

Monthly Survey of Manufacturing, May 2013

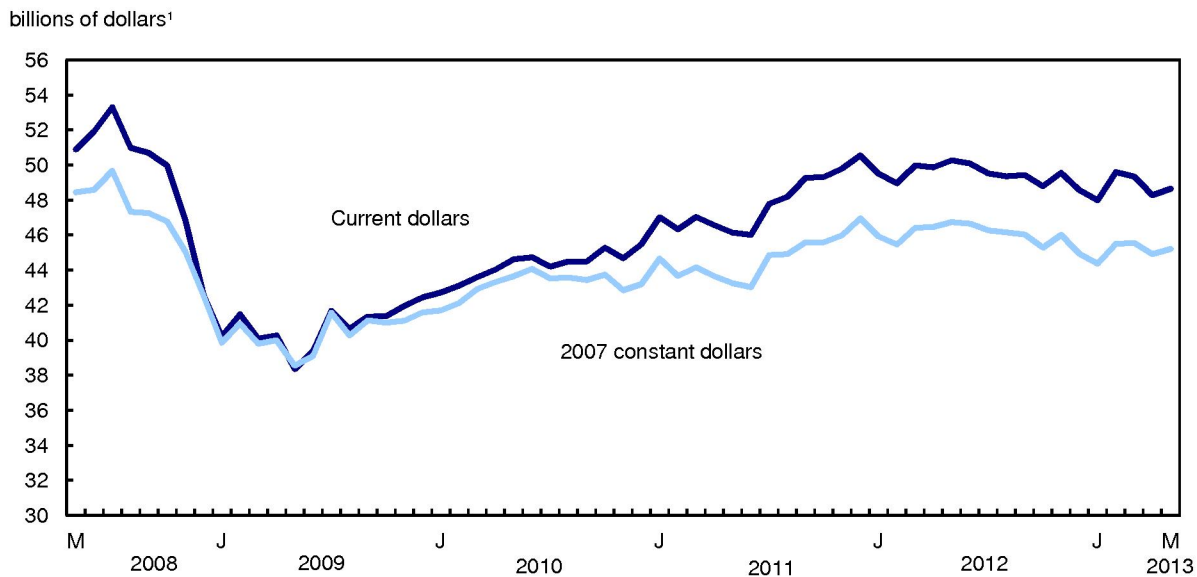
Released at 8:30 a.m. Eastern time in *The Daily*, Tuesday, July 16, 2013

Manufacturing sales increased 0.7% to \$48.6 billion in May, the second gain in five months.

Sales were up in 11 of 21 industries, representing about 57% of the manufacturing sector. Sales of durable goods were up 1.3% while non-durable goods sales edged up 0.2%.

Constant dollar sales increased 0.7% as volumes rose.

Chart 1
Manufacturing sales increase



1. Seasonally adjusted.

Chemical manufacturing leads the gains

The chemical industry posted the largest sales gain in dollar terms. Sales in the industry were up \$195 million to \$4.0 billion, the 8th increase in 12 months. The gain in May mainly reflected a larger than usual increase in fertilizer sales. Wetter and colder weather this year delayed spring planting. Hence, the annual ramp-up in fertilizer production occurred later this year than in previous years.

Sales of primary metals rose 4.0% in May to \$3.5 billion, partially rebounding from a 9.1% drop in April. In the machinery and fabricated metal products industries, sales increased 3.8% and 3.4% respectively. In all three industries, higher volumes of products sold were responsible for the gains.

A 4.8% decline in sales to \$2.1 billion in the wood product industry offset some of the sales increases. The decrease followed seven months of advances. Notwithstanding the decline, wood product sales were 26.5% higher compared with May 2012.

Sales in the food industry were down 1.3% to \$7.3 billion in May, the lowest level since November 2012.



Sales gains led by Ontario

Sales were up in six provinces, led by Ontario, Alberta and Saskatchewan.

