



İSTANBUL
SANAYİ ODASI

Developments in the Global Manufacturing PMI®

June 2025

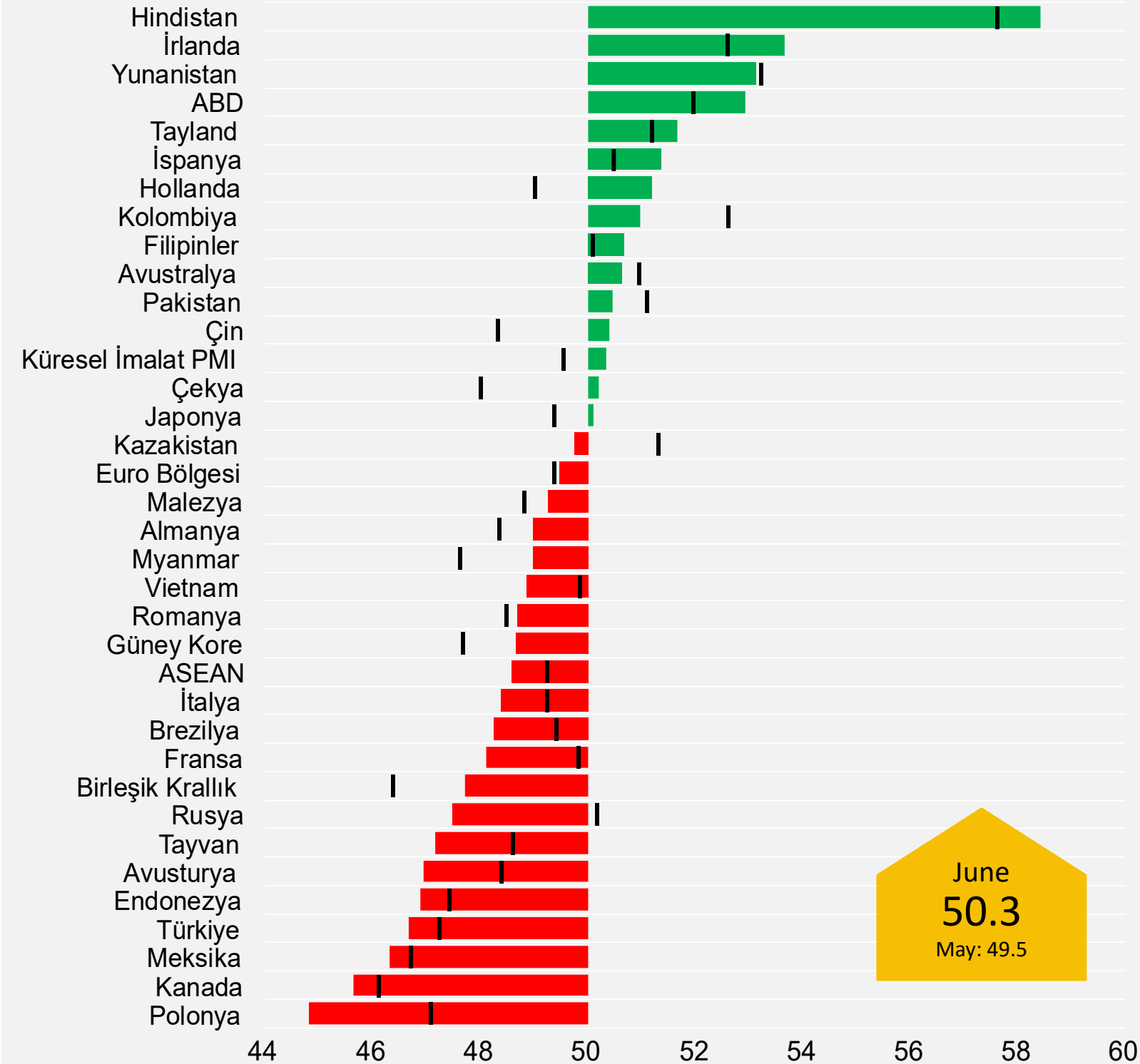




General Outlook

İmalat PMI, Haziran 2025

(>50 = Geçen aya göre iyileşme)



