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Manufacturing PMI® at 47.9%

December 2025 ISM® *Manufacturing PMI® Report*

New Orders Contracting
Production Expanding
Employment Contracting
Supplier Deliveries Slower
Raw Materials Inventories Contracting; Customers' Inventories Too Low
Price Increase Unchanged; Exports and Imports Contracting

*(*Tempe, Arizona) — Economic activity in the **manufacturing sector contracted in December for the 10th consecutive month, following a two-month expansion preceded by 26 straight months of contraction**, say the nation's supply executives in the latest **ISM®** ***Manufacturing PMI® Report****.*

The report was issued today by Susan Spence, MBA, Chair of the Institute for Supply Management® (ISM®) Manufacturing Business Survey Committee.

"The Manufacturing PMI® registered 47.9 percent in December, a 0.3-percentage point decrease compared to the reading of 48.2 percent in November and the lowest reading of 2025. The overall economy continued in expansion for the 68th month after one month of contraction in April 2020. (A Manufacturing PMI® above 42.3 percent, over a period of time, generally indicates an expansion of the overall economy.) The New Orders Index contracted for a fourth straight month in December following one month of growth; the figure of 47.7 percent is 0.3 percentage point higher than the 47.4 percent recorded in November. The December reading of the Production Index (51 percent) is 0.4 percentage point lower than November's figure of 51.4 percent. The Prices Index remained in expansion (or 'increasing' territory), registering 58.5 percent, the same as November's reading. The Backlog of Orders Index registered 45.8 percent, up 1.8 percentage points compared to the 44 percent recorded in November. The Employment Index registered 44.9 percent, up 0.9 percentage point from November's figure of 44 percent.

"The Supplier Deliveries Index indicated slower delivery performance after one month in 'faster' territory. The reading of 50.8 percent is up 1.5 percentage points from the 49.3 percent recorded in November. (Supplier Deliveries is the only ISM® PMI® Reports index that is inversed; a reading of above 50 percent indicates slower deliveries, which is typical as the economy improves and customer demand increases.) The Inventories Index registered 45.2 percent, down 3.7 percentage points compared to November's reading of 48.9 percent.

"The New Export Orders Index reading of 46.8 percent is 0.6 percentage point higher than the reading of 46.2 percent registered in November. The Imports Index registered 44.6 percent, 4.3 percentage points lower than November's reading of 48.9 percent."

Spence continues, "In December, U.S. manufacturing activity contracted at a faster rate, with pullbacks in the Production and Inventories indexes leading to the 0.3-percentage point decrease of the Manufacturing PMI®. Those two subindexes increased in November, so their contraction this month continues the short-term "bubble" of improvement indicative in the last several months of PMI® data — and a hallmark of recent economic uncertainty in manufacturing.

"Although the **demand indicators** are still in contraction, improvement in three indexes (New Orders, Backlog of Orders and New Export Orders) and the Customers' Inventories Index remaining in 'too low' territory (and at an accelerated rate) are positive signs for December, but several consecutive months of gains in these indicators are necessary for a longer-term recovery. A 'too low' status for the Customers' Inventories Index is usually considered positive for future production.

"Regarding **output**, the Production Index is still in expansion but slipped 0.4 percentage point, likely due to last month's drop in the New Orders and Backlog of Orders indexes. The Employment Index contracted at a slower pace, with 63 percent of panelists indicating that managing head counts is still the norm at their companies, as opposed to hiring.

"Finally, **inputs** (defined as supplier deliveries, inventories, prices and imports) were mixed, with the Supplier Deliveries Index indicating slower deliveries, the Inventories and Imports indexes contracting strongly, and the Prices Index with the same reading as in November.

"Looking at the manufacturing economy, 85 percent of the sector's gross domestic product (GDP) contracted in December, compared to 58 percent in November, and the percentage of manufacturing GDP in strong contraction (defined as a composite PMI® of 45 percent or lower) increased to 43 percent, compared to 39 percent in November. The share of sector GDP with a PMI® at or below 45 percent is a good metric to gauge overall manufacturing weakness. Of the six largest manufacturing industries, only Computer & Electronic Products expanded in December," says Spence.

