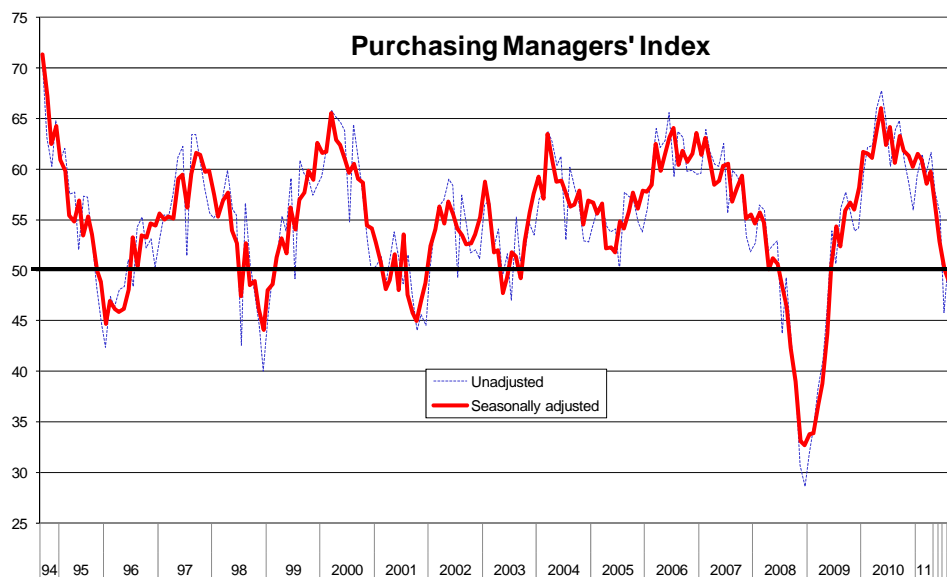


# Purchasing Managers' Index

October 3, 2011

## PMI drops to 48.1 in September 2011 – the Swedish industrial economy continues to slow

- The PMI dropped from 48.7 in August to 48.1 in September, which leaves it outside the growth zone for the second consecutive month. The sharp slowdown in the summer months indicates that the Swedish industrial economy is stagnating or that it has entered a recession. The PMI has fallen by 15.2 points since last September.
- The component indices for delivery times and employment accounted for the largest contributions to the drop in the PMI. The index for new orders also fell, though the decline in the export and home markets was less severe in September than during the previous month.
- The component index for industrial companies' production plans was revised downward due to the worsening orders situation, and thus reached its lowest level in two years in September. This also increases the likelihood that the number of new hires in industry will be limited for the next several months.
- Price pressure from producers continues to drop. The index for commodity and intermediate goods prices fell from 47.4 in August to 47.0 in September due to lower global commodity prices and a weaker global economy.



<b>PMI</b>	
(Purchasing Managers' Index)	
Seasonally adjusted	
<b>2011</b>	<b>Sep. 48.1</b>
	Aug. 48.7
	Jul. 50.1
	Jun. 52.9
	May 56.1
	Apr. 59.8
	Mar. 58.6
	Feb. 60.9
	Jan. 61.5
<b>2010</b>	<b>Dec. 60.2</b>
	Nov. 61.3
	Oct. 61.8
	Sep. 63.3

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## Silf/Swedbanks' Purchasing Managers' Index. seasonally adjusted

