



İSTANBUL
SANAYİ ODASI

Developments in the Global Manufacturing PMI®

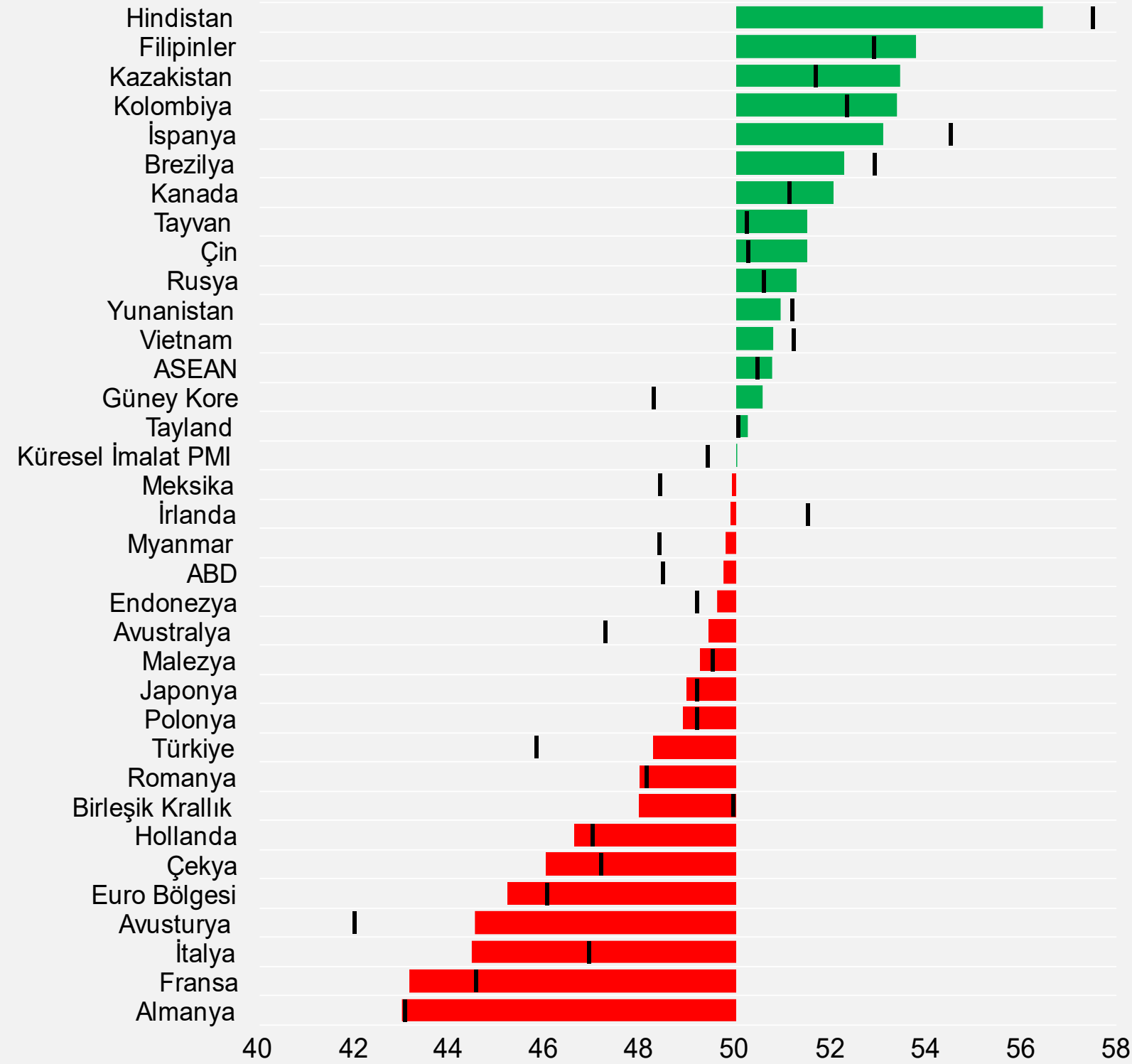
November 2024





General Outlook

İmalat PMI, Kasım 2024 (>50 = Geçen aya göre iyileşme)



Global manufacturing sector remained stable in November; Europe's negative divergence continued.

