

Global Automobiles & Auto Parts PMI

Global autos producers maintain robust growth rate

- **New business expansion remains marked**
- **Auto sector showing strong momentum**

Markit's global automobiles and auto parts PMI data signalled an ongoing robust improvement in business conditions at the start of the final quarter. **Production** in the sector has risen in eight of the first ten months of 2013, and the rate of growth in October remained stronger than the average so far this year despite easing to a three-month low.

Moreover, **new order** growth was little-changed from September's 31-month high, as **new export business** rose at the fastest rate since February 2011. There was growing evidence of rising pressure on capacity in October as **backlogs of work** rose for the third month running, despite the fastest rise in **employment** since May 2012.

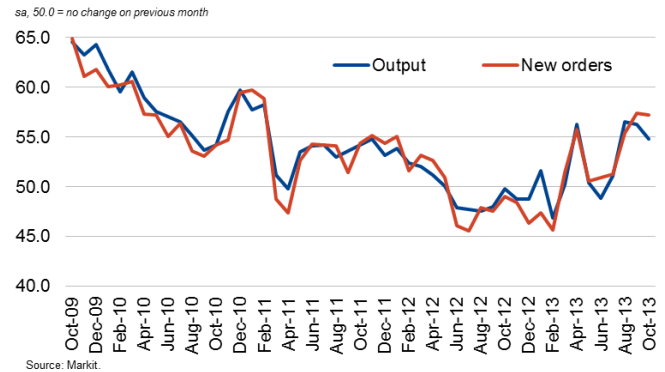
The ongoing strong performance of the sector in October marks a turnaround from one year earlier, when output, new orders, exports, employment, backlogs and purchasing activity were all declining.

Ranking and relative performance

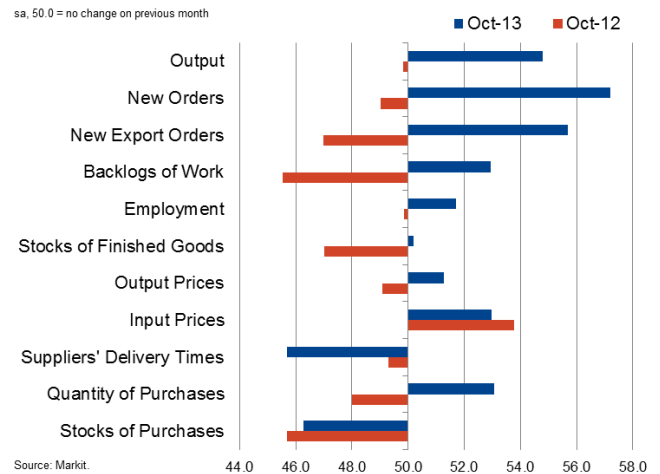
The automobiles & auto parts sector has ranked in the top-five global sectors in each of the past three months, and was fourth in October. This sits in marked contrast to June, when the sector was bottom of the sector league table. Compared with other sectors over the last three months, automobiles & auto parts has seen the strongest momentum of any sector covered except for insurance and technology equipment.

But although the Output Index is currently above its average over the series four-year history (54.2), it remains well short of the levels consistently recorded from October 2009 to September 2011. Over this period the Index averaged 57.1, which included two particularly weak months in March and April 2011 following the Japanese tsunami.

