

# Global Sector PMI

## Business and financial services drive global growth in August

- **Commercial & professional services leads rankings**
- **Financial sectors occupy four of top seven rankings**
- **Technology equipment is leading manufacturing sector**

PMI data from Markit signalled that business-facing and finance-related sectors achieved the fastest rates of activity expansion globally in August. **Commercial & professional services** topped the growth rankings, and posted the fastest rate of expansion in business activity since January 2012.

Service sectors consequently dominated the rankings again in August, occupying six of the top seven places. Besides the financials group and commercial & professional services, **technology equipment**, **healthcare services** and **food** also posted sharp rates of growth in August.

### Financials

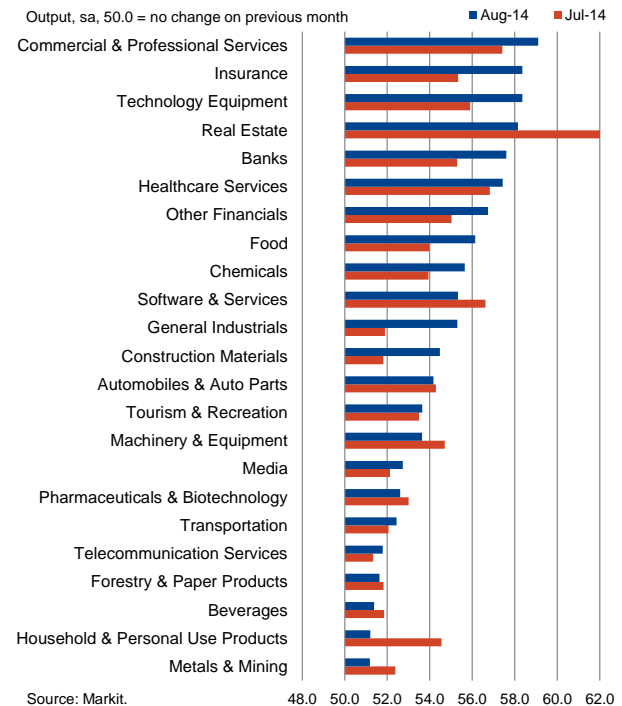
The four sectors that make up the broad financials group all registered strong increases in business activity in August. **Insurance** posted the strongest growth (30-month high), closely followed by **real estate**, where the rate of expansion eased from July's peak. **Banks** and **other financials** meanwhile registered the steepest rates of growth in 42 and 11 months respectively. Overall, **financials** led the broad sector group rankings for the third successive month in August as a result.

### Manufacturing

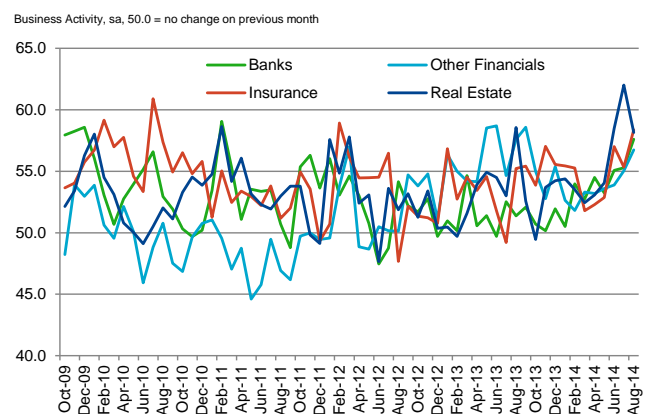
The fastest growing manufacturing sector in August was **technology equipment**, where output rose at the sharpest rate since May 2010. This was driven by strong US and Asian growth.

The bottom-ranked sector in August was **metals & mining**, where output rose at the slowest rate in five months. **Household & personal goods** registered a similarly weak rate of expansion, the slowest since May 2013.

