

# News Release

Embargoed until 0800 (UTC) 6 October 2023

## S&P Global Aluminium Users PMI™

### Aluminium users report further decline in new orders in September

#### Key findings

Output up only fractionally as backlogs fall

Employment levels down at fastest pace since November 2022

Strongest rise in output prices for seven months

Operating conditions at global aluminium users deteriorated for the second time in three months during September. New orders fell for the third month running, while output rose only fractionally as backlogs were cut. Aluminium users reduced their workforce numbers for the fourth time in 2023 so far, and their inventories of both inputs and finished goods. The rate of job shedding was only marginal, yet the strongest seen for ten months. On the price front, there were further increases in both input and output prices in the latest survey period, with the latter rising at the fastest pace since February.

The seasonally adjusted Global Aluminium Users Purchasing Managers Index™ (PMI™) – a composite indicator designed to give an accurate overview of operating conditions at manufacturers identified as heavy users of aluminium – fell from 50.2 in August to 49.6 in September, to signal a marginal deterioration in the health of the aluminium-using sector. Among the three regions monitored, Europe registered the steepest downturn since May 2020, while a stagnation was indicated in the US and Asia posted only a marginal improvement since August.

Output in the global aluminium-using sector rose for the sixth time in 2023 so far in September, albeit only marginally. Asia-based firms drove the overall expansion as firms in the US and Europe saw output levels fall for the second and fourth consecutive months, respectively. Europe-based firms saw a much steeper decline than their American counterparts.

Global aluminium users registered a third successive reduction in new orders received during September. The rate of decline was modest overall, but the joint-fastest

S&P Global Aluminium Users PMI  
sa, >50 = improvement since previous month



Source: S&P Global PMI.

in 2023 so far. Europe posted a rapid decline, while there was a faster fall in the US and broadly no change in Asia.

The level of employment in the global aluminium-using sector was reduced for the third time in four months during September. While the rate of job shedding was only marginal, it was the fastest recorded since November 2022. Europe-based firms notably reduced their staffing for the first time since the end of 2020, offsetting a renewed increase in the US, while there was a further decrease at companies in Asia.

The volume of outstanding business fell for the fourth time in 2023 so far, albeit only slightly. Concurrently, purchasing activity fell for the third month in a row, and the most since January. Increased pressure on supply chains was indicated for the third month running by a further lengthening of suppliers' delivery times. Stocked input volumes fell slightly as a result.

Average cost burdens at aluminium users rose again in September, the third increase in as many months and the second-quickest since February. Input price inflation in the US remained stronger than in Asia, despite slowing, while there was a further decline in input costs in Europe. Output prices rose at the steepest rate for seven months globally, despite the first fall in Europe in over three years.

PMI™

by S&P Global

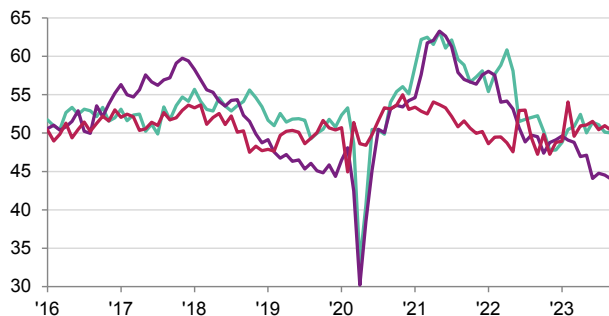
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## S&P Global Aluminium Users PMI™

### Aluminium Users PMI by region

■ Europe ■ USA ■ Asia

sa, >50 = improvement since previous month



Source: S&P Global PMI.

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### Survey methodology

The Global Aluminium Users PMI™ is compiled by S&P Global from responses to questionnaires sent to purchasing managers in manufacturers identified as heavy users of aluminium. 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 aluminium 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@spglobal.com](mailto:economics@spglobal.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. [www.spglobal.com/marketintelligence/en/mi/products/pmi](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)