

# Absa Purchasing Managers' Index: April 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

Following three consecutive months of improvement, the Absa PMI declined slightly to 56.2 index points in April from 57.4 in March. Encouragingly, for the first time since early 2012, all five subcomponents of the PMI were in positive terrain. Even the subcomponent most often trailing below the 50-point mark, the employment index, managed to increase to well above 50 in April. It is too early to tell whether this points to a sustained improvement in job creation in the manufacturing sector, but it is a positive development nonetheless.



## New sales orders

New sales orders remained robust, although also increasing at a slightly slower pace than in March, with the index declining from a solid 60.4 points to 58.7.



## Supplier Performance



Mar **69.8**  
Apr **61.7**



## Expected Business Conditions



Mar **57.0**  
Apr **67.9**



## Business activity



Mar **56.1**  
Apr **50.8**



## Purchasing commitments



Mar **51.9**  
Apr **54.5**



## Employment



Mar **44.4**  
Apr **54.4**



## Backlog of sales orders



Mar **41.0**  
Apr **40.9**



## Inventories



Mar **56.1**  
Apr **55.3**



## Purchasing prices



Mar **89.0**  
Apr **88.3**