1.2.   **Economic activity**

Two-digit growth rates on a monthly basis are commonly registered in October, mainly as a result of the increased production of wine. In October 2003, however, a moderate monthly increase of 1.7% was registered, which is due to the high comparison base in September, when increased industrial activity was registered, inter alia because of the transferred effect from the production of wine. In October 2003, an increase was registered in almost all main groups of industrial products (except in the production of non-durable consumption goods which declined by 14.1%). Analyzed by sectors, an increased output of 3.9% was registered in the processing industry, which is mainly due to the increased production of basic metals by 2.6 times, thus continuing the upward trend started in the previous month. In the sector "supply of electricity, gas and water" the production increased by 19.4%, which corresponds to the beginning of the heating season. A decrease of 61.9% was registered only in the sector "mining and quarrying", which is mainly a result of the high comparison base registered in the previous month.

Chart 4
Industrial output
(changes in percent)
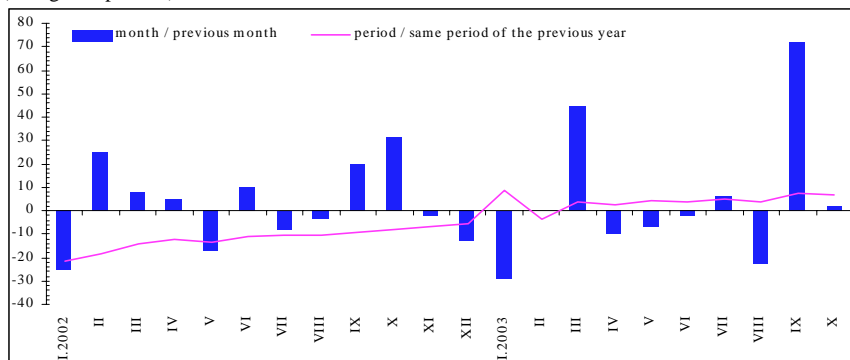
...given the annual and cumulative increase of 3.6% and 6.8%, respectively

On annual basis, the industrial output increased by 3.6%, given the registered increase in the production in almost all main groups of industrial products (except in the production of intermediate goods which recorded a decline on annual basis). In the January - October 2003 period, compared to the same period of the previous year, the industrial output is higher by 6.8%. Analyzed by sectors, an increased output was registered in the processing industry (by 7.9%, mainly as a result of the increased production of oil derivatives, basic metals and food products by 69.6%, 48.6% and 11.3%, respectively) and in the sector "supply of electricity, gas and water" (by 13.2%).