



İSTANBUL
SANAYİ ODASI

Developments in the Global Manufacturing PMI®

March 2025

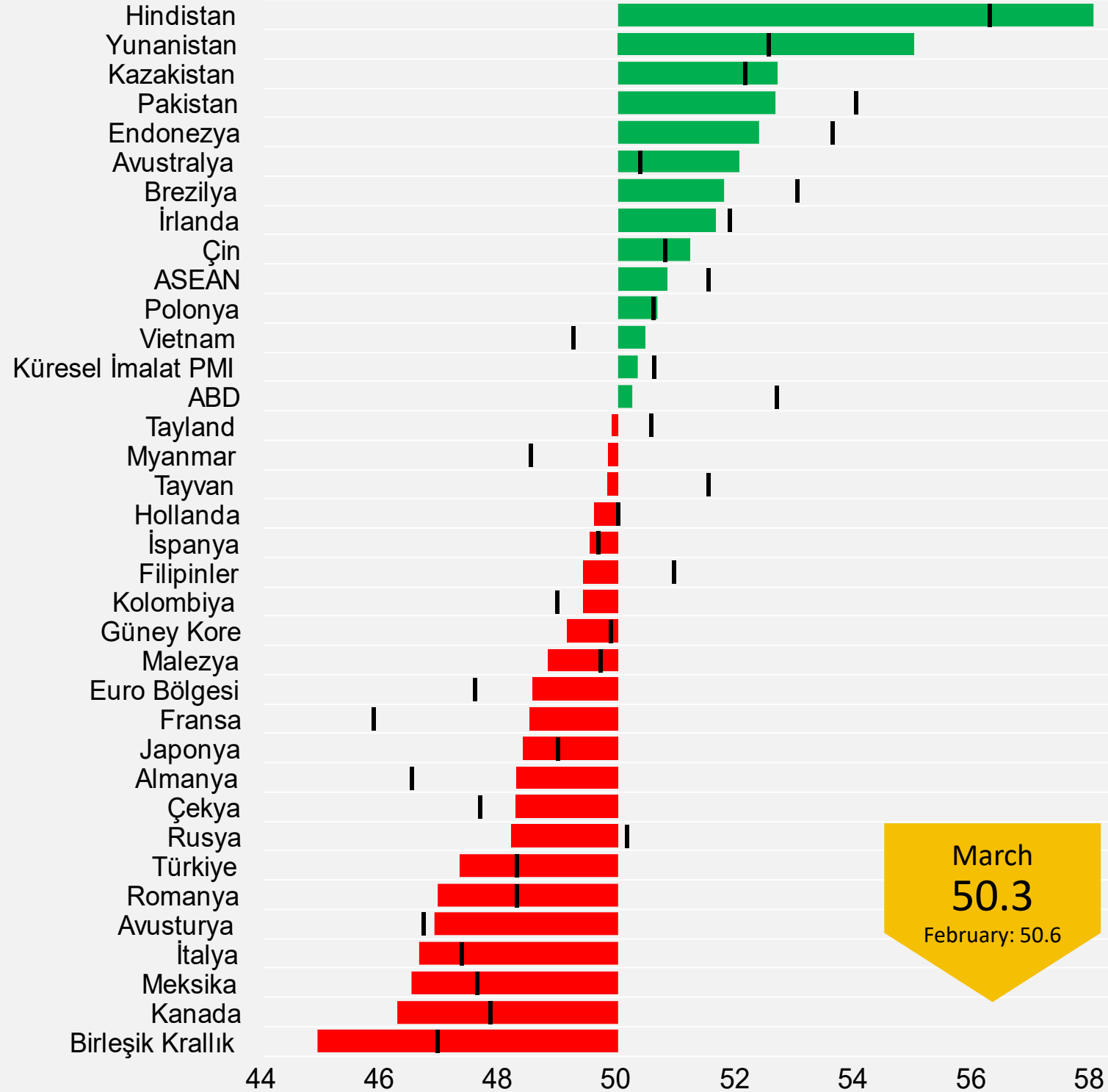




General Outlook

İmalat PMI, Mart 2025

(>50 = Geçen aya göre iyileşme)



