

Monthly PMI Bulletin

Global slowdown deepens and broadens in penultimate month of 2023

Monthly summary

The global slowdown accelerated midway into the final quarter of the year with both manufacturing and services output deepening in contraction. Demand conditions further deteriorated, though supporting the easing of supply constraints and price pressures. Overall, business confidence remained muted.

The [J.P.Morgan Global Composite Output Index](#) – produced by S&P Global – posted 48.0 in November, down from 49.0 in October. This marked the fourth consecutive month of global contraction and at the fastest pace since June 2020.

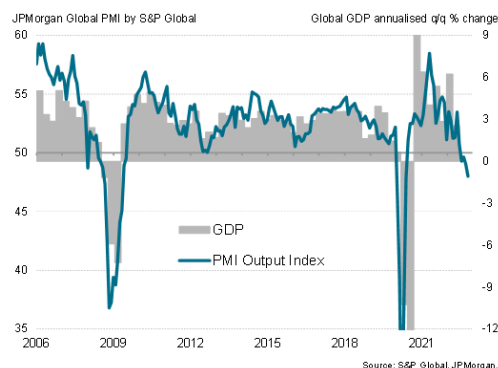
At the root of the global slowdown had been the weakening of demand conditions, weighed down by challenges from rising prices, low confidence, higher interest rates and COVID-19 impact, such as in mainland China. Furthermore, the [S&P Global Sector PMI](#) data also showed widespread deterioration in business activity whereby only four of the 21 categories tracked exhibited expansion in output from the previous month. National PMI data further highlighted business activity shrinking in major developed economies, with a steep deterioration in the US, outlining the extent of the current downturn.

That said, the easing of demand should not come as a surprise with central banks around the world having instituted a series of tightening measures to rein in inflation. The latest findings from the November PMI data should be music to their ears. Globally, supply constraints further eased with manufacturing supply delays improving while price pressures have also cooled as a whole, albeit still relatively elevated by historical standards. The issue, however, is that further policy moves may not be congruent with the early signals flashed by the data, and hence lead to a more protracted downturn in the coming year.

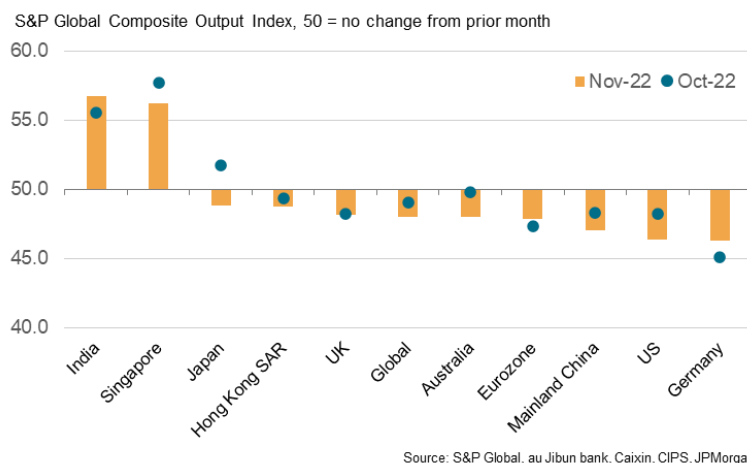
In short, our key takeaways from the November PMI are:

- 1) The global slowdown has deepened in November with weak demand at the core, weighed by still-elevated prices, waning confidence and rising interest rates effects, among others
- 2) That said, price pressures also eased as a result of the combined effect from softening demand and improvements in supply chains
- 3) With the policies taking effect, the data is calling for the dialling down of aggressive monetary tightening and a reasonable lack of which may risk further downturns - which we will track with the incoming data - especially across sectors most sensitive to higher rates

