
Core sector grows 2.8pct in May

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BL reported that a dip in the production of crude oil and refined petro products notwithstanding, the index of 6 core infrastructure industries registered a growth of 2.8% in May and 3.9% for April to May 2009. This is against their corresponding last year levels of 3.1% and 2.7%, respectively. The best performance came from cement and coal.

In May, the country produced 1.71 million tonne of cement, 11.63% more than the 1.53 million tonne in the same month of last year. For the first 2 months of the current fiscal, the output, at 3.45 million tonne was up by 11.68% over the 3.09 million tonne in April to May 2008-09.

Likewise, coal production increased 10.21% from 3.63 million tonne in May 2008 to 4 million tonne in May 2009, and 11.78% from 7.13 million tonne in April to May 2008 to 7.97 million tonne in April to May 2009.

Moreover, power generation, at 64,066.8 million units in May, was 3.29% more than the 62,028.5 million units for the same month last year.

For the April to May period, the production of 127,055.3 million units was 5.14% higher.

Finished steel output in May was estimated at 4.50 million tonne, a 1.37% increase. During the first 2 months of this fiscal, production, at 8.80 million tonne was 2.08% higher than the 8.62 million tonne in the year ago period.

Beside, production of both crude oil and refined petro products fell 4.3% each during May, the former from 2.90 million tonne to 2.78 million tonne and the latter from 1.24 million tonne to 1.18 million tonne.

During April to May, the output of crude oil declined 3.72% to 5.51 million tonne, while that of refined products fell 4.38% from 2.45 million tonne to 2.34 million tonne. The dip in oil and petro product production has been attributed to lower demand arising from the overall economic slowdown.

According to the petroleum ministry, consumption of diesel was down by 1.3% YoY in May, while being lower by 28.9% in case of naphtha and 6.3% for aviation turbine fuel.

(Sourced from Business Line)

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