

# Purchasing Managers Index of Puerto Rico Manufacturing

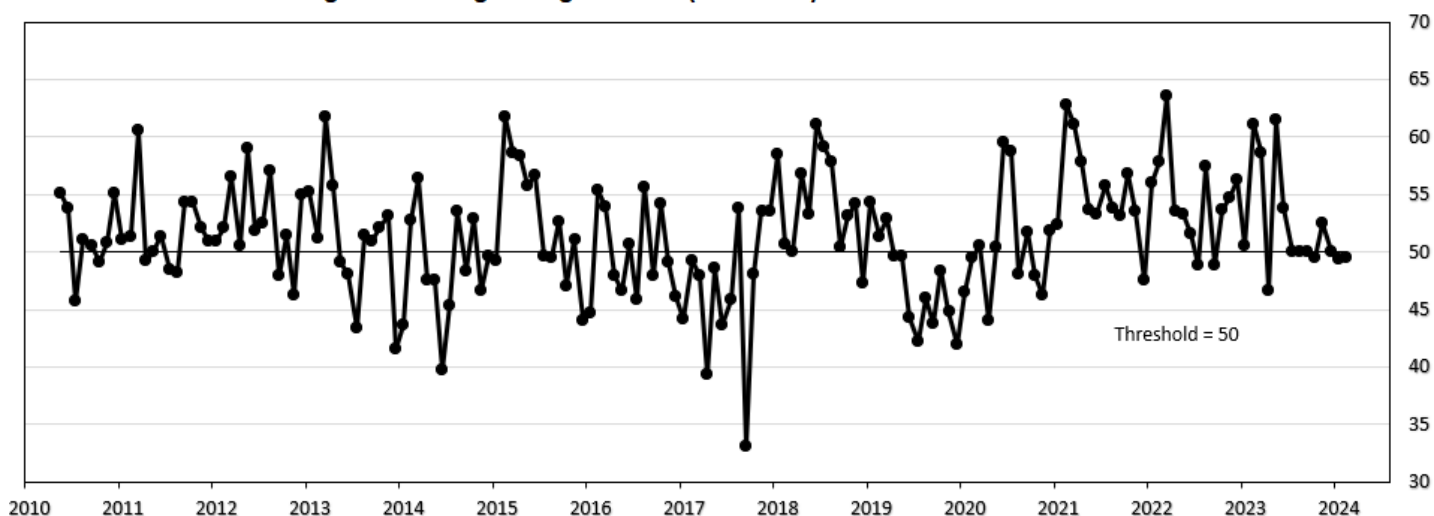
## February 2024



### PUERTO RICO MANUFACTURING PMI INCREASED TO 49.5 IN FEBRUARY

The Purchasing Managers Index (PMI) for Puerto Rico's manufacturing sector is a collaborative effort between the Puerto Rico Manufacturers Association and the Puerto Rico Institute of Statistics. The Purchasing Managers Index (PMI) for Puerto Rico's manufacturing sector increased to 49.5 in February 2024. A reading below the threshold of 50 suggests a contraction in the manufacturing sector with respect to the previous month. New orders, Production and Employment sub-indexes increased with respect to the previous month and were at or above the threshold level of 50. In a supplemental survey of manufacturing establishments, the biggest challenges faced by companies during the past month were: in human resources (employment 8%, absenteeism 8%, turnover 8%), operations (sales 23%, shortage of raw materials 15%, maintenance and repair of machinery and equipment 15%, lead times 15%, suppliers deliveries 8%, supply chain logistics 8%, costs 8%), and utilities (high energy costs 8%). The Puerto Rico Manufacturing-Purchasing Managers Index (PRM-PMI) has been at or above the threshold level in 103 of the 165 months since the survey was first undertaken.

