



# Global Macro Flash

## US Purchasing Managers Index (PMI) | February 6<sup>th</sup>, 2025

### US Economy “Manufacturing Surges, Services Cooling Down in Early 2025”

#### Producer Price Inflation (PPI)

Period	MoM	YoY
Dec 2024	0.20%	3.30%
Nov 2024	0.40%	3.00%
Oct 2024	0.20%	2.60%

Source : Tradingeconomics

#### Industrial Production (IP)

Period	MoM	YoY
Dec 2024	0.90%	0.50%
Nov 2024	0.20%	-0.60%
Oct 2024	-0.50%	-0.50%

Source : Tradingeconomics

#### Manufacturing Production (MP)

Period	MoM	YoY
Dec 2024	0.60%	0.00%
Nov 2024	0.40%	-0.60%
Oct 2024	-0.70%	-0.60%

Source : Tradingeconomics

#### Capacity Utilization

Period	Actual	MoM
Dec 2024	77.60%	1.04%
Nov 2024	76.80%	-0.26%
Oct 2024	77.00%	-0.52%

Source : Tradingeconomics

#### Durable Goods Orders

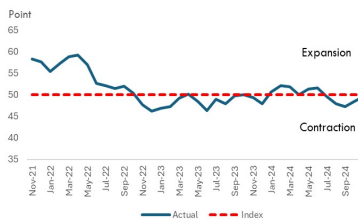
Period	MoM	YoY
Dec 2024	-2.20%	-4.03%
Nov 2024	2.00%	-6.32%
Oct 2024	0.80%	5.14%

Source : Tradingeconomics, YT Charts

Period	S&P PMI Manufacturing	S&P PMI Services	ISM PMI Manufacturing	ISM PMI Service
Jan 2025	51.2	52.9	50.9	52.8

Source : Tradingeconomics

Figure 1. S&P PMI Manufacturing



Source : Phintraco Sekuritas Research | S&P Global

Figure 2. S&P PMI Services



Source : Phintraco Sekuritas Research | S&P Global

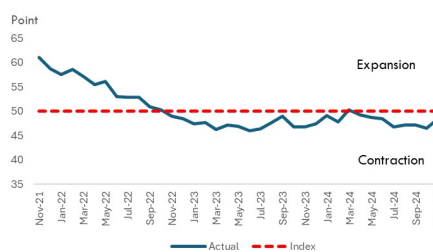
The United States manufacturing sector began the year showing new expansion amid surging confidence in the Trump administration. The S&P Global US Manufacturing PMI Index rose to 51.2 in January 2025 from 49.4 in December 2024 (**Figure 1**). This resulted from Trump's protectionist policies for the United States, such as reducing corporate tax rates to 15% and implementing import tariffs, which helped protect US domestic industries from the influx of imported goods from US trading partners.

On the contrary, the US services sector remained in expansion territory in early 2025 despite showing weaker growth in new orders. It is evident from the S&P Global US Services PMI Index, which decreased to 52.9 in January 2025 from 56.8 in December 2024 (**Figure 2**). Service companies faced challenges related to disruptions caused by low temperatures due to extreme weather conditions. Additionally, demand was significantly influenced by changes in interest rate expectations, particularly in financial services.

The US ISM Manufacturing PMI Index rose 1.7 points to 50.9 in January 2025 from 49.2 in December 2024. Manufacturing activity expanded for the first time after 26 consecutive months of contraction (**Figure 3**). Demand and production improved with increased output. Several indicators of increased demand included the new orders index (5.7% MoM), new export orders (4.8% MoM), and backlog orders (-7.63% MoM), which experienced a slowdown. Furthermore, the employment index showed the most significant expansion (10.79% MoM) after experiencing contraction for 7 months since May 2024.

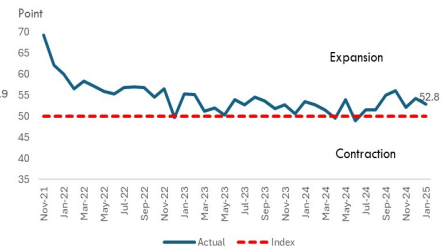
The US ISM Services PMI Index declined to 52.8 in January 2025 from 54.1 in December 2024, but it has remained in the expansion phase for seven consecutive months since June 2024 (**Figure 4**). Many companies suspended services and transportation due to cold weather conditions.

Figure 3. ISM PMI Manufacturing



Source : Phintraco Sekuritas Research | Tradingeconomics

Figure 4. ISM PMI Services



Source : Phintraco Sekuritas Research | Tradingeconomics

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