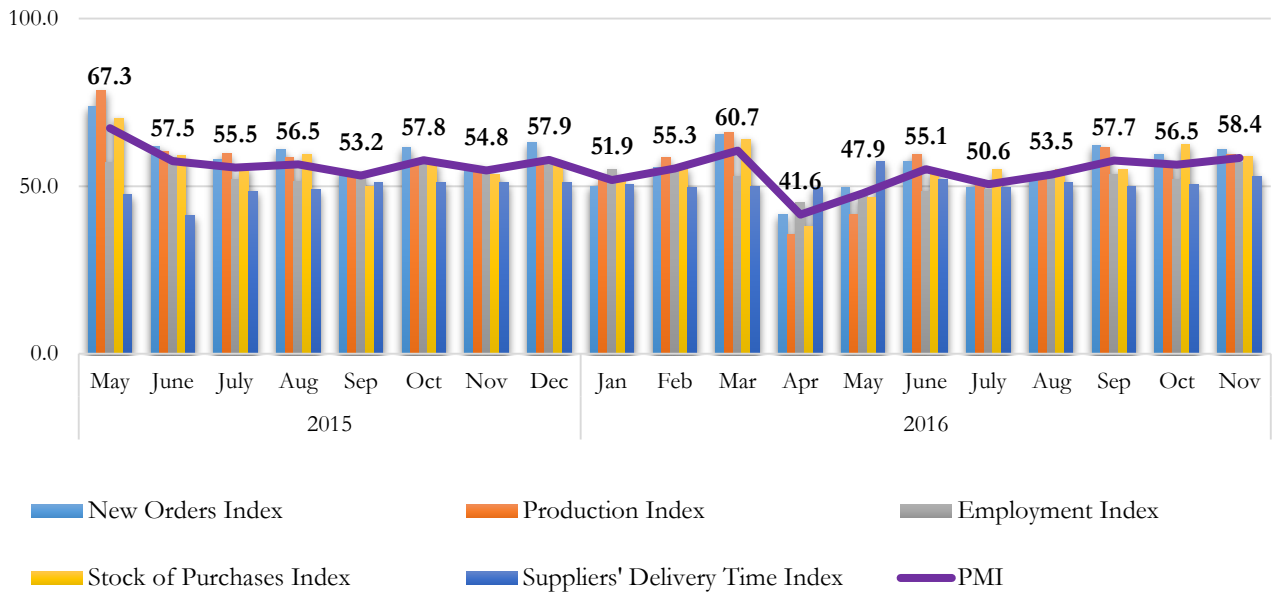


KEY POINTS:

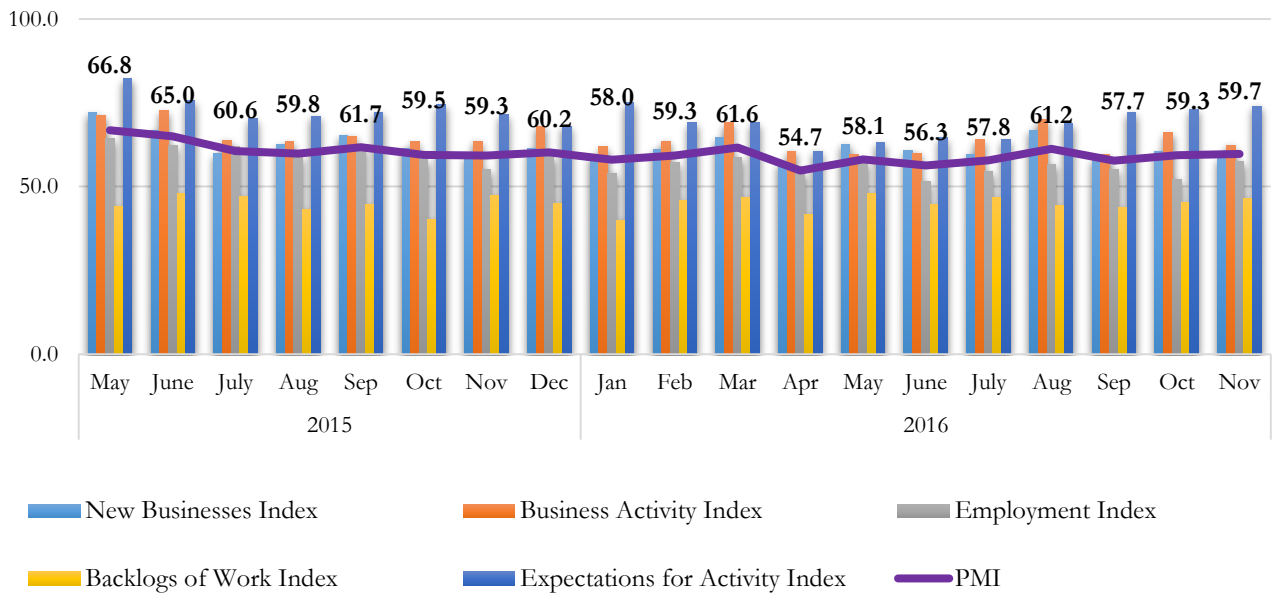
- **The Manufacturing Sector PMI** was 58.4 in November with an increase of 1.9 index points compared to October 2016 indicating that the manufacturing activities expanded in November compared to October. This was mainly due to the higher pace in which Employment and Production sub-indices expanded during the month. The New Orders sub-index also increased during the month. The Stock of Purchases sub-index decelerated in November indicating a usage of stocks for the upcoming season while Suppliers' Delivery Time lengthened. Overall data points to an expansion where all the sub-indices are above the neutral 50.0 threshold. The expectations for activities indicated an improvement for the next three months.
- **The Services Sector PMI** increased to 59.7 index points in November from 59.3 index points in October 2016. The increase in PMI over the last month's value indicates that economic activities in the Services sector continued to expand in November 2016 in comparison to the previous month. The increase in Services PMI was driven by expansion in Employment and Expectations for Activity sub-indices. New Businesses and Business Activity sub-indices decelerated in November 2016 compared to previous month. However, Backlogs of Work declined in November albeit at slower rate than October 2016. Prices Charged, which is not taken into consideration in PMI compilation process, increased at a higher rate in November 2016.

	Y\M	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
PMI Manufacturing	2015	n.a.	n.a.	n.a.	n.a.	67.3	57.5	55.5	56.5	53.2	57.8	54.8	57.9
	2016	51.9	55.3	60.7	41.6	47.9	55.1	50.6	53.5	57.7	56.5	58.4	-
PMI Services	2015	n.a.	n.a.	n.a.	n.a.	66.8	65.0	60.6	59.8	61.7	59.5	59.3	60.2
	2016	58.0	59.3	61.6	54.7	58.1	56.3	57.8	61.2	57.7	59.3	59.7	-

PMI Manufacturing



PMI Services



Technical Note:

The Index

PMI is calculated as a 'Diffusion Index', where it takes values between 0 and 100.

PMI=50 sector remained neutral on month-on-month basis

PMI>50 sector is generally expanding on month-on-month basis

PMI<50 sector is generally declining on month-on-month basis

Sample

The sampling frame was based on a list of large companies located in the Western province obtained from the EPF Department. Samples for Manufacturing and Services activities were selected based on the GDP sectoral share, with a minimum target of 100 responses for each month.

Definitions of Variables

Employment : Number of staff working for the organization

Stock of purchases : Raw materials purchased and kept in a warehouse to be used for production

Supplier Delivery Time : Time lag between order placement and delivery by the supplier

Backlogs of Work : Uncompleted orders due to increased flow of business activity

Other variables are self-explanatory.