



Global Macro Flash

U.S. Purchasing Managers Index (PMI) | June 5th, 2025

U.S. PMI Index in May 2025: Mixed Signals Amidst Tariffs and Supply Chain Shifts

Producer Price Inflation (PPI)

Period	MoM	YoY
Apr 2025	-0.50%	2.40%
Mar 2025	0%	3.40%
Feb 2025	0.20%	3.40%

Source : Tradingeconomics

Industrial Production (IP)

Period	MoM	YoY
Apr 2025	0%	1.50%
Mar 2025	-0.30%	1.30%
Feb 2025	0.90%	1.50%

Source : Tradingeconomics

Manufacturing Production (MP)

Period	MoM	YoY
Apr 2025	-0.40%	1.20%
Mar 2025	0.40%	0.90%
Feb 2025	1.10%	0.70%

Source : Tradingeconomics

Capacity Utilization

Period	Actual	MoM
Apr 2025	77.70%	-0.13%
Mar 2025	77.80%	-0.51%
Feb 2025	78.20%	0.77%

Source : Tradingeconomics

Durable Goods Orders

Period	MoM	YoY
Apr 2025	-6.30%	5.54%
Mar 2025	7.60%	10.90%
Feb 2025	1.00%	0.34%

Source : Tradingeconomics, YT Charts

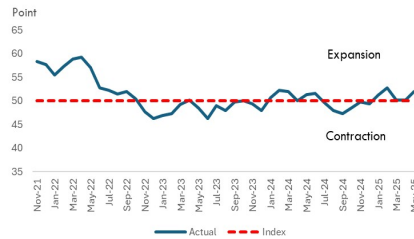
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Period	S&P PMI Manufacturing	S&P PMI Services	ISM PMI Manufacturing	ISM PMI Service
May 2025	52.0	53.7	48.5	49.9

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

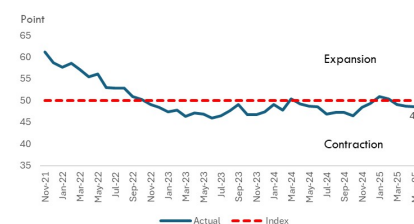
The S&P Global US Manufacturing PMI Index increased by 2 points to 52 in May 2025, up from 50 in April 2025 (**Figure 1**). New orders and improved production processes drove this increase. Inventory levels from both producers and consumers increased as a precautionary measure to anticipate price increases resulting from tariff implementation and supply chain disruptions. Additionally, domestic US demand was identified as the primary growth driver, as international sales remained relatively weak, exhibiting only a slight increase following a significant decline in April. Trade policies and tariffs continued to burden foreign demand.

Furthermore, US service sector business activity growth increased, and sentiment improved, as marked by the S&P Global US Services PMI Index rising 3 points to 53.7 in May 2025 from 50.7 in April 2025 (**Figure 2**). It was characterized by an increase in the hiring of new employees. The business environment was more stable compared to April, helping to drive increased consumer spending. Meanwhile, tariffs and vendors generally raising prices led to production cost inflation rising sharply in May to its highest level since June 2023.

The US ISM Manufacturing PMI Index fell 0.2 points to 48.5 in May 2025 from 48.7 in April 2025. Manufacturing activity contracted for three consecutive months after two months of expansion, following 26 consecutive months of contraction (**Figure 3**). It was due to decreased demand in the commercial vehicle industry with price increases. Economic uncertainty also impacted new international orders. Tariffs were also a primary reason for Asian manufacturing customers requesting shipping delays.

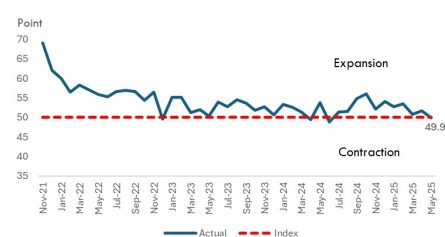
The US ISM Services PMI Index decreased by 1.7 points to 49.9 in May 2025 from 51.6 in April, indicating the fourth contraction in 60 months since the COVID-19 pandemic in June 2020 (**Figure 4**). The impact of tariffs likely increased prices paid by service sector companies, with the Price Index reaching its highest level since November 2022.

Figure 3. ISM PMI Manufacturing



Source : Phintraco Sekuritas Research | Tradingeconomics

Figure 4. ISM PMI Services



Source : Phintraco Sekuritas Research | Tradingeconomics