

Global Sector PMI

Consumer services and financials sectors lead global growth in August

- Consumer services sees fastest rise in activity
- Banks acts as a drag on the financials group
- Employment growth strongest in the industrials sector

The consumer services sector led the global economic expansion for the third month running in August, as indicated by the Markit Global Sector PMI data, derived from surveys of over 20,000 companies in 28 major economies. The financials sector closely followed, having seen the fastest growth acceleration since July.

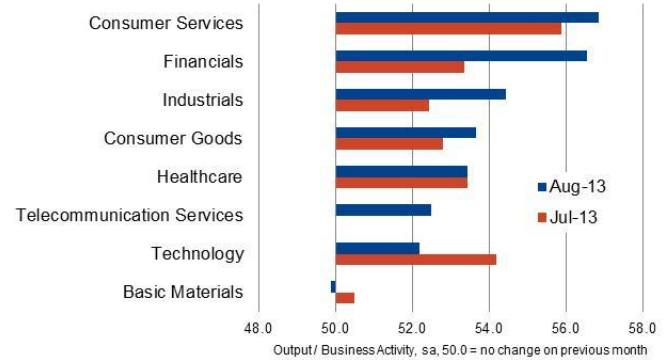
Sector data broken down at the broad level showed business activity in the **consumer services** sector rising at the fastest pace out of the eight main groups in August. Output increased in the two constituent sectors, **media** and **tourism & recreation**, with the latter posting the stronger rise overall.

Financials posted the second-fastest activity expansion at the broad level during August. Although marginally slower than that for consumer services, the rate of growth accelerated to the fastest since March 2012. It was the **banks** sector that was the main drag stopping financials from taking the top position, with activity rising at a weaker, marginal pace. In contrast, output growth quickened and was strong in the **real estate**, **insurance** and **'other financials'** sectors (the latter includes consumer financial services, speciality financial services and investment services).

Meanwhile, **basic materials** was the worst performing broad sector in August, posting broadly no-change in output from July. However, a modest increase in new orders – the strongest rise in 2013 so far – suggests that the stagnant production trend may be temporary.

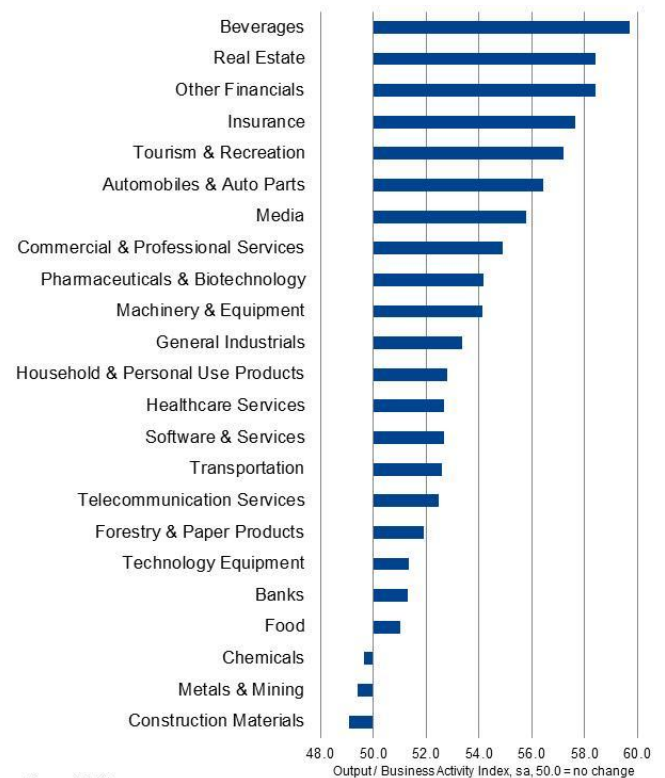
The basic materials group is composed of the chemicals, forestry & paper and metals & mining sectors. The stagnation in output reflected an increase in the **forestry & paper products** sector being offset by declines in the **chemicals** and **metals & mining** sectors.

Global Sector PMI: August 2013



Source: Markit.

Output by detailed sector



Source: Markit.

Notably, only one other detailed sector saw a reduction in production over the month – **construction materials**. The contraction was modest and the first in five months.

Employment

In line with the stagnant output trend for basic materials, employment fell for the third month running in August. The rate of contraction was marginal, but nonetheless the strongest since November 2012.

Interestingly, employment was little-changed from July in the consumer services group, despite marked growth of both activity and new business. An increase in employee numbers in the tourism & recreation sector was offset by on-going job losses in the media sector.

Employment increased in the remaining six main sector groups. **Industrials** posted the strongest rate of job creation, followed by **consumer goods**. The rate of growth in the industrials sector accelerated to the fastest for over two years, and partly reflected the strongest rise in **industrial services** employment since December 2011.

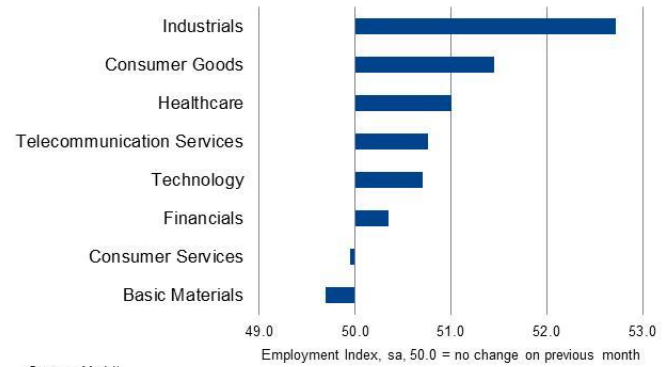
Notes on data

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

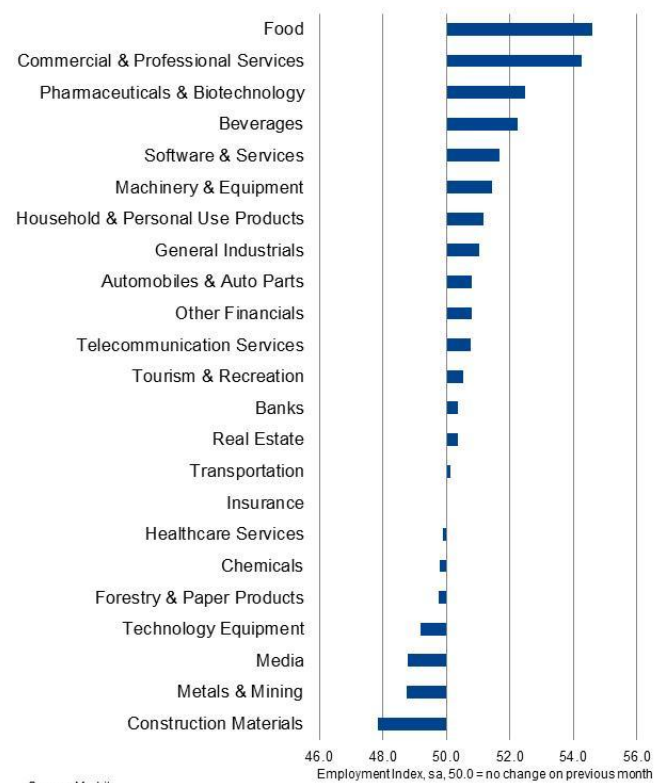
The data create powerful insight into sector profitability and provide tools for investment strategy and asset allocation. Corporate users are able to examine trends within industry sectors, to help industry forecasting and inventory planning. The dataset provides monthly indicators of business trends 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

Employment: August 2013



Source: Markit.

Employment by detailed sector



Source: Markit.

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

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