

News Release

Embargoed until 0930 BST (0830 UTC) 7 September 2022

S&P Global Sector PMI™

Sharp drop in global autos output in August

Key findings

Fastest decline in Automobiles & Auto Parts sector since May 2020

Only eight sectors record higher activity in August, led by software and telecoms

Software & Services is only sector to record faster expansion

The latest S&P Global Sector PMI™ data pointed to a broadening downturn in output in August. Out of 21 monitored sectors, 13 registered lower activity compared with July, the highest total since June 2020. There was, however, further evidence of easing cost inflationary pressures, with almost all sectors seeing lower rates of input price inflation.

The sharpest declines in output in August were registered in the Automobiles & Auto Parts and Real Estate sectors, with the former footing the rankings for the first time since October 2021 with the steepest drop in production since May 2020. Real Estate was the worst-performing global services sector, driven by trends in Europe and the US. Forestry & Paper Products registered the third-strongest decline in output of all sectors, and the steepest drop in new orders.

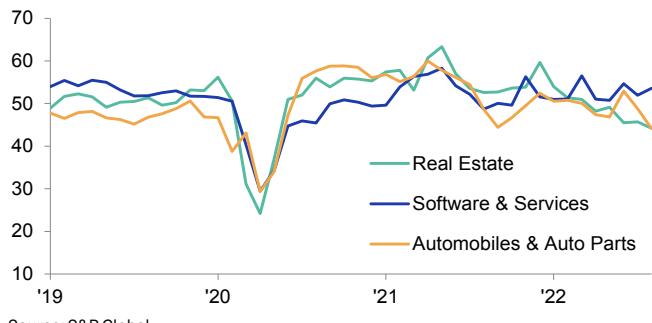
Metals & Mining posted a drop in output for the fifth time in six months in August. That said, the rate of contraction was only marginal and placed the sector twelfth in the global rankings, up from last place in July and its best position since February.

Software & Services was the fastest-growing global sector in August, the first time it had topped the rankings since April 2018. It was the only sector to achieve stronger growth than in July. Close behind was Telecommunication Services, which remained in second place for the third straight month despite a further easing in the rate of expansion. Completing the top three was Other Financials, where activity rose at the slowest rate for 13 months. Meanwhile, growth rates eased and were only marginal in Transportation, Pharmaceuticals & Biotechnology, Beverages & Food, Tourism & Recreation and Machinery & Equipment.

Rates of input price inflation eased further in almost all sectors in August. The exceptions were Tourism & Recreation, where input prices rose at a slightly faster rate (but still the second-weakest in six months), and Metals & Mining, where average input costs fell for the second month running.

Global Sector PMI Business Activity Index

sa, >50 = growth since previous month



■ Output Index
■ New Orders Index
■ Employment Index
sa, >50 = growth since previous month

