

Absa Purchasing Managers' Index: August 2020

The Purchasing Managers' Index (PMI) is a reliable monthly gauge of manufacturing activity and an early indicator of underlying economic activity in South Africa. The index is based on surveyed responses to a number of questions, including new sales orders, employment and purchasing prices. #AbsaPMI

The Absa Purchasing Managers' Index (PMI) posted a robust increase to 57.3 index points in August, up from 51.2 in July. This points to a further improvement in conditions in the manufacturing sector as South Africa's COVID-19 lockdown restrictions eased further to Level 2 in August



Purchasing commitments

Purchasing managers have turned notably more optimistic about future business conditions. The index tracking expected business conditions in six months' time rose to the highest level in about 18 months.



Supplier Performance

July 61.1
Aug 61.9



Employment

July 33.0
Aug 39.0



Purchasing prices

July 72.4
Aug 73.4



Expected Business Conditions

July 51.8
Aug 63.4



Business activity

July 62.9
Aug 67.0



Backlog of sales orders

July 35.5
Aug 45.1



Inventories

July 42.6
Aug 47.6



New sales orders

July 53.4
Aug 71.1