

## News Release

**MARKET SENSITIVE INFORMATION**  
**EMBARGOED UNTIL: 11:00am (US EASTERN TIME) 2 December 2013**

### J.P.Morgan Global Manufacturing PMI™

Produced by J.P.Morgan and Markit in association with ISM and IFPSM

## Output and new orders rise at fastest rates since February 2011

At 53.2 in November, up from 52.1 in October, the J.P.Morgan Global Manufacturing PMI™ – a composite index<sup>1</sup> produced by JPMorgan and Markit in association with ISM and IFPSM – registered its highest level since May 2011. The headline PMI has signalled expansion for 11 successive months.

The faster improvement in overall operating conditions was underpinned by stronger expansions of production, new orders and further job creation.

Among the largest industrial regions covered by the survey, the PMI for the US bounced back to reach a ten-month high, after slowing sharply to a one-year low in October. Growth meanwhile remained solid in Japan and the UK, with the PMI in each of these nations at their highest levels since July 2006 and February 2011 respectively. The modest and fragile recovery in the euro area continued, while the China PMI also posted slightly above the 50.0 mark.

Global manufacturing output and new business both expanded at the quickest pace since February 2011. The trend in international trade also showed further signs of improvement, as the growth rate of new export orders hit a 32-month record.

Employment rose for the fifth successive month in November. However, the rate of job creation remained only moderate. Staffing levels were increased in the US, Japan, the UK, India, Taiwan, South Korea, Turkey, Vietnam, Canada and Mexico. Job losses were reported in the euro area, China, Indonesia and Brazil.

A sign that current capacity was being tested by the combination of solid demand growth and lacklustre job creation was provided by a third successive increase in backlogs of work. Outstanding business rose at the quickest pace since March 2011.

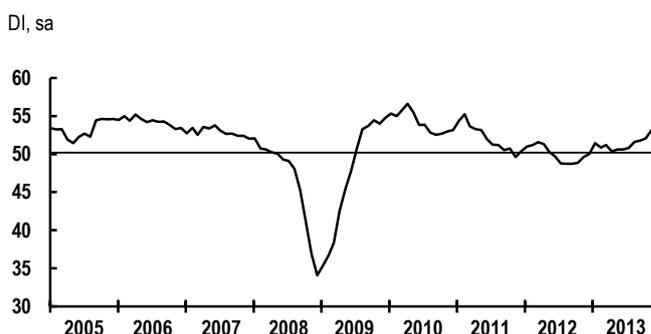
November saw average input costs rise at a pace close to October's one-and-a-half year peak. Purchase price inflation was also broadly in line with the long-run survey average.

Companies reported some success in passing on higher input costs to their clients, as average factory gate prices increased for the fourth month in a row.

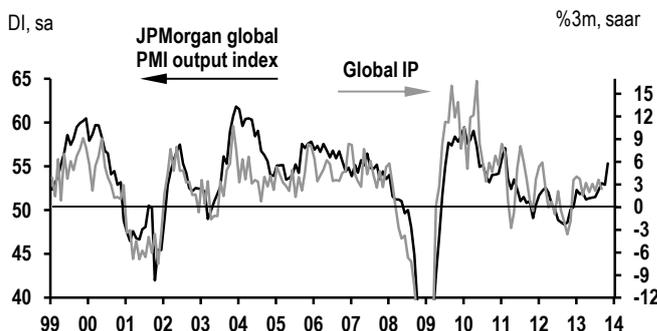
**Commenting on the survey, David Hensley, Director of Global Economics Coordination at J.P.Morgan, said:**

“November PMI data signal a further acceleration in global manufacturing production. It appears that output gains are receiving a temporary boost from inventory dynamics, in addition to underlying support from final demand. Near-term momentum remains positive, with the leading orders-to-inventory ratio hitting a 33-month high.”

**JPMorgan Global Manufacturing PMI**



**Global manufacturing output**



### Global Manufacturing PMI™ Summary

50 = no change on prior month.

Index	Oct.	Nov.	+/-	Summary
Global PMI	52.1	53.2	+	Expanding, faster rate
Output	52.9	55.3	+	Expanding, faster rate
New Orders	53.3	54.8	+	Expanding, faster rate
Employment	50.8	50.7	-	Increasing, slower rate
Input Prices	55.8	55.5	-	Increasing, slower rate

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## Notes to Editors:

The Global Report on Manufacturing is compiled by Markit based on the results of surveys covering over 10,000 purchasing executives in 32 countries. Together these countries account for an estimated 89% of global manufacturing output<sup>1</sup>. Questions are asked about real events and are not opinion based. Data are presented in the form of diffusion indices, where an index reading above 50.0 indicates an increase in the variable since the previous month and below 50.0 a decrease.

