

# ECONOMIC PULSE

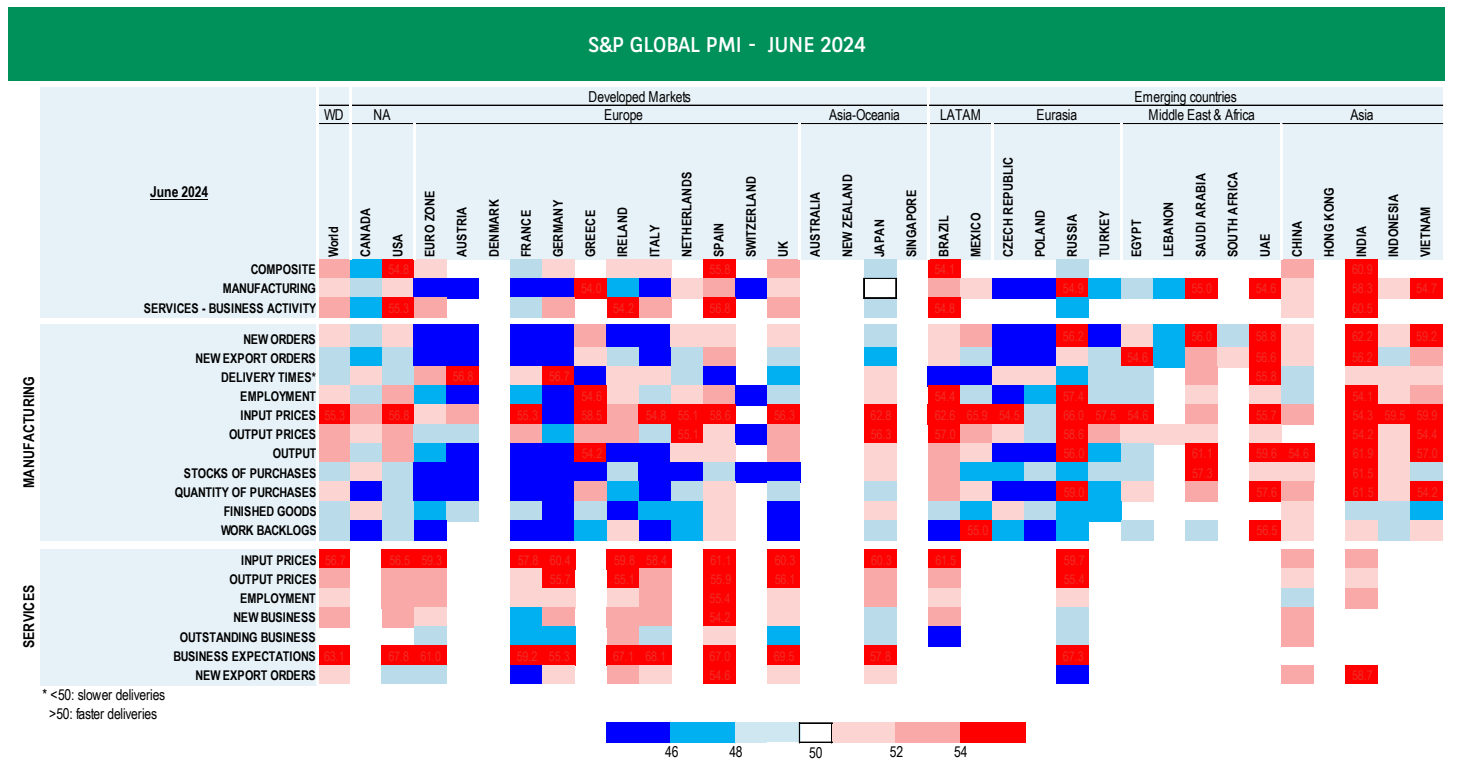
## SERVICES PMI AND MANUFACTURING PMI: A DECLINE IN JUNE

The second quarter of 2024 ended with a fall in the S&P Global PMI for global activity. The index stood at 52.9 (compared with 53.7 in May), ending seven months of consecutive increases. This decline was driven by both the manufacturing and services sectors, with the global PMI at 50.9 (compared with 51.0 in May) and 53.1 (compared with 54.0 in May) respectively. This fall in the index is not necessarily a sign of a slowdown in global activity, but forthcoming surveys will be all the more important to see whether this is a new trend or just a temporary disruption.

