News Release
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S&P Global US Manufacturing PMI®

Subdued manufacturing performance in April as confidence in outlook falls and selling prices rise at faster rate

Output falls slightly amid only marginal new order book growth

Sentiment about future output at ten-month low

Selling charges increase at fastest rate since February 2023

The US manufacturing sector expanded only marginally in April, amid subdued growth in new work and a further fall in output.

Although order books were supported by domestic demand, tariffs resulted in heightened uncertainty and a noticeable drop in new export sales. Confidence in the outlook fell to its lowest since last June, while job losses were recorded for the first time in six months.

On the price front, tariffs reportedly led to steep increases in both input costs and selling prices. Output charges notably rose to the greatest degree in over two years.

The seasonally adjusted S&P Global US Manufacturing Purchasing Managers' Index™ (PMI®) recorded 50.2 in April, unchanged since March. Although above the crucial 50.0 no-change mark for the fourth consecutive month, the index again signaled only a marginal expansion.

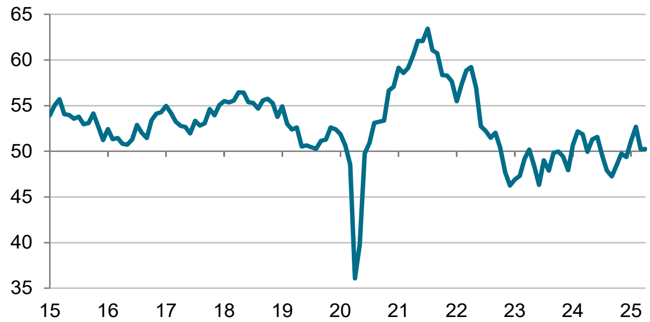
Manufacturing production declined for a second month in a row during April, albeit marginally and at a slower pace than in March. This partly reflected ongoing gains in new work, for which April's survey indicated a fourth successive monthly rise. Some firms reported that sales had risen on the back of clients switching, where possible, to US produced goods due to tariffs on imports.

International sales fell and acted as a noticeable drag on total new order book growth, which was marginal overall and the softest recorded in 2025 so far. New export orders declined to the greatest degree since last November. Tariffs were reported as the key reason behind the decline in new export sales.

Panelists noted an increased apprehension in product markets, mainly around the future direction of US trade policy. This served to weigh on confidence. Although many firms expect to see growth in production over the coming year, linked in part to hopes that tariffs will boost domestic-based manufacturing, sentiment overall dropped to its lowest since last June. Supply disruptions and cost concerns, again linked to tariffs, were widely noted.

Present price trends showed input prices rising at a fractionally slower pace than in March, when costs had

S&P Global US Manufacturing PMI
Index, sa, >50 = improvement m/m



Data were collected 9-25 April 2025.
Source: S&P Global PMI. ©2025 S&P Global.

Comment

Chris Williamson, Chief Business Economist at S&P Global Market Intelligence

"Manufacturing continued to flat-line in April amid worrying downside risks to the outlook and sharply rising costs.

"Factory output fell for a second successive month as tariffs were widely blamed on a slump in export orders and curbed spending among customers more broadly amid rising uncertainty.

"Although the survey saw some producers report evidence of beneficial tariff-related switching of customer demand away from imports, any such sales increase was countered by worries over tariff-related disruptions to supply chains and lost export sales. This served to drive business confidence about prospects in the year ahead down sharply to the gloomiest for 10 months.

"Concerns have also spiked in terms of input costs, especially for imported materials and components, due to the triple whammy of tariff-related price hikes, supply shortages, and the weaker dollar.

"Manufacturers are responding to these changing demand, supply and cost conditions by raising their selling prices and trimming headcounts to help protect their margins."

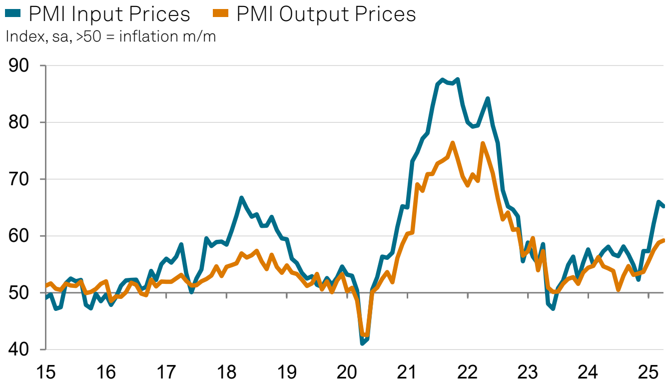
PMI® by S&P Global

increased to the greatest degree since August 2022. Tariffs and exchange rate factors were cited as pushing up the price of inputs during April. In response, firms sought to protect margins by increasing their own selling charges to the greatest degree since early 2023.

Tariffs were also reported to have led to some modest supply-side disruptions. Average lead times lengthened for a seventh successive month in April, and to the greatest degree for two-and-a-half years. This was despite a reduction in demand pressure as purchasing activity declined for a second month running. Some firms preferred to utilize their existing inventories in production, which helped to explain a second successive monthly reduction in stocks of purchases.

Meanwhile, stocks of finished goods were reduced for a fifth month in a row, and to the greatest degree of the year so far. In some instances, subdued sales forecasts led firms to adjust their inventories downwards.

Lackluster growth in order books and uncertainty about future prospects meant on average manufacturers reduced employment for the first time since last October, generally by choosing not to replace leavers at their plants. Capacity remained sufficiently high to ensure backlogs of work were cut for a thirty-first successive month.



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Methodology

The S&P Global US Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 600 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in May 2007.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

PMI by S&P Global

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

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