JP Morgan Global composite PMI

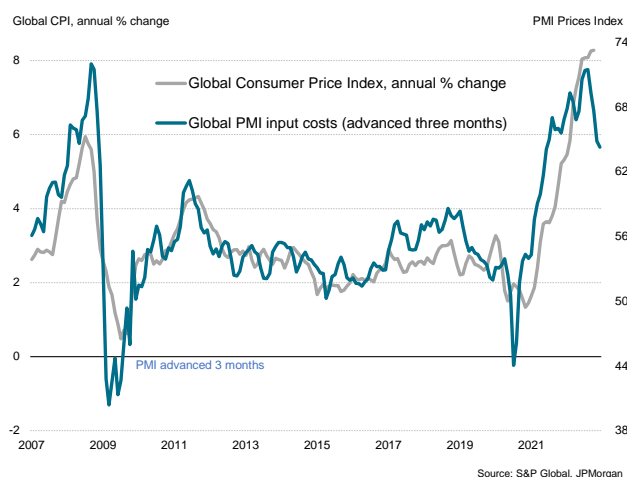


Regional comparisons



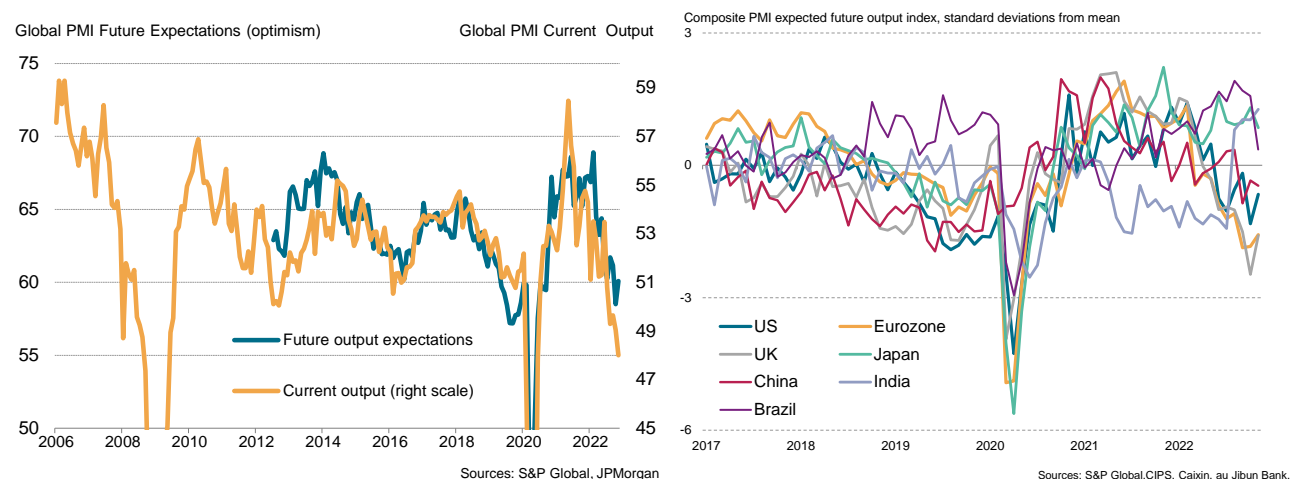
The Good, the Bad and the Ugly | Key PMI developments

