

# News Release

Embargoed until 0900 (UTC) 08 November 2022

## S&P Global Aluminium Users PMI™

### Recovery in Asian aluminium-using sector contrasts with steeper US and European downturns

#### Key findings

Output and new orders rise at Asian aluminium users

Steeper declines in both variables in US and Europe

Weakest pressure on global supply chains in over two years

The Global Aluminium Users PMI™ for October pointed to contrasting conditions across the three monitored regions, with Asia posting a modest recovery in growth of output and new orders while the US and Europe both registered worsening downturns. Employment displayed the opposite trend, with job shedding in Asia offset by additional recruitment in the US and Europe. Suppliers' delivery times lengthened to a smaller degree, while input price inflation accelerated to a four-month high but remained well below the pandemic-era trend.

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 – rose from 47.8 in September to 49.8 in October, signalling a near-stabilisation in operating conditions. The rise in the headline figure reflected slower falls in output, new orders and employment. Conditions improved slightly in Asia and the US, while Europe posted the sharpest deterioration since June 2020.

Output in the global aluminium-using sector fell for the third month running in October. That said, the rate of decline eased from September's sharp pace and was only marginal. This reflected growth in Asia for the first time since July, albeit only slight. In contrast, output in the US and Europe fell for the fifth month running, and at sharper rates in each case.

Global aluminium-using firms registered falling new orders for the third month running in October, albeit at only a modest rate that eased from September's 28-month record. There was a slight rise in demand in Asia, reversing a sharp fall one month previously. In the US and Europe, new orders fell at the fastest rates since May 2020.

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



Source: S&P Global.

#### Comment

Trevor Balchin, Economics Director at S&P Global Market Intelligence, said:

*"Renewed growth in Asia was the key takeaway from the October aluminium users PMI data. The region posted fresh increases in output, new orders, purchasing and backlogs, albeit at modest rates. This brought with it the first increase in input prices in four months, although cost pressures remained much weaker than in the US and Europe. These regions suffered steeper falls in output and new orders, although employment continued to increase whereas it declined further in Asia.*

*"The supply chain situation continues to show a relative improvement, with global lead times for aluminium users lengthening the least since August 2020. The recent trend has helped to contain inflationary pressures somewhat, with average input prices for aluminium users rising at a rate weaker than the series long-run average for the fourth month running."*

PMI™

by S&P Global

The level of employment in the global aluminium-using sector was broadly stable in October, following a three-month period of job shedding. US aluminium users expanded headcounts at the fastest rate in five months, while job creation in Europe slowed to the weakest pace in the current 22-month upturn. Asia registered a twelfth straight month of job shedding, albeit at the slowest rate since June.

The volume of outstanding business rose in October, following the first decline in over two years in September. This reflected higher backlogs in Asia, offsetting a slight fall in the US and a steep drop in Europe.

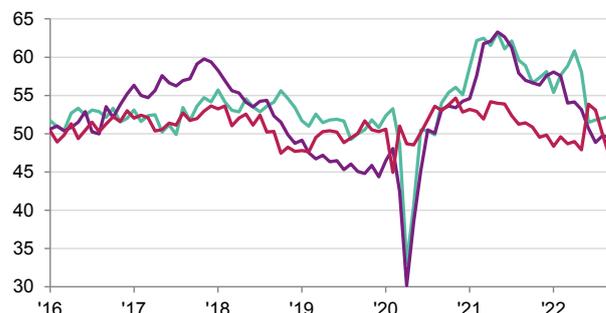
Purchasing activity rose for the first time in three months, again driven by Asia. Despite this, stocks of inputs continued to fall. Pressure on supply chains was the lowest since August 2020.

Input price inflation at aluminium users rose to a four-month high in October, but remained below the pandemic-era trend. Input prices rose in Asia for the first time since June. Meanwhile, output prices at the global level increased only modestly.

### Aluminium Users PMI by region

■ Europe ■ USA ■ Asia

sa, >50 = improvement since previous month



Source: S&P Global.

## Contact

Trevor Balchin  
Economics Director  
S&P Global Market Intelligence  
T: +44-1491-461-065  
[trevor.balchin@spglobal.com](mailto:trevor.balchin@spglobal.com)

Katherine Smith  
Corporate Communications  
S&P Global Market Intelligence  
T: +1-(781)-301-9311  
[katherine.smith@spglobal.com](mailto:katherine.smith@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](#).

### 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@ihsmarkit.com](mailto:economics@ihsmarkit.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.