

Most Foreigners Invest in Manufacturing in Brazil

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The manufacturing industry was the sector that most attracted investments to Brazil, in the second semester of 2004, reaching US\$ 29.3 billion - which represented 54.1% of the total investments of US\$ 54.16 billion.

The transportation, warehousing, and communications industries had the second highest investment volume, with US\$8.34 billion, the equivalent to 15.4% of the total.

The electricity, water, and gas production and distribution sector followed with US\$7.47 billion (13.8% of the total). The telecommunications sector had 12.8% (US\$6.8 billion) of the investments.

The data released Monday, April 18, by the National Investment Information Network (RENAI) considers investment projects announced by both Brazilian and foreign companies.

Industry Records

All the variables relative to Brazilian industry researched by the National Confederation of Industry (CNI) in 2004 broke historical records.

Real sales, employment levels, and the sum of net salaries paid in 2004 grew at their highest annual rates since 1992, when the CNI began to compile its industrial indicators. The number of hours worked and installed capacity also set records.

According to the CNI, the year's biggest highlight was the industrial labor market. The indices of employment and salary mass "recorded durable and intense growth trends throughout 2004," the document states.

The number of people employed by industry grew 3.49% in 2004, compared with 2003, over three times the previous record rate of expansion, which occurred in 2001.

The mass of salaries paid by manufacturing industries in 2004 was up 9.01% compared with the previous year.

The study indicates that real sales rose 14.29% in 2004, compared with 2003, the highest index ever registered by the survey. According to the document, this increase, which reached a peak in June, was a reflection of export growth and job recovery, among other factors.

The number of hours worked also rose significantly in comparison with 2003. With the exception of July, there was month-to-month growth throughout the year, for an average growth of 6.21% in 2004, compared with 2003.

The average level of use of installed capacity in 2004 was 82.3%, 2.5% more than in 2003. This figure also surpassed the previous record, set in 2002, by 1.7%.

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