In the manufacturing sector, of the 30 countries for which June data is available, 19 reported a fall in the index compared with the previous month (9, an improvement and 2, in stagnation), driven by “new orders”, “new export orders” and “production”, with a marked fall in Germany, Spain, Ireland, the Netherlands, Austria, the Eurozone and, to a lesser extent, France and Greece. The index also fell in the UK, Japan and Indonesia, but remains slightly above the threshold (50) separating the expansion zone from the contraction zone. Conversely, the United States, Italy, China and Vietnam are among the countries that posted a manufacturing PMI up on the previous month. At a global level, the employment sub-index has continued to improve since the start of 2024 (apart from stagnation in April). However, this good news was cancelled out by rising input prices and selling prices. The “delivery times” component fell for the second month in a row and moved into the contraction zone: geopolitical conflicts in the Red and Black Seas and the drought affecting the Panama Canal are resulting in longer supply times in most of the countries surveyed.

In services, most of the countries in our sample reported a fall in the index compared with the previous month, with the exception of the United States, France and India. The fall was marked in Canada and Japan, where their indices returned to the contraction zone, as well as in China and Russia, and to a lesser extent in Germany, the UK and Ireland. Overall, the services sector index was dragged down by the decline in three of the six components covered by the survey: new export orders, new business and business expectations. On the other hand, there was an increase in the employment index and a fall in the “output prices” and “input prices” indices – which is good news.

