

Purchasing Managers' Index™
MARKET SENSITIVE INFORMATION
EMBARGOED UNTIL 0945 (EST) / 1445 (UTC) November 8th 2017

IHS Markit US Sector PMI™

Technology sector signals strongest growth in over three years

Key points:

- Fastest upturn in tech output since September 2014
- Consumer services firms indicate stronger growth
- Weakest performance among consumer goods firms, despite pace of expansion accelerating

The US **technology** sector signalled steep output growth in October, according to the latest US Sector PMI™ data from IHS Markit. The pace of expansion accelerated for the third month running to the fastest since September 2014. Moreover, it was the highest ranked sector in terms of growth performance.

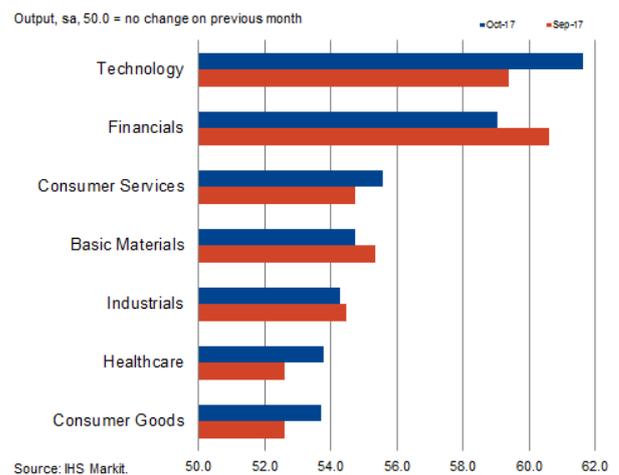
The **financials** sector continued to expand sharply, despite the growth rate easing from September. Overall, the sector indicated the second-quickest upturn.

Consumer services signalled a further increase in output levels, with firms in the sector reporting strong and accelerated growth.

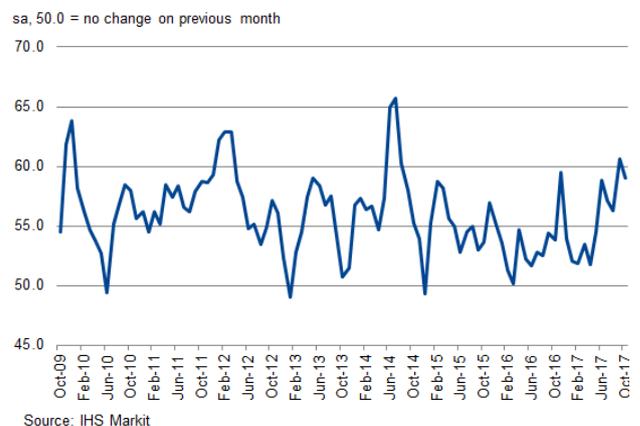
Production levels in the **basic materials** sector continued to grow in October, but the pace of the expansion softened from September's strong rate.

Following modest output growth in September, upturns in the **consumer goods** and **healthcare** sectors accelerated and were solid overall. That said, the rates of increase were weaker than the long-run series average for both sectors.

US Sector PMI



US Financials PMI



For further information, please contact:

IHS Markit

Chris Williamson, Chief Business Economist
Telephone +44-20-7260-2329
Mobile +44-779-5555-061
Email chris.williamson@ihsmarkit.com

Sian Jones, Economist
Telephone +44-1491-461-017
Email sian.jones@ihsmarkit.com

Joanna Vickers, Corporate Communications
Telephone +44-207-260-2234
Email joanna.vickers@ihsmarkit.com

Notes to Editors:

PMI™ is an acronym for *Purchasing Managers' Index*™, a type of survey originally developed for tracking business conditions in the manufacturing sector. IHS Markit now uses '*PMI*' to describe the methodology used for surveys also undertaken in the services, construction and non-oil private sectors.

US Sector PMI data are based on questionnaire responses from panels of senior executives in over 1000 companies. The data are typically released on the fifth working day of each month, two days' after the Global Composite PMI, at 0945 Eastern US Time.

The US Sector PMI data provide corporate planners and decision makers, economic analysts, policy makers and investors with a powerful and unique database with which to monitor business cycles by industry. Sector trends over time can be tracked 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. Related series for consumer cyclicals and consumer non-cyclicals are also available.

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.

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

Detailed historical US sector data are available via a subscription from IHS Markit, and datasets are also available for Asia, Europe and at a global level. For further information please contact economics@ihsmarkit.com.

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 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 www.markit.com/product/pmi.

The intellectual property rights to the US 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. 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](#).