

# News Release

**Purchasing Managers' Index®**  
**MARKET SENSITIVE INFORMATION**  
**EMBARGOED UNTIL: 09:00 (UK Time), 1 October 2013**

## Markit Eurozone Manufacturing PMI® – final data

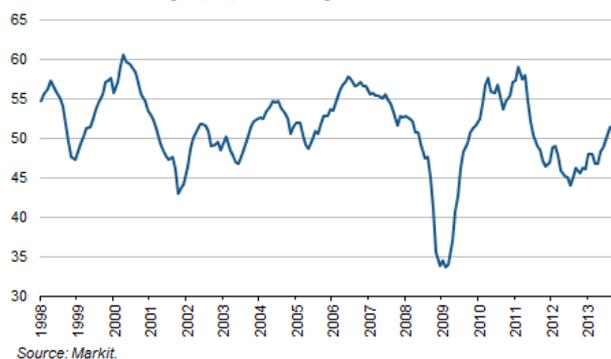
### Eurozone manufacturing expands throughout Q3 2013

Data collected 12-23 September.

- Final Eurozone Manufacturing PMI posts 51.1 in September, unchanged from flash estimate
- Recovery remains broad-based, with output rising in all nations except France and Greece
- Slight increase in price pressures

#### Manufacturing PMI® (overall business conditions)

Eurozone Manufacturing PMI, sa, 50 = no change



The eurozone manufacturing sector expanded for the third straight month in September. This meant that growth was recorded throughout the third quarter of the year to lift the sector out of its long-running recession.

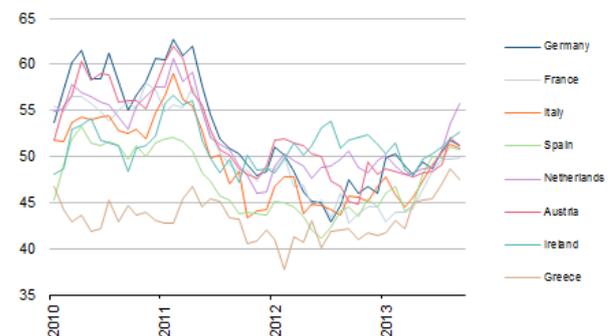
At 51.1 in September, edging down from August's 26-month high of 51.4, the seasonally adjusted **Markit Eurozone Manufacturing PMI®** signalled a modest rate of expansion. The final reading was in line with the earlier flash estimate.

Levels of production and new orders both rose for the third consecutive month in September, as domestic market conditions stabilised and foreign demand continued to improve at a solid clip. However, rates of expansion in output, new orders and new export orders were all slightly slower than August's 27-month peaks. Growth of new export business was nevertheless reported by all nations except Greece.

#### Countries ranked by Manufacturing PMI®: Sep

Netherlands	55.8	29-month high
Ireland	52.7	14-month high
Germany	51.1 (flash 51.3)	2-month low
Austria	51.1	2-month low
Italy	50.8	2-month low
Spain	50.7	2-month low
France	49.8 (flash 49.5)	19-month high
Greece	47.5	2-month low

Manufacturing PMI, sa, 50 = no change



The Netherlands remained at the top of the PMI growth league table in September, with its headline PMI hitting a near two-and-a-half year high. Growth also accelerated in Ireland.

Further expansions were recorded in Austria, Germany, Spain and Italy. Although growth rates in these nations failed to hit the modest peaks reached in the prior month, the momentum lost was only negligible in each case.

France moved closer to stabilising with its PMI hitting a 19-month high of 49.8 in September, just shy of the neutral 50.0 mark. Greece remained at the bottom of the PMI league table, a position it has held in all but two months during the past three-and-a-half years.

The labour market remained the weak link in the eurozone manufacturing recovery, although signs

of possible stabilisation were also evident. Although job losses were registered for the twentieth successive month, the rate of decline was only marginal and among the weakest during that sequence.

