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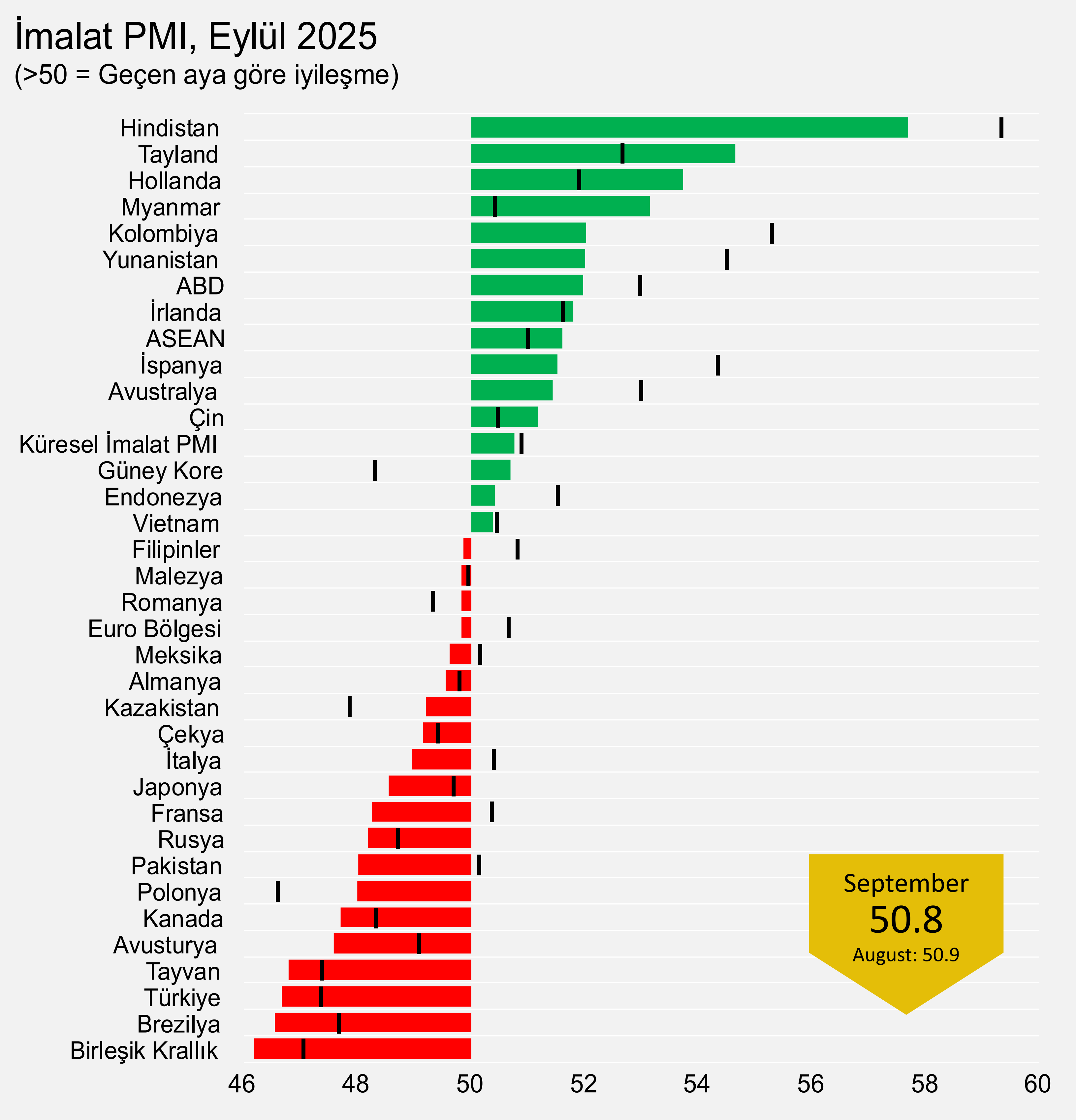
Developments in the Global Manufacturing PMI®

