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## **Services PMI® at 52.6%**

### **November 2025 ISM® Services PMI® Report**

Business Activity Index at 54.5%  
New Orders Index at 52.9%  
Employment Index at 48.9%  
Supplier Deliveries Index at 54.1%

(Tempe, Arizona) — Economic activity in the **services sector continued to expand in November**, say the nation's purchasing and supply executives in the latest **ISM® Services PMI® Report**. The Services PMI® registered at 52.6 percent and is in expansion territory for the ninth time in 2025.

The report was issued today by Steve Miller, CPSM, CSCP, Chair of the Institute for Supply Management® (ISM®) Services Business Survey Committee: "In November, the Services PMI® registered a reading of 52.6 percent, 0.2 percentage point higher than the October figure of 52.4 percent. The Business Activity Index continued in expansion territory in November, registering 54.5 percent, 0.2 percentage point higher than the reading of 54.3 percent recorded in October. The New Orders Index also remained in expansion in November, with a reading of 52.9 percent, 3.3 percentage points below October's figure of 56.2 percent but 0.9 percentage point above its 12-month average of 51.7 percent. The Employment Index contracted for the sixth month in a row with a reading of 48.9 percent, a 0.7-percentage point improvement from the 48.2 percent recorded in October — the fourth consecutive monthly increase since a reading of 46.4 percent in July.

"The Supplier Deliveries Index registered 54.1 percent, 3.3 percentage points higher than the 50.8 percent recorded in October and 2.2 percentage points above its 12-month average of 51.9 percent. This is the 12th consecutive month that the index has been in expansion territory, indicating slower supplier delivery performance. (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 Prices Index registered 65.4 percent in November, its lowest reading since hitting 65.1 percent in April 2025. The November figure was a 4.6-percentage point drop from October's reading of 70 percent. The index has exceeded 60 percent for 12 straight months.

"The Inventories Index registered 53.4 percent in November, an increase of 3.9 percentage points from October's figure of 49.5 percent, a return to expansion after two months in contraction territory. The Inventory Sentiment Index expanded for the 31st consecutive month, registering 54.8 percent, down 0.7 percentage point from October's figure of 55.5 percent. The Backlog of Orders Index was in contraction territory for the ninth month in a row, registering 49.1 percent in November, an 8.3-percentage point

increase from the October figure of 40.8 percent, and 3.8 percentage points above its 12-month average of 45.3 percent.

“Twelve industries reported growth in November, one more than in October, while the number reporting contraction decreased from six to five. The November Services PMI® reading of 52.6 percent is 0.9 percentage point above the 12-month average of 51.7 percent. However, the 12-month average continues at its lowest level since August 2024 (51.7 percent) for the second month in a row, and the second lowest since June 2010 (51.4 percent).”

Miller continues, “November’s Services PMI® is a continuation of a downward trend (as noted in the October report) of more than 10 percentage points in the 12-month average since February 2022, when it was 62.6 percent. The continued expansion in both the Business Activity and New Orders indexes in November, and the highest Backlog of Orders index reading since February 2025 are positive signs of an emerging recovery for the services sector. On the downside, tariffs and the government shutdown continue to be noted by survey respondents as impacting both demand and costs. The Employment index reading of 48.9 percent, while still in contraction, is its highest reading since it registered 50.7 percent in May 2025. The highest Supplier Deliveries index figure (54.1 percent) since October 2024 — a reading in expansion indicates slower deliveries by suppliers — was likely due to air traffic disruptions from the government shutdown and customs impacts related to changing tariffs. The tragic UPS plane crash on November 4 is also a sobering reminder, especially with the coming holidays that rely on timely deliveries, of the risks that logistics providers take every day on our roads, waterways and skies to ensure that supply chains operate smoothly.”

