

News Release

Embargoed until 0945 EDT (1345 UTC) 5 May 2020

IHS MARKIT US SECTOR PMI™

Healthcare sector output growth at record high amid COVID-19 outbreak

KEY FINDINGS

Healthcare the only sector to signal an expansion in April

Consumer services registers sharpest contraction in series history

Industrials and consumer goods also see particularly marked declines

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.

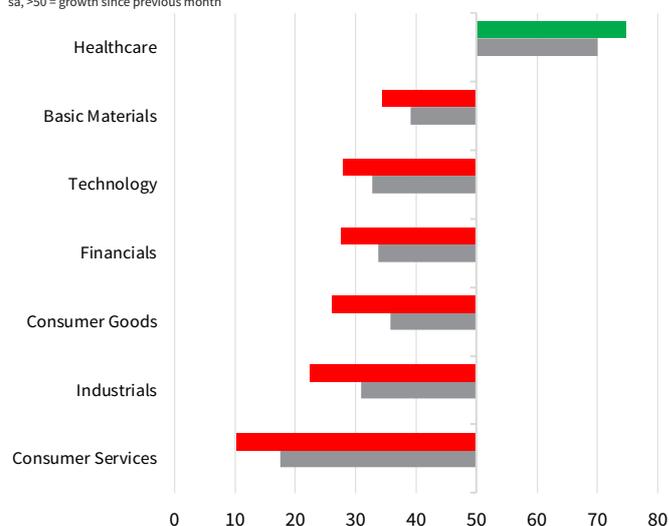
April data, collected 7-29 April, indicated substantial decreases in output across six of the seven monitored sectors. The only exception was **healthcare**, which recorded by far the fastest expansion since the series began in October 2009. The upturn was driven by the escalation of the COVID-19 pandemic.

The introduction of social distancing and stay-at-home measures created challenges for businesses across the U.S., with **consumer services** firms especially registering a significant contraction in business activity. The downturn was by far the steepest on record and outpaced those seen across the other monitored sectors.

Financials, industrials and **technology** companies also recorded the most severe contractions in business activity in their respective series histories, amid ongoing lockdown measures.

Of the monitored manufacturing sectors **consumer goods** posted a stronger decline than **basic materials**, which registered the softest fall in output of the six sectors that saw a decrease. That said, the rates of contraction in both were the most marked since the series began.

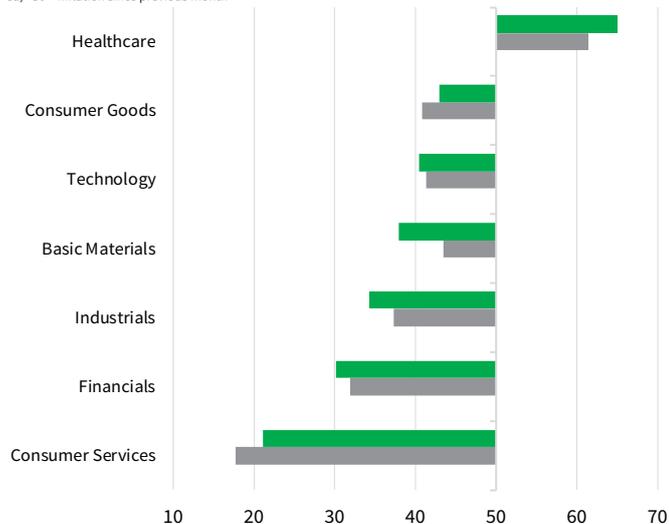
Output Index / Employment Index, Apr '20
sa, >50 = growth since previous month



Source: IHS Markit

Input Prices Index / Prices Charged Index, Apr '20

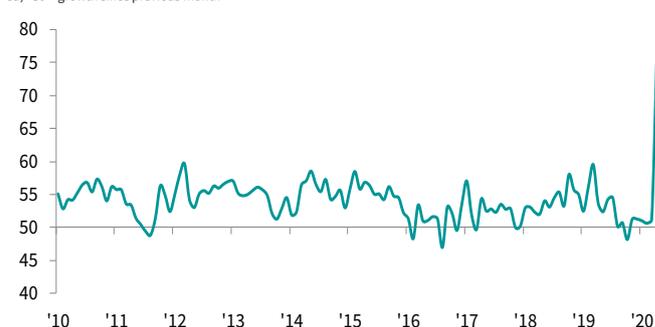
sa, >50 = inflation since previous month



Source: IHS Markit

US Healthcare: Business Activity Index

sa, >50 = growth since previous month



Source: IHS Markit

CONTACT

IHS Markit

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

Tim Moore
Director
T: +44-1491-461-067
tim.moore@ihsmarkit.com

Katherine Smith
Corporate Communications
T: +1 (781) 301-9311
katherine.smith@ihsmarkit.com

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.

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.