**Puerto Rico Manufacturing – Purchasing Managers' Index (PRM-PMI)**



**Table 1. Puerto Rico Manufacturing – Purchasing Managers' Index: January 2024**

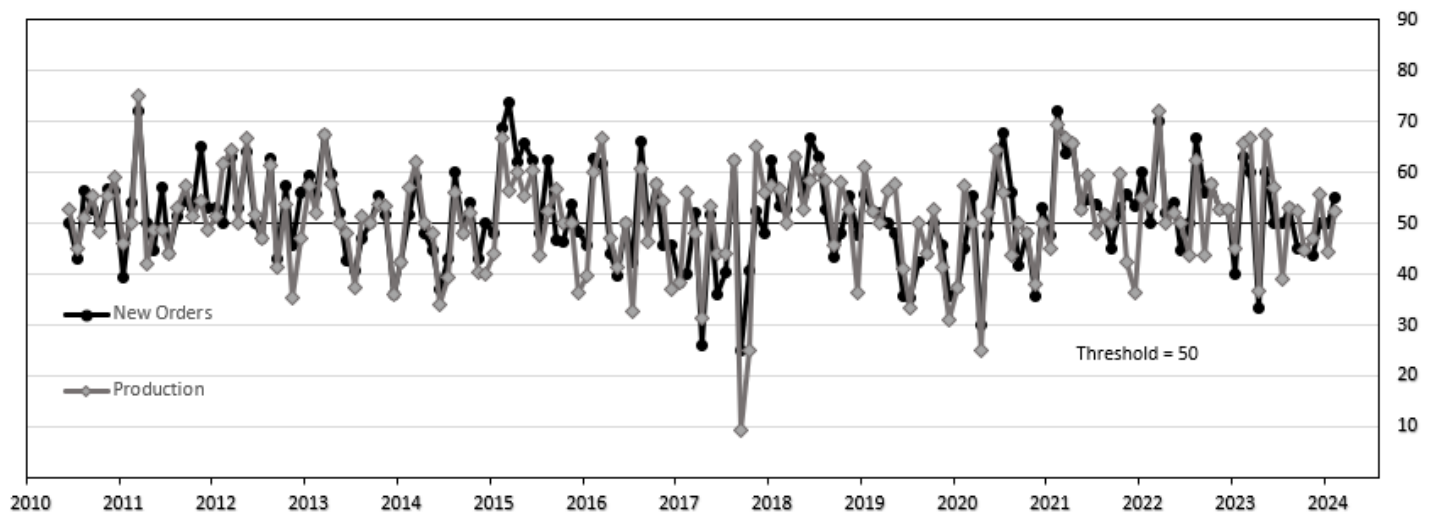
	Better	Same	Worse	Index		
New orders	20.0	70.0	10.0	55.0	Higher	Órdenes nuevas
Production	15.0	75.0	10.0	52.5	Higher	Producción
Employment	10.0	80.0	10.0	50.0	Same	Empleo
Supplier deliveries	0.0	95.0	5.0	47.5	Faster	Entregas de suplidores
Own inventories	15.0	55.0	30.0	42.5	Lower	Inventarios de su empresa
Puerto Rico Manufacturing – Purchasing Managers Index				49.5	Lower	

## New Orders

In February, the New Orders PMI increased to 55.0, staying at or above the threshold for three consecutive months. A reading above 50 suggests that new orders at manufacturing establishments in February were higher than in January.

## Production

The Production PMI increased to 52.5 in February, after being below the threshold in the previous month. A reading above 50 indicates that manufacturing production in February was higher than in January.

