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# IHS Markit Global Sector PMI™

## Sector PMI data reveal much slower falls in output and pockets of growth in June

### Key findings

Four sectors record higher business activity in June, led by banks

All other sectors see much slower rates of decline

Tourism & recreation rises from bottom of rankings for first time in four months

With national lockdowns across the globe partially lifted in June, all sectors monitored recorded improved output trends compared to May as factories and businesses began to ramp up operations again, albeit generally at well below full capacity.

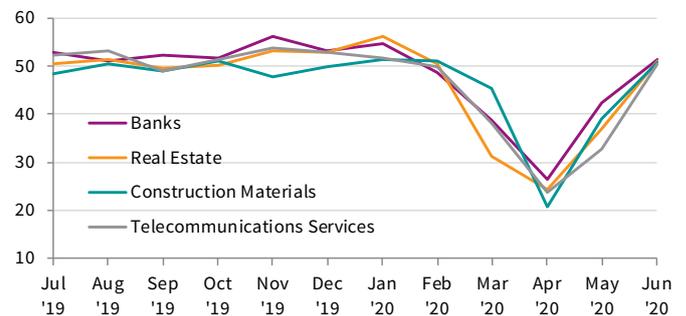
Global Sector PMI indices are compiled from responses to questionnaires sent to purchasing managers in IHS Markit's global PMI survey panels. Indices are available for the basic materials, consumer goods, consumer services, financials, healthcare, industrials, technology and telecommunication services industry groups, and sub-sectors of these groups.

Four sectors registered higher activity in June compared with May: **banks**, **real estate**, **construction materials** and **telecommunication services**. That said, rates of expansion were subdued compared with the long-run series trends (since October 2009).

All other sectors monitored posted much slower declines in activity in June, as indicated by higher (albeit still below 50.0) index readings. The strongest overall decline was seen in **technology equipment**, followed by **tourism & recreation** and **other financials** respectively. June marked the first month where tourism & recreation was not the bottom-ranked global sector since February.

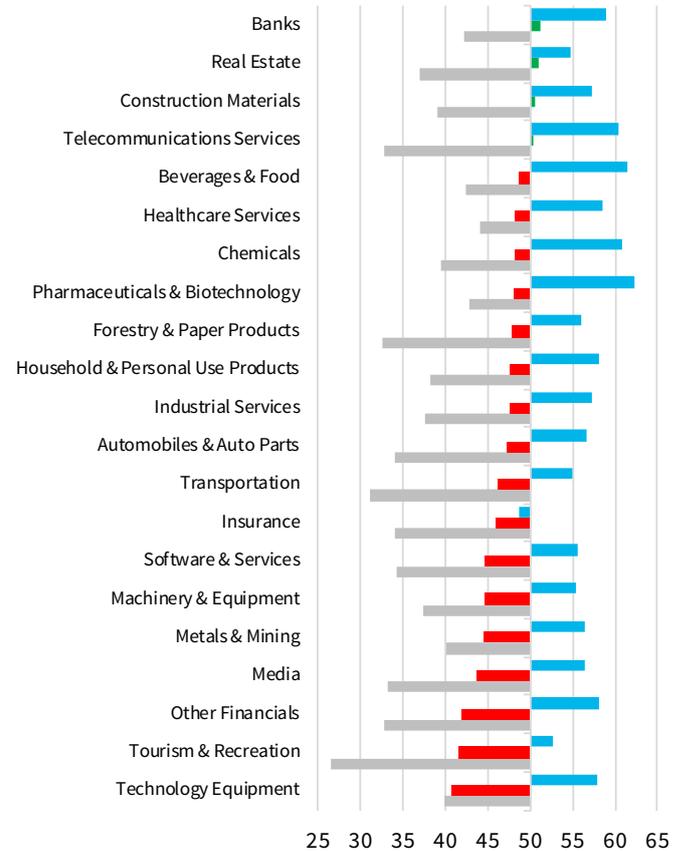
Looking ahead 12 months, the most optimistic sectors in June were **pharmaceuticals & biotechnology**, **beverages & food**, **chemicals** and **telecommunication services**. **Insurance**, **tourism & recreation** and **real estate** held the weakest expectations for activity.

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



Source: IHS Markit.

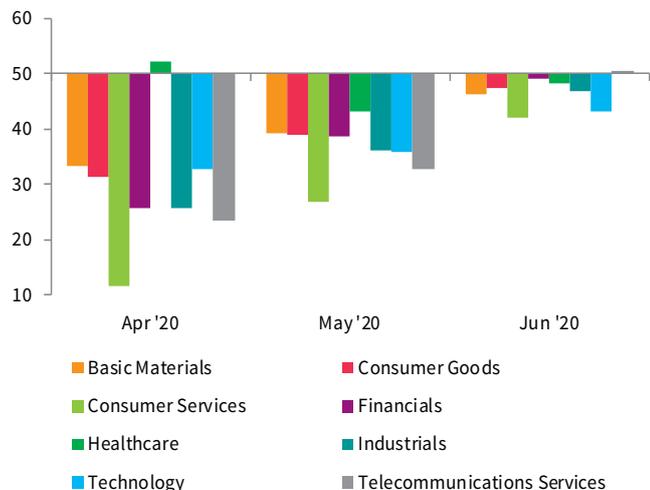
Output Index, Jun'20 (red) / May '20 (grey) Future Output Index, Jun'20 (blue)  
sa, >50 = growth since previous month >50 = growth expected over next 12 months



Source: IHS Markit.

Global Output Index

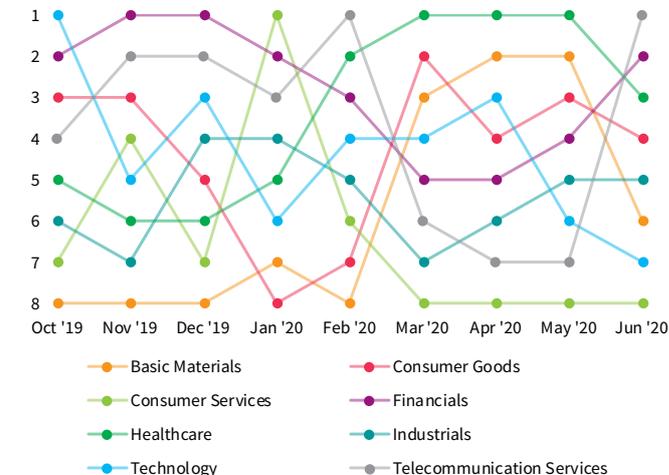
sa, >50 = growth since previous month



Source: IHS Markit.

Global Output Index

Rank



Source: IHS Markit.

Contact

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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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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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