

Industry output falls sharply in March

ISLAMABAD: The large-scale manufacturing (LSM) output during the month of March contracted by 22.95 per cent on a year-on-year basis due to closure of industries amid lockdown.

The data released by the Pakistan Bureau of Statistics (PBS) on Tuesday showed the impact of global economic slowdown on the local manufacturers in the month of March, which saw a partial lockdown in provinces.

The impact of complete lockdown in April will be much higher when the PBS releases data next month.

On a month-on-month basis, the LSM fell by 21.99pc during March compared to February. The impact of Covid-19 on LSM in February was marginal as it fell by 1.15pc on a year-on-year basis and 0.91pc on a month-on-month basis.

Similarly, during July-March FY20, the LSM shrank by 5.4pc from a year ago.

The government has partially lifted the lockdown and allowed export-oriented industries to resume operations to fulfill international orders. Similarly, industries catering to domestic needs are also resuming operations.

The LSM constitutes 80pc of the country's total manufacturing and accounts for nearly 10.7pc of the national output. In comparison, small-scale makes up for just 1.8pc of GDP and 13.7pc of the secondary sector.