

Embargoed until 0945 EDT (1345 UTC) 3 June 2021

IHS Markit U.S. Sector PMI™

Rapid increase in consumer services activity leads US private sector growth in May

Key findings

Consumer Services overtakes Financials as best-performing category

Output growth hits survey-record high in four out of seven sectors

Supply chain constraints hold back growth in Basic Materials and Consumer Goods

US Sector PMI™ indices are compiled from responses to questionnaires sent to purchasing managers in IHS Markit's US manufacturing and services PMI survey panels, covering over 1,000 private sector companies. Indices are available for the basic materials, consumer goods, consumer services, financials, healthcare, industrials and technology sectors.

May data indicated sharp increases in business activity across all seven broad categories monitored by the US Sector PMI series. Moreover, four sectors posted survey-record rates of output expansion: Consumer Services (index at 73.6), Financials (71.8), Technology (69.1) and Industrials (65.9).

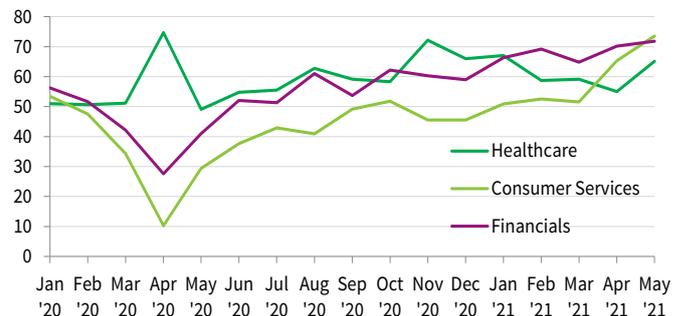
For the first time since September 2019, Consumer Services was the best-performing category during May. Survey respondents overwhelmingly cited looser pandemic restrictions and a surge in domestic consumer demand.

The reopening of the US economy also resulted in sharp and accelerated rises in activity across the Financials, Technology and Industrials sectors during May.

Producers of Basic Materials and Consumer Goods continued to record slower rates of output growth than most other parts of the private sector economy in May, despite a rapid recovery in new business volumes. Manufacturers in these segments often cited supply chain difficulties and shortages of raw materials as having constrained the speed of production growth achieved in the latest survey period.

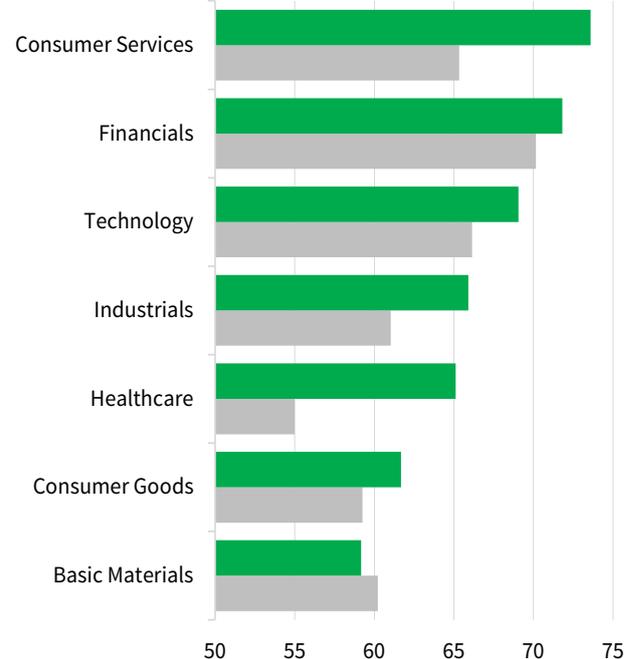
Five sectors registered record rates of input and output price inflation in May, the exceptions being Financials and Healthcare.

Business Activity Index
sa, >50 = growth since previous month



Source: IHS Markit.

