

JPMorgan Global PMI

Report on Manufacturing and Services

Produced by JPMorgan and NTC Research in association with ISM and IFPM

Substantial expansion of the global private sector economy picked up slightly in April, reflecting stronger growth in manufacturing and services.

The current upturn in the global private sector economy extended into its thirteenth successive month in April. Increased levels of output were recorded across both the manufacturing and service sectors, with the respective rates of expansion picking up from one month ago. The **Global All-Industry Output Index** registered 61.2, up from 59.1 in March, to remain at a level substantially above the neutral mark of 50.0.

The latest data pointed to a broad-based expansion of worldwide private sector economic activity. All of the twenty-nine PMI surveys covering manufacturing and services for which April data were available recorded growth of output, with the majority seeing activity rise at a sharper rate than one month ago. Global growth was again led by the US, which reported the fastest expansion of both manufacturing production and service sector business activity.

At 59.2 in April, up slightly from 58.6 in March, the **Global All-Industry New Orders Index** indicated a further substantial rise in the level of new business. Furthermore, the level of incoming new orders has risen in each of the past twelve months. Robust growth of new business was recorded across both the manufacturing and service economies, with growth of new orders in manufacturing outpacing that for services for the fifth consecutive month.

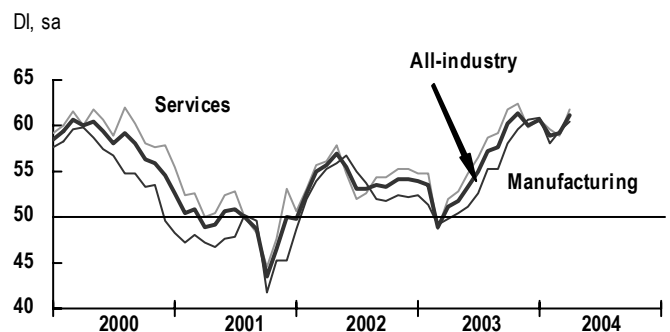
Global private sector employment increased for the seventh successive month in April. Moreover, after rising to 53.2, from 51.3 in March, the **Global All-Industry Employment Index** pointed to a marked rise in staffing levels and a sharper rate of increase than during the previous month. Growth of employment picked up in both the manufacturing and service sectors, with the faster increase recorded for services.

The upward trend in average input costs continued during April. At 64.5, up from 63.4 in March, the **Global All-Industry Input Prices Index** remained above the crucial no-change level of 50.0 for the twenty-sixth successive month. Moreover, the rate of increase implied by the Index remained substantial, and was stronger than one month ago. Input prices rose markedly in both the worldwide manufacturing and service economies, although the rate of inflation for manufacturing was well above that for services.

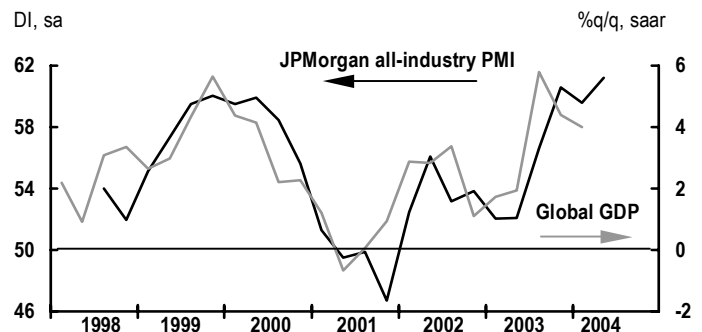
Commenting on the survey, David Hensley, Director of Global Economics Coordination at JPMorgan, said:

"The robust expansion of the global economy continued in April, as the All-Industry Output Index rose to a level consistent with 5-6% annualised GDP growth. The PMI points to stronger job growth and a further intensification of cost pressures, especially in the manufacturing sector."

JPMorgan global PMI output



Global activity indicators



Global PMI Summary

50 = no change on previous month.

