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# J.P.Morgan Global Composite PMI®

## Global economic growth eases for second month running as manufacturing upturn slows

### Key findings

Global Composite PMI Output Index at 52.5 in July

Output and new orders expand at slower rates

Cost inflation rises to ten-month high

The rate of global economic expansion slowed for the second successive month in July, but remained among the best registered over the past year. Although jobs growth was sustained for the third successive month, business optimism dipped to its lowest level since last November amid heightened geopolitical uncertainty and slower growth of new business.

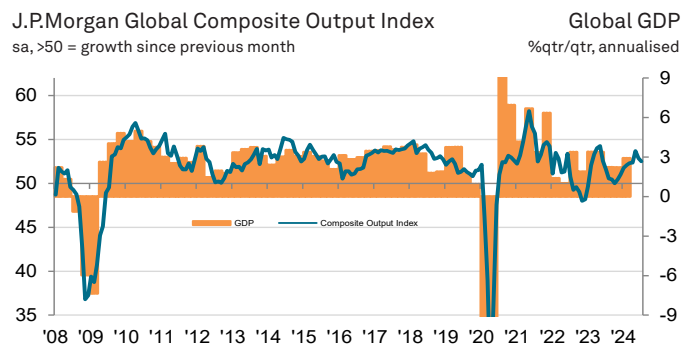
The J.P.Morgan Global Composite PMI® Output Index – produced by J.P.Morgan and S&P Global in association with ISM and IFPSM – fell to 52.5 in July, down further from May's 12-month high of 53.7. The headline index has signalled expansions in each of the past nine months, although the latest reading was the weakest since April.

*Note: due to later-than usual release dates, July 2024 services PMI data for Canada and Ireland were not available to include in the global numbers.*

Although July saw the rate of increase in service sector activity improve slightly, the upturn at manufacturers eased to near stagnation. This reflected the diverging trends in new business between the sectors. Service providers saw new work intakes rise for the ninth successive month, in contrast to a first drop in manufacturing new orders since January.

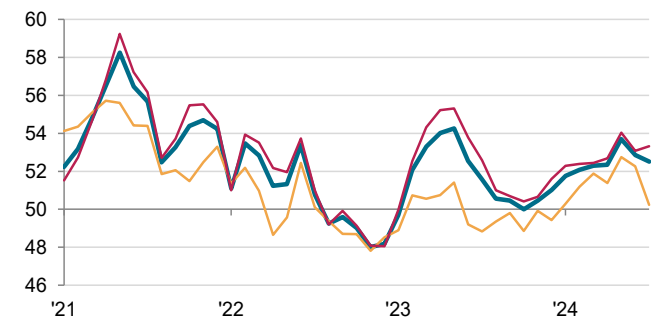
Of the 13 nations for which combined manufacturing and services PMI were available, all except three registered expansions of output (the exceptions being Germany, France and Australia). Growth was led by India, followed by Brazil and then the US. Three countries saw faster rates of increase (the UK, Brazil and Kazakhstan) while Japan and Russia returned to expansion following recent contractions. Growth (on average) slowed to a near-stagnant pace across the euro area.

Job creation was sustained for the third successive month in July, with the rate of increase staying at June's 12-month high. Staffing levels were raised in almost all of the nations covered, the sole exception being Germany. The latest increase in global employment reflected solid jobs growth in the service sector, as manufacturing employment was unchanged compared to the previous survey month.



Source: J.P.Morgan, S&P Global PMI, S&P Global Market Intelligence.

■ Composite Output Index  
■ Manufacturing Output Index  
■ Services Business Activity Index  
sa, >50 = growth since previous month



Sources: J.P.Morgan, S&P Global PMI.

### Composite Index summary

sa, 50 = no change over previous month. \*50 = no change over next 12 months.