- The Global Manufacturing Purchasing Managers' Index® (PMI) rose to 50.0 in November, up from 49.4 in October. Thus, the index signaled a stable course for the global manufacturing sector as a whole after the deterioration in the period of June to October.
- Significant divergences continue in the detailed figures. As in October, 18 of the 32 national economies for which the Manufacturing PMI is available contracted in November. Conditions in China and other Asian economies generally improved, while the deterioration deepened in most of the Eurozone.
- In November, new orders in the world's manufacturing sector increased slightly for the first time in 5 months. Thus, output growth accelerated compared to October, albeit still slowly. On the other hand, the weakness in exports continued to a large extent.
- The relative improvement in demand and output had a positive impact on expectations. Nevertheless, employment losses continued, albeit at a slower pace. Due to the deterioration in supply chains for 6 months, both input costs and selling prices increased moderately.
- Istanbul Chamber of Industry Türkiye Manufacturing PMI rose to 48.3 in November, up by 2.5 point, following the 1.5 point increase in October. Thus, the deterioration in the sector was the mildest in the last 6 months. The decline in output, new orders, exports and input purchases slowed down. The positive notes of the month were the moderate recovery in employment and the ongoing decline in price pressures.

Source: S&P Global PMI.

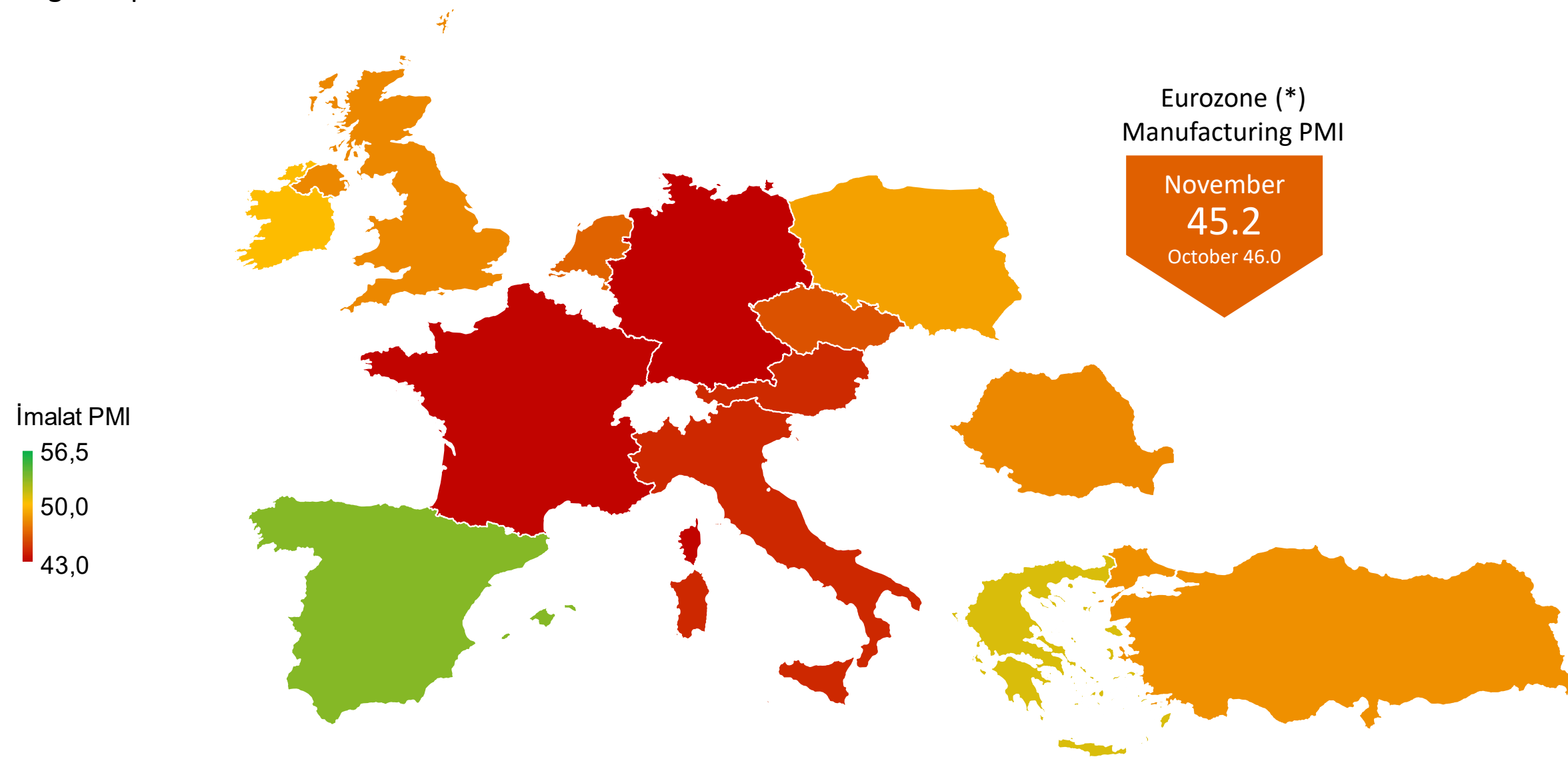
Note: The index values of the previous month are illustrated with vertical black lines to indicate the rises or drops of the index compared to the previous month.