		Mar	Apr	Latest movement
Output	Total	59.1	61.2	Expanding at faster rate
	Manufacturing	59.5	60.3	Expanding at faster rate
	Services	58.9	61.7	Expanding at faster rate
New orders	Total	58.6	59.2	Expanding at faster rate
	Manufacturing	59.7	59.8	Expanding at faster rate
	Services	57.9	58.9	Expanding at faster rate
Employment	Total	51.3	53.2	Expanding at faster rate
	Manufacturing	51.4	52.4	Expanding at faster rate
	Services	51.3	53.7	Expanding at faster rate
Input prices	Total	63.4	64.5	Rising at faster rate
	Manufacturing	71.3	74.2	Rising at faster rate
	Services	58.4	58.2	Rising at slower rate

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Notes on data

The Global Report on Manufacturing and Services is based on the results of surveys carried out in the USA by ISM, in Japan, the UK, Germany, France, Spain, Italy, Russia, Ireland, Greece, Austria, the Netherlands, Poland, Czech Republic and Hong Kong by NTC Research and in a number of other countries: Denmark, Israel, Hungary, South Africa, Australia, Switzerland, Singapore and New Zealand. These countries together account for an estimated 76% of global GDP.

The Global Report on Manufacturing and Services provides the first indication each month of global business conditions, based on data collected from around 10,000 purchasing executives. It is compiled by NTC Research. The data enable decision makers in the financial world to make better judgements much earlier than would otherwise be the case.

The wide coverage of the indexes, together with their speed of production, accuracy and direct comparability, make them unmatched as economic indicators. They provide truly "must have" information for financial institutions of all kinds and for major corporations world-wide. 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

Country	% share of global GDP*	Producer	In association with	Web
US	27.0	ISM	-	www.ism.ws
Japan	17.0	NTC	Reuters/Nomura/JMMA	www.reuters.co.jp , www.nomura.co.jp , www.jmma.gr.jp
Germany	8.0	NTC	BME/Reuters	www.bme.de , www.reuters.de
France	5.3	NTC	CDAF/Reuters	www.cdaf.asso.fr , www.reuters.fr
UK	3.9	NTC	CIPS/Reuters	www.cips.org , www.reuters.co.uk
Italy	3.6	NTC	Reuters/ADACI	www.reuters.it , www.adaci.it
Spain	2.1	NTC	AERCE	www.aerce.org
Netherlands	1.5	NTC	NEVI/YACHT	www.nevi.nl , www.yachtgroup.com
Australia	1.4	AiG	PWC, Commonwealth Bank	www.aigroup.asn.au , www.pwcglobal.com/au , www.commbank.com.au
Russia	1.1	NTC	Moscow Narodny Bank	www.mosnar.com
Switzerland	1.0	SVME	Credit Suisse	www.svme.ch , www.credit-suisse.ch
Austria	0.8	NTC	BA Creditanstalt/OPWZ	www.ba-ca.com , http://einkauf.opwz.com
Denmark	0.6	DILF	Danske Bank	www.dilf.dk , www.danskebank.dk
South Africa	0.5	BER	IPSA/Investec	www.ber.sun.ac.za , www.ipsa.co.za , www.investec.co.za
Poland	0.5	NTC	-	www.ntc-research.com
Hong Kong	0.5	NTC	-	www.ntc-research.com
Greece	0.4	NTC	HPI	www.hpi.org
Ireland	0.3	NTC	NCB Stockbrokers	www.ncbdirect.com
Singapore	0.3	SIPMM	-	www.sipmm.org.sg
Israel	0.3	IPLMA	-	www.iplma.org.il
Czech Republic	0.2	NTC	-	www.ntc-research.com
Hungary	0.2	HALPIM	Hungarian National Bank	www.logisztika.hu
New Zealand	0.2	Business NZ	ANZ Banking Group	www.businessnz.org.nz , www.anz.com/nz

* Source: World Bank



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