September 2025

General Outlook



Increasing customs tariffs and slowing demand slows down output

- The Global Manufacturing Purchasing Managers' Index® (PMI) fell slightly to 50.8 in September from 50.9 in August, but still signaled a modest improvement in business conditions for the second consecutive month. The index's average of 49.9 in the second quarter rose to 50.5 in the third quarter.
- The number of countries recording monthly growth among the 33 national economies covered by the Manufacturing PMI fell to 14 in September from 18 in August. Growth lost momentum compared to the previous month in 7 of these 14 countries. In 11 of the other 19 countries, the acceleration of contraction was notable.
- Looking at the details, output and new orders increased at a slower pace than August. The pressure of increased customs tariffs on export orders and supply times continued. Despite the negative impacts of trade uncertainties, expectations remained generally positive. As a result, staffing numbers increased and backlogs decreased.
- Input costs continued to rise due to tariffs and supply chain issues. Nevertheless, slowing demand, competitive pressure, and tariff concerns led to a slowdown in sales price inflation as finished goods stocks accumulated in previous months.
- The Istanbul Chamber of Industry Türkiye Manufacturing PMI fell to 46.7 in September from 47.4 in August. The trend of deterioration in business conditions reached 1.5 years, while output, new orders (including exports), purchasing volume, and stocks declined at an accelerated pace. Employment losses continued, albeit at a slower pace, while inflationary pressures increased. The average headline PMI fell to 46.6 in the third quarter from 47.1 in the second 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.

