

PMI: PRICE PRESSURES INTENSIFY FURTHER IN MANUFACTURING

The global manufacturing PMI edged lower in April. The US and the UK recorded a small increase but there was a big improvement in Australia, Russia and even more so in Hong Kong. The euro area saw a decline but amongst its countries divergences trends were noted with an increase in France and the Netherlands and a decline in Germany and Italy. In China, Covid-19 infections led to a drop in the PMI to 46.0. The services PMI saw a significant decline in the US and a large improvement in the euro area. These developments are the mirror image of what we saw in manufacturing. France and Germany had better data but sentiment jumped in Italy and Spain. Japan had a moderate improvement. Data were significantly better in Brazil. The opposite happened in the UK, whereas the services PMI in China registered a big drop, the consequence of lockdown measures to fight the increase in Covid-19 cases. The index saw a big jump in Hong Kong and India is also doing a lot better.

The employment PMI in manufacturing was a bit weaker in April at the global level. The US saw a decline and the euro area a slight improvement. France, Germany and the Netherlands did better whereas the employment outlook declined in Italy and Spain. The Chinese index declined but there was a considerable improvement in Indonesia and even more so in Vietnam. The assessment of new export orders in manufacturing stabilised at the global level in April at a low level (48.2). There was a further improvement in the US, to a particularly high 56.4 level and a slight weakening in the euro area to 49.0. After the huge drop in March in France, the index rebounded somewhat. The Netherlands and Spain saw bigger improvements. German new exports orders slid further. UK export orders declined in April and Australia recorded a big decline. The downward trend continues in China. India export orders jumped in April after dropping in March. Manufacturing input prices moved higher again at the global level in April, with the US recording a big increase and a more moderate one in the euro area, where price pressures are more elevated (87.8 versus 81.9 in the US). Most euro area countries saw an increase in April, Greece being and in particular Ireland being exceptions. Input prices jumped in the UK. There was moderation in China and Vietnam and an increase in India and Indonesia. Manufacturing output price pressure increased in April and the index is at the highest level of the period under review, which starts in April last year. The US index jumped from 69.7 to 76.3 and in the euro area, a sizeable increase was also recorded. Most euro area countries had higher numbers than in March, with sizeable increases in Austria, Germany, Ireland and Italy. In the UK, the output price index skyrocketed and there was also a big increase in Japan. The index also rose in India. Concerning the delivery times –whereby a decline in the index number points towards longer delivery times- a significant lengthening could be noted at the global level in April. This was also the case in the US, Germany and Ireland. Spain saw a significant shortening of delivery times. Vietnam saw a similar development. In China on the other hand, due to measures address the increase in Covid-19 cases, a dramatic lengthening of delivery times occurred. Finally, services input prices recorded a big increase in the US, Germany, Japan, Brazil, India and, to a lesser degree, the UK. The euro area saw some easing of price pressures, although they remain high.

