

Global Metals & Mining PMI

Global metals & mining output growth remains subdued

- Growth in metals & mining output eases to modest pace in May
- Generally weak performances by basic material sectors
- Sharp rise in metals & mining input prices

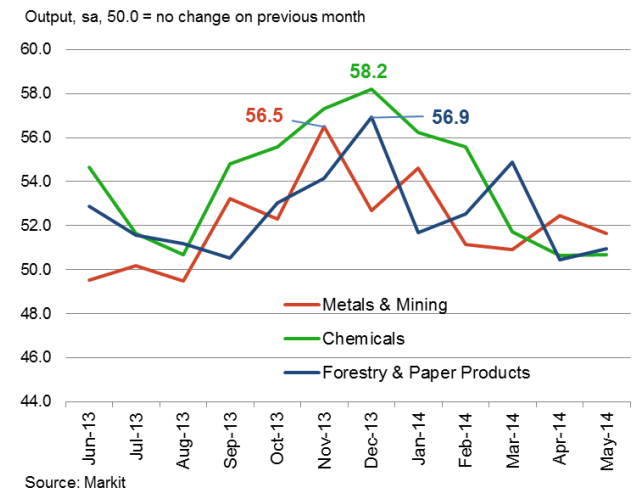
May saw output growth in the **metals & mining** sector ease to a only a modest pace, and one that was much slower than the global manufacturing average, according to the latest Markit Global Sector PMI™ data. **Basic materials** sectors in general posted weak monthly performances, with production levels in the **chemicals** and **forestry & paper products** sectors rising only modestly and at much slower rates than have been observed in the past year.

May's Global Metals & Mining Output Index read 51.6, down from 52.4 in April and much lower than its recent high of 56.5 recorded as short a time ago as November 2013. [Chemicals and forestry & paper have likewise shown a loss of growth momentum in recent months](#), with latest respective output index readings of 50.7 and 50.9 indicative of only modest growth, and notably lower than their recent highs (see chart 1). Furthermore, three of the bottom six positions in the global growth rankings were occupied by those sectors belonging to the broad basic materials group.

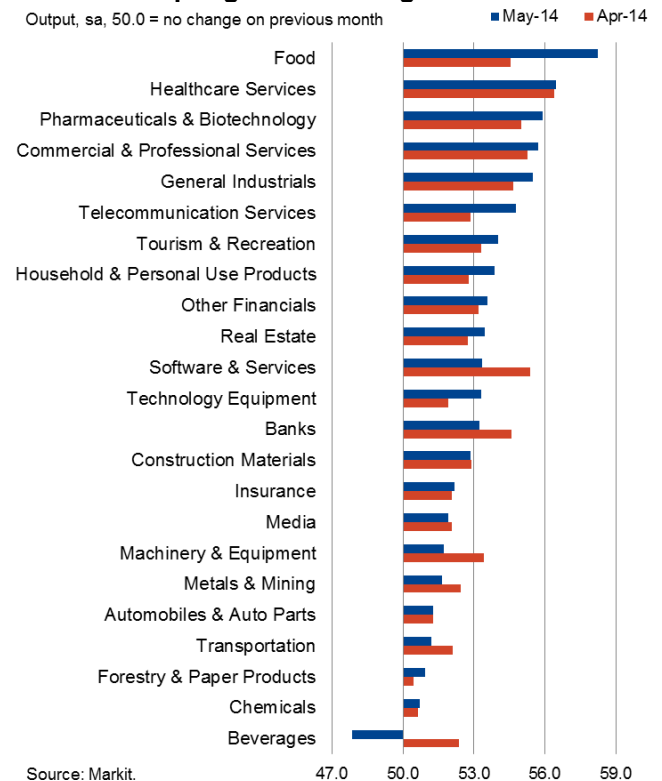
Weighing on output in the metals & mining sector was a third straight monthly decrease in the level of **incoming new work**. Moreover, metals & mining was the only sector of those monitored globally that registered a decrease in new orders, as was the case in April. Meanwhile, **job creation** in the sector eased to a near-stagnant pace that was the slowest in the current four-month sequence of rising employment.

May's survey data meanwhile highlighted a marked acceleration in the rate of **input price inflation** faced by metals & mining firms, to the fastest in almost three years. In fact, the respective seasonally adjusted index posted the largest monthly gain of all the sectors covered globally.

1. Broad-based slowdown in basic materials



2. Sector output growth ranking



Notes on data

Markit Global Metals & Mining PMI data are derived from surveys of over 950 companies operating in 28 major economies. The data are typically released on the fifth working day (UK) of each month at 0930 UK time.

The Global Sector PMI data provide corporate planners and decision makers, economic analysts, policy makers and investors with a powerful and unique database with which to monitor business cycles by industry. Sector trends over time can be tracked as well as relative performance between sectors, allowing identification of key growth industries and the drivers within them.

The data create powerful insight into sector profitability and provide tools for investment strategy and asset allocation. Corporate users are able to examine trends within industry sectors, to help industry forecasting and inventory planning. The dataset provides monthly indicators of business trends across variables such as output, order books, prices, inventories and employment for eight major groups including: basic materials, consumer goods, consumer services, financials, healthcare, industrials, technology and telecommunication services; and a further 26 sectors and subsectors of those groups.

Detailed historical global sector data are available via a subscription from Markit, and datasets are also available for Europe. For further information please contact economics@markit.com.

Phil Smith

Economist

Markit

Tel: +44 1491 461009

Email: phil.smith@markit.com

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Global Sector PMI structure

Groups

- Sectors
- Subsectors

Basic Materials

- Chemicals
- Resources
 - Forestry & Paper Products
 - Metals & Mining

Consumer Goods

- Automobiles & Auto Parts
- Beverages & Food
 - Food
 - Beverages
- Household & Personal Use Products

Consumer Services

- Media
- Tourism & Recreation

Financials

- Banks
- Insurance
- Other Financials
- Real Estate

Healthcare

- Healthcare Services
- Pharmaceuticals & Biotechnology

Industrials

- Industrial Goods
 - Machinery & Equipment
 - Construction Materials
- Industrial Services
 - Commercial & Professional Services
 - General Industrials
- Transportation

Technology

- Technology Equipment
- Software & Services

Telecommunication Services