The two manufacturing industries reporting growth in December are: Electrical Equipment, Appliances & Components; and Computer & Electronic Products. The 15 industries reporting contraction in December — in the following order — are: Apparel, Leather & Allied Products; Wood Products; Textile Mills; Paper Products; Chemical Products; Printing & Related Support Activities; Nonmetallic Mineral Products; Petroleum & Coal Products; Primary Metals; Miscellaneous Manufacturing; Plastics & Rubber Products; Fabricated Metal Products; Machinery; Food, Beverage & Tobacco Products; and Transportation Equipment.

WHAT RESPONDENTS ARE SAYING

- "Winding up the year with mixed results. It has not been a great year. We have had some success holding the line on costs; however, real consumer spending is down and tariffs are ultimately to blame. I hope for some return to free trade, which is what consumers have 'voted for' with their spending." [Chemical Products]
- "Trough conditions continue: depressed business activity, some seasonal but largely impacted by customer issues due to interest rates, tariffs, low oil commodity pricing and limited housing starts." [Machinery]
- "Things are quieter regarding tariffs, but prices for all products remain higher. Our costs have increased, so we have increased prices for our customers to compensate. Margins have deteriorated, as full pass through (of cost increases) is not possible." [Computer & Electronic Products]
- "Things are not improving in the transportation equipment market. Many customers are ordering for 2026, but those orders are 20 percent to 30 percent below their historical buying patterns. Some large fleets are still completely on hold for 2026, with zero capital expenditures money

available to fleet budgets. Truck rental utilization, which is a good benchmark for the health of the economy, is still below historically stable levels. The general mood of the industry is that the first half of 2026 will be another bust, and we're now hoping things pick up in the second half, even as the North American truck fleet continues to age." [Transportation Equipment]

- "In the current environment, our company is struggling with customer orders and financially overall. Our senior leaders are struggling to focus our business and get the company on track with quality products. In November, layoffs impacted about 9 percent of our workforce, affecting all locations in the U.S. and Europe." [Machinery]
- "Orders continue to drop for most of our businesses. Many plants are not running near full capacity. Make to order being utilized where possible." [Chemical Products]
- "Order levels have continued to decline: We had a bad October, an awful November and a dismal December. January and February don't look too good, as bookings are down 25 percent compared to the first two months of 2025." [Fabricated Metal Products]
- "Morale is very low across manufacturing in general. The cost of living is very high, and component costs are increasing with folks citing tariffs and other price increases. It's cold in our area of the country, absenteeism is worse around the holidays, and sales were lower than we expected for November. So, things look a bit bleak overall." [Electrical Equipment, Appliances & Components]
- "Global logistics remains sensitive to geopolitical shifts. Tariffs are influencing equipment pricing and procurement strategies. Large-scale data center programs are absorbing and reducing availability of resources for other sectors." [Food, Beverage & Tobacco Products]
- "2025 revenue was down 17 percent due to tariffs. The lost revenue has inhibited our ability to offer bonuses to employees or create and hire for new positions." [Miscellaneous Manufacturing]

MANUFACTURING AT A GLANCE
December 2025

Index	Series Index Dec	Series Index Nov	Percentage Point Change	Direction	Rate of Change	Trend* (Months)
Manufacturing PMI®	47.9	48.2	-0.3	Contracting	Faster	10
New Orders	47.7	47.4	+0.3	Contracting	Slower	4
Production	51.0	51.4	-0.4	Growing	Slower	2
Employment	44.9	44.0	+0.9	Contracting	Slower	11
Supplier Deliveries	50.8	49.3	+1.5	Slowing	From Faster	1
Inventories	45.2	48.9	-3.7	Contracting	Faster	8
Customers' Inventories	43.3	44.7	-1.4	Too Low	Faster	15
Prices	58.5	58.5	0.0	Increasing	Same	15
Backlog of Orders	45.8	44.0	+1.8	Contracting	Slower	39
New Export Orders	46.8	46.2	+0.6	Contracting	Slower	10
Imports	44.6	48.9	-4.3	Contracting	Faster	9

OVERALL ECONOMY	Growing	Slower	68
Manufacturing Sector	Contracting	Faster	10

ISM® *Manufacturing PMI® Report* data is seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.
*Number of months moving in current direction.

