

Global Technology PMI

Technology output growth accelerates at year end

- Strongest rise in activity since April 2010
- Broad-based expansion across technology manufacturing and software
- Cost pressures remain stronger for software firms than makers of technology equipment

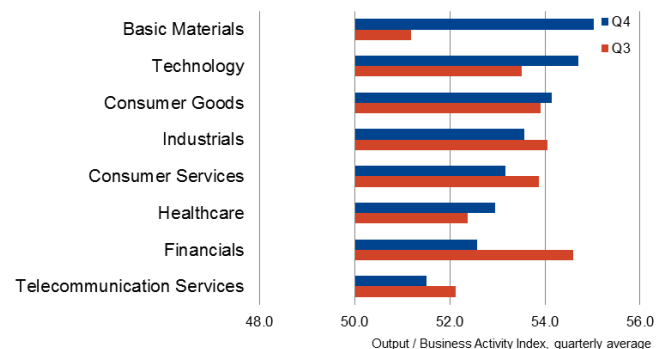
The latest Markit Global Sector PMI™ data indicated that the **technology** industry expanded sharply at the end of 2013, rounding off a strong final quarter and outpacing many other sectors. Among the eight broad industry groups covered by PMI data, technology was ranked second overall in the fourth quarter, behind **basic materials**.

The rate of growth in technology output hit a 44-month record in December, and was faster than all other broad sectors covered in the final month of the year. Moreover, employment rose at the fastest rate since July 2010.

Markit Global Technology PMI data are derived from surveys of over 1,000 companies in the global technology industry across 28 major economies. This includes firms in the **technology equipment** and **software & services** sectors. The manufacturing element of the sector, namely technology equipment, saw its rate of output growth accelerate for the fourth month running in December to the highest since June 2010. With new orders also rising sharply, firms raised employment for the second month running. Inflationary pressures remained weak, however, with input prices increasing at the slowest rate in five months and output charges rising only marginally.

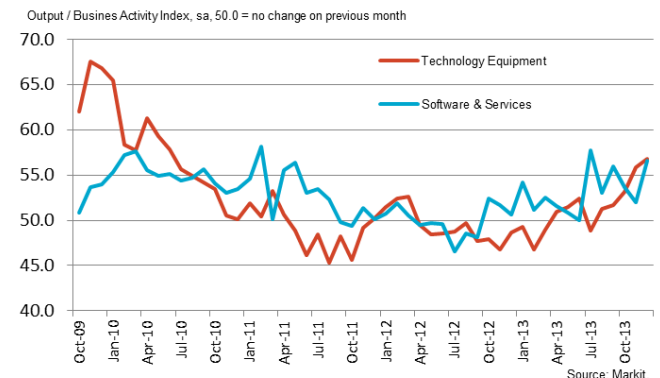
Activity growth in software & services regained momentum in December, with the rate of expansion accelerating to the fastest since July having eased to a five-month low in November. The rate of growth in the latest period was the second-fastest since February 2011. New business growth also reaccelerated and jobs were created at a series-record rate. Meanwhile, software firms faced greater pressure on input prices than their counterparts in technology equipment.

Global Sector PMI



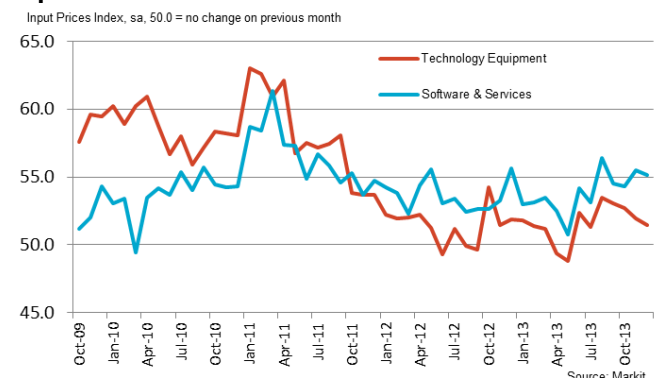
Source: Markit.

Output / Business Activity Index



Source: Markit.

Input Prices Index



Source: Markit.

Notes on data

Markit Global Technology PMI data are derived from surveys of over 1,000 companies operating in 28 major economies. 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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