The Good: Easing inflationary pressures continues midway into Q4



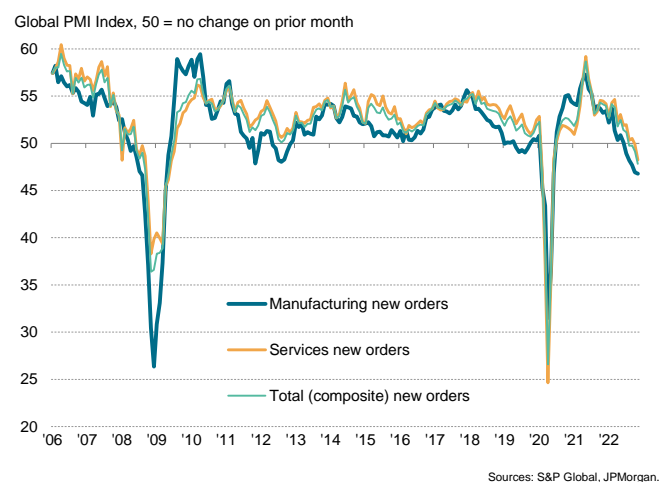
- The domino effect from demand waning had been easing supply constraints and consequently, a decline in inflationary pressures according to the latest November PMI data. Globally, input cost and output charge inflation rates both settled to the lowest since February 2021, continuing the ongoing downtrend.
- Specifically, worldwide industrial prices rose at the slowest rate in two years attributed to both falling demand and improving supply, further outlining the shift of pricing power from sellers to buyers in the current market. ([Link to article](#))
- The implication from a decline in global PMI input prices, which should feed through to lower worldwide consumer price inflation in the coming months, is one of less aggressive interest rate hikes from central banks globally.
- That said, various official data have yet to exhibit as clear a signal as the PMIs and as such, given the lagged policy response to survey indications, runs the risk of further tightening into the ongoing downturn.

The Bad: Sentiment stays weak, but show signs of a turnaround



- The Future Output Index, the only sentiment-based PMI subindex, inched up on a global scale in November to suggest a turnaround for sentiment. This meant that private sector companies are more optimistic about the year ahead business conditions.
- Despite the latest uptick, however, future output expectations remained especially low by historical standards and around major developed economies such as the US, UK and eurozone. Mainland China also printed weak readings in a month where stringent COVID-19 measures dampened activity and sentiment alike.
- With future output playing forecaster to actual output, the picture is therefore a relatively poor one and reflected the persistent risk of a global recession in the months ahead.

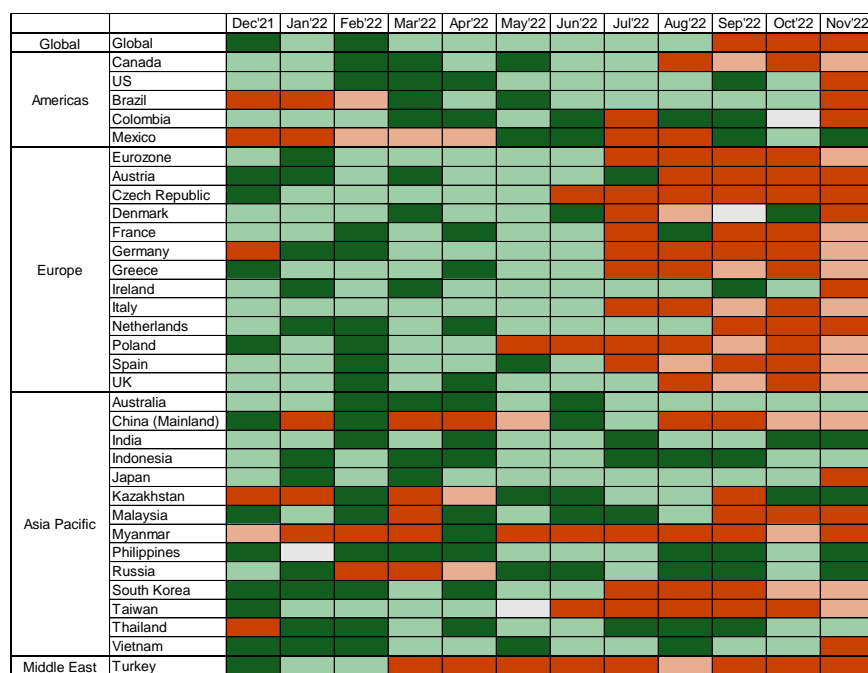
The Ugly: Demand not on the mend



- While the worsening of demand conditions is of little surprise on the back of simultaneous interest rate hikes globally, the pace at which demand had slumped captures one's attention.
- Composite new orders declined for a fourth consecutive month in November and at the fastest rate since May 2009, excluding early pandemic months, reflecting a severe downturn in demand. Furthermore, the worsening of demand conditions was broad based cutting across both the manufacturing and service sectors.
- As demand tend to run ahead of the actual conditions, the latest indications are consistent with accelerating global downturn in the coming months.