## Data Sources:

Country	% Share of global GDP <sup>2</sup>	Producer	In association with	Website
United States <sup>1</sup> :				
After January 2010	25.2%	Markit	–	<a href="http://www.markit.com">www.markit.com</a>
Before Feb-2010	25.2%	ISM	–	<a href="http://www.ism.ws">www.ism.ws</a>
Japan	8.8%	Markit	JMMA	<a href="http://www.jmma.gr.jp">www.jmma.gr.jp</a>
China	8.4%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Germany	5.7%	Markit	BME	<a href="http://www.bme.de">www.bme.de</a>
United Kingdom	4.5%	Markit	CIPS	<a href="http://www.cips.org">www.cips.org</a>
France	4.2%	Markit	–	<a href="http://www.markit.com">www.markit.com</a>
Italy	3.2%	Markit	ADACI	<a href="http://www.adaci.it">www.adaci.it</a>
India	2.5%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Canada	2.3%	Markit	Royal Bank of Canada/SCMA	<a href="http://www.rbc.com">www.rbc.com</a> , <a href="http://www.scmanational.ca">www.scmanational.ca</a>
Spain	2.2%	Markit	AERCE	<a href="http://www.aerce.org">www.aerce.org</a>
Brazil	2.1%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
South Korea	2.0%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Mexico	1.9%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Russia	1.8%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Australia	1.6%	AiGroup	–	<a href="http://www.aigroup.asn.au">www.aigroup.asn.au</a>
Netherlands (The)	1.3%	Markit	NEVI	<a href="http://www.nevi.nl">www.nevi.nl</a>
Turkey	1.2%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Taiwan	0.9%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Switzerland	0.8%	procure.ch	Credit Suisse	<a href="http://www.procure.ch">www.procure.ch</a> , <a href="http://www.credit-suisse.ch">www.credit-suisse.ch</a>
Indonesia	0.8%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Poland	0.8%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
Austria	0.6%	Markit	Bank Austria/OPWZ	<a href="http://www.bankaustria.at">www.bankaustria.at</a> , <a href="http://einkauf.opwz.com">http://einkauf.opwz.com</a>
South Africa	0.6%	BER	CIPS/Kagiso	<a href="http://www.ber.sun.ac.za">www.ber.sun.ac.za</a> , <a href="http://www.cips.org">www.cips.org</a> , <a href="http://www.kagiso.com">www.kagiso.com</a>
Denmark	0.5%	DILF	Kairoscommodities	<a href="http://www.dilf.dk">www.dilf.dk</a> , <a href="http://www.kairoscommodities.com">www.kairoscommodities.com</a>
Ireland	0.4%	Markit	Investec	<a href="http://www.investec.co.uk">www.investec.co.uk</a>
Greece	0.4%	Markit	HPI	<a href="http://www.hpi.org">www.hpi.org</a>
Singapore	0.3%	SIPMM	–	<a href="http://www.sipmm.org.sg">www.sipmm.org.sg</a>
Israel	0.3%	IPLMA	Bank Hapoalim Ltd	<a href="http://www.iplma.org.il">www.iplma.org.il</a> , <a href="http://www.bankhapoalim.co.il">http://www.bankhapoalim.co.il</a>
Czech Republic	0.3%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>
New Zealand	0.2%	Business NZ	Bank of New Zealand	<a href="http://www.businessnz.org.nz">www.businessnz.org.nz</a> , <a href="http://www.bnz.co.nz">www.bnz.co.nz</a>
Hungary	0.2%	HALPIM	Hungarian National Bank	<a href="http://www.logisztika.hu">www.logisztika.hu</a>
Vietnam	0.2%	Markit	HSBC	<a href="http://www.hsbc.com">www.hsbc.com</a>

<sup>1</sup> Data from the Markit survey of US manufacturing are included in the global manufacturing PMI composition from February 2010 onwards. Data prior to that date are based on the ISM US manufacturing survey.

<sup>2</sup> Source: World Bank World Development Indicators (2010 data, constant US\$ measure)

## Methodology: Global Manufacturing PMI™ Indices

The Global Manufacturing PMI™ indices are all seasonally adjusted. The seasonal adjustment is applied at the national level (as opposed to at the global aggregate level) in order to account for differing seasonal patterns in each of the nations included. Global Manufacturing PMI™ indices are weighted according to national contributions to global manufacturing gross value added. Weights for the global indices are derived from the latest available World Bank data on the gross value added of manufacturing for each of the nations covered. World Bank data on value added are in constant 2005 US\$, with all national currencies converted to 2005 US\$ by the World Bank using DEC alternative conversion factors.

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### Markit Economics

Markit Economics is a specialist compiler of business surveys and economic indices, including the Purchasing Managers' Index™ (PMI™) series, which is now available for 32 countries and key regions including the Eurozone. The PMI series has become 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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