News Release

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S&P Global Myanmar Manufacturing PMI®

Manufacturing employment rises for first time in over two years

Key findings

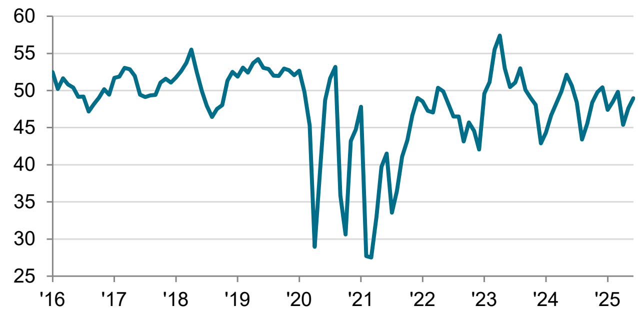
Employment returns to growth in June

Downturns in output and new orders weakest in three months

Charge inflation softest since October 2022

S&P Global Myanmar Manufacturing PMI

sa, >50 = improvement since previous month



Source: S&P Global PMI.
Data were collected 12-20 June 2025.

Myanmar's manufacturing sector recorded another month of deterioration in June. However, there were signs of recovery as output and new orders declined at weaker rates. Moreover, following two years of falling staffing levels, employment returned to growth. Additionally, cost inflation remained historically muted, allowing companies to raise their output prices moderately, with some firms even able to offer discounts to support sales growth.

However, June also marked a decline in confidence among manufacturers regarding anticipated output growth over the next 12 months. Underlying data indicated that majority of firms expect production volumes to be held steady, as hopes for improved demand were tempered by ongoing concerns related to material shortages, labour issues, and power scarcity.

After dropping to an eight-month low in April due to disruption from the earthquake, the headline S&P Global Myanmar Manufacturing PMI® showed further signs of recovery. The latest reading of 49.0 in June, up from 47.6 in May, indicated only a modest deterioration in the health of Myanmar's manufacturing sector.

New orders declined for the sixth month running in June. The latest downtick was driven by lower demand from regular customers, weakened selling power, and the adverse effects of the ongoing armed conflict. Consequently, production was lowered. However, latest data revealed softer contractions for both output and new orders, following significant declines in April.

With the downturn in production not as severe as in previous months, firms in Myanmar were encouraged to adjust their purchasing activity accordingly during June. The rate of decline was broadly consistent with that observed for output, and the weakest in three months.

More notably, June marked a renewed increase in payroll numbers. After experiencing a prolonged period of resignations and staff cuts, companies successfully raised

Comment

Commenting on the latest survey results, Maryam Baluch, Economist at S&P Global Market Intelligence, said:

"The first half of the year concluded with Myanmar's manufacturing sector moving towards stabilisation, recovering the ground lost following the earthquake in March. Employment increased for the first time in over two years, following a prolonged period of decline which was primarily driven by voluntary resignations.

"However, the sector continues to grapple with a deteriorating business climate, as demand for goods decreased, prompting firms to cut back on production. The outlook for output in the coming year remains only slightly optimistic, with the majority of companies expecting no changes to their production volumes."

their staffing levels for the first time in 25 months, and to the greatest extent since April 2022.

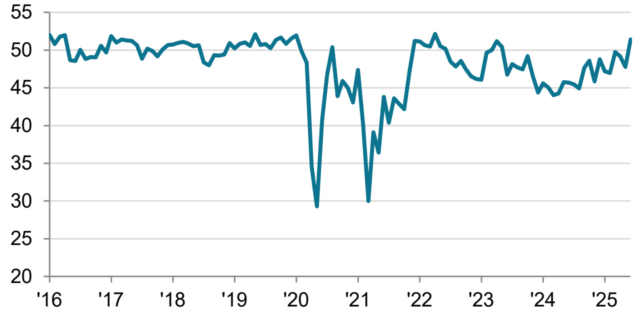
Cost inflationary pressures showed signs of building slightly in June. That said, the rate of increase was only slightly stronger than the recent low observed in May. Panellists largely reported higher raw material costs and an unfavourable exchange rate between the kyat and the US dollar.

Meanwhile, output prices also increased, albeit at only a marginal pace which was the weakest since October 2022. While some firms chose to pass their higher costs on to clients, others were prompted to offer promotions to stimulate sales.

Finally, when looking ahead to the coming year, companies remained largely subdued in their assessment of the production outlook. In fact, June revealed a slight loss in confidence compared to the previous month, with underlying data indicating that majority of panellists anticipate production levels to remain steady.

PMI Employment Index

sa, >50 = growth since previous month



Source: S&P Global PMI.

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Survey methodology

The S&P Global Myanmar 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 December 2015.

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.

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

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