

# News Release

**Purchasing Managers' Index®**  
**MARKET SENSITIVE INFORMATION**  
**EMBARGOED UNTIL: 1000 (CET) / 0900 (UTC) November 2 2015**

## Markit Eurozone Manufacturing PMI® – final data

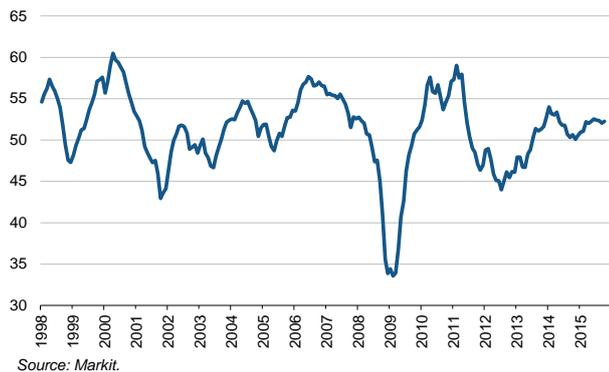
### Manufacturing growth ticks higher at start of fourth quarter

#### Data collected 12-23 October

- Final Eurozone Manufacturing PMI at 52.3 in October (Flash: 52.0, September Final: 52.0)
- Growth recorded in most nations, while downturn in Greece continues to slow sharply
- Input prices fall at fastest pace in nine months

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

Eurozone Manufacturing PMI, sa, 50 = no change



The growth rate of the eurozone manufacturing sector ticked higher in October, as the final PMI data for output, new orders and employment all came in stronger than the earlier flash estimates.

At 52.3 in October, the final seasonally adjusted **Eurozone Manufacturing PMI®** edged higher from September's five-month low and the earlier flash reading (both 52.0). However, the rate of expansion signalled at the start of quarter four was still in line with the third quarter's tepid growth outcome.

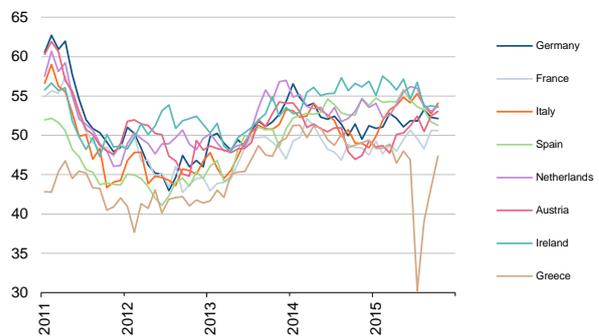
The improvement in the headline index between its flash and final estimates was largely centred on Germany, where the PMI rose by 0.5 points since its first publication through stronger trends in the output (+0.5) and new orders (+1.1) components.

Headline PMI indices were above the critical

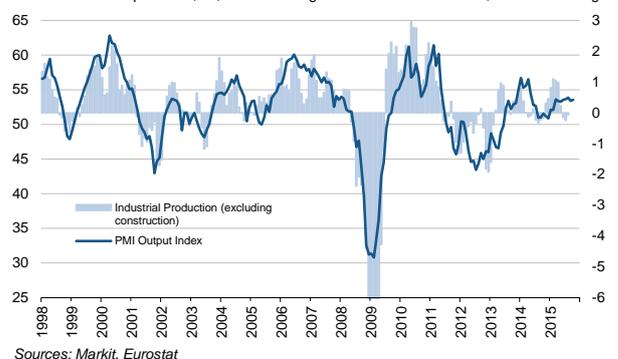
#### Countries ranked by Manufacturing PMI®: Oct.

Italy	54.1	3-month high
Netherlands	53.7	2-month high
Ireland	53.6	2-month low
Austria	53.0	20-month high
Germany	52.1 (flash: 51.6)	3-month low
Spain	51.3	22-month low
France	50.6 (flash: 50.7)	Unchanged
Greece	47.3	5-month high

Manufacturing PMI, sa, 50 = no change



Eurozone PMI Output Index, sa, 50 = no change



no-change mark of 50.0 in all nations except Greece, with faster growth signalled for Italy, Austria and the Netherlands. The Greek PMI continued to move higher nonetheless, reaching a five-month high.

Eurozone manufacturing production expanded for

the twenty-eighth month running in October. Output growth ticked higher during the latest survey month, underpinned by a slightly sharper increase in new orders. Intakes of new export business\* also rose at a moderately faster pace, the quickest since June.

The strongest rates of output growth were signalled in the Netherlands, Italy and Austria, which were also the only nations to report faster rates of expansion than September. Germany and Ireland also reported relatively solid expansions of output, whereas as growth was comparatively modest in France and Spain.

All of these nations also reported increased intakes of total new business and new export orders. For most this represented a continuation of an expanding trend, except France which saw an improvement in total new work received for the first time since April 2014 and growth of new export business for the first time in five months.

Although Greece remained in a severe downturn, its rates of contraction in production, new orders and new export business have all eased substantially since the survey-record declines registered in July.

Euro area manufacturing employment rose again in October, extending the current sequence of gains to 14 months. However, the rate of jobs growth remained weak and slipped to the weakest since February. Higher employee headcounts were reported in Germany, Italy, Spain, the Netherlands, Austria and Ireland, although only Italy, the Netherlands and Austria saw faster increases.

The combination of slower job creation and ongoing new order growth maintained the pressure on manufacturers' capacity in October. This was highlighted by a further increase in outstanding business, the sixth in as many months.

Average purchasing costs fell to the greatest extent in nine months during October, reflecting the ongoing decline in commodity prices. Meanwhile, output charges were reduced for the second successive month, albeit only modestly. Only the Netherlands reported an increase in average selling prices. The sharpest discounting was signalled in Greece and France.

## Comment:

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

*"The eurozone manufacturing recovery remains disappointingly insipid. The October survey is signalling factory output growth of only 2% per annum, a lacklustre performance given the amount of central bank stimulus in place.*

*"With factory production lacking vigour, employment growth sagging to an eight-month low and output prices falling at the fastest rate since February, it's easy to see why the ECB are considering additional stimulus.*

*"There were some bright spots in the survey, however, with export orders\* showing the largest monthly gain for four months, which may help allay fears that weaker growth in China and other emerging markets is derailing the eurozone's recovery.*

*"Upturns are starting to look tired in countries that were performing strongly earlier in the year, with rates of growth slowing in Ireland and Spain. Tepid growth in Germany and an ongoing near-stagnation in France left Italy as a somewhat surprising star performer."*

-Ends-

\*Including intra-eurozone trade.

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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 89% 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 October 2015 flash was based on 94% 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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**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).

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