

PMI: what we learned in 2025

Key PMI survey business insights from 2025 and lessons for 2026

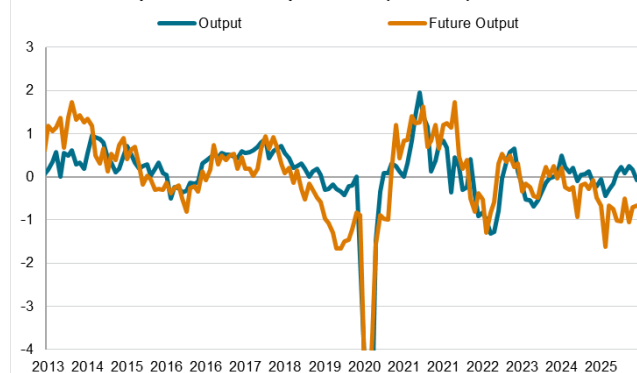
The Purchasing Managers' Index (PMI) is widely seen as an accurate and timely indicator of business conditions that helps analysts and economists to correctly anticipate changing economic trends in official data. This was especially true in 2025, a year marked by unexpected events, including changing US trade policies and a government shutdown in the world's largest economy.

Beyond the headline PMI, which is designed as an overall barometer of business conditions, the PMI survey sub-indices provide valuable insights into trends in output, employment, inflation, inventory, and business sentiment, and can be predictive in nature. These insights can be dissected not only through the commonly reported country lens, but also – uniquely – examined by sector using the PMI.

In this article, we look at three key business insights gathered from the PMI data in 2025 and examine what they might tell us about 2026.

Output vs. sentiment

Global PMI output and future expectations (z-scores)



Data compiled January 2026, including PMI data to December 2025.
PMI value of 50 = no change on prior month/over next 12 months, covers manufacturing and services.
Source: S&P Global PMI with J.P. Morgan.
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2025 may be characterised as the year when widespread US tariffs induced heightened uncertainty for global businesses. The degree of business uncertainty, as measured by the PMI comment tracker, at one point surged to match that seen at the peak of the COVID-19 pandemic. However, economic growth, as measured by the

PMI's gauge of current output as well as official GDP data, has largely proven surprisingly resilient despite this uncertainty.

Global business uncertainty



Data compiled January 2026.
1 = long-run average of PMI surveyed companies globally citing lower orders or future output expectations due to "uncertainty".
Source: S&P Global PMI.
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This divergence between sentiment and actual output had become a prominent trend to monitor going into 2026.

On one hand, the data reminded us that actual output could differ from business sentiment, even when both measures come from the same survey. PMI survey respondents indicated that this reflected idiosyncratic factors, including the front-loading of goods orders through 2025 ahead of the implementation of higher US tariffs on imports, and investments related to artificial intelligence (AI) developments, sometimes designed to cut costs. This meant output grew despite the lack of confidence.

On the other hand, the divergence sounds the alarm in relation to employment and future growth. The lack of business confidence translated to more cautious purchasing and hiring among global businesses into the end of 2025, and may also be hinting at structural shifts that one would have missed from just looking at the actual output trend.

Late 2025 also brought signs that the lack of confidence may now also be starting to act as a drag in economic

activity, with some of the idiosyncratic factors from earlier in the year now fading.

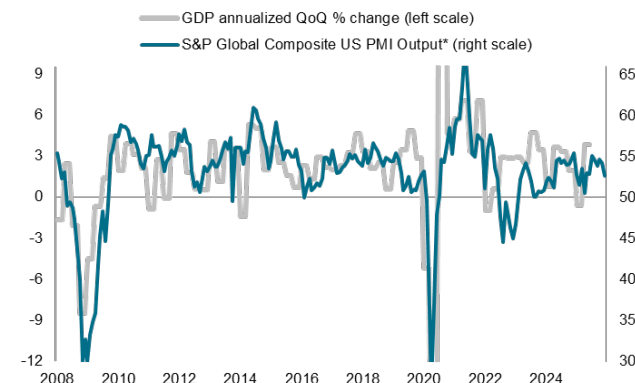
US government shutdown

In addition to the implementation of widespread US tariffs, 2025 saw the longest US government shutdown in history. The 43-day shutdown meant a loss of key economic data at a crucial period for policymaking, as widespread US tariffs kicked in just as the Fed contemplated additional rate cuts in the face of concerns over jobs growth. Even as these economic data were eventually reported, doubts regarding their accuracy lingered.

As such, private surveys helped to plug the gap during the period of official data absence. The PMI, already well-followed by policymakers around the world, may be regarded as the best “real-time” economic indicator, offering insights into economic conditions even before the month has ended for major economies (including the US, UK, Eurozone and Japan) via the flash PMI releases – typically released around the 22nd each month. This is followed by monthly worldwide PMI data for over 40 economies at the start of the following month, providing [powerful tools for equity investing](#).

