

# Absa Purchasing Managers' Index: May 2021

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 seasonally adjusted Absa PMI rose to a solid 57.8 points in May 2021 from 56.2 the month before. In all, the average level of the PMI recorded in the first two months of the second quarter of 2021 (57 points) is well above the first quarter's average (53.8), which suggests that the sector is on track to record another quarterly expansion. A significant annual expansion is effectively guaranteed given the extremely low base set in the second quarter of 2020.



## Business activity

The business activity index more than clawed back April's losses and rose to a solid 58.8 index points in May.



## Supplier Performance

Apr 61.7  
May 58.7



## Expected Business Conditions

Apr 67.9  
May 63.5



## New sales orders

Apr 58.7  
May 60.5



## Purchasing commitments

Apr 54.5  
May 64.3



## Employment

Apr 54.4  
May 49.6



## Backlog of sales orders

Apr 40.9  
May 45.2



## Inventories

Apr 55.3  
May 61.4



## Purchasing prices

Apr 88.3  
May 87.1