

News Release

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IHS MARKIT GLOBAL SECTOR PMI™

Coronavirus disruption impacts almost all sectors in February

KEY FINDINGS

Eight global sectors register fastest contractions in output since series began in late-2009

Transportation and tourism & recreation are worst-affected areas of services economy

Pharmaceuticals & biotechnology bucks overall trend with stronger rise in output

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.

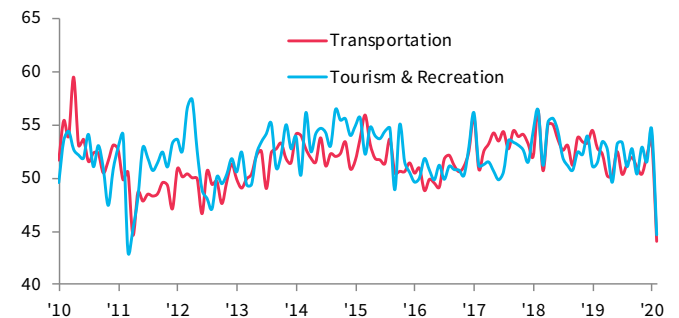
February data signalled widespread disruption across sectors stemming from the coronavirus outbreak. Eight sectors posted the fastest falls in output on record during the month, since the global sector data were first compiled in October 2009. **Automobiles & auto parts, metals & mining** and **chemicals** registered the strongest rates of decline. In the service sector, **transportation** and **tourism & recreation** were the worst affected. The largest month-on-month declines in the Output Index were registered in metals & mining (-11.7), tourism & recreation (-9.9) and transportation (-9.4).

Only **pharmaceuticals & biotechnology** and **other financials** posted any meaningful growth in activity in February. Pharmaceuticals & biotechnology posted the fastest expansion since December 2018, and was the only sector to see a rise in the Output Index since January.

At the broad level, record contractions were seen in **basic materials, consumer goods, consumer services** and **industrials**. **Telecommunication services** was the only broad sector to register growth, although the rate of expansion was fractional.

Global Business Activity Index

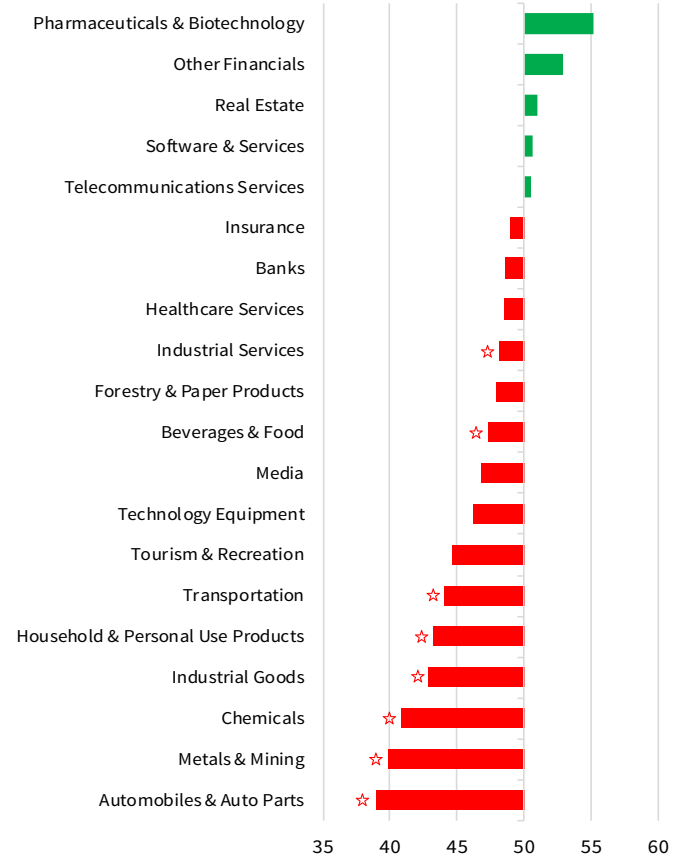
sa, >50 = growth since previous month



Source: IHS Markit.

Global Output Index, Feb '20

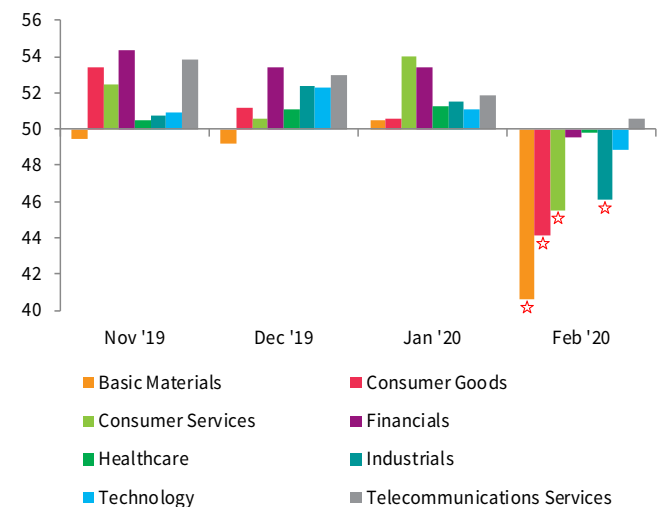
sa, >50 = growth since previous month ☆ = record low (since Oct '09)



Source: IHS Markit.

Global Output Index

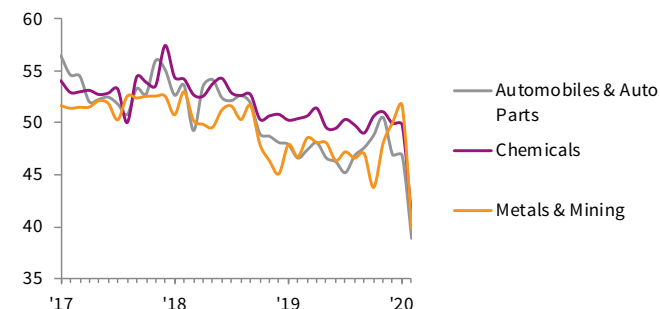
sa, >50 = growth since previous month * = record low (since Oct '09)



Source: IHS Markit.

Global Output Index

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.

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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.
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