

# News Release

**Purchasing Managers' Index<sup>®</sup>**  
**MARKET SENSITIVE INFORMATION**  
**EMBARGOED UNTIL: 09:00 (UK Time) 6 May 2015**

## Markit Eurozone Composite PMI<sup>®</sup> – final data

Includes Markit Eurozone Services PMI<sup>®</sup>

### Eurozone growth continues as output rises across big-four nations

- Final Eurozone Composite Output Index: **53.9** (Flash 53.5, March 54.0)
- Final Eurozone Services Business Activity Index: **54.1** (Flash 53.7, March 54.2)

April saw the rate of expansion in eurozone economic output hold broadly steady at March's 11-month high. This was highlighted by the final **Markit Eurozone PMI<sup>®</sup> Composite Output Index** posting 53.9, little-changed from 54.0 in March and an improvement on the slowdown signalled by the earlier flash estimate (53.5).

Economic activity continued to expand in both the manufacturing and service sectors, with rates of growth holding broadly stable in both cases. The pace of increase at service providers remained slightly ahead of that at manufacturers.

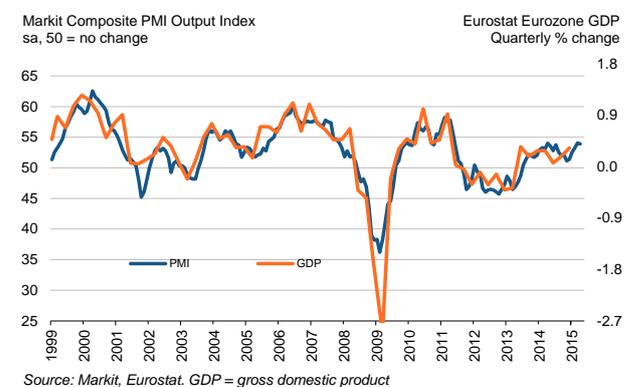
Ireland remained at the top of the PMI output growth rankings during April. There were also continued expansions across the 'big-four' economies, the third successive month of concurrent growth in Germany, France, Italy and Spain.

Spain was again a stand-out performer, with its rate of output expansion accelerating to the fastest since November 2006 (a 101-month record) and growth of new business at a near 15-year high.

Germany also reported a solid increase in economic activity in April, albeit a moderately slower pace of expansion than in the prior month. Growth was evenly spread across the German manufacturing and service sectors, despite slowing in both cases. Meanwhile, the pace of increase in Italy accelerated to a ten-month high, taking the nation only slightly behind Germany in terms of output growth.

French output expanded for the third consecutive month in April. However, the rate of increase eased

#### Markit Eurozone PMI and GDP



#### Nations ranked by all-sector output growth\* (Apr.)

Ireland	59.7	10-month low
Spain	59.1	101-month high
Germany	54.1 (flash: 54.2)	2-month low
Italy	53.9	10-month high
France	50.6 (flash: 50.2)	3-month low

\*All-Sector Output PMI against GDP comparisons for Germany, France, Italy and Spain are included on [page 3](#) of this press release.

to near-stagnation, as service sector growth slowed and the downturn at manufacturers deepened.

Employment rose for the sixth successive month in April, with jobs added across the manufacturing and service sectors. Payroll numbers were increased in Germany, France, Italy, Spain and Ireland.

Average selling prices continued to fall in April, but the rate of decline was the weakest since June of last year. Manufacturers' output charges ticked higher for the first time since August 2014, whereas service sector charges continued to fall.

Input prices increased for the third straight month in April, with the rate of inflation little-changed from March's eight-month high. Costs rose in each of the 'big-four' nations and Ireland.

## Services:

At 54.1 in April, little-changed from 54.2 in March, the **Eurozone Services Business Activity Index** signalled an increase in service sector output for the twenty-first successive month. The reading was also above the earlier flash estimate of 53.7.

Ireland stayed at the top of the growth rankings in April. Spain narrowed the gap, however, as its rate of expansion surged to a near eight-and-a-half-year record. Growth in Germany remained solid, despite slipping to a three-month low, while the rate of expansion in Italy tracked higher to a ten-month peak. Although France continued to register growth, the pace of increase remained subdued.

Underlying the latest expansion in eurozone service sector business activity was a further improvement in new order inflows. The rate of increase in new business was in line with March's near four-year record, with stronger growth signalled in Italy, Spain and Ireland. Slower expansions were seen in Germany and France.

Continued solid inflows of new business exerted pressure on capacity in some nations, leading to a rise in outstanding business. Backlogs accumulated in France, Italy, Spain and Ireland, but were depleted in Germany.

Companies were encouraged to implement a further increase in employment. Staffing numbers rose for the sixth straight month, with the rate of increase staying above the average for this sequence. Job creation was registered in all five of the national service economies covered by the survey, with the steepest increases in Ireland, Spain and Italy.

The ongoing upturn in the sector meant companies maintained a positive outlook<sup>†</sup> for the year ahead. Although the overall degree of confidence edged down from March's high, it was still among the best registered over the past four years.

Average input costs increased again in April, with the rate of inflation close to March's eight-month high. Meanwhile, service charges continued to fall, albeit at the weakest pace since June of last year.

