

Global Sector PMI

Global tech producers lead global growth rankings

- **Technology equipment makers knock commercial & professional services from top of global growth rankings**
- **Tourism & recreation is second-fastest growing sector**
- **Falling output seen only in media and construction materials**

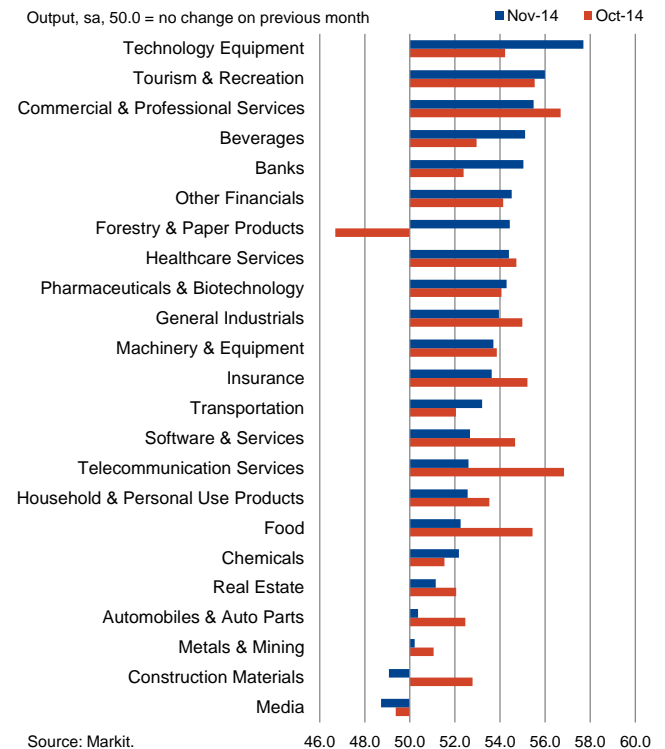
PMI™ data from Markit signalled that **technology equipment** manufacturers topped the growth rankings in November, rising eight places in the sector league table since October. **Tourism & recreation** occupied second place, while previously top-ranked **commercial & professional services** was third-fastest of all sectors – its lowest position since June.

Technology equipment makers registered the fastest rate of output growth since August, and the second-fastest in nearly four-and-a-half years. Moreover, the acceleration was broad-based across North America, Europe and Asia. Employment growth remained modest, suggesting improving productivity in the sector, while output prices remained broadly flat.

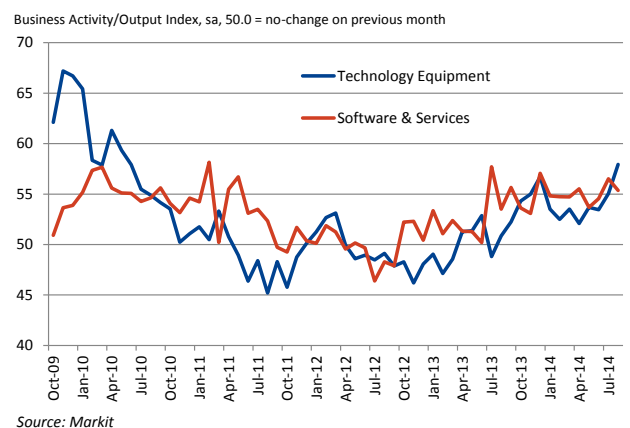
Elsewhere, notable climbers in November were **forestry & paper products, banks** and **beverages**, which rose 16, 12 and ten places in the sector league table respectively. The former registered a rebound in output growth following October's decline, while drinks makers posted the fastest expansion since January.

Only two sectors registered falling output in November, but a further 12 posted slowing growth. **Media** was the worst-performing sector, in line with the overall trend shown during 2014 to date. **Construction materials** posted a fall in output for the first time since August 2013. Among the sectors to record slowing growth, the most pronounced moderations were seen in **telecommunication services, food** and **automobiles & auto parts**. Telecommunication services and food were also notable in falling 14 and 12 places in the table respectively.