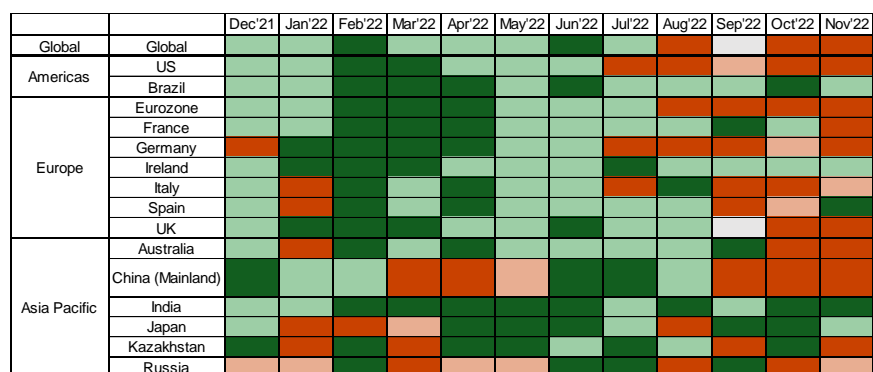
Global PMI heatmap

Manufacturing



Source: S&P Global in association with relevant sponsors.

Services



Source: S&P Global in association with relevant sponsors

Manufacturing indices

Output*
 New orders*
 New export orders
 Backlogs of work
 Employment*
 Input prices
 Output prices
 Future expectations
 Quantity of purchases
 Suppliers' delivery times*
 Stocks of purchases*
 Stocks of finished goods

*PMI components

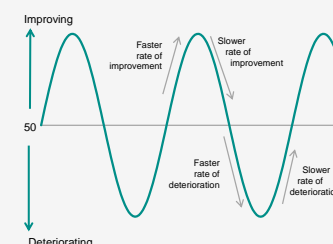
Services indices

Business activity
 New business
 New export orders
 Outstanding business
 Employment
 Input costs
 Prices charged
 Future expectations

Read more about the headline PMI™ and its subindices [here](#).

Key:

Improving at a faster rate	
Improving at a slower rate	
At neutral 50.0 mark	
Deteriorating at a slower rate	
Deteriorating at a faster rate	



To receive underlying PMI data, please contact: economics@ihsmarkit.com

Composite / Whole Economy

		Dec'21	Jan'22	Feb'22	Mar'22	Apr'22	May'22	Jun'22	Jul'22	Aug'22	Sep'22	Oct'22	Nov'22
Global	Global												
Americas	Brazil												
	US												
Europe	Eurozone												
	France												
	Germany												
	Ireland												
	Italy												
	Spain												
	UK												
Asia Pacific	Australia												
	China (Mainland)												
	Hong Kong SAR												
	India												
	Japan												
	Khazakhstan												
	Russia												
	Singapore												
	Lebanon												
Middle East	Qatar												
	Saudi Arabia												
	UAE												
	Ghana												
Africa	Kenya												
	Mozambique												
	Nigeria												
	South Africa												
	Uganda												
	Zambia												

Source: S&P Global in association with relevant sponsors

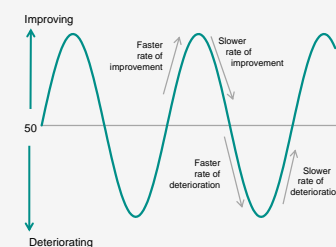
Composite indices comprise:

Output/business activity
 New business
 New export orders
 Outstanding business
 Employment
 Input costs
 Output prices
 Future expectations

Read more about the headline PMI™ and its subindices [here](#).

