

# News Release

Embargoed until 0815 GST (0415 UTC) 11 March 2024

## S&P Global Dubai PMI®

### Dubai PMI rises to highest level since May 2019

#### Key findings

Strongest activity growth in a year-and-a-half

Employment rises at quickest pace since August 2015

New business growth accelerates amid greater price cuts

The Dubai non-oil private sector offered its best performance since May 2019, according to the latest PMI survey data from S&P Global. Activity growth accelerated on the back of another marked upturn in new order volumes, as firms enjoyed favourable market conditions and a positive response to greater sales efforts.

Encouragingly, the latest results prompted companies to expand their staffing numbers at the fastest rate in eight-and-a-half years. Likewise, firms accumulated inventories of inputs and semi-finished items rapidly, despite some reports of shipment delays. Cost pressures remained modest despite picking up to a three-month high, whereas output charges were reduced at the strongest rate in eight months.

The headline S&P Global Dubai Purchasing Managers' Index™ (PMI®) is derived from individual diffusion indices which measure changes in output, new orders, employment, suppliers' delivery times and stocks of purchased goods. The survey covers the Dubai non-oil private sector economy, with additional sector data published for travel & tourism, wholesale & retail and construction.

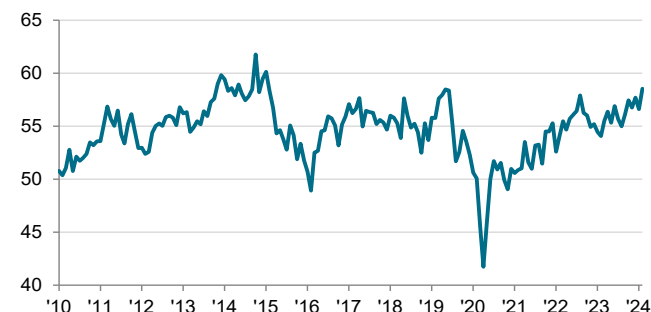
At 58.5 in February, the headline PMI posted a robust uptick from January's 56.6, to indicate a substantial improvement in operating conditions across the non-oil economy. Moreover, the reading matched that recorded in May 2019 and was therefore also the joint-highest seen in just over nine years.

Dubai non-oil companies continued to widely report growth of business activity in February. In fact, over a third of respondents (36%) saw their output increase since the previous survey period, signalling the fastest upturn in one-and-a-half years. Increased demand, strong market conditions and greater project work were among the reasons cited by firms for higher output.

Similarly, after slipping to a five-month low in January, the rate of new business growth accelerated midway into the first quarter, with sharper expansions recorded in all the key industries monitored by the survey. Strong customer demand continued to support order book intakes, according to qualitative evidence, while companies also widely noted the impact of price cuts and

S&P Global Dubai PMI

sa, >50 = improvement since previous month



Source: S&P Global PMI.

Data were collected 12-23 February 2024.

#### Comment

David Owen, Senior Economist at S&P Global Market Intelligence, said:

*"The Dubai PMI climbed to 58.5 in February, which is its joint-strongest reading since 2015 (matching May 2019) and suggests that the Dubai non-oil economy is growing rapidly so far this year. In fact, the reading signals that the Dubai non-oil sector is one of the fastest growing worldwide according to global PMI data. Output and new order volumes are proving especially robust, with companies reporting new clients, higher demand and a still improving economy post-pandemic."*

*"Inflationary pressures remained soft which encouraged greater sales promotions, while employment and inventory growth strengthened. All this suggests that the non-oil sector's expansion has further to run during 2024."*

PMI®

by S&P Global

sales promotions. Average output charges decreased at the fastest pace in eight months, with the most prominent reduction seen in the wholesale & retail sector.

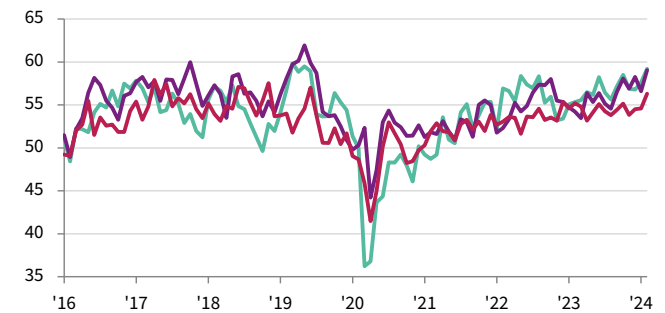
Greater workloads in turn led to increased hiring activity during February, with the pace of job creation quickening to the sharpest recorded since August 2015. There was also a marked and faster rise in inventories of inputs and semi-finished items, the greatest seen for three months.

Meanwhile, supplier performance was relatively stable midway through the first quarter, as non-oil companies saw another mild shortening of average lead times. Although slightly quicker compared to January, the rate of improvement was the second-slowest in over a year. Firms signalled an adverse impact on supplier performance as a result of shipping disruption due to the Red Sea crisis. Concurrently, the rate of input cost inflation ticked up to a three-month high, though it was still only modest overall and weaker than the long-run trend.

When assessing the 12-month outlook, Dubai non-oil companies had a more positive view compared to that seen in January, with around 19% of survey respondents expecting output to grow and the rest remaining neutral. Notably, business activity projections improved in all monitored sectors.

■ Wholesale & Retail PMI
 ■ Travel & Tourism PMI
 ■ Construction PMI

sa, >50 = improvement since previous month



Source: S&P Global PMI.

## Contact

David Owen  
Senior Economist  
S&P Global Market Intelligence  
T: +44 1491 461 002  
[david.owen@spglobal.com](mailto:david.owen@spglobal.com)

Sabrina Mayeen  
Corporate Communications  
S&P Global Market Intelligence  
T: +44 7967 447 030  
[sabrina.mayeen@spglobal.com](mailto:sabrina.mayeen@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](#).

## Note

Please note that this edition of the S&P Global Dubai PMI® will be the final regular written analysis for this product. The S&P Global Dubai PMI will revert to a data-only product from the next release. All data will remain available, accessible via a relevant PMI subscription.

In data-only format, the S&P Global Dubai PMI will be released four working days earlier than previously, always matching the release date for the UAE PMI product. For the latest release dates please visit [www.pmi.spglobal.com/Public/Release/ReleaseDates](http://www.pmi.spglobal.com/Public/Release/ReleaseDates).

For further information please contact us at [economics@spglobal.com](mailto:economics@spglobal.com).

### Survey methodology

The S&P Global Dubai PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 600 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include manufacturing, construction, wholesale, retail and services. Data were first collected in January 2010.

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@spglobal.com](mailto:economics@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 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.