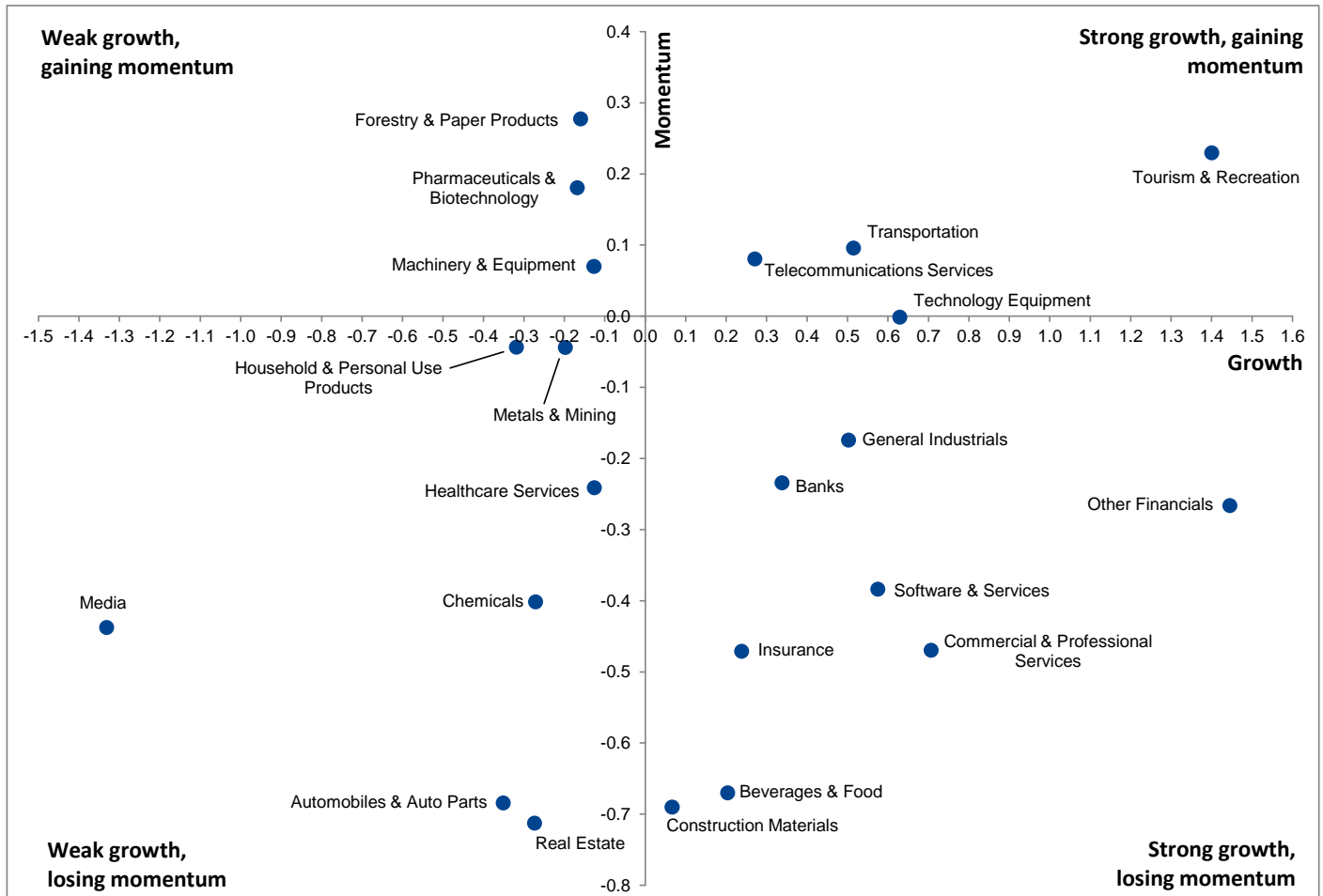
Global Sector PMI: detailed breakdown



Global Technology PMI: constituent sectors



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 latest three-month period, from September to November, 12 sectors registered relatively strong growth while ten posted relatively weak expansion. That said, only six sectors gained momentum.

By these measures, the best overall performer in the latest period was **tourism & recreation**, achieving the second-highest

relative growth and momentum scores of all sectors. **Other financials** posted a fractionally higher growth score, but was losing momentum. **Forestry & paper products** recorded the highest momentum score, but registered relatively weak overall growth.

The only other sectors to record both positive momentum and relatively strong growth were **transportation** and **telecommunication services**. That said, forestry & paper products, **pharmaceuticals & biotechnology** and **machinery & equipment** may move into the top-right section of the chart in the coming months.

In line with its current position at the foot of the sector rankings table in November, **media** registered by far the lowest relative growth of any sector in the latest three-month period. Meanwhile, **real estate** lost the most momentum, closely followed by **construction materials, automobiles & auto parts** and **beverages & food**.

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.

Trevor Balchin

Senior Economist

Markit

Tel: +44 1491 461065

Email: trevor.balchin@markit.com

The intellectual property rights to these data provided herein are owned by or licensed to Markit Economics Limited. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Markit's prior consent. Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. Purchasing Managers' Index™ and PMI™ are either registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited. Markit is a registered trade mark of Markit Group Limited.

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