

Embargoed until 1100 EST (1600 UTC) 5 February 2024

# J.P.Morgan Global Composite PMI®

## Global economic growth at seven-month high in January

### Key findings

Global Composite PMI Output Index posts 51.8

Service sector growth strengthens

Business optimism improves to seven-month high

The upturn in global economic activity gathered pace at the start of 2024, with rates of growth in output and new orders accelerating to seven-month highs. Emerging markets continued to outperform their developed nation counterparts (on average), although the latter did see output rise for the first time since July 2023.

The J.P.Morgan Global Composite PMI® Output Index – produced by J.P.Morgan and S&P Global in association with ISM and IFPSM – posted 51.8 in January, up from 51.0 in December and its highest reading since June 2023. The headline index has signalled expansion for three successive months (following the no change registered in October) and last indicated a downturn in January 2023.

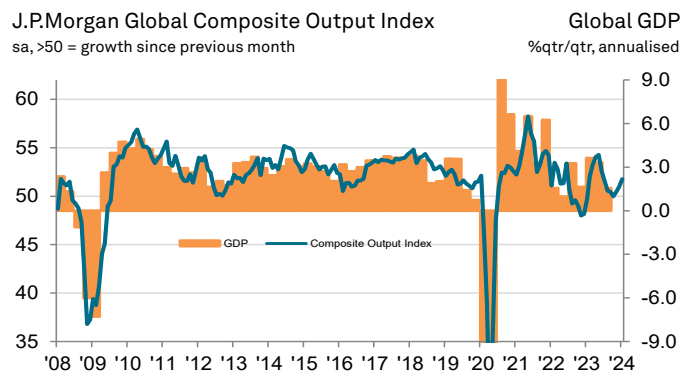
*Note: due to a later-than-usual release date, data for Ireland services were not included in the January global numbers.*

January saw the performances of both the global service and manufacturing sectors improve. Services business activity rose at the quickest pace since July 2023, as increases in the business and financial services categories offset a minor decrease at consumer service providers.

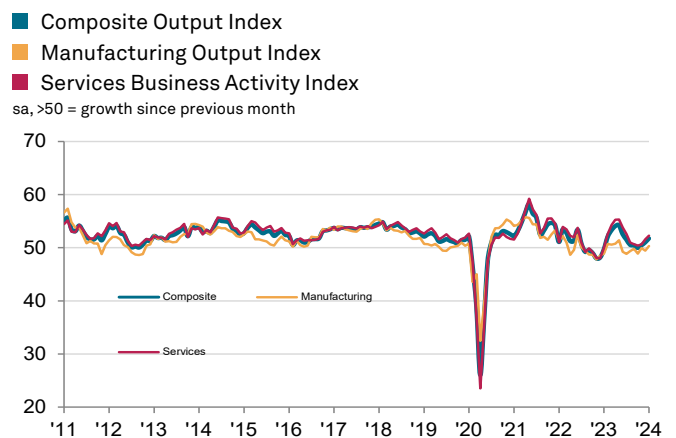
Global manufacturing edged back into expansion territory for the first time in eight months, mainly on the back of increased production in the consumer goods sub-industry. Output meanwhile stabilised in the intermediate goods category, but fell in investment goods.

Data broken down by nation signalled expansions of economic output in nine out of the 14 nations for which January data were available. The BRIC nations of Brazil, Russia, India and China made up four of the top-five performers, along with the UK in fourth position overall. The US, Japan, Italy and Spain were the other nations to signal expansions. France, Canada and Germany were the worst performers overall, while Australia and Kazakhstan also saw output decline.

The level of incoming new business increased for the third successive month in January, as growth in the service sector strengthened and new order intakes at manufacturers moved closer to stabilising. International trade flows remained weak, with new export business falling for the twenty-third



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



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	Dec-23	Jan-24	Interpretation
Output	51.0	51.8	Growth, faster rate
New Business	50.9	51.4	Growth, faster rate
New Export Business	48.4	49.2	Decline, slower rate
Future Output*	62.6	63.7	Growth expected, better optimism
Employment	50.5	50.7	Growth, faster rate
Outstanding Business	47.9	49.7	Decline, slower rate
Input Prices	56.1	56.1	Inflation, same rate
Output Prices	53.5	52.6	Inflation, slower rate

straight month. That said, the rate of contraction was the slowest since last April.

