


LSM grows 7.65pc in September

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ISLAMABAD: Pakistan's large-scale manufacturing (LSM) output grew 7.65 per cent in September on the back higher auto and cement production in the country, data released by the Pakistan Bureau of Statistics (PBS) showed on Thursday.

The LSM rebounded after suffering months of damage inflicted by Covid-19 mainly in the construction, sugar, automobile, and pharmaceutical sectors. The uptick during the month under review clearly reflects a revival in economic activities in the country.

The LSM grew 4.81pc between July and September in the current fiscal year from a year ago.

In 2019-20, the LSM output had fallen by 10.17pc on a yearly basis.

The PBS snapshot of manufacturing activity showed that nine out of 15 sub-sectors in the LSM rose in September. Lowering of interest rates and reduction in duties on raw materials are expected to further spur economic activities in the current fiscal year.

Sector-wise, production of 11 items under the Oil Companies Advisory Committee dipped by 2.84pc year-on-year during September. The 36 items under the Ministry of Industries and Production rose by 7.92pc, while 65 reported by the provincial Bureaus of Statistics rose 9.34pc.

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

As per the PBS data, the auto sector posted massive growth in September from a year ago. The production of tractors rose by 13.42pc, trucks 3pc, buses 34.29pc, jeep and cars 40.14pc and motorcycles 24.3pc during the month under review.

The cement output also grew 21.32pc during the month on the back of greater demand following the start of construction activities and increase in exports from the country. The production of paints and varnishes was up by 42.82pc.

Meanwhile, sugar production is expected to pick up in November on account of crushing season.

On the other hand, cigarettes production soared by 7.71pc year-on-year in September.

In pharmaceutical, the output of tablets rose by 18.51pc, syrups 5.88pc, injection

53.84pc, capsules 51.04pc and ointments 2.14pc. On the other hand, tea, cooking oil, and vegetable ghee production dipped 13.27pc, 2.98pc and 6.61pc respectively.

The data for September showed that output of petroleum products dipped by 2.84pc. The output of two oil products — petrol and kerosene was up 5.38pc and 13.45pc respectively. The production of LPG increased by 9.65pc during the month under review.

The production of furnace oil, jet (airline) fuel, lubricating oil, jute batching oil, and solvent naphtha also fell during the month under review.

At the same time, production of electronic goods contracted except deep freezers, air-conditioners, electric meters, electric transformers, storage batteries, and electric bulbs.

The production of electric bulbs, tube, fans, motors, meters, switch gears, TV sets etc also shrank due to demand slowdown.

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