



REPUBLIC OF THE PHILIPPINES

PHILIPPINE STATISTICS AUTHORITY

PRESS RELEASE

**PRODUCTION INDEX AND NET SALES INDEX
(Monthly Integrated Survey of Selected Industries)
April 2023
(2018=100)**

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Table A. Year-on-Year Growth Rates of Production Index, Net Sales Index and Producer Price Index for Total Manufacturing (2018=100) April 2022, March 2023^r, and April 2023^p (in Percent)

| INDICATOR | April 2022 | March 2023 ^r | April 2023 ^p |
|--|------------|-------------------------|-------------------------|
| Production Index (2018=100) | | | |
| Value of Production Index (<i>VaPI</i>) | 5.0 | 6.0 | 10.7 |
| Volume of Production Index (<i>VoPI</i>) | -1.3 | 3.4 | 8.2 |
| Net Sales Index (2018=100) | | | |
| Value of Net Sales Index (<i>VaNSI</i>) | 24.6 | -0.3 | 0.7 |
| Volume of Net Sales Index (<i>VoNSI</i>) | 17.1 | -2.8 | -1.6 |
| Producer Price Index (2018=100) | 6.3 | 2.5 | 2.3 |

p - preliminary, r - revised

Source: Philippine Statistics Authority

A. Year-on-year Growth for April 2023

1. Value of Production Index (*VaPI*)

The *VaPI* for manufacturing continued to increase by 10.7 percent in April 2023, faster than the March 2023 annual growth of 6.0 percent. In April 2022, the *VaPI* recorded an annual growth rate of 5.0 percent. (Figure 2, and Tables A and 1)

The faster annual growth of the *VaPI* in April 2023 was mainly contributed by the higher annual upturn in the manufacture of food products industry division at 19.7 percent in April 2023 from 10.0 percent in the previous month. The manufacture of food products contributed 38.2 percent to the uptrend of *VaPI* for the manufacturing section in April 2023. Out of the 22 industry divisions for the



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manufacturing section, manufacture of food products was the industry division with the highest weight¹ in the computation of VaPI.

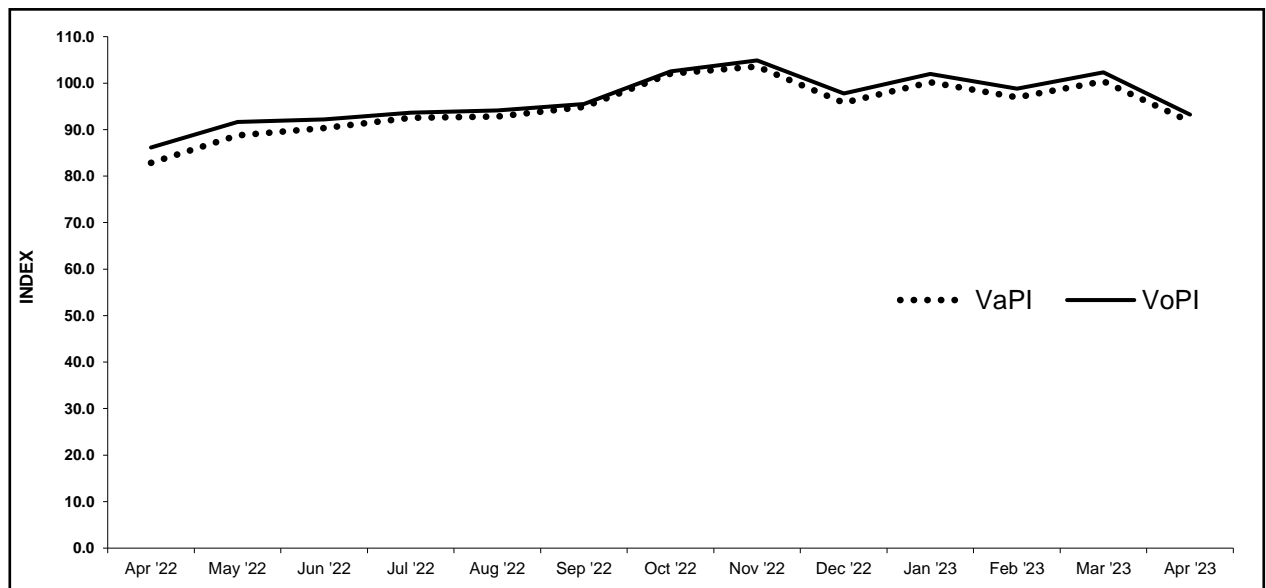
Other main contributors to the higher year-on-year growth of VaPI in April 2023 were the faster annual increases in the manufacture of transport equipment at 35.8 percent during the period from 23.1 percent in the previous month, and manufacture of other non-metallic mineral products with an annual rate of 19.1 percent during the period from 7.7 percent annual increment in the previous month.

Of the remaining 19 industry divisions, eight exhibited annual increments during the period. Meanwhile, 11 industry divisions registered annual decreases during the month. The highest annual decrement was observed in manufacture of wearing apparel at -33.2 percent. (Tables C and 1)

The top three industry divisions contributing to the overall VaPI for manufacturing in April 2023 were the following:

- a. Manufacture of food products with 55.8 percent share;
- b. Manufacture of transport equipment with 39.8 percent share; and
- c. Manufacture of basic metals with 11.4 percent share.

Figure 1. Value and Volume of Production Index for Total Manufacturing
April 2022 - April 2023^p (2018 = 100)