Europe

The weakest manufacturing performance in November in the three major economies of the Eurozone

- Eurozone Manufacturing PMI fell to 45.2 from 46.0 in November, below the 50.0 threshold for the 29th consecutive month, signaling a deepening contraction in the sector. The decline in output, new orders and employment accelerated in November, while prices remained on a downward trend. However, the expectations for the future 12 months showed a slight improvement.
- Five of the eight Eurozone countries covered under the manufacturing PMI survey were in contraction zone in October and November. The region's three largest economies (Germany, France and Italy) were the weakest performers. Ireland shifted from growth to contraction in November, while growth slowed down in Spain and Greece.
- The UK Manufacturing PMI posted 48.0, the lowest value of the last 9 months. Weakening demand and rising costs led to a decline in output.
- In the three Eastern European countries (Poland, Czechia, Romania) monitored under the survey, the contraction in the sector accelerated compared to October.



Manufacturing PMI	October 2024	November 2024
Spain	54.5	53.1
Greece	51.2	50.9
Ireland	51.5	49.9
Poland	49.2	48.9
Türkiye	45.8	48.3
Romania	48.1	48.0
United Kingdom	49.9	48.0
The Netherlands	47.0	46.6
Czech Republic	47.2	46.0
Austria	42.0	44.5
Italy	46.9	44.5
France	44.5	43.1
Germany	43.0	43.0

Source: S&P Global PMI.

(*) The countries included in the Euro Zone index: Germany, Austria, France, Italy, Ireland, Spain, the Netherlands and Greece.



