

Istanbul Chamber of Industry Türkiye PMI® Manufacturing Index

PMI at 46.7 in June

June 2025
Key findings:

- Output eases to largest degree since October 2024
- Sharper slowdowns in new orders, employment and purchasing
- Cost inflation quickens, but output prices rise at softer pace

Summary

Manufacturers in Türkiye continued to face challenging demand conditions in June, resulting in sharper slowdowns in new orders, output, employment and purchasing activity. Meanwhile, the rate of input cost inflation ticked higher but firms raised their output prices at a slower pace given muted customer demand.

The headline Istanbul Chamber of Industry Türkiye Manufacturing PMI® is a composite single-figure indicator of manufacturing performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases. Any figure greater than 50.0 indicates overall improvement of the sector.

The headline PMI dropped to 46.7 in June from 47.2

in May. The reading was the lowest in eight months. Business conditions have moderated in each month since April 2024.

Demand weakness meant that new orders moderated again in June, extending the current sequence which began two years previously. New export orders also eased. In both cases, rates of slowdown were the most pronounced in three months.

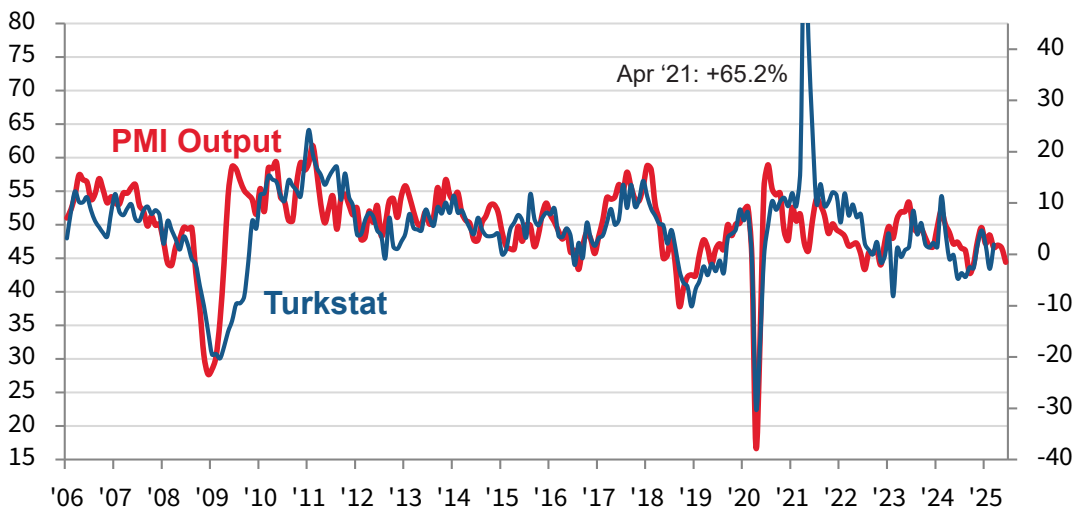
A lack of new orders meant that manufacturers scaled back production at the end of the second quarter. Moreover, the pace of moderation was the most pronounced since last October.

In turn, employment and purchasing activity were also reduced to larger extents in June. The pace at

Historical overview

PMI Output Index, 50.0 = no change

industrial production yr/yr%



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which employment was scaled back quickened to the fastest in nine months, while purchasing activity eased to the largest extent since September 2024.

Stocks of purchases also decreased, but post-production inventories rose for the first time in three months as sales reductions meant that finished goods were often left in stock.

The rate of input cost inflation quickened slightly in June, with input prices rising sharply amid currency weakness and the inflationary impact of the situation in Iran. On the other hand, output prices increased at a slower pace, and one that was the weakest in 2025 so far. While some firms raised charges in response to higher input costs, pricing power was limited by demand weakness.

Suppliers' delivery times lengthened for the first time in four months, with respondents often linking delivery delays to shortages of raw materials.

Comment

Commenting on the Istanbul Chamber of Industry Türkiye Manufacturing PMI survey data, Andrew Harker, Economics Director at S&P Global Market Intelligence, said:

"The struggles continued for Turkish manufacturing firms in June, with latest PMI data pointing to an increasingly challenging demand environment. As such, firms looked to scale back operations and moderated output to the largest degree since October last year. Despite this, firms still had an excess of stocks of finished goods, which increased for the first time in three months. The latest PMI reading completes a difficult first half of the year, with hopes that better will come over the second half of 2025."

