



## WEEKLY ECONOMIC BRIEFING



### WEEK ENDING

7 SEPTEMBER 2018

#### HIGHLIGHTS

##### South Africa

1. The rand weakened to R15,69/US\$ 1 on 5 September from R13,95/US\$1 on 28 August.
2. Although South Africa entered a technical recession in the second quarter as a 0,9% q/q seasonally adjusted annualised (saa) contraction followed the 2,6% downturn in the first quarter, if one looks at final sales, which exclude the change in inventories, then there was a 2,0% increase after a 3,1% decline.
3. Nominal GDP growth increased to 7,5% y/y in the second quarter from 6,2% y/y in the first quarter.
4. The current account deficit narrowed to 3,3% of GDP in the second quarter from a revised 4,6% (4,8%) in the first quarter, 2,5% in 2017 and 3,3% in 2016.
5. The terms of trade improved to 106,7 in the second quarter from 105,2 in the first quarter.
6. The gross operating surplus growth rose to 6,6% y/y in the second quarter from 4,7% y/y in the first quarter.
7. The GDP deflator, which is an inflation measure for the whole economy, rose to 7,1% y/y in the second quarter from 5,3% y/y in the first quarter.
8. Electricity consumption jumped by 2,7% y/y in July after a 0,6% y/y rise in June and rising by 0,5% y/y in the first quarter.
9. The power supplied by non-Eskom producers of the total produced rose to 8,9% in July from 8,6% in June.
10. Electricity imports fell by 5,1% y/y in June after falling by 18,8% in 2017, while exports declined by 6,2% y/y after dropping by 8,1% in 2017.
11. The National Association of Automobile Manufacturers of SA (Naamsa) new vehicle sales fell by 2,5% y/y in August after growing by 2,6% y/y in July and rising by 1,8% in 2017.
12. New vehicle exports grew by 7,7% y/y in August after slumping by 19,2% y/y in July and falling by 15,2% y/y in June.
13. The government's cash balances grew by R2,374bn in August after slumping by R60,092bn in July and increasing by R47,261bn in June.
14. South Africa's trade surplus with the US narrowed to \$189m in July from \$224m in June, \$261m in May, \$209m in April and \$194m in March.
15. The South African Reserve Bank's foreign exchange reserves fell by \$580m in August to \$42,49bn after rising by \$43m in July, falling by \$342m in June, rising by \$1,693bn in May and falling by \$373m in April.
16. The Bureau for Economic Research (BER) manufacturing index fell to 43,4 in August from 51,5 in July, 47,9 in June, 49,8 in May and 50,9 in April.
17. The Standard Bank Markit Purchasing Managers' Index (PMI) eased to 47,2 in August from 49,3 in July, 50,9 in June and 50,0 in May.
18. Cape Town will ease water restrictions, but not lift them totally, as the dam levels exceeded 69% from 37% a year ago.

##### Rest of Africa

19. China pledged a further \$60bn over the next three years at this year's Forum on China-Africa Cooperation (FOCAC).
20. The Egyptian PMI rose to 50,5 in August from 50,3 in July and 50,7 in November.
21. The Ghanaian PMI was steady at 51,8 in August and July from 52,7 in June, 55,8 in May and 54,5 in April.
22. The Kenyan PMI rose to 54,6 in August from 53,6 in July, 55,0 in June from 55,4 in May, a record high of 56,4 in April, 55,7 in March and 54,7 in February and a record low of 34,4 in October 2017.
23. The Nigerian PMI rose to 56,1 in August from 56,0 in July, 58,4 in June, a record 59,1 in May, 58,1 in April, 58,8 in March and 56,0 in February.
24. The Ugandan PMI eased to 52,1 in August after being steady at 53,2 in July and June from 53,9 in May and 51,8 in April.
25. The Zambian PMI eased to 49,1 in August from 50,3 in July, 51,9 in June, 52,3 in May, 51,2 in April, 50,7 in March and 47,1 in February.
26. Zimbabwean President Emmerson Mnangagwa appointed a new cabinet that included former African Development Bank chief economist Mthuli Ncube as Minister of Finance and multiple Olympic gold medallist Kirsty Coventry as Minister of Sport.

##### International

27. The central bank of Ukraine raised its benchmark lending rate by 50 basis points to 18,0%.
28. US non-farm payrolls increased by 201 000 in August after a revised 147 000 (157 000) gain in July.
29. The number of US light vehicles sold rose by 3,6% y/y in August to a seasonally adjusted annual rate of 16,72 million units after dipping by 1,8% in 2017 to 17,2 million.
30. The global manufacturing index eased to 52,5 in August from 52,8 in July, 53,0 in June, 53,1 in May, 53,5 in April, 53,3 in March, 54,2 in February and a 81-month high of 54,5 in December.

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31. The Eurozone manufacturing index eased to 54,6 in August from 55,1 in July, 54,9 in June, 55,5 in May, 56,6 in April, 56,2 in March, 58,6 in February, 59,6 in January and a record 60,6 in December.
32. The Japanese manufacturing index rose to 52,5 in August from 52,3 in July, 53,0 in June, 52,8 in May, 53,8 in April, 53,1 in March, 54,1 in February and 54,8 in January.
33. The US manufacturing index from the Institute for Supply Management (ISM) rose to 61,3 in August from 58,1 in July and 60,2 in June.
34. The UK manufacturing index eased to 52,8 in August from 53,8 in July, 54,4 in June, 54,3 in May, 53,9 in April and a 51-month high of 58,2 in November.
35. The Brazilian manufacturing index rose to 51,5 in August from 50,5 in July, 49,8 in June, 50,7 in May, 52,3 in April, 53,4 in March, 53,2 in February and a 81-month high of 53,5 in November.
36. The Chinese manufacturing index eased to 50,6 in August from 50,8 in July, 51,0 in June after being steady at 51,1 in May and April from 51,0 in March, 51,6 in February after being steady at 51,5 in January and December from 50,8 in November.
37. The Indian manufacturing index eased to 51,7 in August from 52,3 in July, 53,1 in June, 51,2 in May, 51,6 in April, 51,0 in March, 52,1 in February, 52,4 in January and 54,7 in December.
38. The Indonesian manufacturing index rose to 51,9 in August from 50,5 in July, 50,3 in June, 51,7 in May, 51,6 in April, 50,7 in March, 51,4 in February, 49,9 in January and 49,3 in December.
39. The Russian manufacturing index rose to 48,9 in August from 48,1 in July, 49,5 in June, 49,8 in May, 51,3 in April from 50,6 in March and 50,2 in February.
40. The South Korean manufacturing index rose to 49,9 in August from 48,3 in July, 49,8 in June, 48,9 in May, 48,4 in April, 49,1 in March, 50,3 in February and 50,7 in January.
41. The global services index eased to 53,8 in August from 54,0 in July, 54,6 in June, 54,3 in May, 53,8 in April and 53,2 in March.