## INDUSTRY PERFORMANCE

The 12 services industries reporting growth in November — listed in order — are: Retail Trade; Arts, Entertainment & Recreation; Accommodation & Food Services; Wholesale Trade; Health Care & Social Assistance; Educational Services; Public Administration; Agriculture, Forestry, Fishing & Hunting; Finance & Insurance; Information; Professional, Scientific & Technical Services; and Utilities. The five industries reporting a contraction in the month of November are: Construction; Real Estate, Rental & Leasing; Mining; Management of Companies & Support Services; and Transportation & Warehousing.

## WHAT RESPONDENTS ARE SAYING

- “Suppliers are very inconsistent on how they are planning and executing pricing related to tariffs. Overall uncertainty on how to source and how much to source is as high as during the coronavirus pandemic era.” [Accommodation & Food Services]
- “Residential home sales continue to be hampered by mortgage rates. Most of the industry is describing their slowdown as an intentional pause, while suppliers and labor are looking at cutting margins. To maintain build volume, subcontractors are tightening their belts.” [Construction]
- “Increased activity due to year end project push.” [Finance & Insurance]
- “Patient volumes appear to be leveling off a bit, providing teams a chance to catch their breath. Supply chains are operating surprisingly well, as measured by notably higher back-order and fill-rate performance. Labor remains a strong performer as well; staffing levels remain high and there is less demand for travel labor altogether. Cost of goods remains higher but there are pockets of softening beginning to appear. Forecast remains optimistic.” [Health Care & Social Assistance]
- “Business still slow due to tariffs.” [Information]
- “With the end of the federal government shutdown, we have resumed normal operations. However, we are cautious that there may be another shutdown at the end of January.” [Management of Companies & Support Services]
- “Tariff uncertainty continues to add complexity to purchasing, and economic conditions remain mixed, with some indicators pointing to good prospects and others to worrying ones.” [Real Estate, Rental & Leasing]
- “Business continues to be strong, driven by customer traffic. Pricing stable.” [Retail Trade]
- “Business is ramping down for the end of the year — an overall great year.” [Utilities]
- “We are anticipating demand to be consistent with what we have seen in 2025 thus far. Affordability continues to be a problem for an entire generation of buyers. We expect margins to erode as competitors fight for business. Lumber production is set to be reduced significantly, so prices should increase in 2026.” [Wholesale Trade]

**ISM® SERVICES SURVEY RESULTS AT A GLANCE  
COMPARISON OF ISM® SERVICES AND ISM® MANUFACTURING SURVEYS  
NOVEMBER 2025**

| Index                                | Services PMI®    |                  |                      |             |                  |                 | Manufacturing PMI® |                  |                      |
|--------------------------------------|------------------|------------------|----------------------|-------------|------------------|-----------------|--------------------|------------------|----------------------|
|                                      | Series Index Nov | Series Index Oct | Percent Point Change | Direction   | Rate of Change   | Trend* (Months) | Series Index Nov   | Series Index Oct | Percent Point Change |
| <b>Services PMI®</b>                 | 52.6             | 52.4             | +0.2                 | Growing     | Faster           | 2               | 48.2               | 48.7             | -0.5                 |
| <b>Business Activity/ Production</b> | 54.5             | 54.3             | +0.2                 | Growing     | Faster           | 2               | 51.4               | 48.2             | +3.2                 |
| <b>New Orders</b>                    | 52.9             | 56.2             | -3.3                 | Growing     | Slower           | 6               | 47.4               | 49.4             | -2.0                 |
| <b>Employment</b>                    | 48.9             | 48.2             | +0.7                 | Contracting | Slower           | 6               | 44.0               | 46.0             | -2.0                 |
| <b>Supplier Deliveries</b>           | 54.1             | 50.8             | +3.3                 | Slowing     | Faster           | 12              | 49.3               | 54.2             | -4.9                 |
| <b>Inventories</b>                   | 53.4             | 49.5             | +3.9                 | Growing     | From Contracting | 1               | 48.9               | 45.8             | +3.1                 |
| <b>Prices</b>                        | 65.4             | 70.0             | -4.6                 | Increasing  | Slower           | 102             | 58.5               | 58.0             | +0.5                 |
| <b>Backlog of Orders</b>             | 49.1             | 40.8             | +8.3                 | Contracting | Slower           | 9               | 44.0               | 47.9             | -3.9                 |
| <b>New Export Orders</b>             | 48.7             | 47.8             | +0.9                 | Contracting | Slower           | 5               | 46.2               | 44.5             | +1.7                 |
| <b>Imports</b>                       | 48.9             | 43.7             | +5.2                 | Contracting | Slower           | 3               | 48.9               | 45.4             | +3.5                 |
| <b>Inventory Sentiment</b>           | 54.8             | 55.5             | -0.7                 | Too High    | Slower           | 31              | N/A                | N/A              | N/A                  |
| <b>Customers' Inventories</b>        | N/A              | N/A              | N/A                  | N/A         | N/A              | N/A             | 44.7               | 43.9             | +0.8                 |
| <b>OVERALL ECONOMY</b>               |                  |                  |                      | Growing     | Faster           | 66              |                    |                  |                      |
| <b>Services Sector</b>               |                  |                  |                      | Growing     | Faster           | 2               |                    |                  |                      |