COMMODITIES REPORTED UP/DOWN IN PRICE AND IN SHORT SUPPLY

Commodities Up in Price
Aluminum (25); Brass; Copper (6); Copper Based Products; Critical Minerals (2); Electrical Components (2); Memory; Metals; Natural Gas (2); Steel (2); Steel — Stainless; and Steel Products.

Commodities Down in Price
Cocoa Products; Fuel; Gasoline (2); Oil; and Polypropylene Resin (4).

Commodities in Short Supply
Electrical Components (6); Electronic Components (10); Labor (4); and Rare Earth Components (2).

Note: The number of consecutive months the commodity is listed is indicated after each item.

DECEMBER 2025 MANUFACTURING INDEX SUMMARIES

Manufacturing PMI®
The U.S. manufacturing sector contracted in December for the 10th consecutive month after two months of expansion preceded by 26 months of contraction. “The Manufacturing PMI® registered 47.9 percent in December, a 0.3-percentage point decrease compared to the 48.2 percent recorded in November. Of the five subindexes that directly factor into the Manufacturing PMI®, two (Production and Supplier Deliveries) are in expansion territory, one more than in November. The Production Index stayed in expansion, though it lost 0.4 percentage point. The New Orders and Employment indexes contracted at slower rates, and the Inventories Index decreased by 3.7 percentage points. Of the six biggest manufacturing industries, one (Computer & Electronic Products) registered growth in December,” says Spence. A reading above 50 percent indicates that the manufacturing sector is generally expanding; below 50 percent indicates that it is generally contracting.

A Manufacturing PMI® above 42.3 percent, over a period of time, generally indicates an expansion of the overall economy. Therefore, the December Manufacturing PMI® indicates the overall economy grew for the 68th straight month after contracting in April 2020. “The past relationship between the Manufacturing PMI® and the overall economy indicates that the December reading (47.9 percent) corresponds to a 1.6-percent increase in real gross domestic product (GDP) on an annualized basis,” says Spence.

THE LAST 12 MONTHS

Month	Manufacturing PMI®	Month	Manufacturing PMI®
Dec 2025	47.9	Jun 2025	49.0
Nov 2025	48.2	May 2025	48.5
Oct 2025	48.7	Apr 2025	48.7

Sep 2025	49.1	Mar 2025	49.0
Aug 2025	48.7	Feb 2025	50.3
Jul 2025	48.0	Jan 2025	50.9
Average for 12 months – 48.9 High – 50.9 Low – 47.9			

New Orders

ISM®'s New Orders Index contracted for the fourth consecutive month in December after one month in expansion, registering 47.7 percent, an increase of 0.3 percentage point compared to November's figure of 47.4 percent. This reading is below the 12-month average (48.5 percent) for the New Orders Index, which hasn't indicated consistent growth since a 24-month streak of expansion ended in May 2022. "Of the six largest manufacturing industries, one (Computer & Electronic Products) reported increased new orders. For every positive panelist comment about new orders, 1.3 comments indicated concern about near-term demand, driven by tariff costs and other uncertainties," says Spence. A New Orders Index above 52.1 percent, over time, is generally consistent with an increase in the Census Bureau's series on manufacturing orders (in constant 2000 dollars).

The two manufacturing industries that reported growth in new orders in December are: Computer & Electronic Products; and Electrical Equipment, Appliances & Components. The 13 industries reporting a decline in new orders in December, in order, are: Apparel, Leather & Allied Products; Wood Products; Nonmetallic Mineral Products; Paper Products; Textile Mills; Petroleum & Coal Products; Chemical Products; Primary Metals; Miscellaneous Manufacturing; Fabricated Metal Products; Plastics & Rubber Products; Machinery; and Transportation Equipment.