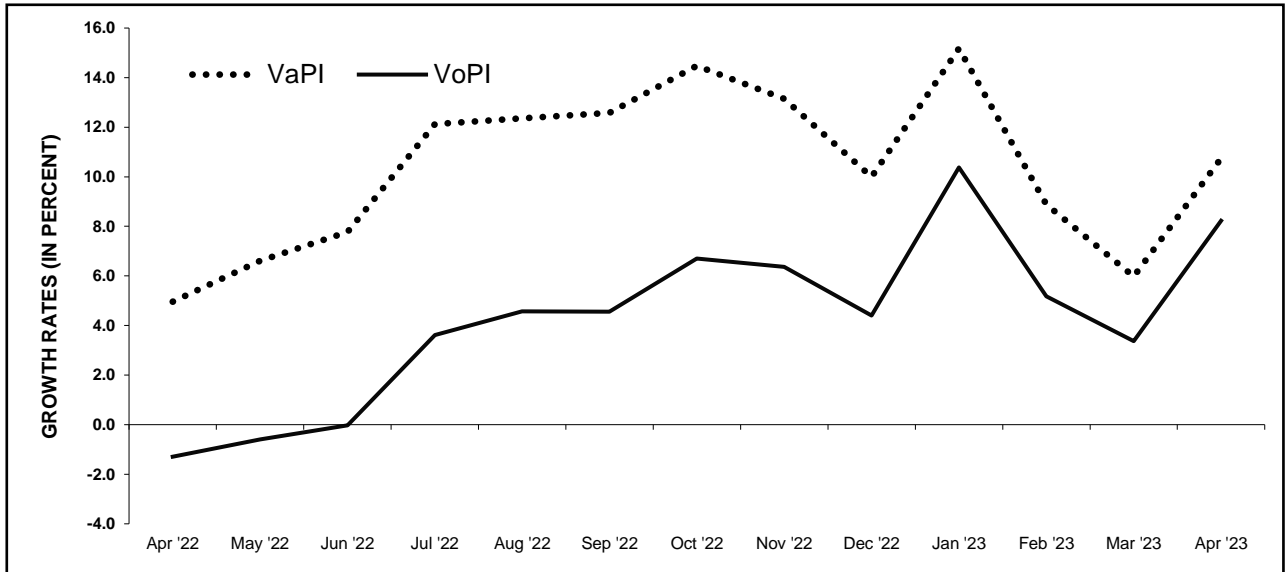
p - preliminary

Source: Philippine Statistics Authority

¹ Refer to Method of Computation in the Technical Notes

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Figure 2. Year-on-Year Growth Rates (%) of Value and Volume of Production Index for Total Manufacturing
April 2022 - April 2023^p (2018 = 100)



p - preliminary

Source: Philippine Statistics Authority

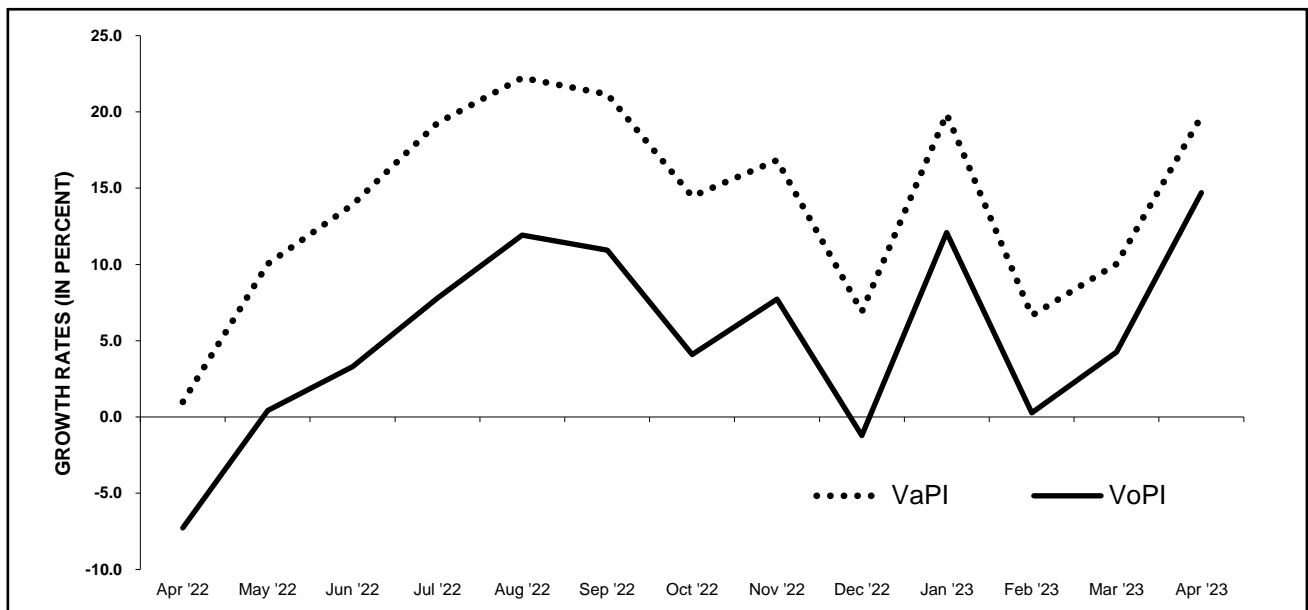
In April 2023, the VaPI for **manufacture of food products** registered an annual increment of 19.7 percent. This was higher compared with its March 2023 annual growth rate of 10.0 percent and with its April 2022 annual increase of 1.0 percent. (Figure 3, and Tables 1 and 1a)

The faster year-on-year growth of the VaPI for manufacture of food products in April 2023 was primarily driven by the higher annual increment in the manufacture of other food products industry group at 25.6 percent during the period from 2.1 percent in the previous month. The manufacture of other food products industry group includes bakery products, sugar, condiments, among others.

Other primary contributors to the year-on-year upturn of VaPI for manufacture of food products were manufacture of dairy products with an annual increment of 40.3 percent during the month from an annual increase of 11.5 percent in March 2023, and manufacture of grain mill products, starches and starch products with a higher annual increase of 28.6 percent in April 2023 from 14.3 percent in the previous month. (Table 1a)

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Figure 3. Year-on-Year Changes (%) in the Production for Manufacture of Food Products April 2022 - April 2023^p (2018 = 100)



p - preliminary

Source: Philippine Statistics Authority

2. Volume of Production Index (VoPI)

The VoPI for manufacturing registered a year-on-year increment of 8.2 percent in April 2023. This rate is faster than the annual increase of 3.4 percent in the previous month. In April 2022, however, VoPI recorded an annual drop of -1.3 percent. (Figure 3, and Tables A and 2)

The faster annual growth of VoPI in April 2023 was mainly brought about by the higher annual rates in the same top three industry divisions that contributed to the increase in the annual growth of VaPI during the period. These were the following:

- a. Manufacture of food products, 14.7 percent from 4.3 percent in the previous month;
- b. Manufacture of transport equipment, 38.0 percent from 26.3 percent in the past month; and
- c. Manufacture of other non-metallic mineral products, 15.7 percent from 2.9 percent in March 2023.

Of the remaining 19 industry divisions, six exhibited annual increases during the period. Meanwhile, 13 industry divisions recorded annual decrements during the month. The highest annual decline was noted in manufacture of wearing apparel at -35.6 percent. (Tables D and 2)

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The top three industry divisions contributing to the overall VoPI for manufacturing in April 2023 were the following:

- a. Manufacture of transport equipment with 56.4 percent share;
- b. Manufacture of food products with 55.7 percent share; and
- c. Manufacture of basic metals with 19.4 percent share.

The VoPI for **manufacture of food products** registered an annual increment of 14.7 percent in April 2023. This was higher compared with its annual growth rate in March 2023 at 4.3 percent. On the other hand, the VoPI for manufacture of food products in April 2022 posted an annual drop of -7.3 percent. (Figure 3, and Tables 2 and 2a)

The expansion in the annual growth of VoPI for manufacture of food products in April 2023 was primarily contributed by the annual increment recorded in manufacture of other food products industry group at 16.6 percent during the month from an annual decline of -5.5 percent in the previous month. The manufacture of other food products includes bakery products, sugar, condiments, among others.