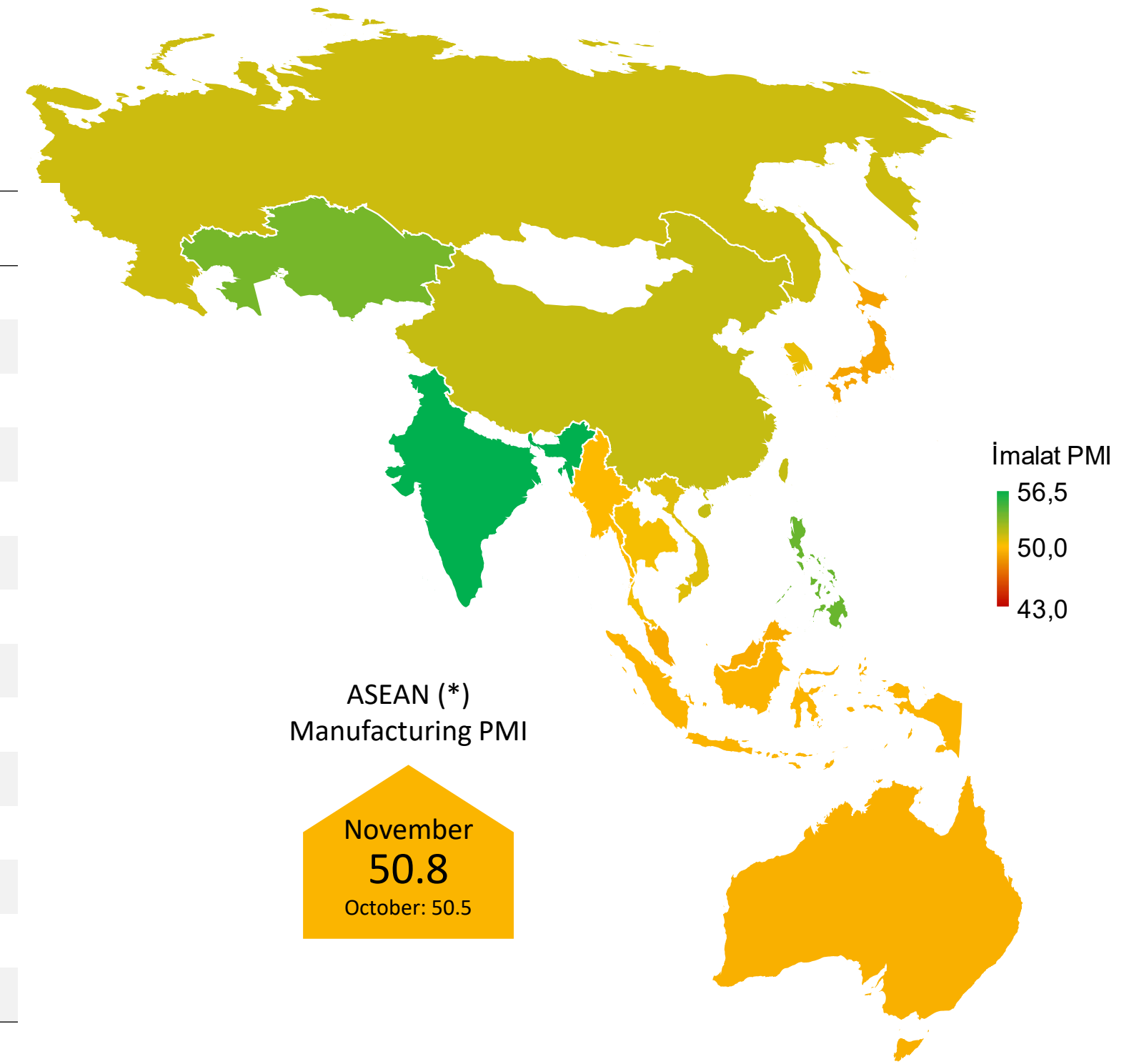
Asia-Pacific

Business conditions improves in China, while Japan remains weak

- Manufacturing sector in most of the Asia-Pacific region maintained its growth trend in November.
- Manufacturing PMI in China rose to 51.5 in November, its highest level in the last 5 months. Improvement in new orders, including exports, supported growth in output.
- Japan experienced the sharpest contraction since March. While the decline in demand and output accelerated, employment fell for the first time in 9 months.
- India's Manufacturing PMI remained the highest among 32 national economies despite a slight decline in November.
- South Korea's manufacturing sector improved moderately in November thanks to the demand after contracting in September and October.
- In Taiwan, output and orders accelerated, while employment declined slightly as firms focused on productivity gains.
- In Russia, output started to increase again due to the improvement in demand conditions, but inflationary pressures strengthened.
- Kazakhstan was another country where growth gained momentum.
- The contraction in Australia's manufacturing sector slowed down considerably, leading to the highest level of PMI in the last 6 months.
- ASEAN (*) Manufacturing PMI rose to 50.8 in November from 50.5 in October, remaining above the threshold value of 50.0 for the 11th consecutive month. Despite the acceleration in output growth in the region, demand and employment continued to decline and inflationary pressures intensified.

