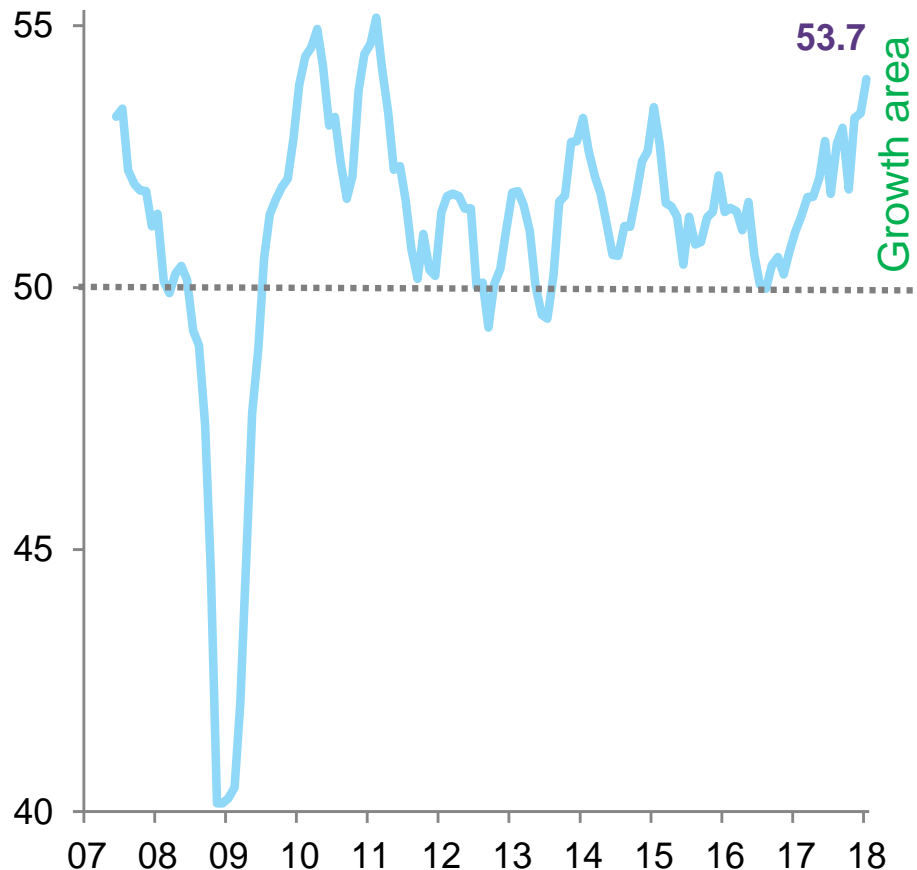


Emerging Markets Open to Trade are Booming

Emerging Markets Aggregate Manufacturing PMI: Markets open to trade sub-component*



The aggregate Purchasing Managers Index (**PMI**) of open **Emerging Markets** reached a six-year high. This indicator signals that **growth is set to accelerate further.**

Accordingly, domestic demand is picking up. Many economies - such as Poland, Mexico, Turkey, and the Philippines - are operating at **near full capacity, which is supportive of investment.**

But running at full capacity may trigger **more inflation in the short run.**

*Singapore, Korea, Mexico, Poland, Turkey, Czech Republic, Turkey

Sources: Bloomberg, Euler Hermes

© Copyright Euler Hermes 24/Jan/2018