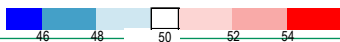
William De Vijlder

MANUFACTURING PMI

	Developed Markets																				Emerging countries															
	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
Aug-21	54.1	57.2	61.1	61.4	61.8	67.2	57.5	62.6	59.3	62.8	60.9	65.8	59.5	67.0	60.3	51.6	40.0	52.7	50.9	53.6	47.1	61.0	56.0	46.5	54.1	49.8	46.6	54.1	56.2	53.8	49.2	53.3	52.3	43.7	40.2	
Sep-21	54.1	57.0	60.7	58.6	62.8	65.2	55.0	58.4	58.4	60.3	59.7	62.0	58.1	67.6	57.1	51.2	51.8	51.5	50.8	54.4	48.6	58.0	53.4	49.8	52.5	48.9	46.9	58.6	54.7	53.3	50.0	51.7	53.7	52.2	40.2	
Oct-21	54.2	57.7	58.4	58.3	60.6	71.4	53.6	57.8	58.9	62.1	61.1	62.5	57.4	65.7	57.8	50.4	54.7	53.2	50.8	51.7	49.3	55.1	53.8	51.6	51.2	48.7	46.6	57.7	53.6	55.7	50.6	50.8	55.9	57.2	52.1	
Nov-21	54.2	57.2	58.3	58.4	58.1	67.4	55.9	57.4	58.8	59.9	62.8	60.7	57.1	63.8	58.1	54.8	51.4	54.5	50.6	49.8	49.4	57.1	54.4	51.7	52.0	48.7	46.1	56.9	57.2	56.9	49.9	52.6	57.6	53.9	52.2	
Dec-21	54.3	56.5	57.7	58.0	58.7	63.5	55.6	57.4	59.0	58.3	62.0	58.7	56.2	64.2	57.9		53.9	54.3	50.7	49.8	49.4	59.1	56.1	51.6	52.1	49.0	46.7	53.9	54.1	56.6	50.9	50.8	55.5	53.5	52.5	
Jan-22	53.2	56.2	55.5	58.7	61.5	60.1	55.5	59.8	57.9	59.4	58.3	60.1	56.2	63.8	57.3	48.4	52.3	55.4	50.6	47.8	46.1	59.0	54.5	51.8	50.5	47.9	47.1	53.2	57.1	54.1	49.1	48.9	54.0	53.7	53.7	
Feb-22	53.7	56.6	57.3	58.2	58.4	50.8	57.2	58.4	57.8	57.8	58.3	60.6	56.9	62.6	58.0	53.2	53.6	52.7	50.2	49.6	48.0	56.5	54.7	48.6	50.4	48.1	47.5	56.2	58.6	54.8	50.4	42.9	54.9	51.2	54.3	
Mar-22	52.9	58.9	58.8	56.5	59.3	61.9	54.7	56.9	54.6	59.4	55.8	58.4	54.2	64.0	55.2	55.7	53.8	54.1	50.1	52.3	49.2	54.7	52.7	44.1	49.4	46.5	47.4	56.8	60.0	54.8	48.1	42.0	54.0	51.3	51.7	
Apr-22	52.2	56.2	59.2	55.5	57.9	63.0	55.7	54.6	54.8	59.1	54.5	59.9	53.3	62.5	55.8	58.5		53.5	50.3	51.8	49.3	54.4	52.4	48.2	49.2			50.7		46.0	51.7	54.7	51.9	51.7		

SERVICES PMI

	World	USA	EURO ZONE	FRANCE	GERMANY	IRELAND	ITALY	SPAIN	UK	AUSTRALIA	JAPAN	BRAZIL	RUSSIA	LEBANON	CHINA	HONG KONG	INDIA
Aug-21	52.8	55.1	59.0	56.3	60.8	63.7	58.0	60.1	55.0	45.6	42.9	55.1	49.3	46.6	46.7	53.3	56.7
Sep-21	53.8	54.9	56.4	56.2	56.2	63.7	55.5	56.9	55.4	45.7	47.8	54.6	50.5	46.9	53.4	51.7	55.2
Oct-21	55.6	58.7	54.6	56.6	52.4	63.4	52.4	56.6	59.1	47.6	50.7	54.9	48.8	46.6	53.8	50.8	58.4
Nov-21	55.6	58.0	55.9	57.4	52.7	59.3	55.9	59.8	58.5	49.6	53.0	53.6	47.1	46.1	52.1	52.6	58.1
Dec-21	54.7	57.6	53.1	57.0	48.7	55.4	53.0	55.8	53.6		52.1	53.6	49.5	46.7	53.1	50.8	55.5
Jan-22	51.0	51.2	51.1	53.1	52.2	56.2	48.5	46.6	54.1	56.2	47.6	52.8	49.8	47.1	51.4	48.9	51.5
Feb-22	54.0	56.5	55.5	55.5	55.8	61.8	52.8	56.6	60.5	60.0	44.2	54.7	52.1	47.5	50.2	42.9	51.8
Mar-22	53.4	58.0	55.6	57.4	56.1	63.4	52.1	53.4	62.6	56.2	49.4	58.1	38.1	47.4	42.0	42.0	53.6
Apr-22		55.6	57.7	58.9	57.6	61.7	55.7	57.1	58.9		50.5	60.6			36.2	51.7	57.9



