

## News Release

**MARKET SENSITIVE INFORMATION**

**EMBARGOED UNTIL: 11:00am (US EASTERN TIME) 4 January 2013**

### JPMorgan Global Manufacturing & Services PMI™

Produced by JPMorgan and Markit in association with ISM and IFPSM

## Global economic growth at nine-month high in December

Global private sector output expanded at the fastest pace for nine months in December, rounding off the strongest quarter since Q1 2012. Trends in new orders and employment also improved, but there were further signs of companies supporting output levels by working through backlogs of work.

At 53.7 in December, up slightly from 53.6 in November, the **Global All-Industry Output Index** – produced by JPMorgan and Markit in association with ISM and IFPSM – signalled expansion for the forty-first successive month. The rate of increase was broadly in line with the average for this period.

Growth was led by the services sector in December, where business activity rose at the same rate as November's eight-month high. Manufacturing output also lifted higher, but the rate of expansion was only marginal and weak compared to that signalled for services.

The strongest rates of increase in all-industry business activity were signalled by the US and India. The Eurozone and Japan remained the principal drags on the global economy, with both seeing output contract further. UK economic output stagnated in December, and over the final quarter as a whole.

The level of incoming new business rose further in December, continuing a sequence of expansion that (like output) began in August 2009. The rate of increase improved for the second straight month to its fastest since March 2012. However, the latest expansion was mainly centred on the services sector, as manufacturers reported a decline in new order volumes for the seventh straight month.

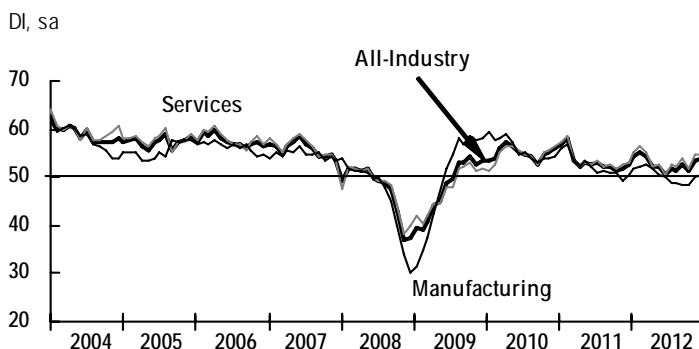
December data signalled a solid increase in global employment, with the rate of growth in payroll numbers the strongest since the end of Q1 2012. Job creation was recorded in both the manufacturing and service sectors, with the steeper rise at service providers. Employment rose in the US, China, Russia, India and Ireland, was broadly unchanged in the UK and Brazil, but fell (on average) in the Eurozone.

Average input prices rose again in December, with similar rates of increase reported by manufacturers and service providers. Cost inflation accelerated in the Eurozone, the UK, Brazil and Russia, but eased in the US, China and India. Input prices in Japan rose for the first time in five months.

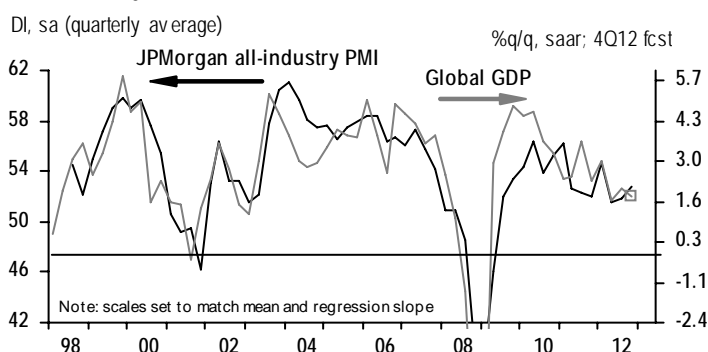
### Commenting on the survey, David Hensley, Director of Global Economics Coordination at JPMorgan, said:

"Growth of the global economy peaked at a nine-month high in December, led by a solid increase in service sector output and signs of a muted recovery in manufacturing production. The global economy is therefore entering the new year on a positive footing and, with trends in demand and other forward-looking indicators still supportive, should maintain this momentum in the coming months."

