

Embargoed until 0945 EDT (1345 UTC) 7 June 2019

## IHS MARKIT US SECTOR PMI™

### Consumer goods output growth slowest since October 2013

#### KEY FINDINGS

Fractional rise in consumer goods output

First fall in consumer services business activity since June 2017

Slowest rise in industrials output since current growth sequence began in April 2016

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 survey data signalled the softest rise in **consumer goods** output since October 2013, according to the US Sector PMI™. The upturn was only fractional overall, indicating a significant slowdown from the solid growth seen at the start of 2019.

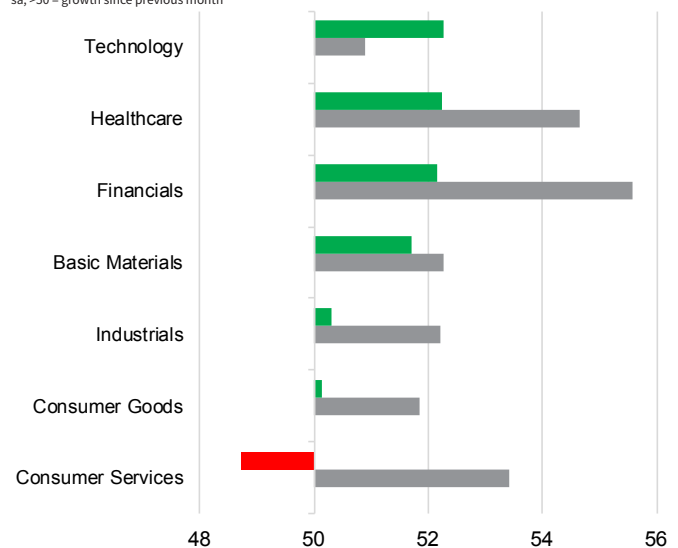
Meanwhile, **consumer services** firms registered the first fall in business activity since June 2017. Though marginal, it was the only decrease in activity across the seven monitored sectors.

Softer output expansions were meanwhile recorded in the **industrials** and **healthcare** sectors. Industrials firms noted the slowest rise in business activity since the current sequence of growth began in April 2016. The upturn was only fractional overall. Healthcare firms, however, signalled a moderate increase in output during May. Nonetheless, the pace of expansion was the softest since April 2018.

**Technology** companies also noted a slower increase in business activity compared to that seen in April. The upturn was modest overall, but the quickest of the monitored sectors, nonetheless.

Finally, only the **basic materials** and **financials** sectors registered faster increases in output in May. That said, the respective rates of growth were only modest.

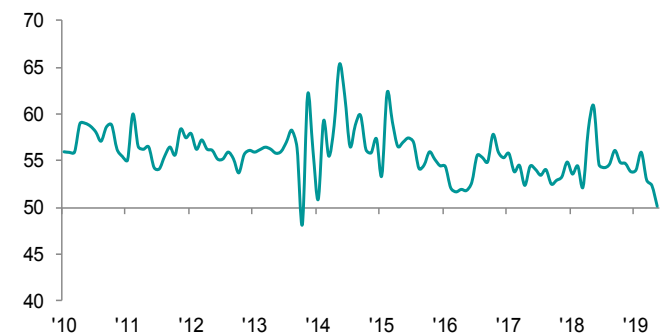
Output Index / Employment Index, May'19  
sa, >50 = growth since previous month



Source: IHS Markit

US Consumer Goods Output Index

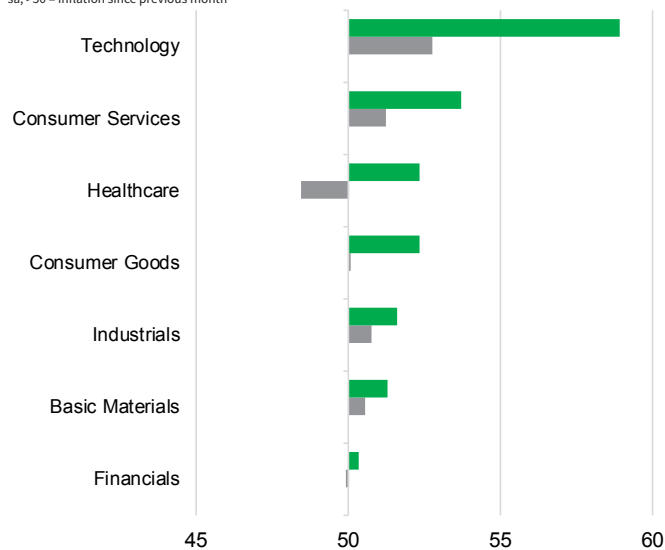
sa, >50 = growth since previous month



Source: IHS Markit

**Input Prices Index / Prices Charged Index, May'19**

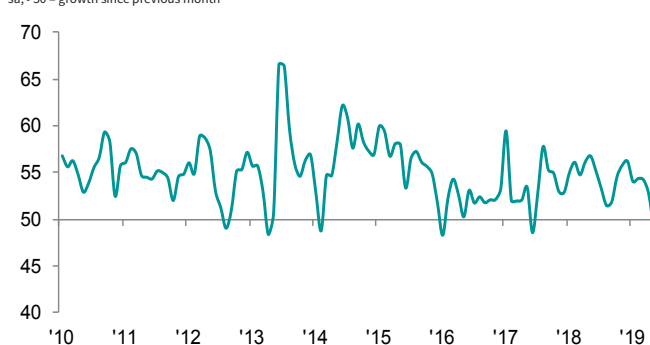
sa, >50 = inflation since previous month



Source: IHS Markit

**US Consumer Services Business Activity Index**

sa, >50 = growth since previous month



Source: IHS Markit

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**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](mailto:economics@ihsmarkit.com).

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**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. To learn more go to [ihsmarkit.com/products/pmi.html](http://ihsmarkit.com/products/pmi.html).

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