

## Tobacco and Printing Help Brazil Industry Grow 7% in 12 Months

Contributed by Isabela Vieira  
Thursday, 04 September 2008

Industrial activity in Brazil grew 1% in July when compared to the previous month, lower growth than was identified from May to June (2.9%). This information was disclosed September 2 by the IBGE (Brazilian Institute of Geography and Statistics).

Among the categories for use, the IBGE pointed out the record growth in capital goods (machinery and equipment), with expansion of 1.2%, followed by intermediary goods (inputs), which grew 1.1%, in July. These are the best results in the series, which dates back to January de 2001.

The category of durable goods dropped 5.2%, against growth of 7.7%, in June, whereas semi-durable and non-durable consumer goods remained stable, after two years of expansion.

When compared to July 2007, the growth of industrial production measured by the Monthly Industrial Research was 8.5%. In the accumulated result for the last 12 months, the advance has been 6.8%. The expansion was boosted by production in July, in 17 of the 27 sectors studied by the IBGE.

The highlights were tobacco (12.9%), publishing and printing (5.6%) and other chemical products (4.2%). On the other hand, the sectors that presented the most relevant reductions were electronic material and communications equipment (-7.6%), vehicles (-1.2%) and beverages (-3%).

In comparison with June 2007, the industry grew in 23 of the 27 sectors studied. The vehicle sector leads (17.3% growth), with production of cars and trucks. Then come the machinery and equipment sectors (12.5%) and ironworks (10%).

In the same period, the IBGE shows a reduction in sectors like wood (-13.7%), electronic and telecommunications equipment (-3.2%) and perfumery, soap and cleaning products (-4,8%).

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