

# Nikkei Asia Sector PMI™

## Technology equipment sector drives Asian growth in January

### Key points:

- **Technology equipment** output growth quickens to fastest in over four years
- **Banks** recover from December's downturn
- **Commercial & professional services** and **construction materials** slip into contraction

### Summary:

January's Asia Sector PMI™ data, compiled by IHS Markit and sponsored by Nikkei, pointed to output growth across 15 of the 19 monitored sectors. The overall upturn was led by **technology equipment**, with the latest expansion the fastest since December 2013, supported by the sharpest rise in new orders since December 2009.

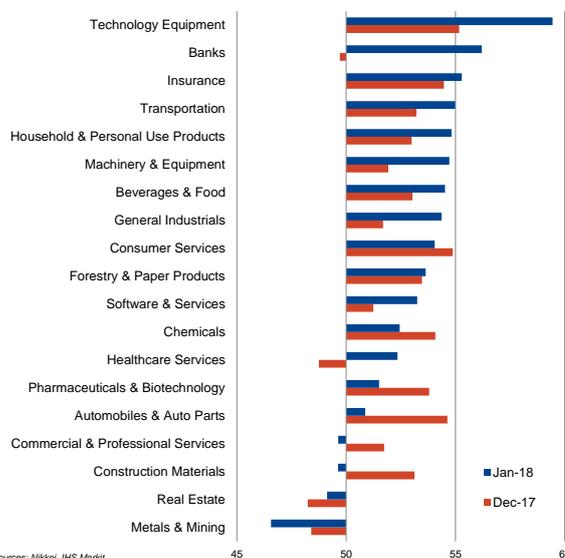
**Banks** saw a rebound in activity, with the pace of expansion at a 41-month high. This segment climbed 14 spots to second place in the growth rankings. Meanwhile, robust increases in business activity were also registered in the **insurance, transportation, household & personal use products, machinery & equipment, beverages & food, general industrials** and **consumer services** categories. At the same time, firms operating in **forestry & paper products** and **software & services** reported solid growth.

Modest expansions were seen in **chemicals, pharmaceuticals & biotechnology** and **healthcare services**. Encouragingly, the latter sector recovered from the recent downward trend. A marginal increase was noted in **automobiles & auto parts** as the pace of growth eased to the weakest in the current-five month sequence.

The worst-performing sector in the opening month of 2018 was **metals & mining**, which declined at the strongest pace in one-and-a-half years. Finally, **construction materials, real estate** and **commercial & professional services** registered marginal declines.

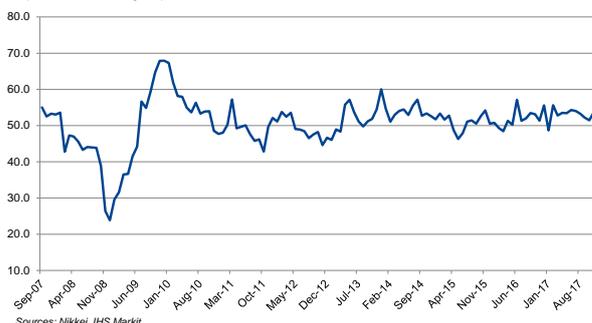
### Asia Sector Output Index: detailed sectors

Output / Business Activity, sa, 50.0 = no change on previous month



### Asia: Technology Equipment

Output, sa, 50.0 = no change on previous month



## Nikkei Asia Sector PMI™ is sponsored by

Nikkei is a media organization with newspaper publishing at its core. Our flagship daily newspaper, The Nikkei, has approximately two and a half million subscribers. Nikkei's multi-platform media distribution also includes online, broadcast and magazines.

Since our founding in 1876 as the Chugai Bukka Shimpō (Domestic and Foreign Prices News), we have consistently provided high-quality reporting while maintaining fairness and impartiality. The Nikkei brand has become synonymous with trustworthiness at home and abroad.

Nikkei Inc. offers a range of media platforms to satisfy the diverse needs of our readers. At the core of these services is The Nikkei which has a circulation of approximately two and a half million. Adding further depth to our offerings are our premium content and strong digital technology. The number of paying subscribers to the Nikkei Online Edition, which was launched in 2010, has surpassed 500,000. Our fee-based online services have one of the largest readerships in the world among newspaper publishers. Eight years after its creation, the online edition has evolved from a medium for providing news to readers into a tool that helps people advance their careers.

In 2013, we kicked off the Nikkei Asian Review, an English-language news service provided both online and as a weekly print magazine. The following year, we established an Editorial Headquarters for Asia in Bangkok to deepen our coverage of Asian economic news. In addition, we doubled the number of reporters stationed in Asia outside Japan. 2014 also saw the launch of Nikkei Group Asia Pte., a new company in Singapore tasked with spreading the Nikkei brand in the region. Our goal is to make Nikkei the leading media voice in Asia.

