

News Release

Embargoed until 0900 CST (1500 UTC) 2 January 2026

S&P Global Mexico Manufacturing PMI®

Sharpest fall in factory orders since June

Key findings

Quicker declines in production and sales

Charge inflation creeps higher as input costs rise sharply

Business confidence sinks to six-month low

Mexico's manufacturing industry ended 2025 in a much weaker position than it started the year, with a faster contraction in new business intakes causing notable cutbacks to production volumes and a steep drop in buying levels. With input costs rising at a historically sharp pace once again, output charge inflation reached a 13-month high.

When reporting on their expectations for the year ahead, panellists signalled cautious optimism, but business sentiment was dented by concerns around inflation, insecurity, subdued investment, tariffs and tax uncertainty.

Falling from 47.3 in November to 46.1 in December, the headline S&P Global Mexico Manufacturing Purchasing Managers' Index™ (PMI®) indicated the quickest deterioration in the health of the sector since April. Moreover, the latest contraction was the fourth in consecutive months.

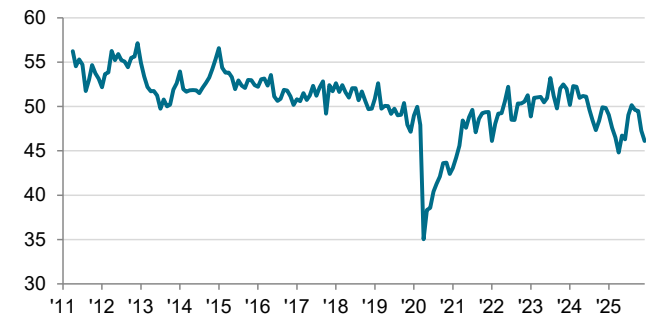
As was the case in November, new orders placed with manufacturers decreased at the end of 2025. Not only was the downturn marked, but it also accelerated to the fastest since June. When explaining the latest drop, panellists remarked on fierce competition, projects on hold and US tariffs.

New export orders decreased further, thereby stretching the current sequence of reduction to 22 months. The pace of contraction was solid and the quickest since July. Europe and the US were cited as the main sources of weakness in international demand.

Amid reports of constrained investment, lower sales volumes, and weaknesses in sectors like construction and mining, factory production remained on a downward path. December's contraction was sharp and the most pronounced since April.

Despite a challenging demand environment, goods producers in Mexico lifted their selling prices further amid intense cost pressures. On average, output charges increased to the

Mexico Manufacturing PMI
sa, >50 = growth since previous month



Source: S&P Global PMI.

Data were collected 4-15 December 2025.

Comment

Pollyanna De Lima, Economics Associate Director at S&P Global Market Intelligence, said:

"Manufacturers in Mexico ended 2025 on weaker footing, registering reductions in output, new orders and input purchasing that were among the sharpest since early-2021. They made further cuts to headcounts and found little to be optimistic about when thinking about 2026."

"Exports continued to dent total sales, with international demand worsening to the greatest extent since July. Most of the weakness stemmed from lower sales to the US, according to the survey's panel comments, with some mentions of subdued order intakes from clients in Europe."

"The PMI data showed that goods producers foresee tough times in 2026, with survey participants listing several headwinds to growth. Among them, they expect inflation, insecurity, subdued investment, tariffs and tax uncertainty to constrain output volumes in the year ahead."

PMI®

by S&P Global

greatest extent in over a year. Although moderate, the rate of inflation was above its long-run average.

Purchase prices increased at a rate that was the slowest since June, albeit one that was well above its trend. The latest rise was linked by monitored firms to greater outlays on freight, shortages of components among suppliers and tariffs.

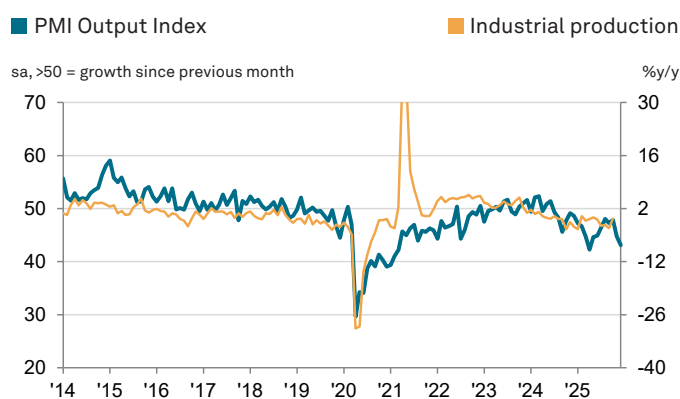
With input costs continuing to rise and new orders remaining stuck in contraction, goods producers trimmed buying levels again during December. The pace of contraction was steep and among the quickest over the past five years.

Qualitative survey data showed a preference for lean stocks among manufacturers, which they associated with heightened uncertainty and low order levels. Indeed, both pre- and post-production inventories decreased. The quicker rate of depletion was seen for stocks of purchases.

Another factor that suppressed stocks was a further deterioration in vendor performance. According to panel members, average delivery times lengthened due to highway closures and input shortages among suppliers. Incidences of delays were the least marked since June, however.

On capacity, manufacturers indicated only a marginal rise in outstanding business volumes which, according to them, largely stemmed from shortages of key components to complete pending orders.

Employee numbers were more than sufficient for current requirements, meaning that companies reduced headcounts further. This was achieved through the placement of permanent staff on technical breaks and the non-renewal of temporary contracts.



Sources: S&P Global PMI, INEGI via S&P Global Market Intelligence.

Contact

Pollyanna De Lima
 Economics Associate Director
 S&P Global Market Intelligence
 T: +44-1491-461-075
pollyanna.delima@spglobal.com

Diego Bucio
 Latam Communication Manager
 S&P Global Market Intelligence
 T +52 55 5081 4543
diego.bucio@spglobal.com
press.mi@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 S&P Global Mexico Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 350 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in April 2011.

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.

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.