

## Eurozone industrial production ticked up in November

The slight 0.2% rise in production from October is insufficient to indicate a reversal of the two-year downward trend. Overall, the outlook for industry remains quite weak at the start of the year



Industrial production in the eurozone grew for the second month in a row as the October figure was revised upward to 0.2% growth. Still, this comes on the back of a large decline in September, so it's unclear if manufacturing will have contributed positively to GDP growth in the fourth quarter. The [recently announced annual GDP figure for Germany](#) indicates that its economy contracted once more in the fourth quarter of 2024, and we anticipate zero growth for the entire bloc.

Nevertheless, country contributions to industrial production showed broad-based growth in the larger countries in November with Germany actually leading the way with 1.3% month-on-month. Ireland – notorious for volatile production figures – showed a -5.8% decline, which dragged down the average. France and Italy also saw production increases.

While the country contributions to production in November looked positive, the eurozone's industry is showing few signs of a sustained turnaround so far. The trend in production remains down and headwinds are so far not abating. Global demand for eurozone products remains weak,

inventories remain at historically high levels, new orders are not yet improving and energy-intensive sectors are struggling with the rising energy prices.

We continue to look for further rundowns of inventories before we expect new orders and production to rebound. For the moment, it looks like this is not yet happening though. There's light at the end of the tunnel, but it's a long tunnel that the eurozone industry is currently going through.

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