In Ontario, sales rose 1.9% to \$22.7 billion, reaching their highest level since November 2012. The gain mainly reflected increases in the petroleum and coal product (+8.7%), motor vehicle assembly (+2.0%), and chemical (+3.9%) industries.

Sales in Alberta advanced 2.1% to \$6.2 billion. The increase was caused by higher sales in the petroleum and coal product (+5.8%) and chemical (+7.5%) industries.

Saskatchewan manufacturers reported a 5.8% rise in sales. The gain mainly reflected increases in the non-durable goods industries.

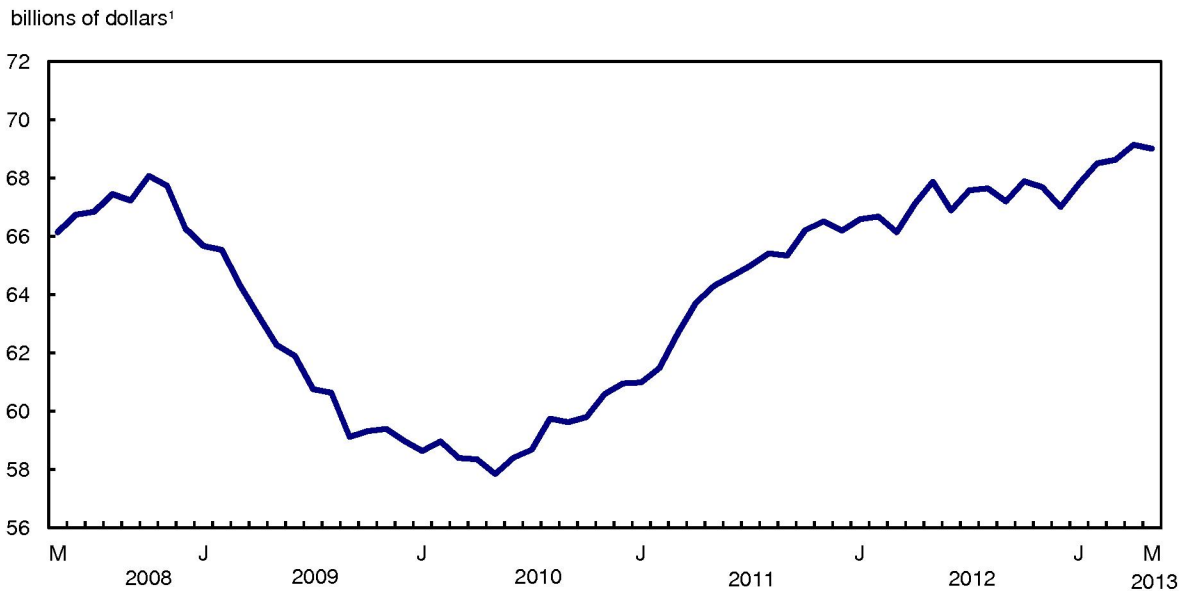
In Quebec, sales fell 2.8% to \$10.7 billion, the 10th decline in 12 months. This decrease stemmed from lower sales in the petroleum and coal product industry. In May, Quebec manufacturing sales were at their lowest level since September 2009.

Inventories edge down

Inventories edged down 0.2% to \$69.0 billion, the first decline after four months of gains. In the primary metal industry, inventories were down 3.3% to \$7.4 billion. Lower inventories of paper (-2.3%) and non-metallic mineral products (-3.8%) also contributed to the decline in total inventories.

However, a 2.5% advance in goods-in-process inventories in the aerospace product and parts industry partly offset the declines. In addition, total inventories were up in the chemical (+1.3%) and computer and electronic product (+1.8%) industries.

