

# News Release

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## S&P Global Kazakhstan Manufacturing PMI®

### PMI hits record high in August

#### Key findings

Sharpest increase in employment in series so far

Stronger growth of output and new orders

Input cost inflation at nine-month high

Latest PMI® data pointed to the strongest improvement in the health of the Kazakhstan manufacturing sector since data collection began five-and-a-half years ago. The strengthening of business conditions was driven by a record increase in employment, as well as faster expansions in both output and new orders. There were also signs of inflationary pressures strengthening, with both input costs and output prices rising more quickly than in July.

The S&P Global Kazakhstan Manufacturing Purchasing Managers' Index™ (PMI) rose to a new survey peak of 53.3 in August, up from 51.7 in July. The improvement in business conditions surpassed the previous record posted in June 2022. The health of the manufacturing sector has now strengthened in each of the past six months.

Central to the record improvement in operating conditions was the most marked increase in employment since the survey began in March 2019. Staffing levels rose markedly as 15% of respondents took on extra staff, often on a full-time basis.

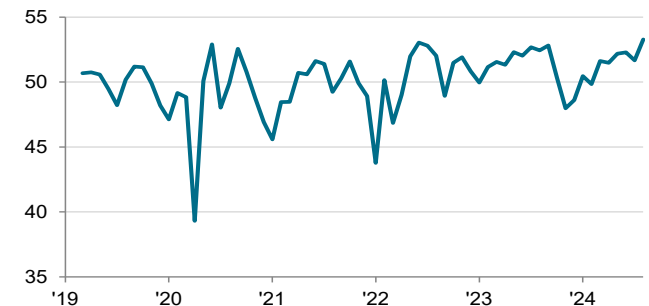
The increase in employment was a response to higher output requirements. Production rose for the sixth month running in August, and at a solid pace that was the sharpest since September 2023. In some cases, growth reflected planned increases in production, while other firms linked the rise to a reaction to expanding new orders.

New business increased to the greatest extent for a year on the back of improving customer demand, the winning of tenders and the securing of new large orders.

Despite new order growth quickening, backlogs of work decreased in August as firms were able to use enhanced capacity to complete outstanding business. The reduction in backlogs in the latest survey period followed a slight rise in July.

As well as leading to a record rise in employment, higher

Kazakhstan Manufacturing PMI  
sa, >50 = improvement since previous month



Source: S&P Global PMI.  
Data were collected 12-22 August 2024.

#### Comment

Andrew Harker, Economics Director at S&P Global Market Intelligence, said:

*"Buoyant demand spread through the manufacturing sector in August, culminating in a record expansion in employment and the most marked improvement in the health of the sector since the survey began in March 2019. Although there are some doubts among firms that growth will continue at current levels, we should hopefully at least see the expansion in the sector settle at a sustainable pace over the months ahead."*

PMI®

by S&P Global

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output requirements were also behind a further marked expansion of purchasing activity during the month. Input buying has increased continuously since March. Inputs were often used directly to support production, meaning that stocks of purchases decreased for the second consecutive month, albeit only modestly.

Stocks of finished goods were also down as firms dipped into inventories to help fulfil new orders. Here too, however, the rate of depletion was only marginal and softer than that seen in the previous survey period.

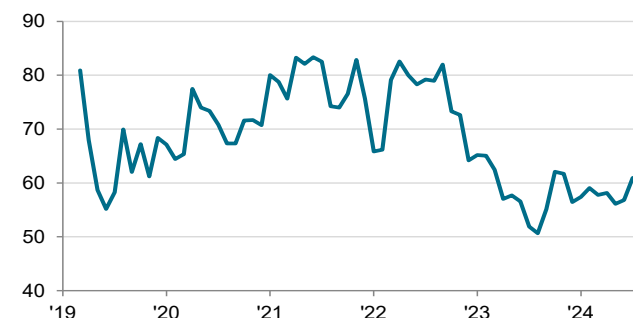
Input costs rose sharply in August, with the rate of inflation quickening for the third month running to the steepest since last November. Respondents often reported higher raw material costs, which in some cases were exacerbated by unfavourable exchange rate movements.

Output prices also rose at a sharper pace as firms passed on higher raw material costs to their clients. Charges were up solidly, and to the largest extent in six months.

Some doubts about whether the current buoyant demand environment would continue led to a further waning of sentiment among manufacturers in August. Optimism was the weakest in just under two years, but firms were still confident on balance that new orders and output will expand over the coming year.

## PMI Input Prices Index

sa, >50 = inflation since previous month



Source: S&P Global.

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## Survey methodology

The S&P Global Kazakhstan Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 250 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in March 2019.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

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