



PRESS RELEASE

THE INDEX OF INDUSTRIAL PRODUCTION: DECEMBER 2016 DEPARTMENT OF CENSUS AND STATISTICS

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Department of Census and Statistics (DCS) has released monthly Index of industrial Production (IIP) for December 2016. The Index of Industrial Production is an important indicator of economic performance and its main purpose is to provide a measure of the short-term changes in the volume of industrial production over a given period of time. It can be used to identify the turning points in economic development at an early stage. Issuing a communique on releasing IIP for the month of December, 2016 Director General of DCS, Dr. A.J Satharasinghe stated that from the month of October, 2016 the IIP is released on a monthly basis with a time lag of 45 days. The base year for the IIP compiled by DCS is 2015. IIP value of different base years cannot be compared.

According to the IIP values released, the volume of industrial production has increased by 3.6% in the month of December, 2016 compared to the monthly average production of 2015. Manufacturing industries; Furniture (21.6%), Machinery and equipment (19.4%), Basic pharmaceutical product (14.5%) and other non-metallic mineral product (14.5%) showed remarkable increase in productions during month of December, 2016 compared to the average monthly production in 2015. The volume of food products has increased by 1.6 % in December. The industries; Tobacco product (11.3%), Wood products (6.3%), Electrical equipment (6.3%) and Coke and refined petroleum products (4.9%), reported decrease in the volume of production in the month of December compared to the average monthly production of their industries in 2015. The industrial production of the manufacturing sector for the **fourth quarter of 2016** has increased by 4.3% compared to average production in 2015. The Department stated that further details on monthly and quarterly IIP of 2016 are available in it's website: www.statistics.gov.lk/Industries).

Index of Industrial Productions (2015=100)

Month, Year	Index Value
December - 2016	103.6
4 th Quarter	104.3