News Release

J.P.Morgan

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J.P.Morgan Global Composite PMI®

Global economy ekes out marginal expansion as new order inflows stabilise

Key findings

Global Composite PMI Output Index at 50.4

Services activity rises; manufacturing downturn eases

Jobs growth slows to near-standstill pace

November saw the global economy edge back into growth territory, as a stabilisation in new order intakes supported a mild increase in output. The J.P.Morgan Global Composite PMI® Output Index – produced by J.P.Morgan and S&P Global in association with ISM and IFPSM – rose to 50.4, up from 50.0 in October, to signal expansion for the ninth time in the past ten months. That said, employment growth came close to stalling.

The service sector again outperformed its manufacturing counterpart in November. Services business activity rose moderately, as growth in the business and financial services categories more than offset the first decline in consumer services activity since January.

There were also some positive signals coming out of the manufacturing industry. Although production volumes decreased for the sixth successive month, the rate of contraction was negligible and the weakest during that sequence. Sub-sector data highlighted mild expansions at consumer and investment goods producers (output fell in the intermediate goods category).

Output growth was registered in seven of the 14 nations for which November Composite PMI data were available. The strongest rates of expansion were in India and Russia, with increases also seen in the US, China, the UK, Brazil and Ireland. Japan, Germany and France were among the countries to experience contractions.

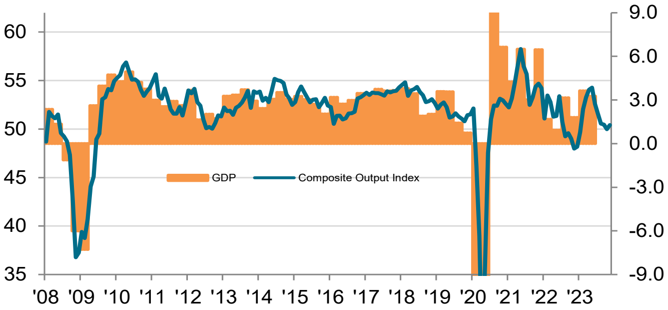
November saw no change in the level of new business received, as a modest increase at service providers was offset by a further decrease at manufacturers. The trend in new export business remained downbeat, however, as international trade in goods and services contracted for the twenty-first successive month.

With the flat trend in new business inflows, companies raised output through the completion of existing contracts. Backlogs of work decreased for the seventh consecutive month and to a slightly greater extent than in October.

There were also growing signs that the generally lacklustre trends in output and new business during recent months

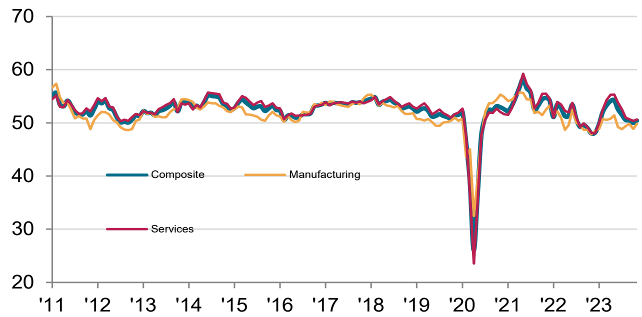
J.P.Morgan Global Composite Output Index | Global GDP

sa, >50 = growth since previous month | %qtr/qtr, annualised



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

Composite Output Index
Manufacturing Output Index
Services Business Activity Index
sa, >50 = growth since previous month



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	Oct-23	Nov-23	Interpretation
Output	50.0	50.4	Growth, from no change
New Business	49.3	50.0	No change, from contracting
New Export Business	48.0	48.5	Decline, slower rate
Future Output*	61.4	61.3	Growth expected, lesser optimism
Employment	50.5	50.1	Growth, slower rate
Outstanding Business	48.6	48.3	Decline, faster rate
Input Prices	56.4	55.7	Inflation, slower rate
Output Prices	53.0	53.5	Inflation, faster rate

PMI by S&P Global

ISM Institute for supply management

IFPSM

were taking their toll on the labour market. Although job creation was signalled for the thirty-ninth month running, the rate of growth ground to a near-standstill and was the joint-weakest during that sequence. Employment increased in the US, Japan, India, Spain, Russia, Brazil, Australia and Ireland.

November saw further increases in both input costs and output charges. The pace of inflation for the former eased slightly, but accelerated for the latter. Generally speaking, rates of increase in both price measures were higher (on average) in developed nations compared to emerging markets.

Global Services Summary

The J.P.Morgan Global Services PMI Business Activity Index posted 50.6 in November, up from 50.4 in October, to remain above the neutral 50.0 mark for the tenth successive month. The US, China and Japan were among the nations to register expansions.

Output growth was sustained through a mild increase in new business intakes and further depletion of backlogs of work. Job creation was registered for the thirty-third month in a row, although the pace of growth eased and was among the weakest during that sequence.

Business optimism dipped to an 11-month low in November. Output price inflation accelerated to a three-month high whereas input costs rose at the slowest pace in over three years.

Services Index summary

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

Index	Oct-23	Nov-23	Interpretation
Business Activity	50.4	50.6	Growth, faster rate
New Business	49.6	50.5	Growth, from contracting
New Export Business	49.9	49.6	Decline, faster rate
Future Activity*	62.5	61.7	Growth expected, lesser optimism
Employment	51.1	50.5	Growth, slower rate
Outstanding Business	49.2	48.7	Decline, faster rate
Input Prices	57.6	57.0	Inflation, slower rate
Prices Charged	53.5	54.4	Inflation, faster rate

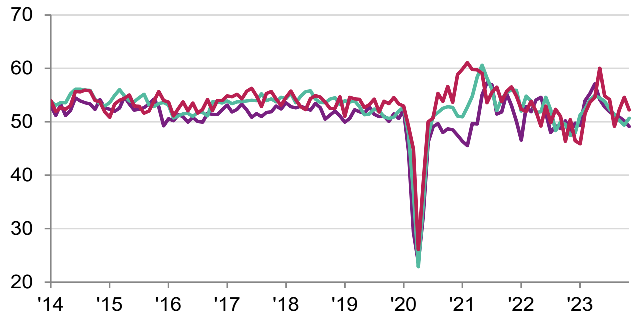
Business Activity Index

Consumer Services

Business Services

Financial Services

sa, >50 = growth since previous month



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

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Survey methodology

The J.P.Morgan Global Composite PMI® is produced by S&P Global in association 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.

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.

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[1]*	S&P Global	–
Hungary	HALPIM	–
India	S&P Global	–
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	CIPS
United States[2]	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.

[1]Hong Kong is a Special Administrative Region of China.

[2]US data compiled by ISM pre-February 2010 and by S&P Global post-January 2010.

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.

About S&P Global

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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.

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

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

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.

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