Ireland saw further job creation in September, while employment was broadly unchanged in the Netherlands. Meanwhile, rates of job losses eased in Austria, Greece, Germany, Italy and Spain.

Backlogs of work at eurozone manufacturers fell in September, following a negligible gain in the prior month. The rate of contraction was only slight, however, suggesting that capacity levels were broadly in line with current demand requirements.

Price pressures increased during September, as input costs and selling prices both rose following periods of sustained decline. Average input costs rose for the first time in eight months, in part reflecting higher energy and oil prices. Meanwhile, average supplier delivery times – a bellwether of supply-chain price pressures – lengthened to the greatest degree since June 2011.

Cost increases were reported in almost all of the nations covered by the survey, with the steepest inflation recorded in Ireland and the Netherlands. Germany was the only nation to report a reduction, although the rate of decrease was the least marked in the year-to-date.

Eurozone manufacturing output prices rose for the first time in 16 months, led by increases in Ireland, the Netherlands, France and Italy. Charges were unchanged at German manufacturers and fell in the remaining nations covered by the surveys. Companies continued to report that competitive market conditions had restricted their pricing power.

**Comment:**

**Chris Williamson, Chief Economist at Markit** said:

*“An improvement in eurozone manufacturing business conditions for a third straight month in September sends a reassuring signal that the sector is providing an all-important lift for a region that has been besieged by recession.*

*“Even manufacturers in the region’s ‘periphery’ are reporting better demand for their goods. Orders rose for the fourth month running in Spain and for the third successive month in Italy and Ireland. In the region’s ‘core’, orders likewise rose for a third month running in Germany and the Netherlands and even the recent laggard France saw the first upturn in demand for just over two years.*

*“This is good news for the eurozone but also for the global economy. The downturn in demand caused by the region’s recession and the uncertainty generated by its debt crisis had cast a shadow over economic recoveries across the globe, from nearby neighbours such as the UK to distant emerging markets such as China.*

*“But we must not get too carried away. Although signalling the best performance for over two years in recent months, the PMI slipped slightly compared with August and remains only just above the 50 ‘no change’ level, indicating that this is still early days in what looks like a fragile recovery.”*

-Ends-

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**Note to Editors:**

The Eurozone Manufacturing *PMI*<sup>®</sup> (*Purchasing Managers' Index*<sup>®</sup>) is produced by Markit and is based on original survey data collected from a representative panel of around 3,000 manufacturing firms. National data are included for Germany, France, Italy, Spain, the Netherlands, Austria, the Republic of Ireland and Greece. These countries together account for an estimated 90% of Eurozone manufacturing activity.

The final Eurozone Manufacturing *PMI* follows on from the flash estimate which is released a week earlier and is typically based on approximately 85%–90% of total *PMI* survey responses each month. The September flash was based on 91% of the replies used in the final data.

The average differences between the flash and final *PMI* index values (final minus flash) since comparisons were first available in January 2006 are as follows (differences in absolute terms provide the better indication of true variation while average differences provide a better indication of any bias):

Index	Average difference	Average difference in absolute terms
Eurozone Manufacturing <i>PMI</i> <sup>®</sup>	0.0	0.2

The *Purchasing Managers' Index (PMI)* survey methodology has developed an outstanding reputation for providing the most up-to-date possible indication of what is really happening in the private sector economy by tracking variables such as sales, employment, inventories and prices. The indices are widely used by businesses, governments and economic analysts in financial institutions to help better understand business conditions and guide corporate and investment strategy. In particular, central banks in many countries (including the European Central Bank) use the data to help make interest rate decisions. *PMI* surveys are the first indicators of economic conditions published each month and are therefore available well ahead of comparable data produced by government bodies.

Markit do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and revised data are available to subscribers from Markit. Please contact [economics@markit.com](mailto:economics@markit.com).

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*Purchasing Managers' Index*<sup>®</sup> (*PMI*<sup>®</sup>) surveys are now available for 32 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 [www.markit.com/economics](http://www.markit.com/economics).

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