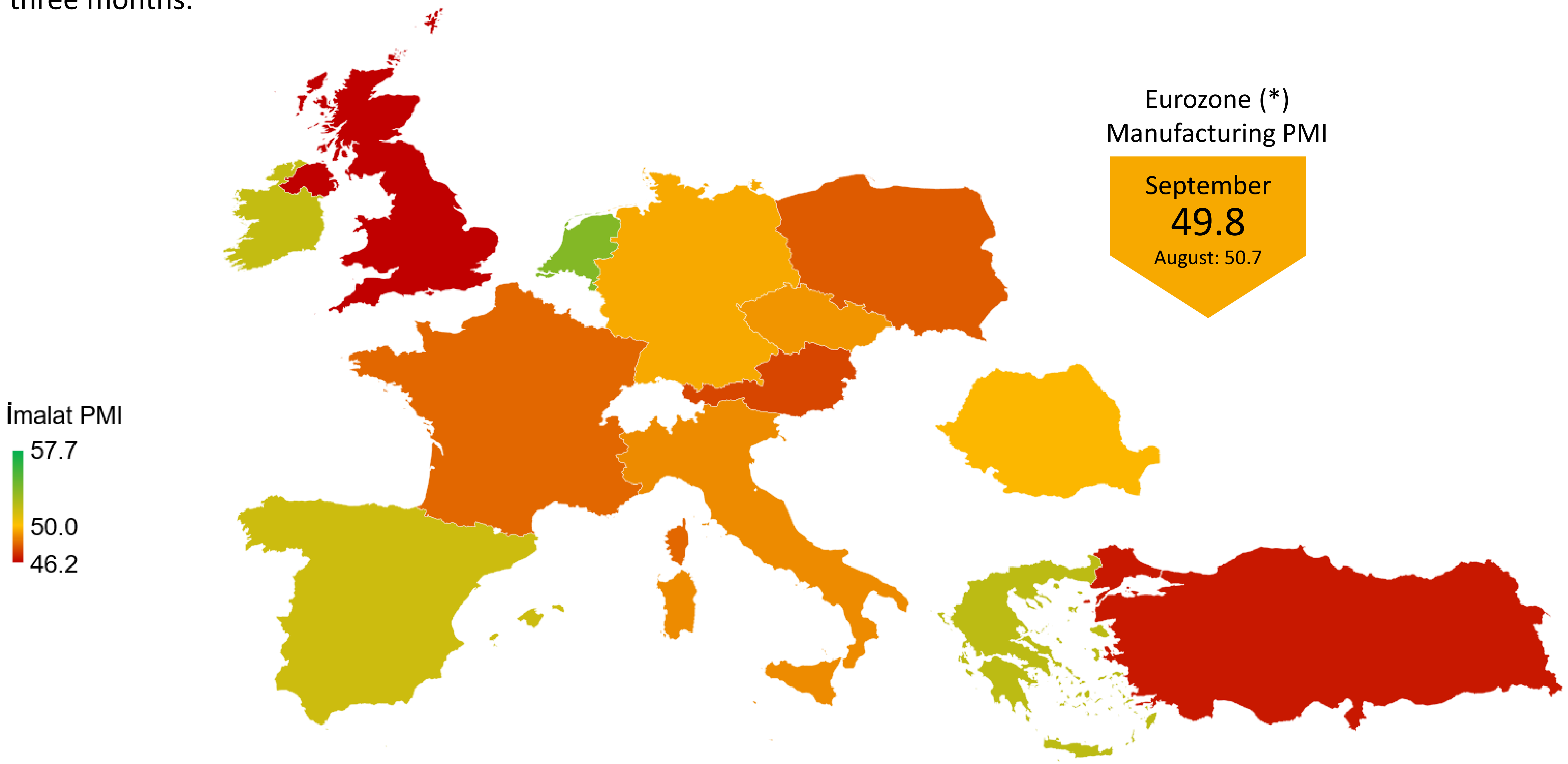
Europe

Orders contracts in the Eurozone, with the PMI falling slightly below 50 again

- The Eurozone Manufacturing PMI fell back to 49.8 in September, reversing the entire 0.9-point increase seen in August, signaling stagnation in business conditions. Output growth slowed due to new orders declining at the highest rate in the last six months and deteriorating expectations. The most significant decline was seen in staffing numbers in the last three months.

- Among the eight Eurozone countries covered by the Manufacturing PMI, the number of countries growing on a monthly basis fell from six to four as Italy and France fell below 50. In Germany, the PMI remained slightly below 50. The index reached a 38-month high in the Netherlands, while Spain and Greece lost momentum.

- In the UK, the Manufacturing PMI was the weakest in five months, with output and new orders declining faster; and staffing numbers continued to decline.
- In Poland and Romania, the contraction slowed compared to the previous month. In the Czech Republic, the PMI remained close to 50 but recorded its lowest value in the last four months.



Manufacturing PMI	August 2025	September 2025
The Netherlands	51.9	53.7
Greece	54.5	52.0
Ireland	51.6	51.8
Spain	54.3	51.5
Romania	49.3	49.8
Germany	49.8	49.5
Czech Republic	49.4	49.2
Italy	50.4	49.0
France	50.4	48.2
Poland	46.6	48.0
Austria	49.1	47.6
Türkiye	47.3	46.7
United Kingdom	47.0	46.2

Source: S&P Global PMI.

