

PURCHASING MANAGERS' INDEX

A MONTHLY PUBLICATION

JUNE 2016 REPORT



**SURVEY MANAGEMENT DIVISION
STATISTICS DEPARTMENT
CENTRAL BANK OF NIGERIA, ABUJA**

PURCHASING MANAGERS' INDEX (PMI) JUNE 2016 REPORT

1.0 Introduction

The Statistics Department, Central Bank of Nigeria conducts a monthly survey of purchasing and supply executives of manufacturing and non-manufacturing organizations in 13 locations in Nigeria: - two states in each of the six geo-political zones, and the FCT (Fig. 1). The survey result is used to compute the monthly Purchasing Managers' Index (PMI). The survey for the month of June was conducted June 13th to 22nd, 2016 and recorded a response rate of 80.1 per cent, with a total of 1,562 responses received from a sample of 1,950 respondents. The Bank makes no representation regarding the individual companies, other than that stated by the respondents. The data contained herein further provides input for policy decisions.

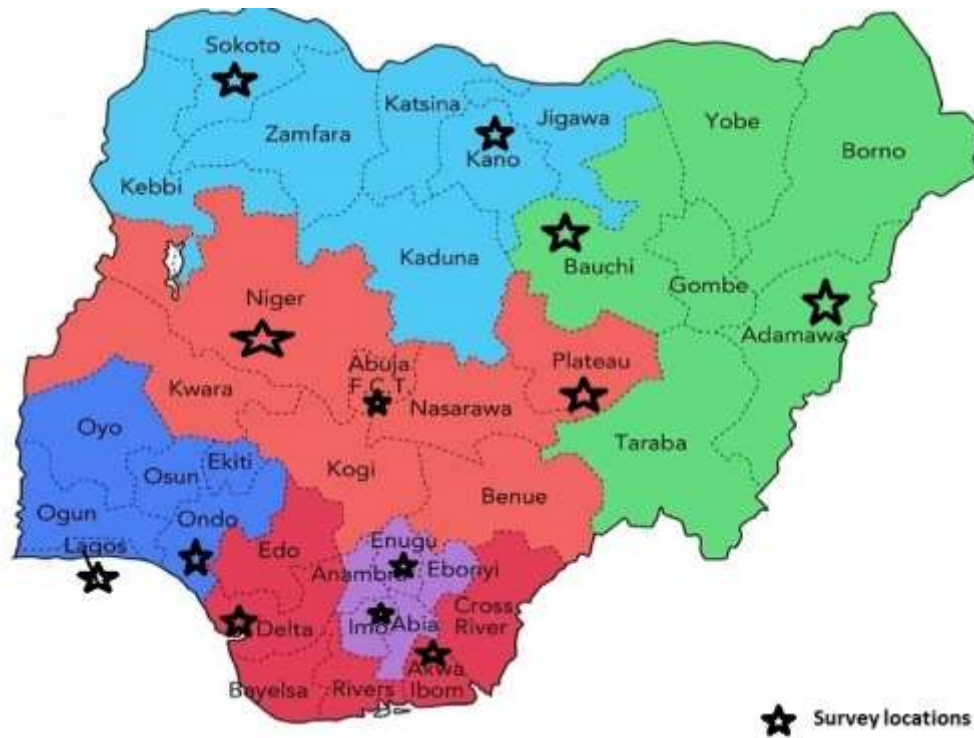


Fig. 1: Map of Nigeria showing the survey locations

1.1 Data and Method of Presentation

The *Manufacturing and Non-manufacturing PMI Report* on businesses is based on data compiled from purchasing and supply executives. Survey responses indicate either there is *change* or *no change* in the level of business activities in the *current month* compared with the *previous month*. For each of the indicators measured, this report shows the diffusion index of the responses. The diffusion index is computed as the percent of positive responses plus one-half of the percent of those reporting no change. The composite PMI is then computed as the *weighted average* of five diffusion indices for manufacturing sector: production level, new orders, supplier delivery time, employment level and raw materials inventory, with assigned weights of *25%*, *30%*, *15%*, *10%* and *20%*, respectively. The

composite PMI for non-manufacturing sector is computed from four diffusion indices: business activity, new orders, employment level and raw materials inventory, with equal weights of 25% each.

A composite PMI above 50 points indicates that the manufacturing/non-manufacturing economy is generally expanding, 50 points indicates no change and below 50 points indicates that it is generally declining. The sub-sectors reporting growth are listed in the order of highest to lowest growth. For the sub-sectors reporting contraction/decline, they are listed in the order of the highest to the lowest decline.