Global manufacturing sector closes the first quarter with weak growth

- The Global Manufacturing Purchasing Managers' Index® (PMI) fell to 50.3 in March from 50.6 in February. Thus, the index, after a slight contraction with an average of 49.7 in the last quarter of 2024, signaled a weak growth with an average of 50.3 in the first 3 months of 2025.
- The manufacturing PMI was above the threshold value of 50 in only 12 of the 33 national economies monitored under the survey. In 6 of these countries, growth accelerated compared to the previous month. Shrinkage accelerated in 10 of the 21 countries where the index was below 50. The 4 countries that grew in February shifted to contraction zone in March.
- In the world manufacturing sector, output and new orders increased, albeit at a slower pace compared to the previous month. Export orders remained flat in March after falling in February. Expectations in the sector weakened while employment continued to decline, albeit at a slower pace.
- Input price inflation was close to February's 2-year record high. Cost increases were partially passed on to customers and selling prices rose at the fastest pace in 9 months.
- Istanbul Chamber of Industry Türkiye Manufacturing PMI fell to 47.3 in March from 48.3 in February. It is also the lowest level since October 2024. The index has thus remained below 50 for the last 12 months. The decline in March was driven by the acceleration in output and new orders. The first quarter average of the index was 47.9, 0.2 points above the previous quarter.

Source: S&P Global PMI.

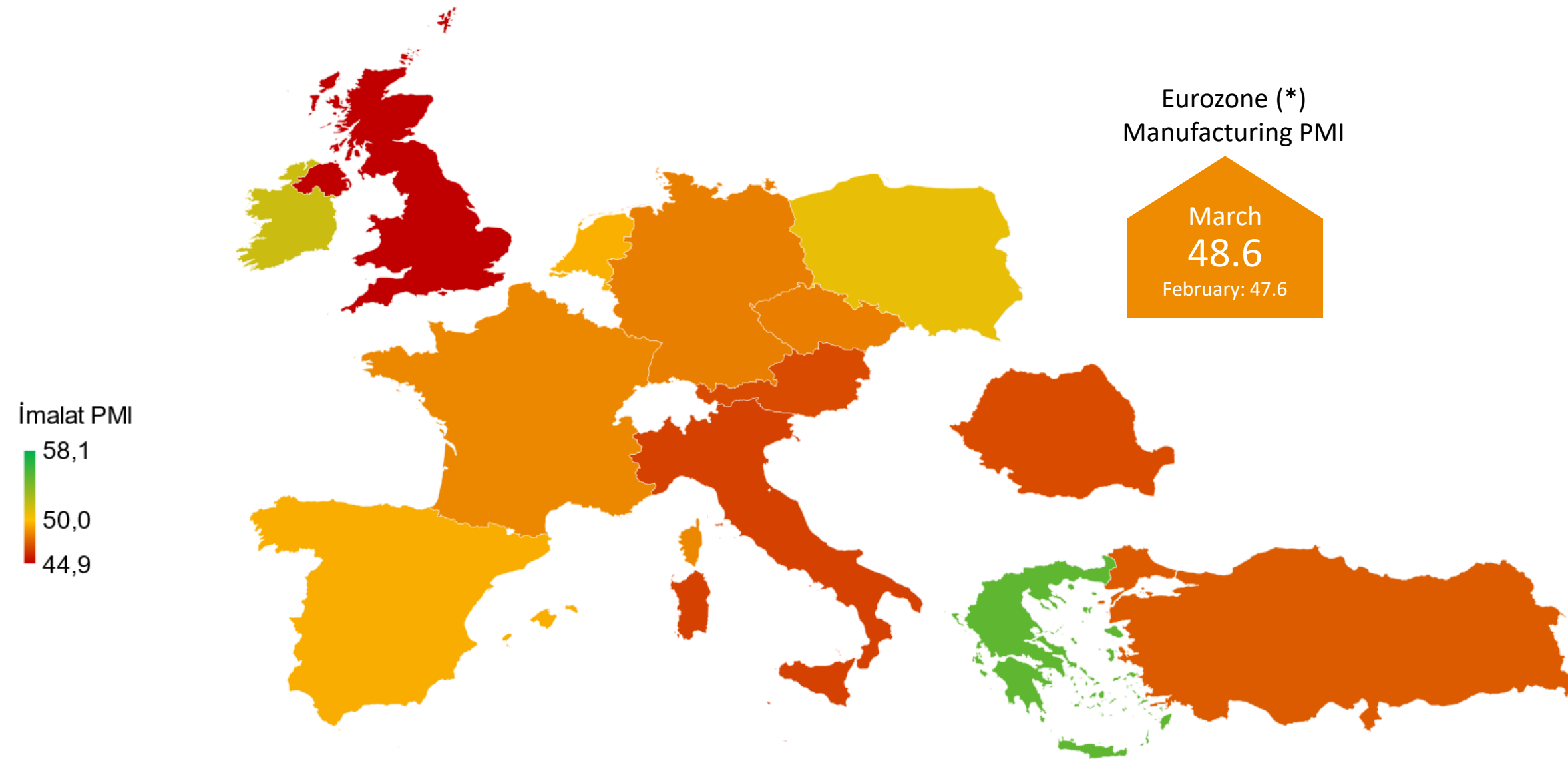
Note: The index values of the previous month are illustrated with vertical black lines to indicate the rises or drops of the index compared to the previous month.