### South Africa

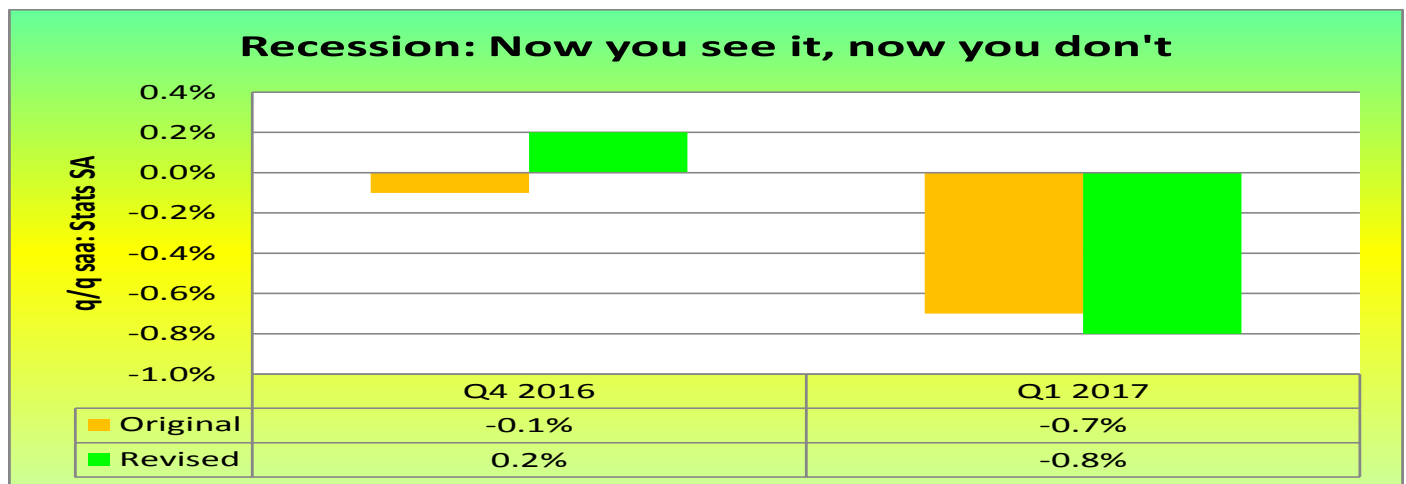
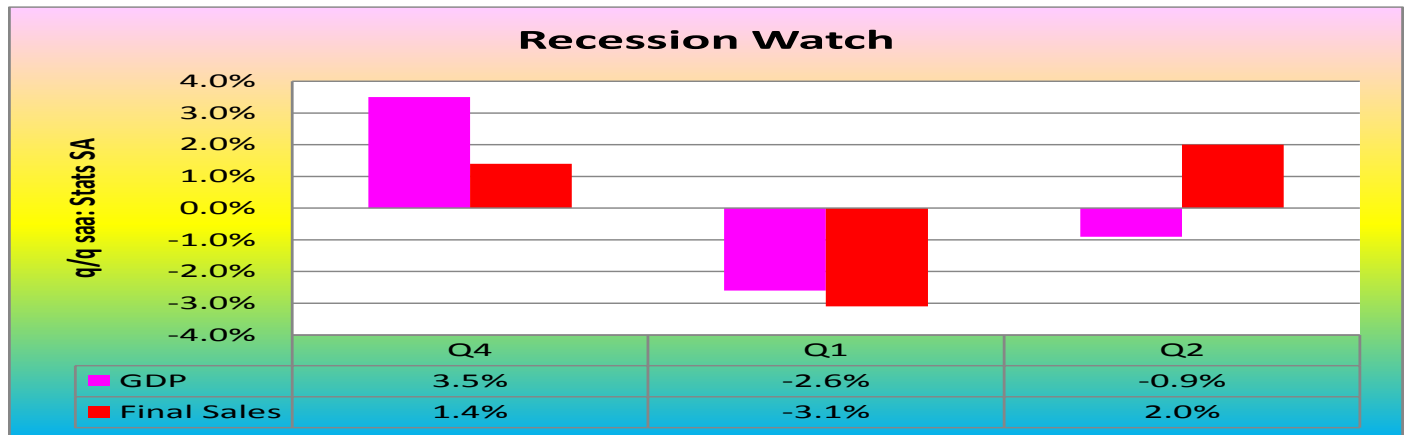
1. **The rand weakened to R15,69/US\$ 1 on 5 September from R13,95/US\$1 on 28 August.** Part of the reason for the weakness is emerging market contagion, and part of it was due to the news that South Africa entered a technical recession in the second quarter.



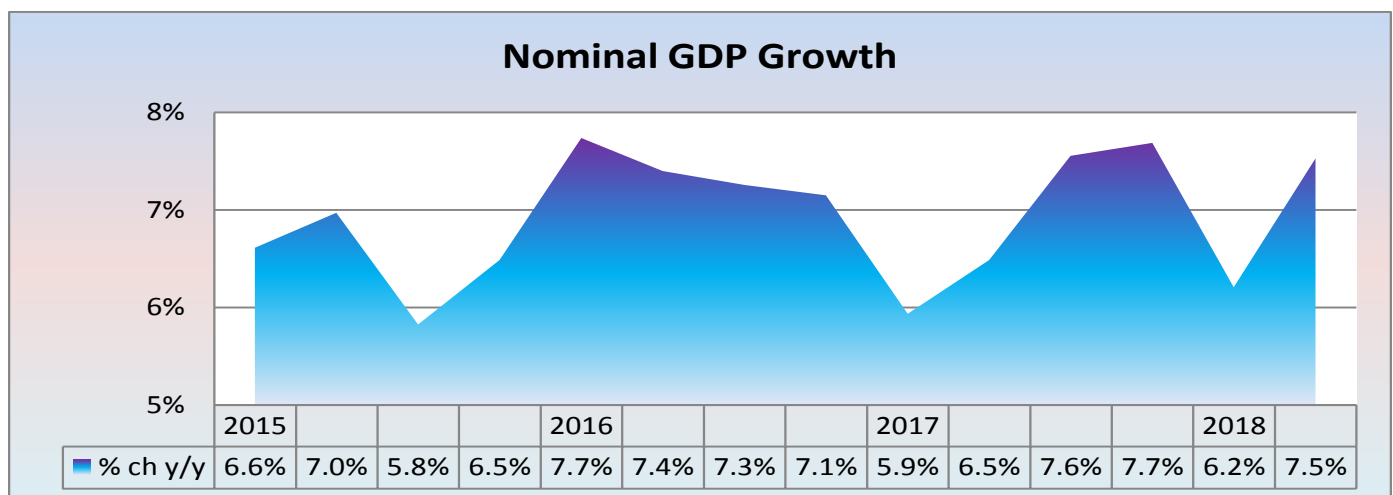
2. Although South Africa entered a technical recession in the second quarter as a 0,9% q/q seasonally adjusted annualised (saa) contraction followed the 2,6% downturn in the first quarter, if one looks at final sales, which exclude the change in inventories, then there was a 2,0% increase after a 3,1% decline. As I have said repeatedly, I prefer the final sales measure as that shows underlying demand. The thing to notice here is that in the first quarter, the downturn was due to the foreign trade sector,

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while domestic demand was strong. In the second quarter this situation was reversed with domestic sector contracting and net exports adding to growth. The markets and executives have reacted harshly to the estimates. Last year Statistics South Africa initially estimated that there was recession, but after they got more data, there was no longer a recession.