		<b>PMI</b>	<b>Components of PMI</b>					<b>Other indices</b>			<b>Forecast</b>		
		<i>Total Index</i>	<i>New orders</i>	<i>Production</i>	<i>Employment</i>	<i>Delivery times</i>	<i>Inventories</i>	<i>Export orders</i>	<i>Domestic orders</i>	<i>Back-log of orders</i>	<i>Prices</i>	<i>Import</i>	<i>Planned Production</i>
2008	Jun	<b>50.6</b>	50.3	53.9	47.8	51.8	52.2	52.5	46.7	49.0	75.6	56.2	64.7
	Jul	<b>48.6</b>	46.0	53.6	45.5	50.4	53.1	46.6	44.6	42.7	76.8	58.5	58.7
	Aug	<b>46.4</b>	42.7	47.8	44.2	51.0	49.1	44.0	43.3	43.0	70.2	51.2	49.5
	Sep	<b>42.3</b>	38.7	41.3	42.6	42.5	45.4	40.9	38.0	39.7	55.1	48.7	47.4
	Oct	<b>39.0</b>	34.8	39.1	39.8	35.9	45.7	37.0	35.4	36.0	38.2	44.5	39.5
	Nov	<b>33.1</b>	26.0	31.0	36.5	31.0	43.6	29.4	25.8	28.1	29.4	37.5	31.8
	Dec	<b>32.7</b>	26.1	31.0	33.5	28.6	38.9	26.3	23.3	25.7	27.9	32.3	26.3
2009	Jan	<b>33.8</b>	29.0	33.3	32.1	30.3	41.8	34.2	27.9	25.9	29.1	35.5	32.9
	Feb	<b>33.9</b>	28.8	34.0	31.0	28.4	36.6	29.7	30.5	29.7	30.4	33.5	35.8
	Mar	<b>36.7</b>	35.1	38.8	31.1	28.0	39.6	39.7	35.5	30.8	27.7	38.5	38.2
	Apr	<b>38.8</b>	41.5	39.4	28.3	29.6	35.9	45.3	37.7	39.7	30.6	38.8	42.4
	May	<b>43.7</b>	46.4	47.4	31.1	34.2	33.5	47.5	44.1	42.8	32.7	41.0	47.3
	Jun	<b>50.5</b>	54.7	55.8	36.0	42.4	34.0	54.4	49.2	47.4	43.3	47.3	55.2
	Jul	<b>54.3</b>	60.5	61.0	40.3	44.4	38.4	56.4	58.1	54.1	46.9	51.0	59.1
	Aug	<b>52.4</b>	57.8	56.1	40.6	46.4	40.4	61.1	50.1	54.3	52.6	50.7	61.7
	Sep	<b>55.9</b>	59.2	60.5	45.0	53.7	40.6	61.1	55.0	54.0	54.5	55.7	63.3
	Oct	<b>56.7</b>	60.8	61.7	43.8	56.2	41.6	60.7	55.8	58.9	56.7	55.8	62.2
	Nov	<b>56.0</b>	57.9	59.0	48.7	55.0	41.3	59.7	53.6	53.6	59.8	57.0	62.2
	Dec	<b>58.2</b>	63.7	59.7	49.5	56.3	42.7	58.1	66.3	56.6	57.3	59.0	67.4
2010	Jan	<b>61.7</b>	66.8	70.2	49.6	61.5	48.3	62.3	64.8	62.6	61.2	61.3	69.5
	Feb	<b>61.5</b>	67.5	65.3	55.0	61.4	53.6	62.7	63.6	64.2	61.3	59.7	68.1
	Mar	<b>61.1</b>	63.8	63.7	54.9	67.0	50.2	62.3	58.9	60.6	65.7	62.3	69.6
	Apr	<b>64.0</b>	68.1	66.3	56.6	68.3	46.0	64.6	63.2	62.5	75.6	60.3	77.5
	May	<b>66.0</b>	68.8	71.0	60.1	71.5	50.7	62.6	64.1	64.3	71.0	59.9	73.0
	Jun	<b>62.4</b>	61.1	66.8	60.3	69.2	50.4	57.4	60.1	60.9	71.1	59.5	73.1
	Jul	<b>64.2</b>	67.3	72.2	56.3	66.4	51.4	61.4	63.2	63.4	70.9	60.9	72.0
	Aug	<b>60.6</b>	61.8	61.9	60.5	64.5	52.0	57.4	58.7	59.7	68.5	56.1	72.4
	Sep	<b>63.3</b>	65.8	67.4	60.3	66.3	52.9	61.4	62.9	62.2	71.1	58.6	70.8
	Oct	<b>61.8</b>	63.0	63.5	59.0	66.8	47.9	61.6	58.2	61.7	66.4	59.3	72.4
	Nov	<b>61.3</b>	60.4	64.2	60.2	67.2	50.2	58.9	56.3	58.2	70.8	61.4	72.5
	Dec	<b>60.2</b>	63.6	62.8	57.1	64.5	55.5	60.5	63.6	59.5	71.9	59.7	74.0
2011	Jan	<b>61.5</b>	64.2	64.9	57.7	64.6	51.9	61.9	62.1	60.2	77.1	58.6	70.9
	Feb	<b>60.9</b>	59.5	65.0	61.1	67.2	54.4	58.8	56.3	58.0	77.1	60.2	71.0
	Mar	<b>58.6</b>	56.1	61.4	58.3	66.0	52.0	54.7	54.0	54.3	73.8	58.9	71.6
	Apr	<b>59.8</b>	61.5	61.9	57.7	65.1	54.6	58.3	56.9	57.3	74.5	58.5	70.5
	May	<b>56.1</b>	55.4	59.8	54.4	61.0	55.6	52.8	56.4	55.3	63.5	56.2	69.1
	Jun	<b>52.9</b>	52.3	54.0	51.3	58.1	51.4	52.5	48.8	51.0	60.5	52.2	64.5
	Jul	<b>50.1</b>	45.4	49.4	53.7	55.4	50.1	46.9	43.4	49.1	51.5	50.4	63.1
	Aug	<b>48.7</b>	47.0	48.6	50.9	49.1	51.5	48.0	42.3	47.9	47.4	48.5	55.8
	Sep	<b>48,1</b>	46,5	48,9	50,0	47,5	52,0	48,3	46,2	47,0	47,0	45,8	53,8