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

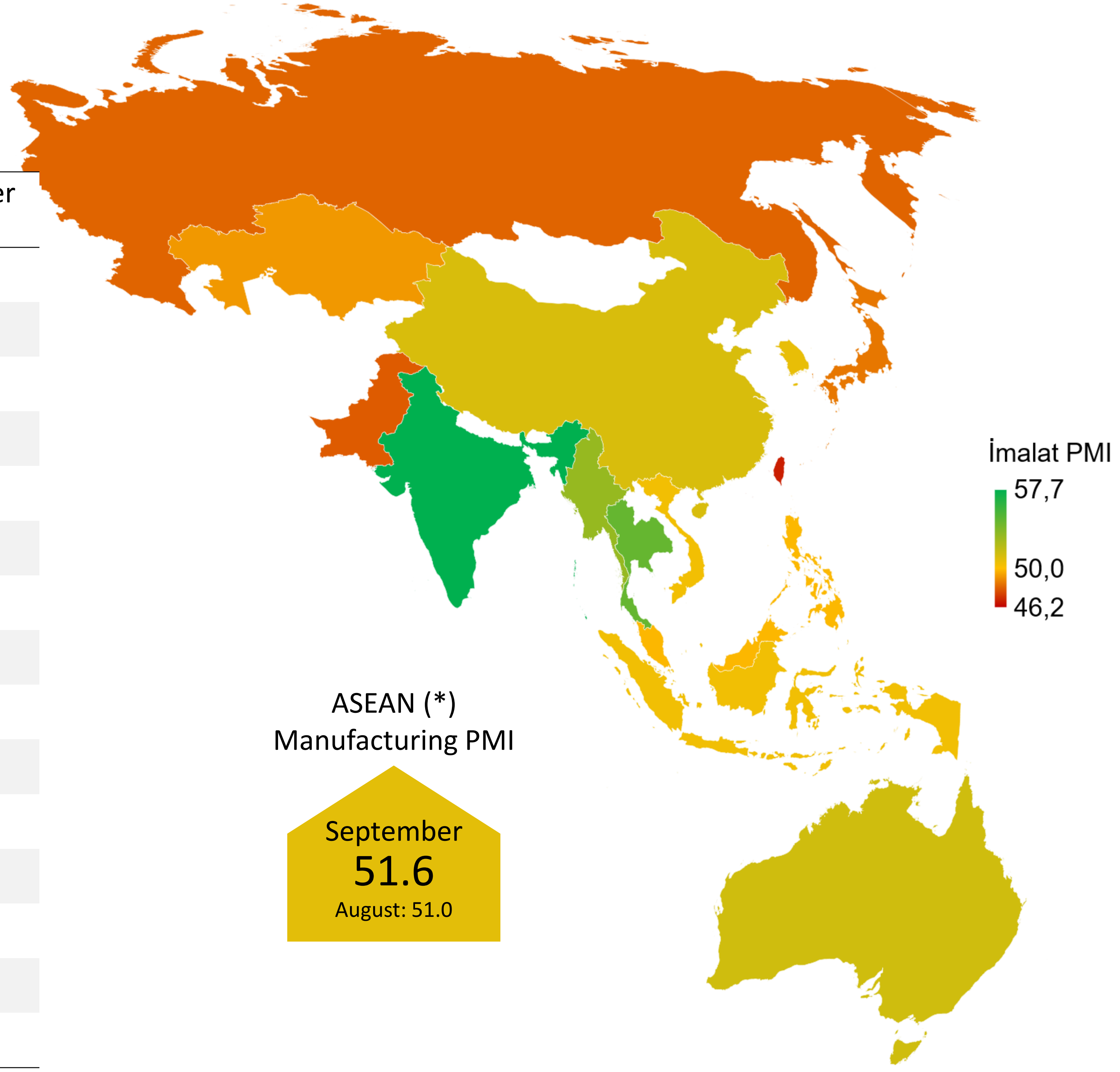
Asia-Pacific

China, South Korea, and a significant part of Southeast Asia records improvements in September

- China's Manufacturing PMI reached its highest level in 10 months in September (the same as March 2025). It saw the strongest improvement in orders since February, and the rate of growth in output also exceeded the average.
- India's Manufacturing PMI was the lowest since May (57.7) but still ranked first among all countries covered.
- In Japan, the continued slowdown in new orders led to a record 6-month decline in output; growth in employment lost significant momentum.
- South Korea's Manufacturing PMI rose to its strongest level since the beginning of the year (50.7), driven by a recovery in demand.
- Weak global demand led to a further deterioration in Taiwan's manufacturing sector business conditions.
- In Russia, the drop in output and new orders accelerated, while inflationary pressures increased due to supply chain issues.
- The Australian PMI, which has been in growth zone for the past nine months, remained above 50.0 in September but signaled a loss of momentum.
- The ASEAN (*) Manufacturing PMI reached 51.6 in September, its highest level in 14 months. New orders improved at a faster pace, output remained strong and staffing numbers increased slightly. All countries in the region recorded monthly growth, except for the Philippines and Malaysia, which remained stagnant.

