

Industrial production decreases by 11.2% in November 2023

In November 2023, the Industrial Production Index (IPI) decreased by 11.2% compared to November 2022, due to the decline witnessed in both mining and quarrying activity, and manufacturing activity.

Annual growth rates of IPI

At a negative growth rate of 11.2% in November 2023, the industrial production index continued its downward movement of previous months. The index peaked in early 2022, supported by growth rates of mining and quarrying activities, and manufacturing activities during that year. Since then, and in particular in 2023, growth rates went down, mainly driven by mining and quarrying.

Mining and quarrying main driver of IPI

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 trend of the industrial production index in the mining and quarrying sector dominates the trend in the general IPI.

In November 2023, mining and quarrying decreased by 15.8% compared to November 2022, as Saudi Arabia decreased its oil production to 8,8 million barrels per day in November 2023. Manufacturing activity decreased by 3.3% compared to the same month of the previous year. Electricity and gas supplies increased by 38.6%.

Compared to October 2023, overall IPI decreased by 1.8%, due to the decrease of production in the three sub-sectors. The mining and quarrying sector decreased by 1.4%, the manufacturing sector decreased by 1.0%, and the electricity and gas supplies sector decreased by 14.0%.

Table1. Annual Growth Rate of IPI (%)

Month	2020	2021	2022	2023
January	-6.7	-6.9	11.1	6.8
February	-5.7	-14.8	22.3	6.0
March	-3.3	-14.5	24.8	4.1
April	7.0	-24.0	26.7	3.2
May	-15.5	0.5	24.0	-1.2
June	-22.2	11.9	20.8	-1.6
July	-13.4	5.9	17.7	-9.5
August	-11.6	5.8	16.8	-12.2
September	-7.5	6.5	15.7	-11.2
October	-13.5	7.7	14.1	-12.3
November	-10.0	10.3	8.6	-11.2
December	-7.6	11.2	7.3	

Figure 1. IPI 2023 Compared to the Previous Years

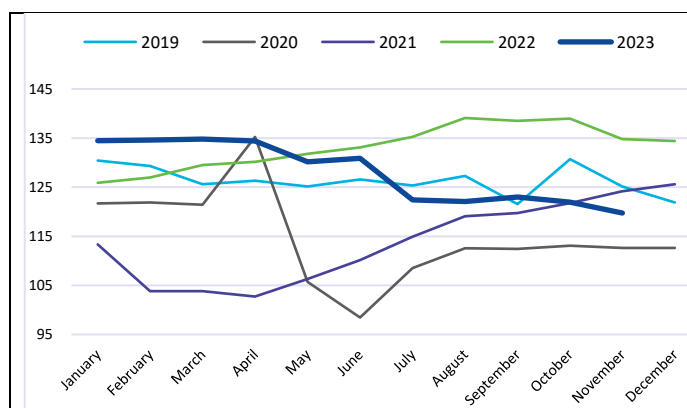


Figure 2 .IPI & Three Sub-Indices (2018-2023)

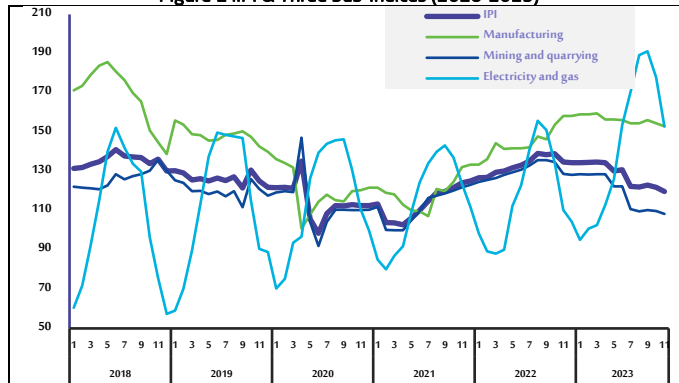


Figure 3. IPI & the Three Sub-Indices (2019-2023) - Annual Growth Rates

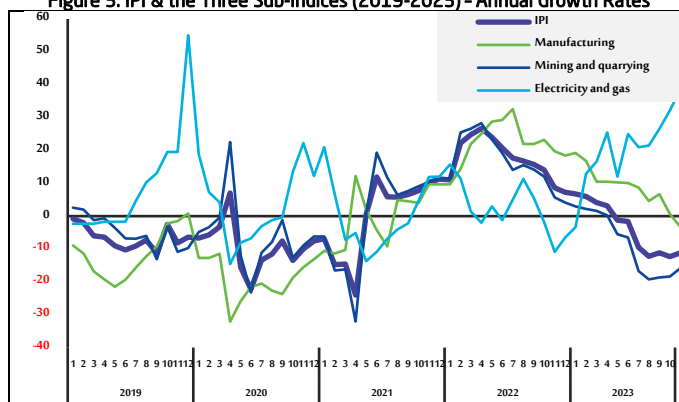
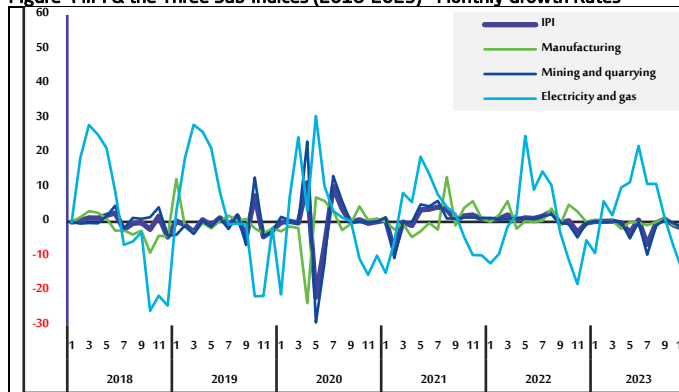


Figure 4 .IPI & the Three Sub-Indices (2018-2023) - Monthly Growth Rates



Methodology

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. IPI data is based on the International Standard Industrial Classification of Economic Activities (ISIC 4). This index is published monthly. For detailed information, click [methodology](#). [Link](#)