Norwegian manufacturing production

07 October 2026

Small decline in manufacturing production in August

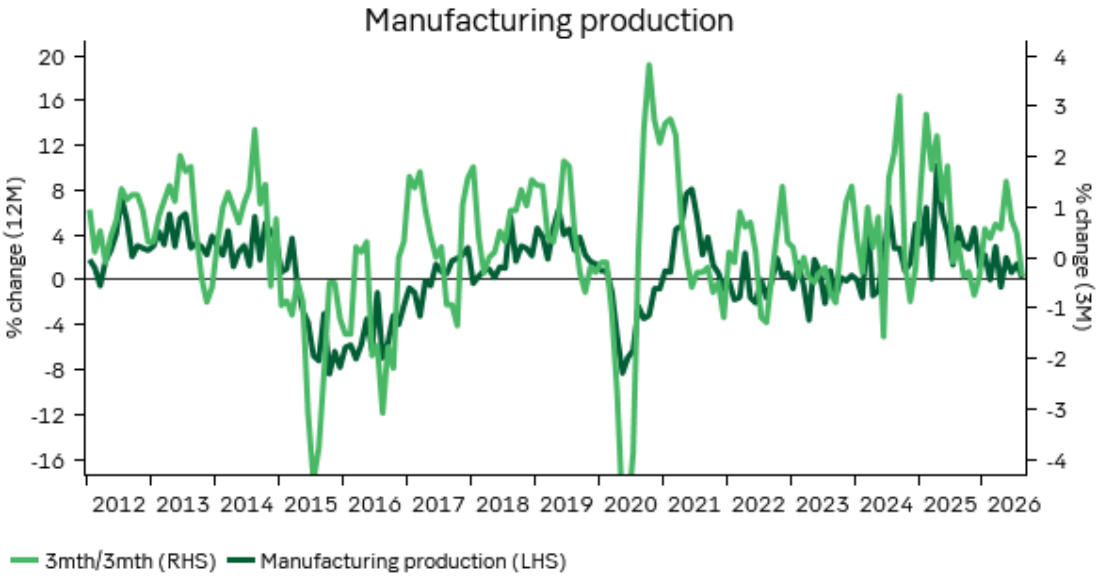
Manufacturing production fell by 0.4 % m/m in August, and the average in Jul-Aug is a modest 0.1% higher than the Q2 average. The 3m/3m rate has slowed lately and turned negative this month. Output growth was mixed between sectors; petroleum-related manufacturing dragged the overall figures down while traditional manufacturing basket limited the decline. Electricity output remains volatile, and the average so far in the quarter indicates a negative contribution to GDP in Q3. All in all, details are mixed and point to divergent contributions to the Q3 national accounts (due November).

Manufacturing Production: Manufacturing production fell 0.4% m/m in August, with the Jul-Aug average 0.1% above the Q2 average, suggesting a mild to neutral contribution to manufacturing production in Q3. The year-on-year rate fell to 0.2%, from previously 1.4%. Traditional-related manufacturing (0.4% m/m) offered some support to the monthly figures while petroleum-related manufacturing production (-1.7% m/m) was a large drag. Within traditional-manufacturing production, wood and wood products rebounded (12.6% m/m) and lifted the figures, while the food, beverage and tobacco sector dragged the figures down, declining 1.2% m/m. Within petroleum-related manufacturing, ships, boats and platforms (-9.0% m/m) plummeted and was the largest drag this month, this comes after high activity with the sector in previous month.

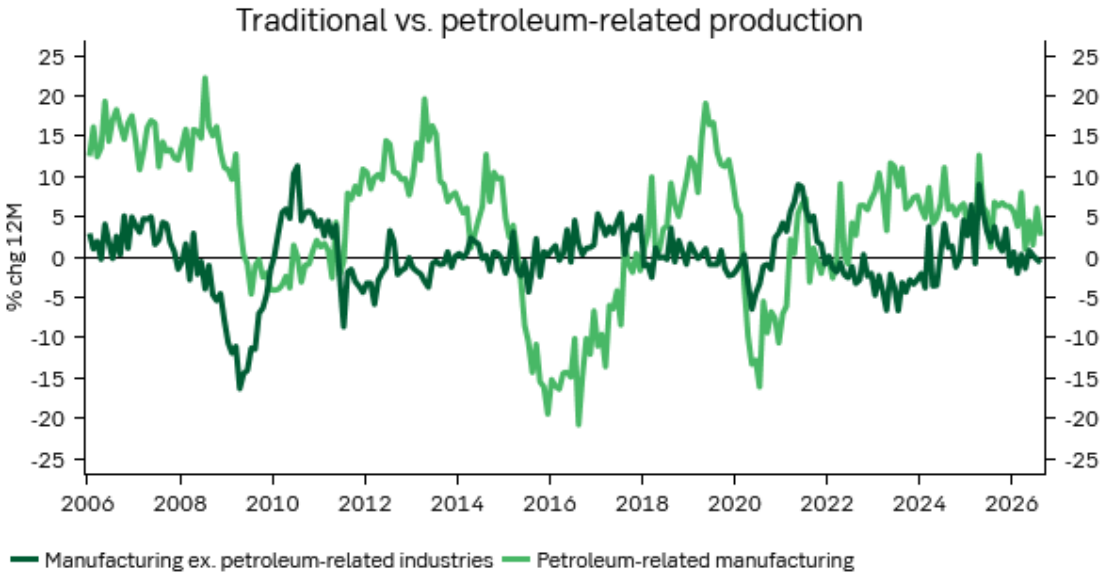
The average in Jul-Aug points to mild contribution to the quarterly figures and feeds into mainland GDP in Q3. The average so far in Q3 in output in manufacturing & mining is flat compared to the Q2 average, indicating a rather neutral contribution to mainland GDP in Q3 (due November), while electricity production will likely be a drag on growth in Q3, being 2.7% below the Q2 average.

