

BCR Romania Manufacturing PMI[®]

Romanian manufacturing downturn loses momentum in December

Key findings

Softest declines new orders and output in three months

Modest reductions in employment and purchasing activity

Input price inflation retreats to survey record low

As was the case across each month of the 2025, the Romanian goods-producing sector rounded off the year in contraction. Concurrent declines in new orders and output were recorded, though in both cases, the reductions in December were the least pronounced across the final quarter. Data suggested that subdued demand was linked to domestic sales performance as export orders were unchanged.

Romanian manufacturers remained in retrenchment mode having lowered their buying levels and payroll numbers again, albeit at softer rates. This helped alleviate pressure on costs, with the rate of inflation at its lowest on record. Looking ahead, companies were their least optimistic in their output expectations since data collection began two-and-a-half years ago, amid lingering concerns regarding the future business environment.

The headline PMI[®] is a composite single-figure indicator of manufacturing performance derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases.

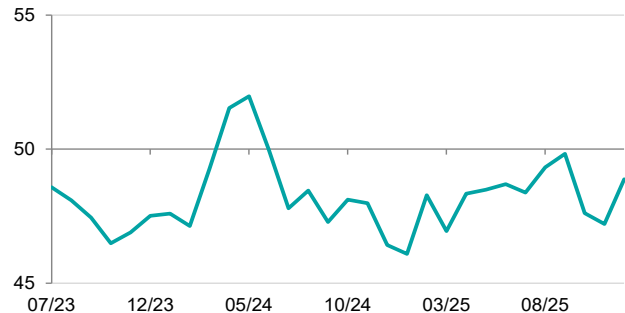
Up from 47.2 in November, the headline PMI rose to 48.9 in December, its highest in three months. This came as a result of positive directional influences from four of the five PMI components.

A third consecutive decrease in new orders was recorded in December, thereby confirming a full quarter of subdued demand conditions. In their reports, panel members noted that challenging economic conditions and lower purchasing power had damped sales performances. The rate of decline was far softer than in November, however. Data suggested that weakness was also confined to the domestic market, as export sales stabilised.

Manufacturers responded to the reduction in total order books by lowering their production volumes again. However, the rate of contraction was likewise the weakest seen since last September. There were some reports that machine faults had limited output volumes in the latest survey period.

Although business expectations for the coming year remained upbeat, confidence levels deteriorated in each month of the fourth quarter. The degree of positive sentiment dipped to its lowest seen across the two-and-a-half-year survey history, with adverse economic and political conditions expected to restrict output

BCR Romania Manufacturing PMI
sa, >50 = growth since previous month



Sources: BCR, S&P Global PMI.
Data were collected 4-17 December 2025.

Comment

Ciprian Dascalu, Chief Economist at BCR said:

"The last month of 2025 brought a relative improvement for the BCR Romania Manufacturing PMI which stood at 48.9 in December after reaching 47.2 in November. However, this is only signalling a loss of the downturn momentum as the value remains below the neutral mark. Directional improvements were recorded in four out of the five PMI components this month with new orders and output as the main drivers and only suppliers' delivery time posting a marginal negative influence. External demand continues to be a key factor for domestic manufacturing output growth. The flash data for the HCOB Germany Manufacturing PMI shows the index inching down in December to 47.7 reaching a 10-month low. Roughly 20% of Romania's exports have Germany as their destination. External demand will likely remain a headwind for Romanian manufacturers in the near term, though the expectations are for a relatively better situation in 2026.

"Looking at the full year picture painted by the PMI, the average value in 2025 stood at 48.2 which is marginally lower compared to the 48.6 recorded in 2024. We are likely looking at the third consecutive year of contraction in Romanian industrial output. Data from the National Institute of Statistics shows the industrial production at -0.8% y/y on a 12-month rolling basis as of October. Industry had a positive contribution to the Q3 2025 GDP growth which PMI data signalled correctly considering that the average index value of the quarter stands higher both compared to the previous one but also looking at the same period of last year. However, looking at the contribution for the first three quarters industry continues to drag down growth and, based on the PMI, industry contribution to the 2025 GDP growth should be neutral at best. The Q4 2025 PMI average stands lower compared to Q3 2025. Looking ahead, substantial EU security investments and Germany's fiscal stimulus for

growth.