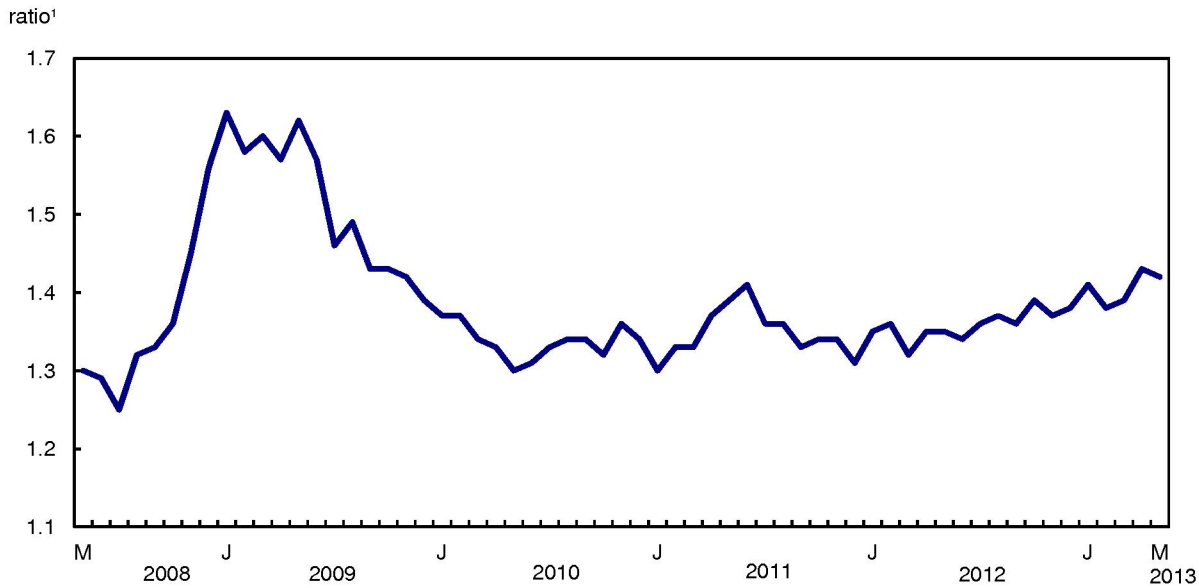
Chart 2
Inventories edge down



1. Seasonally adjusted.

The inventory-to-sales ratio decreased slightly to 1.42 in May from 1.43 in April. The values for the ratio in April and May were the highest since the autumn of 2009.

Chart 3 The inventory-to-sales ratio decreases



1. Seasonally adjusted.

Unfilled orders rise

Unfilled orders increased 0.6% to \$71.2 billion, as a result of gains in the transportation equipment industry. Unfilled orders were also up in the primary metal industry.

The increase in unfilled orders for transportation equipment reflected a 1.2% advance in the aerospace product and parts industry. Aerospace unfilled orders reached \$39.0 billion in May, the highest level ever recorded for the industry. Unfilled orders also rose in the ship and boat building industry.

In the primary metal industry, unfilled orders rose 8.3% to \$1.3 billion. The gain was the largest since November 2011.

A portion of the gains in total unfilled orders was offset by a 1.9% decline in the machinery industry.

Table 1
Manufacturing: Principal statistics – Seasonally adjusted

	May 2012	April 2013 ^r	May 2013 ^P	April to May 2013	May 2012 to May 2013
	millions of dollars			% change ¹	
Manufacturing sales (current dollars)	50,263	48,283	48,645	0.7	-3.2
Manufacturing sales (2007 constant dollars)	46,732	44,911	45,208	0.7	-3.3
Manufacturing sales (current dollars) excluding motor vehicles, parts and accessories	43,351	42,039	42,338	0.7	-2.3
Inventories	67,876	69,143	69,007	-0.2	1.7
Unfilled orders	66,078	70,794	71,196	0.6	7.7
Unfilled orders excluding motor vehicles, parts and accessories	65,296	69,529	69,843	0.5	7.0
New orders	50,547	48,192	49,047	1.8	-3.0
New orders excluding motor vehicles, parts and accessories	43,673	41,948	42,652	1.7	-2.3
Inventory-to-sales ratio	1.35	1.43	1.42