Index	Jun-24	Jul-24	Interpretation
Output	52.9	52.5	Growth, slower rate
New Business	51.9	51.7	Growth, slower rate
New Export Business	49.7	49.7	Decline, same rate
Future Output*	62.1	61.9	Growth expected, lesser optimism
Employment	51.3	51.3	Growth, same rate
Outstanding Business	49.8	49.3	Decline, faster rate
Input Prices	56.3	57.0	Inflation, faster rate
Output Prices	52.8	52.6	Inflation, slower rate

Business optimism regarding the year-ahead outlook for business activity dipped to an eight-month low in July, remaining below the survey's long-run average for the second-month in a row. Developed markets were (on average) more positive about the future than emerging markets.

Input price inflation accelerated to a ten-month high in July. The rate of increase in service sector costs was the quickest since March and remained above that signalled for manufacturing purchase prices for the twenty-seventh successive month.

Part of the increase in costs was passed on to clients in the form of higher charges in July. However, the rate of selling price inflation eased to the weakest since October 2020. The rate of increase in global manufacturing remained below the service sector.

### Global Services Summary

The J.P.Morgan Global Services PMI Business Activity Index rose to 53.3 in July, up from 53.1 in June and has signalled expansions throughout the past one-and-a-half years. All of the nations for which data were available signalled growth, with rates of increase improving in China, the UK, Brazil and Kazakhstan. India saw the quickest expansion, while Japan and Russia returned to growth following recent contractions.

Business activity rose across the business, consumer and financial services sub-sectors. The latter registered the best performance by far, with growth accelerating to a near three-and-a-half year high. Growth slowed in the other two categories.

Global service sector employment rose for the third straight month and at the fastest pace since June 2023.

### Services Index summary

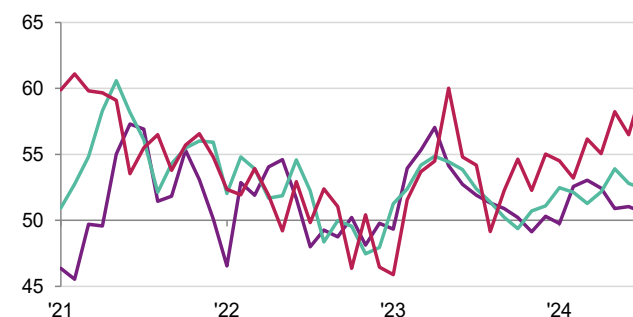
sa, 50 = no change over previous month. \*50 = no change over next 12 months.

Index	Jun-24	Jul-24	Interpretation
Business Activity	53.1	53.3	Growth, faster rate
New Business	52.4	52.7	Growth, faster rate
New Export Business	50.8	50.7	Growth, slower rate
Future Activity*	63.1	62.4	Growth expected, lesser optimism
Employment	51.5	51.7	Growth, faster rate
Outstanding Business	50.0	49.7	Decline, from no change
Input Prices	56.7	57.6	Inflation, faster rate
Prices Charged	53.0	53.0	Inflation, same rate

### Business Activity Index

- Consumer Services
- Business Services
- Financial Services

sa, >50 = growth since previous month



Sources: J.P.Morgan, S&P Global PMI.

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**Survey methodology**

The J.P.Morgan Global Composite PMI® is produced by S&P Global in association with ISM and IFPSM.

Global composite PMI indices are compiled by S&P Global from responses to monthly questionnaires sent to companies in manufacturing and services survey panels in over 40 countries (see table, right for full coverage), totalling around 27,000 companies. These countries account for 89% of global gross domestic product (GDP)\*.

For manufacturing surveys, responses are collected for the following variables: output, new orders, new export orders, future output, backlogs of work, employment, quantity of purchases, suppliers' delivery times, stocks of purchases, stocks of finished goods, input prices and output prices. For services surveys, responses are collected for the following variables: business activity, new business, new export business, future activity, outstanding business, employment, input prices and prices charged.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each manufacturing and services survey variable, at the country level. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

Global indices for manufacturing and services are calculated by weighting together the country indices using national manufacturing and services annual value added\*. Global Composite indices are then calculated by weighting together comparable global manufacturing and services indices using global manufacturing and services annual value added\*.

The headline figure is the Global Composite Output Index. This is a weighted average of the Global Manufacturing Output Index and the Global Services Business Activity Index.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@ihsmarkit.com](mailto:economics@ihsmarkit.com).

