

Global Sector PMI

Commercial & professional services leads rankings amid wider slowdown

- Commercial & professional services is fastest-growing sector for second time in three months
- 14 sectors show slowing growth
- Output falls in forestry & paper and media

PMI™ data from Markit signalled that **commercial & professional services** topped the growth rankings in October, while **food** remained the best-performing manufacturing sector. Output fell in just two sectors but 14 other sectors registered slower rates of expansion than in September, while just six sectors reported faster rates of expansion.

Commercial & professional services registered the strongest rise in activity of all sectors monitored in October, and has been in the top two rankings throughout the past four months. The growth rate dipped compared with September but remained stronger than the trend shown over 2014 so far.

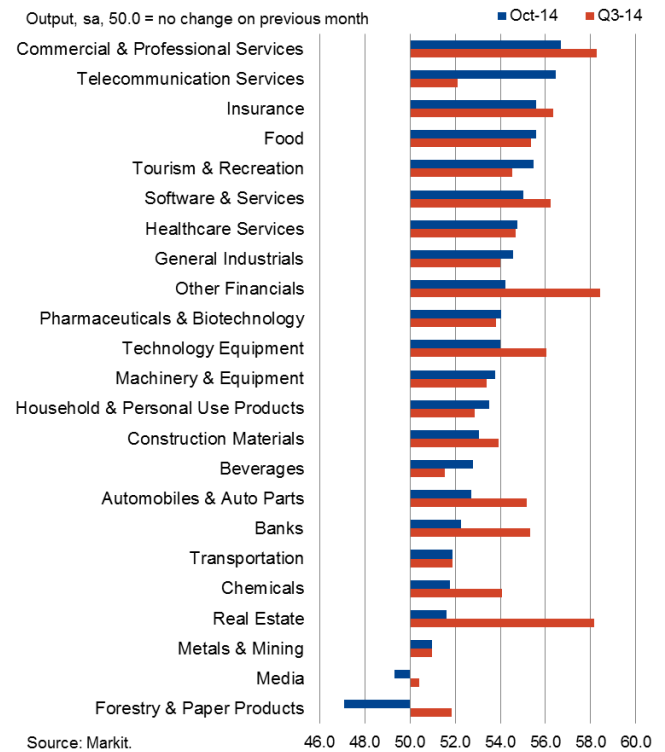
Telecommunication services registered the strongest increase in activity since March 2012, and rose to second in the rankings. It also saw the joint-largest increase in the Output Index of any sector since September, alongside **healthcare services**.

Insurance was the third-fastest growing global sector in October, bucking a wider financial slowdown. In contrast, **banks** and **real estate** registered the weakest growth rates in nine and 12 months respectively. Financial services as a whole saw the slowest rate of expansion for a year as a result.

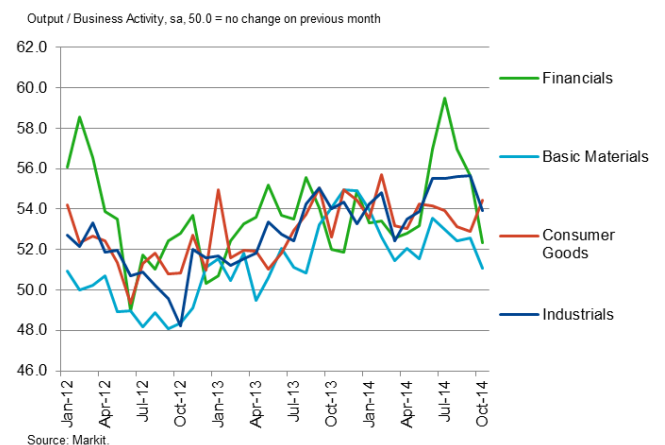
Food production remained the highest-ranked manufacturing sector in October. The rate of output growth in the sector eased to a three-month low, but remained strong overall and in line with the trend over 2014 so far.

Two sectors suffered from falling output in October. Production in **forestry & paper products** fell for the first time since September 2013, declining at the fastest rate since November 2011. **Media** activity meanwhile declined for the second month running, albeit at a weaker rate than in September.