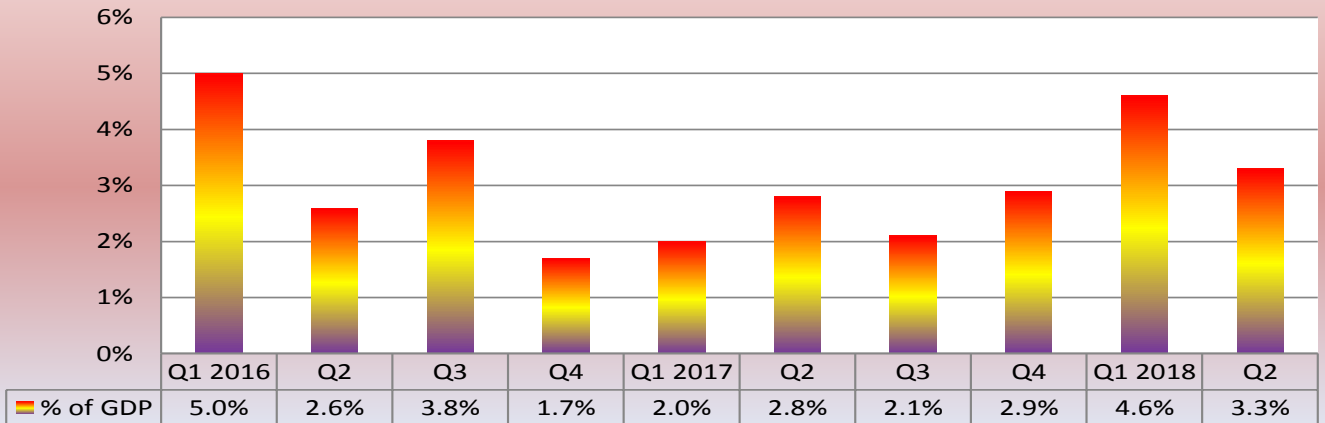
3. **Nominal GDP growth increased to 7,5% y/y in the second quarter from 6,2% y/y in the first quarter.** This is the measure that determines the tax take. I am expecting an acceleration to the 8% y/y level in the third quarter, so the Treasury forecast of a 7,3% rise for the year is likely to be exceeded.



4. **The current account deficit narrowed to 3,3% of GDP in the second quarter from a revised 4,6% (4,8%) in the first quarter, 2,5% in 2017 and 3,3% in 2016.** This compared with 4,4% in 2015, 5,3% in 2014 and 5,9% in 2013. It was only 1,5% in 2010. I expected a further narrowing to 2,3% this year, but the first quarter data makes this difficult to achieve.

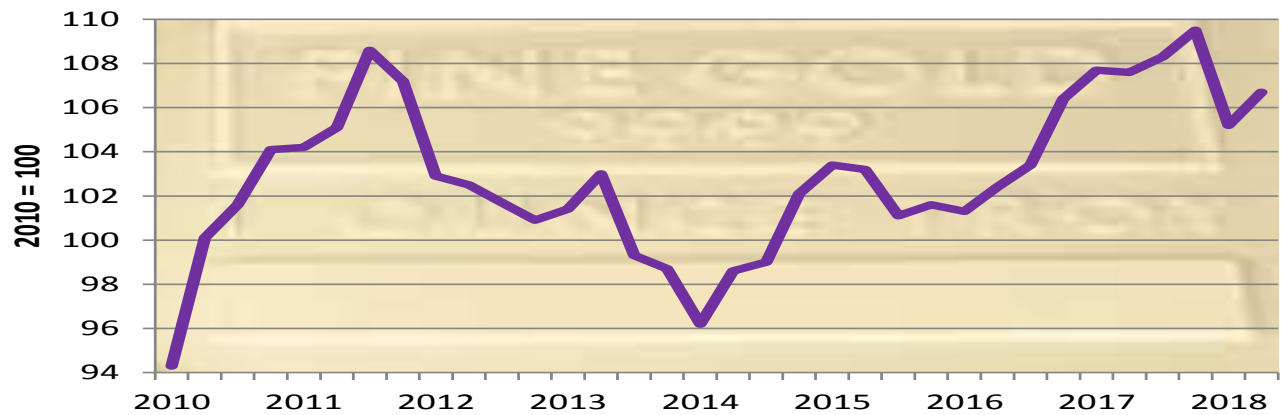
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### South African Current Account Deficit



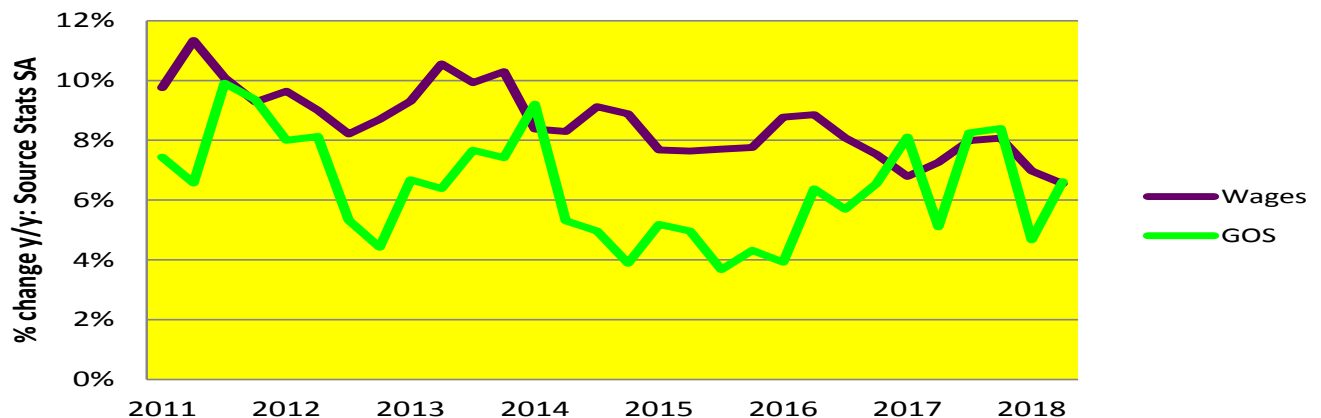
5. The terms of trade improved to 106,7 in the second quarter from 105,2 in the first quarter. South Africa's terms of trade (including gold) as the rand price of exports, including gold, increased at a faster pace than that of imports, which is one of the reasons why the trade balance improved as well.