Europe

Contraction continues in most of the Euro Area, albeit at a slower pace

- In March, Eurozone Manufacturing PMI rose by 1 point to 48.6, the highest level in 26 months, led by a slight recovery in output and a slowdown in the decline in orders. Some of the increase in output stemmed from US buyers bringing forward orders ahead of new tariffs. Inflation recorded a slight increase.
- In the Eurozone, only 2 of the 8 countries (Greece and Ireland) for which Manufacturing PMI was released were in the growth zone. Although there were signs of a slight recovery in other countries in the region except Italy, indices remained below 50. In Germany, the PMI was the highest since August 2022, while in France it hit a 26-month high.
- In the UK, Manufacturing PMI fell by 2 points in March to its weakest level in 17 months. Declines in output and new orders accelerated.
- Poland's manufacturing sector grew moderately for the second month in a row. Romania's contraction deepened while Czechia continued to show signs of relative recovery.



Manufacturing PMI	February 2025	March 2025
Greece	52.6	55.0
Ireland	51.9	51.6
Poland	50.6	50.7
The Netherlands	50.0	49.6
Spain	49.7	49.5
France	45.8	48.5
Germany	46.5	48.3
Czech Republic	47.7	48.3
Türkiye	48.3	47.3
Romania	48.3	46.9
Austria	46.7	46.9
Italy	47.4	46.6
United Kingdom	46.9	44.9

Source: S&P Global PMI.

(*) The countries included in the Euro Zone index: Germany, Austria, France, Italy, Ireland, Spain, the Netherlands and Greece.