ISM® **Services PMI® Report** data is seasonally adjusted for the Business Activity, New Orders, Employment and Prices indexes. ISM® **Manufacturing PMI® Report** data is seasonally adjusted for 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**

Benefits; Copper Products (4); Electronic Components; Labor (4); Software Licensing (2); and Steel.

**Commodities Down in Price**

Cheese; Engineered Wood Products; Gasoline (9); and Lumber.

**Commodities in Short Supply**

Electrical Components; Labor; Steel; Transformers (2); and Wire and Cable.

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

## NOVEMBER 2025 SERVICES INDEX SUMMARIES

### Services PMI®

In November, the Services PMI® registered 52.6 percent, a 0.2-percentage point increase compared to the October reading of 52.4 percent. A reading above 50 percent indicates the services sector economy is generally expanding; below 50 percent indicates it is generally contracting.

A Services PMI® above 48.6 percent, over time, generally indicates an expansion of the overall economy. Therefore, the November Services PMI® indicates the overall economy is expanding for the 66th straight month. Miller says, “The past relationship between the Services PMI® and the overall economy indicates that the Services PMI® for November (52.6 percent) corresponds to a 1.3-percentage point increase in real gross domestic product (GDP) on an annualized basis.”

### SERVICES PMI® HISTORY

| <i>Month</i>  | <i>Services PMI®</i> | <i>Month</i> | <i>Services PMI®</i> |
|---|----------------------|--------------|----------------------|
| Nov 2025  | 52.6                 | May 2025     | 49.9                 |
| Oct 2025  | 52.4                 | Apr 2025     | 51.6                 |
| Sep 2025  | 50.0                 | Mar 2025     | 50.8                 |
| Aug 2025  | 52.0                 | Feb 2025     | 53.5                 |
| Jul 2025  | 50.1                 | Jan 2025     | 52.8                 |
| Jun 2025  | 50.8                 | Dec 2024     | 54.0                 |
| Average for 12 months – 51.7<br>High – 54.0<br>Low – 49.9 |                      |              |                      |

### Business Activity

ISM®’s Business Activity Index continued in expansion in November; the reading of 54.5 percent is 0.2 percentage point higher than the 54.3 percent recorded in October. The index registered above 54 percent for the seventh time in 2025. Comments from respondents include: “Capital projects are at an all-time high” and “Government shutdown paused some projects due to permitting.”