### South Africa Terms of Trade



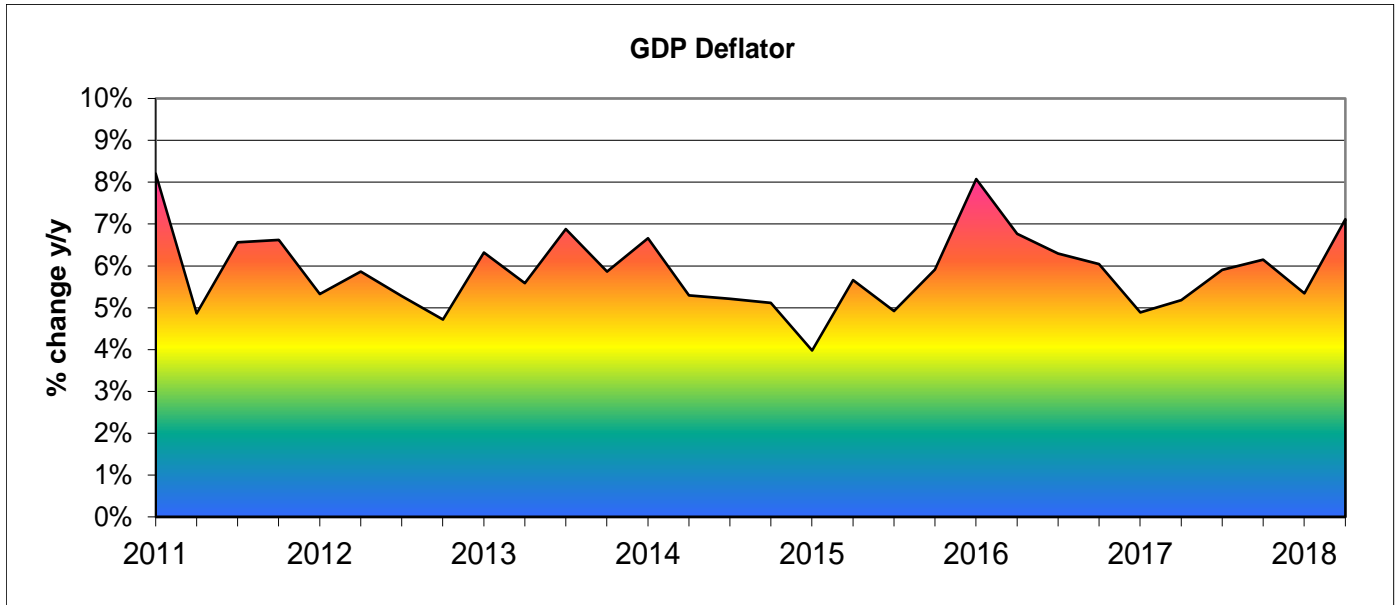
6. The gross operating surplus growth rose to 6,6% y/y in the second quarter from 4,7% y/y in the first quarter. This measure is important as it reflects the profitability of the private sector, but I failed to see any media reporting on this statistic. Wages on the other hand slipped to 6,6% y/y from 7,0% y/y, but should recover in the third quarter as the above inflation wage increases implemented in July show up in the data.

### Compensation of Employees and Gross Operating Surplus

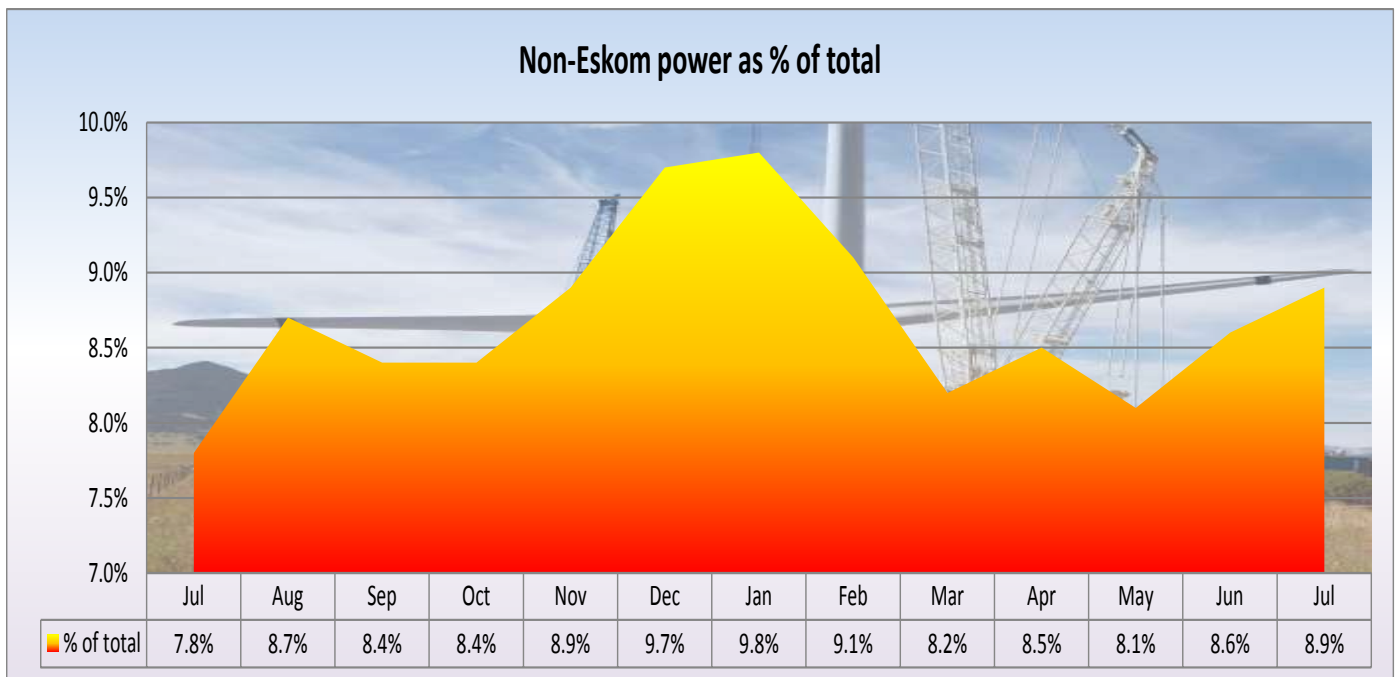


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7. **The GDP deflator, which is an inflation measure for the whole economy, rose to 7,1% y/y in the second quarter from 5,3% y/y in the first quarter.** This inflation measure also receives scant mention by the media. I am expecting a rising to the 8% y/y level in the third quarter due to recent rand weakness.