Key:

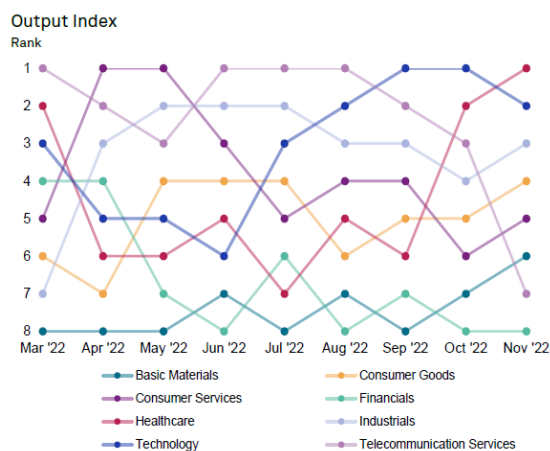
Improving at a faster rate	
Improving at a slower rate	
At neutral 50.0 mark	
Deteriorating at a slower rate	
Deteriorating at a faster rate	



To receive underlying PMI data, please contact: economics@ihsmarkit.com

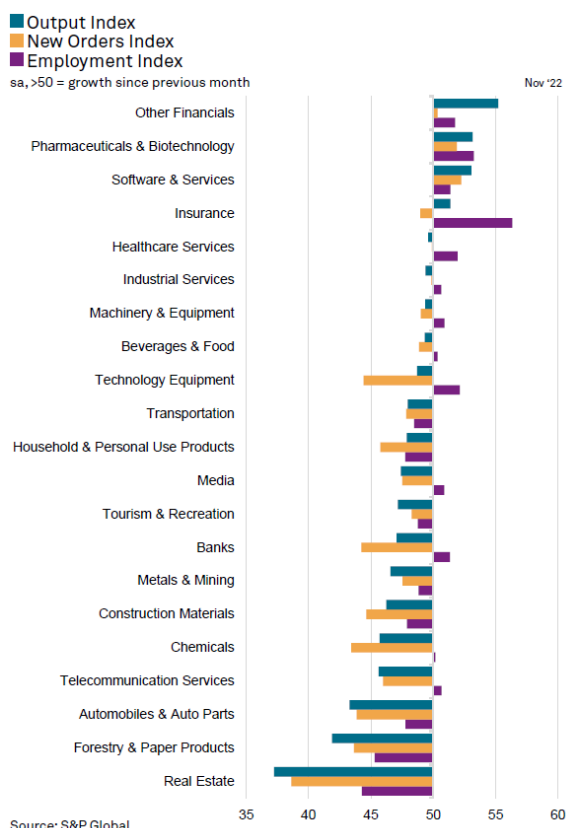
Global Sector PMI

Latest S&P Global Sector PMI™ data signalled persistent and widespread reductions in business activity across the majority of sectors tracked November. *Financials* retained the bottom position amongst the **eight industry groups** tracked, while *Healthcare* emerged to lead, which alongside *Technology* were the only two industry groups to remain in expansion.



Source: S&P Global.

Meanwhile **amongst the sectors**, *Real Estate* continued to struggle in the current tighter financial environment. *Other Financials* led the 21 categories below and was one of the only four to see business activity expand.



Source: S&P Global.

For more global sector PMI details, please visit [here](#) or contact economics@ihsmarkit.com to receive underlying PMI data.

Sector data is also available for US, Europe and Asia. Read more about using PMI data in active investment strategies [here](#).