The 11 industries reporting an increase in business activity for the month of November — listed in order — are: Arts, Entertainment & Recreation; Retail Trade; Health Care & Social Assistance; Educational Services; Public Administration; Finance & Insurance; Wholesale Trade; Transportation & Warehousing; Professional, Scientific & Technical Services; Information; and Management of Companies & Support Services. The five industries reporting a decrease in business activity for the month of November are: Real Estate, Rental & Leasing; Other Services; Construction; Utilities; and Accommodation & Food Services.

| Business Activity | %Higher | %Same | %Lower | Index |
|-------------------|---------|-------|--------|-------|
| Nov 2025          | 24.7    | 58.4  | 16.9   | 54.5  |
| Oct 2025          | 23.0    | 61.7  | 15.3   | 54.3  |
| Sep 2025          | 20.5    | 64.4  | 15.1   | 49.9  |
| Aug 2025          | 22.8    | 63.0  | 14.2   | 55.0  |

**New Orders**

ISM®'s New Orders Index registered 52.9 percent in November, 3.3 percentage points lower than the reading of 56.2 percent reported in October. The index has been in expansion territory in 33 of the last 35 months. Comments from respondents include: "Big pharma is spending at a faster pace than the first half of 2025" and "Customer uncertainty reducing ability to commit to new orders."

The 12 industries reporting an increase in new orders for the month of November — listed in order — are: Public Administration; Arts, Entertainment & Recreation; Retail Trade; Other Services; Wholesale Trade; Health Care & Social Assistance; Educational Services; Transportation & Warehousing; Finance & Insurance; Professional, Scientific & Technical Services; Utilities; and Information. The four industries reporting a decrease in new orders for the month of November are: Real Estate, Rental & Leasing; Management of Companies & Support Services; Construction; and Accommodation & Food Services.

| New Orders | %Higher | %Same | %Lower | Index |
|------------|---------|-------|--------|-------|
| Nov 2025   | 23.7    | 59.7  | 16.6   | 52.9  |
| Oct 2025   | 27.8    | 55.9  | 16.3   | 56.2  |
| Sep 2025   | 20.6    | 63.2  | 16.2   | 50.4  |
| Aug 2025   | 27.2    | 56.6  | 16.2   | 56.0  |

**Employment**

Employment activity in the services sector contracted in November for the sixth month in a row. The Employment Index registered 48.9 percent, up 0.7 percentage point from the October figure of 48.2 percent and its highest reading since May (50.7 percent). Comments from respondents include: "Filling vacancies" and "Still not getting a lot of applications for positions, as we require work from our offices now."

The six industries reporting an increase in employment in November, in order, are: Retail Trade; Accommodation & Food Services; Agriculture, Forestry, Fishing & Hunting; Wholesale Trade; Health Care & Social Assistance; and Utilities. The eight industries reporting a decrease in employment in November — listed in order — are: Mining; Transportation & Warehousing; Management of Companies & Support Services; Public Administration; Construction; Professional, Scientific & Technical Services; Finance & Insurance; and Information.

| Employment | %Higher | %Same | %Lower | Index |
|------------|---------|-------|--------|-------|
| Nov 2025   | 15.6    | 65.9  | 18.5   | 48.9  |
| Oct 2025   | 14.3    | 67.8  | 17.9   | 48.2  |
| Sep 2025   | 12.1    | 71.8  | 16.1   | 47.2  |
| Aug 2025   | 10.3    | 72.9  | 16.8   | 46.5  |

**Supplier Deliveries**

In November, the Supplier Deliveries Index indicated slower performance for the 12th month in a row. The index registered 54.1 percent, up 3.3 percentage points from the 50.8 percent recorded in October. This is its second highest reading since October 2022 (56.2 percent). A reading above 50 percent indicates slower deliveries, while a reading below 50 percent indicates faster deliveries. Comments from respondents include: "Tariffs — items being stopped at borders" and "We are being told that the government shutdown has led to slower customs processing at the borders."

