

Global Automobiles & Auto Parts PMI

Fastest increase in new orders since February 2011

- **Automobiles & auto parts leads new business growth rankings in September**
- **Output growth set to accelerate further**

Markit Global Automobiles & Auto Parts PMI data indicated that the upturn in the sector continued in September. **New orders** rose for the seventh month running, and at the fastest rate since February 2011. This generated a third successive rise in **output**, also at the strongest pace since February 2011.

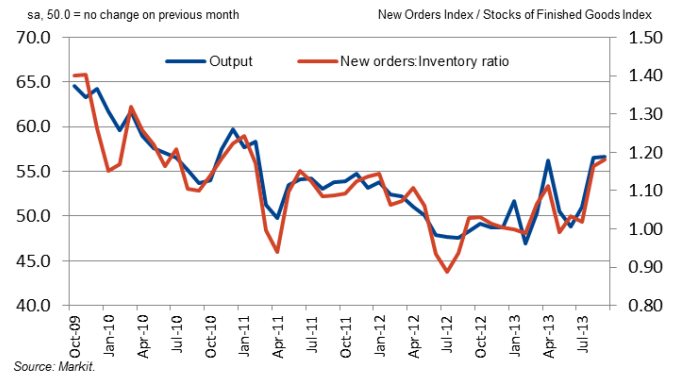
Underlining the renewed strength of demand, automobiles and auto parts registered the fastest rise in new orders of all global sectors covered in September, and the second-fastest expansion in output. This marked a stark turnaround from the situation in June, when the sector was ranked bottom in terms of output performance.

The ratio of the new orders index and the stocks of finished goods index serves as a leading indicator of future output trends. The higher the ratio, the more likely firms will increase output, and vice versa. The ratio for automobiles & auto parts rose to a 32-month high in September, and was also the highest among all manufacturing sectors covered.

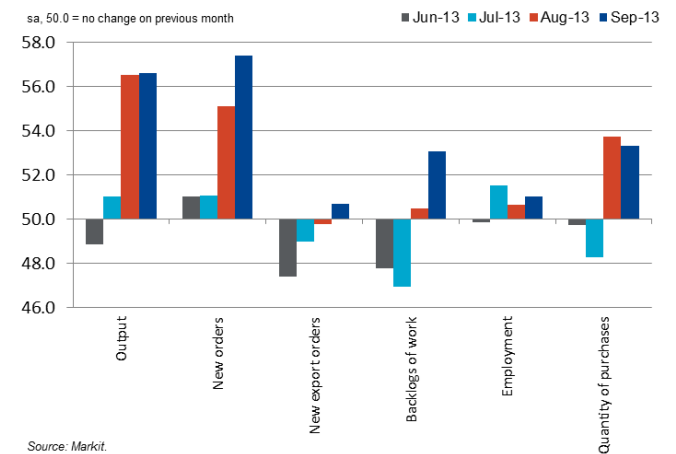
Strong increases in new orders and output drove manufacturers of autos and parts to invest in new staff in September. **Employment** rose for the third month running, the longest sequence of job creation in 16 months. Similarly, the volume of **inputs purchased** recorded the first back-to-back increase since May 2012. There were signs of growing pressure on capacity in the sector in September, as **backlogs of work** increased at the fastest rate in just over two-and-a-half years.

Average **input prices** rose at the strongest rate since February 2012. That said, input cost inflation remained weaker than the four-year global sector series average. **Suppliers' delivery times** lengthened for the third month running, but at a modest rate.

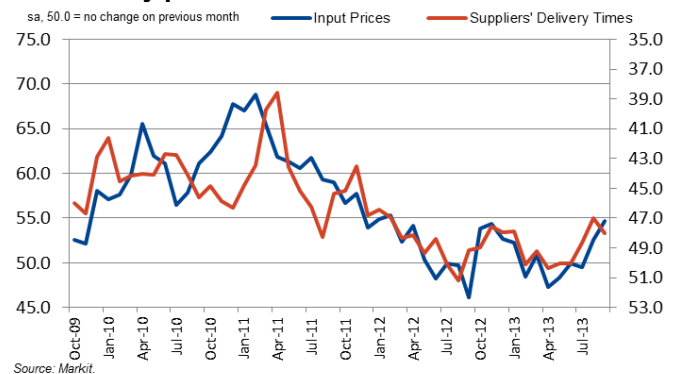
Global Automobiles & Auto Parts PMI



Demand generates jobs and purchasing activity



Inflationary pressures still modest



Notes on data

Markit Global Sector PMI data are derived from surveys of over 20,000 companies operating in 28 countries. 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.

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Markit 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