New Orders	%Higher	%Same	%Lower	Net	Index
Dec 2025	18.2	50.3	31.5	-13.3	47.7
Nov 2025	20.7	50.9	28.4	-7.7	47.4
Oct 2025	20.4	53.6	26.0	-5.6	49.4
Sep 2025	18.6	56.5	24.9	-6.3	48.9

Production

The Production Index stayed in expansion in December, registering 51 percent, 0.4 percentage point lower than the November reading of 51.4 percent. "Of the six largest manufacturing industries, two (Computer & Electronic Products; and Transportation Equipment) reported increased production. Panelists had a 1-to-1 ratio of positive to negative comments regarding output," says Spence. An index above 52.1 percent, over time, is generally consistent with an increase in the Federal Reserve Board's Industrial Production figures.

The four industries reporting growth in production during the month of December are: Plastics & Rubber Products; Computer & Electronic Products; Electrical Equipment, Appliances & Components; and Transportation Equipment. The nine industries reporting a decrease in production in December — in the following order — are: Apparel, Leather & Allied Products; Nonmetallic Mineral Products; Textile Mills; Wood Products; Chemical Products; Miscellaneous Manufacturing; Fabricated Metal Products; Primary Metals; and Machinery.

Production	%Higher	%Same	%Lower	Net	Index

Dec 2025	19.0	55.1	25.9	-6.9	51.0
Nov 2025	22.8	57.4	19.8	+3.0	51.4
Oct 2025	17.3	60.7	22.0	-4.7	48.2
Sep 2025	19.0	60.5	20.5	-1.5	51.0

Employment

ISM®'s Employment Index registered 44.9 percent in December, 0.9 percentage point higher than November's reading of 44 percent. "The index posted its 11th consecutive month of contraction after expanding in January, with seven straight months of contraction before that. Since May 2022, the Employment Index has contracted in 37 of 44 months. Of the six big manufacturing industries, two (Transportation Equipment; and Machinery) reported higher levels of employment in December. For every comment on hiring, there were three on reducing head counts. Companies continued to focus on accelerating staff reductions due to uncertain near- to mid-term demand. The main head-count management strategies remain layoffs and not filling open positions," says Spence. An Employment Index above 50.3 percent, over time, is generally consistent with an increase in the Bureau of Labor Statistics (BLS) data on manufacturing employment.

Of the 18 manufacturing industries, three reported employment growth in December: Miscellaneous Manufacturing; Transportation Equipment; and Machinery. The 13 industries reporting a decrease in employment in December, in the following order, are: Printing & Related Support Activities; Apparel, Leather & Allied Products; Wood Products; Paper Products; Textile Mills; Petroleum & Coal Products; Nonmetallic Mineral Products; Chemical Products; Plastics & Rubber Products; Primary Metals; Fabricated Metal Products; Computer & Electronic Products; and Electrical Equipment, Appliances & Components.

Employment	%Higher	%Same	%Lower	Net	Index
Dec 2025	9.0	69.9	21.1	-12.1	44.9
Nov 2025	10.8	64.1	25.1	-14.3	44.0
Oct 2025	13.1	64.6	22.3	-9.2	46.0
Sep 2025	11.1	64.5	24.4	-13.3	45.3

Supplier Deliveries†

Delivery performance of suppliers to manufacturing organizations was slower in December after one month of faster deliveries. "The Supplier Deliveries Index registered 50.8 percent, a 1.5-percentage point increase compared to the reading of 49.3 percent reported in November. Of the six big industries, three (Computer & Electronic Products; Machinery; and Food, Beverage & Tobacco Products) reported slower supplier deliveries," says Spence. A reading below 50 percent indicates faster deliveries, while a reading above 50 percent indicates slower deliveries.

The eight manufacturing industries reporting slower supplier deliveries in December, in order, are: Textile Mills; Nonmetallic Mineral Products; Fabricated Metal Products; Primary Metals; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Machinery; and Food, Beverage & Tobacco Products. The four industries reporting faster supplier deliveries in December are: Miscellaneous Manufacturing; Transportation Equipment; Plastics & Rubber Products; and Chemical Products. Six industries reported no change in supplier deliveries in December.

