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IHS MARKIT GLOBAL SECTOR PMI™

Global auto sector downturn continues to ease in October

KEY FINDINGS

Slower falls in autos output, new orders and employment

Strongest decline in metals & mining output in over seven years

Food, financial services and technology dominate growth rankings

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.

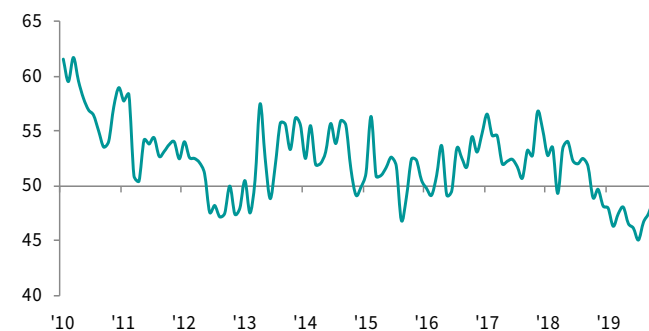
Global output of **automobiles & parts** continued to decline in October, extending the current downturn to just over a year. That said, the rate of contraction slowed for the third month running, to the weakest since November 2018. Moreover, new orders were only fractionally lower than in September, and employment in the sector fell only marginally.

Four other sectors recorded lower activity in October, most notably **metals & mining** where output dropped at the fastest pace since September 2012. **Forestry & paper products** also posted a stronger decline, while **industrial goods** and **industrial services** both saw only mild contractions. A further two sectors, **real estate** and **tourism & recreation**, registered broadly no change in activity since September.

Beverages & food recorded the strongest growth of output in October, followed by five sectors from the broad **financials** and **technology** groups. That said, rates of expansion were generally weaker than the long-run series averages.

Global Automobiles & Auto Parts Output Index

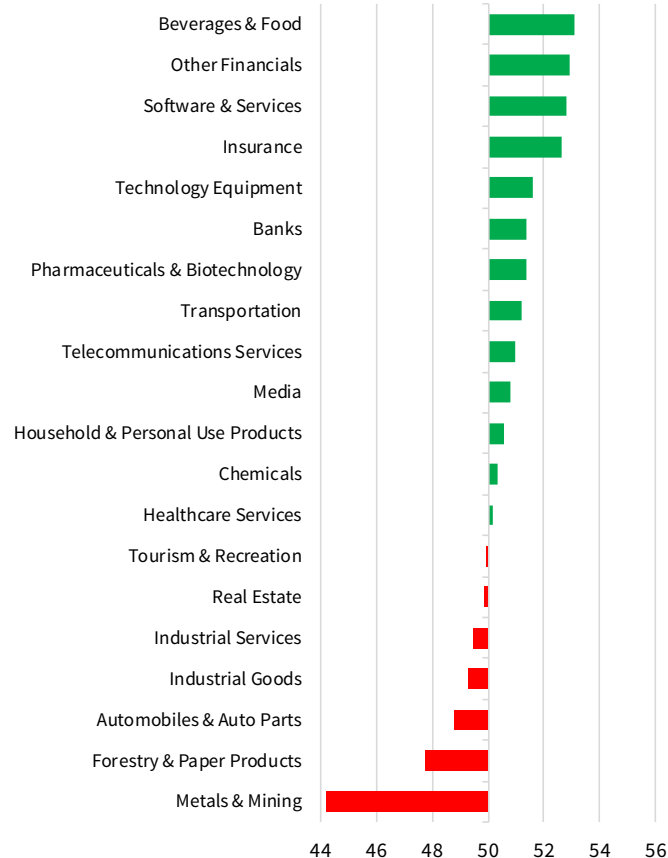
sa, >50 = growth since previous month



Source: IHS Markit.

Output Index, Oct '19

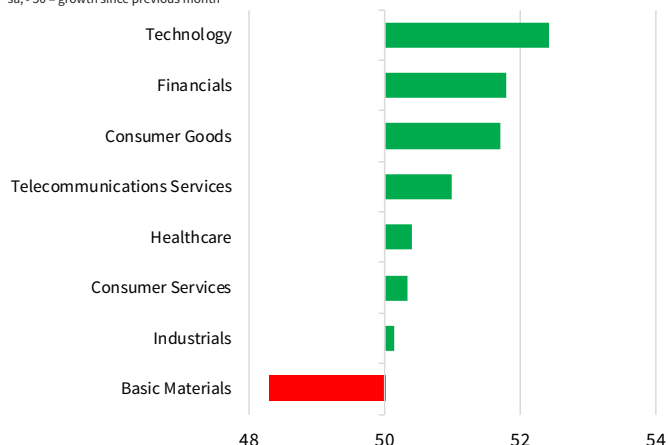
sa, >50 = growth since previous month



Source: IHS Markit.

Output Index, Oct '19

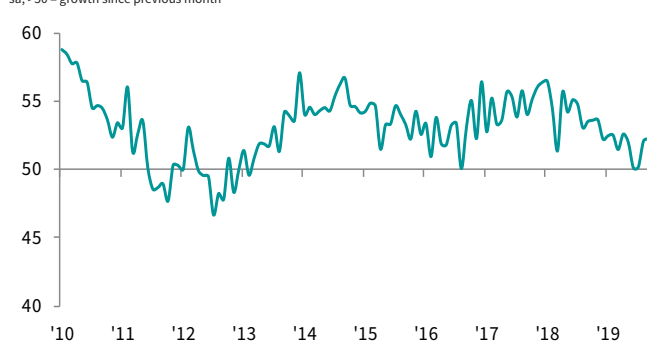
sa, >50 = growth since previous month



Source: IHS Markit.

Global Technology Output 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

Trevor Balchin
 Economics Director
 T: +44-1491-461-065
trevor.balchin@ihsmarkit.com

Joanna Vickers
 Corporate Communications
 T: +44-207-260-2234
joanna.vickers@ihsmarkit.com

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. To learn more go to ihsmarkit.com/products/pmi.html.

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