JPMorgan global PMI output



Global activity indicators



### Global Manufacturing & Services PMI™ Summary

50 = no change on previous month.

	Nov	Dec	+/-	Change Summary
Output	53.6	53.7	+	Expanding, faster rate
New Orders	52.2	52.9	+	Expanding, faster rate
Input Prices	55.0	55.1	+	Rising, faster rate
Employment	50.0	52.3	+	Rising, from no change

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**Notes to editors**

The Global Report on Manufacturing & Services is compiled by Markit based on the results of surveys covering over 16,000 purchasing executives in 32 countries. Together these countries account for an estimated 85% of global gross domestic product (GDP)\*. Questions are asked about real events and are not opinion based. Data are presented in the form of diffusion indices, where an index reading above 50.0 indicates an increase in the variable since the previous month and below 50.0 a decrease.

**Data sources**

\* Source: World Bank WDI (2010 data, constant US\$ measure)

Country	% share of global GDP*	Producer	In association with	Web
United States	28.1	ISM	–	www.ism.ws
United States	28.1	Markit	–	www.markit.com (manufacturing data post Jan 2010)
Japan	12.1	Markit	JMMA	www.jmma.gr.jp
China	7.9	Markit	HSBC	www.hsbc.com
Germany	5.0	Markit	BME	www.bme.de
United Kingdom	4.1	Markit	CIPS	www.cips.org
France	3.6	Markit	–	www.markit.com
Italy	2.7	Markit	ADACI	www.adaci.it
India	2.3	Markit	HSBC	www.hsbc.com
Brazil	2.2	Markit	HSBC	www.hsbc.com
Canada	2.1	Markit	Royal Bank of Canada/PMAC	www.rbc.com, www.pmac.ca
South Korea	1.9	Markit	HSBC	www.hsbc.com
Spain	1.7	Markit	AERCE	www.aerce.org
Mexico	1.7	Markit	HSBC	www.hsbc.com
Australia	1.3	AIG	–	www.aigroup.asn.au
Netherlands	1.1	Markit	NEVI	www.nevi.nl
Russia	1.0	Markit	HSBC	www.hsbc.com
Turkey	0.9	Markit	HSBC	www.hsbc.com
Taiwan	0.7	Markit	HSBC	www.hsbc.com
Indonesia	0.7	Markit	HSBC	www.hsbc.com
Switzerland	0.7	procure.ch	Credit Suisse	www.procure.ch, www.credit-suisse.ch
Hong Kong	0.6	Markit	HSBC	www.hsbc.com
Poland	0.6	Markit	HSBC	www.hsbc.com
Austria	0.5	Markit	Bank Austria/OPWZ	www.bankaustria.at, http://einkauf.opwz.com
South Africa	0.5	BER	CIPS/Kagiso	www.ber.sun.ac.za, www.cips.org, www.kagiso.com
Denmark	0.4	DILF	Kairoscommodities	www.dilf.dk, www.kairoscommodities.com
Israel	0.4	IPLMA	Bank Hapoalim Ltd	www.iplma.org.il, http://www.bankhapoalim.co.il
Singapore	0.4	SIPMM	–	www.sipmm.org.sg
Greece	0.4	Markit	HPI	www.hpi.org
Ireland	0.3	Markit	NCB Stockbrokers	www.ncbdirect.com
Czech Republic	0.2	Markit	HSBC	www.hsbc.com
New Zealand	0.2	Business NZ	Bank of New Zealand	www.businessnz.org.nz, www.bnz.co.nz
Vietnam	0.2	Markit	HSBC	www.hsbc.com
Hungary	0.1	HALPIM	Hungarian National Bank	www.logisztika.hu

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