Recent PMI and economic analysis from S&P Global Market Intelligence

Global	Worldwide industrial prices rise at slowest rate in two years as demand cools and supply constraints ease	2-Dec	Chris Williamson
	Global manufacturing PMI signals further steep worldwide trade slump in November	2-Dec	Chris Williamson
	Global manufacturing downturn intensifies as firms cut capacity in line with slumping demand	2-Dec	Chris Williamson
	Flash PMI data signal falling output in the US, Europe and Japan, but price pressures also cool	24-Nov	Chris Williamson
	Business activity down sharply in Ghana amid inflationary pressures	18-Nov	Andrew Harker
	New inflation trackers decipher key trends driving global prices	17-Nov	David Owen
	Monthly PMI Bulletin: November 2022	15-Nov	Jingyi Pan
	Global manufacturing PMI slips further into contraction territory as new orders decline solidly	3-Nov	Jingyi Pan
EMEA	Eurozone manufacturing downturn helps cool inflationary pressures	1-Dec	Chris Williamson
	Flash PMI point to rising Eurozone recession risks, but price pressures cool as supply improves	23-Nov	Chris Williamson
	Flash UK PMI data flash recession signals amid steepening drop in demand	23-Nov	Chris Williamson
US	Global manufacturing downturn intensifies as firms cut capacity in line with slumping demand	2-Dec	Chris Williamson
APAC	Japanese service sector activity picks up following recent roll-out of National Travel Discount Programme	18-Nov	Laura Denman
	Flash PMIs show renewed contraction of the Australian economy in October while Japan's service sector powers growth	24-Oct	Jingyi Pan

For PMI use-case illustrations, visit our [use-case library](#).

Release calendar

UTC		Local		Product
13 Dec 15:00	13 Dec 10:00	UTC-5	EST	US Investment Manager Index
15 Dec 22:00	16 Dec 09:00	UTC+11	AEDT	Flash Australia PMI*
16 Dec 00:30	16 Dec 09:30	UTC+9	JST	Flash Japan PMI*
16 Dec 08:15	16 Dec 09:15	UTC+1	CET	Flash France PMI*
16 Dec 08:30	16 Dec 09:30	UTC+1	CET	Flash Germany PMI*
16 Dec 09:00	16 Dec 10:00	UTC+1	CET	Flash Eurozone PMI*
16 Dec 09:30	16 Dec 09:30	UTC	GMT	Flash UK PMI*
16 Dec 14:45	16 Dec 09:45	UTC-5	EST	Flash US PMI*
28 Dec 09:00	28 Dec 10:00	UTC+1	CET	Austria Manufacturing PMI
29 Dec 06:00	29 Dec 09:00	UTC+3	MSK	Russia Manufacturing PMI
30 Dec 06:00	30 Dec 09:00	UTC+3	MSK	Russia Services PMI*
02 Jan 00:30	02 Jan 07:00	UTC+6.5	MMT	Myanmar Manufacturing PMI