The J.P.Morgan Global Composite PMI provides the first indication each month of worldwide economic business conditions. The data enable decision makers in the financial world and in government to make better judgements much earlier than would otherwise be the case. The wide coverage of the indices, together with their speed of production, accuracy and direct comparability, make them unmatched as economic indicators. They provide truly "must have" information for financial institutions of all kinds and for major corporations worldwide.

\* Source: World Bank World Development Indicators.

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JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2.3 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. [www.jpmorganchase.com](http://www.jpmorganchase.com).

**About S&P Global**

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**About ISM**

Institute for Supply Management® (ISM®) serves supply management professionals in more than 90 countries. Its 50,000 members around the world manage about US\$1 trillion in corporate and government supply chain procurement annually. Founded in 1915 as the first supply management institute in the world, ISM is committed to advancing the practice of supply management to drive value and competitive advantage for its members, contributing to a prosperous and sustainable world. ISM leads the profession through the ISM Report On Business®, its highly regarded certification programs and the ISM Mastery Model®. [www.instituteforsupplymanagement.org](http://www.instituteforsupplymanagement.org)

**About IFPSM**

The International Federation of Purchasing and Supply Management (IFPSM) is the union of 48 National and Regional Purchasing Associations worldwide. Within this circle, about 250,000 Purchasing Professionals can be reached. IFPSM facilitates the development and distribution of knowledge to elevate and advance the procurement profession, thus favourably impacting the standard of living of citizens worldwide through improved business practices. The term procurement is taken to embrace purchasing, materials management, logistics, supply chain management and strategic sourcing. IFPSM is a non-political, independent and non-profit oriented International Organization. [www.ifpsm.org](http://www.ifpsm.org)

**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.

**Data sources**

Region	Producer	In association with
Australia	S&P Global	Judo Bank
Austria	S&P Global	Unicredit Bank Austria / OPWZ
Brazil	S&P Global	–
Canada	S&P Global	–
China (mainland)	S&P Global	Caixin
Colombia	S&P Global	Davivienda
Czech Republic	S&P Global	–
Egypt*	S&P Global	–
Eurozone	S&P Global	HCOB
France	S&P Global	HCOB
Germany	S&P Global	HCOB
Greece	S&P Global	HPI
Hong Kong SAR <sup>1</sup> *	S&P Global	–
Hungary	HALPIM	–
India	S&P Global	HSBC
Indonesia	S&P Global	–
Ireland	S&P Global	AIB
Israel	IPLMA	Bank Hapoalim Ltd
Italy	S&P Global	HCOB
Japan	S&P Global	au Jibun Bank
Kazakhstan	S&P Global	Tengri Partners
Kenya*	S&P Global	Stanbic Bank
Lebanon*	S&P Global	BLOMINVEST Bank
Malaysia	S&P Global	–
Mexico	S&P Global	–
Myanmar	S&P Global	–
Netherlands (The)	S&P Global	Nevi
New Zealand	Business NZ	Bank of New Zealand
Nigeria*	S&P Global	Stanbic IBTC Bank
Philippines (The)	S&P Global	–
Poland	S&P Global	–
Romania	S&P Global	BCR
Russia	S&P Global	–
Saudi Arabia*	S&P Global	Riyad Bank
Singapore*	S&P Global	–
South Africa*	S&P Global	–
South Korea	S&P Global	–
Spain	S&P Global	HCOB
Switzerland	procure.ch	UBS
Taiwan	S&P Global	–
Thailand	S&P Global	–
Turkey	S&P Global	Istanbul Chamber of Industry
UAE*	S&P Global	–
United Kingdom	S&P Global	–
United States <sup>2</sup>	S&P Global / ISM	–
Vietnam	S&P Global	–

\*Indices calculated from manufacturing and services responses extracted from survey panels covering the entire private sector economy.

<sup>1</sup>Hong Kong is a Special Administrative Region of China.

<sup>2</sup>US data compiled by ISM pre-February 2010 and by S&P Global post-January 2010.

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