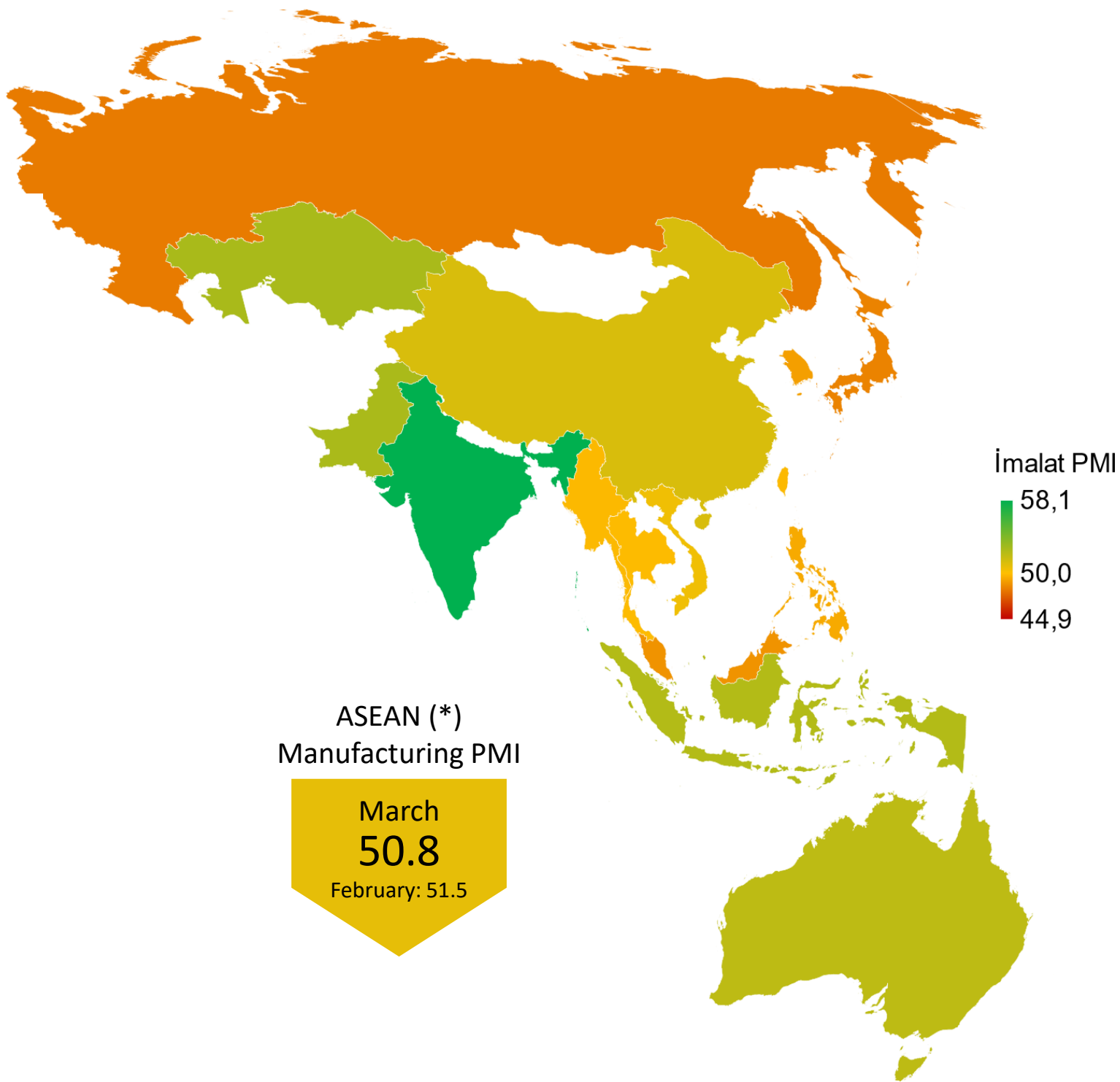
Asia-Pacific

China, India and Australia improves, Japan and South Korea deteriorates

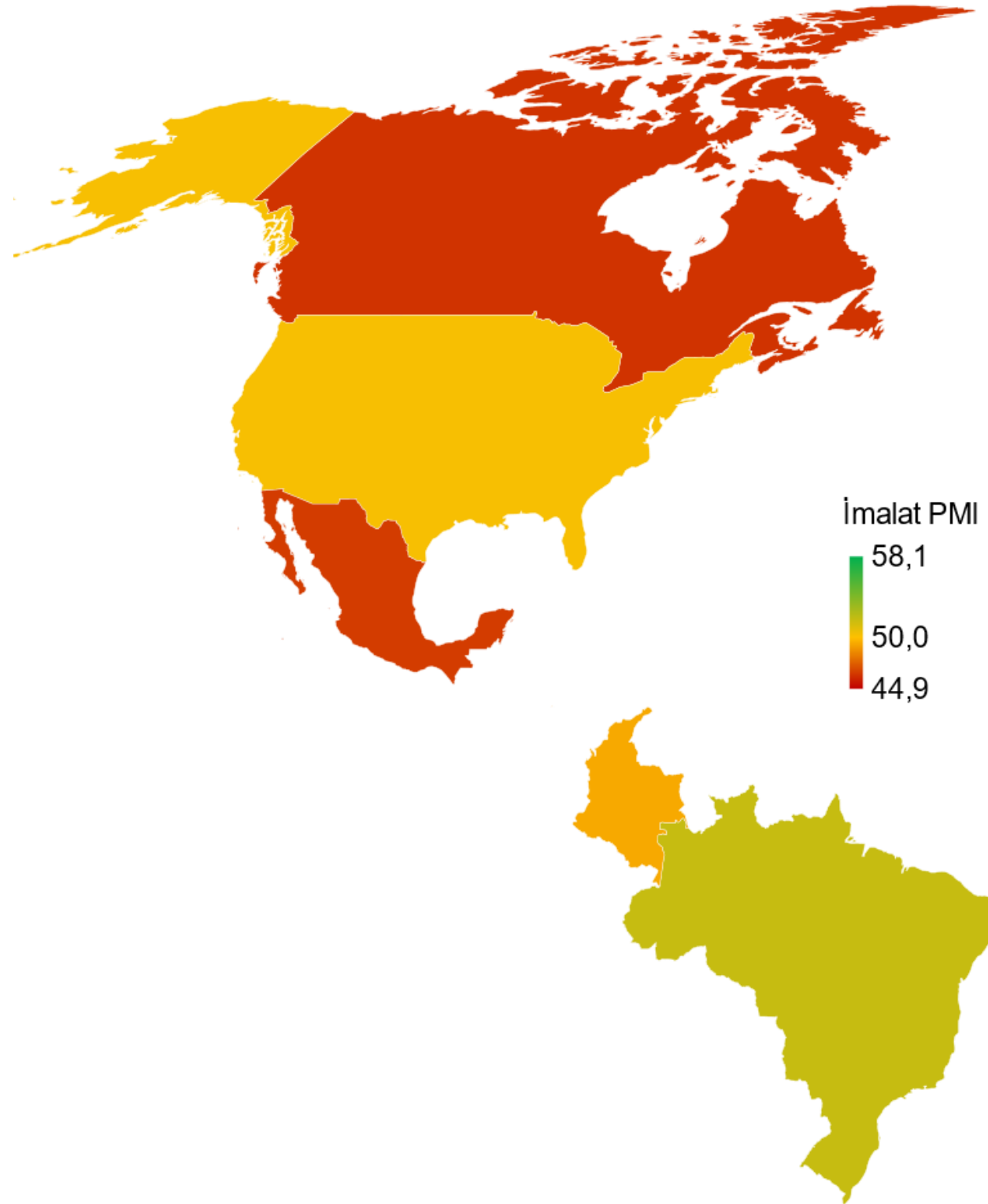
- In March, China Manufacturing PMI reached a 4-month high. While output continued to improve, employment increased for the first time in 19 months. Export orders experienced the strongest increase since April 2024.
- The world's high Manufacturing PMI was recorded in India. The level of 58.1 in March was also the peak of the last 8 months. The acceleration in output and orders played a role in the increase.
- In Japan, the Manufacturing PMI fell to 48.4, the lowest level in a year, due to weakness in both demand and output.
- In South Korea, the sector contracted for the second consecutive month. Output declined due to the stagnation in orders.
- In Taiwan, after 11 months of growth, manufacturing sector slowed down significantly due to weakening demand.
- In Russia, Manufacturing PMI fell to the lowest level since April 2022 due to the deterioration in domestic and foreign demand.
- Having recovered throughout the first quarter of 2025, Australian Manufacturing PMI rose to its strongest level in 29 months in March.
- The manufacturing sector of the ASEAN (*) region grew for the 15th consecutive month-on-month in March, but slowed from February. Slight deceleration was seen in Indonesia, moderate recovery in Vietnam, while growth was interrupted in the Philippines and Thailand.