Supplier Deliveries	%Slower	%Same	%Faster	Net	Index
Dec 2025	10.4	80.8	8.8	+1.6	50.8

Nov 2025	6.1	86.3	7.6	-1.5	49.3
Oct 2025	11.6	85.2	3.2	+8.4	54.2
Sep 2025	11.2	82.7	6.1	+5.1	52.6

Inventories

The Inventories Index registered 45.2 percent in December, down 3.7 percentage points compared to the reading of 48.9 percent in November. "None of the six big industries expanded in December," says Spence. An Inventories Index greater than 44.5 percent, over time, is generally consistent with expansion in the Bureau of Economic Analysis (BEA) figures on overall manufacturing inventories (in chained 2000 dollars).

Of 18 manufacturing industries, the two reporting higher inventories in December are: Nonmetallic Mineral Products; and Electrical Equipment, Appliances & Components. The 10 industries reporting lower inventories in December — listed in order — are: Apparel, Leather & Allied Products; Textile Mills; Paper Products; Chemical Products; Primary Metals; Food, Beverage & Tobacco Products; Machinery; Plastics & Rubber Products; Computer & Electronic Products; and Miscellaneous Manufacturing. Six industries reported no change in inventories in December.

Inventories	%Higher	%Same	%Lower	Net	Index
Dec 2025	10.3	65.9	23.8	-13.5	45.2
Nov 2025	14.4	67.9	17.7	-3.3	48.9
Oct 2025	13.2	65.1	21.7	-8.5	45.8
Sep 2025	16.0	63.7	20.3	-4.3	47.7

Customers' Inventories†

ISM®'s Customers' Inventories Index remained in "too low" territory in December, with a reading of 43.3 percent, a decrease of 1.4 percentage points compared to the reading of 44.7 percent in November. (For more information about the Customers' Inventories Index, see the "Data and Method of Presentation" section below.)

No industries reported customers' inventories as too high in December. The 11 industries reporting customers' inventories as too low in December, in order, are: Wood Products; Plastics & Rubber Products; Paper Products; Fabricated Metal Products; Nonmetallic Mineral Products; Primary Metals; Chemical Products; Computer & Electronic Products; Food, Beverage & Tobacco Products; Transportation Equipment; and Electrical Equipment, Appliances & Components. Seven industries reported no change in customers' inventories in December.

Customers' Inventories	% Reporting	%Too High	%About Right	%Too Low	Net	Index
Dec 2025	76	11.3	64.0	24.7	-13.4	43.3
Nov 2025	73	8.8	71.8	19.4	-10.6	44.7
Oct 2025	75	11.8	64.1	24.1	-12.3	43.9
Sep 2025	73	10.5	66.3	23.2	-12.7	43.7

Prices†

The ISM® Prices Index registered 58.5 percent in December, matching its November reading and indicating raw materials prices increased for the 15th straight month. Of the six largest manufacturing industries, four (Machinery; Transportation Equipment; Computer & Electronic Products; and Food, Beverage & Tobacco Products) reported price increases in December. “The Prices Index reading continues to be driven by increases in steel and aluminum prices that impact the entire value chain, as well as tariffs applied to many imported goods. Higher prices were reported by 26.4 percent of respondents in December, down just 0.8 percentage point from 27.2 percent in November and compared to 49.2 percent in April, which was the highest level since June 2022 (65.2 percent),” says Spence. A Prices Index above 52.8 percent, over time, is generally consistent with an increase in the Bureau of Labor Statistics (BLS) Producer Price Index for Intermediate Materials.

In December, the 11 industries that reported paying increased prices for raw materials, in order, are: Fabricated Metal Products; Electrical Equipment, Appliances & Components; Furniture & Related Products; Machinery; Primary Metals; Transportation Equipment; Miscellaneous Manufacturing; Wood Products; Nonmetallic Mineral Products; Computer & Electronic Products; and Food, Beverage & Tobacco Products. The four industries that reported paying decreased prices for raw materials in December are: Textile Mills; Plastics & Rubber Products; Paper Products; and Chemical Products.