Other primary contributors to the faster year-on-year growth of VoPI for manufacture of food products were the higher annual growth rates posted during the month in manufacture of dairy products at 29.9 percent from 2.8 percent in March 2023; and manufacture of grain mill products, starches and starch products at 27.1 percent from 11.0 percent in the previous month. (Table 2a)

3. Value of Net Sales Index (VaNSI)

The VaNSI for manufacturing exhibited an annual increment of 0.7 percent in April 2023 after posting an annual drop of -0.3 percent in the previous month. In April 2022, VaNSI recorded a double-digit annual increase of 24.6 percent. (Figure 4, and Tables A and 3)

The annual increment of VaNSI in April 2023 was mainly brought about by the annual increase in the manufacture of coke and refined petroleum products industry division at 12.5 percent after registering an annual drop of -6.2 percent in March 2023. The manufacture of coke and refined petroleum products contributed 44.8 percent to the uptrend of VaNSI of the manufacturing section in April 2023.

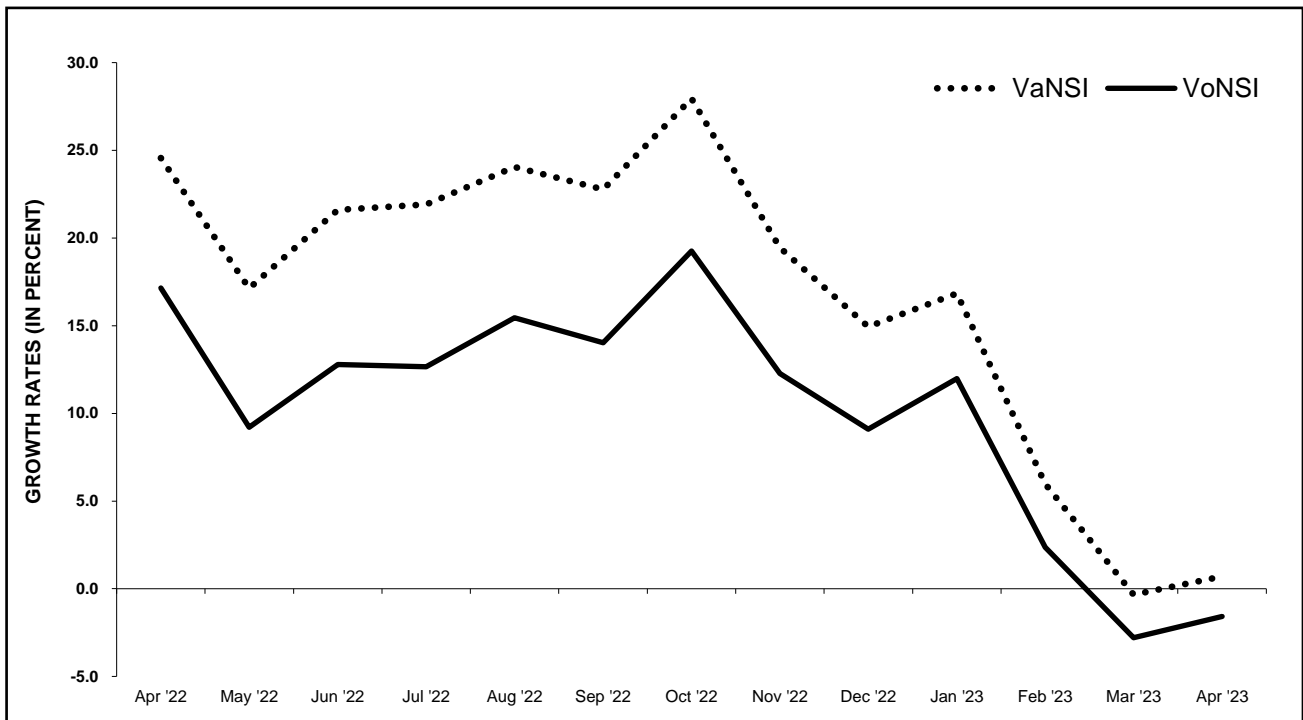
Other main contributors to the annual upturn of VaNSI in April 2023 were manufacture of rubber and plastic products with an annual growth of 8.7 percent during the period from an annual drop of -13.4 percent in the previous month, and manufacture of wood, bamboo, cane, rattan articles and related products with an annual increase of 17.6 percent in April 2023 from -9.9 percent annual drop in the previous month.

Moreover, eight of the remaining 19 industry divisions registered year-on-year increases in April 2023. Meanwhile, 11 industry divisions posted annual declines during the period. The highest annual drop was observed in manufacture of wearing apparel at -23.5 percent. (Tables E and 3)

The top three industry divisions contributing to the overall VaNSI for manufacturing in April 2023 were the following:

- a) Manufacture of food products with 174.4 percent share;
- b) Manufacture of coke and refined petroleum products with 60.8 percent share; and
- c) Manufacture of beverages with 43.2 percent share.

Figure 4. Year-on-Year Changes (%) in Net Sales Index for Total Manufacturing April 2022 - April 2023^p (2018 = 100)



p - preliminary

Source: Philippine Statistics Authority

The VaNSI for **manufacture of food products** posted an annual increment of 10.8 percent in April 2023. This was slower compared with its March 2023 annual growth of 11.0 percent and April 2022 annual increase of 12.1 percent. (Figure 5, and Tables 3 and 3a)

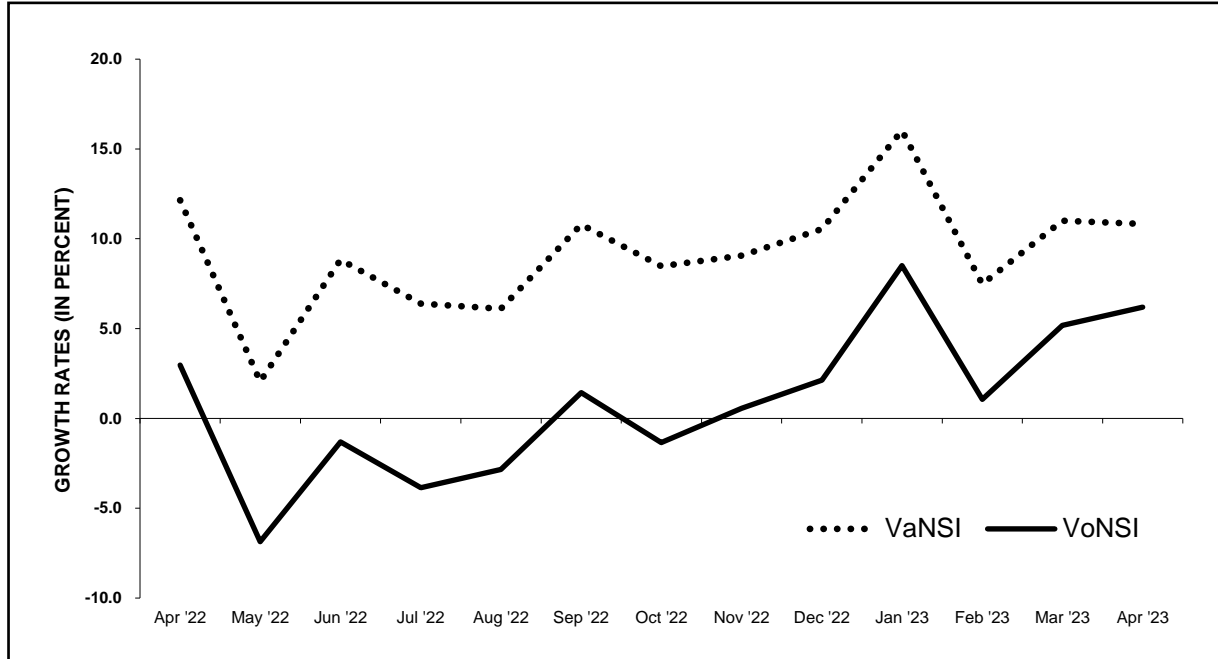
The slower annual growth of VaNSI for manufacture of food products in April 2023 was mainly contributed by the annual decline in the manufacture of dairy products industry group at -4.2 percent in April 2023 from an annual increment of 4.6 percent in the previous month.