To illustrate, the US PMI data from S&P Global showed that the economic expansion slowed towards the end of 2025 with [manufacturers reporting the first drop in new orders for a year](#). Below-average confidence levels and a near-stalling of employment, as shown by the PMI, adds to downsides economic risks into the start of 2026.

US quarterly GDP growth and the PMI



Data compiled January 7, 2026, including PMI data to December 2025.

* PMI covers manufacturing only prior to 2009 but manufacturing & services thereafter.

Sources: S&P Global PMI, S&P Global Market Intelligence, BEA.

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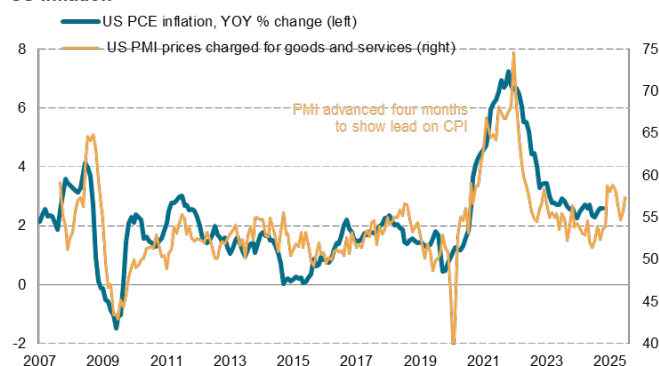
PMI inflation insights

Meanwhile, inflation insights could also be sought from the PMI Input Prices Index, which tracks changes in expenses for firms, and the PMI Output Prices Index, the latter assessing changes in selling prices among firms. As the PMI survey is based on questionnaires sent to companies, the insights derived on prices usually serve as a good

gauge of consumer price inflation (CPI) many months in advance.

As such, US PMI output prices, or the prices charged, index continued to provide useful insights into inflation trends through the government shutdown period and well in advance of official data. The latest figure from December pointed to a slight increase in price pressures, attributed to the impact of higher tariffs, according to companies surveyed, and is indicative of US personal consumption expenditure (PCE) price index – the US Federal Reserve’s preferred inflation gauge – rising to around 3.0% in the coming months. While more subdued employment and slower growth conditions continue to pave the way for the Fed to lower rates in 2026, the latest inflation indications from the PMI provide a reason for greater caution in the immediate term.

US inflation



Data compiled January 2026.

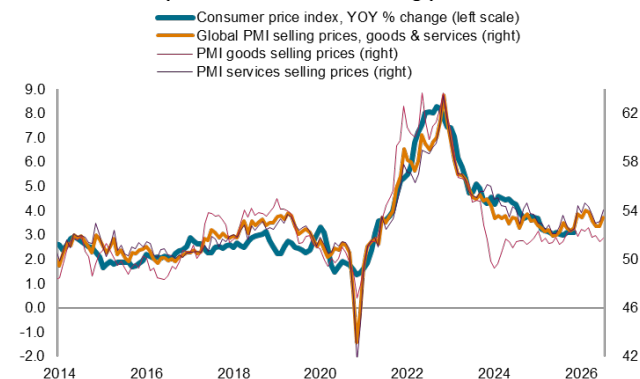
PMI covers manufacturing only pre-2009 but manufacturing & services thereafter.

Source: S&P Global PMI, BEA via S&P Global Market Intelligence.

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The usefulness of the PMI prices data in tracking upcoming inflation trends is not limited to the US with similar comparisons applicable to other economies and on a global scale.

Global consumer price inflation and PMI selling prices



Data compiled January 2026 including PMI data to December 2025 advanced six months.

PMI value of 50 = no change on prior month.

Sources: S&P Global PMI with J.P. Morgan, S&P Global Market Intelligence.

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PMI offerings

Beyond the headline and inflation gauges highlighted here, S&P Global’s PMI also cover all the following sub-indices for relevant economies and sectors.

To find out more about the PMI methodology, click [here](#).

