

# News Release

Embargoed until 1100 EEST (0800 UTC) 1 July 2022

## S&P Global Greece Manufacturing PMI<sup>®</sup>

### Faster decline in new orders spurs renewed output contraction in June

#### Key findings

Output and new orders decrease

Inflationary pressures soften

Business confidence lowest since July 2020

June PMI<sup>®</sup> data from S&P Global indicated only a slight improvement in operating conditions across the Greek manufacturing sector. Overall growth was the slowest in the current 16-month sequence of expansion, as output and new orders contracted. Weak domestic and foreign client demand also impacted job creation, as employment growth slowed to the softest since March 2021. Firms were also less optimistic in their longer-term outlook expectations, as business confidence dropped to the lowest for almost a year.

Although inflationary pressures remained historically elevated, rates of increase eased to the slowest in almost a year. Higher energy, fuel and material costs continued to drive inflation, nonetheless.

The seasonally adjusted S&P Global Greece Manufacturing Purchasing Managers' Index<sup>®</sup> (PMI<sup>®</sup>) posted 51.1 in June, down from 53.8 in May. The latest headline figure signalled only a marginal upturn in the health of the Greek manufacturing sector midway through 2022, and the slowest across the current sequence of expansion that began in February 2021.

Production across the Greek manufacturing sector fell marginally in June. Although only slight, the rate of contraction was the fastest since February 2021 as firms stated that lower new order volumes and weak client demand drove the decrease in output.

Manufacturers indicated a renewed decline in new orders midway through 2022. Anecdotal evidence suggested that hikes in prices and pressure on the purchasing power of customers hampered client spending. The rate of decrease was strong overall and the fastest for 16 months.

Meanwhile, foreign client demand also fell. New export orders contracted for the second time in the last four months, and at the sharpest rate since January 2021. Higher selling prices and uncertainty regarding the war in Ukraine reportedly weighed on demand conditions.

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



Source: S&P Global.  
Data were collected 13-23 June 2022.

#### Comment

Siân Jones, Senior Economist at S&P Global Market Intelligence, said:

"The impact of inflation on customer spending was felt more keenly by Greek manufacturers during June, as output and new orders fell for the first time since March 2021. Domestic and foreign client demand contracted amid some reports of customers pausing or cancelling orders.

"Although inflationary pressures remained historically marked, rates of increase in selling prices and input costs softened despite ongoing reports of hikes in energy, fuel and material prices.

"Confidence at manufacturers dipped notably from May, as concerns regarding the further impact of price rises on demand conditions dampened sentiment."

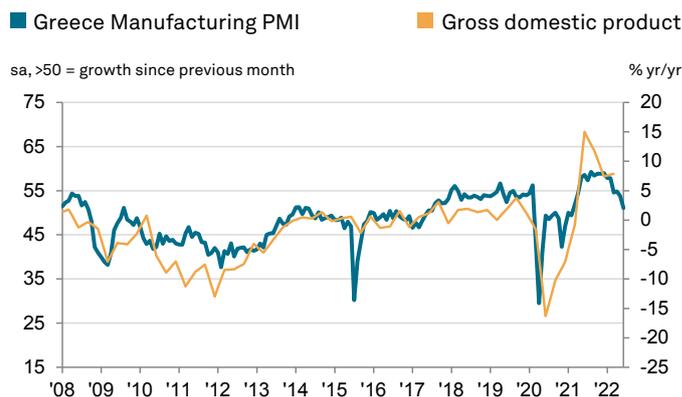
On the price front, inflationary pressures softened in June. Input costs continued to rise at a marked pace, but one that was the slowest since August 2021. Companies suggested that higher input prices were due to further upticks in supplier, material, fuel and energy costs.

Similarly, the rate of increase in selling prices eased at the end of the second quarter. Greek goods producers highlighted ongoing efforts to pass-through higher costs to clients. The pace of charge inflation was well above the series average, but the slowest since September 2021.

In line with lower new orders and reduced pressure on capacity, the rate of job creation eased to the slowest since March 2021. Companies noted efforts to cut costs amid reduced production. At the same time, backlogs of work fell for the second successive month and at a faster pace.

Output expectations regarding the year ahead remained upbeat overall in June, but the degree of confidence dropped below the series average and the lowest for almost two years. Weighing on sentiment were concerns regarding the impact of inflation on customer spending.

Weak client demand also led to a further fall in input buying at Greek manufacturers. Some companies mentioned efforts to deplete stocks of purchases as current holdings of inputs declined. The decrease in pre-production inventories was sharp overall, as stocks of finished goods also declined steeply amid sales made from stock.



## Contact

Siân Jones  
Senior Economist  
S&P Global Market Intelligence  
T: +44-1491-461-017  
[sian.jones@spglobal.com](mailto:sian.jones@spglobal.com)

Joanna Vickers  
Corporate Communications  
S&P Global  
T: +44-20-7260-2234  
[joanna.vickers@spglobal.com](mailto:joanna.vickers@spglobal.com)

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

### Survey methodology

The S&P Global Greece Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 300 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in May 1999.

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@ihsmarkit.com](mailto:economics@ihsmarkit.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 registered trade marks of Markit Economics Limited or licensed to Markit Economics Limited 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.