

Embargoed until 1100 EST (1600 UTC) 5 November 2020

IHS Markit Global Sector PMI™

Global output growth increasingly broad-based by sector in October

Key findings

17 sectors register higher output in October, highest total since April 2019

Automobiles & auto parts remains top of global sector output growth rankings

Tourism & recreation stays rooted at bottom of league table

The latest sector PMI™ data from IHS Markit signalled higher output in 17 out of 21 sectors in October, up from 14 in September and the largest total since April 2019. Of these, eight registered stronger rates of growth.

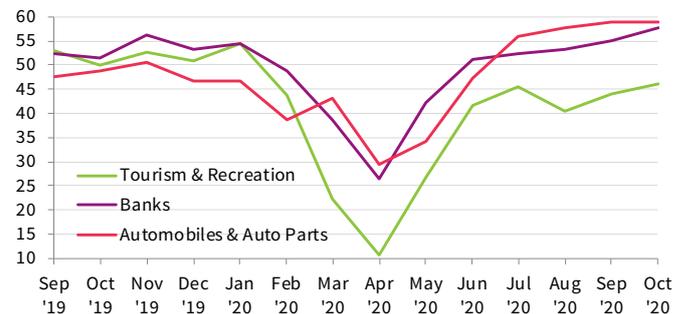
Automobiles & auto parts remained top of the global sector rankings in October, posting the fastest rise in output of all sectors monitored for the third time in four months. The rate of growth was unchanged from September's 117-month record. The rate of growth of new orders slowed from September's 129-month high, but remained sharp as export sales accelerated. Employment fell slightly for the first time in three months, contributing to a stronger rise in backlogs. The 12-month outlook for production weakened to a four-month low, however.

Banks registered the second-fastest rate of growth of any sector in October, and was the top-ranked service sector for the second month running. Real estate also posted a strong rise in activity during the month, lifting overall growth of the broad financials group to the strongest for three years.

Other strong performers during October were chemicals and machinery & equipment, which registered the strongest rates of output growth in 34 and 33 months, respectively.

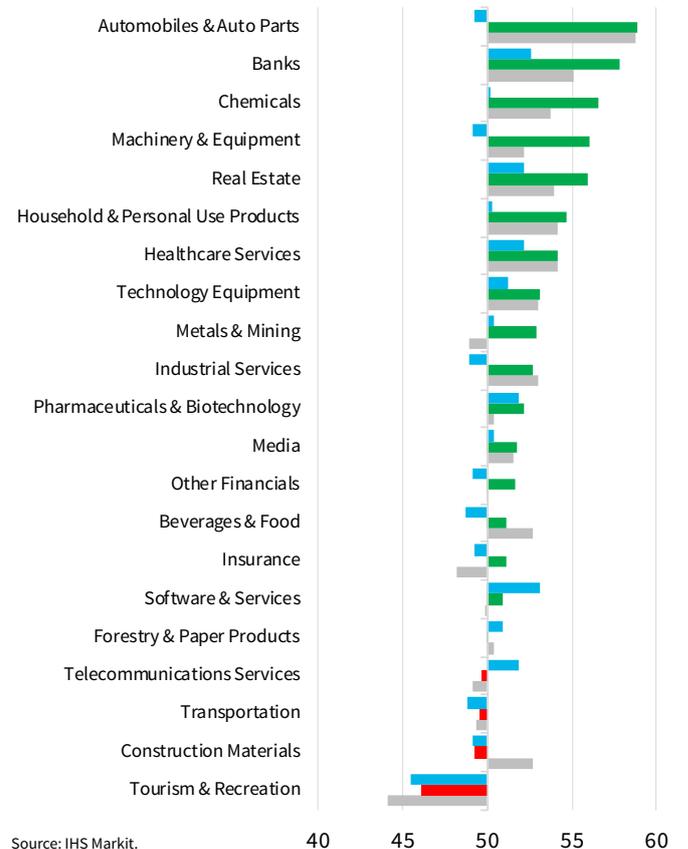
The only sector to record a notable fall in activity during the month was tourism & recreation. It also registered the sharpest rate of job shedding of all categories. That said, new business rose — albeit marginally — for the first time since January and business expectations were the strongest in 28 months.

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



Source: IHS Markit.

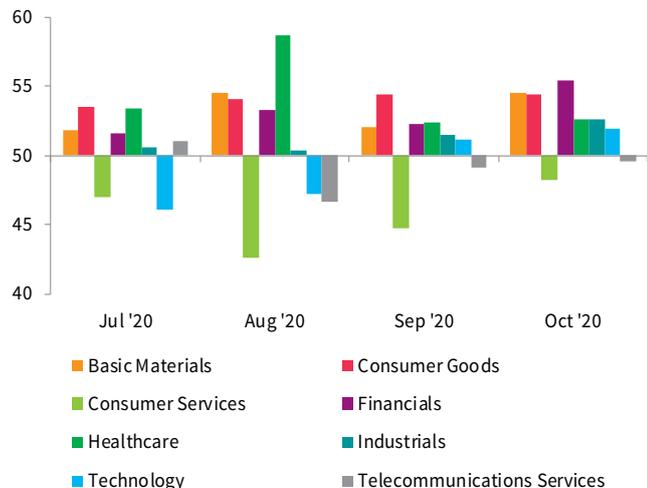
Output Index, Oct '20 ■ / Sep '20 ■
Employment Index, Oct '20 ■
sa, >50 = growth since previous month



Source: IHS Markit.

Global Output Index

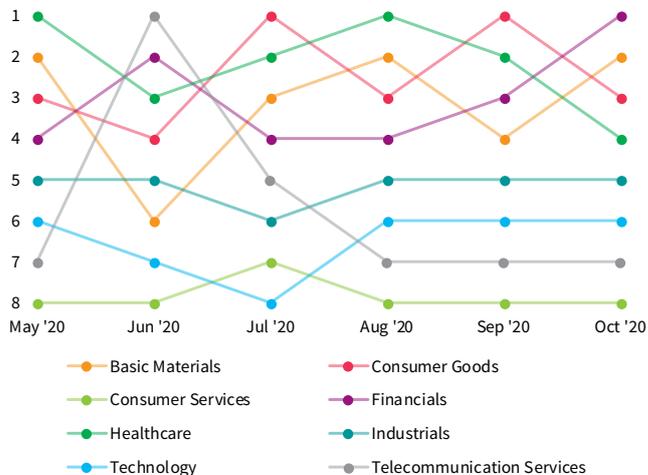
sa, >50 = growth since previous month



Source: IHS Markit.

Global Output Index

Rank



Source: IHS Markit.

Contact

Chris Williamson
 Chief Business Economist
 IHS Markit
 T: ++44-20-7260-2329
chris.williamson@ihsmarkit.com

Trevor Balchin
 Economics Director
 IHS Markit
 T: +44-1491-461-065
trevor.balchin@ihsmarkit.com

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

Methodology

The IHS Markit Global Sector PMI™ indices are compiled by IHS Markit from responses to questionnaires sent to purchasing managers in IHS Markit's global PMI survey panels, covering over 27,000 private sector companies in more than 40 countries.

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

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 © 2020 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.