2.0 Manufacturing PMI Report

Production level, new orders, employment level and raw material inventories declining at a faster rate; supplier delivery time improving at a faster rate

The *Manufacturing PMI* dropped to 41.9 index points in June 2016, compared to 45.8 in the preceding month (Fig. 2 and Table 1). This implies that the manufacturing sector declined at a faster rate during the review period. Of the sixteen manufacturing sub-sectors, fourteen recorded decline in the review month in the following order: electrical equipment; nonmetallic mineral products; furniture & related products; fabricated metal products; chemical & pharmaceutical products; printing & related support activities; paper products; food, beverage & tobacco products; cement; computer & electronic products; plastics & rubber products; textile, apparel, leather & footwear; petroleum & coal products and primary metal. The remaining two sub-sectors however recorded expansion in the following order: appliances & components and transportation equipment.

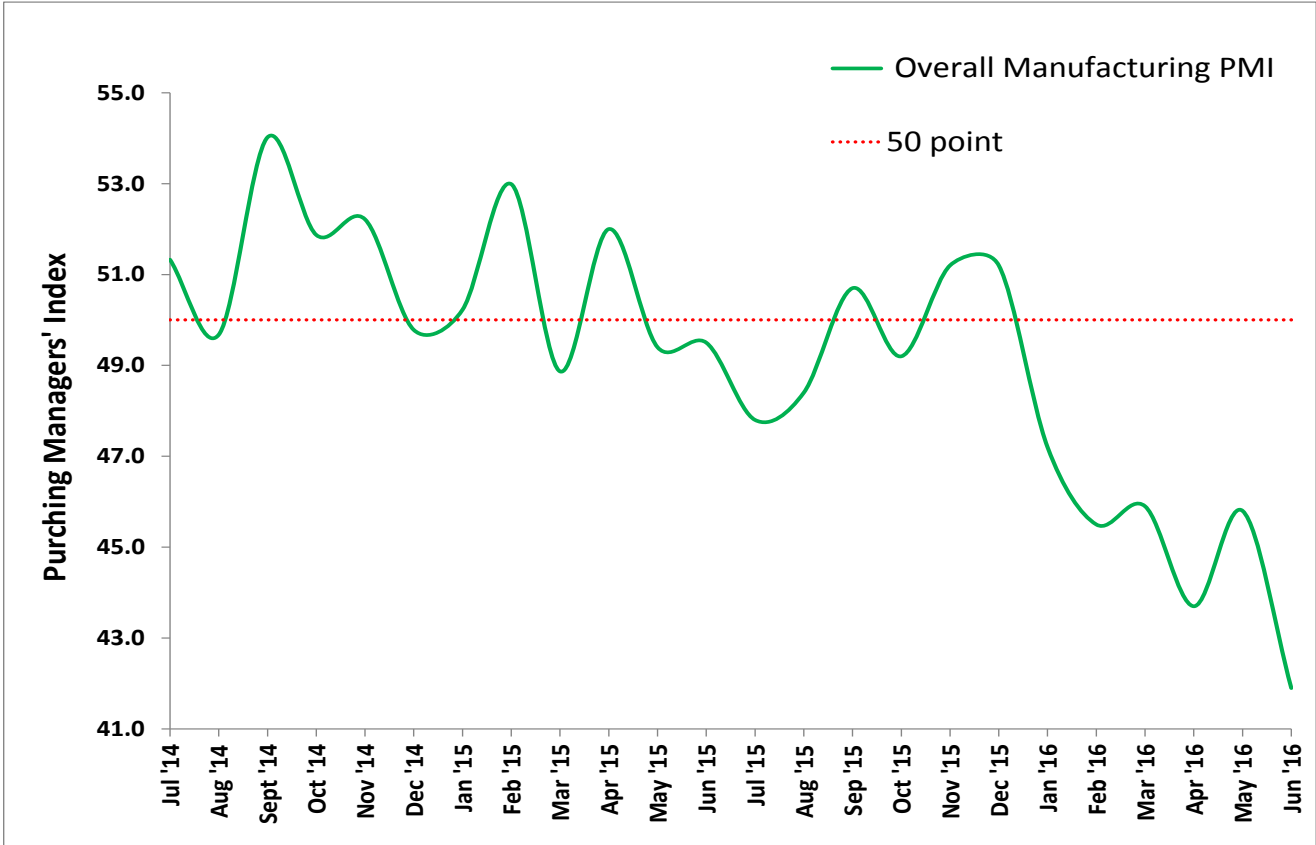


Fig. 2: Trend of Manufacturing PMI

Table 1: Manufacturing at a Glance

Index	Series Index *	Series Index*	Percentage			Trend** (Months)
	May	June	Point Change	Direction	Rate of Change	
Composite PMI \1	45.8	41.9	-3.900	Declining	Faster	6
Production level	47.9	40.2	-7.703	Declining	Faster	6
New orders	42.7	37.0	-5.626	Declining	Faster	6
Supplier delivery time	50.2	55.6	5.496	Improving	Faster	4
Employment level	45.7	42.2	-3.468	Declining	Faster	16
Raw materials/WIP Inventories	43.9	39.4	-4.509	Declining	Faster	6
New Export Orders	38.7	35.3	-3.409	Declining	Faster	16
Output Prices	59.6	61.4	1.845	Growing	Faster	6
Input Prices	68.4	70.0	1.636	Growing	Faster	24
Quantity of Purchases	42.7	39.0	-3.718	Declining	Faster	6
Business Outstanding/ Backlog of Work	37.0	40.2	3.201	Declining	Slower	16
Stocks of Finished Goods	40.1	36.0	-4.158	Declining	Faster	16
Manufacturing Sub-Sectors						
Appliances and components	55.5	68.6	13.071	Growing	Faster	3
Cement	54.2	44.6	-9.682	Declining	From Expansion	1
Chemical & pharmaceutical products	48.7	41.1	-7.544	Declining	Faster	3
Computer & electronic products	56.6	44.8	-11.818	Declining	From Expansion	1
Electrical equipment	45.5	33.6	-11.967	Declining	Faster	9
Fabricated metal products	42.3	39.0	-3.283	Declining	Faster	7
Food, beverage & tobacco products	48.6	43.6	-5.022	Declining	Faster	3
Furniture & related products	41.4	35.9	-5.577	Declining	Faster	6
Nonmetallic mineral products	44.7	34.8	-9.842	Declining	Faster	2
Paper products	39.8	43.5	3.708	Declining	Slower	5
Petroleum & coal products	40.9	46.6	5.713	Declining	Slower	3
Plastics & rubber products	53.4	45.6	-7.792	Declining	From Expansion	1
Primary metal	39.1	47.3	8.185	Declining	Slower	6
Printing & related support activities	43.9	41.8	-2.030	Declining	Faster	9
Textile, apparel, leather and footwear	47.1	45.8	-1.343	Declining	Faster	6
Transportation equipment	51.6	52.5	0.903	Growing	Faster	3

\1 The composite PMI is a weighted average of the following diffusion indices: production level, new orders, supplier deliveries, employment level and inventories. The weights assigned to these variables are 25%, 30%, 15%, 10% and 20% respectively.

