

Absa PMI expands at slower pace in April

By [Olivia Kumwenda-Mlambo](#)

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South Africa's seasonally-adjusted Absa Purchasing Managers' Index (PMI) expanded at a slower pace in April as growth in business activity and new sales orders slowed, a survey showed on Monday.



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The index, a gauge of manufacturing activity in Africa's most industrialised economy, fell to 56.2 points in April from 57.4 points in March, remaining above the 50-point mark that separates expansion from contraction.

The survey showed that business activity continued to expand in April but at a much slower pace compared to the previous month, falling to 50.8 points in April from 56.1 in March. The new sales orders index declined from a 60.4 points to 58.7.

On a positive note, the employment index – which often is below the 50-point mark – rose by 10 points to 54.4 points in April, its highest since 2007.



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"It is too early to tell whether this points to a sustained improvement in job creation in the manufacturing sector, but it is a positive development nonetheless," Absa said in a statement.

South Africa's unemployment rate jumped to a record high of 32.5% in the fourth quarter of last year, as businesses struggled to stay afloat following lockdown restrictions to curb the spread of the coronavirus.

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