Global manufacturing output returns to growth in June

- The Global Manufacturing Purchasing Managers' Index® (PMI) rose to 50.3 in June from 49.5 in May, crossing the 50.0 threshold for the first time in three months.
- Meanwhile, the index, which averaged 50.3 in the first quarter of 2025, stood at 49.9 in the second quarter due to relatively low levels in April and May.
- The number of countries showing monthly improvement among the 33 national economies covered by the Manufacturing PMI survey rose to 14 in June from 12 in May. On the other hand, 11 of the other 19 economies experienced a more pronounced deterioration compared to the previous month.
- The strong recovery in output was the main factor behind the increase in the Global Manufacturing PMI. Output growth reached its highest rate since June 2022. Total new orders remained flat in June after contracting in May. The decline in export orders slowed down.
- With these developments, the latest decline in staffing numbers was the mildest in 10 months. On the other hand, increases in input costs and sales prices gained momentum compared to the previous month.
- The Istanbul Chamber of Industry Türkiye Manufacturing PMI, which posted 47.2 in May, fell to 46.7 in June, the lowest level in the last eight months. The average of the index dropped to 47.1 in the second quarter from 47.9 in the first quarter. Contraction in output, new orders (including exports), and employment became more pronounced. Despite the accelerating increase in input prices, finished goods price inflation declined.

Source: ISO Global PMI

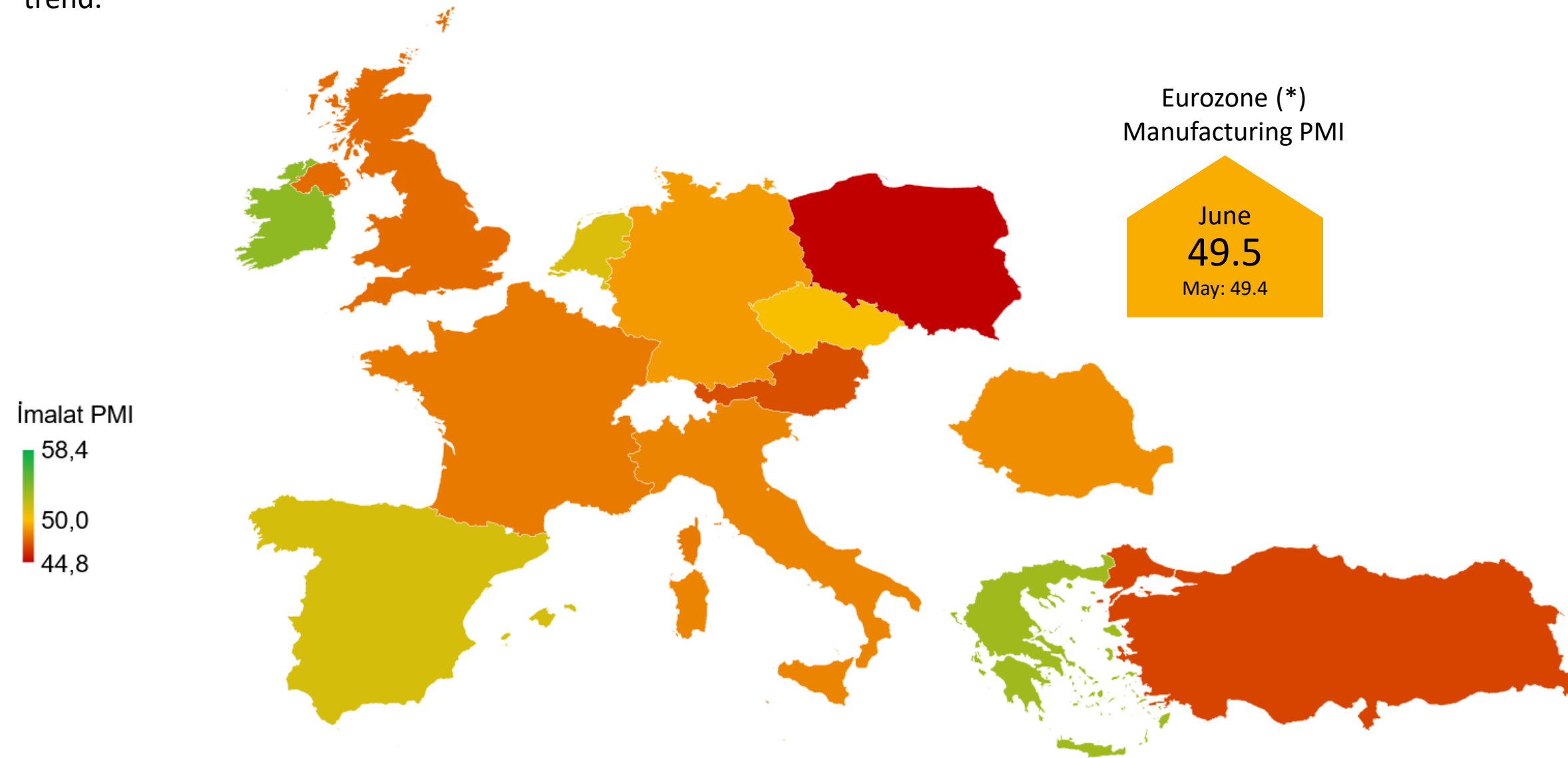
Note: The index values of the previous month are illustrated with vertical black lines to indicate the rises or drops of the index compared to the previous month.