Other primary contributors to the slower year-on-year increase of VaNSI for manufacture of food products were the further annual decline noted in manufacture of vegetable and animal oils and fats at -42.0 percent in April 2023 from -24.2 percent in the previous month, and slower annual increment in manufacture

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of prepared animal feeds at 13.2 percent during the period from 17.9 percent in March 2023. (Table 3a)

Figure 5. Year-on-Year Changes (%) in the Net Sales Manufacture of Food Products: April 2022 - April 2023^p (2018 = 100)



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Source: Philippine Statistics Authority

4. Volume of Net Sales Index (VoNSI)

The VoNSI for manufacturing declined at annual rate of -1.6 percent in April 2023, slower compared with its March 2023 annual decline of -2.8 percent. In April 2022, VoNSI posted an annual increase of 17.1 percent. (Figure 4, and Tables A and 4)

The annual drop of VoNSI in April 2023 was primarily brought about by the further annual decline exhibited in the index of manufacture of computer, electronic and optical products industry division at -23.2 percent in April 2023 from -20.4 percent in March 2023. This industry division contributed 23.9 percent to the downtrend of VoNSI of the manufacturing section in April 2023.

Other main contributors to the annual decrease of VoNSI in April 2023 were manufacture of chemical and chemical products with faster annual drop of -18.3 percent during the period from -9.7 percent in the previous month, and manufacture of electrical equipment, which had a slower annual increase of 4.1 percent during the period from 18.9 percent in the previous month.

Furthermore, seven of the 19 remaining industry divisions exhibited annual downturns during the period. Meanwhile, 12 industry divisions posted annual increments in April 2023. The highest year-on-year growth was exhibited by

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manufacture of wood, bamboo, cane, rattan articles and related products posting an annual increase of 16.3 percent. (Tables F and 4)

The top three industry divisions contributing to the overall VoNSI for manufacturing in April 2023 were the following:

- a) Manufacture of computer, electronic and optical products with 592.9 percent share;
- b) Manufacture of chemical and chemical products with 133.9 percent share; and
- c) Manufacture of paper and paper products with 27.8 percent share.

The VoNSI for **manufacture of food products** registered a faster annual increment of 6.2 percent in April 2023 from an annual growth of 5.2 percent in March 2023. In April 2022, VoNSI posted an annual growth rate of 3.0 percent. (Figure 5, and Tables 4 and 4a)

The increase in the year-on-year growth of VoNSI for manufacture of food products in April 2023 was primarily due to the faster annual growth rates observed in these three industry groups:

- a) Manufacture of other food products, 14.2 percent from 1.2 percent in March 2023;
- b) Manufacture of grain mill products, starches and starch products, 36.4 percent from 14.9 percent in the previous month; and
- c) Processing and preserving of meat, 71.7 percent from 54.0 percent in the past month. (Table 4a)

B. Average Capacity Utilization Rate

Based on responding establishments, the average capacity utilization rate for manufacturing section in April 2023 was reported at 72.4 percent from 73.2 percent in the previous month.

All industry divisions reported capacity utilization rates of more than 50 percent during the month. The top three industry divisions in terms of reported capacity utilization rate were manufacture of machinery and equipment except electrical (82.7%), manufacture of transport equipment (82.5%), and manufacture of rubber and plastic products (76.6%). (Table 6)

The proportion of establishments that operated at full capacity (90% to 100%) was 24.0 percent of the total number of responding establishments. Meanwhile, 37.9 percent operated at 70 to 89 percent capacity, while 38.1 percent operated below 70 percent capacity. (Table B)

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Table B. Distribution of Responding Establishments by Capacity Utilization for Total Manufacturing: April 2023^p

| Capacity Utilization | Number of Responding Establishments | Percent Share to Responding Establishments |
|----------------------|-------------------------------------|--|
| TOTAL | 628 | 100.0 |
| Below 50% | 65 | 10.4 |
| 50% - 59% | 99 | 15.8 |
| 60% - 69% | 75 | 11.9 |
| 70% - 79% | 93 | 14.8 |
| 80% - 89% | 145 | 23.1 |
| 90% - 100% | 151 | 24.0 |

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Notes:

- 1) Details may not sum up to totals due to rounding.
- 2) Results are based on the responses of establishments which were in operation during the reference month.
- 3) There were four establishments which responded but were not included in the tabulation as they temporarily or permanently ceased their business operations.

Source: Philippine Statistics Authority



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Table C. Year-on-Year Growth Rates (%) of VaPI by Industry Division
 March 2023^r and April 2023^p
 (2018 =100)

| INDUSTRY DIVISION | March 2023 ^r | April 2023 ^p |
|--|-------------------------|-------------------------|
| With Positive Annual Growth Rates | | |
| 1. Manufacture of food products | 10.0 | 19.7 |
| 2. Manufacture of transport equipment | 23.1 | 35.8 |
| 3. Manufacture of basic metals | 14.7 | 23.0 |
| 4. Manufacture of coke and refined petroleum products | 7.7 | 12.7 |
| 5. Manufacture of other non-metallic mineral products | 7.7 | 19.1 |
| 6. Manufacture of beverages | 1.3 | 5.2 |
| 7. Other manufacturing and repair and installation of machinery and equipment | 4.0 | 30.1 |
| 8. Manufacture of electrical equipment | 30.6 | 20.1 |
| 9. Printing and reproduction of recorded media | 16.8 | 52.5 |
| 10. Manufacture of wood, bamboo, cane, rattan articles and related products | -7.2 | 18.2 |
| 11. Manufacture of rubber and plastic products | -9.3 | 2.7 |
| With Negative Annual Growth Rates | | |
| 12. Manufacture of textiles | 11.5 | -2.2 |
| 13. Manufacture of basic pharmaceutical products and pharmaceutical preparations | 15.8 | -2.2 |
| 14. Manufacture of leather and related products, including footwear | -7.6 | -8.6 |
| 15. Manufacture of furniture | -19.6 | -16.9 |
| 16. Manufacture of paper and paper products | 0.8 | -5.9 |
| 17. Manufacture of fabricated metal products, except machinery and equipment | -2.5 | -3.3 |
| 18. Manufacture of tobacco products | -21.6 | -15.8 |
| 19. Manufacture of machinery and equipment except electrical | -18.6 | -17.6 |
| 20. Manufacture of wearing apparel | -36.7 | -33.2 |
| 21. Manufacture of computer, electronic and optical products | -6.8 | -9.1 |
| 22. Manufacture of chemical and chemical products | -25.6 | -31.6 |

