

## Industrial Production increases by 26.7% in April 2022

In April 2022, the Industrial Production Index (IPI) increased by 26.7% compared to the same month of the previous year (April 2021). The IPI continued to show positive growth rates due to the high production in mining & quarrying, and manufacturing activity.

### Recovery in the Industrial Production sector

In April 2022, the year-on-year growth rate of the Industrial Production Index (IPI) was 26.7%, which is the highest rise in the last three years. Taking a longer-term view, growth of the IPI turned positive in May 2021 after a long period of negative growth rates in 2019 and 2020, partly impacted by the effects of the worldwide pandemic. Since mid-2021, the IPI growth showed a positive trend, accelerating at the end of 2021 to now.

### Mining and quarrying are the main drivers of the IPI

The relative weights of the mining and quarrying, manufacturing and electricity and gas supply sectors in the IPI are 74.5%, 22.6% and 2.9%, respectively. Thus, the trends of the industrial production index in the mining and quarrying sector dominates the trend in the general IPI.

In April 2022 mining and quarrying grew by 28.3% compared to (April 2021) as Saudi Arabia increased its oil production to its highest level by more than 10 million barrels per day in April 2022. The manufacturing activity also increased by 25.1% compared to the same month of the previous year, affected by the recovery of international trade. The electricity and gas supplies decreased by 2.0%.

Compared to March 2022, the overall IPI increased by 0.5%. Mining & quarrying showed a month-on-month growth rate of 1.3%. The manufacturing sector decreased by 2.0%, electricity & gas supplies index on the IPI was limited due to its small weight in the index.

Month	2019	2020	2021	2022
January	-0.9	-6.7	-6.9	11.1
February	-2.0	-5.7	-14.8	22.3
March	-6.0	-3.3	-14.5	24.8
April	-6.4	7.0	-24.0	26.7
May	-9.0	-15.5	0.5	
June	-10.3	-22.2	11.9	
July	-9.1	-13.4	5.9	
August	-7.3	-11.5	3.8	
September	-11.3	-7.5	6.5	
October	-2.5	-13.5	7.7	
November	-8.1	-10.0	10.3	
December	-6.3	-7.6	11.2	

Figure 1. IPI 2022 Compared to the Previous Three Years (dotted lines show the 12m trend)

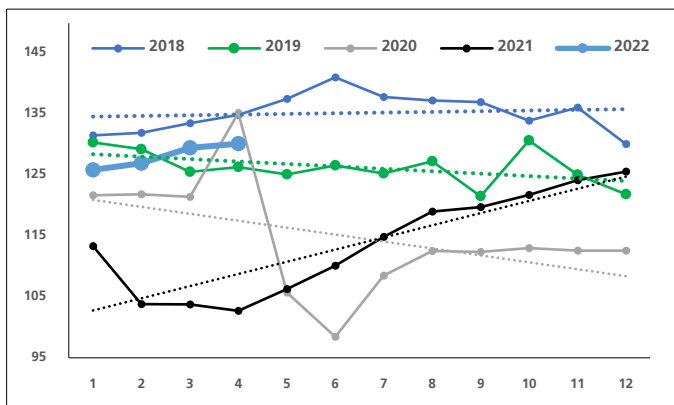


Figure 2. Industrial Production Index & the three Sub-indices (2018-2022)

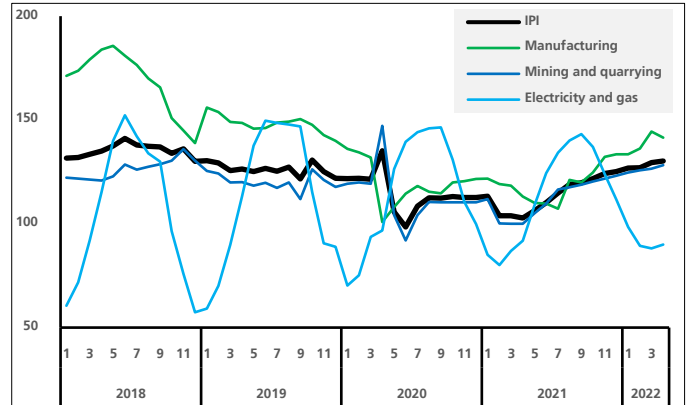


Figure 3. Industrial Production Index & the three Sub-indices (2019-2022) – Annual Growth Rates

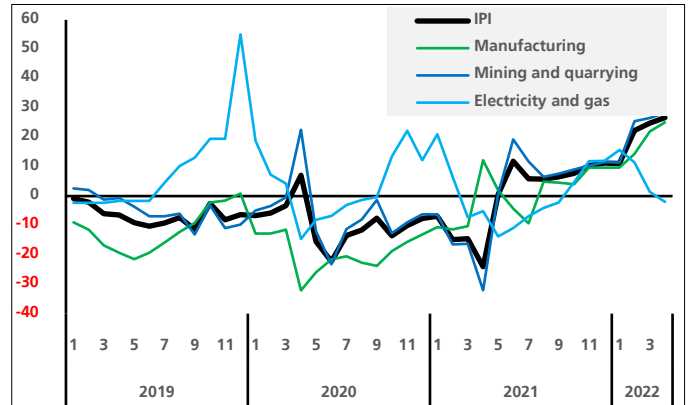
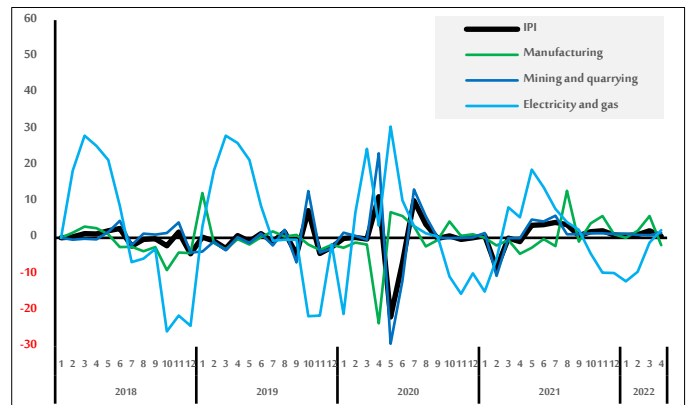


Figure 4. Industrial Production Index & the three Sub-indices (2018-2022) – Monthly Growth Rates



### Methodology

The IPI is an economic indicator, that reflects 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 on a monthly basis. For detailed information, click [methodology](#).