The nine industries reporting slower deliveries in November — in the following order — are: Accommodation & Food Services; Management of Companies & Support Services; Information;

Agriculture, Forestry, Fishing & Hunting; Real Estate, Rental & Leasing; Professional, Scientific & Technical Services; Finance & Insurance; Educational Services; and Utilities. The three industries reporting faster supplier deliveries for the month of November are: Construction; Retail Trade; and Health Care & Social Assistance. Six industries reported no change in Supplier Deliveries in the month of November.

| Supplier Deliveries | %Slower | %Same | %Faster | Index |
|---------------------|---------|-------|---------|-------|
| Nov 2025            | 12.6    | 82.9  | 4.5     | 54.1  |
| Oct 2025            | 5.1     | 91.4  | 3.5     | 50.8  |
| Sep 2025            | 9.7     | 85.7  | 4.6     | 52.6  |
| Aug 2025            | 4.5     | 91.5  | 4.0     | 50.3  |

### **Inventories**

The Inventories Index returned to expansion territory, registering 53.4 percent, a 3.9-percentage point increase compared to the 49.5 percent reported in October. Of the total respondents in November, 28 percent indicated they do not have inventories or do not measure them. Comments from respondents include: “Coming off a quiet storm season for our service territory; the next step is to consume the materials over the next several months and begin ramping up again next spring” and “We have started reducing inventories to normal levels after some trade deals have been resolved.”

The eight industries reporting an increase in inventories in November — in the following order — are: Arts, Entertainment & Recreation; Retail Trade; Real Estate, Rental & Leasing; Transportation & Warehousing; Utilities; Public Administration; Wholesale Trade; and Professional, Scientific & Technical Services. The six industries reporting a decrease in inventories in November — listed in order — are: Management of Companies & Support Services; Other Services; Educational Services; Construction; Information; and Health Care & Social Assistance.

| Inventories | %Higher | %Same | %Lower | Index |
|-------------|---------|-------|--------|-------|
| Nov 2025    | 19.0    | 68.7  | 12.3   | 53.4  |
| Oct 2025    | 13.8    | 71.4  | 14.8   | 49.5  |
| Sep 2025    | 12.5    | 70.5  | 17.0   | 47.8  |
| Aug 2025    | 19.3    | 67.7  | 13.0   | 53.2  |

### **Prices**

Prices paid by services organizations for materials and services increased in November for the 102nd consecutive month. The Prices Index registered 65.4 percent, 4.6 percentage points lower than the 70 percent recorded in October and 0.7 percentage point lower than its 12-month average of 66.1 percent.

Fourteen industries reported an increase in prices paid during the month of November, in the following order: Accommodation & Food Services; Finance & Insurance; Information; Real Estate, Rental & Leasing; Management of Companies & Support Services; Professional, Scientific & Technical Services; Wholesale Trade; Agriculture, Forestry, Fishing & Hunting; Other Services; Educational Services; Health Care & Social Assistance; Utilities; Transportation & Warehousing; and Public Administration. Construction was the only industry reporting a decrease in prices paid in November.

| Prices   | %Higher | %Same | %Lower | Index |
|----------|---------|-------|--------|-------|
| Nov 2025 | 31.0    | 64.6  | 4.4    | 65.4  |
| Oct 2025 | 43.2    | 51.4  | 5.4    | 70.0  |
| Sep 2025 | 39.9    | 56.9  | 3.2    | 69.4  |

|          |      |      |     |      |
|----------|------|------|-----|------|
| Aug 2025 | 36.7 | 60.7 | 2.6 | 69.2 |
|----------|------|------|-----|------|

NOTE: Commodities reported as up in price and down in price are listed in the commodities section of this report.

### **Backlog of Orders**

The ISM® Services Backlog of Orders Index was in contraction territory for the ninth consecutive month, and the reading of 49.1 percent was an 8.3-percentage point increase compared to the 40.8 percent reported in October, and its largest single-month increase since June 2022 (8.5 percent). Of the total respondents in November, 29 percent indicated they do not measure backlog of orders. Respondent comments include: “Our patient volume keeps increasing, and we are having difficulty hiring providers/staff for open positions” and “Additional orders/RFP for data center activity.”