02 Jan 00:30	02 Jan 07:30	UTC+7	WIB	Indonesia Manufacturing PMI
02 Jan 00:30	02 Jan 09:30	UTC+9	KST	South Korea Manufacturing PMI
02 Jan 00:30	02 Jan 08:30	UTC+8	PHT	Philippines Manufacturing PMI
02 Jan 01:01	02 Jan 01:01	UTC	GMT	Ireland Manufacturing PMI
02 Jan 01:45	02 Jan 09:45	UTC+8	CST	China General Manufacturing PMI
02 Jan 05:00	02 Jan 10:30	UTC+5.5	IST	India Manufacturing PMI
02 Jan 06:00	02 Jan 07:00	UTC+1	CET	Netherlands Manufacturing PMI
02 Jan 07:00	02 Jan 10:00	UTC+3	TRT	Turkey Manufacturing PMI
02 Jan 08:00	02 Jan 09:00	UTC+1	CET	Poland Manufacturing PMI
02 Jan 08:15	02 Jan 09:15	UTC+1	CET	Spain Manufacturing PMI
02 Jan 08:30	02 Jan 09:30	UTC+1	CET	Czech Republic Manufacturing PMI
02 Jan 08:45	02 Jan 09:45	UTC+1	CET	Italy Manufacturing PMI
02 Jan 08:50	02 Jan 09:50	UTC+1	CET	France Manufacturing PMI
02 Jan 08:55	02 Jan 09:55	UTC+1	CET	Germany Manufacturing PMI
02 Jan 09:00	02 Jan 11:00	UTC+2	EET	Greece Manufacturing PMI
02 Jan 09:00	02 Jan 10:00	UTC+1	CET	Eurozone Manufacturing PMI
02 Jan 13:00	02 Jan 10:00	UTC-3	BRT	Brazil Manufacturing PMI
02 Jan 15:00	02 Jan 10:00	UTC-5	COT	Colombia Manufacturing PMI
02 Jan 15:30	02 Jan 09:30	UTC-6	CST	Mexico Manufacturing PMI
02 Jan 22:00	03 Jan 09:00	UTC+11	AEDT	Australia Manufacturing PMI
03 Jan 00:30	03 Jan 08:30	UTC+8	CST	Taiwan Manufacturing PMI
03 Jan 00:30	03 Jan 08:30	UTC+8	MYT	Malaysia Manufacturing PMI
03 Jan 00:30	03 Jan 07:30	UTC+7	ICT	Vietnam Manufacturing PMI
03 Jan 04:15	03 Jan 07:15	UTC+3	AST	Saudi Arabia PMI
03 Jan 08:45	03 Jan 09:45	UTC+1	WAT	Nigeria PMI
03 Jan 09:30	03 Jan 09:30	UTC	GMT	UK Manufacturing PMI
03 Jan 14:30	03 Jan 09:30	UTC-5	EST	Canada Manufacturing PMI
03 Jan 14:45	03 Jan 09:45	UTC-5	EST	US Manufacturing PMI
03 Jan 16:00	03 Jan 11:00	UTC-5	EST	Global Manufacturing PMI
04 Jan 00:30	04 Jan 09:30	UTC+9	JST	Japan Manufacturing PMI
04 Jan 00:30	04 Jan 07:30	UTC+7	ICT	Thailand Manufacturing PMI
04 Jan 00:30	04 Jan 07:30	UTC+7	ICT	ASEAN Manufacturing PMI
04 Jan 01:01	04 Jan 01:01	UTC	GMT	Ireland Services PMI*
04 Jan 01:45	04 Jan 09:45	UTC+8	CST	China General Services PMI*
04 Jan 04:15	04 Jan 06:15	UTC+2	EET	Egypt PMI
04 Jan 04:15	04 Jan 08:15	UTC+4	GST	United Arab Emirates PMI
04 Jan 05:00	04 Jan 10:30	UTC+5.5	IST	India Services PMI*
04 Jan 06:00	04 Jan 12:00	UTC+6	ALMT	Kazakhstan Manufacturing PMI