p - preliminary, r - revised

Table D. Year-on-Year Growth Rates (%) of VoPI by Industry Division
 March 2023^r and April 2023^p
 (2018 =100)

| INDUSTRY DIVISION | March 2023 ^r | April 2023 ^p |
|--|-------------------------|-------------------------|
| With Positive Annual Growth Rates | | |
| 1. Manufacture of transport equipment | 26.3 | 38.0 |
| 2. Manufacture of food products | 4.3 | 14.7 |
| 3. Manufacture of basic metals | 18.8 | 29.3 |
| 4. Manufacture of coke and refined petroleum products | 9.5 | 15.3 |
| 5. Manufacture of other non-metallic mineral products | 2.9 | 15.7 |
| 6. Manufacture of electrical equipment | 29.2 | 19.0 |
| 7. Other manufacturing and repair and installation of machinery and equipment | 2.6 | 27.1 |
| 8. Printing and reproduction of recorded media | 14.8 | 50.5 |
| 9. Manufacture of wood, bamboo, cane, rattan articles and related products | -8.0 | 16.9 |
| With Negative Negative Annual Growth Rates | | |
| 10. Manufacture of rubber and plastic products | -12.3 | -0.2 |
| 11. Manufacture of textiles | 10.6 | -2.4 |
| 12. Manufacture of basic pharmaceutical products and pharmaceutical preparations | 16.6 | -1.6 |
| 13. Manufacture of beverages | -4.3 | -0.3 |
| 14. Manufacture of leather and related products, including footwear | -11.6 | -13.4 |
| 15. Manufacture of furniture | -23.8 | -21.5 |
| 16. Manufacture of paper and paper products | -4.3 | -9.8 |
| 17. Manufacture of tobacco products | -24.9 | -19.1 |
| 18. Manufacture of fabricated metal products, except machinery and equipment | -7.8 | -7.2 |
| 19. Manufacture of machinery and equipment except electrical | -20.0 | -19.0 |
| 20. Manufacture of wearing apparel | -39.3 | -35.6 |
| 21. Manufacture of chemical and chemical products | -25.6 | -30.4 |
| 22. Manufacture of computer, electronic and optical products | -9.9 | -13.5 |

p - preliminary, r - revised

Table E. Year-on-Year Growth Rates (%) of VaNSI by Industry Division
 March 2023^r and April 2023^p
 (2018 =100)

| INDUSTRY DIVISION | March 2023 ^r | April 2023 ^p |
|--|-------------------------|-------------------------|
| With Positive Annual Growth Rates | | |
| 1. Manufacture of food products | 11.0 | 10.8 |
| 2. Manufacture of coke and refined petroleum products | -6.2 | 12.5 |
| 3. Manufacture of beverages | 5.0 | 8.5 |
| 4. Manufacture of fabricated metal products, except machinery and equipment | 15.8 | 20.1 |
| 5. Manufacture of other non-metallic mineral products | 3.4 | 10.1 |
| 6. Manufacture of transport equipment | 4.2 | 2.7 |
| 7. Manufacture of rubber and plastic products | -13.4 | 8.7 |
| 8. Manufacture of wood, bamboo, cane, rattan articles and related products | -9.9 | 17.6 |
| 9. Other manufacturing and repair and installation of machinery and equipment | 22.5 | 14.1 |
| 10. Manufacture of electrical equipment | 20.3 | 5.1 |
| 11. Printing and reproduction of recorded media | 0.1 | 5.1 |
| With Negative Annual Growth Rates | | |
| 12. Manufacture of basic pharmaceutical products and pharmaceutical preparations | 7.4 | -0.1 |
| 13. Manufacture of tobacco products | -10.4 | -1.1 |
| 14. Manufacture of machinery and equipment except electrical | -5.1 | -1.2 |
| 15. Manufacture of textiles | 8.4 | -5.5 |
| 16. Manufacture of leather and related products, including footwear | -5.3 | -15.8 |
| 17. Manufacture of furniture | -11.7 | -12.3 |
| 18. Manufacture of paper and paper products | -0.7 | -8.1 |
| 19. Manufacture of wearing apparel | -31.8 | -23.5 |
| 20. Manufacture of basic metals | 1.8 | -3.8 |
| 21. Manufacture of chemical and chemical products | -9.8 | -19.7 |
| 22. Manufacture of computer, electronic and optical products | -17.7 | -19.3 |

p - preliminary, r - revised

Table F. Year-on-Year Growth Rates (%) of VoNSI by Industry Division
 March 2023^r and April 2023^p
 (2018 =100)

| INDUSTRY DIVISION | March 2023 ^r | April 2023 ^p |
|---|-------------------------|-------------------------|
| With Positive Annual Growth Rates | | |
| 1. Manufacture of basic pharmaceutical products and pharmaceutical preparations | 8.1 | 0.5 |
| 2. Printing and reproduction of recorded media | -1.7 | 3.7 |
| 3. Manufacture of basic metals | 5.4 | 1.1 |
| 4. Manufacture of electrical equipment | 18.9 | 4.1 |
| 5. Manufacture of rubber and plastic products | -16.2 | 5.6 |
| 6. Other manufacturing and repair and installation of machinery and equipment | 20.8 | 11.5 |
| 7. Manufacture of wood, bamboo, cane, rattan articles and related products | -10.6 | 16.3 |
| 8. Manufacture of beverages | -0.9 | 2.9 |
| 9. Manufacture of other non-metallic mineral products | -1.1 | 7.0 |
| 10. Manufacture of transport equipment | 6.9 | 4.3 |
| 11. Manufacture of fabricated metal products, except machinery and equipment | 9.6 | 15.2 |
| 12. Manufacture of coke and refined petroleum products | -4.7 | 15.0 |
| 13. Manufacture of food products | 5.2 | 6.2 |
| With Negative Annual Growth Rates | | |
| 14. Manufacture of computer, electronic and optical products | -20.4 | -23.2 |
| 15. Manufacture of chemical and chemical products | -9.7 | -18.3 |
| 16. Manufacture of paper and paper products | -5.8 | -11.9 |
| 17. Manufacture of wearing apparel | -34.6 | -26.2 |
| 18. Manufacture of furniture | -16.4 | -17.2 |
| 19. Manufacture of leather and related products, including footwear | -9.4 | -20.2 |
| 20. Manufacture of tobacco products | -14.1 | -4.9 |
| 21. Manufacture of machinery and equipment except electrical | -6.7 | -2.9 |
| 22. Manufacture of textiles | 7.5 | -5.7 |

p - preliminary, r - revised



TECHNICAL NOTES Monthly Integrated Survey of Selected Industries (MISSI)

I. Introduction

I.1. Background of the Survey

The Monthly Integrated Survey of Selected Industries (MISSI) is one of the designated statistical activities undertaken by the Philippine Statistics Authority (PSA). The survey gathers monthly data on employment, compensation, production, net sales, inventories, and capacity utilization from manufacturing establishments.