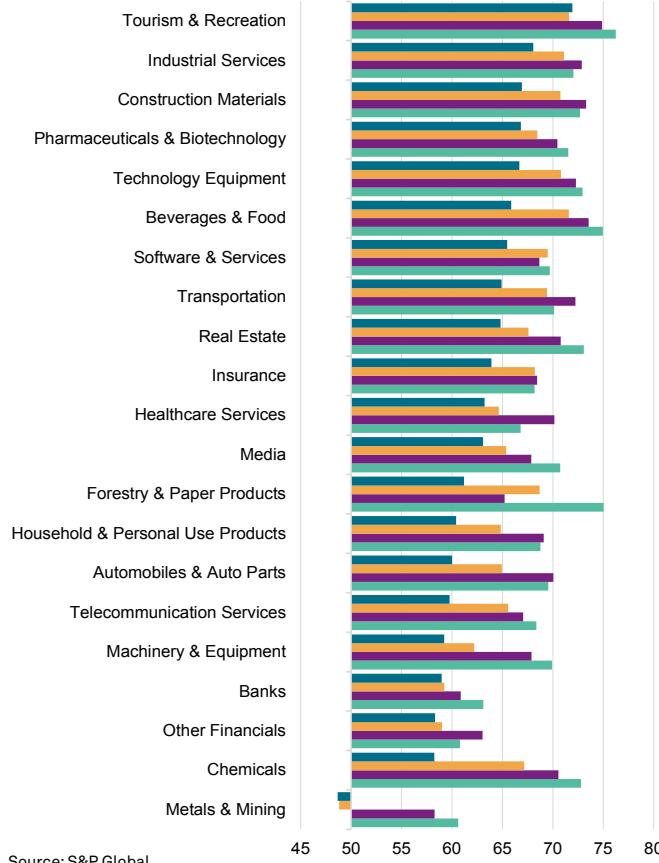


PMI™

by S&P Global

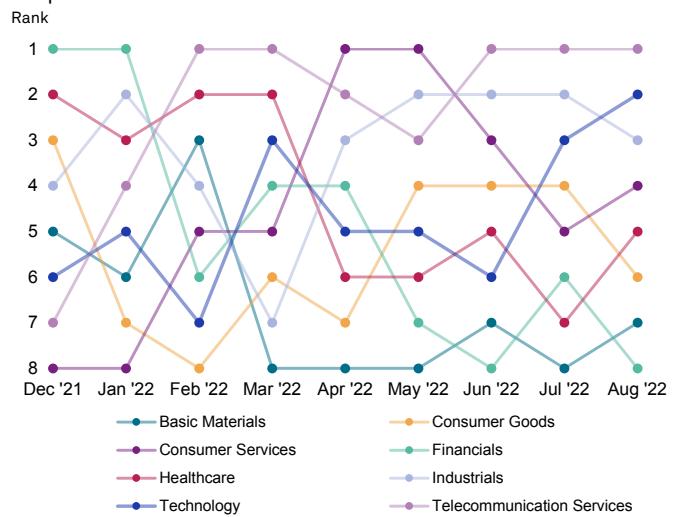
© 2022 S&P Global

Input Prices Index
 ■ Aug ■ Jul ■ Jun ■ May
 sa,>50 = inflation since previous month



Source: S&P Global.

Output Index



Source: S&P Global.

Contact

Chris Williamson
 Chief Business Economist
 S&P Global Market Intelligence
 T: +44-20-7260-2329
chris.williamson@spglobal.com

Katherine Smith
 Corporate Communications
 S&P Global Market Intelligence
 T: +1 (781) 301-9311
katherine.smith@spglobal.com

Trevor Balchin
 Economics Director
 S&P Global Market Intelligence
 T: +44-1491-461-065
trevor.balchin@spglobal.com

If you prefer not to receive news releases from S&P Global, please email katherine.smith@spglobal.com. To read our privacy policy, click [here](#).

Survey methodology

The S&P Global Sector PMI™ indices are compiled by S&P Global from responses to questionnaires sent to purchasing managers in S&P Global's global PMI survey panels, covering over 27,000 private sector companies in more than 40 countries.

S&P Global maps individual company responses to industry sectors according to standard industry classification (SIC) codes. Global Sector PMI indices are available for the basic materials, consumer goods, consumer services, financials, healthcare, industrials, technology and telecommunication services industry groups, and sub-sectors of these groups.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. Survey responses are weighted by country of origin, based on sectoral gross value added. A diffusion index is calculated for each survey variable. 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.

For manufacturing sectors, the headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

For services sectors, or sectors covering both manufacturing and services, the headline figure is the Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity or output compared with one month previously.

For further information on the PMI survey methodology, please contact economics@ihsmarkit.com.

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. ihsmarkit.com/products/pmi.html.

About S&P Global

S&P Global (NYSE:SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com.

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing in this document is not permitted without S&P Global's prior consent. S&P Global 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 S&P Global 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 and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.