Europe

Output growth in the Eurozone continues, albeit at a slower pace

- The Eurozone Manufacturing PMI rose to 49.5 in June, reaching its highest level in 34 months. The decline in new orders gave way to a flat trend, while output growth continued, albeit at a slower pace. Expectations reached their most optimistic level since February 2022. However, employment continued to decline. Input and sales prices maintained their downward trend.
- With the recovery in the Netherlands in June, four of the eight Eurozone countries covered by the Manufacturing PMI survey were in growth zone. The strongest recover was recorded in Ireland and Greece. While the contraction in Germany slowed compared to May, the deterioration became more pronounced in Italy, France, and Austria.
- The UK Manufacturing PMI rose to 47.7 in June from 46.4 in May. The decline in output, employment, and new orders slowed, while expectations improved.
- The lowest Manufacturing PMI in June was recorded in Poland. The contraction continued in Romania, while the Czech Republic returned to growth zone, albeit limited, after a three-year hiatus.



Manufacturing PMI	May 2025	June 2025
Ireland	52.6	53.7
Greece	53.2	53.1
Spain	50.5	51.4
The Netherlands	49.0	51.2
Czech Republic	48.0	50.2
Germany	48.3	49.0
Romania	48.5	48.7
Italy	49.2	48.4
France	49.8	48.1
United Kingdom	46.4	47.7
Austria	48.4	47.0
Türkiye	47.2	46.7
Poland	47.1	44.8

Source: S&P Global PMI.