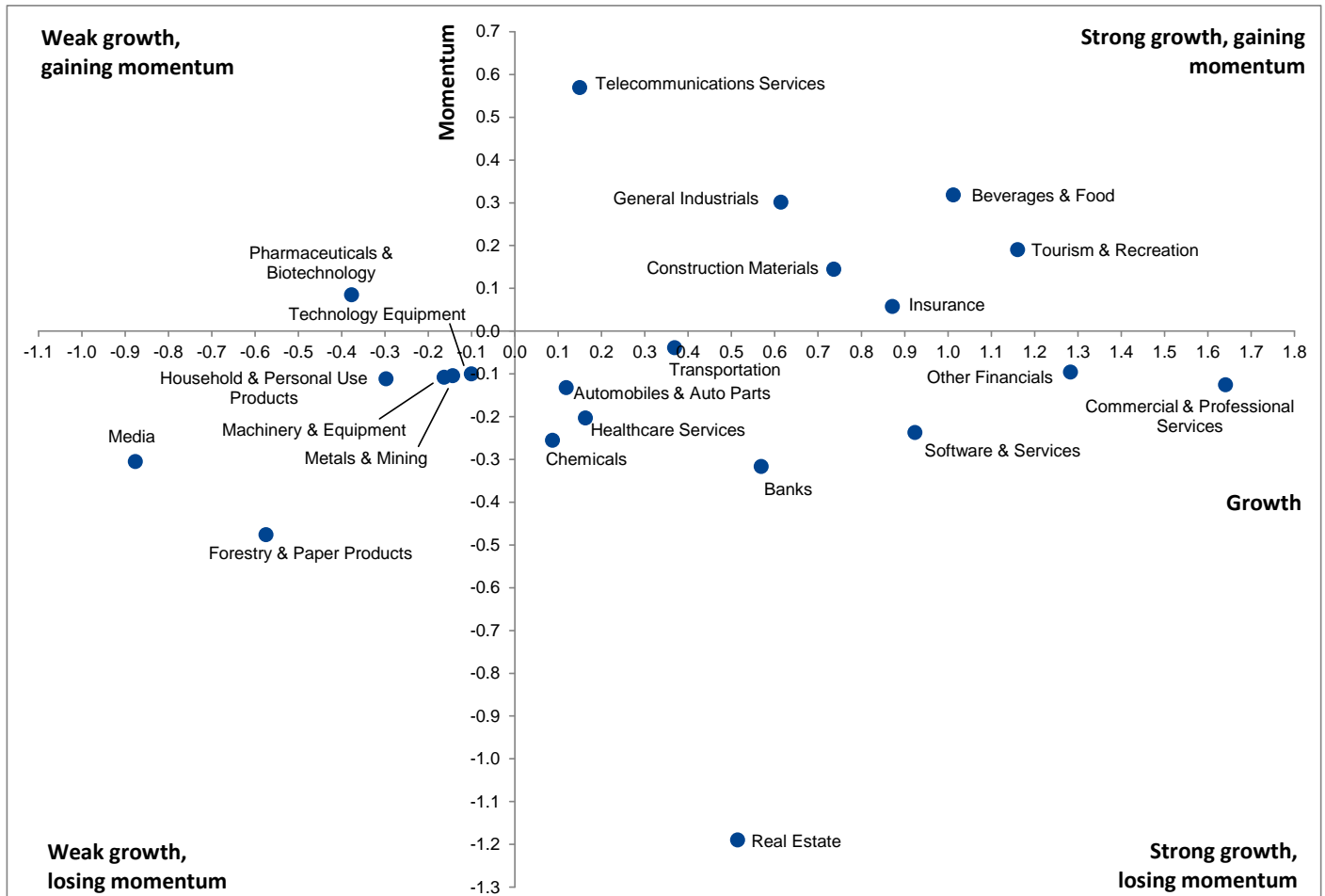
Global Sector PMI: detailed breakdown



Global Sector PMI: broad groups



Relative growth and momentum by sector



Momentum and relative growth

Global Sector PMI data can be usefully analysed according to *momentum* and *relative growth*. *Momentum* is calculated as the difference between the average of the Business Activity Index's *month-on-month movement* over the latest three-month period and the long-run average of its month-on-month movement (since October 2009), divided by the standard deviation from the mean. A *relative growth* score is the difference between the Business Activity Index's average over the latest three-month period and its long-run average (since October 2009), divided by the standard deviation from the mean.

The latest three-month period showed the majority of sectors losing momentum. The most pronounced loss of momentum was seen in **real estate**, followed by **paper & forest products**, although the former still registered relatively strong growth.

Commercial & professional services and **other financials** registered the strongest relative growth in the latest three-month period, but both lost momentum.

Only seven sectors gained momentum in the latest period and, of these, six also achieved strong relative growth rates. **Telecommunications services** gained more momentum than any other sector, followed by **general industrials** and **beverages & food**.

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 insights 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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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