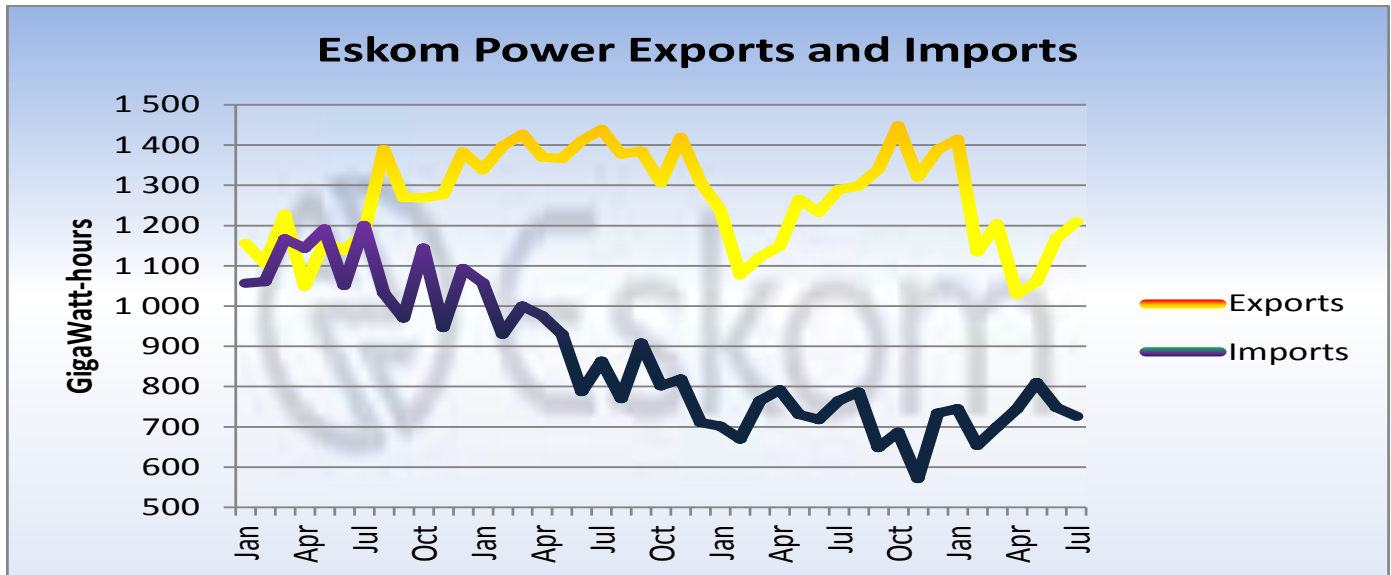
8. **Electricity consumption jumped by 2,7% y/y in July after a 0,6% y/y rise in June and rising by 0,5% y/y in the first quarter.** A rough guide to GDP y/y growth is that recently electricity y/y growth is a third of GDP growth. The winter months are however more a reflection of how cold it is.
9. **The power supplied by non-Eskom producers of the total produced rose to 8,9% in July from 8,6% in June.** The power supplied by non-Eskom producers has increased from only 884 Gigawatt-hours (GWh) in December 2007 to 1 929 GWh in August 2017. In October 2017 more non-Eskom power facilities were connected to the grid, while Eskom reduces its base load generation in the summer months to carry out maintenance. In winter it normally increases its capacity.



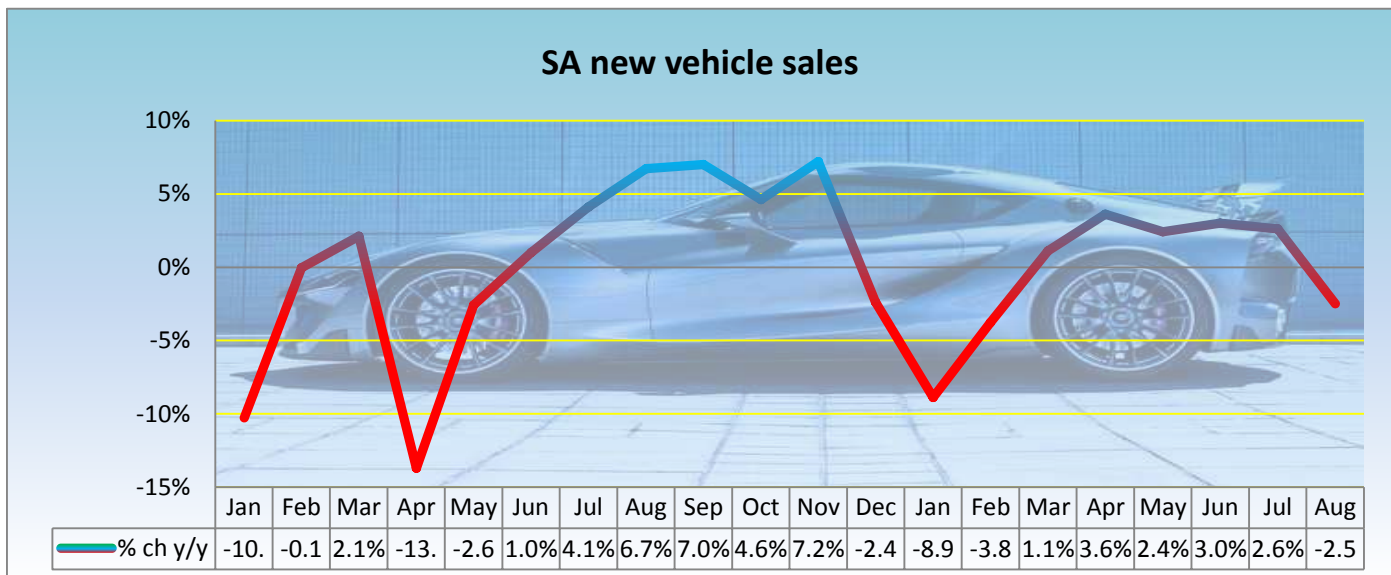
10. **Electricity imports fell by 5,1% y/y in June after falling by 18,8% in 2017, while exports declined by 6,2% y/y after dropping by 8,1% in 2017.** Exports grew by 13,3% in 2016, while imports fell by 19,2%. The drop in y/y exports was due to improved availability of hydroelectric power in our neighbouring states.



