

Europe's manufacturing sector posts highest growth in 31 months

BRUSSELS, BELGIUM - Business activity in the eurozone posted its strongest growth in 31 months in a fresh sign of recovery although France remained subdued, a key survey showed.



The European manufacturing sector is showing signs of improvement. Image: beeboys [Fotolia](#)

Markit Economics' said its Eurozone Composite Purchasing Managers Index (PMI) for December rose to 52.7 from 51.6 in November, the third consecutive monthly rise.

"A strengthening in the manufacturing sector is helping the eurozone recovery become firmly established," said Markit's chief economist Chris Williamson.

The latest data pointed to an increase in production of about one percent in the last quarter of 2013.

"With producers reporting further growth of new orders, exports and backlogs of work, the stage is set for a good start to 2014, during which it seems likely that the manufacturing sector will help drive a meaningful, albeit modest recovery," he added.

Germany, Italy and Spain recorded the strongest rises in output since early 2011 but France on the other hand saw a steepening downturn in part because of a fall in exports.

"This suggests that competitiveness is a key issue which the French manufacturing sector needs to address," Markit said. Even Greece registered a 52-month high while France fell to a seven-month low.

With growth holding, levels of employment remained stable in December, seeing job creation figures emerge from Germany, Italy and Ireland, and a slowing rate of job cuts in Spain and Greece. Unemployment quickened in France and

Austria however.

Source: AFP via I-Net Bridge

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