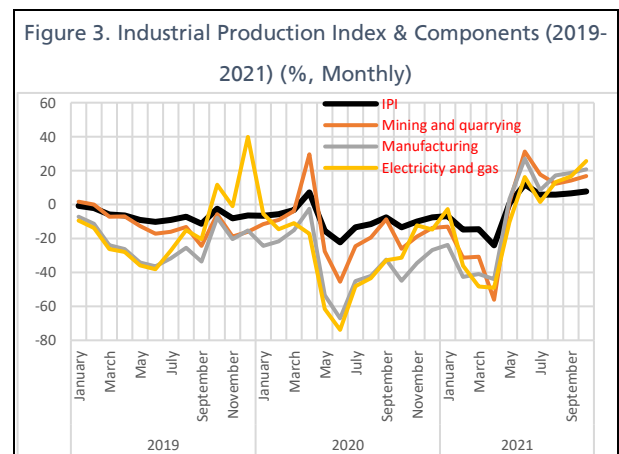
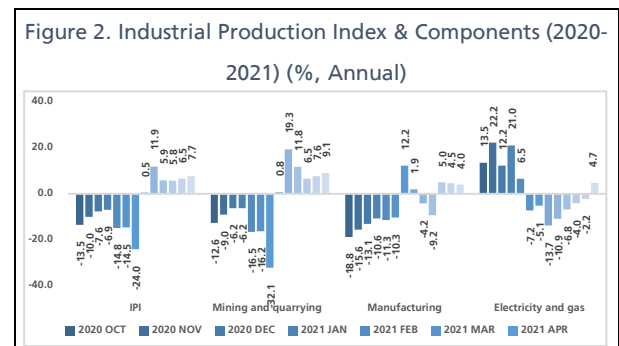


Industrial Production increased by 1.7% compared to September 2021

The IPI increased by 1.7% in October 2021 relative to September 2021.

Mining and quarrying activity increased by 1.3%, as the oil production in the Kingdom increased during the month of October to reach 9.7 million bpd, compared to 9.6 million bpd in September of this year.

Non-oil manufacturing activities increased by 4.0% relative to September 2021, as the Ministry of Industry and Mineral Resources announced in October's monthly report of industrial indicators, that 90 factories started production during the month. Electricity and gas supply decreased by 4.3%, with little impact on the IPI because of its low weight.



Methodology

The IPI is an economic indicator, reflecting the relative changes of the volume of industrial output. It is calculated based on the industrial production survey. The IPI data is based on the International Standard Industrial Classification of Economic Activities (ISIC 4). This index is published [monthly](#).

[Table](#)