Manufacturing PMI	August 2025	September 2025
India	59.3	57.7
Thailand	52.7	54.6
Myanmar	50.4	53.1
Australia	53.0	51.4
China	50.5	51.2
South Korea	48.3	50.7
Indonesia	51.5	50.4
Vietnam	50.4	50.4
Philippines	50.8	49.9
Malaysia	49.9	49.8
Kazakhstan	47.9	49.2
Japan	49.7	48.5
Russia	48.7	48.2
Pakistan	50.1	48.0
Taiwan	47.4	46.8

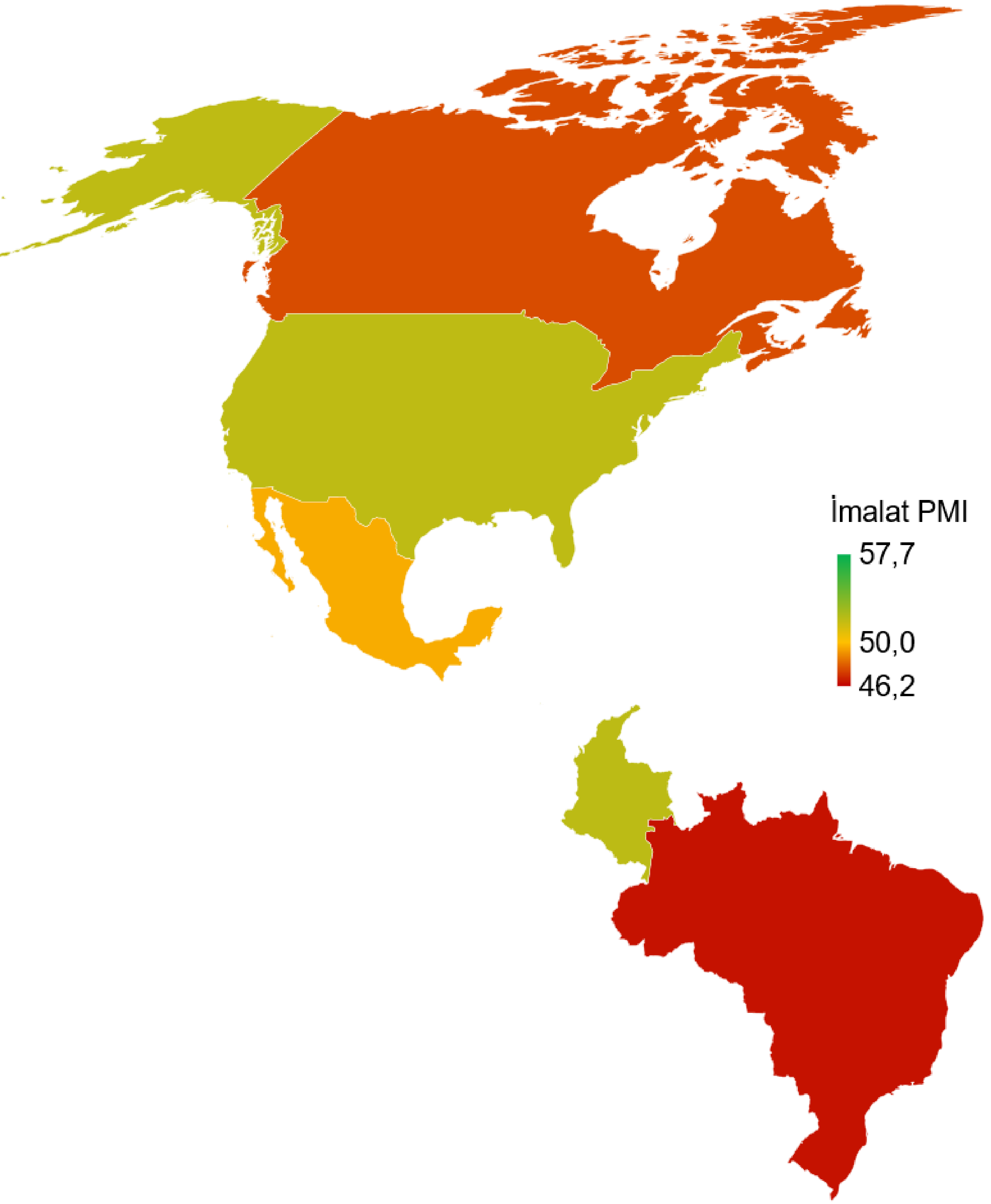
Source: S&P Global PMI.



