

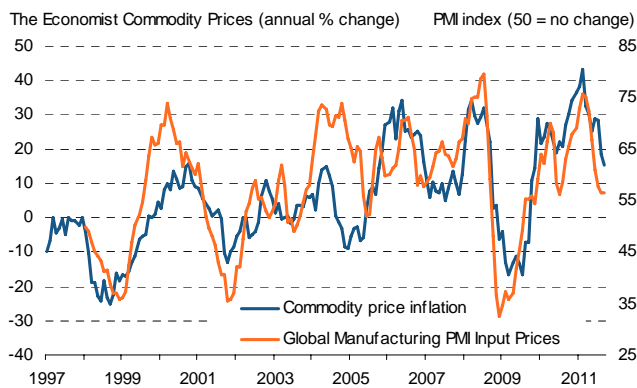
# Price & Supply Monitor

## Downward price pressures persist for most commodities

- Input cost inflation in global manufacturing sector remains unchanged in September from 13-month low in August
- Price pressures for majority of commodities weaker than long-run trends...
- ...linked to improving availability of raw materials

Purchasing executives at worldwide manufacturers indicated that input price pressures in September remained much less marked than earlier in the year. The rate of inflation of purchasing costs held steady from the 13-month low registered in August.

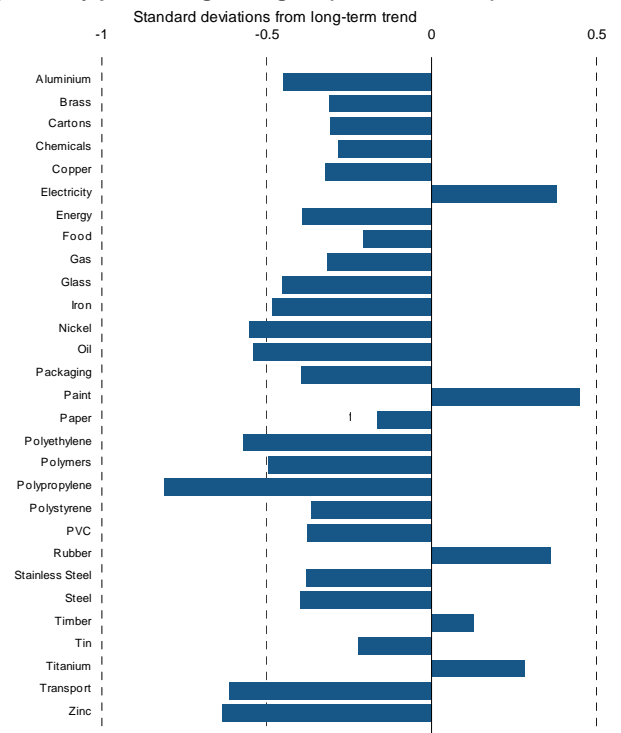
### Global manufacturing costs and commodity prices



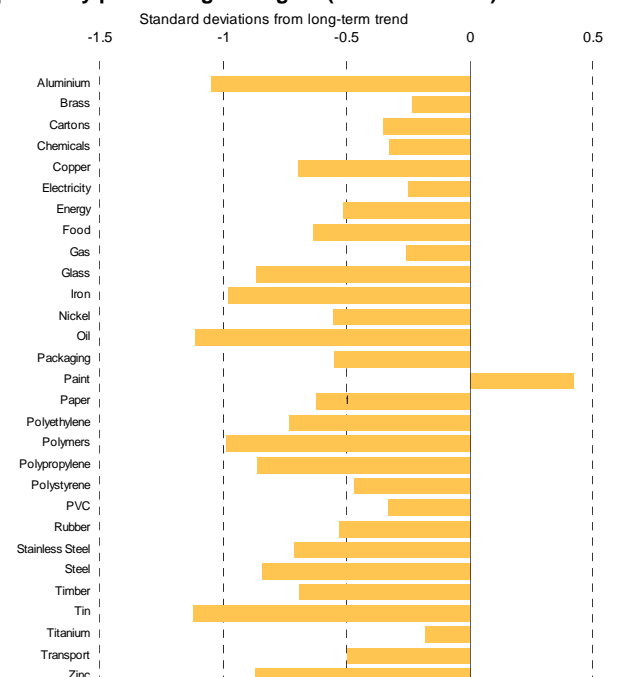
The recent easing in price pressures has been accompanied by a moderation in supply shortages for raw materials. September PMI data signalled that average lead times lengthened only marginally and at the weakest rate since July 2009.