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

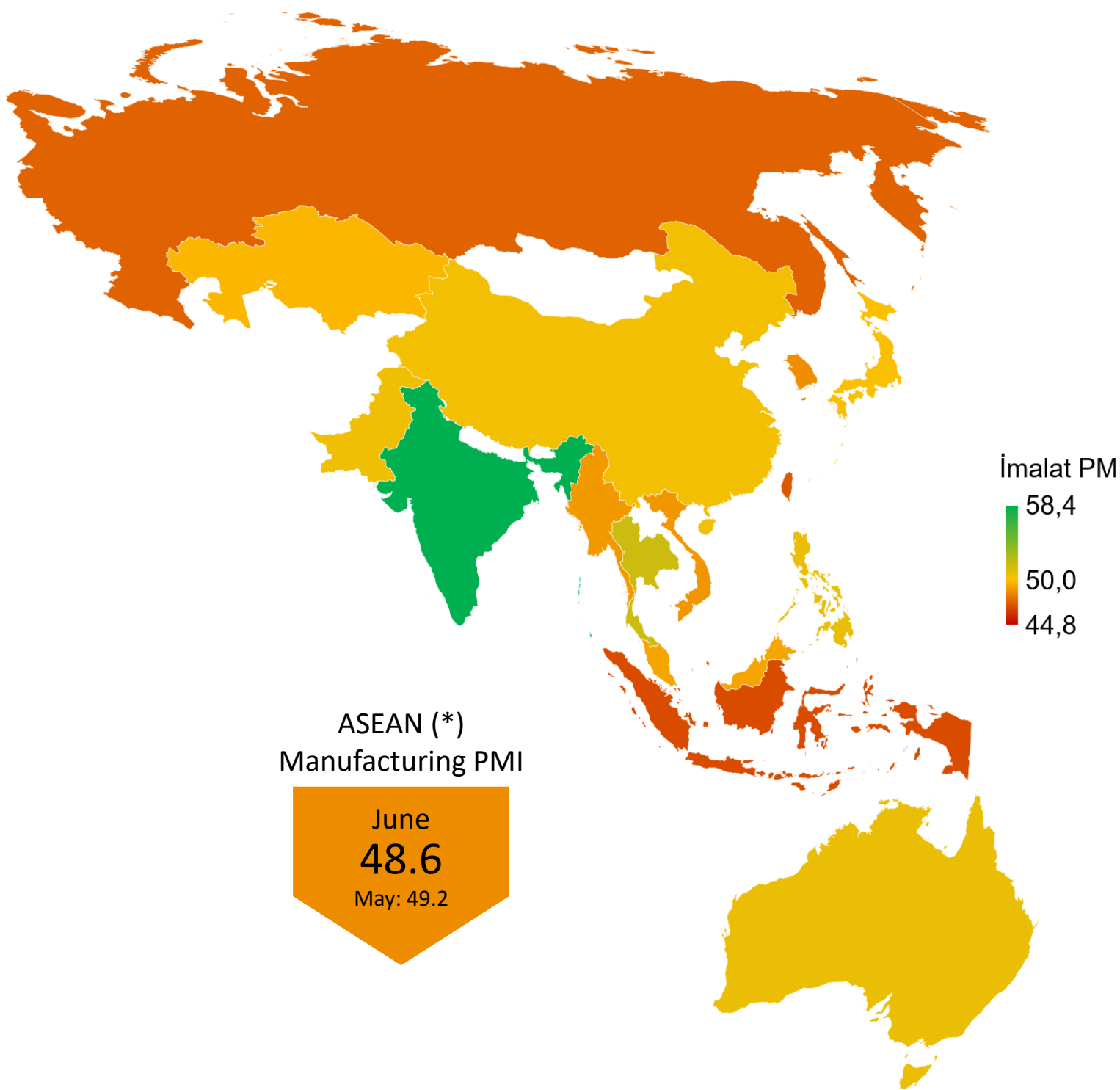
Asia-Pacific

China's manufacturing industry shows signs of a slight recovery, while most of Southeast Asia experiences a downturn in June

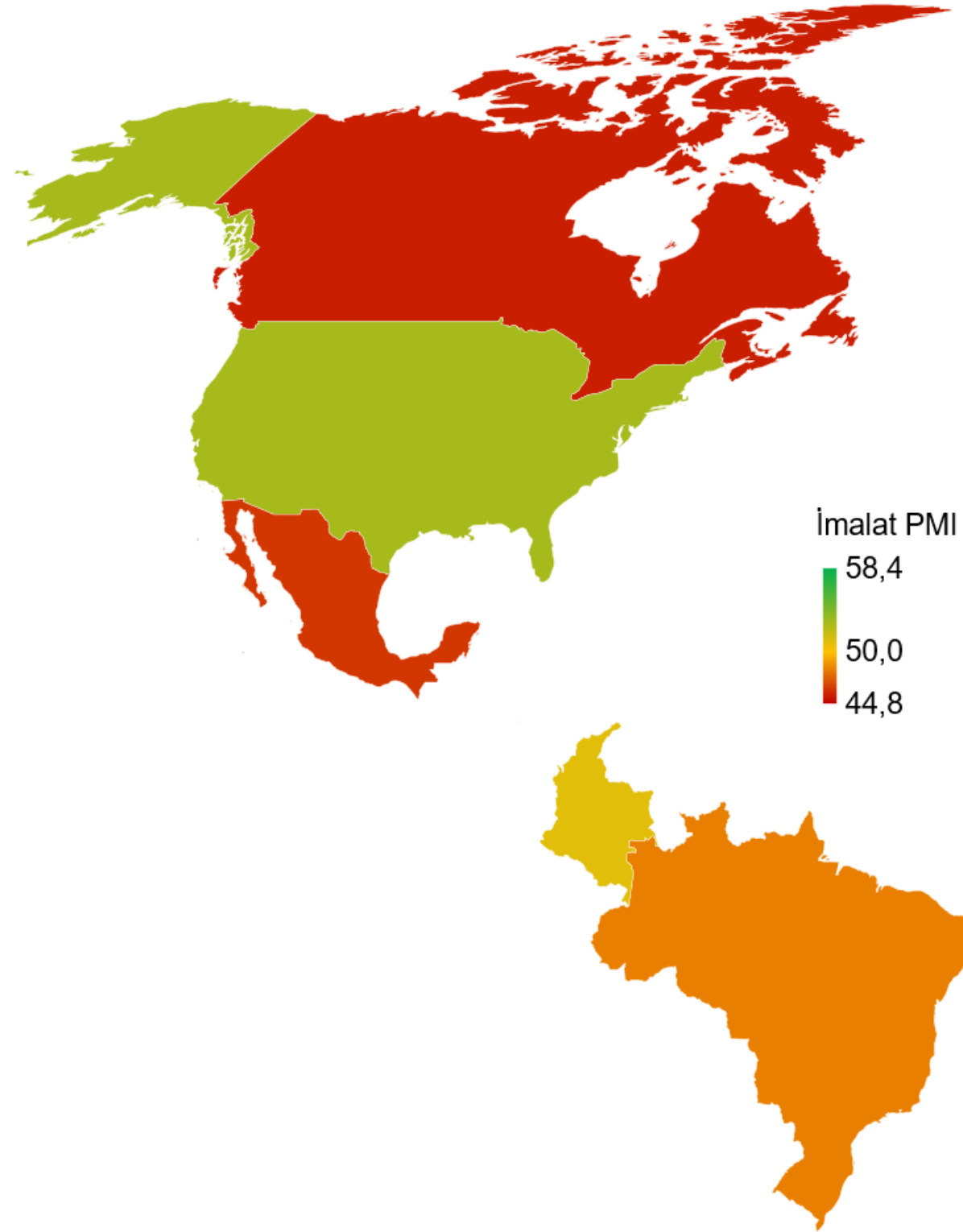
- China's manufacturing sector, which recorded its sharpest contraction in 32 months in May, showed a modest improvement in June. Output returned to growth as a result of a slight recovery in orders.
- In India, the manufacturing sector saw strong growth in output, orders, and staffing numbers, with the PMI reaching its highest level in 14 months.
- In Japan, output increased for the first time in 10 months despite weak demand conditions, and the Manufacturing PMI rose slightly above the 50.0 threshold value.
- In South Korea, declines in output and new orders slowed down. Expectations for the near future in the sector improved.
- In Taiwan, where demand weakened further, output and employment declined, and the Manufacturing PMI fell to its lowest level in 1.5 years.
- In Russia, business conditions deteriorated significantly, and the manufacturing sector experienced its sharpest contraction since March 2022.
- In Australia, the negative impact of US tariffs on global trade weakened industrial growth.
- The Manufacturing PMI in the ASEAN (*) region fell to 48.6 (the lowest level since August 2021) and remained in the contraction zone