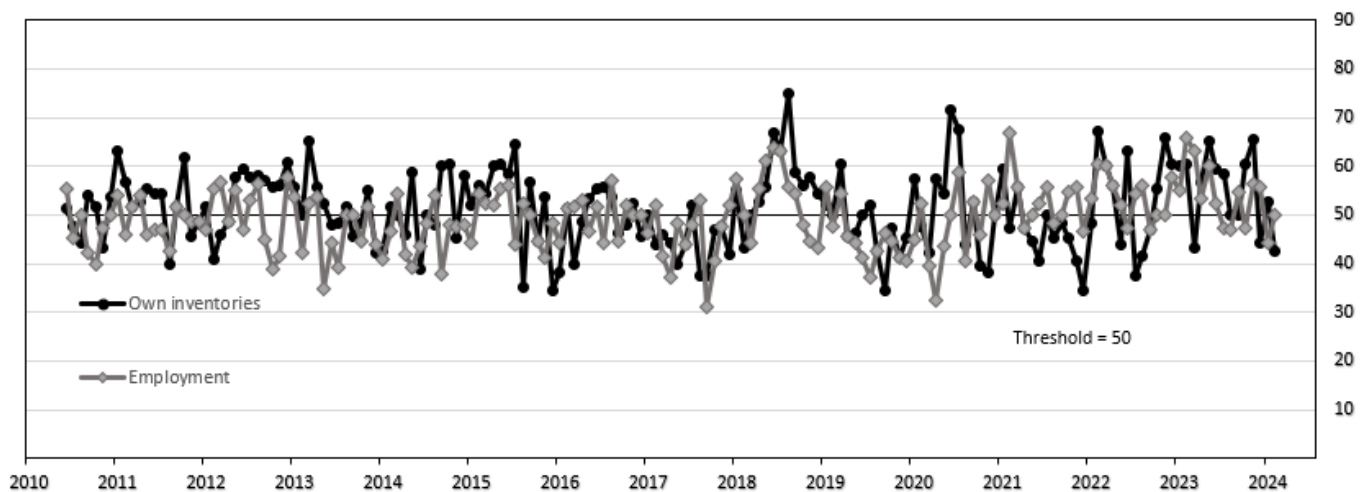


## Employment

In February, the Employment PMI increased to 50.0, after being below the threshold last month. A reading at 50 suggests that manufacturing employment in February was the same as in January.

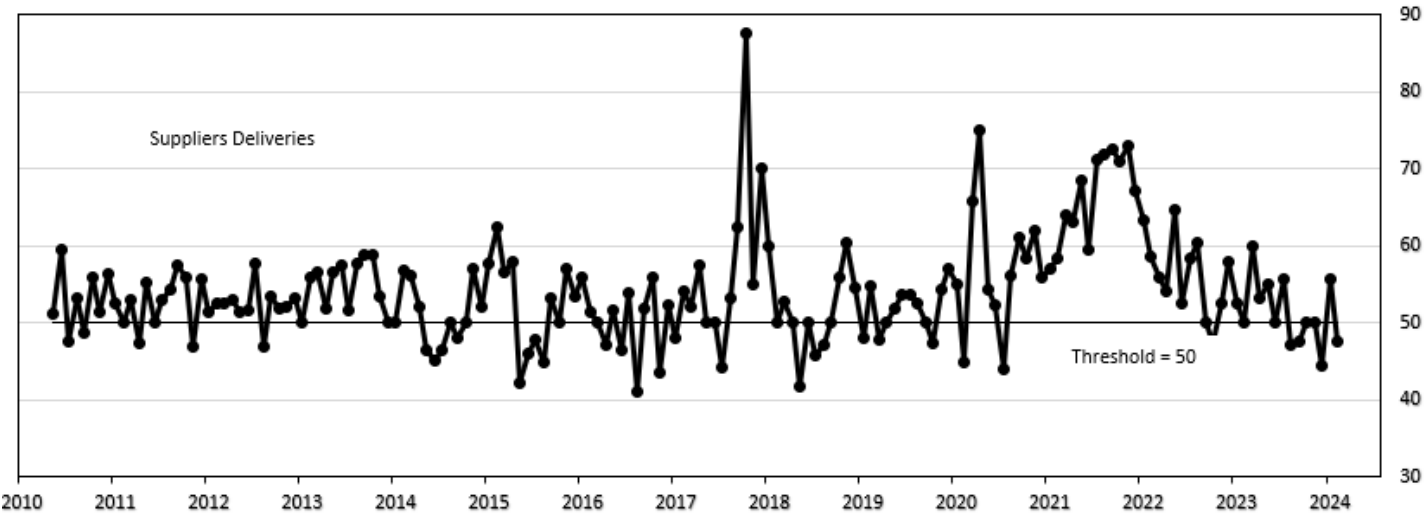
## Own Inventories

In February, the Own Inventories PMI decreased to 42.5, after being above the threshold in the previous month. A reading below 50 indicates that inventories in manufacturing establishments in February were lower than in January.



