

IHS Markit Asia Sector PMI™

Insurance and Consumer Goods achieve strong end to 2021

Key findings

Insurance tops Asian sector growth rankings for first time since February

Consumer goods sub-sectors outrank all other categories

Healthcare sub-sectors post further declines in activity

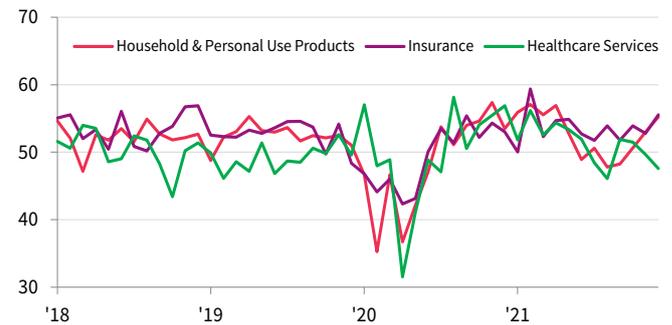
The final batch of Asia PMI™ sector data for 2021 signalled strong growth in the Insurance and Consumer Goods sectors in December. Insurance was the fastest-growing detailed sector at the end of the year, while the three constituents of the broad Consumer Goods category – Household & Personal Use Products, Beverages & Food and Automobiles & Auto Parts – were the next-highest ranking detailed sectors. Consumer Goods registered the joint-strongest increase in output in 2021 in December, and was the fastest-growing among the seven broad sectors monitored for the first time since April.

Machinery & Equipment was the strongest-growing detailed sector over 2021 as a whole with output rising for the seventeenth successive month in December, the longest expansionary sequence of any sector. It fell to 12th in the growth rankings in December, however, its lowest position over this period.

Insurance registered the fastest increase in activity since February, helping the broad Financials sector to rank second behind Consumer Goods in December despite mid-table positions for its other constituents, Real Estate and Banks. Financials has been either first or second in the broad rankings for the past five months.

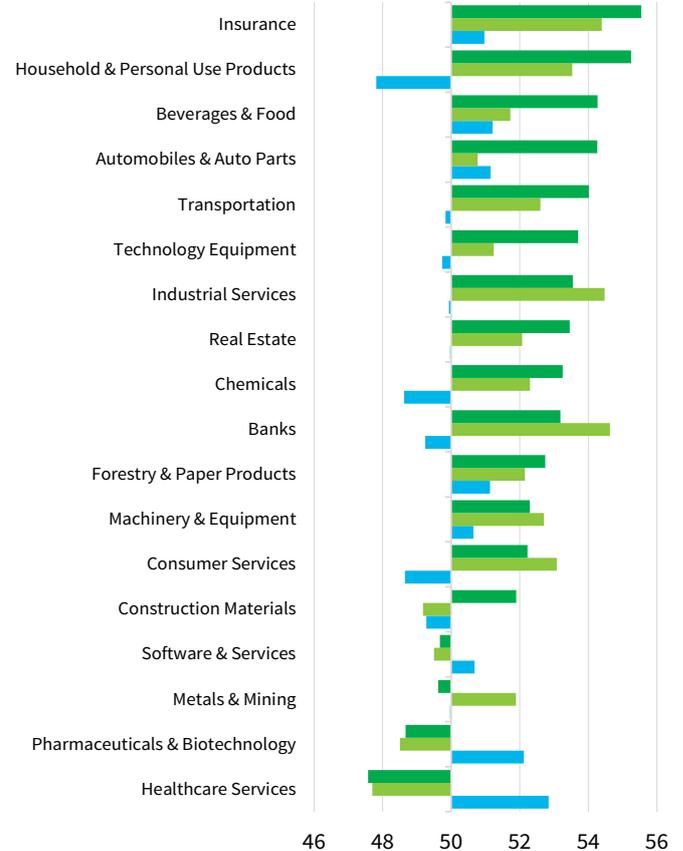
The constituents of the Healthcare sector – Healthcare Services and Pharmaceuticals & Biotechnology – were the worst-performing detailed sectors both in terms of output and new business in December. The only other sectors to record lower output in December were Metals & Mining and Software & Services, while the only other sectors to see lower new work were Software & Services and Construction Materials.

Asia Output Index
sa, >50 = growth since previous month



Source: IHS Markit.

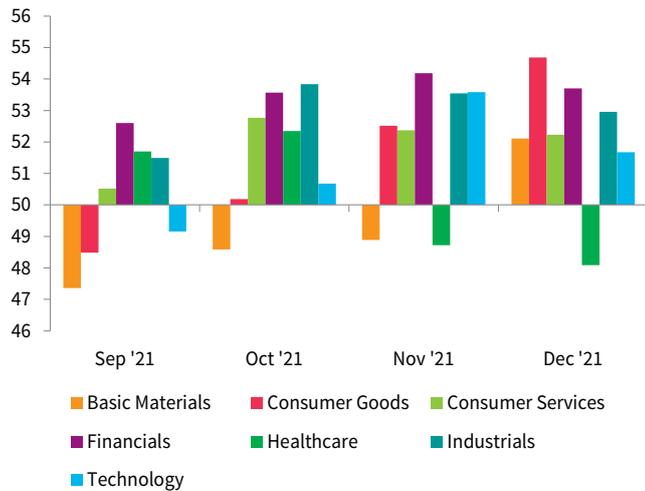
Output Index ■ / New Orders Index ■ / Employment Index ■, Dec '21
sa, >50 = growth since previous month



Source: IHS Markit.

Asia Output Index

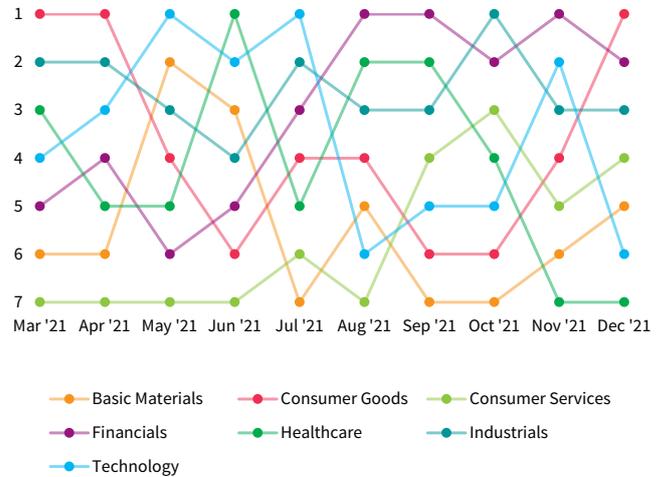
sa, >50 = growth since previous month



Source: IHS Markit.

Asia Output Index

Rank



Source: IHS Markit.

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Methodology

The IHS Markit Asia Sector PMI™ indices are compiled by IHS Markit from responses to questionnaires sent to purchasing managers in IHS Markit's Asian PMI survey panels, covering over 6,000 private sector companies in 13 regions.

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

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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.
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