

# News Release

Embargoed until 0600 UTC 05 August 2025

## S&P Global Russia Services PMI®

### Decline in service sector output gathers pace amid renewed reduction in new orders

#### Key findings

Fresh drop in new business drives sharper decrease in activity

Inflationary pressures remain relatively subdued

Renewed rise in employment as business confidence ticks higher

Russian service providers registered back-to-back monthly contractions in business activity in July, according to the latest PMI® survey from S&P Global. The downturn in output gathered pace amid a renewed decline in new orders. Lower new sales relieved some pressure on capacity, as backlogs of work rose only fractionally. Meanwhile, stronger expectations of an increase in output over the coming year supported a fresh spell of job creation, with staffing levels rising at the quickest pace since February.

On the price front, rates of input cost and output charge inflation picked up pace from June's recent lows, but they were still muted in the context of the series history.

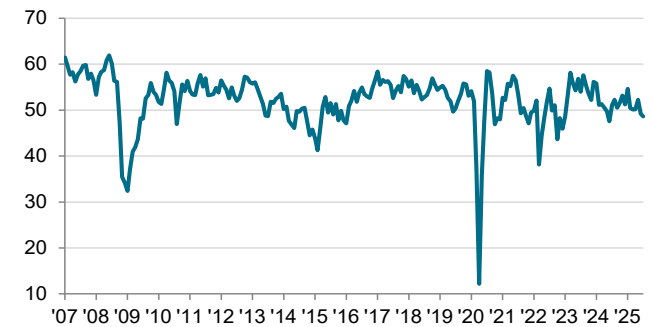
The seasonally adjusted S&P Global Russia Services PMI Business Activity Index posted at 48.6 in July, down from 49.2 in June, signalling a faster decline in output levels at Russian service providers. The rate of contraction was the steepest since June 2024, despite being modest overall. Lower activity was widely linked to a reduction in new order intakes and weak client demand.

The fall in business activity was in part driven by a decrease in new sales at the start of the third quarter. The decline ended a 12-month sequence of growth and was the quickest since January 2023. The modest contraction reportedly stemmed from lower customer numbers and a subdued sales environment.

Meanwhile, average cost burdens faced by Russian services firms increased further and at a slightly more elevated pace in July. Higher input prices were often attributed to greater utility, supplier and staffing costs. Although the rate of inflation was quicker than that seen in June, it was still the second-slowest in five years.

Similarly, output charges set by service providers rose again in July, as has been the case each month since mid-2020. Companies noted that greater selling prices were underpinned by efforts to pass through higher costs to

S&P Global Russia Services Business Activity Index  
sa, >50 = growth since previous month



Source: S&P Global PMI.  
Data were collected 10-29 July 2025.

customers. That said, challenging demand conditions limited firms' pricing power. Despite the rate of charge inflation picking up from June, it was weaker than the series average.

The reduction in new orders eased strain on capacity in July, as backlogs of work rose only fractionally. The pace of accumulation was the second-slowest since last October.

Supporting the processing of incoming new work was a fresh rise in workforce numbers at the start of the third quarter. Although new business fell, panellists attributed job creation to anticipated future growth in new sales. The rise in employment was modest and the most marked since February.

Finally, output expectations improved in July. Russian services firms were more upbeat in their outlook for the year-ahead, with the degree of confidence the highest for three months. Optimism was broadly linked to hopes of more stable economic and financial conditions, alongside a realignment of company strategies to focus on client outreach.

PMI®

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# S&P Global Russia Composite PMI®

## Sharpest drop in private sector output since October 2022

The S&P Global Russia Composite PMI Output Index\* posted at 47.8 in July, down from 48.5 in June, to signal a modest contraction in private sector business activity. The deeper downturn, which was the sharpest since October 2022, reflected faster declines in both manufacturing and service sector output.

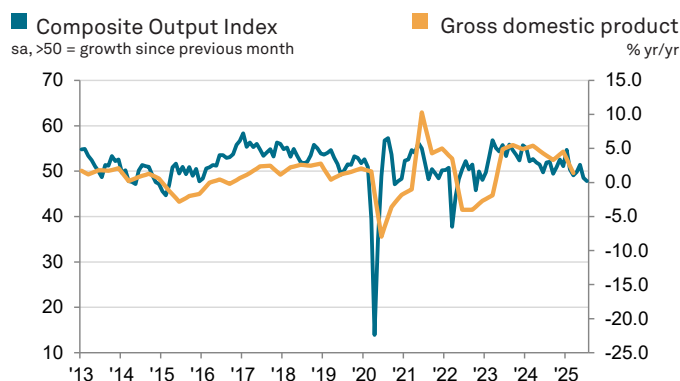
Contributing to lower activity was a further decrease in new orders at Russian private sector firms in July. The pace of contraction was the steepest since December 2022 amid reductions in new order inflows at goods producers and service providers alike.

Nonetheless, a renewed expansion in services staffing levels prompted a fresh rise in overall employment. Manufacturers saw workforce numbers fall again, but at a softer pace.

Despite quickening from June's recent lows, rates of input price and output charge inflation remained historically subdued amid relatively muted cost pressures in both the manufacturing and service sectors.

Meanwhile, overall business confidence ticked higher and was strong in the context of the long-run series history.

\*Composite PMI indices are weighted averages of comparable manufacturing and services PMI indices. Weights reflect the relative size of the manufacturing and service sectors according to official GDP data.



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

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### Survey methodology

The S&P Global Russia Services PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 250 service sector companies. The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in October 2001.

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 Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline manufacturing PMI figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

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](mailto:economics@spglobal.com)

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