Supplier Deliveries

The Supplier Deliveries PMI decreased to 47.5 in February, after being above the threshold in the previous month. A reading below 50 suggests that the speed of supplier deliveries in February was faster than in January.



## Methodological note

The Puerto Rico Manufacturing-Purchasing Managers Index (PRM-PMI) is the result of a collaborative project between the Puerto Rico Manufacturers Association and the Puerto Rico Institute of Statistics. The PRM-PMI measures short-term business conditions in Puerto Rico's manufacturing sector and provides a broad-based metric for the productive side of Puerto Rico's economy. It is currently in a testing phase to ensure a reliable methodology. The methodology is similar to PMI surveys conducted elsewhere. The survey questionnaire is available at <https://estadisticas.pr/encuestas/puerto-rico-manufacturing>. The participants include manufacturing establishments with 50 or more employees with membership in the Puerto Rico Manufacturers Association. Currently, results are presented on a Non-Seasonally Adjusted (NSA) basis. The Puerto Rico Institute of Statistics conducted tests to assess the need for seasonal adjustment, and at present, the series does not require it.

The PRM-PMI is calculated as the simple average of 5 sub-indexes, representing different business conditions in manufacturing establishments: New Orders PMI, Production PMI, Employment PMI, Supplier Deliveries PMI, Own Inventories PMI. The sub-indexes are computed using a diffusion index methodology. Specifically, for any given month with respect to the previous month, participants are asked to answer whether the business condition of the establishment: (1) improved, (2) remained the same, or (3) deteriorated. Diffusion indexes are calculated as the percentage of responses that indicate the business condition improved plus half of the percentage of responses that indicate the business condition remained the same. Responses that indicate the business condition deteriorated are not taken into account in calculating diffusion indexes. The survey also includes questions on other business conditions. The diffusion indexes that correspond to these questions are currently under evaluation.

This report was prepared by the staff of the Puerto Rico Institute of Statistics and has not been evaluated by the Board of Directors of the Puerto Rico Institute of Statistics. The information contained in this report need not reflect the official opinion of the Board of Directors of the Puerto Rico Institute of Statistics. No warranty, express or implied, is attached to these figures. While the figures are compiled with professional care, no representations about appropriateness, accuracy, or suitability for specific applications are made.

## Contact information

Contact person: Dr. Ronald Hernández Maldonado, Statistical Project Manager; Leyda Inés Soto López, Statistical Project Assistant  
Addresses: Physical – 57 Quisqueya St., Suite 2000, San Juan, PR 00917; Postal – P.O. Box 195484, San Juan, PR 00919  
Telephones: Direct – (787) 819-0730; E-mail – [ronald.hernandez@estadisticas.pr](mailto:ronald.hernandez@estadisticas.pr) ; [leyda.soto@estadisticas.pr](mailto:leyda.soto@estadisticas.pr)

## To obtain a copy of this report

(1) Visit <https://estadisticas.pr/encuestas/puerto-rico-manufacturing>, (2) write your request at <https://preguntas.estadisticas.pr/>, (3) call (787) 819-0730, (4) mail your request to the Puerto Rico Institute of Statistics, P.O. Box 195484, San Juan, PR 00919, or (5) visit the offices of the Puerto Rico Institute of Statistics at 57 Quisqueya St., Suite 2000, San Juan, PR 00917, between the hours of 8:00 a.m. and 5:30 p.m. The report is available on paper and in the following electronic formats: pdf and Microsoft Excel. The report is free.

## Publication calendar

The monthly PRM-PMI report is published at 10:00 a.m. on the first business day of the month. In specific, the table below shows the expected publication dates of the PRM-PMI report during calendar year 2024:

Reference month	Publication date
Nov-23	January 3, 2024
Dec-23	February 1, 2024
Jan-24	March 4, 2024
Feb-24	April 1, 2024
Mar-24	May 1, 2024
Apr-24	June 3, 2024

Reference month	Publication date
May-24	July 1, 2024
Jun-24	August 1, 2024
Jul-24	September 3, 2024
Aug-24	October 1, 2024
Sep-24	November 4, 2024
Oct-24	December 2, 2024