

Singapore's PMI falls to 49.1 in August

SINGAPORE, Sept. 4 (Xinhua) -- Singapore's purchasing managers' index (PMI) fell to 49.1 in August, down from 49.8 in July, according to statistics released on Tuesday.

The PMI released by the Singapore Institute of Purchasing and Materials Management was in line with weakness in the manufacturing sector for other economies in the region such as China, South Korea and India.

A PMI reading of below 50 indicates a contraction in the manufacturing sector, while a reading above 50 indicates an expansion.

The overall PMI in August was pulled down by falling new orders and contraction in stockholdings of finished goods and imports amid the weak demand in the eurozone and the United States. Economists have said that the manufacturers will continue to struggle for some time to come.

The electronics sector turned out to be the silver lining in August, with the PMI for the sector rebounding to 50.7 in August from 49.2 in July. While new orders were down in electronics, too, new export orders and production output expanded. Some said the new launch of smart phones and tablets could be a support factor in the coming months.

"Indications from the reading suggested that the electronics sector experienced growth from export demands which in turn boosted factory output," said Janice Ong, executive director of the Singapore Institute of Purchasing and Materials Management.