

# News Release

**Purchasing Managers' Index<sup>®</sup>**  
**MARKET SENSITIVE INFORMATION**  
**EMBARGOED UNTIL 1000 (CET) / 0900 (UTC) November 23 2015**

## Markit Flash Eurozone PMI<sup>®</sup>

### Eurozone growth and job creation hit four-and-a-half year highs

- Flash Eurozone PMI Composite Output Index<sup>(1)</sup> at 54.4 (53.9 in October). 54-month high.
- Flash Eurozone Services PMI Activity Index<sup>(2)</sup> at 54.6 (54.1 in October). 54-month high.
- Flash Eurozone Manufacturing PMI<sup>(3)</sup> at 52.8 (52.3 in October). 19-month high.
- Flash Eurozone Manufacturing PMI Output Index<sup>(4)</sup> at 53.9 (53.6 in October). 3-month high.

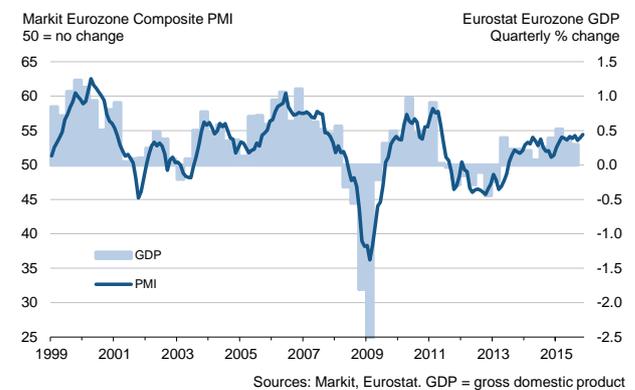
Data collected November 12-20.

Eurozone businesses reported the fastest rates of growth in business activity and employment for four-and-a-half years in November. The Markit Eurozone *PMI*<sup>®</sup> rose from 53.9 in October to 54.4, according to the preliminary 'flash' reading, indicating the fastest rate of expansion of output since May 2011. Moreover, the survey's employment, new orders and backlogs of work indicators all signalled the strongest monthly expansions in four-and-a-half years.

The survey data also highlighted the broad-based nature of the upturn. The recovery continued to be led by the service sector, where business activity and new business rose at the fastest rates since May 2011 and employment showed the biggest monthly gain for five years. Manufacturing output growth meanwhile also gathered pace, reaching a three-month high amid the largest monthly improvement in order books since April of last year. Factory headcounts also rose at a faster rate as firms raised capacity in line with the improved demand environment.

One area of weakness was **France**, where business activity rose at the slowest rate for three months, largely reflecting weaker service sector growth. Manufacturing output growth also slowed despite a slightly faster rise in new orders.

#### Markit Eurozone PMI and GDP



Growth meanwhile accelerated to a three-month high in **Germany**, fuelled by the biggest monthly improvement in new business for two years. Stronger gains in business activity and new orders in the service sector were partly offset, however, by a slowdown in manufacturing. An upturn in job creation was reported across both sectors, nevertheless, resulting in the largest jump in overall employment for nearly four years.

The strongest rate of expansion was seen outside of the eurozone's two largest economies, where the survey recorded the second-steepest rise in output since the global financial crisis. Employment in the rest of the currency bloc meanwhile showed the joint-largest gain since July 2007.

Despite the upturn in the pace of growth and hiring, the survey showed ongoing deflationary pressures. Average prices charged for goods and services fell marginally, at a rate unchanged on October, while average input costs once again barely rose, linked primarily to falling global commodity prices.

Commenting on the flash PMI data, Chris Williamson, Chief Economist at Markit said:

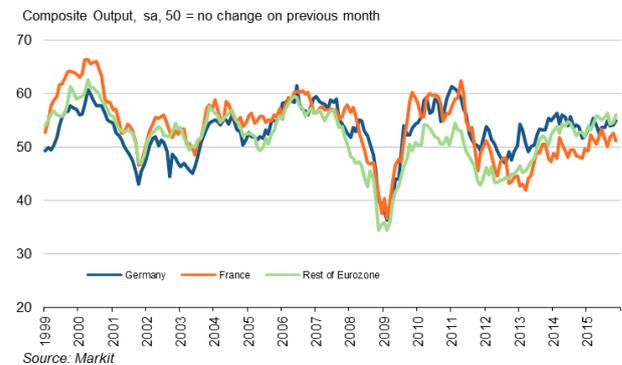
*“The PMI shows a welcome acceleration of eurozone growth, putting the region on course for one of its best quarterly performances over the past four-and-a-half years. The data are signalling GDP growth of 0.4% in the closing quarter of the year, with 0.5% in sight if we get even just a modest uptick in December.”*