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11. The National Association of Automobile Manufacturers of SA (Naamsa) new vehicle sales fell by 2,5% y/y in August after growing by 2,6% y/y in July and rising by 1,8% in 2017. New car sales fell by 2,2% y/y in August after rising 4,3% y/y in July and a 4,4% y/y increase in June, while light commercial vehicle sales dropped by 5,8% y/y after declining by 2,3% y/y in July and easing by 0,4% y/y in June. Medium commercial vehicle sales grew by 9,3% y/y in August after jumping by 15,9% y/y in July and dipping by 2,9% y/y in June, while heavy vehicle sales jumped by 18,8% y/y in August after growing by 6,7% y/y in July and rising by 10,1% y/y in June.



12. New vehicle exports grew by 7,7% y/y in August after slumping by 19,2% y/y in July and falling by 15,2% y/y in June. The 2017 disappointment was in part due to the storm that hit Durban in October, which disrupted exports from Gauteng and KwaZulu-Natal. The first quarter 2018 export numbers had been affected by the BMW switchover in production from the 3-Series to the X3.
13. The government's cash balances grew by R2,374bn in August after slumping by R60,092bn in July and increasing by R47,261bn in June. Net domestic short-term loans decreased by R3,681bn, while net domestic long-term loans inclusive of redemptions, repo transactions and switches, increased by R15,25bn.
14. South Africa's trade surplus with the US narrowed to \$189m in July from \$224m in June, \$261m in May, \$209m in April and \$194m in March. Exports to the US rose to \$732m in July from \$711m in June, \$703m in May, \$690m in April and \$767m in March, while imports from the US jumped to \$542m in July from \$487m in June, \$442m in May, \$481m in April and \$573m in March.

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15. The South African Reserve Bank's foreign exchange reserves fell by \$580m in August to \$42,49bn after rising by \$43m in July, falling by \$342m in June, rising by \$1,693bn in May and falling by \$373m in April. The May jump was due to the \$2bn global bond issue by the Treasury. Gold reserves fell by \$77m in August to \$4,851bn.



16. The Bureau for Economic Research (BER) manufacturing index fell to 43,4 in August from 51,5 in July, 47,9 in June, 49,8 in May and 50,9 in April. The business expectations index slipped to 44,6 in August from 48,7 in July, 55,7 in June, 65,3 in May from 69,6 in April, 73,7 in March, 79,1 in February 72,8 in January from 61,9 in December from 50,0 in November as purchasing managers believed a change in the African National Congress leadership will result in stronger economic growth this year. The business activity (output) index fell to 37,2 in August from 50,3 in July, 45,8 in June, 47,2 in May, 49,1 in April, 46,0 in March, 54,1 in February, 52,0 in January, 42,7 in December, 48,0 in November, 45,9 in October and 42,8 in September. The new sales orders index slumped to 39,9 in August after jumping to 52,8 in July from 49,1 in June, 51,5 in May, 56,5 in April, 44,5 in March, 52,7 in February, 50,4 in January, 45,0 in December, 49,1 in November, 49,9 in October and 43,3 in September. The employment index eased to 45,5 in August from 50,8 in July, 46,0 in June, 49,2 in May, 49,5 in April, 49,3 in March, 45,3 in February, 45,6 in January, 44,8 in December, 45,0 in November, 45,6 in October and 43,5 in September, while the prices index slipped to 79,7 in August from 83,6 in July, 73,6 in June from 65,5 in May, 66,9 in April, 60,7 in March, 59,6 in February, 70,4 in January, 75,3 in December, 80,7 in November, 73,2 in October, 71,4 in September, 67,2 in August after being steady at 61,3 in July and June from 68,3 in May, 69,9 in April, 63,5 in March, 68,0 in February, 72,4 in January 2017 and 90,7 in February 2016. The inventory index rose to 50,7 in August for the first move above 50 since March 2017 from 48,5 in July, 47,9 in June, 49,4 in May, 46,4 in April, 41,4 in March, 44,9 in February, 47,3 in January, 42,0 in December, 43,2 in November, 48,8 in October and 48,1 in September.
17. The Standard Bank Markit Purchasing Managers' Index (PMI) eased to 47,2 in August from 49,3 in July, 50,9 in June and 50,0 in May. The January 2015 reading of 49,8 was the first sub-50 reading since July 2014, while the May 2016 was above 50 for the first time in 12 months. Respondents said activity deteriorated somewhat in July due to weaker demand and widespread strikes which caused output to decline. The Markit PMI covers the construction, manufacturing, mining, retail and service sectors. Currently the Bureau for Economic Research PMI covers the manufacturing sector, while the South African Chamber of Commerce and Industry (SACCI) Trade Activity Index covers the retail and service sectors. The Markit survey has been conducted since July 2011 and provides an early indication of operating conditions in South Africa.
18. Cape Town will ease water restrictions, but not lift them totally, as the dam levels exceeded 69% from 37% a year ago. The easier restrictions are due to go into effect on 1 October.

### Rest of Africa

19. China pledged a further \$60bn over the next three years at this year's Forum on China-Africa Cooperation (FOCAC). The previous FOCAC summit was held in Sandton in December 2015. Chinese President Xi Jinping promised development that people on the continent could see and touch, but that would also be green and sustainable. China has denied engaging in "debt trap" diplomacy, and Xi's offer of more money comes after a pledge of another \$60 billion at the previous summit in South Africa three years ago. The new \$60 billion will include \$15bn of aid, interest-free loans and concessional loans, a credit line of \$20bn, a \$10bn special fund for China-Africa development, and a \$5bn special fund for imports from Africa. Chinese companies will be encouraged to invest no less than \$10bn in the continent in the next three years.
20. The Egyptian PMI rose to 50,5 in August from 50,3 in July and 50,7 in November. Prior to November 2017, the index was last above 50 in September 2015 at 50,2. August was the first time since September 2015 that two consecutive months have returned