SOURCE: MARKIT, BNP PARIBAS



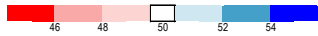
PMI MANUFACTURING - OUTPUT PRICES

WD	Developed Markets																Emerging countries																	
	NA		Europe								Asia-Oceania				LATAM		Eurasia			Middle East & Africa			Asia											
	World	CANADA	USA	EUROZONE	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
Aug-21	60.1	65.1	73.2	68.6	69.0	60.3	61.6	72.6	61.0	66.0	68.1	72.4	62.7	71.6			54.4		69.3	49.5	72.6	72.0	62.3	61.1	54.4	52.0	53.1		49.6		54.8	52.3	53.5	53.9
Sep-21	60.9	67.7	73.9	70.4	73.0	57.2	66.7	73.3	67.7	69.3	68.4	74.9	64.8	71.9			54.9		66.3	48.6	70.6	71.4	57.2	61.6	52.2	50.9	51.1		48.7		53.7	52.0	54.3	51.3
Oct-21	63.7	67.1	76.4	72.6	73.3	78.8	66.1	75.6	77.2	70.2	71.5	78.4	68.8	74.2			56.6		67.2	51.0	71.8	75.2	58.5	67.2	54.6	51.3	53.7		49.0		53.1	52.3	54.0	54.7
Nov-21	61.3	65.8	73.6	73.7	71.1	64.0	68.2	76.3	76.5	71.7	73.4	79.5	70.7	74.0			56.1		66.2	48.8	72.3	71.4	58.4	78.3	54.3	51.9	52.6		48.5		52.6	52.1	54.0	59.3
Dec-21	59.8	63.7	70.5	70.2	70.4	60.1	62.7	70.9	72.8	69.9	73.2	76.6	69.6	74.3			55.9		65.9	52.6	70.9	72.2	59.8	79.9	53.5	53.4	52.6		49.0		54.8	51.0	53.7	55.3
Jan-22	60.9	62.3	68.9	72.7	68.0	59.9	71.7	74.7	74.9	66.3	73.5	73.5	71.1	70.9			59.1		62.1	52.9	78.1	73.7	60.4	71.7	51.7	53.7	52.1		49.2		53.0	51.7	53.8	52.5
Feb-22	61.3	62.4	70.9	71.8	67.5	60.5	68.0	74.3	73.6	70.3	70.0	73.6	71.4	69.9			58.2		60.7	52.8	70.3	68.8	62.8	66.3	51.2	51.7	50.1		49.5		49.8	51.0	53.5	54.3
Mar-22	62.3	70.8	69.7	74.2	72.5	66.3	71.3	75.6	77.8	72.8	73.5	80.0	71.4	71.3			58.8		68.5	53.1	73.3	78.5	77.8	68.7	51.5	52.5	53.8		49.8		51.5	52.2	56.5	58.2
Apr-22	63.7	69.8	76.3	77.3	79.2	62.3	71.8	79.3	75.8	77.5	77.0	82.5	73.6	78.8			62.5		65.0	54.6	74.9	80.1	72.5	66.8					49.8		54.0	54.1	56.6	58.4