<sup>†</sup> for business optimism, companies are asked whether they expect levels of business activity in one year's time to be higher, the same or lower than the current month.

## Comment:

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

*"The final PMI data for April came in slightly stronger than the preliminary flash readings, notably for France, suggesting that the eurozone economy more or less maintained the same growth momentum seen in March.*

*"The survey is signalling a rate of economic growth of approximately 0.4% at the start of the second quarter, similar to that indicated by the PMI in the first quarter.*

*"The fact that the rate of growth failed to gain further momentum is a disappointment, but the national growth variations will give policymakers some real encouragement that the economic health of the region is improving.*

*"A key mantra from the ECB has been that monetary stimulus will only be successful if accompanied by structural reforms, and the survey confirms that those countries which have made the greatest efforts towards reforms are enjoying the strongest economic growth. Spain and Ireland in particular are both booming again. Companies in Spain are seeing the largest inflows of new work for 15 years, while Ireland is enjoying one of its longest growth spells since the dot-com boom.*

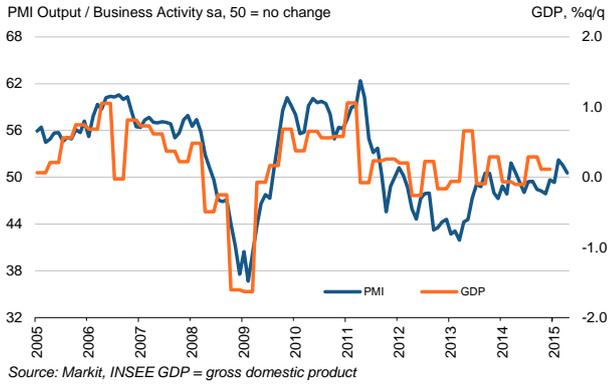
*"Italy is also seeing an improvement in growth, but the pace of expansion is well below those seen in Ireland and Spain.*

*"France, however, saw growth slow to near-stagnation, suggesting the government needs to worker harder to boost competitiveness and lift confidence among both business and consumers if France is not to be left behind in the euro area's recovery.*

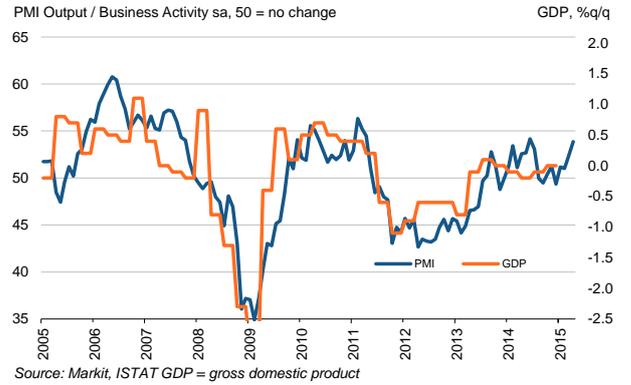
*"Growth in Germany remained reasonably robust, but the weakening also highlights how firms need to remain focused on competitiveness, especially in manufacturing, where export growth remains worryingly meagre despite the weaker euro."*

-Ends-

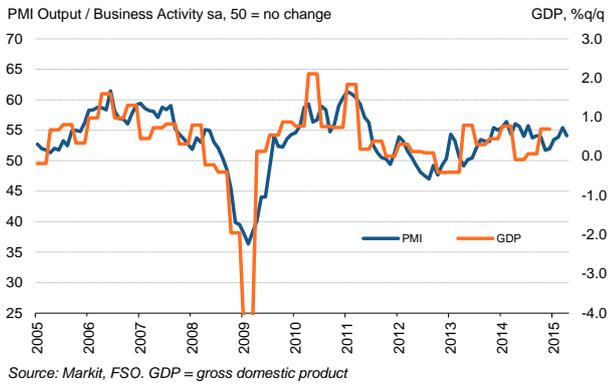
### France



### Italy



### Germany



### Spain



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**Notes to Editors:**

The Eurozone Composite *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 5,000 manufacturing and services firms. National manufacturing data are included for Germany, France, Italy, Spain, the Netherlands, Austria, the Republic of Ireland and Greece. National services data are included for Germany, France, Italy, Spain and the Republic of Ireland.

The Eurozone Services *PMI* (*Purchasing Managers' Index*) is produced by Markit and is based on original survey data collected from a representative panel of around 2,000 private service sector firms. National data are included for Germany, France, Italy, Spain and the Republic of Ireland. These countries together account for an estimated 78% of Eurozone private sector services output.

The **final** Eurozone Composite *PMI* and Services *PMI* follows on from the **flash** estimate which is released a week earlier and is typically based on approximately 75%–85% of total *PMI* survey responses each month. The April composite flash was based on 93% of the replies used in the final data. The April services flash was based on 91% of the replies used in the final data. **Data were collected 13-27 April.**

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 Composite Output <i>PMI</i> <sup>®</sup>	0.0	0.2
Eurozone Services Business Activity <i>PMI</i>	0.0	0.4

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 subsequently revised data are available to subscribers from Markit. Please contact [economics@markit.com](mailto:economics@markit.com).

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**About PMI**

*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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