ASEAN (*) Manufacturing PMI

September
51.6
August: 51.0

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



America

Trade uncertainties puts pressure on the manufacturing sector

Manufacturing PMI	August 2025	September 2025
Colombia	55.3	52.0
USA	53.0	52.0
Mexico	50.2	49.6
Canada	48.3	47.7
Brazil	47.7	46.5

Source: S&P Global PMI.

- In the US, customs tariffs continued to weaken exports and increase input costs. As a result, output and new orders slowed, and the Manufacturing PMI fell to 52.0 from 53.0. Weak demand and intense competitive pressure caused finished product price inflation to decline.
- In Canada, the Manufacturing PMI remained below 50 for the eighth consecutive month due to trade uncertainties and tariffs. Employment contracted as demand and output declined, particularly in exports, while negative expectations took their toll.
- In Mexico, growth in total new orders slowed down due to the decline in exports. This, combined with declines in output and employment, pushed the Manufacturing PMI below the 50 threshold value.
- In Brazil, output and sales recorded their sharpest contraction in 29 months. As a result, the Manufacturing PMI fell to its lowest level in that period.
- In Colombia, after reaching a 39-month peak in August, the PMI dropped in September as demand and output lost momentum, but remained in the growth zone at 52.0.

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.

How is the manufacturing PMI calculated?

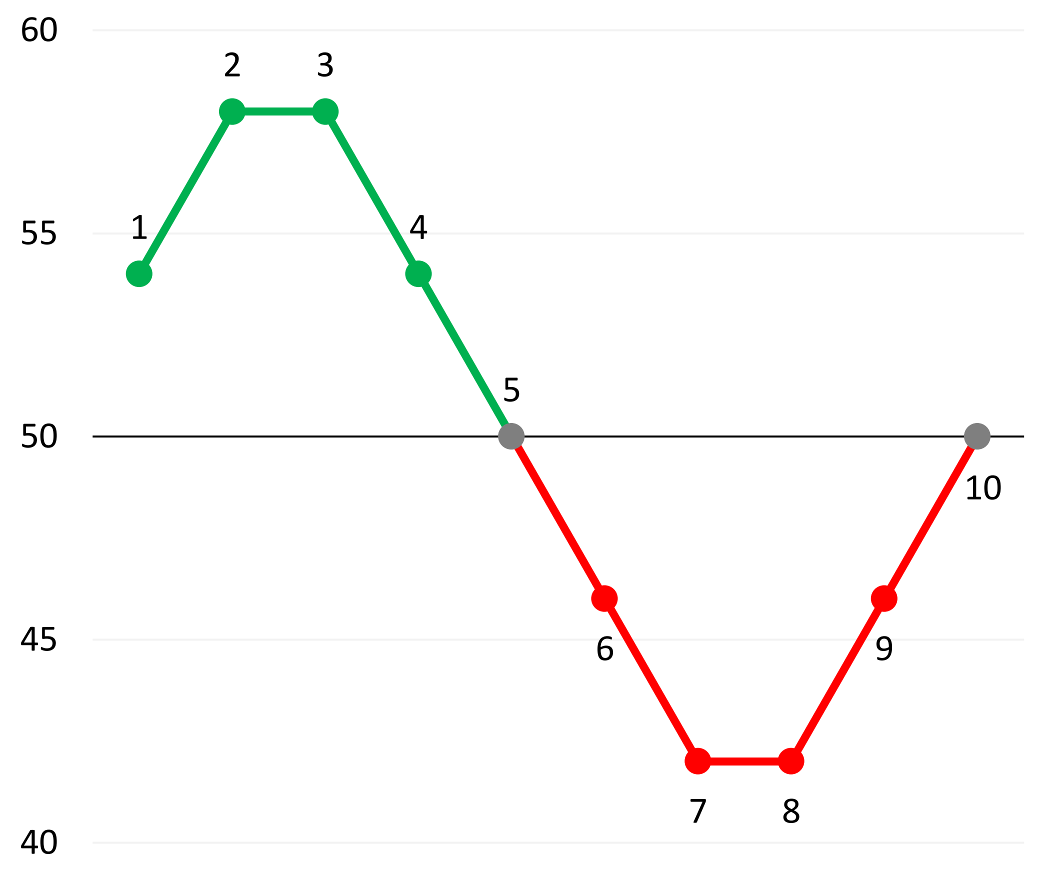
- The index is based on 5 sub-indexes: New Orders, Output, Employment, Suppliers' Delivery Times, Stock of Items Purchased.
- The report features survey data collected from a panel of around 400 companies based in the Turkish manufacturing sector.
- All indexes are seasonally adjusted.