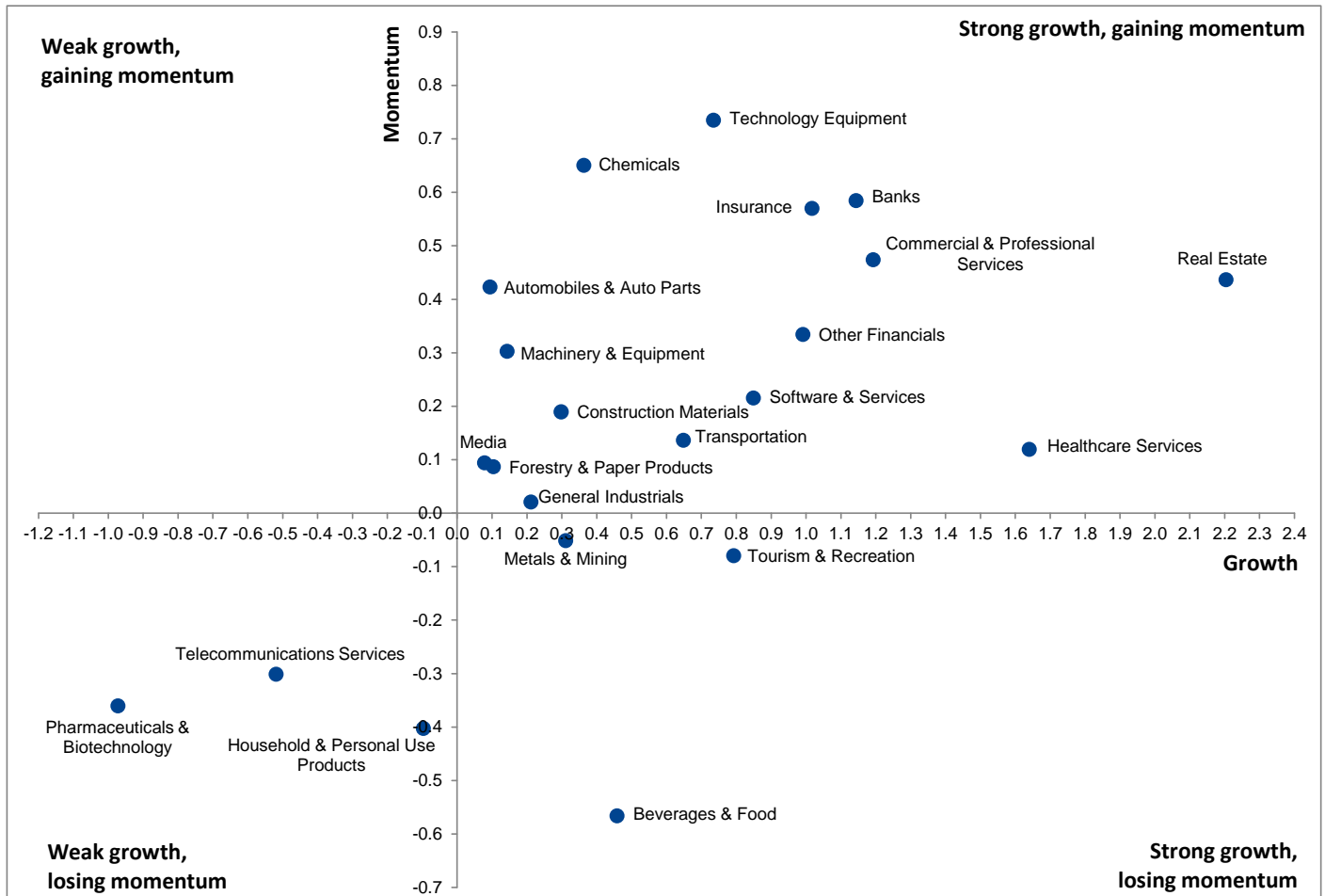
### Global Sector PMI: detailed breakdown



### Global financial services growth accelerating



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.

In the three months to August, 19 out of 22 detailed sectors registered relatively strong output growth compared to the trend shown over the past five years. Of these, all but three registered positive momentum scores.

**Real estate** posted the highest growth score in the three months to August, and the sixth-highest

momentum score despite a slower rate of growth in August.

The other financial-related sectors – **banks, insurance** and **other financials** – were fourth, fifth and sixth in terms of relative growth in August. Overall, the top eight sectors in terms of relative growth were all services-related.

**Technology equipment** registered the highest momentum score of all sectors in the latest three-month period, and was also the fastest-growing manufacturing sector in relative terms.

The three sectors to record both weak relative growth and a loss of momentum were **pharmaceuticals & biotechnology, telecommunication services** and **household & personal use products**. **Beverages & food** continued to record strong relative growth, but lost more momentum than any other sector in the latest three-month period. **Metals & mining** and **tourism & recreation** both registered strong relative growth, but a slight loss of momentum.

## 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](mailto: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