

PMI: MANUFACTURING STRENGTH BUT A HETEROGENEOUS PICTURE IN SERVICES

In the manufacturing sector, at the world level, the PMI recorded an improvement in February after having eased the month before. It is now at the highest level of the period under review. This also applies to the eurozone, where the index saw a big jump in February. The improvement in the French index was even more impressive, although its level is still below that of the eurozone. Noteworthy is the further improvement in Italy whereas Germany and the Netherlands reach very high scores. The Australian continued its rise in February and in Japan it has now surpassed the 50 mark. The Chinese PMI continues to weaken and is approaching the 50 level whereas Indian is stabilising at a high level.

The services PMI did not change a lot in February versus January: a bit better in the US, a bit weaker in China, where the index is now at 51.5 versus 57.8 last November. India saw a big improvement to 55.3. In the euro area there was a slight increase but Germany and in particular France saw a decline. In Italy on the other hand, sentiment picked up strongly, which is probably to some extent related to the new government led by Mario Draghi. The composite PMI hardly changed in the US but improved in the euro area. In the latter, one observes diverging movements: weaker in France, slightly better in Germany – and above the 50 mark–and a big improvement in Italy –to 51.4–, which

now has the highest reading amongst the euro area countries. In the UK, the composite PMI saw a huge jump in February, probably related to the prospect of an easing of restrictions on the back of significant progress in the vaccination campaign. The Chinese composite PMI eased further and it improved quite a bit in India.

The employment component of the manufacturing PMI improved at the world level. The reading for the US was again higher and the index is now reaching a particularly high level of 56.3. The was also an improvement in the euro area where the 50 hurdle has been passed. The improvement was broad-based with better data in Austria, France, Germany, Ireland, Italy, the Netherlands and Spain. This provides some hope with respect to the labour market in the coming months. In China, the index was again lower –it moved below 50 in December– and India was also lower, despite the strong reading of the manufacturing PMI.

After declining in January, the new export orders PMI was up again in February, back to the level seen in December. The euro area recorded a big improvement in the assessment of export orders, underpinned by a significantly better reading in France, Germany, Greece, Italy and Spain. In China, the PMI hardly changed and remains at a low level (47.6).

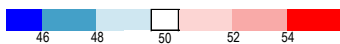
William De Vijlder

MANUFACTURING PMI

	Developed Markets																Emerging countries																		
	WD	NA		Europe								Asia-Oceania						LATAM		Eurasia		Middle East & Africa				Asia									
	World	CANADA	USA	EURO ZONE		AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA
Mar-20	47.3	46.1	48.5	44.5	45.8	44.9	43.2	45.4	42.5	45.1	40.3	50.5	45.7	43.5	47.8	53.7	38.6	44.8	45.4	48.4	47.9	41.3	42.4	47.5	48.1	44.2	35.0	42.4	41.8	45.2	50.1	34.9	51.8	45.3	41.9
Apr-20	39.6	33.0	36.1	33.4	31.6	37.6	31.5	34.5	29.5	36.0	31.1	41.3	30.8	41.2	32.6	35.8	26.2	41.9	44.7	36.0	35.0	35.1	31.9	31.3	33.4	29.7	30.9	44.4	30.3	44.1	49.4	36.9	27.4	27.5	32.7
May-20	42.4	40.6	39.8	39.4	40.4	54.5	40.6	36.6	41.1	39.2	45.4	40.5	38.3	42.5	40.7	41.6	40.7	38.4	46.8	38.3	38.3	39.6	40.6	36.2	40.9	40.7	37.2	48.1	43.7	46.7	50.7	43.9	30.8	28.6	42.7
Jun-20	48.0	47.8	49.8	47.4	46.5	52.3	52.3	45.2	49.4	51.0	47.5	45.2	49.0	41.4	50.1	51.5	56.6	40.1	48.0	51.6	38.6	44.9	47.2	49.4	53.9	44.6	43.2	47.7	53.3	50.4	51.2	49.6	47.2	39.1	51.1
Jul-20	50.6	52.9	50.9	51.8	52.8	56.4	52.4	51.0	48.6	57.3	51.9	47.9	53.5	49.6	53.3	53.5	59.3	45.2	50.2	58.2	40.4	47.0	52.8	48.4	56.9	49.6	44.9	50.0	49.4	50.8	52.8	44.5	46.0	46.9	47.6
Aug-20	51.8	55.1	53.1	51.7	51.0	51.6	49.8	52.2	49.4	52.3	53.1	52.3	49.9	51.0	55.2	49.3	50.9	47.2	50.1	64.7	41.3	49.1	50.6	51.1	54.3	49.4	40.1	48.8	56.8	49.4	53.1	44.0	52.0	50.8	45.7
Sep-20	52.4	56.0	53.2	53.7	51.7	53.8	51.2	56.4	50.0	50.0	53.2	52.5	50.8	52.8	54.1	46.7	53.7	47.7	50.3	64.9	42.1	50.7	50.8	48.9	52.8	50.4	42.1	50.7	58.3	51.0	53.0	47.7	56.8	47.2	52.2
Oct-20	53.1	55.5	53.4	54.8	54.0	63.2	51.3	58.2	48.7	50.3	53.8	50.4	52.5	52.9	53.7	56.3	52.3	48.7	50.5	66.7	43.6	51.9	50.8	46.9	53.9	51.4	43.3	51.0	60.9	49.5	53.6	49.8	58.9	47.8	51.8
Nov-20	53.8	55.8	56.7	53.8	51.7	46.6	49.6	57.8	42.3	52.2	51.5	54.4	49.8	54.5	55.6	52.1	55.2	49.0	50.4	64.0	43.7	53.9	50.8	46.3	51.4	50.9	42.4	54.7	52.6	49.5	54.9	50.1	56.3	50.6	49.9
Dec-20	53.8	57.9	57.1	55.2	53.5	41.7	51.1	58.3	46.9	57.2	52.8	58.2	51.0	57.3	57.5		48.3	50.0	50.5	61.5	42.4	57.0	51.7	49.7	50.8	48.2	43.2	57.0	50.3	51.2	53.0	43.5	56.4	51.3	51.7
Jan-21	53.6	54.4	59.2	54.8	54.2	42.1	51.6	57.1	50.0	51.8	55.1	58.8	49.3	59.4	54.1	55.3	57.5	49.8	50.7	56.5	43.0	57.0	51.9	50.9	54.4	48.7	41.0	57.1	50.9	51.2	51.5	47.8	57.7	52.2	51.3
Feb-21	53.9	54.8	58.6	57.9	58.3	40.8	56.1	60.7	49.4	52.0	56.9	59.6	52.9	61.3	55.1	58.8		51.4	50.5	58.4	44.2	58.5	53.4	51.5	51.7	49.3	42.2	53.9	53.0	50.6	50.9	50.2	57.5	50.9	51.6