The indicators generated from the MISSI are Value of Production Index (VaPI), Volume of Production Index (VoPI), Value of Net Sales Index (VaNSI), Volume of Net Sales Index (VoNSI) and Average Capacity Utilization Rate of the manufacturing section.

I.2. Objectives

The MISSI provides timely flash indicators that monitor the performance of growth-oriented industries in the manufacturing section. The indicators generated by the MISSI are in the form of indices and growth rates of value of production and net sales data. Indices on volume of production and volume of net sales are derived using the producer price index as deflator.

I.3. Historical Information on the Survey

The predecessor of the MISSI is the Survey of Key Enterprises in Manufacturing or SKEM. Through the years of its operation, the SKEM and later on the MISSI continued to utilize the shuttle type questionnaire for data collection.

The MISSI milestones are shown below:

- 1981 The SKEM started as a project of the National Accounts Staff (NAS) of the National Economic and Development Authority (NEDA). Indices generated from the SKEM had 1981 as base period.
- 1986 The responsibility for the SKEM was transferred to the Economic Census Branch of the National Census and Statistics Office (National Statistics Office or NSO).
- 1988 The SKEM was reassigned to the Manufacturing Division of the same agency. Rebasement of the SKEM series to 1985 was completed during the year.



1997 Following the reorganization of the NSO, responsibility of the SKEM was again transferred to the newly created Economic Indices and Indicators Division (EIID).

Integration of the SKEM and Department of Trade and Industry's Monthly Industrial Survey (MIS) was finalized and the new survey was renamed as MISSI. The MISSI expanded to include additional information like inventory and capacity utilization. Rebasings of the MISSI series to 1994 also started.

2001 Responsibility of the MISSI was again transferred to the Manufacturing Section of the Industry Statistics Division.

MISSI data series with 1994 as the new base period was released during the year, in parallel with the 1985-based series. The 1994-based series had January 1998 as its earliest series.

A pre-test survey on the Current Survey of Production (CSP) was conducted as a part of the "Study on the Development of Industrial Statistics in the Philippines" by a joint work of JICA (Japan International Cooperation Agency) Study Team and the NSO. The CSP was a field trial of basic design of commodity-based and volume-based survey for the manufacturing industry, which was expected to further improve the existing MISSI. The CSP was later renamed MSP (Monthly Survey on Production).

2002 The 1985-based MISSI data series was discontinued beginning January.

The plan to improve the methodology in the calculation of the monthly industrial production indices, specifically the volume of production index (VoPI) using the direct method, the NSO conducted the MSP, which aimed to collect commodity-based and volume-based data on production, sales and inventory.

2005 Rebasings of the MISSI series to base year 2000 started.

2006 The MSP was discontinued due to budgetary constraints.

2007 MISSI data series with 2000 as the new base period was released in August, in parallel with the 1994-based series.

New indicators in the 2000-based series were generated. These were Value of Net Sales Index (VaNSI) and Volume of Net Sales Index (VoNSI). In the 1994-based series, only year-on-year and month-on-month growth rates were generated from the Net Sales value and volume data.

2008 The 1994-based MISSI data series was discontinued beginning January. Only the 2000-based series was published.

- 2011 Rebasings of the MISSI series to base year 2006 started. This is in accordance to NSCB Resolution No. 2, series of 2009 which approves the synchronized rebasing of the price indices to base year 2006.
- 2014 Rebasings of the MISSI series to base year 2006 was halted. Instead, rebasing of the MISSI series to base year 2012 started since the results of the 2012 Census of Philippine Business and Industry (CPBI) was available as source of the weights.
- 2015 The use of geometric average of short-term value relatives of responding sample establishments was used as the imputation technique for the missing data of non-responding samples.
- 2020 Rebasings of the MISSI series to base year 2018 started and was approved by the PSA Board last 21 December 2020. The index computation methodology was changed, Chained Paasche-type index computation was used in the higher aggregates.

The computation of the average capacity utilization will use a simpler and direct estimation that takes into account the impact of establishments that are temporarily closed during the reference period to the production and sales of the manufacturing section.

I.4. Scope and Coverage

MISSI is a nationwide undertaking that covers all manufacturing establishments confined to the formal section of the economy. The formal sector of the economy consists of the following:

1. Corporations and partnership, regardless of employment size;
2. Cooperatives and foundations, regardless of employment size;
3. Single proprietorships with branches, regardless of employment size; and
4. Single proprietorship with no branches but with total employment (TE) of 10 and over.

Hence, the MISSI covered all establishments regardless of employment size, except those establishments with:

1. Legal Organization of single proprietorship (LO=1), and
2. Economic Organization of single establishment (EO=1), and
3. TE of less than 10.

The scope and coverage for MISSI are all establishments with EO=1 (Single establishment), 2 (Branch only) and 3 (Establishment and main office) engaged in manufacturing activities as classified in the 2009 Philippine Standard Industrial Classification (PSIC).

I.5. Industry Coverage

The MISSI utilizes the 2009 PSIC to classify industry divisions and industry groups. Twenty-two industry divisions of the 2009 PSIC were formed to comprise the industry coverage of the MISSI. The table below presents the industry coverage of MISSI by 2009 PSIC code.

| 2009 PSIC CODE | INDUSTRY DESCRIPTION |
|----------------|--|
| C10 | Manufacture of food products* |
| C11 | Manufacture of beverages |
| C12 | Manufacture of tobacco products |
| C13 | Manufacture of textiles |
| C14 | Manufacture of wearing apparel |
| C15 | Manufacture of leather and related products, including footwear |
| C16 | Manufacture of wood, bamboo, cane, rattan articles and related products* |
| C17 | Manufacture of paper and paper products |
| C18 | Printing and reproduction of recorded media |
| C19 | Manufacture of coke and refined petroleum products |
| C20 | Manufacture of chemical and chemical products* |
| C21 | Manufacture of basic pharmaceutical products and pharmaceutical preparations |
| C22 | Manufacture of rubber and plastic products* |
| C23 | Manufacture of other non-metallic mineral products* |
| C24 | Manufacture of basic metals* |
| C25 | Manufacture of fabricated metal products, except machinery and equipment* |
| C26 | Manufacture of computer, electronic and optical products* |
| C27 | Manufacture of electrical equipment* |
| C28 | Manufacture of machinery and equipment except electrical* |
| C29,C30 | Manufacture of transport equipment* |
| C31 | Manufacture of furniture |
| C32,C33 | Other manufacturing |

**Industry divisions categorized into industry groups*

II. Data Collection

II.1. Data Collection

Distribution and collection of MISSI questionnaires will be done according to a timetable set. Distribution is done at the beginning of each year through personal visit by a PSA field staff to the sample establishments located in the provinces and cities nationwide. Collection of accomplished questionnaires is done on or before the 23rd

day after each reference month while submission of data files is done on or before the 25th day after each reference month.