The modest output growth acceleration filtered through to the labor market. Although January data was consistent with only a marginal increase in employment, jobs growth nonetheless improved to a four-month high. Staffing levels were raised in the US, Japan, UK, India and Brazil (among others), but lowered in Germany and France and unchanged in China. Capacity levels globally remained sufficient to achieve a further reduction in backlogs of work, which fell (albeit only slightly) for the ninth month running.

January saw a further increase in average input prices, with the rate of inflation unchanged from that registered one month earlier. Part of the rise in costs was passed on to clients, leading to another increase in output charges. That said, average selling prices rose at the slowest pace since October 2020.

The outlook for the year ahead remained positive in January. Business optimism climbed to a seven-month high and strengthened in both the manufacturing and service sectors. Developed nations expressed a greater degree of positive sentiment (on average) than emerging markets.

**Global Services Summary**

The J.P.Morgan Global Services PMI Business Activity Index rose to a six-month high of 52.3 in January, up from 51.6 in December, signalling faster expansion. Increased output was supported by improved intakes of new work and jobs growth. New export business also showed its first gains since August of last year. Upward price pressures eased slightly, with rates of inflation in input costs and output charges both slowing.

**Comment**

Bennett Parrish, Global Economist at J.P.Morgan, said: “The global all-industry output PMI climbed by 0.8pts to a seven-month high of 51.8 in January. Output growth was supported by improved intakes of new orders and also stronger job creation. This alongside rising business optimism all suggests that the expansion still stands on solid foundations. The improvement was also broad-based, with better performances seen in both the manufacturing and services sub-industries. January data provided further signs of price pressures stabilizing.”

**Services Index summary**

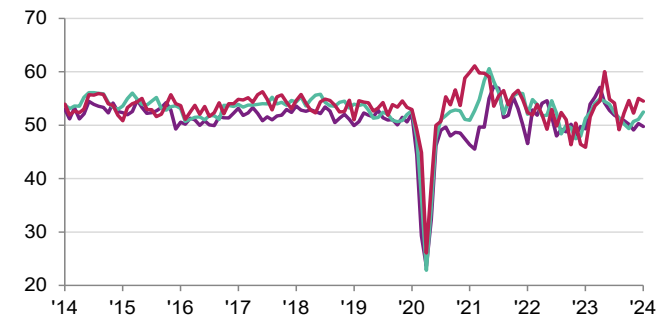
sa, 50 = no change over previous month. \*50 = no change over next 12 months.

Index	Dec-23	Jan-24	Interpretation
Business Activity	51.6	52.3	Growth, faster rate
New Business	51.8	52.0	Growth, faster rate
New Export Business	49.3	50.6	Growth, from contracting
Future Activity*	63.4	64.1	Growth expected, better optimism
Employment	51.1	51.2	Growth, faster rate
Outstanding Business	48.4	50.6	Growth, from contracting
Input Prices	57.5	57.2	Inflation, slower rate
Prices Charged	54.2	52.9	Inflation, slower rate

**Business Activity Index**

- Consumer Services
- Business Services
- Financial Services

sa, >50 = growth since previous month



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

**Contact**

Bennett Parrish  
 Economic & Policy Research  
 J.P.Morgan Chase Bank  
 New York  
[bennett.parrish@jpmchase.com](mailto:bennett.parrish@jpmchase.com)

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

Rob Dobson  
 Director  
 S&P Global Market Intelligence  
 T: +44 1491 461 095  
[rob.dobson@spglobal.com](mailto:rob.dobson@spglobal.com)

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

**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.

**About J.P.Morgan**

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**

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](http://www.spglobal.com).

**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	–
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.

**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 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 trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc 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.