

# IHS Markit Global Sector PMI™

## Tourism & Recreation retains top spot in global sector output rankings in July

### Key findings

Tourism & Recreation activity continues to rise sharply, but new business growth slows

Technology Equipment is strongest-growing manufacturing sector, despite supply chain delays

Inflationary pressures remain elevated across most sectors, led by Forestry & Paper Products

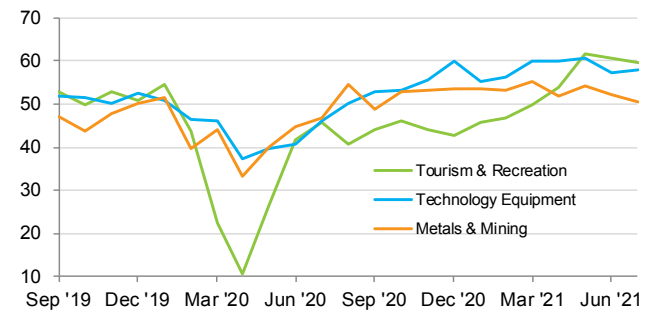
The latest Global Sector PMI™ data from IHS Markit revealed universal growth of output across all 21 sectors monitored for the fourth successive month in July. Moreover, all sectors except Real Estate recorded higher new business while jobs growth was broad-based except for Beverages & Food and Media.

Tourism & Recreation set the fastest pace of expansion in business activity across all sectors monitored for the second consecutive month in July. The rate of growth eased further, but remained stronger than in any period prior to May's record high. There were signs of demand growth moderating, however, as new business rose at the slowest rate in four months, with Tourism & Recreation ranked only seventh globally on this metric.

Technology Equipment ranked second globally in July in terms of output growth, despite seeing the greatest lengthening in suppliers' delivery times among the nine manufacturing sectors monitored. Elsewhere, input lead times lengthened to record extents (since October 2009) in Construction Materials and Beverages & Food (Machinery & Equipment was also a joint-record).

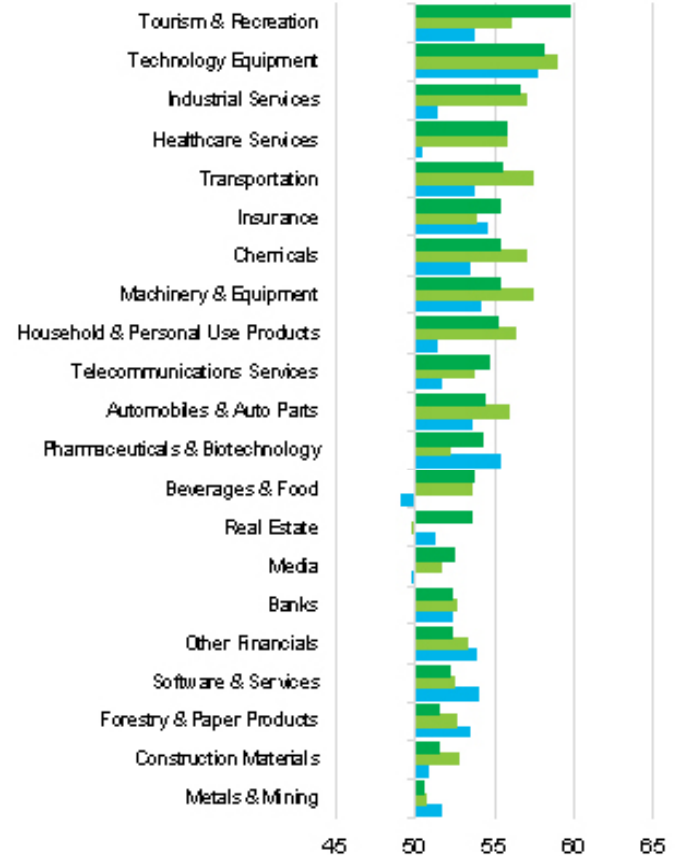
Inflationary pressures remained elevated across most sectors in July, with Forestry & Paper Products seeing the greatest cost pressures of all sectors. It also registered the strongest output price inflation globally. Chemicals, Machinery & Equipment, Construction Materials and Technology Equipment registered the next-strongest rates of input price inflation in July.