As well as reporting on average input prices and supplier lead times, purchasing executives on Markit's PMI panels are invited to itemise specific goods which have changed price in the past month or for which supply shortages have developed. This information can be transformed into indicators which show the development of price and supply pressures relative to long-run averages.

### Price pressures reported by purchasing managers (latest 3 months)



### Supply shortages reported by purchasing managers (latest 3 months)



These indicators show that, in the three months to September, particularly marked downward price pressures were recorded for oil, polymers and certain metals such as zinc and nickel. Transportation cost pressures were also reported to have eased.

Only five of the monitored items recorded stronger price pressures in the three months to September compared with historical averages. These were paint, electricity, rubber, titanium and timber.

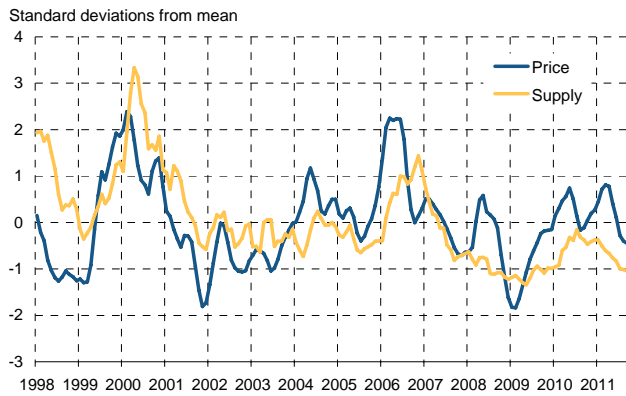
Meanwhile, only paint was reported to have been in greater short-supply during the latest quarter. All other commodities posted better availability than long-run trends.

### Key hot spots:

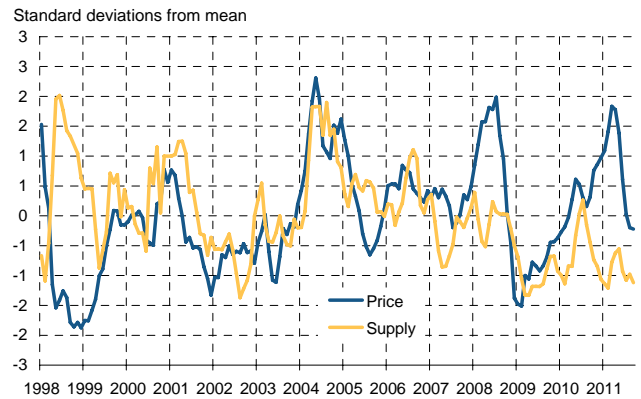
- **Paint** price pressures remained strong, reflecting a tight supply situation.
- **Electricity** continued to be frequently reported by panel members as up in price.
- Higher prices for **rubber** were again signalled.
- Substantial downward price pressures were signalled for **polymers**.
- **Zinc** and **nickel** are among a number of metals to have recently fallen in price.
- **Oil** prices have also dropped, helping to ease price pressures for **transportation**.