The six industries reporting an increase in order backlogs in November — in the following order — are: Educational Services; Utilities; Transportation & Warehousing; Management of Companies & Support Services; Public Administration; and Wholesale Trade. The five industries reporting a decrease in order backlogs in November are: Construction; Information; Professional, Scientific & Technical Services; Health Care & Social Assistance; and Real Estate, Rental & Leasing. Seven industries reported no change in order backlogs in the month of November.

| Backlog of Orders | %Higher | %Same | %Lower | Index |
|-------------------|---------|-------|--------|-------|
| Nov 2025          | 15.9    | 66.3  | 17.8   | 49.1  |
| Oct 2025          | 13.8    | 54.0  | 32.2   | 40.8  |
| Sep 2025          | 15.0    | 64.5  | 20.5   | 47.3  |
| Aug 2025          | 6.9     | 67.0  | 26.1   | 40.4  |

### **New Export Orders**

Orders and requests for services and other non-manufacturing activities to be provided outside of the U.S. by domestically based companies contracted in November for the fifth straight month and eighth time in 2025. The New Export Orders Index registered 48.7 percent, up 0.9 percentage point compared to the October reading of 47.8 percent. Of the total respondents in November, 40 percent indicated they do not perform, or do not separately measure, orders for work outside of the U.S. Respondent comments include: “Europe is quite strong for the fourth quarter” and “Slower growth internationally due to tariffs.”

The six industries reporting an increase in new export orders in November, in order, are: Educational Services; Transportation & Warehousing; Management of Companies & Support Services; Health Care & Social Assistance; Information; and Professional, Scientific & Technical Services. The five industries reporting a decrease in new export orders in November are: Real Estate, Rental & Leasing; Accommodation & Food Services; Wholesale Trade; Retail Trade; and Construction. Seven industries reported no change in exports in November.

| New Export Orders | %Higher | %Same | %Lower | Index |
|-------------------|---------|-------|--------|-------|
| Nov 2025          | 11.2    | 75.0  | 13.8   | 48.7  |
| Oct 2025          | 14.1    | 67.3  | 18.6   | 47.8  |
| Sep 2025          | 11.4    | 70.2  | 18.4   | 46.5  |
| Aug 2025          | 11.5    | 71.6  | 16.9   | 47.3  |

### **Imports**

The Imports Index continued in into contraction territory in November, registering 48.9 percent, 5.2 percentage points higher than the 43.7 percent reported in October. Thirty-nine percent of respondents reported that they do not use, or do not track the use of, imported materials. Respondent comments include: “We are actively trying to source more products from U.S.-Mexico-Canada Agreement suppliers to mitigate the steep tariffs on food, apparel, and electronics from Asia” and “Imports remain at a lower level due to tariff uncertainty and resourcing strategy execution.”

The six industries reporting an increase in imports for the month of November — listed in order — are: Arts, Entertainment & Recreation; Transportation & Warehousing; Management of Companies & Support Services; Utilities; Professional, Scientific & Technical Services; and Wholesale Trade. The five industries reporting a decrease in imports in November are: Real Estate, Rental & Leasing; Accommodation & Food Services; Other Services; Finance & Insurance; and Information. Seven industries reported no change in imports in November.

| Imports  | %Higher | %Same | %Lower | Index |
|----------|---------|-------|--------|-------|
| Nov 2025 | 12.3    | 73.1  | 14.6   | 48.9  |
| Oct 2025 | 6.9     | 73.5  | 19.6   | 43.7  |
| Sep 2025 | 11.7    | 74.9  | 13.4   | 49.2  |
| Aug 2025 | 18.9    | 71.3  | 9.8    | 54.6  |

### **Inventory Sentiment**

The ISM® Services Inventory Sentiment Index was in expansion (or “too high”) territory for the 31st consecutive month in November; the reading of 54.8 percent is a decrease of 0.7 percentage point from October’s figure of 55.5 percent. This reading indicates that respondents feel their companies’ inventory levels are too high when correlated to business requirements.

