

# News Release

Embargoed until 1100 EDT (1500 UTC) 5 September 2024

## S&P Global Sector PMI®

### Software & Services leads growth, while Autos is biggest drag in August

#### Key findings

Financials category retains top spot, despite renewed Real Estate weakness

Software & Services posts fastest activity growth, as Other Financials upturn loses pace

Autos output contracts at one of the sharpest rates seen in two years

The latest Global Sector PMI® indicated that most sectors remained inside growth territory in August, with strength mainly focused in service sectors.

Basic Materials remained a key drag on the global economy in August. In fact, all three component sectors registered a drop output for the first time this year so far. The fresh decrease in Chemicals production ended a seven-month period of growth and pointed to the most marked downturn for over a year. This followed a solid drop in new orders across the sector, the quickest seen for a year-and-a-half.

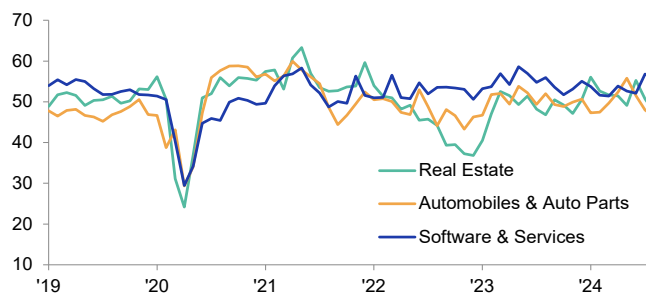
For the first time since February, Automobiles & Auto Parts posted the sharpest decrease in output of all sectors monitored in August. The pace of decline was solid and the fastest seen since late-2022. Nevertheless, there was a renewed uplift in payroll numbers across the sector in August, though one that was only slight in nature.

Meanwhile, the broader Financials category placed top in terms of activity growth for the fourth month running. This was despite a renewed contraction in Real Estate activity and notably softer upturns elsewhere.

A marked slowdown in activity at Other Financials - which includes consumer financial services, specialty financials and investment services - saw the sector lose its top spot held in each of the previous four months. With that, Software & Services led both in terms of activity and employment in August.

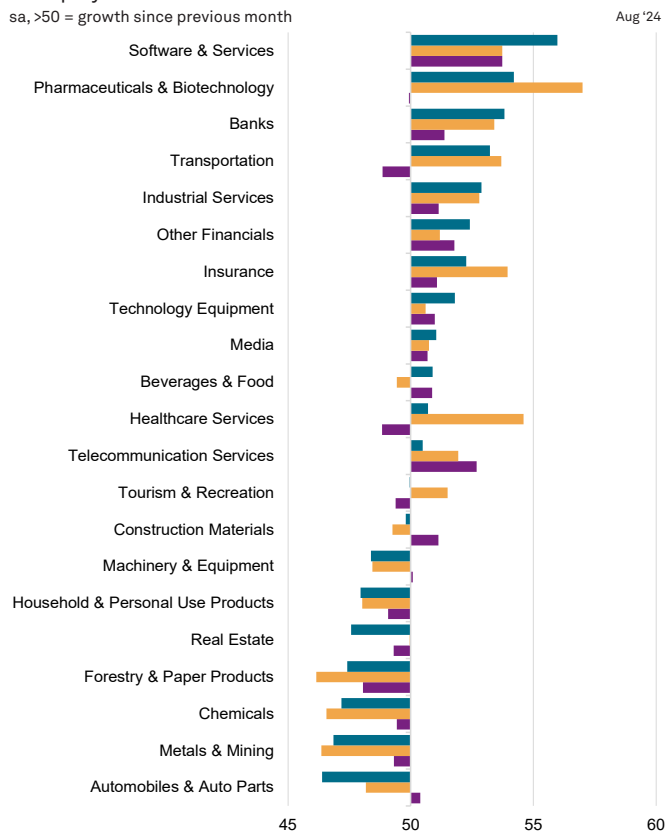
The Healthcare industry performed well in securing new orders in August. Of the 21 sectors, Pharmaceuticals & Biotechnology posted the sharpest rise in new orders. The rate of growth was not only marked, but the most pronounced for nearly three years. Meanwhile, Healthcare Services placed second in terms of new business expansion in August. Whilst enjoying healthy inflows of new work, healthcare related sectors were the most upbeat towards the future, despite contending with notable cost pressures.

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.

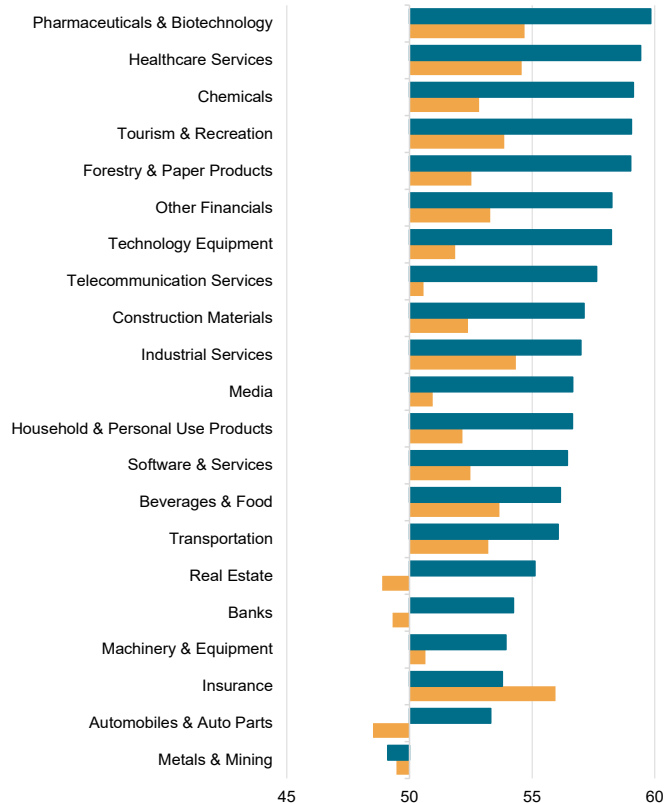
PMI®

by S&P Global

Price Indices

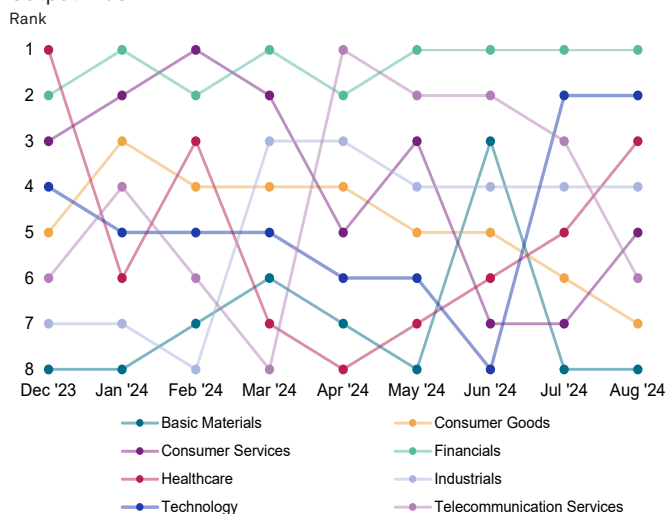
■ Input Costs ■ Output Charges

sa, >50 = inflation since previous month



Source: S&P Global PMI.

Output Index



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](mailto: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](https://spglobal.com/products/pmi.html)

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