*The series index is a diffusion index defined as a weighted percentage of high, same and low with 1.0, 0.5 and 0.0 as weights respectively.

** Number of month moving in current direction

2.1 Production Level

At 40.2 index points, the production level index for manufacturing sector declined for the sixth consecutive month, but at a faster rate than that recorded in May 2016. Of the sixteen manufacturing sub-sectors, twelve recorded declines in production level during the review month in the following order: furniture & related products; electrical equipment; nonmetallic mineral products; fabricated metal products; printing & related support activities; primary metal; plastics & rubber products; cement; food, beverage & tobacco products; chemical & pharmaceutical products; textile, apparel, leather & footwear and paper products. The petroleum & coal products sub-sectors recorded no change. The remaining three recorded growth in production level during the review month in the following order: appliances & components; transportation equipment and computer & electronic products (Table 2).

Table 2: Production at a Glance

Index	Series	Series	Percentage		Rate of Change	Trend (Months)
	Index	Index	Point	Direction		
	May	June	Change			
PRODUCTION PMI	47.9	40.2	-7.717	Declining	Faster	6
Appliances and components	60.0	85.7	25.714	Growing	Faster	3
Cement	65.5	40.0	-25.517	Declining	From Expansion	1
Chemical & pharmaceutical products	59.8	45.0	-14.756	Declining	From Expansion	1
Computer & electronic products	59.1	55.0	-4.091	Growing	Slower	2
Electrical equipment	42.1	32.5	-9.605	Declining	Faster	3
Fabricated metal products	43.5	35.9	-7.624	Declining	Faster	5
Food, beverage & tobacco products	49.5	40.2	-9.346	Declining	Faster	2
Furniture & related products	44.3	31.6	-12.673	Declining	Faster	5
Nonmetallic mineral products	43.6	33.9	-9.746	Declining	Faster	2
Paper products	42.9	47.1	4.202	Declining	Slower	5
Petroleum & coal products	41.2	50.0	8.824	No Change	From Contraction	1
Plastics & rubber products	60.7	38.9	-21.825	Declining	From Expansion	1
Primary metal	35.7	37.5	1.786	Declining	Slower	4
Printing & related support activities	42.6	37.3	-5.335	Declining	Faster	6
Textile, apparel, leather and footwear	47.5	45.3	-2.182	Declining	Faster	6
Transportation equipment	50.0	60.0	10.000	Growing	From No Change	1

2.2 New Orders

The new orders index declined for the sixth consecutive month. At 37.0 points, the index declined at a faster rate when compared to that in May 2016. The thirteen sub-sectors that recorded declines in new orders were: electrical equipment; furniture & related products; nonmetallic mineral products; fabricated metal products; petroleum & coal products; chemical & pharmaceutical products; printing & related support activities; paper products; cement; textile, apparel, leather & footwear; food, beverage & tobacco products; primary metal and computer & electronic products. The plastics & rubber products and transportation equipment sub-sectors recorded no change. Only the appliances & components sub-sector recorded growth in new orders (Table 3).