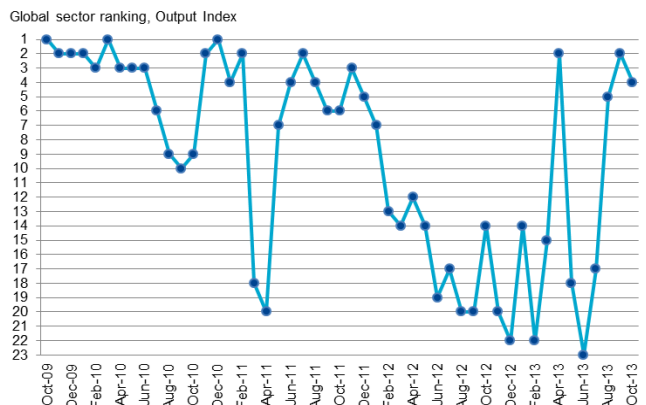
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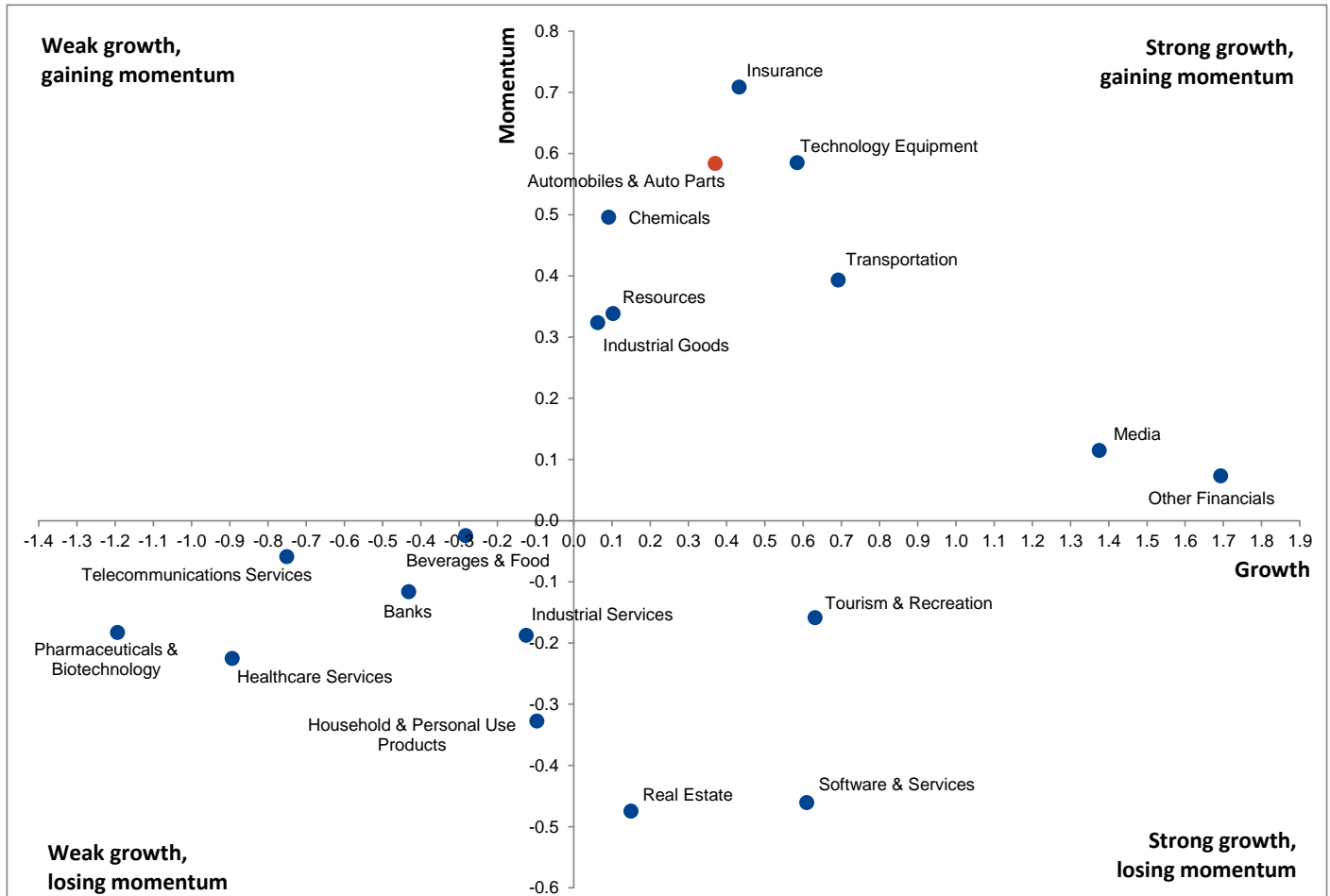
Data summary



Automobiles & Auto Parts, ranking



Global Sector PMI: relative growth and momentum by sector



Automobiles & auto parts showed one of the strongest performances among all global sectors in terms of *momentum* in October. This score is the difference between the latest three-month average of the Output Index's *month-on-month movement* and the long-run average of its month-on-month movement, divided by the standard deviation from the mean. Automobiles & auto parts was the joint-second highest scoring global sector alongside **technology equipment** in October, behind **insurance**.

Automobiles & auto parts also scored a positive *relative growth* reading in October. This score is the difference between the Output Index's three-month average (August, September and October) and its long-run average (since October 2009), divided by the standard deviation from the mean. This is reflected in the Output Index trending at 55.9 over the latest three-month period, versus its long-run average of 54.2.

In contrast, the other constituent sectors of the consumer goods group, namely **food & drink** and **household & personal use products**, both scored negatively for relative growth and momentum in October. The latter posted the third-weakest momentum of all sectors, ahead of **software & services** and **real estate**.

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.

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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