Prices	%Higher	%Same	%Lower	Net	Index
Dec 2025	26.4	64.1	9.5	+16.9	58.5
Nov 2025	27.2	62.6	10.2	+17.0	58.5
Oct 2025	27.3	61.4	11.3	+16.0	58.0
Sep 2025	32.5	58.8	8.7	+23.8	61.9

Backlog of Orders†

ISM®’s Backlog of Orders Index registered 45.8 percent, an increase of 1.8 percentage points compared to the November reading of 44.0 percent, indicating order backlogs contracted for the 39th consecutive month after a 27-month period of expansion that ended in September 2022. Of the six largest manufacturing industries, only Computer & Electronic Products reported expansion in order backlogs in December. “Another month of contraction in the Backlog of Orders Index suggests that trade-related and geopolitical factors persist. Not much improvement is expected until those influences diminish,” says Spence.

The only industry reporting higher backlogs in December is Computer & Electronic Products. The 11 industries reporting lower backlogs in December — in the following order — are: Plastics & Rubber Products; Primary Metals; Textile Mills; Wood Products; Machinery; Paper Products; Transportation Equipment; Miscellaneous Manufacturing; Fabricated Metal Products; Chemical Products; and Electrical Equipment, Appliances & Components. Six industries reported no change in backlog of orders in December.

Backlog of Orders	% Reporting	%Higher	%Same	%Lower	Net	Index
Dec 2025	90	17.2	57.1	25.7	-8.5	45.8
Nov 2025	90	13.9	60.2	25.9	-12.0	44.0
Oct 2025	90	15.7	64.4	19.9	-4.2	47.9
Sep 2025	89	17.2	58.0	24.8	-7.6	46.2

New Export Orders†

ISM®’s New Export Orders Index contracted in December, registering 46.8 percent, up 0.6 percentage point from November’s reading of 46.2 percent. “Export orders contracted for the 10th consecutive month after growing in January and February. That brief period of expansion followed an ‘unchanged’ status (a reading of 50 percent) in December, preceded by six straight months of contraction. Despite a slight improvement in the New Export Orders Index, trade frictions continue to weigh on demand. Many panelists still report softer international orders tied to tariffs and ongoing uncertainty around U.S. economic policy, with a ratio of 1.5 negative comments for every positive one," says Spence.

Of the 18 manufacturing industries, the five that reported growth in new export orders in December are: Wood Products; Primary Metals; Plastics & Rubber Products; Electrical Equipment, Appliances & Components; and Computer & Electronic Products. The eight industries that reported a decrease in new export orders in December — in the following order — are: Printing & Related Support Activities; Petroleum & Coal Products; Paper Products; Food, Beverage & Tobacco Products; Miscellaneous Manufacturing; Fabricated Metal Products; Chemical Products; and Machinery.

New Export Orders	% Reporting	%Higher	%Same	%Lower	Net	Index
Dec 2025	75	10.6	72.3	17.1	-6.5	46.8
Nov 2025	74	10.3	71.8	17.9	-7.6	46.2
Oct 2025	72	10.5	68.0	21.5	-11.0	44.5
Sep 2025	71	7.2	71.5	21.3	-14.1	43.0

Imports†

ISM®'s Imports Index remained in contraction for the ninth straight month in December after a three-month period of expansion. The December figure of 44.6 percent is a decrease of 4.3 percentage points compared to the reading of 48.9 percent reported in November. "Tariff-related pricing pressures are continuing to result in softer demand," says Spence.

Only one industry, Electrical Equipment, Appliances & Components, reported higher imports in December. The 13 industries that reported lower volumes in December — in the following order — are: Printing & Related Support Activities; Textile Mills; Wood Products; Paper Products; Nonmetallic Mineral Products; Plastics & Rubber Products; Computer & Electronic Products; Fabricated Metal Products; Primary Metals; Miscellaneous Manufacturing; Machinery; Chemical Products; and Transportation Equipment.