Manufacturing PMI	October 2024	November 2024
India	57.5	56.5
Philippines	52.9	53.8
Kazakhstan	51.7	53.5
Taiwan	50.2	51.5
China	50.3	51.5
Russia	50.6	51.3
Vietnam	51.2	50.8
South Korea	48.3	50.6
Thailand	50.0	50.2
Myanmar	48.4	49.8
Indonesia	49.2	49.6
Australia	47.3	49.4
Malaysia	49.5	49.2
Japan	49.2	49.0

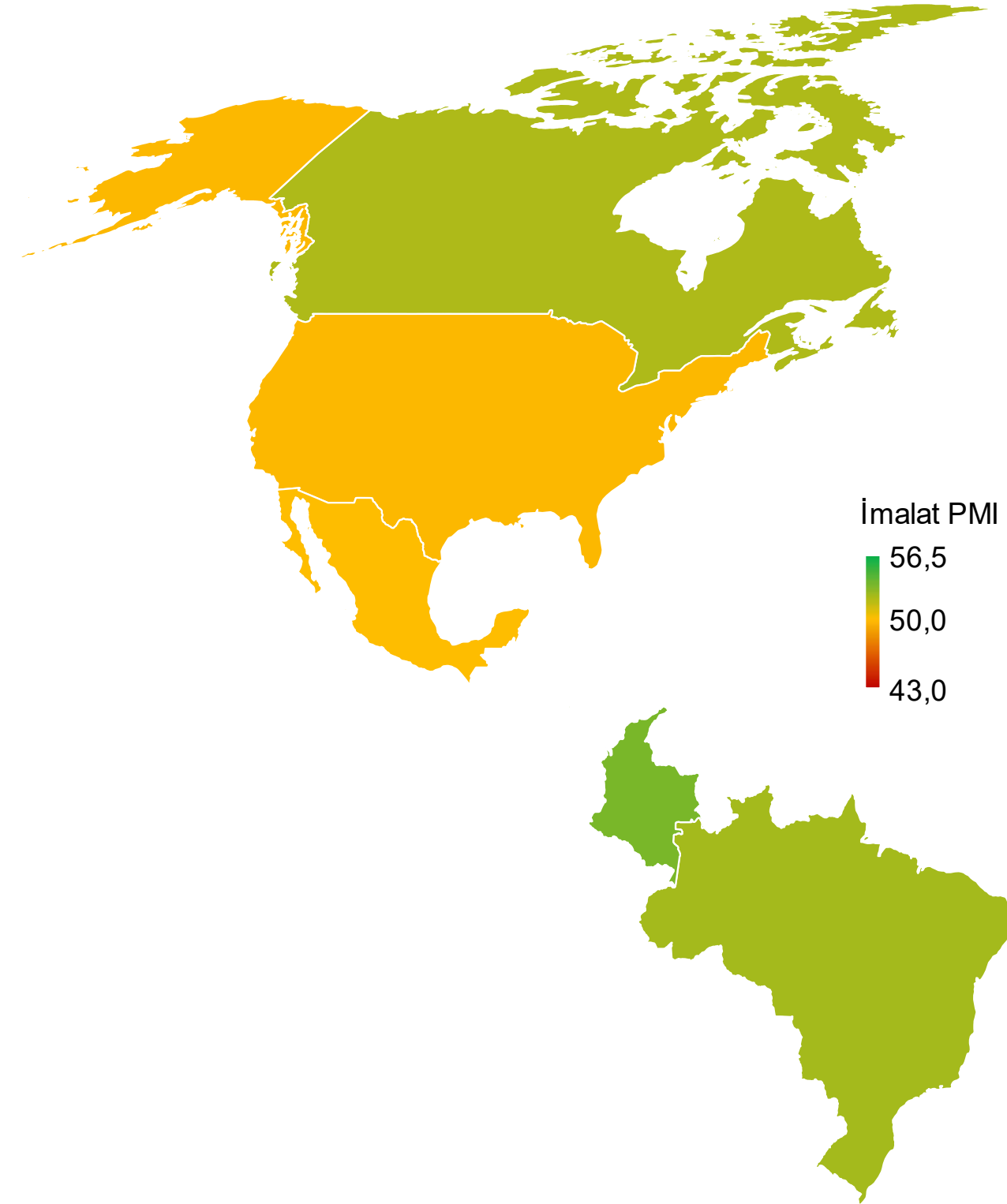
Source: S&P Global PMI.