Manufacturing PMI	May 2025	June 2025
India	57.6	58.4
Thailand	51.2	51.7
Philippines	50.1	50.7
Australia	51.0	50.6
Pakistan	51.1	50.5
China	48.3	50.4
Japan	49.4	50.1
Kazakhstan	51.3	49.7
Malaysia	48.8	49.3
Myanmar	47.6	49.0
Vietnam	49.8	48.9
South Korea	47.7	48.7
Russia	50.2	47.5
Taiwan	48.6	47.2
Indonesia	47.4	46.9

Source: S&P Global PMI.



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



Manufacturing PMI	May 2025	June 2025
US	52.0	52.9
Colombia	52.6	51.0
Brazil	49.4	48.3
Mexico	46.7	46.3
Canada	46.1	45.6

Source: S&P Global PMI.

America

The growing pressure of customs tariffs is causing a clear split between the US and the rest of the continent

- In the US, the Manufacturing PMI rose by 0.9 points month-on-month in June, reaching its highest level (52.9) since May 2022. Output increased strongly due to the continued improvement in orders. Input purchases were brought forward due to tariffs, while inventories increased. Input costs and sales prices rose.
- Increased customs tariffs continued to put pressure on Canada's manufacturing sector. In June, weak demand led to the sharpest decline in output in five years, negatively affecting raw material supply and input costs.
- Similarly, conditions in Mexico deteriorated further. The Manufacturing PMI average of 45.9 in the second quarter marks the weakest performance since the first quarter of 2021.
- Brazil experienced its sharpest export decline since January 2023, while output also accelerated its decline. The Manufacturing PMI fell to 48.3, its lowest level in 11 months.
- In Colombia, the PMI remained above 50 despite a decline from May. Output and orders continued to rise, while inflationary pressures intensified.