Table 3: New Orders at a Glance

Index	Series	Series	Percentage		Rate of Change	Trend (Months)
	Index	Index	Point	Direction		
	May	June	Change			
NEW ORDERS PMI	42.7	37.0	-5.7	Declining	Faster	6
Appliances and components	50.0	71.4	21.429	Growing	From No Change	1
Cement	51.7	40.0	-11.724	Declining	From Expansion	1
Chemical & pharmaceutical products	46.3	37.3	-9.087	Declining	Faster	3
Computer & electronic products	59.1	45.8	-13.258	Declining	From Expansion	1
Electrical equipment	47.4	22.5	-24.868	Declining	Faster	2
Fabricated metal products	33.8	31.3	-2.516	Declining	Faster	7
Food, beverage & tobacco products	48.6	41.6	-7.009	Declining	Faster	3
Furniture & related products	34.1	25.9	-8.142	Declining	Faster	6
Nonmetallic mineral products	44.7	27.4	-17.261	Declining	Faster	2
Paper products	35.7	39.7	3.992	Declining	Slower	6
Petroleum & coal products	32.4	36.7	4.314	Declining	Slower	2
Plastics & rubber products	51.8	50.0	-1.786	No Change	From Expansion	1
Primary metal	32.1	41.7	9.524	Declining	Slower	4
Printing & related support activities	44.3	39.0	-5.279	Declining	Faster	6
Textile, apparel, leather and footwear	45.7	41.3	-4.400	Declining	Faster	6
Transportation equipment	33.3	50.0	16.667	No Change	From Contraction	1

2.3 Supplier Delivery Time

At 55.6 index points, the supplier delivery time index for manufacturing sub-sectors improved at a faster rate in the month of June 2016. The index recorded improved supplier delivery time for four consecutive months. Eleven sub-sectors recorded improving suppliers' delivery time in the following order: plastics & rubber products; furniture & related products; cement; textile, apparel, leather and footwear; fabricated metal products; petroleum & coal products; nonmetallic mineral products; food, beverage & tobacco products; electrical equipment; chemical & pharmaceutical products and printing & related support activities. The transportation equipment and primary metal sub-sectors remained unchanged. The remaining three sub-sectors recorded worsening delivery time in June, in the following order: appliances & components; computer & electronic products and paper products (Table 4).

Table 4: Supplier Delivery Time at a Glance

Index	Series	Series	Percentage		Rate of Change	Trend (Months)
	Index	Index	Point	Direction		
	May	June	Change			
SUPPLIER DELIVERY PMI	50.2	55.6	5.4	Improving	Faster	4
Appliances and components	50.0	28.6	-21.429	Worsening	From No Change	1
Cement	46.6	58.3	11.782	Improving	From Worsening	1
Chemical & pharmaceutical products	54.9	53.9	-0.956	Improving	Slower	3
Computer & electronic products	45.5	33.3	-12.121	Worsening	Faster	2
Electrical equipment	42.1	55.3	13.158	Improving	From Worsening	1
Fabricated metal products	51.9	57.4	5.438	Improving	Faster	3
Food, beverage & tobacco products	45.3	56.1	10.748	Improving	From Worsening	1
Furniture & related products	49.4	60.8	11.328	Improving	From Worsening	1
Nonmetallic mineral products	45.7	56.5	10.707	Improving	From Worsening	1
Paper products	53.6	44.1	-9.454	Worsening	From Improving	1
Petroleum & coal products	58.8	56.7	-2.157	Improving	Slower	2
Plastics & rubber products	59.6	64.3	4.670	Improving	Faster	4
Primary metal	53.6	50.0	-3.571	No Change	From Improving	1
Printing & related support activities	47.5	53.4	5.849	Improving	From Worsening	1
Textile, apparel, leather and footwear	51.2	58.1	6.905	Improving	Faster	2
Transportation equipment	83.3	50.0	-33.333	No Change	From Improving	1

2.4 Employment Level

Employment level index in the month of June 2016 stood at 42.2 points, indicating declines in employment level for the sixteenth consecutive month. The index declined at a faster rate when compared with the level in the preceding month. Of the sixteen sub-sectors, twelve recorded declines in the following order: nonmetallic mineral products; furniture & related products; chemical & pharmaceutical products; electrical equipment; fabricated metal products; printing & related support activities; paper products; plastics & rubber products; textile, apparel, leather & footwear; food, beverage & tobacco products; computer & electronic products and cement. The transportation equipment sub-sector remained unchanged. The remaining three sub-sectors recorded growth in the following order: appliances & components; primary metal and petroleum & coal products (Table 5).

