

# News Release

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## S&P Global Steel Users PMI™

### Sharp rebound in Asia drives overall improvement in global steel-using sector

#### Key findings

Strong growth in Asia driven by reopening of Chinese economy

Suppliers' delivery times improve the most since mid-2009

Input price inflation remains below long-run trend

The February Global Steel Users PMI™ data signalled a notable rebound among steel-using manufacturers, mainly due to a rapid improvement in Asia as the Chinese economy reopened. The region drove renewed global growth in output, new orders and purchasing at steel users, and also an improvement in supply chains as suppliers' delivery times quickened to the greatest extent since May 2009. European steel users also raised output, while all three regions saw expanded workforces. Input price inflation eased since January and remained below its long-run average, while output price inflation picked up to an eight-month high and remained historically strong.

The seasonally adjusted Global Steel Users Purchasing Managers Index™ (PMI) – a composite indicator designed to give an accurate overview of operating conditions at manufacturers identified as heavy users of steel – rose to 53.2 in February, from 49.3 in January, signalling the first overall improvement in operating conditions since last July. The 3.9-point rise in the headline figure was the second-largest on record, and mainly influenced by a rapid rebound in Asia (54.1). Conditions in Europe (50.5) also improved, while the US posted a weaker downturn (49.3).

Output in the global steel-using sector rose for the first time in seven months in February, and at the fastest rate since last June. Asian steel users posted the second-strongest rate of growth in production since December 2010, while their European counterparts posted the first increase in 12 months. Output at US steel users fell for the fifth month

S&P Global Steel Users PMI

sa, >50 = improvement since previous month



Source: S&P Global.

running, but at the weakest rate since last October.

New orders at global steel users rose for the first time in seven months, and at the fastest rate since June 2021. This entirely reflected a strong rebound in Asia as demand weakened further in the US and Europe, albeit at the slowest pace in ten months in the latter.

Employment in the global steel-using sector rose at the strongest rate in five years in February. Asian steel users raised headcounts the most in six years, while European firms continued to recruit at a slightly sharper rate than those in the US.

The volume of outstanding business rose was unchanged in February, after having risen in January. Higher backlogs in Asia were offset by further declines in Europe and the US.

Purchasing rose for the first time in four months, with Asia driving the increase at the global level as declines were seen in both Europe and the US. Stocked inputs also expanded for the first time in seven months while suppliers' delivery times improved the most since May 2009, with both trends driven by Asia.

Input price inflation at steel users eased from January's seven-month high and was below the long-run series trend. In contrast, output price inflation accelerated to the fastest since last June and remained above its long-run average. For both measures, the US registered the fastest increase and Asia the slowest.

PMI™

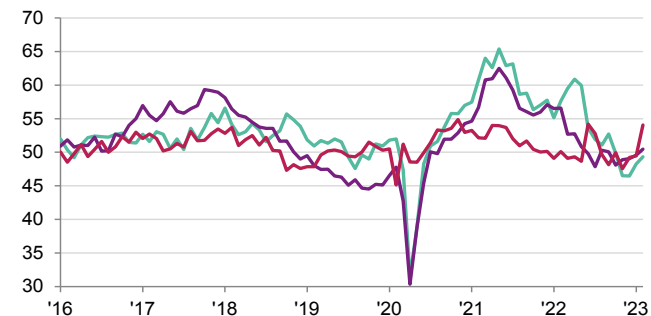
by S&P Global

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Steel Users PMI by region

Europe USA Asia

sa, >50 = improvement since previous month



Source: S&P Global.

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Survey methodology

The Global Steel Users PMI™ is compiled by S&P Global from responses to questionnaires sent to purchasing managers in manufacturers identified as heavy users of steel. The sample is selected from S&P Global's worldwide PMI survey panels, covering over 40 countries.

Survey responses are weighted by country, based on national steel consumption figures sourced from S&P Global's Pricing & Purchasing Service. 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 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.

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.

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).

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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](https://ihsmarkit.com/products/pmi.html).