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.

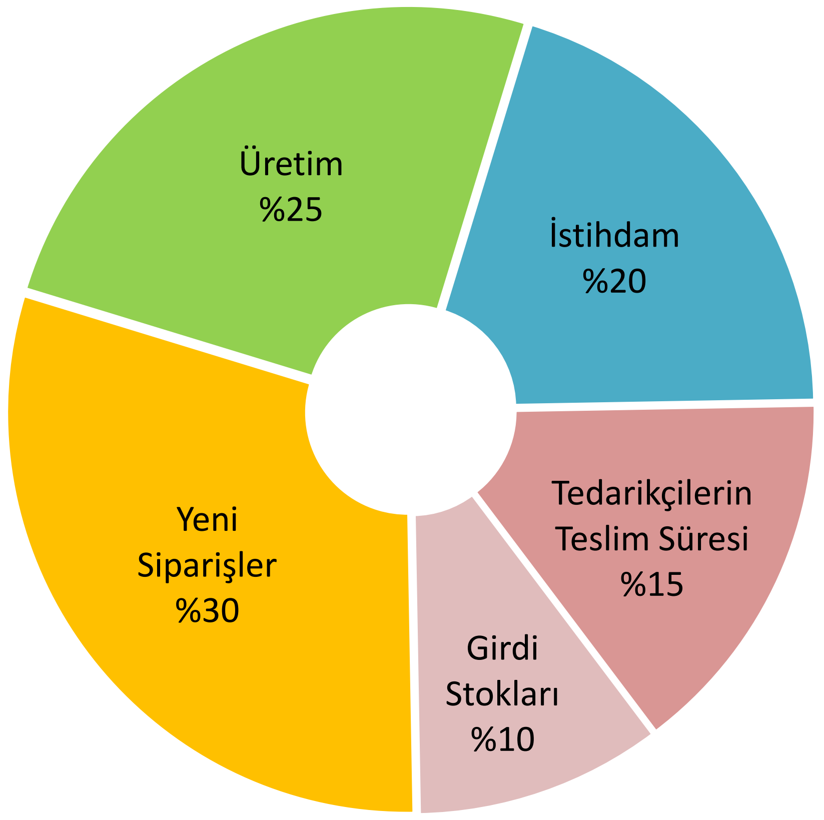
Index Interpretation

50= no change on previous month



1 Grew	
2 Grew at a higher rate	
3 Grew at the same rate	
4 Grew at a lower rate	
5 No change after a growth in the previous month	
6 Growth dropped after the previous month with no change	
7 Dropped at a higher rate	
8 Dropped at the same rate	
9 Dropped at a lower rate	
10 No change after a drop in the previous month	

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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