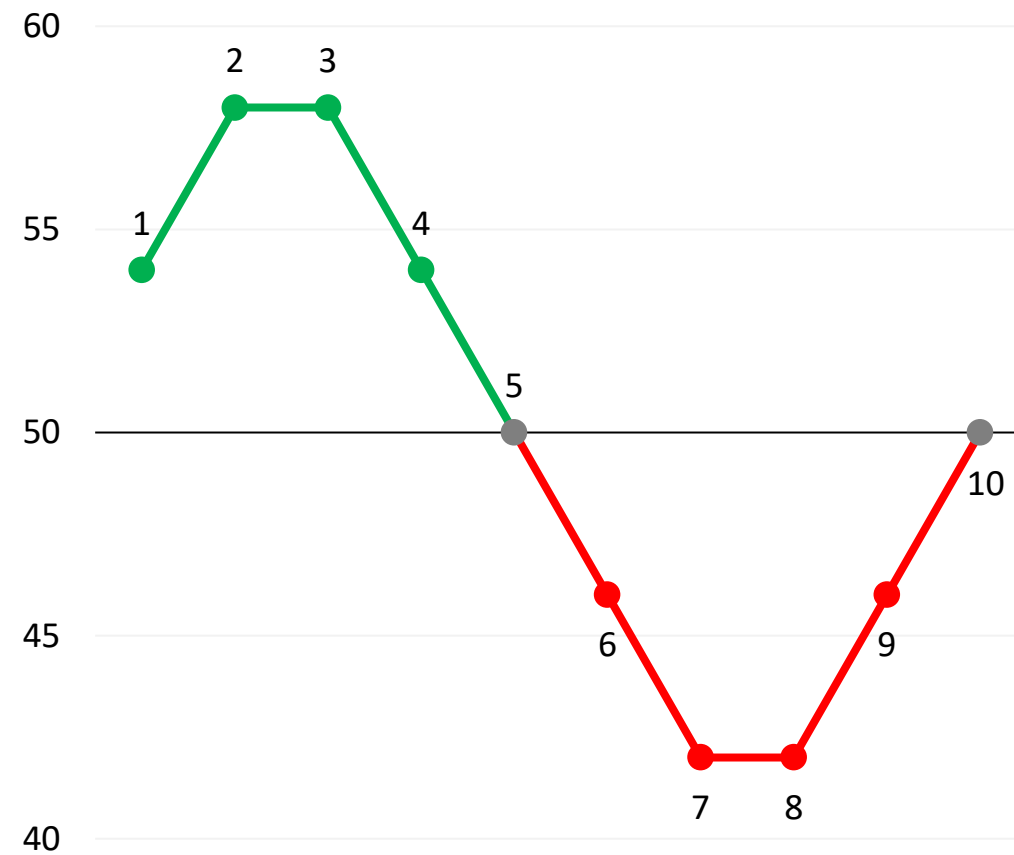
Methodology

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



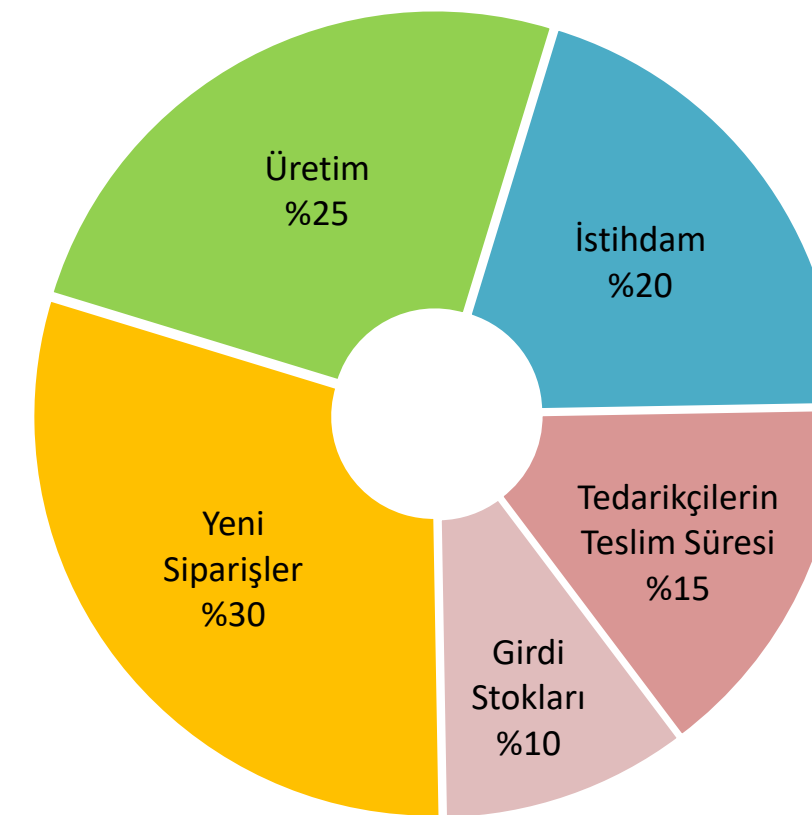
How is the manufacturing PMI calculated?

- 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 Türkiye. 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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