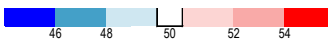
MANUFACTURING PMI - DELIVERY TIMES

WD	Developed Markets																Emerging countries																
	NA		Europe								Asia-Oceania				LATAM		Eurasia			Middle East & Africa			Asia										
	World	CANADA	USA	EUROZONE	AUSTRIA	DENMARK	FRANCE	GERMANY	GREECE	IRELAND	ITALY	NETHERLANDS	SPAIN	UK	AUSTRALIA	NEW ZEALAND	JAPAN	SINGAPORE	BRAZIL	MEXICO	CZECH REPUBLIC	POLAND	RUSSIA	TURKEY	EGYPT	SAUDI ARABIA	SOUTH AFRICA	UAE	CHINA	HONG KONG	INDIA	INDONESIA	VIETNAM
Aug-21	36.1	28.6	16.8	22.8	20.3	11.0	22.5	19.1	31.3	24.4	28.8	16.1	32.0	17.4	41.3	32.8	39.5	50.0	42.8	41.0	21.9	32.3	46.9	42.5	52.0	48.6	70.1	50.7	46.6	46.6	48.5	45.1	30.5
Sep-21	36.5	25.4	16.6	22.5	18.1	7.8	19.7	22.3	28.7	26.4	24.7	15.3	27.2	19.3	49.2	47.7	38.3	50.1	44.4	41.1	22.9	32.1	46.9	45.5	52.8	51.0	73.7	49.8	48.3	49.3	48.5	46.4	28.7
Oct-21	34.8	23.1	16.8	19.4	16.9	9.9	17.7	17.8	24.1	18.0	24.1	15.8	24.3	18.3	41.2	60.1	37.0	50.3	42.4	39.7	21.6	32.9	43.3	42.6	50.8	51.8	72.6	50.8	45.1	48.4	48.6	46.3	39.3
Nov-21	36.4	24.4	18.9	21.7	19.3	5.7	19.8	21.3	24.5	25.9	24.5	18.5	21.8	21.4	53.4	44.4	37.7	50.5	41.3	38.6	22.8	33.4	45.3	36.1	49.1	52.4	70.4	51.5	48.4	48.5	49.1	49.3	43.0
Dec-21	37.8	28.7	24.4	25.3	24.5	15.0	24.7	25.9	24.9	31.1	24.0	22.0	25.3	23.8		51.4	37.1	50.4	42.2	34.7	25.6	35.2	44.1	33.8	49.5	52.3	69.6	51.8	48.7	49.8	47.9	48.6	46.2
Jan-22	38.0	27.8	23.2	26.6	24.6	27.9	24.2	27.1	26.4	27.4	27.4	23.4	30.0	30.4	37.8	53.8	37.8	50.1	40.7	38.8	31.1	34.9	45.3	41.7	49.7	50.0	65.5	52.4	47.5	46.6	48.5	50.1	45.2
Feb-22	39.4	26.8	25.0	31.0	29.2	38.1	25.2	34.0	25.3	30.8	31.5	25.1	31.5	31.7	49.0	53.1	38.1	50.5	45.0	43.3	32.0	38.3	44.1	42.1	49.4	53.1	65.8	52.7	48.1	44.2	48.8	50.7	44.8
Mar-22	38.7	24.8	28.5	25.9	20.2	32.9	24.7	24.9	24.3	32.8	29.9	24.5	22.4	33.4	45.7	51.9	37.5	50.3	44.1	41.1	25.8	32.2	30.5	41.2	48.3	54.1	67.3	52.7	47.1	37.6	49.5	48.2	41.3
Apr-22	35.8	34.0	26.9	26.3	22.5	30.8	25.4	23.9	24.8	31.5	29.7	24.6	31.2	32.8	60.4		37.8	50.1	45.2	43.7	26.2	37.2	33.6	43.7		63.5		37.8	38.7	48.9	48.8	46.5	



PMI SERVICES - INPUT PRICES

WD	World	USA	EUROZONE	FRANCE	GERMANY	IRELAND	ITALY	SPAIN	UK	AUSTRALIA	JAPAN	BRAZIL	RUSSIA	CHINA	INDIA
Aug-21	63.8	72.5	63.3	58.5	68.7	70.3	59.9	62.5	72.3	71.5	53.7	68.5	61.2	52.1	57.1
Sep-21	65.2	74.1	65.2	63.9	67.9	70.8	60.9	65.2	73.5	64.5	54.0	73.2	63.1	53.0	55.7
Oct-21	65.4	71.7	67.5	66.5	70.0	73.1	62.7	68.3	78.7	73.6	54.7	72.6	64.7	53.6	57.5
Nov-21	68.5	75.7	71.4	67.5	73.9	72.6	69.5	75.4	82.0	65.3	57.7	74.4	64.9	55.6	57.6
Dec-21	68.1	77.4	69.6	67.2	70.4	71.5	68.7	73.0	77.0		58.2	65.9	65.8	54.3	57.0
Jan-22	66.3	71.9	70.9	69.6	72.0	70.1	69.9	72.1	79.7	66.1	57.1	69.3	65.6	54.5	58.1
Feb-22	67.3	74.8	72.2	67.9	73.7	74.2	73.1	75.2	81.5	66.0	57.8	66.7	64.9	52.5	57.3
Mar-22	70.2	76.7	79.6	78.3	78.5	83.6	80.3	83.2	81.6	77.5	57.7	70.9	81.3	54.2	59.7
Apr-22		79.6	78.7	76.0	81.9	82.2	75.7	79.3	82.4		60.9	73.7		53.7	62.1



SOURCE: MARKIT, BNP PARIBAS