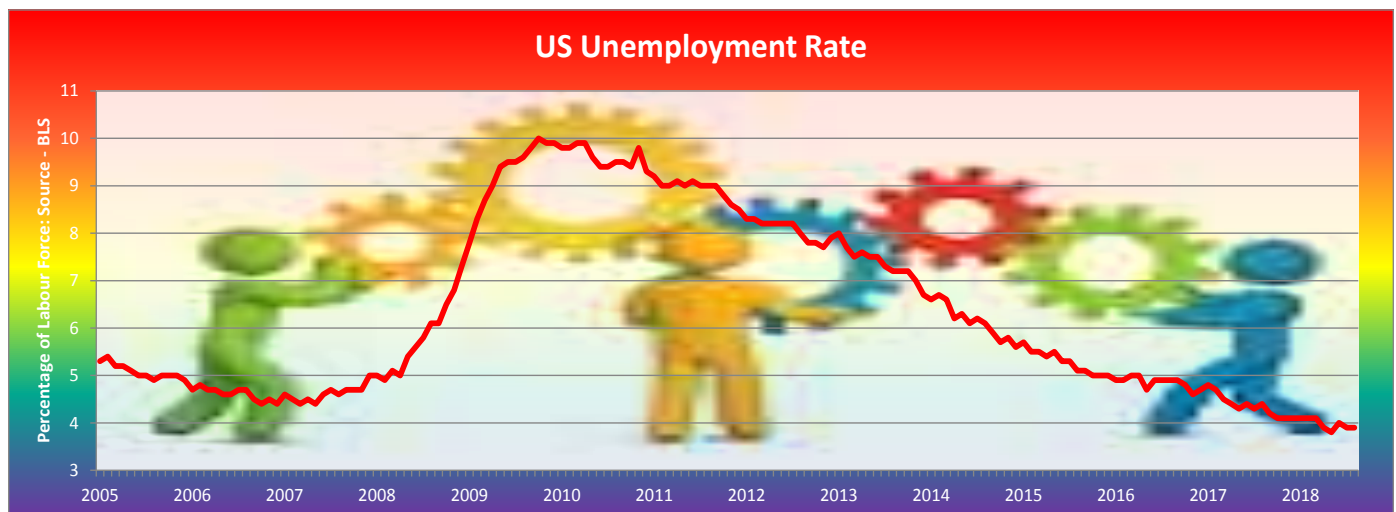
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positive readings, suggesting that the Egyptian non-oil private sector is beginning to see the protracted recovery that panellists had projected would take hold in the new fiscal year.

21. **The Ghanaian PMI was steady at 51,8 in August and July from 52,7 in June, 55,8 in May and 54,5 in April.** The pace of growth in Ghana in output, new orders, stocks of purchases and employment have all decelerated since the start of the year.
22. **The Kenyan PMI rose to 54,6 in August from 53,6 in July, 55,0 in June from 55,4 in May, a record high of 56,4 in April, 55,7 in March and 54,7 in February and a record low of 34,4 in October 2017.** The October 2017 reading of 34,4 was the lowest since the series began in January 2014. The end of political turmoil was the main reason for a move above 50 in December 2017 and that positive momentum continued in April before an easing in subsequent months.
23. **The Nigerian PMI rose to 56,1 in August from 56,0 in July, 58,4 in June, a record 59,1 in May, 58,1 in April, 58,8 in March and 56,0 in February.** The series started in January 2014. The reading continued to show that the Nigerian economy is still on a strong recovery path, despite the easing in July.
24. **The Ugandan PMI eased to 52,1 in August after being steady at 53,2 in July and June from 53,9 in May and 51,8 in April.** The August reading pointed to a 19th straight month of expansion in the private sector, supported by increases in output, new orders and employment.
25. **The Zambian PMI eased to 49,1 in August from 50,3 in July, 51,9 in June, 52,3 in May, 51,2 in April, 50,7 in March and 47,1 in February.** Panellists said a fall in customer demand, lack of money in circulation and delays in customers settling their accounts are among the things cited for the decline in business activity.
26. **Zimbabwean President Emmerson Mnangagwa appointed a new cabinet that included former African Development Bank chief economist Mthuli Ncube as Minister of Finance and multiple Olympic gold medallist Kirsty Coventry as Minister of Sport.** Ncube's first priority is to increase access to foreign capital as a foreign exchange shortage is hampering efforts to grow the economy.

### International

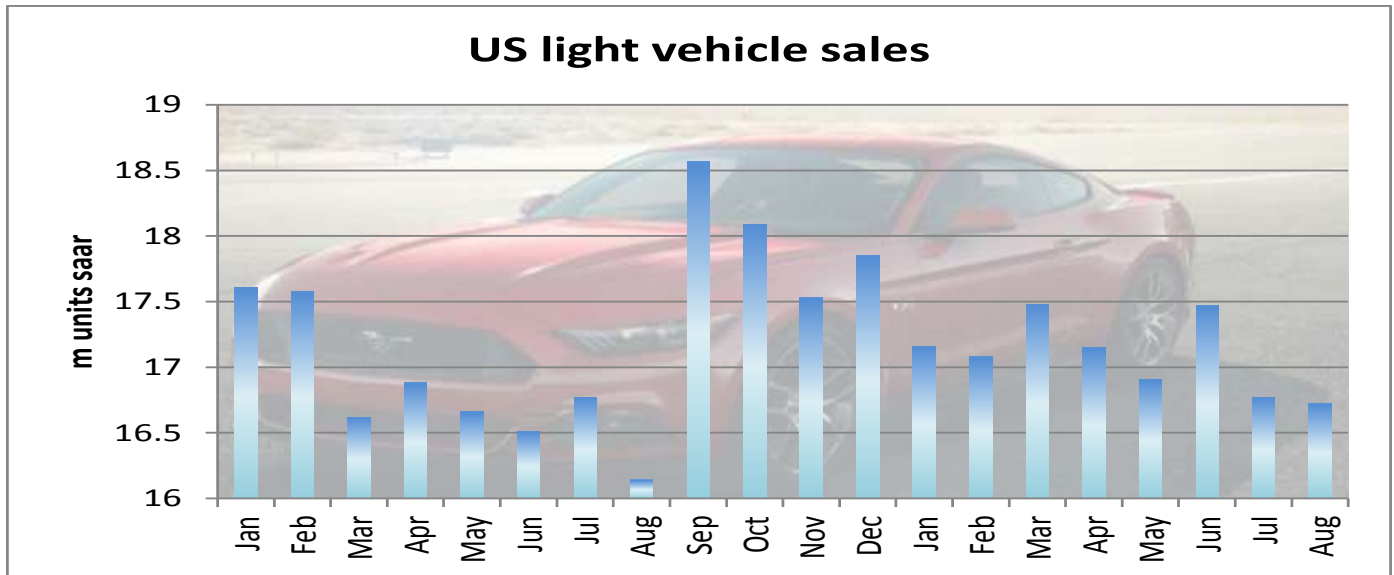
27. **The central bank of Ukraine raised its benchmark lending rate by 50 basis points to 18,0%.** The increase was made to ensure inflation returns to its target after a significant increase in external risks that may push up consumer prices, including a fall in the hryvnia's exchange rate from higher capital outflows and lower commodity prices from an escalation of global trade conflicts. The National Bank of Ukraine has now raised its rate by 350 basis points this year.
28. **US non-farm payrolls increased by 201 000 in August after a revised 147 000 (157 000) gain in July.** This was below the consensus forecast of a 191,000 rise. The unemployment rate was steady at 3,9% in August and July from 4,0% in June, 3,8% in May, 3,9% in April after being steady at 4,1 after % for six months. The May 2018 rate was the lowest rate level since the 3,8% set in April 2000, 18 years ago. If we look past this one month, the last time the jobless rate was lower than now was 3,5% in December 1969, more than 48 years ago. The civilian participation rate slipped to 62,7% in August after being steady at 62,9% in July and June from 62,7% in May.