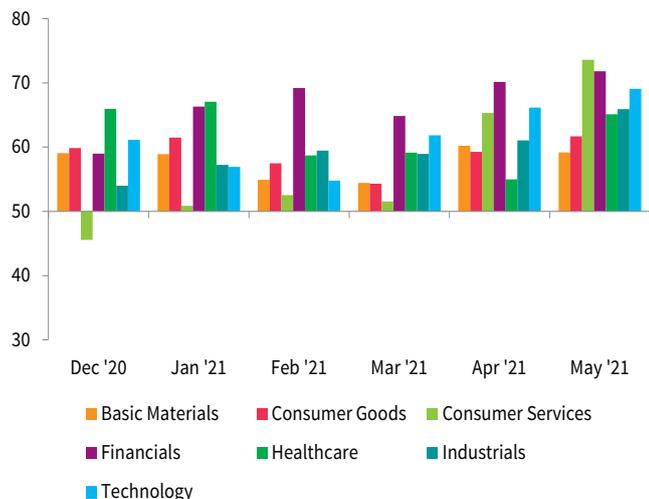
Output Index, May '21 / Apr '21
sa, >50 = growth since previous month



Source: IHS Markit.

Output / Business Activity Index

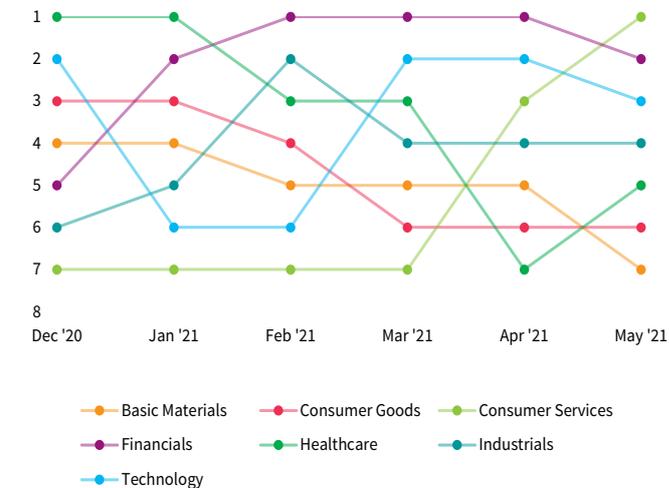
sa, >50 = growth since previous month



Source: IHS Markit.

Output / Business Activity Index

Rank



Source: IHS Markit.

Contact

Tim Moore
 Director
 IHS Markit
 T: +44-1491-461-067
tim.moore@ihsmarkit.com

Katherine Smith
 Public Relations
 IHS Markit
 T: +1 781 301 9311
katherine.smith@ihsmarkit.com

Methodology

The IHS Markit US Sector PMI™ indices are compiled by IHS Markit from responses to questionnaires sent to purchasing managers in IHS Markit's US manufacturing and services PMI survey panels, covering over 1,000 private sector companies.

IHS Markit maps individual company responses to industry sectors according to standard industry classification (SIC) codes. US Sector PMI indices are available for the basic materials, consumer goods, consumer services, financials, healthcare, industrials and technology sectors.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. Survey responses are weighted by country of origin, based on sectoral gross value added. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

For manufacturing sectors, the headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

For services sectors, or sectors covering both manufacturing and services, the headline figure is the Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity or output compared with one month previously.

For further information on the PMI survey methodology, please contact economics@ihsmarkit.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index™ and PMI™ are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. IHS Markit is a registered trademark of IHS Markit Ltd. and/or its affiliates.

About IHS Markit

IHS Markit (NYSE: INFO) is a world leader in critical information, analytics and solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 business and government customers, including 80 percent of the Fortune Global 500 and the world's leading financial institutions.

IHS Markit is a registered trademark of IHS Markit Ltd. and/or its affiliates. All other company and product names may be trademarks of their respective owners © 2021 IHS Markit Ltd. All rights reserved.

About PMI

Purchasing Managers' Index™ (PMI™) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. ihsmarkit.com/products/pmi.html

If you prefer not to receive news releases from IHS Markit, please email katherine.smith@ihsmarkit.com. To read our privacy policy, click here.