Manufacturing PMI	February 2025	March 2025
India	56.3	58.1
Kazakhstan	52.1	52.7
Pakistan	54.0	52.7
Indonesia	53.6	52.4
Australia	50.4	52.1
China	50.8	51.2
Vietnam	49.2	50.5
Thailand	50.6	49.9
Myanmar	48.5	49.8
Taiwan	51.5	49.8
Philippines	51.0	49.4
South Korea	49.9	49.1
Malaysia	49.7	48.8
Japan	49.0	48.4
Russia	50.2	48.2

Source: S&P Global PMI.



(*) The countries included in the ASEAN PMI index: Indonesia, Philippines, Malaysia, Myanmar, Singapore, Thailand, Vietnam.



Manufacturing PMI	February 2025	March 2025
Brazil	53.0	51.8
USA	52.7	50.2
Colombia	49.0	49.4
Mexico	47.6	46.5
Canada	47.8	46.3

Source: S&P Global PMI.

America

The manufacturing sector slows sharply in the US, while Canada and Mexico are negatively affected by increased tariffs

- Output in the US declined slightly in March after strong growth in February. Concerns over new tariffs led to a loss of momentum in orders. Employment declined after rising for 4 consecutive months. Product price inflation reached a 25-month high due to higher input costs.
- Uncertainty over tariffs in Canada led to the sharpest drop in new orders in the post-pandemic period. The PMI hit its lowest reading in 27 months. Tariffs on aluminum and steel led to the fastest increase in input prices since August 2022.
- Similarly, Mexico's new orders declined at the fastest pace since July 2022. While cost pressures increased due to rising tariffs, the deterioration in firms' expectations also negatively affected employment.
- Brazil's manufacturing sector managed to remain in growth territory in March, but lost momentum compared to February. While demand and employment growth slowed down, output growth continued at a pace close to February.
- In Colombia, despite a slight increase in Manufacturing PMI, output and employment declined due to rising inflation and weak demand.