SERVICES PMI

	World	USA	EURO ZONE	FRANCE	GERMANY	IRELAND	ITALY	SPAIN	UK	AUSTRALIA	JAPAN	BRAZIL	RUSSIA	LEBANON	CHINA	HONG KONG	INDIA
Mar-20	36.8	39.8	26.4	27.4	31.7	32.5	17.4	23.0	34.5	38.7	33.8	34.5	37.1	35.0	43.0	34.9	49.3
Apr-20	23.7	26.7	12.0	10.2	16.2	13.9	10.8	7.1	13.4	27.1	21.5	27.4	12.2	30.9	44.4	36.9	5.4
May-20	35.2	37.5	30.5	31.1	32.6	23.4	28.9	27.9	29.0	31.7	26.5	27.6	35.9	37.2	35.0	43.9	12.6
Jun-20	48.1	47.9	48.3	50.7	47.3	39.7	46.4	50.2	47.1	31.5	45.0	35.9	47.8	43.2	58.4	49.6	33.7
Jul-20	50.7	50.0	54.7	57.3	55.6	51.9	51.6	51.9	56.5	44.0	45.4	42.5	58.5	44.9	54.1	44.5	34.2
Aug-20	52.0	55.0	50.5	51.5	52.5	52.4	47.1	47.7	58.8	42.5	45.0	49.5	58.2	40.1	54.0	44.0	41.8
Sep-20	52.0	54.6	48.0	47.5	50.6	45.8	48.8	42.4	56.1	36.2	46.9	50.4	53.7	42.1	54.8	47.7	49.8
Oct-20	52.9	56.9	46.9	46.5	49.5	48.3	46.7	41.4	51.4	51.4	47.7	52.3	46.9	43.3	56.8	49.8	54.1
Nov-20	52.2	58.4	41.7	38.8	46.0	45.4	39.4	39.5	47.6	52.9	47.8	50.9	48.2	42.4	57.8	50.1	53.7
Dec-20	51.8	54.8	46.4	49.1	47.0	50.1	39.7	48.0	49.4		47.7	51.1	48.0	43.2	56.3	43.5	52.3
Jan-21	51.6	58.3	45.4	47.3	46.7	36.2	44.7	41.7	39.6	54.3	46.1	47.0	52.7	41.0	52.0	47.8	52.8
Feb-21	51.6	58.3	45.4	47.3	46.7	36.2	44.7	41.7	39.6	54.3	46.1	47.0	52.7	41.0	52.0	47.8	52.8



SOURCE: MARKIT, BNP PARIBAS



COMPOSITE PMI*

	Developed Markets																	Emerging countries																					
	WD	NA			Europe								Asia-Oceania						LATAM	Eurasia			Middle East & Africa				Asia												
		World	CANADA	USA	EURO ZONE	AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM			
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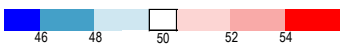
*manufacturing & services

MANUFACTURING PMI – EMPLOYMENT

	Developed Markets																	Emerging countries																							
	WD	NA			Europe								Asia-Oceania						LATAM	Eurasia			Middle East & Africa				Asia														
		World	CANADA	USA	EURO ZONE	AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM					
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Feb-21	50.6																																								

MANUFACTURING PMI – NEW EXPORT ORDERS

	Developed Markets																	Emerging countries																							
	WD	NA			Europe								Asia-Oceania						LATAM	Eurasia			Middle East & Africa				Asia														
		World	CANADA	USA	EURO ZONE	AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	SWITZERLAND	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	LEBANON	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM					
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SOURCE: MARKIT, BNP PARIBAS



BNP PARIBAS

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