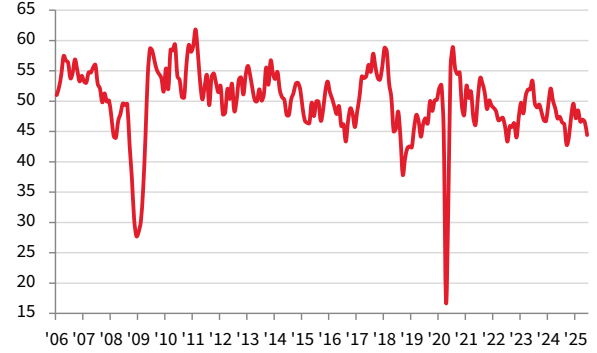
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Output Index

Q. Please compare your production/output this month with the situation one month ago.

Subdued demand conditions and a lack of new orders meant that Turkish manufacturers posted a further slowdown of production during June. Output has now eased in each of the past 15 months. Moreover, the latest moderation was marked and the most pronounced since last October.

sa, 50 = no change on previous month

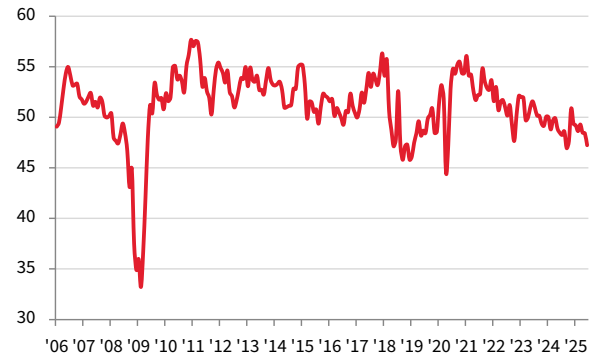


Employment Index

Q. Please compare the level of employment at your unit this month with the situation one month ago.

Employment was scaled back to the largest extent in nine months during June as manufacturers adjusted their workforce numbers in response to slower new orders. The latest easing of staffing levels was solid and extended the current sequence of lower employment to seven months.

sa, 50 = no change on previous month



For further information, please contact:

Istanbul Chamber of Industry

Nesrin Akçay, Economic Research and Corporate Finance
Department Mng.

Telephone +90 212 252 29 00 Ext: 180

Email: nakcay@iso.org.tr

S&P Global Market Intelligence

Andrew Harker, Economics Director

Telephone +44 1491 461 016

Email: andrew.harker@spglobal.com

Hannah Brook, EMEA Communications Manager

Telephone +44 7483 439 812

Email: hannah.brook@spglobal.com

press.mi@spglobal.com

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Istanbul Chamber of Industry

Driving strength from her members' contributions to Turkish economy and since her foundation in 1952, Istanbul Chamber of Industry (ICI) stands out as Türkiye's largest chamber of industry and one of the most powerful representatives of Turkish industry. The added value generated by ICI members represents more than 40% of the total added value propagated by Turkish industry. ICI members actualize approximately 35% of production of Turkish industry. 36% of Türkiye's Top 500 Industrial Enterprises consists of ICI members.

ICI promotes the sustainable development of Turkish industry and contributes the improvement of her competitiveness via offering innovative services to her members. For this purpose, she develops new projects and services to the use of industrialists in crucial fields such as; innovation, technology development, university-industry cooperation, vocational training, international relations, environment and energy with local and international partnerships.

Generating and conducting economic researches together with gathering data, ICI holds the widest knowledge on Istanbul industry whilst giving direction to Turkish industrialists and providing intense contribution for shaping economic and industrial policies.

About S&P Global:

S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

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About PMI:

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely-watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi

Notes to Editors:

The Istanbul Chamber Of Industry Türkiye Manufacturing PMI® (Purchasing Managers' Index) is produced by S&P Global. The report features original survey data collected from a representative panel of around 400 companies based in the Turkish manufacturing sector. The panel is stratified by GDP and company workforce size, based on the industry contribution to GDP.

Survey responses reflect the change, if any, in the current month compared to the previous month based on data collected mid-month. For each of the indicators the 'Report' shows the percentage reporting each response, the net difference between the number of higher/better responses and lower/worse responses, and the 'diffusion' index. This index is the sum of the positive responses plus a half of those responding 'the same'.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change. An index reading above 50 indicates an overall increase in that variable, below 50 an overall decrease.

S&P Global do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from S&P Global. Please contact economics@spglobal.com.

The Manufacturing Purchasing Managers' Index (PMI) is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times Index inverted so that it moves in a comparable direction.

June data were collected 12-23 June 2025.

The Purchasing Managers' Index (PMI) survey methodology has developed an outstanding reputation for providing the most up-to-date possible indication of what is really happening in the private sector economy by tracking variables such as sales, employment, inventories and prices. The indices are widely used by businesses, governments and economic analysts in financial institutions to help better understand business conditions and guide corporate and investment strategy. In particular, central banks in many countries (including the European Central Bank) use the data to help make interest rate decisions. PMI surveys are the first indicators of economic conditions published each month and are therefore available well ahead of comparable data produced by government bodies.

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