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

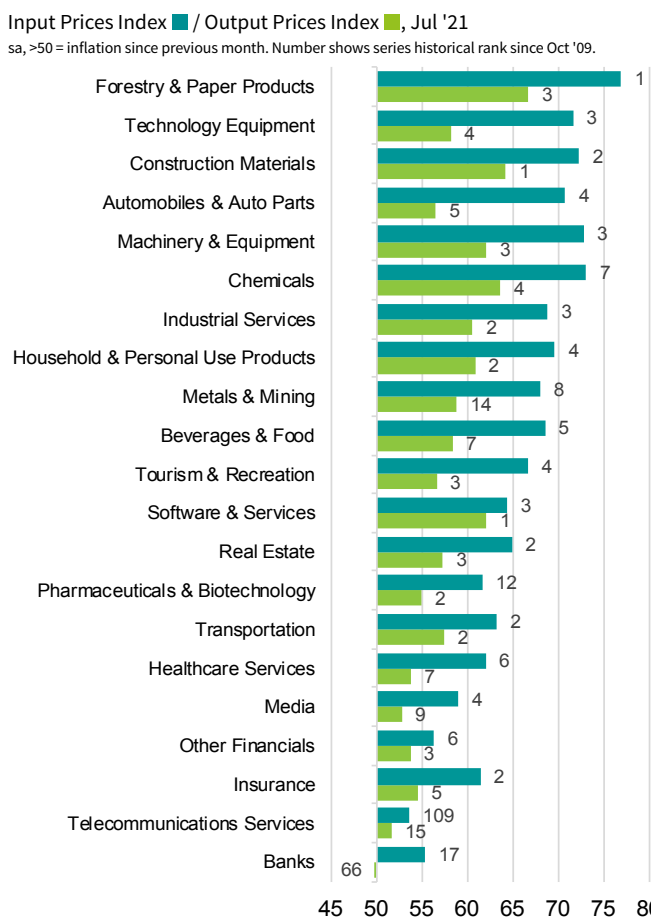


Source: IHS Markit.

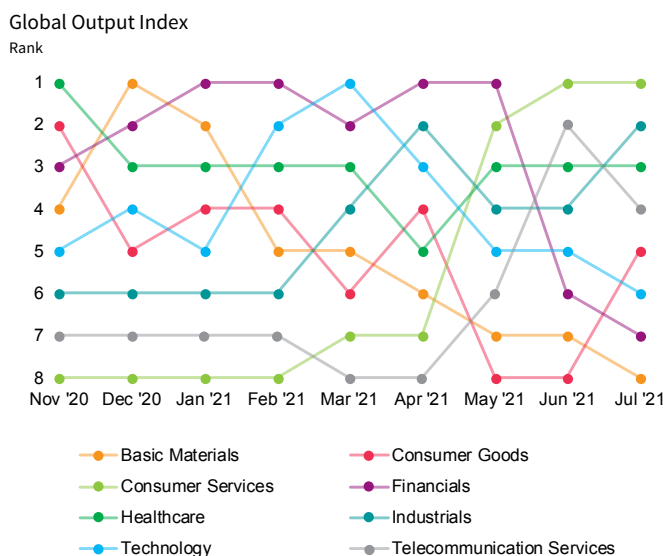
Output Index ■ / New Orders Index ■ / Employment Index ■, Jul '21  
sa, >50 = growth since previous month



Source: IHS Markit.



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

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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.

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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. [ihsmarkit.com/products/pmi.html](https://ihsmarkit.com/products/pmi.html)

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