*“The improved performance in terms of economic growth and job creation seen in November are all the more impressive given last weekend’s tragic events in Paris, which subdued economic activity in France – especially in the service sector.”*

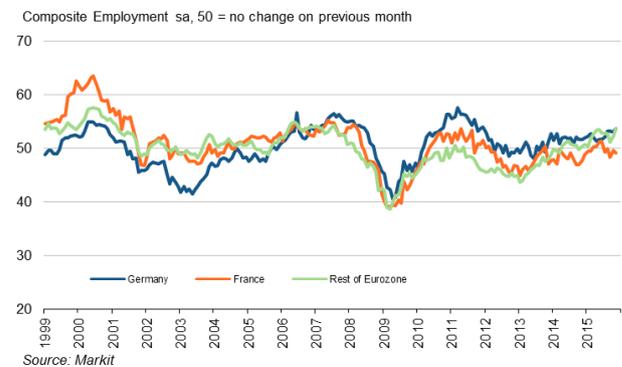
*“However, with recent comments from ECB chief Mario Draghi highlighting how the central bank remains disappointed with the strength of the upturn at this stage of the recovery, November’s slightly improved PMI reading will no doubt do little to dissuade policymakers that more needs to be done at their December meeting to ensure stronger and more sustainable growth.”*

-Ends-

### Core v. Periphery PMI Output Indices



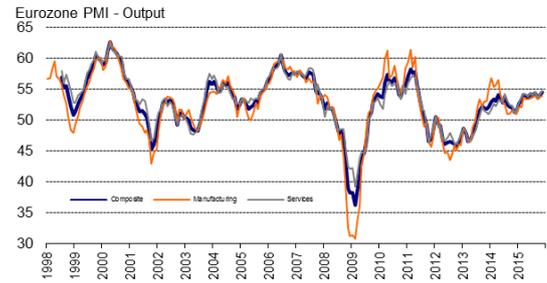
### Core v. Periphery PMI Employment Indices



## Summary of November data

<b>Output</b>	<b>Composite</b>	<b>Strongest rise in output since May 2011.</b>
	Services	Services growth accelerates to four-and-a-half year high.
	Manufacturing	Joint-fastest rise in production since May 2014.
<b>New Orders</b>	<b>Composite</b>	<b>New business growth at 54-month record.</b>
	Services	Growth in services new business fastest since May 2011.
	Manufacturing	Manufacturing new order growth at 19-month high.
<b>Backlogs of Work</b>	<b>Composite</b>	<b>Outstanding business rises at strongest rate in four-and-a-half years.</b>
	Services	Incomplete business grows at fastest pace since May 2011.
	Manufacturing	Backlogs rise only fractionally, and at slowest pace since July.
<b>Employment</b>	<b>Composite</b>	<b>Employment growth at 54-month high.</b>
	Services	Rate of job creation at five-year high.
	Manufacturing	Jobs increase at fastest pace since August.
<b>Input Prices</b>	<b>Composite</b>	<b>Input cost inflation remains modest.</b>
	Services	Input prices rise at weakest rate in three months.
	Manufacturing	Input prices fall for fourth straight month.
<b>Output Prices</b>	<b>Composite</b>	<b>Charges decline for second month running.</b>
	Services	Service providers cut charges at marginal rate.
	Manufacturing	Factory gate prices fall at weaker rate.
<b>PMI<sup>(3)</sup></b>	Manufacturing	Manufacturing PMI rises to 19-month high of 52.8.