II.2. Survey Instrument

The MISSI uses a shuttle-type of questionnaire. This is the type of survey instrument that is administered to respondents in order to collect data at frequent intervals of time to provide a running account of past responses. The questionnaire also includes definition of terms and specific instructions in filling-out the questionnaire to assist the respondent in understanding the questions and for ease in accomplishment. Furthermore, the questionnaire design ensures and enhances the consistency and accuracy in reporting past data.

II.3. Data Items

The key data items of MISSI include monthly figures on employment, compensation, production, net sales/revenue, inventories of raw materials, finished products and work-in-progress, and capacity utilization of the establishment. A running account of the monthly figures from January to December of the year for all the data items for an establishment are in one questionnaire.

III. Methodology

III.1. Sampling Frame

The sources of the sampling frame were all manufacturing establishments of the 2019 and 2020 ASPBI with Total Employment (TE) of 20 and over whose characteristics were updated using the List of Establishments (LE).

III.2. Sample Selection Procedure

MISSI utilize a cut-off sampling design. “Cut-off sampling is a sampling procedure in which a predetermined threshold is established with all units in the universe at or above the threshold being included in the sample and all units below the threshold being excluded. The threshold is usually specified in terms of the size of some known relevant variable. In the case of establishments, size is usually defined in terms of employment or output” (United Nations, Producer Price Index Manual, 2004, p.650). For the MISSI, the threshold is based on value of production. Value of production is equal to the value of products sold adjusted for the changes in inventories of finished products and work-in-progress (ending less beginning). The establishments’ value of production was computed from the 2019 and 2020 ASPBI and was used as basis in the selection of samples.

The responding sample establishments of the 2019 and 2020 ASPBI with TE 20 and over were grouped according to the 22 industry divisions and 48 industry groups. Value of production by establishment were computed and arrayed from largest to smallest value of production within each industry group or division. Concentration ratios by industry group or division were computed to determine the industry leaders or establishments that were within the top 50 percent to 100 percent contributors to value of production by industry group or division. These industry leaders were taken as samples for the current year.

All selected samples for MISSI will also be taken as samples for the Producer Price Survey.

III.3. Estimation Procedure

The VaPI and VaNSI will utilize the Paasche-type method of index computation where the basic data of weight computation are the value of production and sales, respectively. The sources of these data are the Census of Philippine Business and Industry (CPBI) for the base year and the Annual Survey of Philippine Business and Industry (ASPBI) for the succeeding years until the next rebasing.

III.3.1. Weights Computation

The weight of the industry group is the percent share of the industry to the total value of production for the industry division. The sum of the weights of all industry groups within an industry division is equal to one (1). The weight of the industry division is the percent share of the industry to the total value of production for the manufacturing section. The sum of the weights of all industry divisions is equal to one (1). The same methodology is used in the computation of the weights for sales, but instead of value of production, data on sales is used.

III.3.2. Index Computation

The indicators generated from the MISSI are Value of Production Index (VaPI), Volume of Production Index (VoPI), Value of Net Sales Index (VaNSI), Volume of Net Sales Index (VoNSI) and Average Capacity Utilization Rate of the manufacturing section.

III.3.2.1 Value of Production Index (VaPI)

Value of Production Index (VaPI) measures the average change over time of the value of production of the manufacturing section relative to a base period.

III.3.2.1.a. Computation of Index for Industry Group Level

Monthly Index at the base year

$$VaPI_{ijm} = \frac{V_{ijm}}{V_{ij0}} \times 100$$

where:

- $VaPI_{ijm}$ = VaPI for industry group j in industry division i at current month m
- V_{ijm} = total value of production for all sample establishments of industry group j in industry division i at current month m of the base year
- V_{ij0} = average monthly value of production at the base year

Monthly Index after the base year

$$VaPI_{ijm} = \frac{V_{ijm}}{V_{ij(m-1)}} \times VaPI_{ij(m-1)}$$

where:

- $VaPI_{ijm}$ = VaPI for industry group j in industry division i at current month m
- $VaPI_{ij(m-1)}$ = VaPI for industry group j in industry division i for the previous month m-1
- V_{ijm} = total value of production for all sample establishments of industry group j in industry division i at current month m
- $V_{ij(m-1)}$ = total value of production for all sample establishments of industry group j in industry division i for the previous month m-1

III.3.2.1.b. Computation of Index for Industry Division Level

$$VaPI_{im} = \frac{1}{\sum_{j=1}^{p_i} \left(W_{ij} \times \frac{1}{VaPI_{ijm}} \right)}$$

where:

- $VaPI_{im}$ = VaPI for industry division i at current month m
- $VaPI_{ijm}$ = VaPI for industry group j in industry division i at current month m
- W_{ij} = weight for industry group j in industry division i
- p_i = number of industry groups in industry division i

Note: Industry divisions with no industry groups uses the same computation of index as that for industry group level.

III.3.2.1.c. Computation of Index for Total Manufacturing

$$VaPI_m = \frac{1}{\sum_{i=1}^{22} \left(W_i \times \frac{1}{VaPI_{im}} \right)}$$

where:

- $VaPI_m$ = VaPI for the current month m
- $VaPI_{im}$ = VaPI for industry division i at current month m
- W_i = weight for industry division i

III.3.2.2 Value of Net Sales Index (VaNSI)

Value of Net Sales Index (VaNSI) measures the average change over time of the value of sales of the manufacturing section relative to a base period.

The same methodology as the VaPI is used to compute the Value of Net Sales Index (VaNSI).

III.3.2.3 Volume of Production Index (VoPI)

Volume of Production Index (VoPI) measures the average change over time of the volume of production of the manufacturing section relative to a base period. This is a derived indicator with PPI as the deflator.

III.3.2.3.a. Computation of Index for Industry Group Level

$$VoPI_{ijm} = \frac{VaPI_{ijm}}{PPI_{ijm}}$$

where:

- $VoPI_{ijm}$ = VoPI for industry group j in industry division i at current month m
- $VaPI_{ijm}$ = VaPI for industry group j in industry division i at current month m
- PPI_{ijm} = PPI for industry group j in industry division i at current month m

III.3.2.3.b. Computation of Index for Industry Division Level

$$VoPI_{im} = \frac{VaPI_{im}}{PPI_{im}}$$

where:

VoPI_{im} = VoPI for industry division i at current month m
 VaPI_{im} = VaPI for industry division i at current month m
 PPI_{im} = PPI for industry division i at current month m

III.3.2.3.c. Computation of Index for Total Manufacturing

$$\text{VoPI}_m = \frac{\text{VaPI}_m}{\text{PPI}_m}$$

where:

VoPI_m = VoPI for total manufacturing at current month m
 VaPI_m = VaPI for total manufacturing at current month m
 PPI_m = PPI for total manufacturing at current month m

III.3.2.4 Volume of Net Sales Index (VoNSI)

Volume of Net Sales Index (VoNSI) measures the average change over time of the volume of sales of the manufacturing section relative to a base period. This is a derived indicator using the PPI as deflator.

