

News Release

Embargoed until 0830 HKT (0030 UTC) 4 August 2022

S&P Global Asia Sector PMI™

Activity growth slows across majority of Asian sectors in July

Key findings

Output expands in 15 of the 18 monitored sectors

Fastest growth in Industrial Services and Insurance

Severe inflation within the Forestry & Paper industry

Asia Sector PMI™ data from S&P Global signalled an expansion in output across 15 of the 18 monitored sectors in July. That said, the rate of expansion slowed in almost all industries.

The Industrial Services and Insurance industries performed best in July with the sectors recording a second and third consecutive month of expansion in output, respectively. Eash industry also signalled further upticks in employment levels, although with rates of growth easing from June.

Chemicals was the worst performing sector in July. Latest survey data signalled a solid decline in output following a month of expansion in June. On the positive side, chemical firms reported the softest rise in input costs for 13 months.

Software & Services and Transportation were the only industries to register sustained and quicker increases in output during July. Meanwhile, Construction Materials recorded a renewed uptick in output following a four-month contractionary sequence. July data also signalled a second month of growth in the Beverages and Food industry, supported by a continued easing of COVID-19 policies across the APAC region.

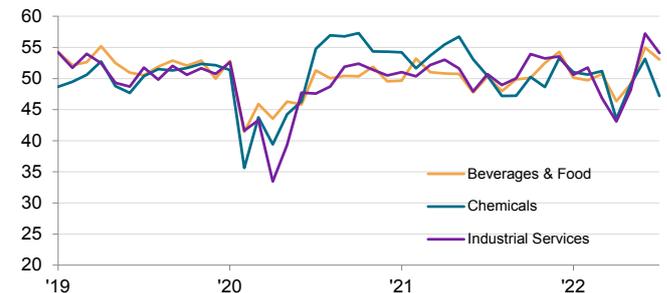
The Forestry & Paper industry registered a fifth successive contraction in output in July amid severe cost inflationary pressures. Indeed, the sector experienced the fastest input cost inflation and the second-quickest selling price inflation of the monitored sectors.

Employment levels rose in half of the monitored sectors in July. The rate of workforce expansion was strongest in the Healthcare Services industry. By contrast, Real Estate recorded the fastest rate of job shedding.

In terms of prices, 17 out of the 18 industries registered higher input costs with only Metals & Mining recording a fall. Concurrently, 16 of the 18 categories recorded increased output charges with the rate of inflation sharpest in Construction Materials.

Asia Sector PMI Business Activity Index

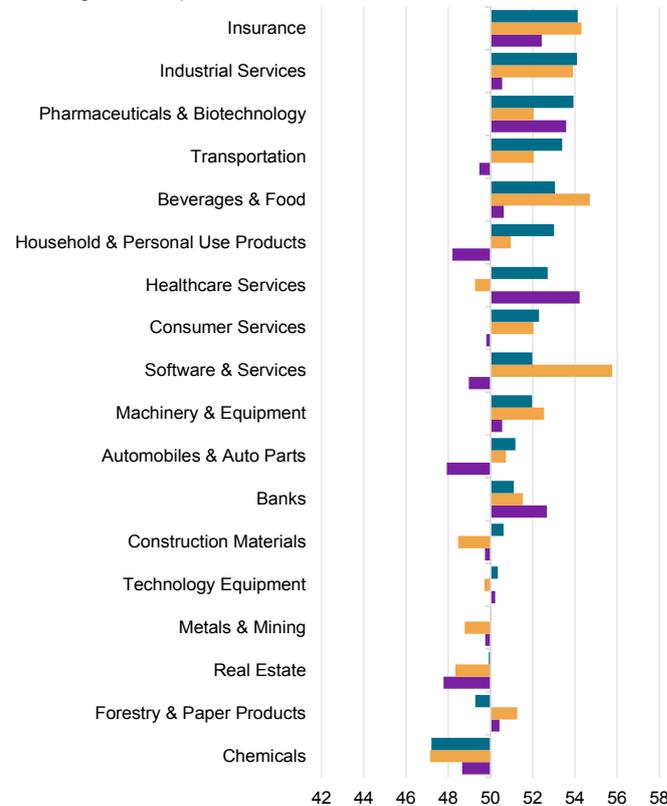
sa, >50 = growth since previous month



Source: S&P Global.

Output Index
New Orders Index
Employment Index

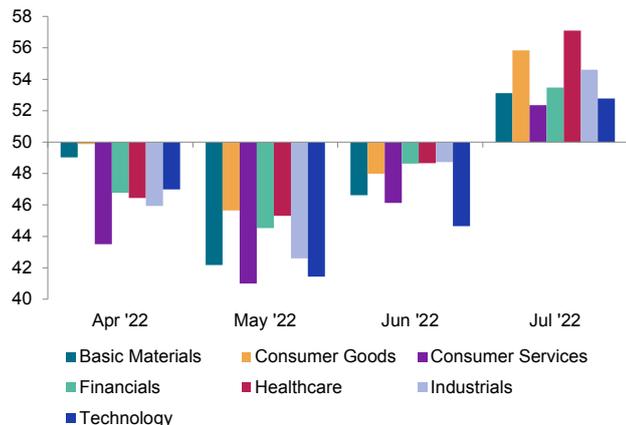
sa, >50 = growth since previous month



Source: S&P Global.

Output Index

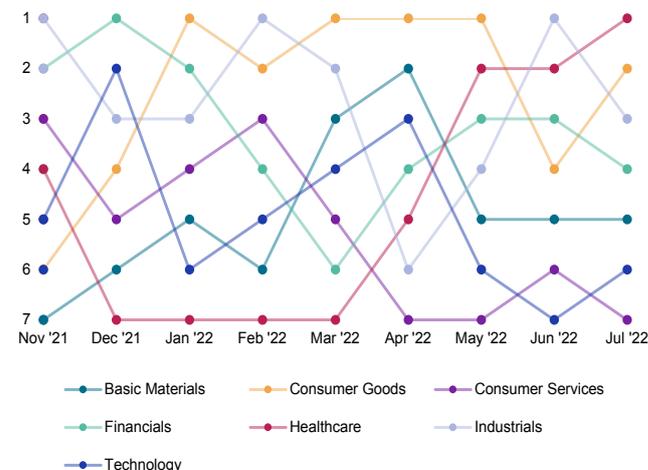
sa, >50 = growth since previous month



Source: S&P Global.

Output Index

Rank



Source: S&P Global.

Contact

Chris Williamson
 Chief Business Economist
 S&P Global Market Intelligence
 T: +44-20-7260-2329
chris.williamson@spglobal.com

SungHa Park
 Corporate Communications
 S&P Global Market Intelligence
 T: +82 2 6001 3128
sungha.park@spglobal.com

Laura Denman
 Economist
 S&P Global Market Intelligence
 T: +44-134-432-7221
laura.denman@spglobal.com

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

Survey methodology

The S&P Global Asia Sector PMI™ indices are compiled by S&P Global from responses to questionnaires sent to purchasing managers in S&P Global's Asian PMI survey panels, covering over 6,000 private sector companies in 13 regions.

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

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.

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 registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited 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.