04 Jan 06:00	04 Jan 09:00	UTC+3	EAT	Uganda PMI
04 Jan 08:15	04 Jan 09:15	UTC+1	CET	Spain Services PMI*
04 Jan 08:45	04 Jan 09:45	UTC+1	CET	Italy Services PMI*
04 Jan 08:50	04 Jan 09:50	UTC+1	CET	France Services PMI*
04 Jan 08:55	04 Jan 09:55	UTC+1	CET	Germany Services PMI*
04 Jan 09:00	04 Jan 11:00	UTC+2	EET	Lebanon PMI
04 Jan 09:00	04 Jan 12:00	UTC+3	AST	Qatar PMI
04 Jan 09:00	04 Jan 10:00	UTC+1	CET	Eurozone Services PMI*
04 Jan 13:00	04 Jan 10:00	UTC-3	BRT	Brazil Services PMI*
04 Jan 22:00	05 Jan 09:00	UTC+11	AEDT	Australia Services PMI*
05 Jan 00:30	05 Jan 08:30	UTC+8	SST	Singapore PMI
05 Jan 00:30	05 Jan 08:30	UTC+8	HKT	Hong Kong SAR PMI
05 Jan 06:00	05 Jan 08:00	UTC+2	CAT	Mozambique PMI
05 Jan 07:15	05 Jan 09:15	UTC+2	SAST	South Africa PMI
05 Jan 07:30	05 Jan 10:30	UTC+3	EAT	Kenya PMI
05 Jan 08:30	05 Jan 10:30	UTC+2	CAT	Zambia PMI
05 Jan 08:30	05 Jan 09:30	UTC+1	CET	Italy Construction PMI
05 Jan 08:30	05 Jan 09:30	UTC+1	CET	France Construction PMI
05 Jan 08:30	05 Jan 09:30	UTC+1	CET	Germany Construction PMI
05 Jan 08:30	05 Jan 09:30	UTC+1	CET	Eurozone Construction PMI
05 Jan 09:00	05 Jan 09:00	UTC	GMT	Ghana PMI
05 Jan 09:30	05 Jan 09:30	UTC	GMT	UK Services PMI*
05 Jan 09:30	05 Jan 09:30	UTC	GMT	Europe Sector PMI
05 Jan 14:45	05 Jan 09:45	UTC-5	EST	US Services PMI*
05 Jan 14:45	05 Jan 09:45	UTC-5	EST	US Sector PMI
05 Jan 16:00	05 Jan 11:00	UTC-5	EST	Global Services PMI*
06 Jan 00:30	06 Jan 09:30	UTC+9	JST	Japan Services PMI*
06 Jan 00:30	06 Jan 08:30	UTC+8	HKT	Asia Sector PMI
06 Jan 06:00	06 Jan 12:00	UTC+6	ALMT	Kazakhstan Services PMI*
06 Jan 07:00	06 Jan 07:00	UTC	GMT	UK House Price Index
06 Jan 09:30	06 Jan 09:30	UTC	GMT	UK Construction PMI
06 Jan 09:30	06 Jan 09:30	UTC	GMT	Global Sector PMI
09 Jan 01:01	09 Jan 01:01	UTC	GMT	Ireland Construction PMI
09 Jan 09:00	09 Jan 09:00	UTC	GMT	Global Aluminium Users PMI
09 Jan 09:00	09 Jan 09:00	UTC	GMT	Global Copper Users PMI
09 Jan 09:00	09 Jan 09:00	UTC	GMT	Global Steel Users PMI
09 Jan 09:30	09 Jan 09:30	UTC	GMT	Global Electronics PMI
10 Jan 01:01	10 Jan 01:01	UTC	GMT	UK & English Regions Report on Jobs
10 Jan 01:01	10 Jan 01:01	UTC	GMT	Scotland Report on Jobs
10 Jan 04:15	10 Jan 08:15	UTC+4	GST	Dubai PMI
16 Jan 00:01	16 Jan 00:01	UTC	GMT	UK Regional PMI
19 Jan 01:01	19 Jan 01:01	UTC	GMT	UK Bellwether Report

Notes

Press release of indices produced by S&P Global and relevant sponsors can be found at <https://www.pmi.spglobal.com/Public/Release/PressReleases>.

Dates are provisional and subject to change *includes composite PMI.

Last updated: 16 November 2022.

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global 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 S&P Global 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 and/or its affiliates.

Links to more resources

- [Sign up to receive updated commentary in your inbox here.](#)
- [Calendar of upcoming PMI releases](#)
- [Running commentary on the PMI survey findings](#)
- [PMI Frequently Asked Questions](#)
- [Background to the PMIs \(video\)](#)
- [Understanding the headline PMI and its various subindices](#)
- [PMI data use-case illustrations](#), from nowcasting to investment strategy
- [PMI podcasts](#)
- [How to subscribe](#) to PMI data

CONTACT US**Jingyi Pan**

Economics Associate Director
S&P Global Market Intelligence
Singapore

T : +65 6439 6022
jingyi.pan@spglobal.com

The Americas

+1-877-863-1306

EMEA

+44-20-7176-1234

Asia-Pacific

+852-2533-3565

spglobal.com/marketintelligence/en/mi/products/pmi.html