(*) The countries included in the ASEAN PMI index: Indonesia, Philippines, Malaysia, Myanmar, Singapore, Thailand, Vietnam.



America



Manufacturing PMI	October 2024	November 2024
Colombia	52.3	53.4
Brazil	52.9	52.3
Canada	51.1	52.0
Mexico	48.4	49.9
USA	48.5	49.7

Source: S&P Global PMI.

US outlook improves compared to October; Brazil's growth trend nears 1 year.

- In November, the US manufacturing output continued to decline, but job creation increased as expectations improved. The contraction in new orders slowed down considerably, but exports remained weak. Despite the decline in input cost inflation, the increase in product prices accelerated.
- The Canadian Manufacturing PMI posted 52.0 in November, the highest reading since February 2023. Demand, output and employment continued to expand. On the other hand, supply chains were disrupted due to port strikes.
- In Mexico, the PMI reached the 50.0 threshold as the decline in output and sales slowed. However, expectations weakened due to trade protectionism concerns, which contributed to the decline in staffing numbers. Supply problems, depreciation in peso and rising input costs exacerbated inflationary pressures.
- In Brazil, despite the weakness in exports, the PMI remained in growth zone for the 11th consecutive month as new orders, output and staffing numbers increased.
- In Colombia, the Manufacturing PMI reached a 10-month high as demand strengthened, inflation slowed down and output accelerated.



Methodology

What is PMI, how to interpret it?

- Purchasing Managers Index (PMI®) is a pioneer indicator produced by S&P Global and used for measuring the activity conditions of the respective economy/industry.
- Any figure greater than 50.0 indicates overall improvement, while the figures below 50.0 indicate deterioration.

How is the manufacturing PMI calculated?

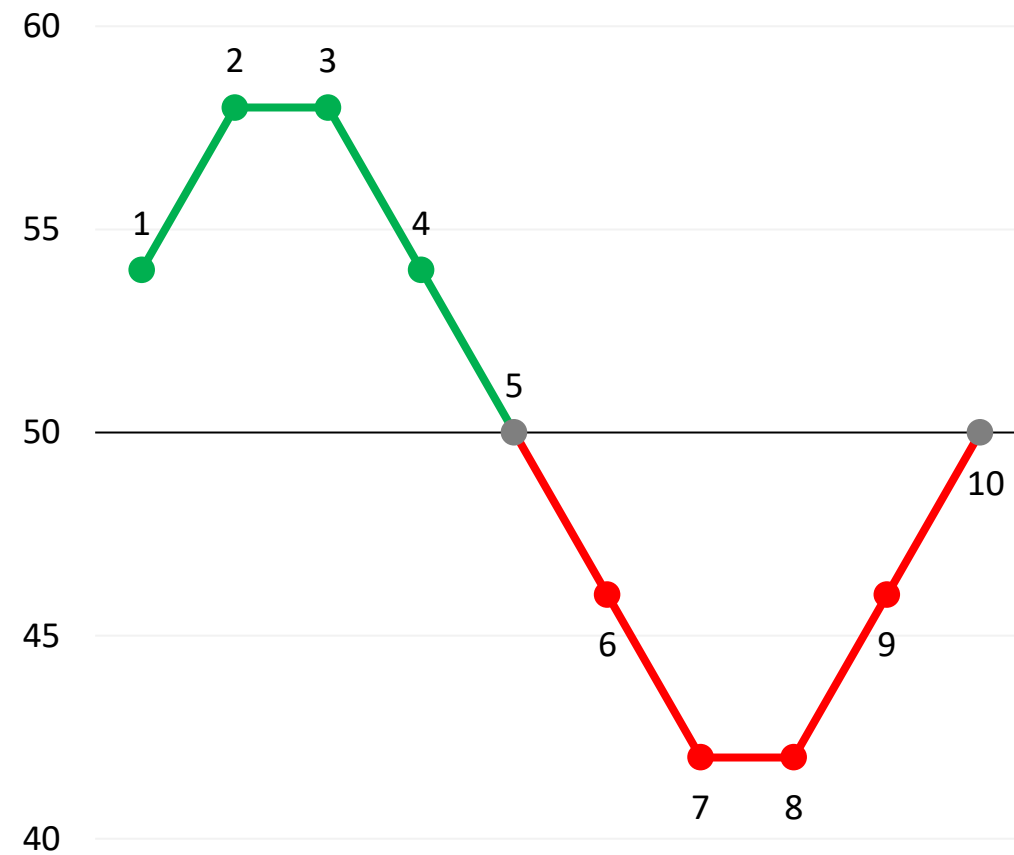
- The index is based on 5 sub-indexes: New Orders, Output, Employment, Suppliers' Delivery Times, Stock of Items Purchased.
- The report features survey data collected from a panel of around 400 companies based in the Turkish manufacturing sector.
- All indexes are seasonally adjusted.

