

News Release

MARKET SENSITIVE INFORMATION

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JPMorgan Global Manufacturing PMI™

Produced by JPMorgan and Markit in association with ISM and IFPSM

Global PMI rose to four-month high in November

At 53.9 in November, up further from September's 14-month low, **JPMorgan Global Manufacturing PMI™** rose to its highest level since July. The headline PMI has now remained above the no-change mark of 50.0 for 17 consecutive months.

Amongst the larger nations covered by the survey, PMIs rose in China (eight-month high), Germany (three-month peak), the UK (highest since September 1994), France (ten-year high) and India (six-month peak). The Japan and Brazil PMIs also increased, but, in contrast to the other nations mentioned, remained below the 50.0 no-change mark.

The US PMI signalled a robust improvement in manufacturing operating conditions, with the rate of increase only slightly below October's five-month high.

Following a further expansion in November, **manufacturing production** has now increased throughout the past one-and-a-half years. However, the rate of growth was slower than in October and below the average for the recovery thus far.

Emerging Asian and core European economies led the latest expansion of output, with marked rates of increase seen in China, India, France, Germany and the UK. Growth remained solid in the US, but slowed sharply to a 17-month low. The extent of the easing in the US may have partly reflected payback from October's five-month growth high. Weakness remained in the Eurozone periphery, with output falling in Spain and Greece and growth barely registering in Ireland. Japanese production also fell.

Incoming new orders rose for the seventeenth successive month in November, with growth of new work received accelerating to the sharpest since July. However, the rate of expansion remained below those seen through much of the earlier part of the recovery. China, India, the Eurozone and the UK all saw substantial growth in new orders and accelerated rates of increase. Growth in the US eased slightly and was below the average for the current period of increase.

Total new orders fell sharply in Japan, reflecting weaker domestic demand and a second successive monthly decline in new export orders. However, measured overall, global manufacturing **new export business** rose for the seventeenth consecutive month.

The ongoing recovery led to further **job creation** in November. Amongst the major industrial regions covered by the survey, growth of employment was seen in the US, the Eurozone (centred on Germany, France, the Netherlands and Austria) and the UK. Staffing levels were little changed in China and India, while Japan saw a modest decline for the fourth month running.

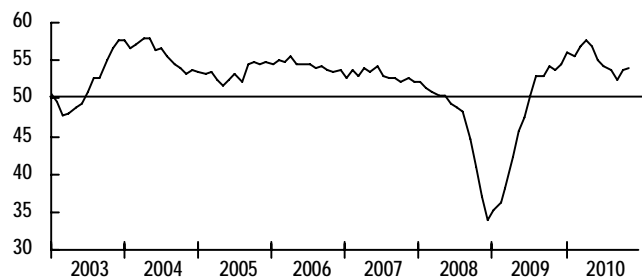
Cost pressures picked up sharply in November, as purchase price inflation accelerated to a six-month peak. Costs rose sharply in China, which saw a near series record increase.

Commenting on the survey, David Hensley, Director of Global Economics Coordination at JPMorgan, said:

"The November global PMI suggests that the severe slowdown in manufacturing activity has reached a bottom. In particular, the PMI indexes of new orders and output have moved off their recent lows. Output growth should gain speed heading into the new year as the drag from the inventory adjustment fades."

JPMorgan Global Manufacturing PMI

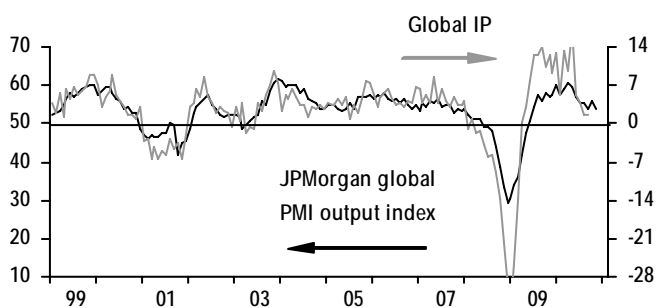
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Global manufacturing output

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Global Manufacturing PMI™ Summary

50 = no change on previous month.

	Oct	Nov	Change	Summary, rate of change
Global PMI	53.7	53.9	+	Expanding, faster rate
Output	55.7	54.0	-	Expanding, slower rate
New Orders	53.7	53.9	+	Expanding, faster rate
Input Prices	64.6	67.1	+	Rising, faster rate
Employment	52.9	53.2	+	Rising, faster rate

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Notes to editors

The Global Report on Manufacturing is compiled by Markit based on the results of surveys covering over 7,500 purchasing executives in 29 countries. Together these countries account for an estimated 90% of global manufacturing output. Questions are asked about real events and are not opinion based. Data are presented in the form of diffusion indices, where an index reading above 50.0 indicates an increase in the variable since the previous month and below 50.0 a decrease.

Data sources

Country	% share of global GDP*	Producer	In association with	Web
United States	28.8	ISM	–	www.ism.ws
Japan	12.8	Markit	Nomura/JMMA	www.nomura.co.jp, www.jmma.gr.jp
China	6.5	Markit	HSBC	www.hsbc.com
Germany	5.2	Markit	BME	www.bme.de
United Kingdom	4.3	Markit	CIPS	www.cips.org
France	3.8	Markit	–	www.markit.com
Italy	2.9	Markit	ADACI	www.adaci.it
Brazil	2.1	Markit	HSBC	www.hsbc.com
India	2.0	Markit	HSBC	www.hsbc.com
South Korea	1.9	Markit	HSBC	www.hsbc.com
Spain	1.8	Markit	AERCE	www.aerce.org
Australia	1.3	AIG	PriceWaterhouseCoopers	www.aigroup.asn.au, www.pwcglobal.com/au
Netherlands	1.1	Markit	NEVI	www.nevi.nl
Russia	1.1	Markit	HSBC	www.hsbc.com
Turkey	1.0	Markit	HSBC	www.hsbc.com
Taiwan	0.8	Markit	HSBC	www.hsbc.com
Switzerland	0.7	SVME	Credit Suisse	www.svme.ch, www.credit-suisse.ch
Poland	0.6	Markit	HSBC	www.hsbc.com
Austria	0.6	Markit	BA Creditanstalt/OPWZ	www.ba-ca.com, http://einkauf.opwz.com
South Africa	0.5	BER	IPSA/Kagiso	www.ber.sun.ac.za, www.ipsa.co.za, www.kagiso.com
Denmark	0.4	DILF	Kairoscommodities	www.dilf.dk, www.kairoscommodities.com
Greece	0.4	Markit	HPI	www.hpi.org
Israel	0.4	IPLMA	Bank Hapoalim Ltd	www.iplma.org.il, http://www.bankhapoalim.co.il
Ireland	0.3	Markit	NCB Stockbrokers	www.ncbdirect.com
Singapore	0.3	SIPMM	–	www.sipmm.org.sg
Czech Republic	0.2	Markit	HSBC	www.hsbc.com
New Zealand	0.2	Business NZ	Bank of New Zealand	www.businessnz.org.nz, www.bnz.co.nz
Hungary	0.2	HALPIM	Hungarian National Bank	www.logisztika.hu

* Source: World Bank WDI (2008 data, constant US\$ measure)



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