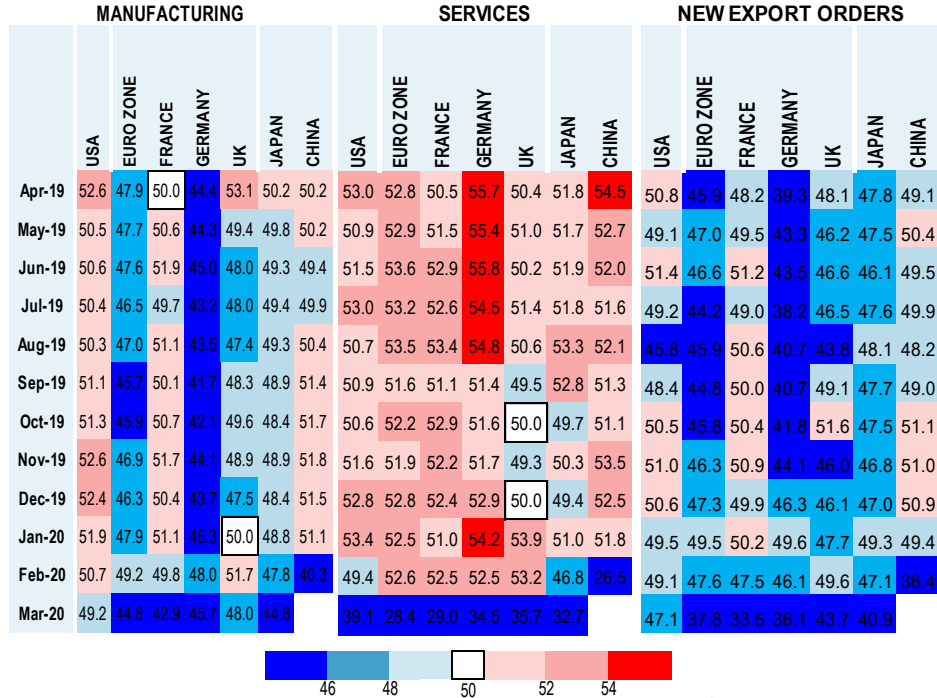




**PMIs confirm the collapse in global economic activity**

The PMI indices published this week give an early insight into the scale of the economic shock from Covid-19. The composite indices for Japan (35.8), Germany (37.2), France (30.2), the UK (37.1) and the US (40.5) all slumped in March. The euro zone composite PMI was the lowest ever recorded at 31.4. The deterioration was particularly marked for the sub-indices relating to employment and orders for goods and services.

Figures for April, whilst remaining at historically low levels, are expected to show increasing divergence between the regions. In East Asia, internal demand should start to pick up, as activity starts to normalise in China. Conversely, the epidemic is spreading more rapidly in the US, India and Africa; meanwhile, many European countries remain in lock-down.



Source : Markit, BNP Paribas