Table 5: Employment Level at a Glance

Index	Series	Series	Percentage			Trend (Months)
	Index	Index	Point Change	Direction	Rate of Change	
	May	June				
EMPLOYMENT LEVEL PMI	45.7	42.2	-3.5	Declining	Faster	16
Appliances and components	60.0	71.4	11.429	Growing	Faster	3
Cement	50.0	48.3	-1.667	Declining	From No Change	1
Chemical & pharmaceutical products	36.6	37.0	0.415	Declining	Slower	8
Computer & electronic products	54.5	45.5	-9.091	Declining	From Expansion	1
Electrical equipment	50.0	37.5	-12.500	Declining	From No Change	1
Fabricated metal products	48.1	40.2	-7.822	Declining	Faster	11
Food, beverage & tobacco products	51.9	44.4	-7.494	Declining	From Expansion	1
Furniture & related products	42.6	36.1	-6.538	Declining	Faster	8
Nonmetallic mineral products	44.7	33.9	-10.810	Declining	Faster	6
Paper products	35.7	42.6	6.933	Declining	Slower	16
Petroleum & coal products	38.2	53.3	15.098	Growing	From Contraction	1
Plastics & rubber products	48.2	42.9	-5.357	Declining	Faster	9
Primary metal	42.9	58.3	15.476	Growing	From Contraction	1
Printing & related support activities	40.2	42.4	2.209	Declining	Slower	11
Textile, apparel, leather and footwear	46.3	44.2	-2.110	Declining	Faster	7
Transportation equipment	61.1	50.0	-11.111	No Change	From Expansion	1

2.5 Raw Materials Inventory

At 39.4 index points, the raw materials inventory index declined for the sixth consecutive month in the review period. The index declined at a faster rate when compared with the previous month. Of the sixteen sub-sectors, thirteen recorded declines in raw materials inventories in the following order: plastics & rubber products; electrical equipment; nonmetallic mineral products; computer & electronic products; chemical & pharmaceutical products; food, beverage & tobacco products; furniture & related products; petroleum & coal products; fabricated metal products; cement; printing & related support activities; textile, apparel, leather & footwear and paper products. The transportation equipment sub-sector remained unchanged. The remaining two sub-sectors recorded growth in inventories in the following order: appliances & components and primary metal (Table 6).

Table 6: Raw Materials Inventories at a Glance

Index	Series	Series	Percentage			Trend* (Months)
	Index	Index	Point Change	Direction	Rate of Change	
	May	June				
INVENTORIES PMI	43.9	39.4	-4.5	Declining	Faster	6
Appliances and components	60.0	71.4	11.429	Growing	Faster	2
Cement	53.6	41.4	-12.192	Declining	From Expansion	3
Chemical & pharmaceutical products	42.7	32.0	-10.683	Declining	Faster	5
Computer & electronic products	63.6	31.8	-31.818	Declining	From Expansion	1
Electrical equipment	44.7	28.9	-15.789	Declining	Faster	2
Fabricated metal products	39.0	40.2	1.269	Declining	Slower	2
Food, beverage & tobacco products	44.3	37.4	-6.956	Declining	Faster	5
Furniture & related products	42.0	38.5	-3.584	Declining	Faster	5
Nonmetallic mineral products	45.7	29.0	-16.712	Declining	Faster	7
Paper products	32.1	47.1	14.916	Declining	Slower	1
Petroleum & coal products	44.1	39.3	-4.832	Declining	Faster	4
Plastics & rubber products	41.1	26.8	-14.286	Declining	Faster	3
Primary metal	39.3	62.5	23.214	Growing	From Contraction	2
Printing & related support activities	47.5	43.2	-4.321	Declining	Faster	7
Textile, apparel, leather and footwear	45.7	44.8	-0.912	Declining	Faster	5
Transportation equipment	43.8	50.0	6.250	No Change	From Contraction	2

3.0 Non-Manufacturing PMI Report

Business activity, new orders and employment level declining at faster rate; raw materials inventories declining at slower rate

The *composite PMI* for the *non-manufacturing sector* recorded decline for the sixth consecutive month. The index dropped to 42.3 points, indicating a faster decline compared to that in May 2016. Of the eighteen non-manufacturing sub-sectors, fourteen recorded decline in June 2016 in the following order: construction; professional, scientific, & technical services; management of companies; utilities; accommodation & food services; real estate, rental & leasing; electricity, gas, steam and air conditioning supply; educational services; wholesale trade; public administration; information & communication; finance & insurance; repair, maintenance/washing of motor vehicles; and arts, entertainment & recreation. The health care & social assistance sub-sector remained unchanged, while the remaining three subsectors recorded growth in the order: water supply, sewage & waste management; agriculture; and transportation & warehousing (Table 7 and Fig. 3).