Why is PMI critical?

- Calculated by a set of methods in more than 40 countries^(*), PMI provides a fast, reliable, and comparable data set for the current activity conditions of the industries and economies.
- They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers.

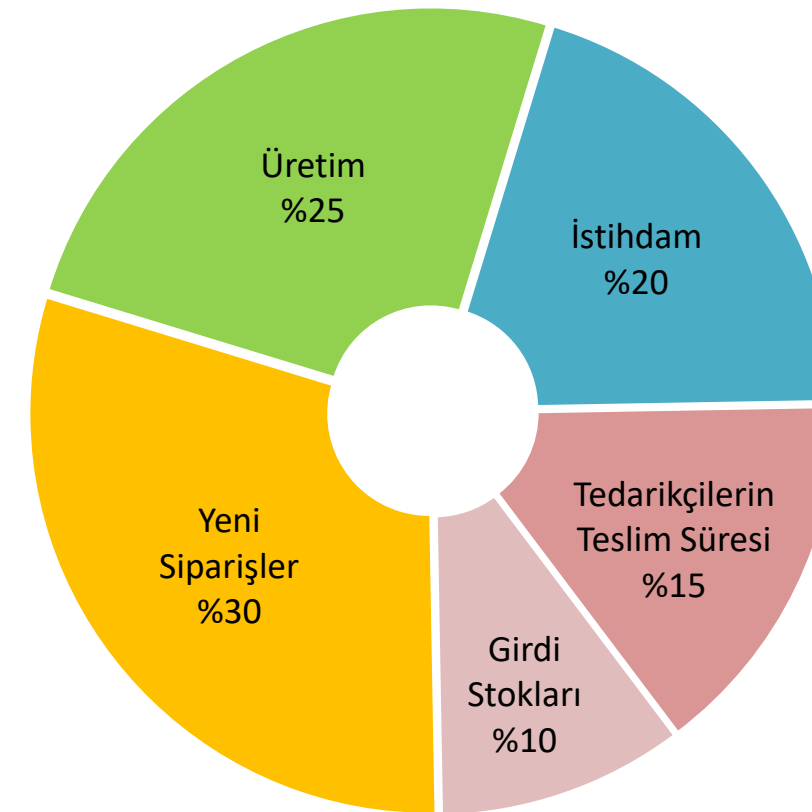
Index Interpretation

50= no change on previous month



- 1 Grew
- 2 Grew at a higher rate
- 3 Grew at the same rate
- 4 Grew at a lower rate
- 5 No change after a growth in the previous month
- 6 Growth dropped after the previous month with no change
- 7 Dropped at a higher rate
- 8 Dropped at the same rate
- 9 Dropped at a lower rate
- 10 No change after a drop in the previous month

Manufacturing PMI Individual Index Weights



(*) S&P Global produces PMI indexes for the manufacturing industry in a total of 32 countries, including Turkey. PMI indexes in other countries are composite indexes that also cover some non-manufacturing sectors. Therefore, for a smooth comparison by country, the scope of the presentation was limited to 32 countries and 3 regions (World, Eurozone, ASEAN) where the manufacturing industry-specific PMI indexes were produced.



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