## Silf/Swedbanks' Purchasing Managers' Index

		PMI	Components of PMI					Other indices				Forecast	
		Total Index	New-orders	Production	Employment	Delivery times	Inventories	Export orders	Domestic orders	Back-log of orders	Prices	Import	Planned Production
2008	Jun	<b>52.9</b>	53.4	57.4	50.3	53.7	55.5	55.0	49.7	50.7	76.0	58.0	62.5
	Jul	<b>43.8</b>	39.6	42.1	45.6	51.8	54.9	42.5	38.6	40.9	75.0	53.1	57.4
	Aug	<b>49.3</b>	46.7	53.6	44.7	52.7	49.7	46.2	47.7	47.7	69.9	53.4	51.0
	Sep	<b>43.2</b>	38.5	43.4	43.4	44.0	44.7	40.1	39.3	38.8	55.6	49.7	45.8
	Oct	<b>37.7</b>	31.9	37.8	38.9	35.7	44.0	33.8	33.6	31.3	36.6	42.5	36.0
	Nov	<b>30.7</b>	21.8	27.9	35.2	28.8	41.1	25.7	22.9	22.9	25.3	35.3	28.8
	Dec	<b>28.6</b>	20.2	24.8	30.6	24.6	35.1	21.5	17.9	19.9	22.9	28.9	24.3
2009	Jan	<b>31.7</b>	27.6	30.5	29.4	26.3	40.1	34.0	25.2	24.7	26.9	34.0	33.9
	Feb	<b>34.8</b>	32.0	35.3	29.9	26.3	35.2	33.1	32.1	32.5	29.7	33.7	38.2
	Mar	<b>38.3</b>	38.7	42.1	30.5	27.5	40.5	42.8	37.5	34.2	28.2	40.6	40.7
	Apr	<b>41.1</b>	44.8	43.2	29.7	30.6	36.8	47.8	40.4	42.6	34.1	40.6	45.1
	May	<b>45.8</b>	49.0	50.3	33.1	36.5	35.3	49.6	46.6	45.9	36.5	43.2	48.3
	Jun	<b>53.9</b>	59.4	60.8	39.1	45.5	37.3	58.3	53.5	50.3	45.1	50.0	54.6
	Jul	<b>50.7</b>	55.7	51.3	40.8	46.9	40.7	53.5	53.6	53.1	47.4	47.3	59.2
	Aug	<b>56.2</b>	62.9	62.9	41.9	49.3	41.5	64.6	55.3	60.2	54.5	53.9	64.7
	Sep	<b>57.7</b>	59.9	63.6	46.7	56.6	40.4	61.2	57.1	54.0	57.0	57.8	62.9
	Oct	<b>56.1</b>	58.6	61.1	43.6	57.2	40.4	58.1	54.7	55.0	56.8	54.7	59.6
	Nov	<b>53.9</b>	53.8	56.1	48.1	53.5	39.3	56.1	50.8	48.5	56.9	55.4	59.5
	Dec	<b>54.2</b>	57.9	53.5	47.2	52.8	39.3	61.6	52.8	50.8	52.8	56.0	65.7
2010	Jan	<b>59.7</b>	65.4	67.7	47.2	57.9	49.2	61.7	62.3	61.5	59.4	60.1	70.6
	Feb	<b>62.2</b>	70.4	66.3	54.3	59.4	52.9	65.5	65.0	66.9	60.6	59.8	70.2
	Mar	<b>62.4</b>	66.7	66.4	54.5	66.6	51.4	64.8	60.3	63.4	66.1	64.2	71.6
	Apr	<b>66.0</b>	70.9	69.6	58.0	69.2	46.8	66.6	65.4	64.9	79.3	61.7	79.9
	May	<b>67.8</b>	70.8	73.6	62.1	73.6	52.5	64.0	66.1	66.9	74.4	61.6	73.4
	Jun	<b>65.3</b>	64.9	71.2	63.2	71.8	53.6	60.4	63.7	63.2	72.5	61.6	72.0
	Jul	<b>60.3</b>	62.1	62.4	56.3	68.2	53.6	58.0	58.4	62.1	70.8	56.8	71.6
	Aug	<b>63.9</b>	66.3	68.0	61.5	66.7	53.0	60.4	63.4	65.1	69.7	58.7	75.0
	Sep	<b>64.8</b>	66.2	70.2	61.7	68.7	52.6	61.4	64.9	61.9	73.2	60.3	70.0
	Oct	<b>60.9</b>	60.5	62.5	58.4	67.3	46.3	58.9	56.6	57.6	65.8	57.9	69.5
	Nov	<b>58.9</b>	55.9	61.0	59.4	65.3	47.9	55.2	53.1	52.8	67.6	59.7	69.6
	Dec	<b>56.0</b>	57.6	56.2	54.3	60.5	52.1	55.9	58.3	53.4	67.2	56.6	72.2
2011	Jan	<b>59.4</b>	62.7	62.3	54.9	60.6	50.7	61.5	59.6	59.0	75.3	57.3	71.7
	Feb	<b>61.5</b>	62.2	65.9	60.3	65.0	53.7	61.6	57.4	60.5	76.4	60.3	72.8
	Mar	<b>59.6</b>	58.6	63.9	57.6	65.4	53.1	56.9	55.1	56.8	74.0	60.8	73.4
	Apr	<b>61.7</b>	64.3	65.0	58.9	65.8	55.4	60.3	59.0	59.6	78.1	59.9	72.8
	May	<b>57.7</b>	57.3	62.3	56.1	62.9	57.5	54.0	58.4	57.8	66.2	57.8	69.4
	Jun	<b>55.6</b>	56.1	58.1	54.1	59.9	54.8	55.8	52.4	53.7	61.8	54.0	63.1
	Jul	<b>45.8</b>	39.7	39.2	53.5	56.9	52.0	43.1	38.1	47.5	50.5	46.0	62.4
	Aug	<b>51.7</b>	51.3	54.4	51.7	50.7	52.4	50.7	46.6	53.0	47.7	50.7	57.8
	Sep	<b>49.4</b>	46.8	51.6	51.3	49.4	51.6	48.1	48.1	46.5	48.4	47.1	52.5