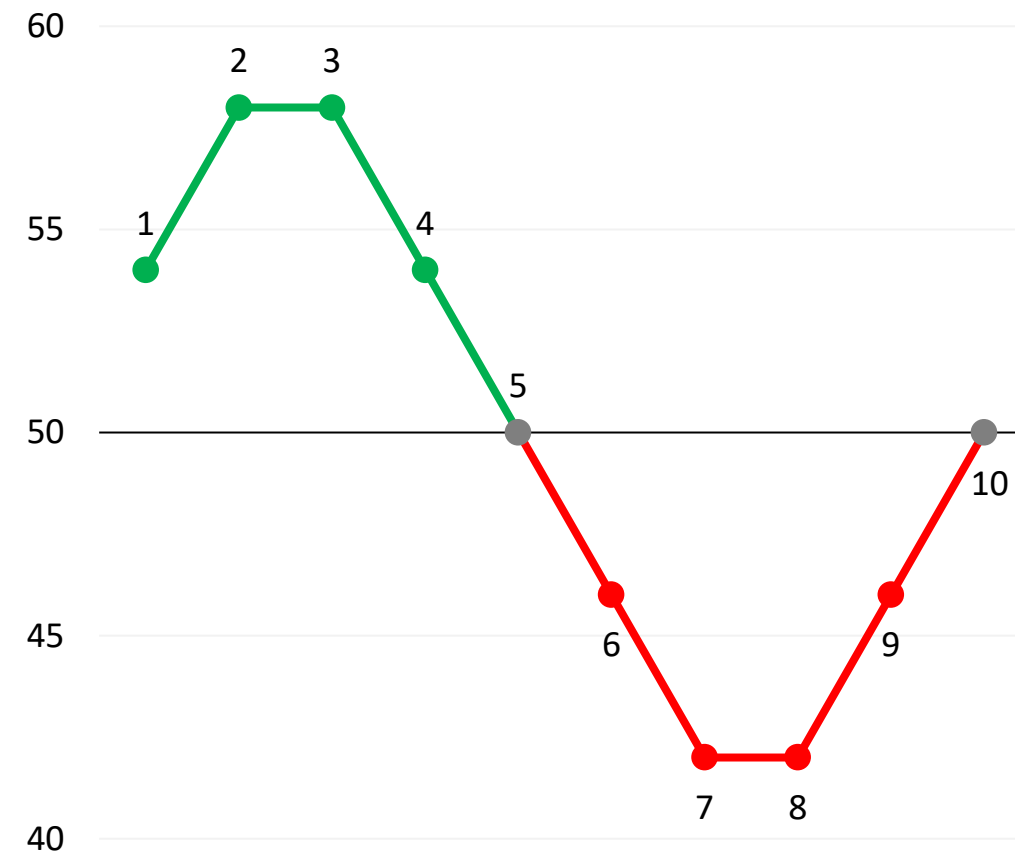
Methodology

What is PMI, how to interpret it?

- Purchasing Managers Index (PMI®) is a pioneer indicator produced by S&P Global and used for measuring the activity conditions of the respective economy/industry.
- Any figure greater than 50.0 indicates overall improvement, while the figures below 50.0 indicate deterioration.

Index Interpretation

50= no change on previous month



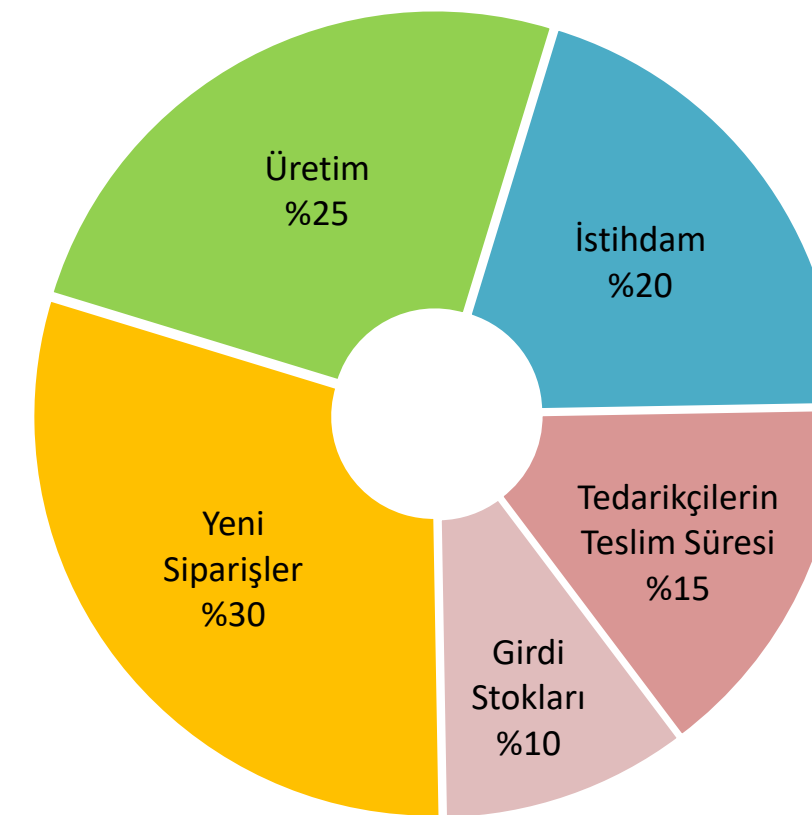
How is the manufacturing PMI calculated?

- The index is based on 5 sub-indexes: New Orders, Output, Employment, Suppliers' Delivery Times, Stock of Items Purchased.
- The report features survey data collected from a panel of around 400 companies based in the Turkish manufacturing sector.
- All indexes are seasonally adjusted.

Why is PMI critical?

- Calculated by a set of methods in more than 40 countries^(*), PMI provides a fast, reliable, and comparable data set for the current activity conditions of the industries and economies.
- They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers.

Manufacturing PMI Individual Index Weights



(*) S&P Global produces PMI indexes for the manufacturing industry in a total of 33 countries, including Turkey. PMI indexes in other countries are composite indexes that also cover some non-manufacturing sectors. Therefore, for a smooth comparison by country, the scope of the presentation was limited to 33 countries and 3 regions (World, Eurozone, ASEAN) where the manufacturing industry-specific PMI indexes were produced.



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