

Macro-Economic Indicators China - July 2022

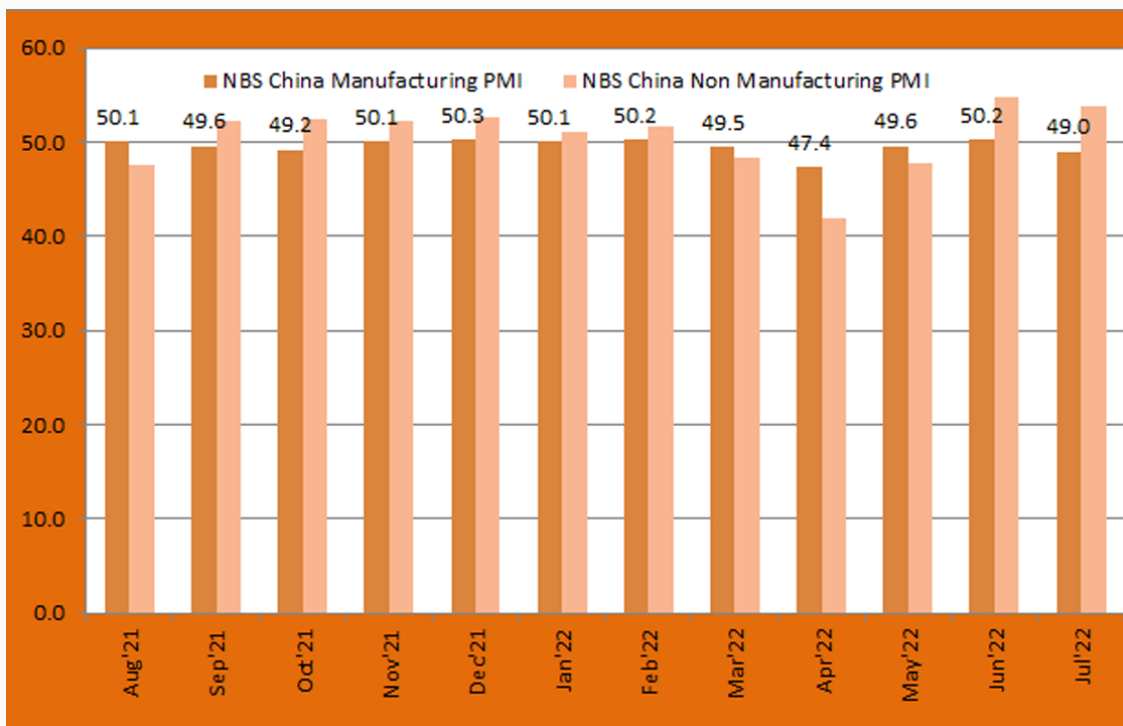
[NBS Official PMI Signals Traditional Slow Down in July](#)

[Caixin China General Manufacturing PMI Shows Improvement](#)

[China's Steel PMI falls to 33 in July as Mills Shut BF's](#)

NBS Official PMI Signals Traditional Slow Down in July

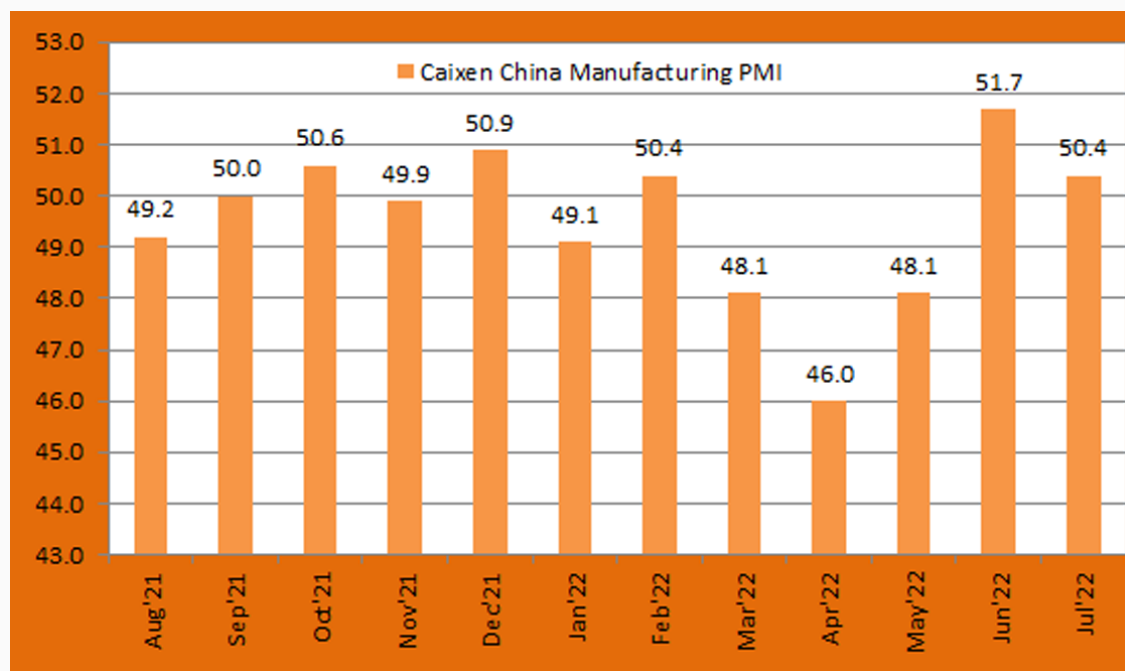
National Bureau of Statistics said that the Purchasing Managers' Index for China's manufacturing sector came in at 49.0 in July down from 50.2 in June as July is the traditional low production season, while the non-manufacturing business activity index was 53.8 and the composite PMI output index was 52.5 in July, remaining in expansion territory for two consecutive months.



Among the 21 industries surveyed, the PMI of 10 industries was in the expansion range, among which the PMI of agricultural and sideline food processing, food and beverage and refined tea, special equipment, automobile, rail, ship, aerospace equipment and other industries was higher than 52.0, maintaining expansion for two consecutive months, and the production and demand continued to recover. The PMI of energy-intensive industries, such as textiles, oil, coal and other fuel processing, ferrous metal smelting and rolling processing, continued to be in the contraction zone, significantly lower than the overall level of the manufacturing sector, which was one of the main factors behind this month's decline.

Caixin China General Manufacturing PMI Shows Improvement

On the other hand Caixin's July survey data pointed to a further improvement in the health of China's manufacturing sector following the easing of COVID-19 containment measures. However, overall growth momentum softened since June amid slower upturns in output and total new work. Relatively subdued demand conditions and efforts to contain costs led to another decline in employment, while firms were able to further reduce backlogs of work. Cost pressures meanwhile eased notably on the month, with average input costs rising at the weakest rate since last December, while prices charged were cut for the third month running. The headline seasonally adjusted Purchasing Managers Index slipped from 51.7 in June to 50.4 in July, to signal a back-to-back monthly improvement in business conditions. That said, the rate of improvement eased from June's 13-month high and was only marginal.



China's Steel PMI falls to 33 in July as Mills Shut BF's

China Federation of Logistics and Purchasing's China Steel Logistics Committee announced that the Purchasing Managers Index for Chinese steel industry fell by 3.2 from June to 33.0 in July, hitting new low, as some mills suspended operations & users went into bankruptcy due to the subprime crisis in reality sector. From the sub-indexes, the traditional off-season market forces were in full effect, with low market demand, lower steel production, and downward prices for both steel and raw materials. In August, market demand is expected to pick up, and steel production tends to recover, leading to a small rebound in steel and raw material prices,

