

News Release

Embargoed until 0945 EDT (1345 UTC) 05 June 2024

S&P Global US Sector PMI[®]

Financials strongest performing sector in May

Key findings

Financials tops growth rankings for first time in four months

Five of the seven monitored sectors see output expansions quicken

Healthcare remains only sector to record a decline in activity

US Sector PMI[®] indices are compiled from responses to questionnaires sent to purchasing managers in S&P Global's US manufacturing and services PMI survey panels, covering over 1,000 private sector companies. Indices are available for the basic materials, consumer goods, consumer services, financials, healthcare, industrials and technology sectors.

May data signalled a more positive landscape for US firms, as six of the seven monitored sectors registered an expansion in output. Of these, five segments recorded accelerations in the pace of growth. Only Healthcare saw a fall in activity, with output decreasing for the second month running. Moreover, the decline in output at Healthcare firms quickened to the sharpest since August 2022.

Leading the output growth rankings was the Financials sector, where business activity rose at the second-fastest pace in over two years in May. The upturn was driven by a stronger rise in new orders and greater customer demand.

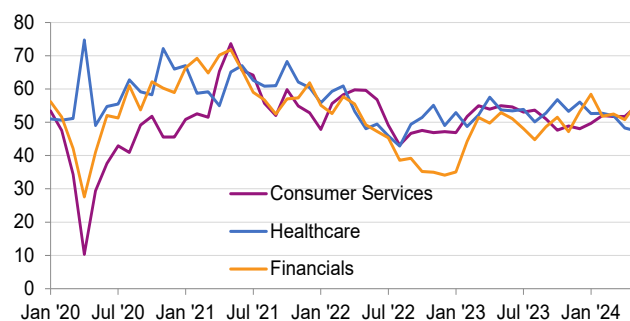
Also recording upticks in the pace of output growth were the Consumer Goods and Consumer Services sectors. In contrast to the trend seen in recent months, the rise in activity at Consumer Services firms outpaced that among Consumer Goods companies for a second month in a row, albeit only slightly. Moreover, rates of increase in output were the quickest for 12 and two months, respectively.

Meanwhile, Industrials firms registered a fourth successive monthly expansion in output in May. The pace of growth quickened to the fastest for two years. Also seeing an increase in production was the Basic Materials sector, with a modest rise indicating an improvement from broadly unchanged output levels in April.

Finally, the Technology sector signalled a return to output growth in May, following a brief contraction in April. The pace of expansion was modest and the fastest since last June.

Business Activity Index

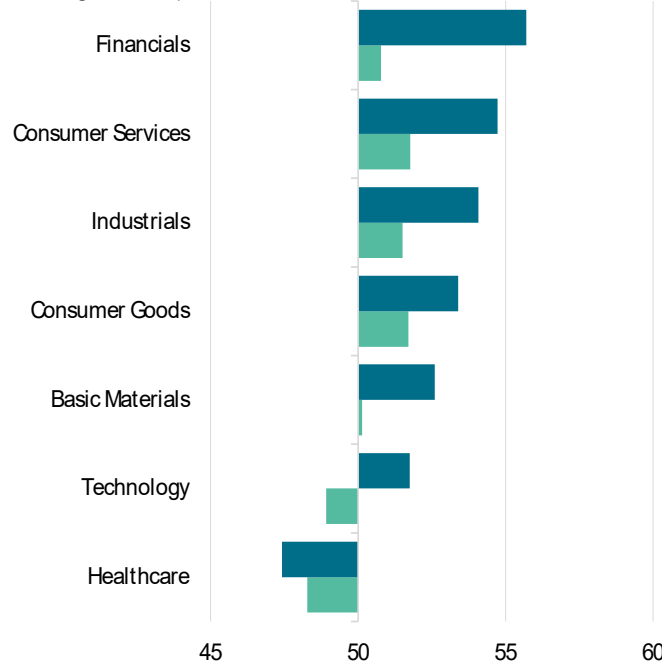
sa, >50 = growth since previous month



Source: S&P Global PMI.

Output Index, May '24 / Apr '24

sa, >50 = growth since previous month



Source: S&P Global PMI.

PMI[®]

by S&P Global

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Survey methodology

The S&P Global US Sector PMI® indices are compiled by S&P Global from responses to questionnaires sent to purchasing managers in S&P Global's US manufacturing and services PMI survey panels, covering over 1,000 private sector companies.

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

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@spglobal.com.

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