# Silf/Swedbank's Purchasing Managers' Index

## - objectives and methodology

<i>History</i>	Silf (earlier I&L) and Swedbank AB. publ. (at that time Sparbanken Sweden) make the first joint – internal – calculation of the “Purchasing Managers' Index” for the five indexes (PMI) in December 1994. Exactly one year later, the index was publicly announced for the first time. In Sweden the Purchasing Managers' Index is known as the ICI index. The model for PMI is the ISM index (Institute for Supply Management, formerly known as the NAPM index) – one of the most highly regarded and well-recognized economic indicators in the United States. The ISM index has existed since 1931 in the form of its predecessor, the NAPM index.	
<i>Participants</i>	About 200 purchasing managers in the manufacturing industry.	
<i>Publication</i>	First weekday of each month. 8:30 am.	
<i>Analysis Period</i>	Comparison with previous month.	
<i>Composition of PMI (%)</i>	New orders (within the company)	30
	Production (within the company)	25
	Employment (within the company)	20
	Suppliers' Delivery Times	15
	Inventories (purchased material)	10
<i>Other leading indicators (not included in PMI)</i>	New Export Orders New Domestic Orders Backlog of Orders Suppliers' commodity and intermediate goods prices Imports Production Plans next six months	
<i>Other questions</i>	Reason for higher/lower inventories level Important commodities and intermediate goods with rising/falling prices	
<i>Objective</i>	Quick economic indicator Simple statistics Statistics with relatively short publication intervals Constant contact with well-informed professional group	
<i>Calculation</i>	According to “diffusion index”. Positive changes are noted in percent for the five sub indexes. The percentage of unchanged replies, multiplied by 0.5, is added to this figure. Then the different sub indexes are weighted as described above to reach the total index. The Purchasing Managers' Index does not indicate activity levels but rather monthly changes in industrial activity.	
<i>“Break-even”</i>	The dividing line between growth and decline – in line with US praxis – has been drawn at a total index of 50. However, this boundary or “neutral growth zone” should not be applied excessively. Rather, “Break-even” at 50 indicates a target value.	

We believe we have used reliable sources and procedures to generate and analyze the Purchasing Managers' Index (PMI – in Sweden ICI). However, Swedbank AB (publ) and SILF (earlier Organisationen för Inköp och Logistik, I&L/ – The Organization for Purchasing and Logistics) cannot guarantee the accuracy or completeness of the analyses and cannot be responsible for any errors or omissions in the basic data or processing thereof. The reader should base any decisions on other background material as well.

Swedbank AB (publ), SILF, their employees, and other coworkers accept no liability whatsoever for any direct or consequential loss or injury of any kind arising from any errors or omissions in the analyses presented in the Purchasing Managers' Index.