Imports	% Reporting	%Higher	%Same	%Lower	Net	Index
Dec 2025	84	9.5	70.1	20.4	-10.9	44.6
Nov 2025	84	13.4	71.0	15.6	-2.2	48.9
Oct 2025	84	10.4	69.9	19.7	-9.3	45.4
Sep 2025	84	9.9	69.6	20.5	-10.6	44.7

†The Supplier Deliveries, Customers' Inventories, Prices, Backlog of Orders, New Export Orders, and Imports indexes do not meet the accepted criteria for seasonal adjustments.

Buying Policy

The average commitment lead time for Capital Expenditures in December was 177 days, an increase of 6 days compared to November. The average lead time in December for Production Materials was 77 days, a decrease of four days compared to November. The average lead time for Maintenance, Repair and Operating (MRO) Supplies was 49 days, an increase of two days compared to November.

Percent Reporting							
Capital Expenditures	Hand-to-Mouth	30 Days	60 Days	90 Days	6 Months	1 Year+	Average Days

Dec 2025	16	4	9	12	30	29	177
Nov 2025	16	5	8	14	30	27	171
Oct 2025	18	4	7	14	31	26	168
Sep 2025	16	5	8	15	29	27	170

Percent Reporting							
Production Materials	Hand-to-Mouth	30 Days	60 Days	90 Days	6 Months	1 Year+	Average Days
Dec 2025	9	25	31	22	9	4	77
Nov 2025	10	25	25	26	9	5	81
Oct 2025	10	26	23	28	8	5	80
Sep 2025	9	25	23	30	8	5	81

Percent Reporting							
MRO Supplies	Hand-to-Mouth	30 Days	60 Days	90 Days	6 Months	1 Year+	Average Days
Dec 2025	29	36	17	11	5	2	49
Nov 2025	28	36	16	14	5	1	47
Oct 2025	30	32	18	14	5	1	47
Sep 2025	28	35	18	11	7	1	49

About This Report

DO NOT CONFUSE THIS NATIONAL REPORT with the various regional purchasing reports released across the country. The national report's information reflects the entire U.S., while the regional reports contain primarily regional data from their local vicinities. Also, the information in the regional reports is not used in calculating the results of the national report. The information compiled in this report is for the month of December 2025.

The data presented herein is obtained from a survey of manufacturing supply executives based on information they have collected within their respective organizations. ISM® makes no representation, other than that stated within this release, regarding the individual company data collection procedures. The data should be compared to all other economic data sources when used in decision-making.

Data and Method of Presentation

The **ISM® *Manufacturing PMI® Report*** is based on data compiled from purchasing and supply executives nationwide. The composition of the Manufacturing Business Survey Panel is stratified according to the North American Industry Classification System (NAICS) and each of the following NAICS-based industries' contribution to gross domestic product (GDP): Food, Beverage & Tobacco Products; Textile Mills; Apparel, Leather & Allied Products; Wood Products; Paper Products; Printing & Related Support Activities; Petroleum & Coal Products; Chemical Products; Plastics & Rubber Products; Nonmetallic Mineral Products; Primary Metals; Fabricated Metal Products; Machinery; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Furniture & Related Products; and Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies). The data are weighted based on each industry's contribution to GDP. According to U.S. Bureau of Economic Analysis (BEA) estimates (the average of the fourth quarter 2023 GDP estimate and the GDP estimates for first, second, and third quarter 2024, as released on December 19, 2024), the six largest manufacturing industries are: Chemical Products; Transportation Equipment; Computer & Electronic Products; Food, Beverage & Tobacco Products; Machinery; and Petroleum & Coal Products.

Survey responses reflect the change, if any, in the current month compared to the previous month. For nine indicators (New Orders, Backlog of Orders, New Export Orders, Imports, Production, Supplier Deliveries, Inventories, Employment, and Prices), this report shows the percentage reporting each response, the net difference between the number of responses in the positive economic direction (higher, better and slower for Supplier Deliveries) and the negative economic direction (lower, worse and faster for Supplier Deliveries), and the diffusion index. For Customers' Inventories, respondents report their assessment of their customers' stock levels of respondent companies' products this month (rather than last month): too high, about right, and too low. Responses are raw data and are never changed. The diffusion index includes the percent of positive responses plus one-half of those responding the same (considered positive).