Table 7: Non-Manufacturing at a Glance

Index	Series	Series	Percentage Point Change	Direction	Rate of Change	Trend (Months)
	Index May	Index June				
Composite PMI \2	44.3	42.3	-2.000	Declining	Faster	6
Business Activity	44.3	40.2	-4.090	Declining	Faster	6
Level of new orders/customers/incoming business received	41.3	39.6	-1.773	Declining	Faster	6
Level of employment in your organisation	44.6	42.5	-2.096	Declining	Faster	6
Raw materials/WIP Inventories	46.9	47.1	0.137	Declining	Slower	6
Average price of yourInputs (volume weighted)	62.9	60.7	-2.191	Growing	Slower	8
Level of outstanding business/ Backlog of work in your organisation	38.1	39.6	1.496	Declining	Slower	24
New Exports orders	33.2	33.2	0.029	Declining	Slower	24
Imports	35.0	34.7	-0.315	Declining	Faster	24
Finished goods Inventories (sentiments)	40.3	38.5	-1.873	Declining	Faster	24
Non-manufacturing sub-sectors						
Accommodation & food services	45.6	37.0	-8.588	Declining	Faster	6
Agriculture	44.1	54.5	10.413	Growing	From Contraction	1
Arts, entertainment & recreation	51.9	46.8	-5.056	Declining	From Expansion	1
Construction	37.2	27.1	-10.066	Declining	Faster	13
Educational services	50.8	42.0	-8.823	Declining	From Expansion	1
Electricity, gas, steam and air conditioning supply	49.7	38.7	-11.071	Declining	Faster	5
Finance & insurance	43.6	45.3	1.708	Declining	Slower	5
Health care & social assistance	46.2	50.0	3.844	No Change	From Contraction	1
Information & communication	40.1	45.3	5.151	Declining	Slower	6
Management of companies	35.7	29.7	-6.027	Declining	Faster	8
Professional, scientific, & technical services	33.2	28.4	-4.761	Declining	Faster	16
Public administration	35.7	43.8	8.036	Declining	Slower	6
Real estate, rental & leasing	39.9	37.4	-2.442	Declining	Faster	10
Repair, maintenance/washing of motor vehicles...	48.2	46.5	-1.749	Declining	Faster	6
Transportation & warehousing	50.0	51.2	1.163	Growing	From No Change	1
Utilities	41.4	33.1	-8.318	Declining	Faster	9
Water supply, sewage & waste management	50.0	55.6	5.556	Growing	From No Change	1
Wholesale trade	45.3	42.0	-3.330	Declining	Faster	6

\2 The composite PMI is a simple average of the following diffusion (series) indices: business activity, new orders, employment level and inventories.