Separately, construction data rose marginally by 0.3% m/m in August, with a small upward move towards zero in the 3m/3m rate which has remained below zero for several years. Looking at the details, the largest category specialized construction activities lifted the monthly figures (1.1% m/m), while the second largest contribution from construction of buildings weighed on the figures (-0.2% m/m). Within this category, development of building projects declined (-1.9% m/m) whereas construction of residential and non-residential buildings was flat in August. Civil engineering declined 0.4% m/m.

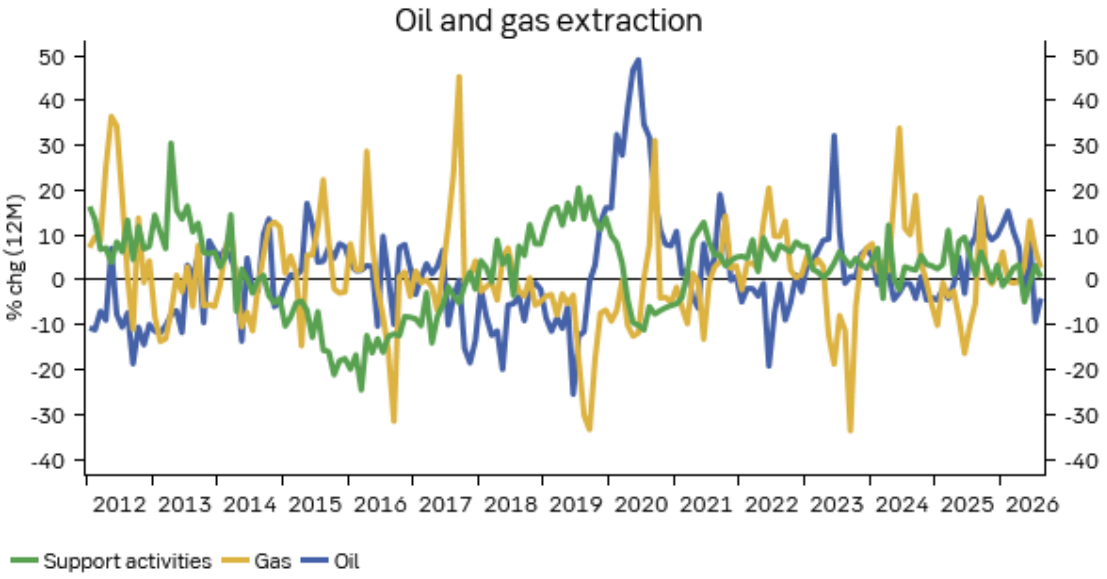
Industrial Production: Industrial production rose 1.0% in August, after a 7.1% decline (revised up from -7.6%) in the previous month. Industrial production is so far 2.3% lower than the Q2 average, driven by weak extraction and related services, suggesting that it will weigh on total GDP in Q3. Electricity declined for a second month in a row, though the 3m/3m remains positive at 6.8%.



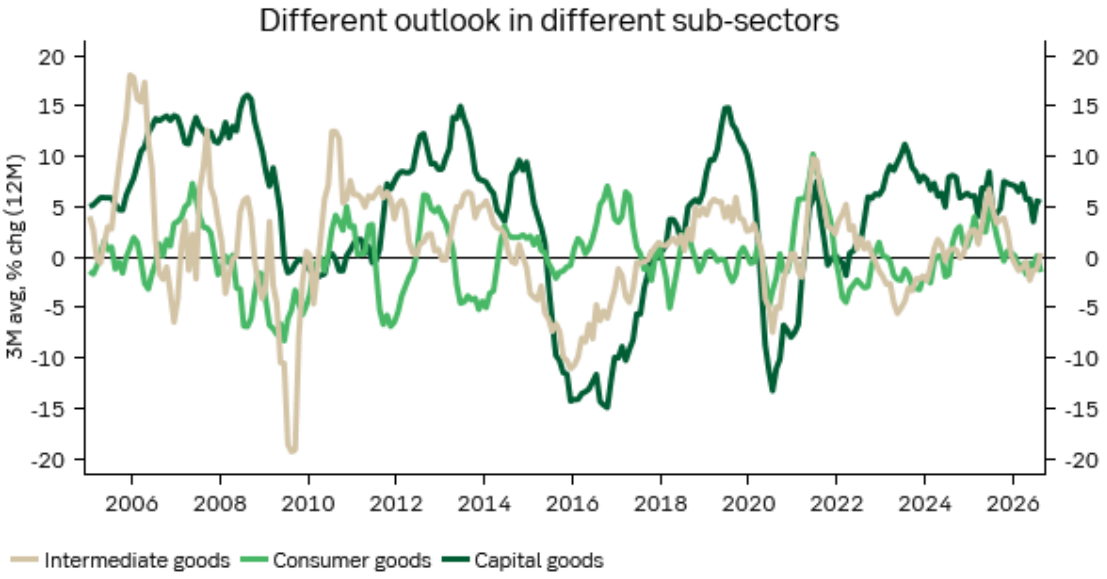
Source: Bloomberg, Macrobond, SEB



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