<http://www.nikkei.co.jp/nikkeiinfo/en/>

## ASIAN REVIEW <http://asia.nikkei.com/>

### INTRODUCING THE ONLY BUSINESS PUBLICATION THAT BRINGS YOU INSIGHTS ABOUT ASIA, FROM THE INSIDE OUT

With more reporters and contributors across the region than any other business publication, only Nikkei Asian Review can give you a view of business in Asia from the inside.

Stay abreast of the latest news, analysis and insights with a subscription to Nikkei Asian Review – available in print, online, and on your mobile and tablet device.



#### Asia300:

Providing extensive coverage of over 300 leading companies in 11 countries and regions in Asia. Nikkei Asian Review aims to build the largest hub for Asian corporate news through enhanced reporting backed by large database of business and financial information on companies in the region.

#### JAPAN UPDATE:

Keeping you up-to-date with business and news from Japan.



#### VIEWPOINTS:

Bringing views of leading minds on Asia from around the world, including our column “Tea Leaves” written by some of our best writers.



#### POLITICS & ECONOMY:

Looking at fiscal and monetary policy, international affairs and more



#### MARKETS:

Deep analysis of the markets, with detailed industry news to keep you abreast of some of the fastest growing sectors in the region.



#### Video:

Watch analysts explain our articles, catch interviews with top executives.



#### Print Edition:

Weekly delivery of the best content from Nikkei Asian Review to your home or office

## For further information, please contact:

### IHS Markit

Aashna Dodhia, Economist  
Telephone +44 1491 461 003  
Email [aashna.dodhia@ihsmarkit.com](mailto:aashna.dodhia@ihsmarkit.com)

Jerrine Chia, Marketing and Communications  
Telephone +65 6922 4239  
E-mail [jerrine.chia@ihsmarkit.com](mailto:jerrine.chia@ihsmarkit.com)

Bernard Aw, Principal Economist  
Telephone +65 6922 4226  
Email [bernard.aw@ihsmarkit.com](mailto:bernard.aw@ihsmarkit.com)

### Nikkei inc. (About Nikkei)

Ken Chiba, Deputy General Manager, Public Relations Office  
Atsushi Kubota, Manager, Public Relations Office  
Telephone 81-3-6256-7115  
Email [koho@nex.nikkei.co.jp](mailto:koho@nex.nikkei.co.jp)

### Notes to Editors:

Nikkei Asia Sector PMI™ data are derived from surveys of over 6,700 companies operating in 13 economies, including China, Japan, India, South Korea, Indonesia, Taiwan, Malaysia, Hong Kong, Singapore, Vietnam, Myanmar, Thailand and the Philippines. The data are typically released on the fifth working day of each month, two days' after the Global Composite PMI, at 0030 UTC time (0830 Hong Kong).

The Asia Sector PMI data provide corporate decision makers, economic analysts, policy makers and investors with a powerful database with which to monitor business cycles by industry. Sector trends over time can be tracked – with historic data to September 2007 – as well as relative performance between sectors, allowing identification of key growth industries and the drivers within them.

The dataset provides monthly indicators of business trends across variables such as output, order books, prices, inventories and employment for seven major groups including: basic materials, consumer goods, consumer services, financials, healthcare, industrials and technology; and a further 21 sectors and subsectors of those groups.

Sector PMI data are generated from the same questionnaire responses as national PMI data, and mapped to IHS Markit's sector classification structure using Standard Industry Classification (SIC) codes. Respondents are asked to state whether business conditions for a number of variables have improved, deteriorated or stayed the same compared with the previous month. Diffusion indexes are calculated for each variable (the percentage of positive responses plus half the percentage of neutral responses). These indexes vary between 0 and 100 with levels of 50.0 signalling no change on the previous month. Readings above 50.0 signal an improvement or increase on the previous month. Readings below 50.0 signal a deterioration or decrease on the previous month. The greater the divergence from 50.0 the greater the rate of change signalled.

Individual company responses will be weighted on the basis of that company's country of origin. Country weights for each sector are derived from a combination of GDP data and detailed industry gross value added.

The PMI diffusion indexes are then adjusted for seasonality using the X-12 ARIMA program.

Detailed historical Asia sector data are available via a subscription from IHS Markit, and datasets are also available for Global, Europe and the US sectors. For further information please contact [economics@ihsmarkit.com](mailto:economics@ihsmarkit.com).

### About IHS Markit ([www.ihsmarkit.com](http://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 © 2018 IHS Markit Ltd. All rights reserved.

### About PMI

*Purchasing Managers' Index*™ (PMI™) surveys are now available for over 40 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 <https://ihsmarkit.com/products/pmi.html>.

The intellectual property rights to the Nikkei Asia Sector 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 trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Nikkei use the above marks under license. 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](mailto:joanna.vickers@ihsmarkit.com). To read our privacy policy, click [here](#).