29. **The number of US light vehicles sold rose by 3,6% y/y in August to a seasonally adjusted annual rate of 16,72 million units after dipping by 1,8% in 2017 to 17,2 million.** The 2017 sales were better than I expected at the start of 2017. It was due in part to replacement demand after hurricane damage. I expect light truck sales to dip to the 16,8 million level in 2018, but so far sales have held up better than I expected.



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30. **The global manufacturing index eased to 52,5 in August from 52,8 in July, 53,0 in June, 53,1 in May, 53,5 in April, 53,3 in March, 54,2 in February and a 81-month high of 54,5 in December.** Global manufacturing production in the last quarter 2017 expanded at the quickest pace since February 2011, supported by a similarly rapid increase in new order intakes. There was also a bounce in international trade flows, as growth of new export business hit a near seven-year high. The strong global growth will help South Africa in 2018 despite the recent easing. The slowdown in August reflected weaker growth in the foreign trade sector.
31. **The Eurozone manufacturing index eased to 54,6 in August from 55,1 in July, 54,9 in June, 55,5 in May, 56,6 in April, 56,2 in March, 58,6 in February, 59,6 in January and a record 60,6 in December.** The December reading was the strongest pace of expansion in the manufacturing sector since the series began in mid-1997. Although still signalling a solid rate of expansion, the upturn has lost noticeable momentum since the PMI hit a record high in December 2017.
32. **The Japanese manufacturing index rose to 52,5 in August from 52,3 in July, 53,0 in June, 52,8 in May, 53,8 in April, 53,1 in March, 54,1 in February and 54,8 in January.** There was an improvement in the health of the Japanese manufacturing sector in August. In line with stronger inflows of new work, firms raised production and employment. However, business sentiment dipped amid uncertainty arising from global geopolitics.
33. **The US manufacturing index from the Institute for Supply Management (ISM) rose to 61,3 in August from 58,1 in July and 60,2 in June.** This was the highest since May 2004. The December 2015 level of 48,0 was the lowest since June 2009. The ISM was founded in 1915 and has been compiling the monthly manufacturing index since the early 1930s. A total of 16 out of 18 industry sectors reported an improvement in August compared with 17 in July and June, 16 in May and 17 in April. The effects from the trade wars and tariffs are clearly being felt by US manufacturers, and the latest threat to raise the tariff rate on \$200bn of Chinese imports to 25% from the original proposal of 10% will not give much comfort to the sector.
34. **The UK manufacturing index eased to 52,8 in August from 53,8 in July, 54,4 in June, 54,3 in May, 53,9 in April and a 51-month high of 58,2 in November.** The April 2016 reading of 49,4 was the first sub-50 reading since March 2013. The July 2012 reading was the lowest level since May 2009 with the output index at the lowest in 40 months. The January 2010 reading was the highest since the previous record in September 1994. The November 2008 reading of 34,5 was a record low.
35. **The Brazilian manufacturing index rose to 51,5 in August from 50,5 in July, 49,8 in June, 50,7 in May, 52,3 in April, 53,4 in March, 53,2 in February and a 81-month high of 53,5 in November.** The April 2017 PMI was the first reading above 50 since January 2015. The series started in February 2006. The Brazilian manufacturing economy moved up to a new level in November, underpinned by the strongest upturn in new order intakes for almost seven years. In June, respondents said the truck drivers' strike impacted on business. In July the upward movement in the PMI was supported by a recovery in new orders. Firms suggested that sales were boosted by new product launches, a pick-up in demand and greater client bases. PMI data for August highlighted a further improvement in the health of the Brazilian manufacturing economy, as producers responded to greater inflows of new work by scaling up.
36. **The Chinese manufacturing index eased to 50,6 in August from 50,8 in July, 51,0 in June after being steady at 51,1 in May and April from 51,0 in March, 51,6 in February after being steady at 51,5 in January and December from 50,8 in November.** The July 2016 reading was the first move above 50 since February 2015. The September 2015 reading of 47,2 was the lowest since March 2009. The series started in April 2004. New export orders fell in August as trade wars escalated.

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37. **The Indian manufacturing index eased to 51,7 in August from 52,3 in July, 53,1 in June, 51,2 in May, 51,6 in April, 51,0 in March, 52,1 in February, 52,4 in January and 54,7 in December.** Despite easing from June's six-month high, the latest upturn remains above the 50 neutral level.
38. **The Indonesian manufacturing index rose to 51,9 in August from 50,5 in July, 50,3 in June, 51,7 in May, 51,6 in April, 50,7 in March, 51,4 in February, 49,9 in January and 49,3 in December.** The June and July 2014 readings were the highest since the series began in April 2011. The December reading was the first contraction in the manufacturing sector since July, as output declined for the first time in three months, new orders shrank for the first time in five months and new export orders dropped modestly, but there was some recovery in January before moving above the 50 level in February. In August data signalled that operating conditions across Indonesia's manufacturing sector improved at the fastest pace in over two years, reflecting the strongest gain in new orders since July 2014. Subsequently, manufacturers reported a renewed rise in production. In response to greater demand, firms raised their staffing levels further, and at the quickest rate since the inception of the survey in April 2011.
39. **The Russian manufacturing index rose to 48,9 in August from 48,1 in July, 49,5 in June, 49,8 in May, 51,3 in April from 50,6 in March and 50,2 in February.** The January 2015 reading of 47,6 was the lowest since June 2009. The previous record low before 2009 was 43,2 in September 1998 after Russia defaulted on its debt. The series started in September 1997. The PMI dipped below the 50 'no-change' mark for first time in 22 months in May. Alongside weaker expansions in production and new business, there were contractions in employment, and stocks of purchases. In August the downturn was driven by marginal falls in both output and new orders.
40. **The South Korean manufacturing index rose to 49,9 in August from 48,3 in July, 49,8 in June, 48,9 in May, 48,4 in April, 49,1 in March, 50,3 in February and 50,7 in January.** Poor staff availability and unusually hot weather were cited as factors behind the failure to move above the neutral 50 level.
41. **The global services index eased to 53,8 in August from 54,0 in July, 54,6 in June, 54,3 in May, 53,8 in April and 53,2 in March.** Despite the easing, the index has remained above the neutral 50 mark for 109 consecutive months.