Tarik Rharrab

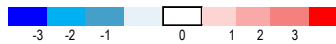


SOURCE: S&P GLOBAL, BNP PARIBAS

# ECONOMIC PULSE

## S&P GLOBAL PMI, Δ (JUNE, MAY)

	World	Developed Markets																				Emerging countries													
		NA		Europe										Asia-Oceania		LATAM		Eurasia		Middle East & Africa		Asia													
		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
COMPOSITE	-0.8	3.1	0.3	-1.3		-0.1	-2.0		-2.4	-1.0		-0.8	-0.7		-2.9				0.1	-0.1	-0.8	0.0	0.5	-0.5	0.3	-0.1	-1.4	1.9	-0.7	-1.3		0.4			
MANUFACTURING	-0.1	0.0	0.3	-1.5	-2.7	-1.0	-1.9	-0.9	-2.4	0.1	-1.8	-1.7	-2.5	-0.3	-0.4	-0.2			0.4	-0.1	-0.8	0.0	0.5	-0.5	0.3	-0.1	-1.4	1.9	-0.7	-1.3		0.8	-1.4	4.4	
SERVICES - BUSINESS ACTIVITY	-0.9	4.0	0.5	-0.4		0.3	-1.1		-0.8	-0.5		-0.1	-0.8		-4.4				-0.5			-2.2								2.8		0.3			
NEW ORDERS	-0.4	0.1	0.7	-2.9	-2.5	-1.6	-4.4	-1.7	-3.3	0.1	-4.4	-3.5	-0.5		-0.7	-0.2	-0.1	-0.3	-0.8	0.6	0.1	-1.5	1.4	-0.2	0.2	0.2	-3.4	-1.2	0.1	-0.4		1.3	-1.9	6.6	
NEW EXPORT ORDERS	-1.1	-1.9	-2.3	-2.0	-5.6	1.2	4.7	-1.6	2.0	-0.1	-3.1	-0.3	-1.4		-1.2	-0.2	0.3	0.6	-0.7	1.5	1.4	-0.2	3.9	0.2	1.5	-0.4	5.7	-0.4		-1.1	-0.4	3.1			
DELIVERY TIMES	-0.7	1.3	-0.4	-2.4	-0.3	-1.5	-2.3	-2.0	-1.7	-3.5	-3.1	-3.9	0.6		1.7	-0.2	-0.4	-1.9	-0.6	-0.6	-1.5	1.2	0.1	0.3	0.7	2.1	-1.0		-0.5	-0.5	1.2				
EMPLOYMENT	0.2	-1.1	0.8	-0.4	-4.5	-0.7	0.3	-0.9	-2.5	0.9	-0.2	-1.0	-0.7	-0.4	0.1					-1.5	-1.1	-1.4	0.3	1.2	-0.4	-1.0		-1.2	2.8	-0.7	0.3		0.6	0.2	6.3
INPUT PRICES	0.5	-0.3	-1.4	2.2	4.3	3.7	1.9	-0.4	2.2	0.5	0.1	3.6	3.4		0.9	0.2	5.6	-0.5	-3.9	-0.9	2.6	-3.5	2.6		0.5	0.2	0.3		-0.1	-0.4	1.5				
OUTPUT PRICES	0.6	0.8	-0.4	1.2	1.4	1.6	1.7	-0.3	2.5	-0.2	1.4	-0.2	-4.8	0.0	0.3					2.2	1.1	-0.2	-0.9	2.0	-2.3	0.5	2.1	0.2	0.3		1.4	0.3	2.0		
OUTPUT	-0.4	1.3	-0.8	-3.3	-4.8	-1.9	-3.7	-1.2	-4.4	-2.3	-3.5	-3.3	-0.1		0.6	-0.2	2.0	0.5	-1.7	-1.3	-0.2	0.3	0.6		1.0	-1.8	-1.2	0.2		0.8	-3.3	5.6			
STOCKS OF PURCHASES	-0.2	0.4	0.6	-0.9	0.2	-2.0	-0.6	-2.0	-0.6	-0.6	-0.7	-2.3	-2.3	0.2	-0.1	0.1	2.0	-1.9	0.3	0.8	0.7	0.9	-0.5		3.7	7.4	0.8	-0.5		0.1	-1.6	0.3			
QUANTITY OF PURCHASES	-0.7	-2.5	-1.3	-2.3	-3.1	-2.5	-3.0	-1.3	-1.7	-1.0	-0.7	-2.7	-1.5		0.2		-0.8	-1.8	-3.3	-1.6	-0.8	-1.2			-0.2		-0.7	-0.4		0.6	-2.6	2.6			
FINISHED GOODS	-0.4	1.6	-2.7	-0.5	2.4	0.9	-0.4	1.9	-3.0	-1.6	-1.3	1.8	-2.4		-0.4	-0.2	0.4	-1.1	3.3	-1.6	-0.8	-1.2							0.8		2.3	-2.6	-1.2		
WORK BACKLOGS	-0.2	-3.4	0.9	-0.8		-1.4	-1.0	-2.1	1.3	-0.4	-0.6	-3.8	1.6		2.7		-2.1	-1.1	-1.2	-1.3	-3.6				-0.2		-1.7		-3.9	-1.2		0.0	-0.7	2.5	
INPUT PRICES	-0.5	-0.6	-1.2			-0.3	-0.8		-4.4	-1.4		-3.0	-0.6		1.2					2.1									-0.4		-1.6				
OUTPUT PRICES	-0.8	-0.5	-0.7			-1.3	0.4		-2.0	-1.6		-0.5	0.8		-2.3					0.6			1.3						-1.4		-0.5				
EMPLOYMENT	0.5	2.9	-1.4			-0.5	-3.0		-2.5	-1.0		0.3	-0.4		-0.9					-1.9			-0.3						-1.0		0.3				
NEW BUSINESS	-0.8	1.5	-2.0			-4.3	-1.2		-3.0	-0.3		-1.2	-0.1		-3.4					-1.5			-0.9						-3.4						
OUTSTANDING BUSINESS			-1.5			-1.6	-2.1		0.8	0.2		-2.9	-0.6		-2.1					-9.9			4.3						2.6						
BUSINESS EXPECTATIONS	-1.2	1.0	3.1			-2.1	-6.6		-2.3	0.7		-2.1	-2.5		-1.5								-4.6												
NEW EXPORT ORDERS	-0.5	1.7	0.2			1.5	0.4		-1.9	-1.8		0.8	0.5		-4.1								-18.9						-0.2		0.3				



SOURCE: S&P GLOBAL, BNP PARIBAS