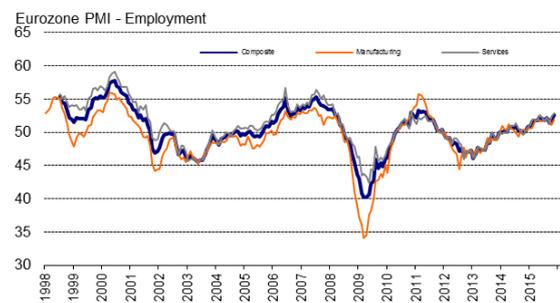
## Output



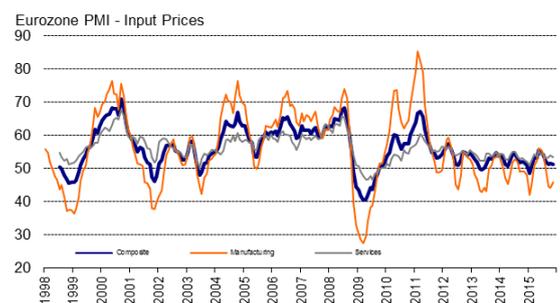
## New business



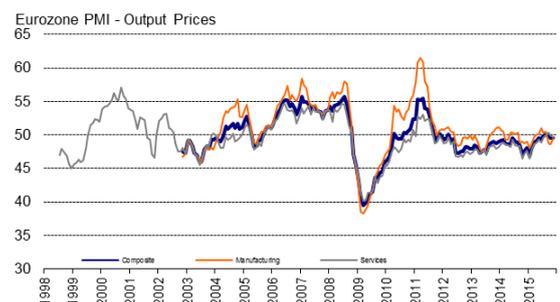
## Employment



## Input prices



## Output prices



Source: Markit.

**For further information, please contact:**

**Markit**

Chris Williamson, Chief Economist  
 Telephone +44-20-7260-2329  
 Mobile +44-779-555-5061  
 Email [chris.williamson@markit.com](mailto:chris.williamson@markit.com)

Rob Dobson, Senior Economist  
 Telephone +44-1491-461-095  
 Mobile +44-782-691-3863  
 Email [rob.dobson@markit.com](mailto:rob.dobson@markit.com)

Joanna Vickers, Corporate Communications  
 Telephone +44207 260 2234  
 E-mail [joanna.vickers@markit.com](mailto:joanna.vickers@markit.com)

**Note to Editors:**

Final November data are published on December 1 for manufacturing and December 3 for services and composite indicators.

The Eurozone *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 companies based in the euro area manufacturing and service sectors. 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 flash estimate is typically based on approximately 85%–90% of total *PMI* survey responses each month and is designed to provide an accurate advance indication of the final *PMI* 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 Composite Output Index <sup>1</sup>	0.0	0.2
Eurozone Manufacturing <i>PMI</i> <sup>2</sup>	0.0	0.2
Eurozone Services Business Activity Index <sup>2</sup>	0.1	0.3

The *Purchasing Managers' Index*<sup>®</sup> (*PMI*<sup>®</sup>) 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*<sup>®</sup> 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).

**Notes**

1. The Composite Output *PMI* is a weighted average of the Manufacturing Output Index and the Services Business Activity Index.
2. The Services Business Activity Index is the direct equivalent of the Manufacturing Output Index, based on the survey question "Is the level of business activity at your company higher, the same or lower than one month ago?"
3. The Manufacturing *PMI* is a composite index based on a weighted combination of the following five survey variables (weights shown in brackets): new orders (0.3); output (0.25); employment (0.2); suppliers' delivery times (0.15); stocks of materials purchased (0.1). The delivery times index is inverted.
4. The Manufacturing Output Index is based on the survey question "Is the level of production/output at your company higher, the same or lower than one month ago?"

**About Markit**

Markit is a leading global diversified provider of financial information services. We provide products that enhance transparency, reduce risk and improve operational efficiency. Our customers include banks, hedge funds, asset managers, central banks, regulators, auditors, fund administrators and insurance companies. Founded in 2003, we employ over 4,000 people in 11 countries. Markit shares are listed on Nasdaq under the symbol MRKT. For more information, please see [www.markit.com](http://www.markit.com).

**About PMI**

Purchasing Managers' Index<sup>®</sup> (*PMI*<sup>®</sup>) surveys are now available for over 30 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).

The intellectual property rights to the Markit Eurozone Flash *PMI*<sup>®</sup> provided herein are owned by or licensed to Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Markit's prior consent. Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index<sup>®</sup> and *PMI*<sup>®</sup> are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Markit is a registered trade mark of Markit Group Limited.