**Metals**

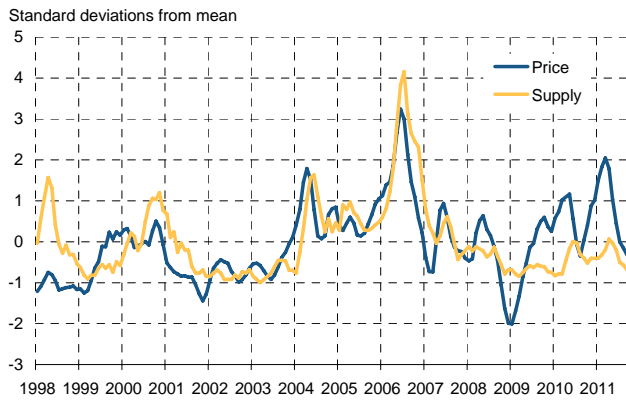
**Aluminium**



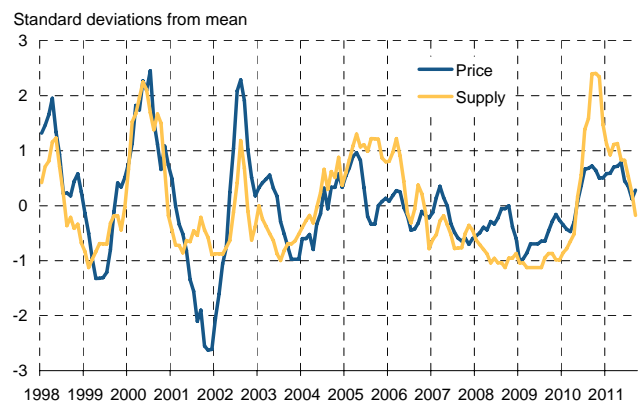
**Tin**



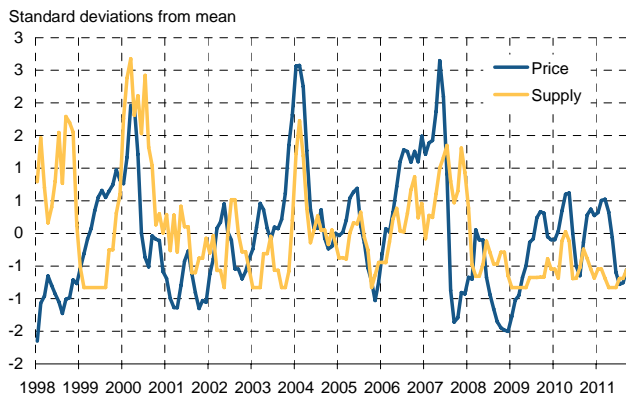
**Copper**



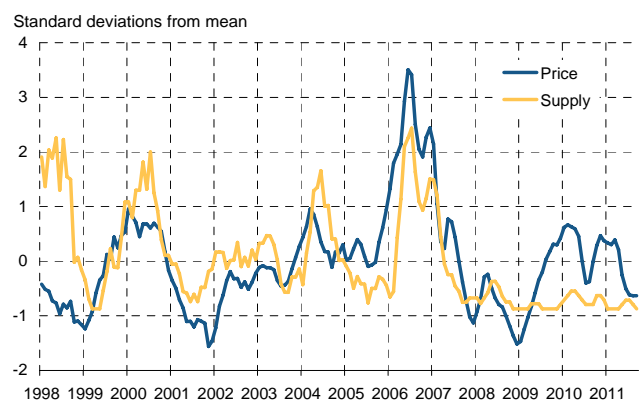
**Titanium**



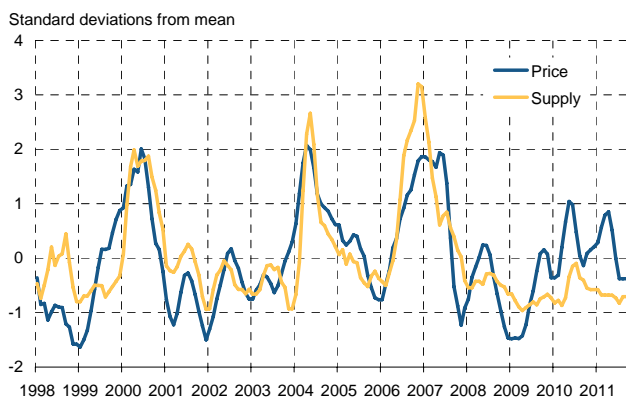
**Nickel**



**Zinc**

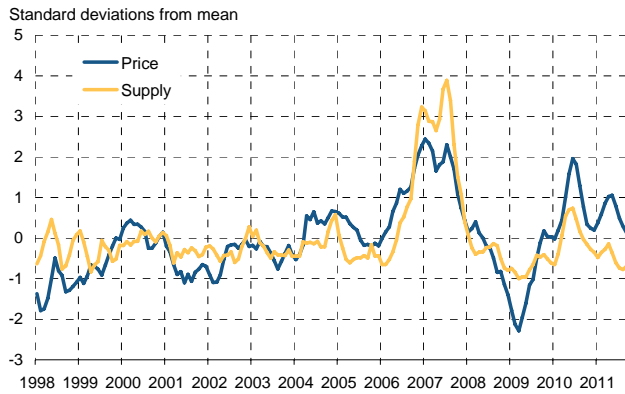


**Stainless steel**



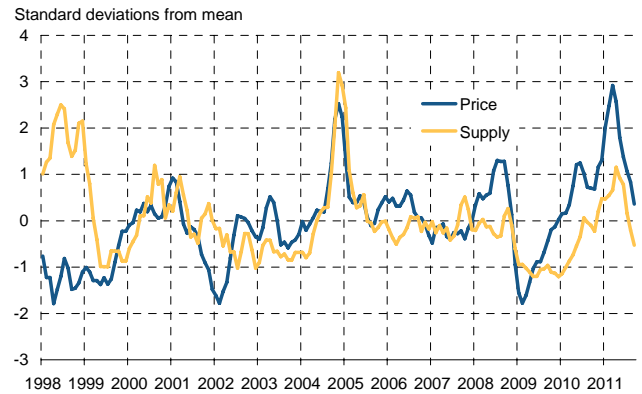
## Timber & timber products

### Timber

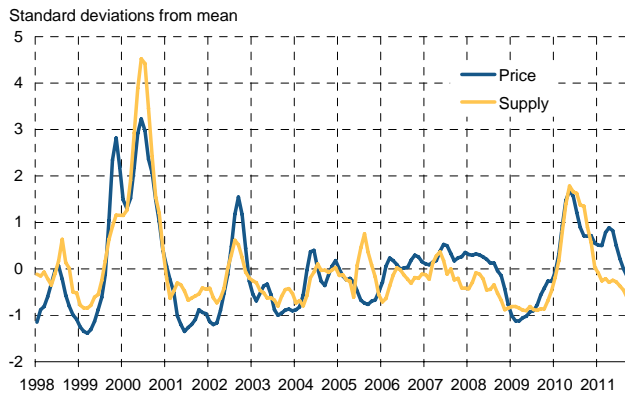


## Chemicals, plastics & rubber

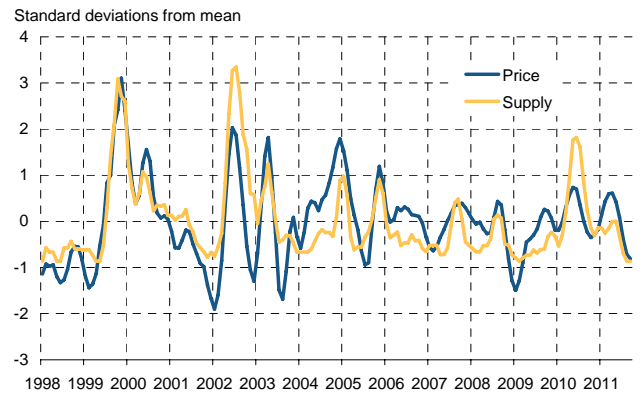
### Rubber



### Paper

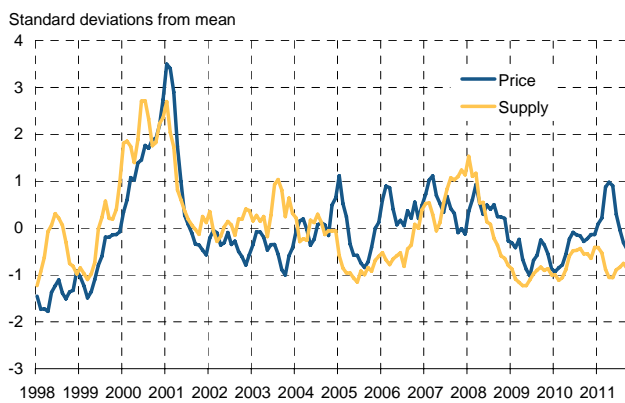


### Polypropylene



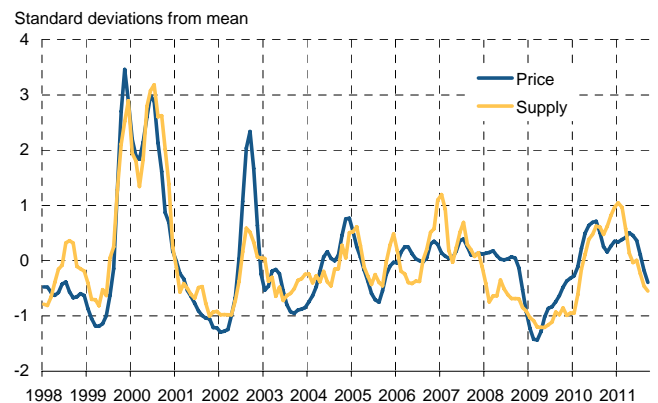
## Glass

### Glass



## Packaging

### General packaging



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## PMI Survey Price Indices

The Price Indices shown in this report are derived from Markit Economics' monthly Purchasing Managers' Index™ (PMI™) surveys. They are calculated from the number of purchasing managers that report a specific item to have risen in price, less those reporting the item to have fallen in price. Each month's resulting net balance is adjusted to take into account variations in survey response rates.

Countries covered are as follows: UK, Ireland, Germany, France, Italy, Spain, South Korea, Taiwan, US, Russia, Brazil, India and China.

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