The same methodology as VoPI is used to compute the Volume of Net Sales Index (VoNSI).

III.3.2.5 Capacity Utilization (CU) Rate

Capacity Utilization Rate is the ratio of total output to the maximum rated capacity of the establishment.

III.3.2.5.a. Computation of Average CU for Industry Group Level

$$\text{AveCU}_{ijm} = \frac{\sum_{c=1}^k (X_c \times f_{cijm})}{n_{rijm} + n_{tijm}}$$

where:

AveCU_{ijm} = average capacity utilization rate for industry group j in industry division i at current month m
 X_c = midpoint of capacity utilization rate at interval c
 f_{cijm} = frequency of responding samples at interval c for industry group j in industry division i at current month m
 n_{rijm} = total number of responding (good) establishments for industry group j in industry division i at current month m

- n_{tijm} = total number of temporarily closed/closed establishments for industry group j in industry division i at current month m
- k = total number of capacity utilization intervals

III.3.2.5.b. Computation of Average CU for Industry Division Level

$$AveCU_{im} = \sum_{i=1}^{p_i} (W_{ij} \times AveCU_{ijm})$$

where:

- $AveCU_{im}$ = average capacity utilization rate for industry division i at current month m
- W_{ij} = weight for industry group j in industry division i
- $AveCU_{ijm}$ = average capacity utilization rate for industry group j in industry division i at current month m
- p_i = number of industry groups in industry division i

III.3.2.5.c. Computation of Average CU for Total Manufacturing

$$AveCU_m = \sum_{i=1}^{22} (W_i \times AveCU_{im})$$

where:

- $AveCU_m$ = average capacity utilization rate for total manufacturing at current month m
- W_i = weight for industry division i
- $AveCU_{im}$ = average capacity utilization rate for industry division i at current month m

III.4. Imputation Technique

Imputation is done for sample establishments that are in operation during the reference period but no response during the release date. Results are revised accordingly when the actual data are received, and these revisions are reflected in the next release.

III.5 Rebasing

Starting with the January 2021 reference month, production and sales indices from the MISSI are rebased to 2018, from 2000 base period.

The major changes in the rebasing are (1) the industry structure or classification and (2) the weights which measure the relevance of the industries. The industry classification for the 2018-based series follows the 2009 Philippine Standard Industry Classification (PSIC), while the 2000-based series adopted the 1994 PSIC. For the rebased series, the weights at the base year were computed based on the final results of the 2018 Census of Philippine Business and Industry (CPBI). The results of the Annual Survey of Philippine Business and Industry (ASPBI) will be used to update the weights annually until the next rebasing.

Other changes are on the methodology of index computation and on the estimation of average capacity utilization rate which are discussed in the next section.

IV. Concepts and Definitions of Terms

Total employment is the total number of persons who work in or for the establishment during pay periods nearest the 15th of each reference month. Total employment consists of working owners and/or unpaid workers, and paid officials and workers. Workers who are working on a sub-contractual arrangement with the establishment are excluded in employment. The payment for this arrangement is accounted as industrial services under total cost. Total cost, however, is not being collected in MISSI.

1. Working owners are owners who are actively engaged in the management of the establishment but do not receive regular pay, i.e., not included in the payroll.
2. Unpaid workers are persons working for at least 1/3 of the working time normal to the establishment who do not receive regular pay. It includes all apprentices and learners without regular pay.
3. Paid employees are full-time or part-time workers, on sick or maternity leave and on paid vacation or holiday, and employees working away from this establishment paid by and under the control of this establishment. Paid employees are managers and executives, production workers, and other employees.
 - a. Managers and executives refer to all salaried directors, managers, executives, administrative and other officials of the same category. Working owners receiving regular pay should be included in this category.
 - b. Production workers refer to all employees directly engaged in the production activities of the establishment. Included are manual workers, clerical personnel, working foreman and seasonal workers who fabricate, process, assemble, construct, install, among others. Excluded are supervisory employees above working foreman level.
 - c. Other employees refer to all other employees not included above.

Total compensation refers to the sum of salaries and wages before deductions of employees' SSS contribution, withholding taxes, etc. and employer's contribution to SSS/GSIS, Philhealth, PAG-IBIG and other similar schemes.

1. Salaries and Wages consist of basic pay, overtime pay, cost-of-living allowances, vacation and sick leave pay, commissions, bonuses, dismissal or retirement pay, back pays and other benefits prior to deduction of employees' SSS/GSIS contribution, PAG-IBIG, Philhealth, withholding taxes and the like.
2. Total Employer's contribution to SSS/GSIS, ECC, etc. refers to all payments made by the employer on behalf of his employees to SSS/GSIS, ECC, PAG-IBIG, Philhealth, pension and similar schemes.

Total Value of Production is the value of all goods produced and work-in-progress during the reference month. Valuation is at producer prices, that is, the amount receivable by the producer from the purchaser for a unit of a product as output, minus any VAT or similar deductible tax, invoiced to the purchaser. It excludes any transport charges invoiced separately by the producer.

Total Revenue/ Sales is the total cash received and receivables for goods sold and services rendered.

1. Sales from manufacturing activity includes the value of shipments of products manufactured by the establishment whether or not they were produced during the reference month. Inter-plant transfer or goods transferred from one establishment to another of the same enterprise should be valued as though sold. Valuation of goods shipped is at ex-plant price (producer price) and net of discounts, allowances and returned goods.
2. Other Income includes income from activities other than manufacturing, such as investment interest, foreign exchange gains, rent income, and profit from the sale of non-inventory assets.

Inventory of finished product is the value of stocks of goods owned by or under the control of the establishment as of a fixed date of the reference month which are ready for shipment, regardless of where the stocks are located.

Inventory of work-in-progress is the value of stocks of all materials which have been partially processed by the establishment as of a fixed date of the reference month, but which are not usually sold or turned over to other establishment without further processing.

Inventory of raw materials is the value of stocks of raw materials as of a fixed date of the reference month. It includes materials and fuels that enter the product.

Capacity utilization is the ratio of total output to the maximum rated capacity of the establishment.

1. Rated capacity refers to the largest volume of output possible at which the factory can operate with an acceptable degree of efficiency taking into consideration unavoidable losses of productive time (i.e., vacations, holidays, and repairs to equipment) and availability of raw materials.

V. Dissemination of Results and Revision

Web-posting of the Press Release of MISSI shall be done every 37th day after each reference month. Statistical tables are also posted in OpenStat.

Imputed values are revised upon receipt of actual data for inclusion in the revised indices.

VI. Citation

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