

News Release

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S&P Global Sector PMI[®]

Real Estate only drag on strong-performing Financials sector in May

Key findings

Other Financials posts quickest rise in new work and activity

First drop in output in Real Estate for six months

Tourism & Recreation sees strongest cost inflation for sixth month in a row

The latest Global Sector PMI[®] showed fairly consistent trends in May, signalling widespread growth midway through the second quarter. In general, Financials sectors registered the sharpest upticks in activity, while Basic Materials and Healthcare placed near the bottom of the rankings.

Other Financials - which include consumer financial services, specialty financials and investment services - remained a key area of strength in May, recording the strongest increase in both activity and new business. The rate of growth in business activity was substantial and the most pronounced in just shy of two years. Meanwhile, Banks and Insurance both ranked closely behind.

Conversely, Real Estate was the only Financials sector to place inside contraction territory in May. Though only marginal, the latest decrease was the first for six months, owing in part to a fresh drop in new business.

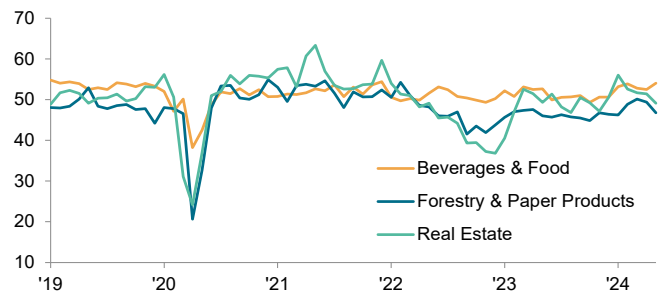
Of the four monitored sectors in negative territory, Forestry & Paper Products saw the quickest decline in May. Excluding a brief spell of slight growth in March, output has been trending downward for over two years. The rate of decline was solid, as well as the most pronounced for four months.

May data marked the seventh successive monthly rise in output at Beverages & Food. The pace of growth was solid and the quickest seen since late-2021.

On the jobs front, 15 of the 21 monitored sectors registered workforce expansions in May, the most since August last year. Employment trends were mixed for the Financials category, with the quickest growth seen for the Insurance sector and Banks posting the fastest job shedding.

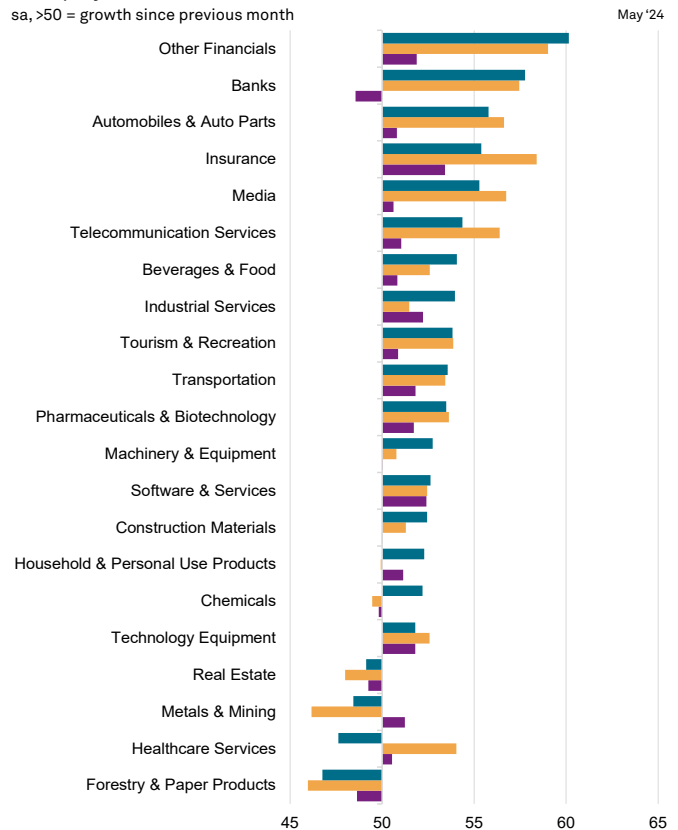
For the third time this year so far, all of the 21 monitored sectors pointed to increasing cost pressures in May. For the sixth month running, Tourism & Recreation signalled the sharpest rise in input costs. Meanwhile, only Automobile & Auto Parts posted a reduction in selling prices.

Global Sector PMI Business Activity Index
sa, >50 = growth since previous month



Source: S&P Global PMI.

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

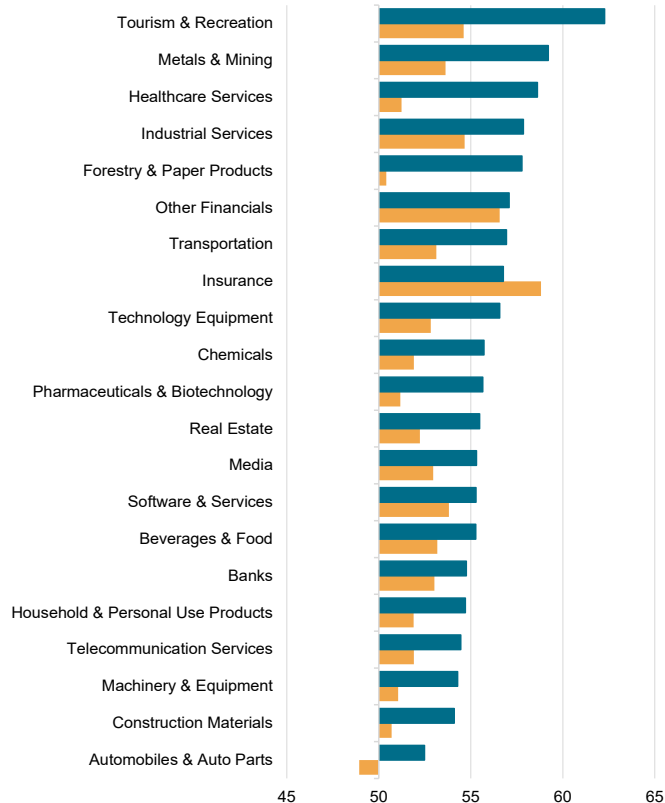


Source: S&P Global PMI.

Price Indices

■ Input Costs ■ Output Charges

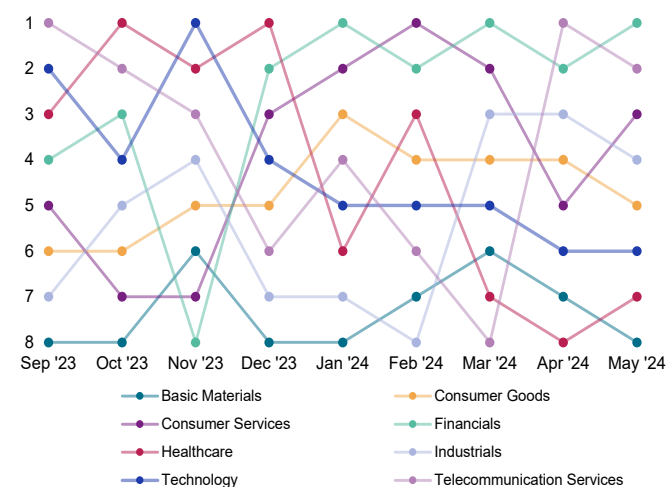
sa, >50 = inflation since previous month



Source: S&P Global PMI.

Output Index

Rank



Source: S&P Global PMI.

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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@spglobal.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. spglobal.com/products/pmi.html

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