

## Surprising PMIs in China could be once off

The good manufacturing and non-manufacturing PMIs in China were driven by seasonal factors that may not last for another month.



Source: istock

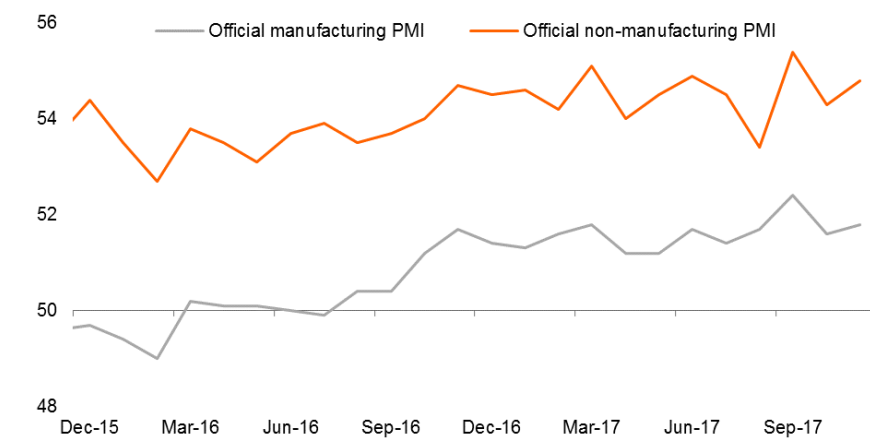
**51.8** Manufacturing PMI  
Nov 2107

Better than expected

### The miracle of the 11-11 online spending spree

The 11-11 online spending spree could be behind the upbeat manufacturing and non-manufacturing PMIs. We believe that 11-11 festive spending brought increased activity in packaging, logistics, and of course manufacturing of goods. However, this is seasonal and unlikely to bring another surprise next month.

11-11 also helps medium-sized factories because ad hoc urgent orders caused by overwhelming online shopping orders are usually manufactured by medium-sized factories. This helps to explain why the medium-sized factory PMI rose above 50, to 50.5.



Source: ING, Bloomberg

## The data support our view of strong economic growth in China

The PMI numbers mean economic growth in 4Q should be more to the upside, and support our GDP forecast of 6.8% for the whole of 2017.