^r revised

^P preliminary

... not applicable

1. Percent change calculated at thousands of dollars for current dollars, and millions of dollars for constant dollars.

Table 2
Manufacturing sales: Industry aggregates – Seasonally adjusted

	May 2012	April 2013 ^r	May 2013 ^p	April to May 2013	May 2012 to May 2013
	millions of dollars			% change ¹	
Food manufacturing	7,388	7,358	7,262	-1.3	-1.7
Beverage and tobacco product	983	979	1,028	5.0	4.6
Textile mills	142	118	115	-2.4	-18.8
Textile product mills	156	145	133	-8.0	-14.5
Clothing manufacturing	214	194	186	-4.2	-13.1
Leather and allied product	34	35	38	9.7	13.2
Wood product	1,641	2,180	2,076	-4.8	26.5
Paper manufacturing	2,095	1,945	1,910	-1.8	-8.8
Printing and related support activities	758	800	784	-2.1	3.4
Petroleum and coal product	7,074	6,311	6,247	-1.0	-11.7
Chemical	3,821	3,786	3,981	5.1	4.2
Plastics and rubber products	2,068	2,046	2,075	1.4	0.4
Non-metallic mineral product	1,137	1,013	1,051	3.8	-7.6
Primary metal	3,857	3,410	3,546	4.0	-8.1
Fabricated metal product	2,943	2,710	2,801	3.4	-4.8
Machinery	2,917	2,819	2,928	3.8	0.4
Computer and electronic product	1,129	1,163	1,113	-4.3	-1.4
Electrical equipment, appliance and component	842	889	891	0.1	5.8
Transportation equipment	9,269	8,346	8,423	0.9	-9.1
Motor vehicle	4,735	4,347	4,431	1.9	-6.4
Motor vehicle body and trailer	309	316	299	-5.4	-3.3
Motor vehicle parts	2,177	1,897	1,877	-1.1	-13.8
Aerospace product and parts	1,524	1,340	1,372	2.4	-9.9
Railroad rolling stock	128	86	102	17.9	-20.8
Ship and boat building	100	91	96	5.0	-4.7
Furniture and related product	865	844	900	6.6	4.1
Miscellaneous manufacturing	931	1,191	1,158	-2.8	24.4
Non-durable goods industries	24,732	23,717	23,759	0.2	-3.9
Durable goods industries	25,531	24,566	24,886	1.3	-2.5

^r revised

^p preliminary

1. Percent change calculated at thousands of dollars.

Table 3
Manufacturing sales: Provinces and territories – Seasonally adjusted

	May 2012	April 2013 ^r	May 2013 ^P	April to May 2013	May 2012 to May 2013
	millions of dollars			% change ¹	
Canada	50,263	48,283	48,645	0.7	-3.2
Newfoundland and Labrador	654	514	505	-1.7	-22.8
Prince Edward Island	119	106	106	0.4	-10.7
Nova Scotia	868	884	874	-1.2	0.6
New Brunswick	1,713	1,632	1,631	-0.1	-4.8
Quebec	11,891	10,977	10,672	-2.8	-10.2
Ontario	23,225	22,258	22,671	1.9	-2.4
Manitoba	1,291	1,289	1,310	1.7	1.5
Saskatchewan	1,112	1,227	1,298	5.8	16.7
Alberta	6,075	6,043	6,169	2.1	1.5
British Columbia	3,307	3,350	3,404	1.6	2.9
Yukon	6	2	2	-0.1	-59.0
Northwest Territories and Nunavut	2	2	2	21.4	22.0

^r revised

^P preliminary

1. Percent change calculated at thousands of dollars.

Available in CANSIM: tables 304-0014, 304-0015 and 377-0009.

Definitions, data sources and methods: survey number 2101.

Data from the June Monthly Survey of Manufacturing will be released on August 16.

For more information, contact us (toll-free 1-800-263-1136; infostats@statcan.gc.ca).

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