

News Release

Purchasing Managers' Index[®]
MARKET SENSITIVE INFORMATION
EMBARGOED UNTIL 1000 (CEST) / 0800 (UTC) June 28th 2017

UniCredit Bank Austria Manufacturing PMI[®]

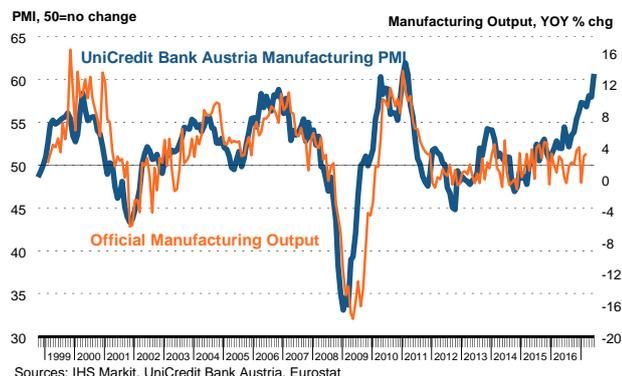
Manufacturing growth strongest in over six years

Key findings:

- Headline PMI at 76-month high of 60.7
- Steep growth in production, new orders and employment
- Price pressures ease, albeit only marginally

Data collected from June 12-23

UniCredit Bank Austria Manufacturing PMI



June's PMI[®] survey signalled the strongest improvement in business conditions in the Austrian manufacturing sector for over six years. A near record high in output growth, steep rises in new orders (both domestic and export) and strong job creation all contributed to the upturn. Meanwhile, high raw material prices continued to drive input and output price inflation, with both remaining above their respective historical averages despite easing since May.

The UniCredit Bank Austria Manufacturing PMI – a composite indicator designed to provide a single-figure snapshot of manufacturing performance – posted 60.7 in June, up from 58.0 in May. The result signalled the steepest expansion in the Austrian manufacturing economy since February 2011.

Production grew at the fastest rate in over seven years during June. Output expansions were broad-based across the three monitored goods categories, with the fastest rate of growth seen among investment goods producers. Panellists noted that an economic upturn had led to higher demand for Austrian produced goods.

The latest rise in new orders was the steepest seen for over six years. Demand for goods came from both domestic and export markets in June, with new orders from abroad also registering marked growth. Anecdotal evidence suggested that an economic upturn in central Europe led to increased client demand.

Employment growth accelerated in the latest survey, with the latest expansion in payroll numbers being steep overall. Many respondents reported that they had employed more staff to keep up with production demands.

Input price inflation in the Austrian manufacturing sector remained sharp in June. Firms commonly noted that rising raw material costs continued to increase their average cost burden. Output prices also rose, but to a lesser extent. Firms sometimes noted that they had passed on part of the burden of increased input costs. That said, both output and input price inflation eased further from recent highs.

In June, delivery times slowed to the greatest extent in over six years. This followed the trend of deteriorating vendor performance that has been seen over the past 47 months.

There was a sharp expansion in buying activity registered in the Austrian manufacturing sector in the latest survey. Panellists noted that they had increased their volume of purchases in order to meet rising production requirements. Anecdotal

evidence showed a link between higher input demand and the deterioration in delivery times.

Finally, sentiment towards future output growth prospects remained strong in June. Companies attributed confidence to new projects and increasing investment.

For further information, please contact:

IHS Markit

Sam Teague, Economist
Telephone +44-1491-461-018
Email: sam.teague@ihsmarkit.com

Joanna Vickers, Corporate Communications
Telephone +44207 260 2234
Email joanna.vickers@ihsmarkit.com

Note to Editors:

The UniCredit Bank Austria Manufacturing *PMI*[®] is based on data compiled from monthly replies to questionnaires sent to purchasing executives in 300 industrial companies. The panel is stratified by GDP and company workforce size.

Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease. All data are seasonally adjusted.

IHS 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 IHS Markit. Please contact economics@ihsmarkit.com.

The UniCredit Bank Austria Manufacturing *PMI* is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times index inverted so that it moves in a comparable direction. The *PMI* is designed to show a convenient single-figure summary of the health of the manufacturing sector.

About IHS Markit (www.ihsmarkit.com)

IHS Markit (Nasdaq: INFO) is a world leader in critical information, analytics and expertise to forge solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 key business and government customers, including 85 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.

IHS Markit is a registered trademark of IHS Markit Ltd. All other company and product names may be trademarks of their respective owners © 2017 IHS Markit Ltd. All rights reserved.

About PMI

Purchasing Managers' Index[®] (PMI[®]) 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/product/pmi.

The intellectual property rights to the UniCredit Bank Austria Manufacturing *PMI*[®] provided herein are owned by or licensed to IHS Markit. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without IHS Markit's prior consent. IHS 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 IHS Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index[®] and *PMI*[®] are either registered trademarks of Markit Economics Limited or licensed to Markit Economics Limited. IHS Markit is a registered trademark of IHS Markit Ltd.

If you prefer not to receive news releases from IHS Markit, please email joanna.vickers@ihsmarkit.com. To read our privacy policy, [click here](#).