Latest data showed that manufacturers in Romania were able to chip away at their backlogged orders again in December. This triggered another reduction in employment levels, albeit one that was only slight in nature. The scaling back helped some firms to keep a lid on costs, panel member reports detailed.

On the price front, higher raw material and food costs, as well as increased tax burdens, led to another rise in average operating expenses facing Romanian manufacturers. The rate of cost inflation was the lowest seen since data collection began, however, having cooled for the fourth consecutive month.

When it came to setting their own charges, manufacturers raised their fees at a marginal rate in December and one that was the weakest in five months.

Stocks of purchases were unchanged despite another reduction in buying quantities. The decrease in purchasing activity was the weakest in three months and only modest overall.

Finally, suppliers' delivery times lengthened again in December, due largely to issues with couriers. The degree to which supply chains worsened was slightly less marked than in November, however.

infrastructure and defence spending are expected to boost European industrial production. External demand remains critical for domestic manufacturers, and expectations point to a potential rebound in industrial output next year. If we also consider base effect, we should expect 2026 to break the anticipated three-year streak of contraction in the industrial output.

"The pace of decline in the Output Index decelerated notably in December likely on the back of the softer rate of decline recorded in new orders. It seems that demand was somewhat better in the last month of the year with fewer survey respondents reporting a decline in output and new orders. Noteworthy is the evolution of the New Export Orders Index which was at the 50 neutral mark in December. This shows that external demand is becoming more supportive. In December, Romanian manufacturers maintained a generally optimistic view of the year ahead, with around 40% anticipating higher production compared to current levels. However, confidence was tempered by the fact that nearly 17% of businesses expected output to decline, pushing overall sentiment to a record survey low. The dip in confidence was largely attributed to concerns over economic conditions, political uncertainty—particularly regarding access to European funding—and weaker consumer purchasing power following the recent VAT hike. The Employment Index was up marginally in December but remained contractionary as weak sales are continuing to affect hiring patterns. The Stock of Purchases Index inched up reaching the neutral mark likely showing that firms are expecting better demand and are opening new production projects.

"Both input and output prices growth pace continued to decelerate in December. It seems that the peak reached during the middle part of the year after the indirect tax hikes is far behind us as both measures are at relatively low values looking at the historical series. High food and raw material prices are still an issue reported by panellists and some of that burden continues to be passed through to the output prices."

Contact

Ciprian Dascalu
Chief Economist
BCR
T: +40760286581
ciprian.dascalu@bcr.ro

Hannah Brook
EMEA Communications Manager
S&P Global Market Intelligence
T: +44-7483-439-812
hannah.brook@spglobal.com
press.mi@spglobal.com

Eleanor Dennison
Economist
S&P Global Market Intelligence
T: +44-1344-328-197
eleanor.dennison@spglobal.com

If you prefer not to receive news releases from S&P Global, please email press.mi@spglobal.com. To read our privacy policy, click [here](#).

Survey methodology

The BCR Romania Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in July 2023.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index® (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact economics@spglobal.com.

About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends.

www.spglobal.com/marketintelligence/en/mi/products/pmi

Disclaimer

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

This Content was published by S&P Global Market Intelligence and not by S&P Global Ratings, which is a separately managed division of S&P Global. Reproduction of any information, data or material, including ratings ("Content") in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content.

About BCR

Banca Comercială Română (BCR), member of Erste Group, is one of the largest financial groups of Romania, and includes universal bank operations (retail, corporate & investment banking, treasury and capital markets) as well as specialized companies in the leasing market, private pensions and housing banks.

BCR offers a full range of financial products and services through a network of 20 business centres and 18 mobile offices dedicated to companies and 319 retail units located in most of the country's cities with more than 10,000 inhabitants, where 54% of units are cashless. BCR is Romania's No.1 bank in the transaction banking market, with BCR customers having the largest national network of ATMs and multifunctional machines - almost 2000 machines, and full banking services through Internet banking, Mobile banking, Phone-banking and E-commerce. www.bcr.ro

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com