The nine industries reporting sentiment that their inventories were too high in November — listed in order — are: Mining; Retail Trade; Wholesale Trade; Utilities; Agriculture, Forestry, Fishing & Hunting; Construction; Management of Companies & Support Services; Health Care & Social Assistance; and Transportation & Warehousing. The only industry reporting a decrease in inventory sentiment in November is Other Services. Eight industries reported no change in inventory sentiment in November.

| Inventory Sentiment | %Too High | %About Right | %Too Low | Index |
|---------------------|-----------|--------------|----------|-------|
| Nov 2025            | 13.8      | 81.9         | 4.3      | 54.8  |
| Oct 2025            | 17.2      | 76.6         | 6.2      | 55.5  |
| Sep 2025            | 17.2      | 76.9         | 5.9      | 55.7  |
| Aug 2025            | 15.0      | 80.9         | 4.1      | 55.5  |

### **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 November 2025.

The data presented herein is obtained from a survey of supply executives in the services sector 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® Services PMI® Report** (formerly the Non-Manufacturing ISM® *Report On Business*®) is based on data compiled from purchasing and supply executives nationwide. Membership of the Services Business Survey Panel (formerly Non-Manufacturing Business Survey Committee) is diversified by the North American Industry Classification System (NAICS), based on each industry's contribution to gross domestic product (GDP). The Services Business Survey Panel responses are divided into the following NAICS code categories: Agriculture, Forestry, Fishing & Hunting; Mining; Utilities; Construction; Wholesale Trade; Retail Trade; Transportation & Warehousing; Information; Finance & Insurance; Real Estate, Rental & Leasing; Professional, Scientific & Technical Services; Management of Companies & Support Services; Educational Services; Health Care & Social Assistance; Arts, Entertainment & Recreation; Accommodation & Food Services; Public Administration; and Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services, and Dating Services). 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 services sectors are: Real Estate, Rental & Leasing; Public Administration; Professional, Scientific, & Technical Services; Health Care & Social Assistance; Information; and Finance & Insurance.

Survey responses reflect the change, if any, in the current month compared to the previous month. For each of the indicators measured (Business Activity, New Orders, Backlog of Orders, New Export Orders, Inventory Change, Inventory Sentiment, Imports, Prices, Employment and Supplier Deliveries), this report shows the percentage reporting each response and the diffusion index. Responses represent raw data and are never changed. Data is seasonally adjusted for Business Activity, New Orders, Prices and Employment. All seasonal adjustment factors are subject annually to relatively minor changes when conditions warrant them. The remaining indexes have not indicated significant seasonality.

The Services PMI® is a composite index based on the diffusion indexes for four of the indicators with equal weights: Business Activity (seasonally adjusted), New Orders (seasonally adjusted), Employment (seasonally adjusted) and Supplier Deliveries. Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. An index reading above 50 percent indicates that the services economy is generally expanding; below 50 percent indicates that it is generally declining. Supplier Deliveries is an exception. A Supplier Deliveries Index above 50 percent indicates slower deliveries and below 50 percent indicates faster deliveries.

A Services PMI® above 48.6 percent, over time, indicates that the overall economy, or gross domestic product (GDP), is generally expanding; below 48.6 percent, it is generally declining. The distance from 50 percent or 48.6 percent is indicative of the strength of the expansion or decline.

The **ISM® Services PMI® Report** survey is sent out to Services Business Survey Panel respondents in the first part of each month. Respondents are asked to ONLY report on U.S. operations for the current month. 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 third business day of the following month.

The industries reporting growth, as indicated in the **ISM® Services 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.

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The full text version of the **ISM® Services PMI® Report** is posted on ISM®'s website at [www.ismrob.org](http://www.ismrob.org) on the third business day\* of every month after 10:00 a.m. ET. The one exception is in January, the report is released on the fourth business day of the month.

The next **ISM® Services PMI® Report** featuring December 2025 data will be released at 10:00 a.m. ET on Wednesday, January 7, 2026.

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