

A6: Manufacturing

Manufacturing is one of the production industries, which also include mining, electricity, water & waste management and oil & gas extraction.

In 2021, the manufacturing sector accounted for 9.8% of total UK economic output (Gross Value Added). In July-September 2022, it accounted for 8.1% of jobs.

Manufacturing Output

Manufacturing output

3 month % change on year before



Manufacturing output fell by 0.5% between October and November 2022 and was 2.5% below pre-pandemic levels (February 2020). 6 of the 13 subsectors negatively contributed to growth.

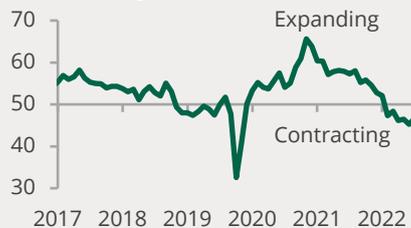
Manufacturing output for the three months to November 2022 was 1.2%

lower than the three months to August 2022. For the three months to November 2022, manufacturing output decreased by 6.2%, compared with the same period the previous year.

Purchasing Managers' Index (PMI)

UK Manufacturing PMI

50 = no change



In the S&P Global/CIPS PMI, a value of 50 means that there is no change compared to the previous month. Values above 50 indicate an expansion, and values below 50 a contraction.

The UK manufacturing PMI in the flash estimate for January 2023 was 46.7, up from 45.3 in December 2022. Job cuts

and input cost inflation were both noted in the survey as being particularly important factors in manufacturing.

PMI is based on a monthly survey asking companies about output, new orders, stock levels, employment and prices. PMI compares the current month with the previous one.

The PMI is produced faster than comparable official data. It often anticipates the direction of official figures, although the methodology is different.

Subject Specialist

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Update

ONS, [Index of Production](#), 10 February 2023

S&P Global/CIPS, [UK Manufacturing PMI](#), 1 February 2023

Manufacturing output index

	Index	% change on yr
2020	100.1	0.1
2021	109.8	9.7
2022 Sep	101.9	-6.8
Oct	102.6	-6.6
Nov	102.1	-6.2

Source: ONS, series [K22A](#), [K2JE](#)

PMI Index

	Index	Change on mth
2021 Jan	54.1	
2022 Jan	57.3	
2022 Nov	46.5	0.3
Dec	45.3	-1.2
2023 Jan	46.7	1.4

Source: [S&P Global/CIPS UK Manufacturing PMI](#)