

Global Chemicals PMI

Global chemicals output rises sharply in June

- **Chemicals is top-performing global manufacturing sector in June**
- **Fastest gain in new orders since March 2011**

Markit's global chemicals PMI data are derived from surveys of over 1,300 companies in the global chemicals industry across 28 major economies. The latest data signalled the fastest increase in **output** since last December, and the second-sharpest rate of growth in 28 months.

Chemicals was ranked fourth in the global sector output league table in June, up six places from May. Moreover, it was the highest-ranked manufacturing industry.

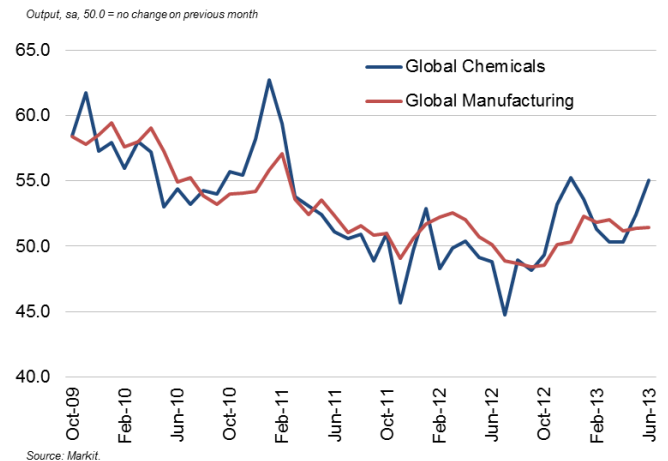
Global chemicals companies reported the strongest rise in **new orders** since March 2011 in June. The volume of new business received has increased seven times in the past eight months.

Employment rose for the eighth month running in June. That said, the rate of job creation was the slowest in that sequence. Meanwhile, **backlogs of work** fell marginally, as did the **volume of inputs purchased**. **Cost pressures** for chemicals manufacturers remained historically weak.

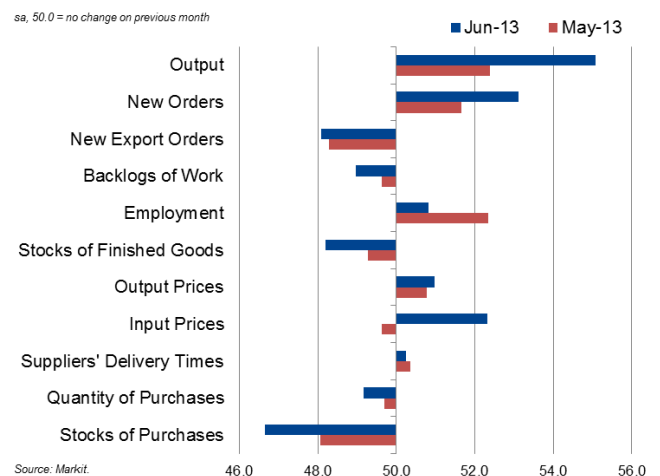
Basic Materials

Within the broad basic materials industry, chemicals outperformed both **forestry & paper products** and **metals & mining**. The latter sector posted a fall in output for the third month running, albeit at a much weaker rate than in May. Meanwhile, output in forestry & paper products rose for the second month running, the first back-to-back expansion since July 2012. Moreover, the rate of growth was the fastest since February 2012.

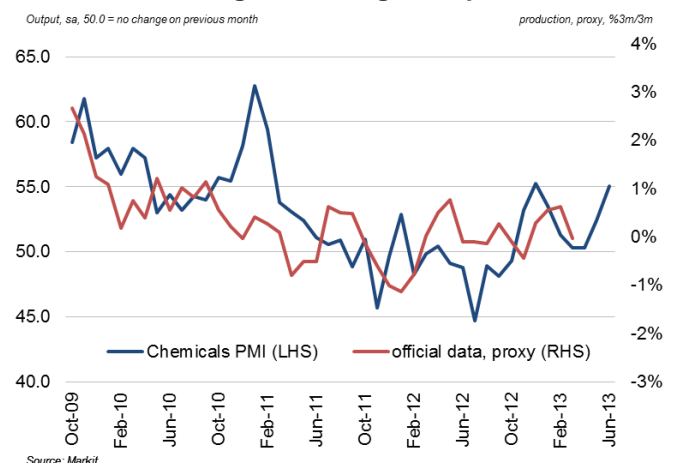
Global Chemicals PMI: Historical overview



Global Chemicals PMI: data summary



Chemicals PMI signals stronger output trend



Notes on data

Markit Global Chemicals PMI data are derived from Markit's manufacturing and whole economy PMI surveys in 28 major economies, covering over 1,300 chemical manufacturers.

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

Trevor Balchin**Senior Economist**

Markit

Tel: +44 1491 461065

Email: trevor.balchin@markit.com

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