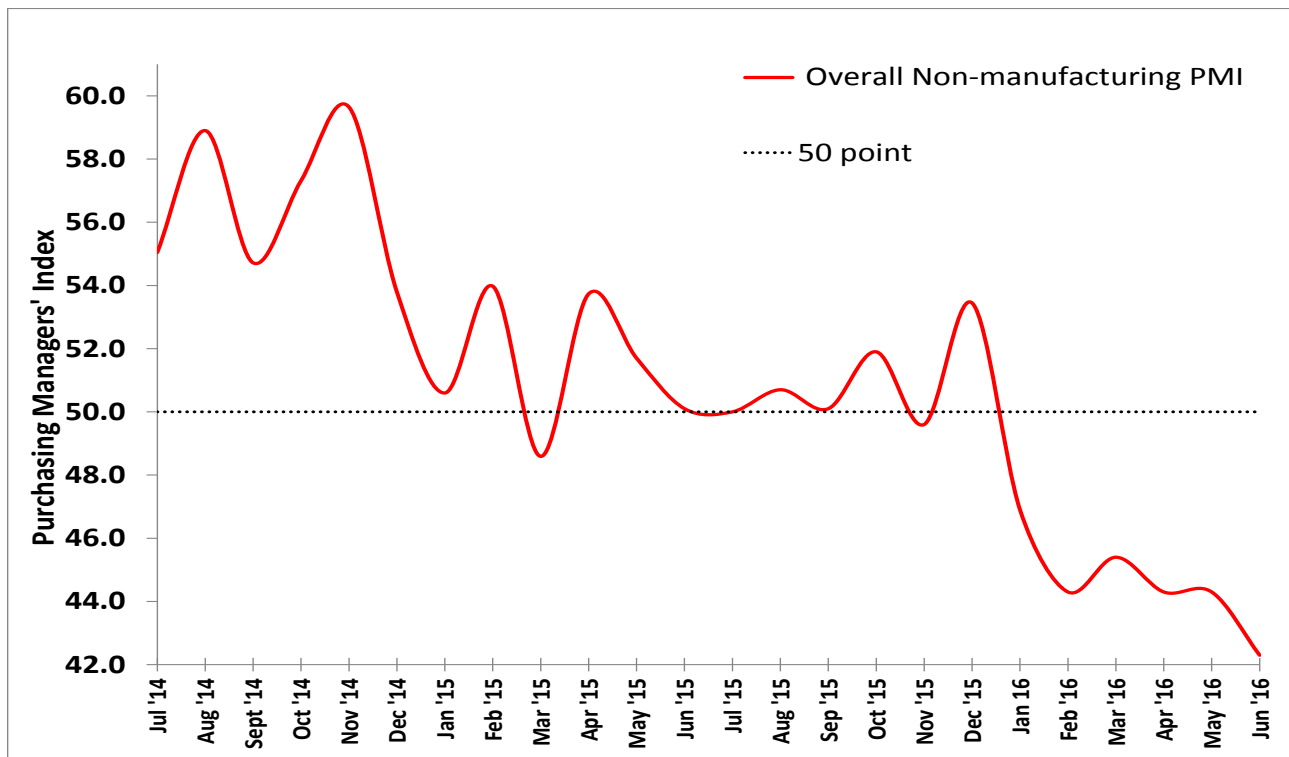


Fig. 3: Trend of Non-Manufacturing PMI

3.1 Business Activity

At 40.2 index points, business activity declined for the sixth consecutive month in June 2016. Fourteen of the eighteen sub-sectors recorded declines in the order: construction; professional, scientific, & technical services; management of companies; accommodation & food services; utilities; real estate, rental & leasing; electricity, gas, steam and air conditioning supply; educational services; wholesale trade; arts, entertainment & recreation; repair, maintenance/washing of motor vehicles; information & communication; public administration; and finance & insurance. The remaining four sub-sectors recorded growth in the review month in the order: agriculture; water supply, sewage & waste management; health care & social assistance; and transportation & warehousing (Table 8).

Table 8: Business Activity at a Glance

Index	Series Index May	Series Index June	Percentage Point Change	Direction	Rate of Change	Trend (Months)
BUSINESS ACTIVITY PMI	44.3	40.2	-4.100	Declining	Faster	6
Accommodation & food services	43.9	31.6	-12.386	Declining	Faster	6
Agriculture	45.9	59.1	13.173	Growing	From Contraction	1
Arts, entertainment & recreation	54.5	42.9	-11.688	Declining	From Expansion	1
Construction	37.2	17.1	-20.066	Declining	Faster	4
Educational services	54.5	39.5	-15.072	Declining	From Expansion	1
Electricity, gas, steam and air conditioning supply	45.7	38.4	-7.373	Declining	Faster	3
Finance & insurance	47.7	46.3	-1.424	Declining	Faster	5
Health care & social assistance	52.6	51.9	-0.665	Growing	Slower	4
Information & communication	42.1	44.3	2.234	Declining	Slower	3
Management of companies	37.5	25.0	-12.500	Declining	Faster	6
Professional, scientific, & technical services	30.2	21.1	-9.106	Declining	Faster	5
Public administration	35.7	45.0	9.286	Declining	Slower	3
Real estate, rental & leasing	38.8	34.3	-4.534	Declining	Faster	6
Repair, maintenance/washing of motor vehicles...	42.9	43.8	0.893	Declining	Slower	6
Transportation & warehousing	51.1	51.2	0.099	Growing	Faster	2
Utilities	37.5	32.4	-5.147	Declining	Faster	7
Water supply, sewage & waste management	44.4	52.8	8.333	Growing	From Contraction	1
Wholesale trade	44.1	40.1	-4.031	Declining	Faster	6

3.2 New Orders

At 39.6 index points, new orders declined at a faster rate in the month of June 2016 when compared with that of the preceding month. The index has recorded declines for six consecutive months. Of the eighteen sub-sectors, fourteen recorded declines in the following order: professional, scientific, & technical services; construction; utilities; real estate, rental & leasing; management of companies; accommodation & food services; public administration; electricity, gas, steam & air conditioning supply; educational services; wholesale trade; arts, entertainment & recreation; information & communication; finance & insurance; and transportation & warehousing. The remaining four sectors recorded growth in the following order: agriculture; water supply, sewage & waste management; health care & social assistance; and repair, maintenance/washing of motor vehicles (Table 9).

Table 9: New Orders at a Glance

Index	Series	Series	Percentage			Trend
	Index May	Index June	Point Change	Direction	Rate of Change	(Months)
NEW ORDERS PMI	41.3	39.6	-1.773	Declining	Faster	6
Accommodation & food services	41.4	33.0	-8.404	Declining	Faster	6
Agriculture	40.8	56.4	15.547	Growing	From Contraction	1
Arts, entertainment & recreation	53.0	40.0	-13.030	Declining	From Expansion	1
Construction	37.2	21.4	-15.781	Declining	Faster	13
Educational services	47.0	39.2	-7.781	Declining	Faster	2
Electricity, gas, steam and air conditioning supply	50.0	36.0	-13.953	Declining	From No Change	1
Finance & insurance	39.5	43.8	4.215	Declining	Slower	4
Health care & social assistance	45.5	51.3	5.753	Growing	From Contraction	1
Information & communication	36.8	43.4	6.554	Declining	Slower	3
Management of companies	37.5	31.3	-6.250	Declining	Faster	7
Professional, scientific, & technical services	25.4	16.7	-8.730	Declining	Faster	8
Public administration	28.6	35.0	6.429	Declining	Slower	6
Real estate, rental & leasing	35.3	30.6	-4.789	Declining	Faster	10
Repair, maintenance/washing of motor vehicles...	48.6	50.8	2.210	Growing	From Contraction	1
Transportation & warehousing	46.8	47.7	0.866	Declining	Slower	4
Utilities	37.5	29.4	-8.088	Declining	Faster	6
Water supply, sewage & waste management	38.9	55.6	16.667	Growing	From Contraction	1
Wholesale trade	42.5	39.4	-3.163	Declining	Faster	6