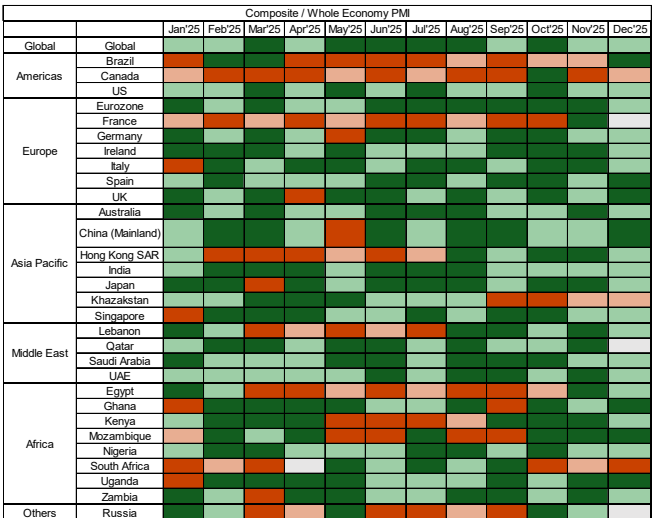
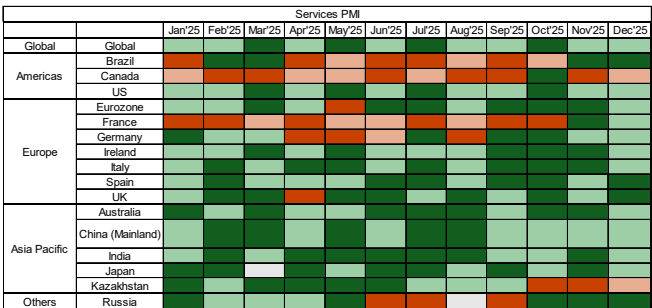
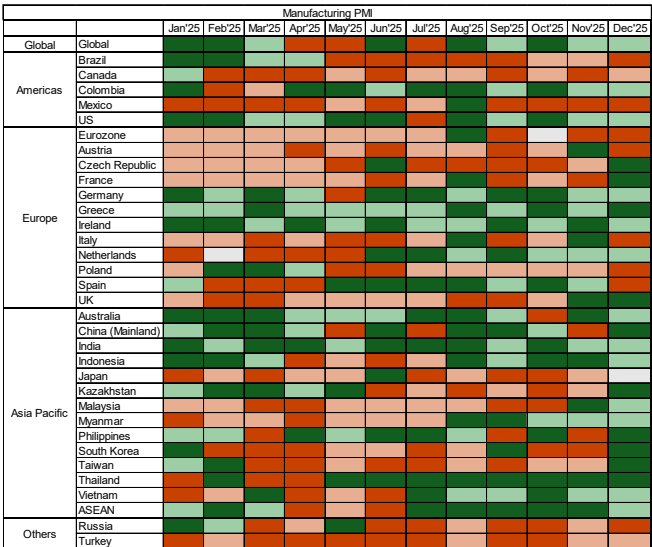
Manufacturing PMI indices	
PMI (New orders 30%, output 25%, employment 20%, suppliers’ delivery times (inverted) 15%, stocks of purchases 10%)	
Output	
New Orders	
Backlogs of Work	
Employment	
Input Prices	
Output Prices	
Quantity of Purchases	
Suppliers’ Delivery Times	
Stocks of Purchases	
Stocks of Finished Goods	
New Export Orders	
Future Output	

Services PMI sub-indices	
Business Activity (headline)	
New Business	
Outstanding Business	
Employment	
Input Prices	
Output Prices	
New Export Orders	
Future Output	

Composite PMI sub-indices	
Business Activity (headline)	
New Business	

Outstanding Business
Employment
Input Prices
Output Prices
New Export Orders
Future Output

Latest country PMI data heatmap



Key:	
Improving at a faster rate	
Improving at a slower rate	
At neutral 50.0 mark	
Deteriorating at a slower rate	
Deteriorating at a faster rate	

In addition to the abovementioned manufacturing and service sectors, there also exist construction PMI data for selected countries for an ever-growing list of coverage by economies.

Sector PMI data

Global Sector PMI												
	Jan25	Feb25	Mar25	Apr25	May25	Jun25	Jul25	Aug25	Sep25	Oct25	Nov25	Dec25
Basic Materials												
Chemicals												
Resources												
Forestry & Paper Products												
Metals & Mining												
Consumer Goods												
Automobiles & Auto Parts												
Beverages & Food												
Food												
Beverages												
Household & Personal Use Products												
Consumer Services												
Media												
Tourism & Recreation												
Financials												
Banks												
Insurance												
Other Financials												
Real Estate												
Healthcare												
Healthcare Services												
Pharmaceuticals & Biotechnology												
Industrials												
Industrial Goods												
Machinery & Equipment												
Construction Materials												
Industrial Services												
Commercial & Professional Services												
General Industrials												
Transportation												
Technology												
Technology Equipment												
Software & Services												
Telecommunications												

For a detailed list of all sector PMI data, click [here](#).

Other PMI data

S&P Global Market Intelligence also offer unique [Metal Users PMI data](#), and a [Global Electronics PMI data](#).

Metals / Electronics PMI												
	Jan25	Feb25	Mar25	Apr25	May25	Jun25	Jul25	Aug25	Sep25	Oct25	Nov25	Dec25
Global	Aluminium											
	Copper											
	Steel											
	Electronics											

Other unique PMI offerings include [the PMI Commodity Price and Supply Indicators](#), and the abovementioned [PMI Comment Tracker](#).

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spglobal.com/marketintelligence/en/mi/products/pmi.html

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- [Running commentary on the PMI survey findings](#)
- [PMI Frequently Asked Questions](#)
- [Background to the PMIs \(video\)](#)
- [Understanding the headline PMI and its various subindices](#)
- [PMI data use-case illustrations](#), from nowcasting to investment strategy
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