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## IHS MARKIT GLOBAL SECTOR PMI™

### Global auto production falls in October

#### KEY FINDINGS

Strongest decline in new orders for autos & parts in nearly six years

Output of basic materials falls, reflecting metals and chemicals

Industrial services posts sharpest growth of all sectors

Global Sector PMI indices are compiled 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.

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.

**Automobiles & auto parts** registered the first decline in output since June 2016, driven by the fastest drop in new orders in nearly six years. Global new export orders for autos declined for the second month running, the first back-to-back contraction for three-and-a-half years.

Three other sectors posted declines in output in October. The sharpest contraction was posted in **metals & mining**, where production fell at the fastest pace since July 2016.

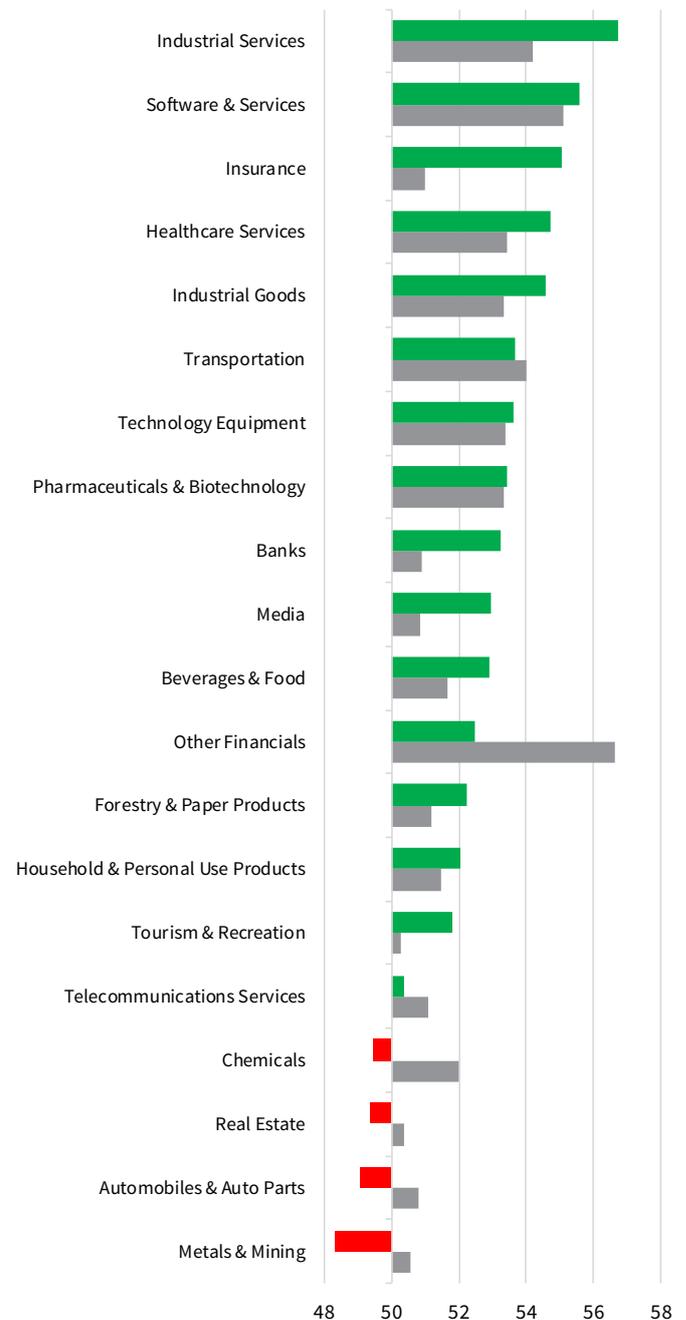
**Chemicals** and **real estate** also posted contractions.

At the broad level, **basic materials** (including metals & mining, chemicals and forestry & paper products) registered a decline in output for the first time in over two years.

The **industrial services**, **software & services** and **insurance** sectors posted the strongest growth in October. The fastest-growing manufacturing sector was **industrial goods**, in fifth place overall, followed by **technology equipment** in seventh.

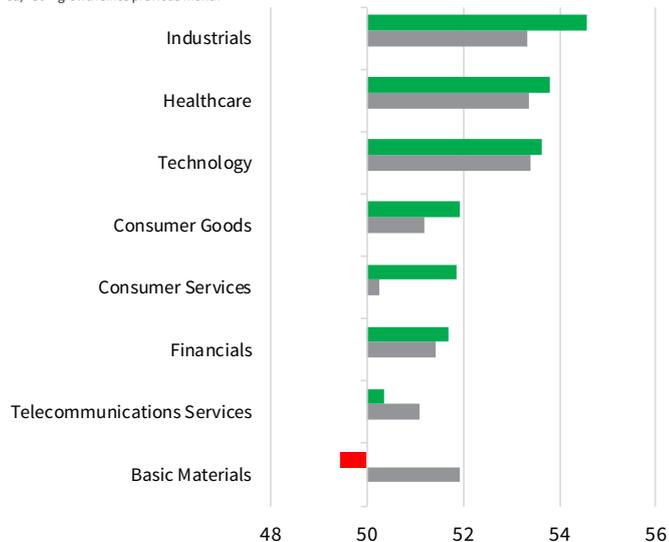
With **transportation** also registering a strong increase in activity (in sixth place), **industrials** was the strongest-growing broad sector group in October.

Output Index / Employment Index, Oct '18  
sa, >50 = growth since previous month



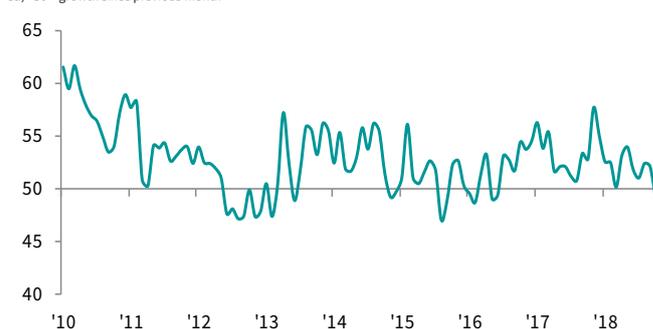
Output Index / Employment Index, Oct'18

sa, >50 = growth since previous month



Global Automobiles & Auto Parts Output Index

sa, >50 = growth since previous month



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

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