3.3 Employment Level

The employment level Index declined for the fifth consecutive month in June 2016. At 42.5 index points, the employment level declined at a faster rate when compared to the 44.6 points recorded in May. Seventeen sub-sectors recorded declines in employment in the order: management of companies; utilities; construction; public administration; electricity, gas, steam & air conditioning supply; accommodation & food services; professional, scientific, & technical services; information & communication; wholesale trade; finance & insurance; real estate, rental & leasing; agriculture; educational services; repair, maintenance/washing of motor vehicles; arts, entertainment & recreation; health care & social assistance and transportation & warehousing. Only the water supply, sewage & waste management sub-sector reported growth in the review month (Table 10).

Table 10: Employment at a Glance

Index	Series	Series	Percentage		Rate of Change	Trend (Months)
	Index	Index	Point Change	Direction		
	May	June				
EMPLOYMENT PMI	44.6	42.5	-2.096	Declining	Faster	6
Accommodation & food services	50.5	39.8	-10.699	Declining	From Expansion	1
Agriculture	41.8	42.7	0.891	Declining	Slower	5
Arts, entertainment & recreation	48.5	47.1	-1.342	Declining	Faster	5
Construction	39.5	34.3	-5.249	Declining	Faster	13
Educational services	47.0	43.4	-3.549	Declining	Faster	3
Electricity, gas, steam and air conditioning supply	51.1	39.5	-11.529	Declining	From Expansion	1
Finance & insurance	41.9	42.5	0.640	Declining	Slower	5
Health care & social assistance	39.7	47.5	7.725	Declining	Slower	6
Information & communication	35.5	42.5	6.927	Declining	Slower	16
Management of companies	25.0	25.0	0.000	Declining	Flat	4
Professional, scientific, & technical services	43.7	41.2	-2.423	Declining	Faster	5
Public administration	64.3	35.0	-29.286	Declining	From Expansion	1
Real estate, rental & leasing	44.0	42.6	-1.373	Declining	Faster	7
Repair, maintenance/washing of motor vehicles...	47.1	43.8	-3.393	Declining	Faster	3
Transportation & warehousing	44.7	48.8	4.156	Declining	Slower	5
Utilities	37.5	29.4	-8.088	Declining	Faster	4
Water supply, sewage & waste management	44.4	55.6	11.111	Growing	From Contraction	1
Wholesale trade	46.0	42.5	-3.497	Declining	Faster	7

3.4 Inventory/Work in Progress

Non-manufacturing inventory/work in progress index stood at 47.1 index points in the review month, indicating a slower decline when compared to the 46.9 points recorded in May 2016. Twelve sub-sectors recorded lower inventories in the following order: professional, scientific, & technical services; construction; management of companies; electricity, gas, steam & air conditioning supply; utilities; real estate, rental & leasing; accommodation & food services; educational services; wholesale trade; repair, maintenance/washing of motor vehicles; finance & insurance and health care & social assistance. The remaining six sub-sectors recorded higher inventory in the order: agriculture; public administration; water supply, sewage & waste management; arts, entertainment & recreation; transportation & warehousing and information & communication (Table 11).

Table 11: Raw Materials Inventory at a Glance

Index	Series	Series	Percentage		Rate of Change	Trend (Months)
	Index	Index	Point Change	Direction		
	May	June				
INVENTORY PMI	46.9	47.1	0.137	Declining	Slower	6
Accommodation & food services	46.4	43.6	-2.864	Declining	Faster	13
Agriculture	48.0	60.0	12.041	Growing	From Contraction	1
Arts, entertainment & recreation	51.5	57.4	5.838	Growing	Faster	2
Construction	34.9	35.7	0.831	Declining	Slower	16
Educational services	54.8	45.9	-8.893	Declining	From Expansion	1
Electricity, gas, steam and air conditioning supply	52.1	40.7	-11.430	Declining	From Expansion	1
Finance & insurance	45.3	48.8	3.401	Declining	Slower	6
Health care & social assistance	46.8	49.4	2.564	Declining	Slower	2
Information & communication	46.1	50.9	4.891	Growing	From Contraction	1
Management of companies	42.9	37.5	-5.357	Declining	Faster	2
Professional, scientific, & technical services	33.6	34.8	1.215	Declining	Slower	3
Public administration	14.3	60.0	45.714	Growing	From Contraction	1
Real estate, rental & leasing	41.4	42.3	0.928	Declining	Slower	6
Repair, maintenance/washing of motor vehicles...	54.3	47.6	-6.705	Declining	From Expansion	1
Transportation & warehousing	57.4	57.0	-0.470	Growing	Slower	3
Utilities	53.1	41.2	-11.949	Declining	From Expansion	1
Water supply, sewage & waste management	72.2	58.3	-13.889	Growing	Slower	2
Wholesale trade	48.8	46.1	-2.631	Declining	Faster	6