The resulting single index number for those meeting the criteria for seasonal adjustments (Manufacturing PMI®, New Orders, Production, Employment and Inventories) is then seasonally adjusted to allow for the effects of repetitive intra-year variations resulting primarily from normal differences in weather conditions, various institutional arrangements, and differences attributable to non-moveable holidays. All seasonal adjustment factors are subject annually to relatively minor changes when conditions warrant them. The Manufacturing PMI® is a composite index based on the diffusion indexes of five of the indexes with equal weights: New Orders (seasonally adjusted), Production (seasonally adjusted), Employment (seasonally adjusted), Supplier Deliveries, and Inventories (seasonally adjusted).

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. A Manufacturing PMI® reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally declining. A Manufacturing PMI® above 42.3 percent, over a period of time, indicates that the overall economy, or gross domestic product (GDP), is generally expanding; below 42.3 percent, it is generally declining. The distance from 50 percent or 42.3 percent is indicative of the extent of the expansion or decline. With some of the indicators within this report, ISM® has indicated the departure point between expansion and decline of comparable government series, as determined by regression analysis. For the Customers' Inventories Index, numerically, a reading: above 50 percent is "too high," equal to 50 percent is "about right," and below 50 percent is "too low." However, in practice and in the context of other data, customers' inventories may be considered to be "about right" if the diffusion index is between 52 percent (the high side of about right) and 48 percent (the low side of about right).

The **ISM®** ***Manufacturing PMI® Report*** survey is sent out to Manufacturing Business Survey Panel respondents the first part of each month. Respondents are asked to report on information for the current month for U.S. operations only. ISM® receives survey responses throughout most of any given month, with the majority of respondents generally waiting until late in the month to submit responses to give the most accurate picture of current business activity. ISM® then compiles the report for release on the first business day of the following month.

The industries reporting growth, as indicated in the **ISM®** ***Manufacturing PMI® Report***, are listed in the order of most growth to least growth. For the industries reporting contraction or decreases, those are listed in the order of the highest level of contraction/decrease to the least level of contraction/decrease.

Responses to Buying Policy reflect the percent reporting the current month's lead time, the approximate weighted number of days ahead for which commitments are made for Capital Expenditures; Production Materials; and Maintenance, Repair and Operating (MRO) Supplies, expressed as hand-to-mouth (five days), 30 days, 60 days, 90 days, six months (180 days), a year or more (360 days), and the weighted average number of days. These responses are raw data, never revised, and not seasonally adjusted.

ISM PMI® Content

The Institute for Supply Management® ("ISM®") PMI® Reports, formerly *Report On Business®*, (Manufacturing, Services, and Hospital reports) ("ISM PMI®") contain information, text, files, images,

About Institute for Supply Management® (ISM®)

Institute for Supply Management® (ISM®) is the first and leading not-for-profit professional supply management organization worldwide. Its community of more than 50,000 in more than 100 countries around the world manage about US$1 trillion in corporate and government supply chain procurement annually. Founded in 1915 by practitioners, ISM is committed to advancing the strategy and practice of integrated, end-to-end supply chain management through leading edge data-driven resources, community, and education to empower individuals, create organizational value and to drive competitive advantage. ISM's vision is to foster a prosperous, sustainable world. ISM empowers and leads the profession through the ISM® PMI® Reports *(*formerly *Report On Business®*)*,* its highly regarded certification and training programs, corporate services, events and assessments. The ISM® PMI® Reports — Manufacturing and Services — are two of the most reliable economic indicators available, providing guidance to supply management professionals, economists, analysts, and government and business leaders. For more information, please visit: www.ismworld.org.

The full text version of the **ISM® *Manufacturing PMI® Report*** is posted on ISM®'s website at www.ismrob.org on the first business day* of every month after 10:00 a.m. ET. The one exception is in January when the report is released on the second business day of the month.

The next **ISM® *Manufacturing PMI® Report*** featuring January 2026 data will be released at 10:00 a.m. ET on Monday, February 2, 2026.

*Unless the New York Stock Exchange is closed.