



Global Macro Flash

US Purchasing Managers Index (PMI) | March 7th, 2025

US PMI: Manufacturing Expansion and Services Sector Challenges

Producer Price Inflation (PPI)

Period	MoM	YoY
Jan 2025	0.40%	3.50%
Dec 2024	0.50%	3.50%
Nov 2024	0.20%	2.90%

Source : Tradingeconomics

Industrial Production (IP)

Period	MoM	YoY
Jan 2025	0.50%	2.00%
Dec 2024	1.00%	0.30%
Nov 2024	-0.10%	-0.90%

Source : Tradingeconomics

Manufacturing Production (MP)

Period	MoM	YoY
Jan 2025	-0.10%	1.00%
Dec 2024	0.50%	-0.10%
Nov 2024	0.20%	-0.70%

Source : Tradingeconomics

Capacity Utilization

Period	Actual	MoM
Jan 2025	77.60%	1.04%
Dec 2024	77.60%	1.04%
Nov 2024	76.80%	-0.26%

Source : Tradingeconomics

Durable Goods Orders

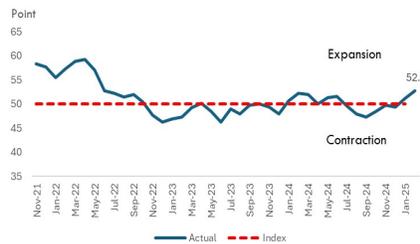
Period	MoM	YoY
Jan 2025	3.10%	4.12%
Dec 2024	-2.20%	-4.03%
Nov 2024	2.00%	-6.32%

Source : Tradingeconomics, YT Charts

Period	S&P PMI Manufacturing	S&P PMI Services	ISM PMI Manufacturing	ISM PMI Service
Feb 2025	52.7	51	50.3	53.5

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

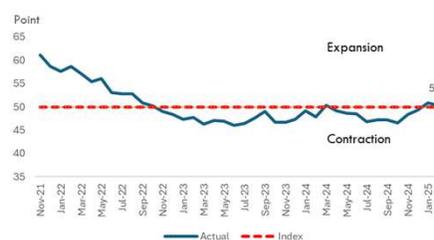
The S&P Global US Manufacturing PMI Index rose to 52.7 in February 2025 from 51.2 in January 2025 (**Figure 1**). This increase resulted from new work growing over the past year, with companies indicating stronger market demand for goods in February 2025. Demand growth was partly driven by consumer stock replenishment, preceded by higher prices and potential supply disruptions if import tariff policies were implemented.

Conversely, the US services sector remained in expansion territory, although showing a slowdown. It is evident from the S&P Global US Services PMI Index dropping to 51.0 in February 2025 from 52.9 in January 2025 (**Figure 2**). Service companies faced challenges related to weak demand. Labor costs increased. Additionally, services reported price increases during February, with some suppliers raising their costs due to tariffs.

The ISM US Manufacturing PMI Index fell 0.6 points to 50.3 in February 2025 from 50.9 in January 2025. Manufacturing activity experienced its first expansion after 26 consecutive months of contraction (**Figure 3**). Demand declined, and employee reductions continued as companies experienced initial operational shocks from new administration tariff policies. Price growth increased due to tariffs, causing accumulation of new order placements, supplier delivery stoppages, and impacts on inventory.

The ISM US Services PMI Index rose to 53.5 in February 2025 from 52.8 in January 2025 but remained in the expansion phase for eight consecutive months since June 2024 (**Figure 4**). However, business operators are monitoring tariff policies that negatively impact domestic industries, potentially creating raw material price increases from suppliers.

Figure 3. ISM PMI Manufacturing



Source : Phintraco Sekuritas Research | Tradingeconomics

Figure 4. ISM PMI Services



Source : Phintraco Sekuritas Research | Tradingeconomics

Macro and Fixed Income Analyst
Nur Ryshalti Pratama
+62 21 255 6138 Ext. 8302
nur.ryshalti@phintracosekuritas.com

Head of Research & Education
Valdy Kurniawan
+62 21 255 6138 Ext. 8302
valdy@phintracosekuritas.com