

S&P Global Flash Eurozone PMI[®]

Eurozone output falls for first time in 16 months as prices surge higher

April 2026

Flash Eurozone PMI Composite Output Index: 48.6
(Mar: 50.7). 17-month low.

Flash Eurozone Services PMI Business Activity Index: 47.4 (Mar: 50.2). 62-month low.

Flash Eurozone Manufacturing Output Index: 52.2
(Mar: 52.0). 8-month high.

Flash Eurozone Manufacturing PMI: 52.2
(Mar: 51.6). 47-month high.

The eurozone private sector dipped into contraction in April, according to provisional PMI[®] survey data, thereby ending a 15-month sequence of growth. The overall reduction in business activity was centred on service providers, while the manufacturing sector reported higher output, albeit in part linked to the building of safety stocks. Inflationary pressures continued to strengthen, with both input costs and output prices rising at the sharpest rates in more than three years amid the impacts of the war in the Middle East. The war also caused severe supply-chain disruption, with manufacturers seeing suppliers' delivery times lengthen to the greatest extent since mid-2022. Meanwhile, business confidence waned and employment fell marginally.

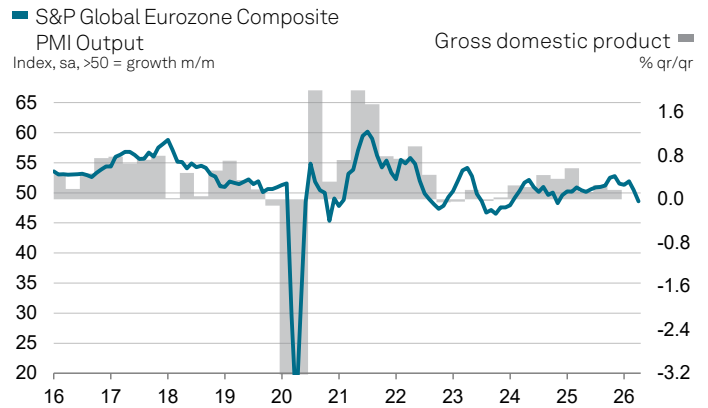
Output and demand

The seasonally adjusted S&P Global Flash Eurozone Composite PMI Output Index, based on approximately 85% of usual survey responses, dropped below the 50.0 no-change mark for the first time in 16 months during April, posting 48.6 from a reading of 50.7 in March.

The decline in output at the start of the second quarter was centred on the service sector. Here, business activity decreased for the first time in almost a year, and at the steepest pace since February 2021. On the other hand, manufacturing production continued to rise, expanding for the fourth month running and at the fastest rate since last August.

The fall in output was broad-based across the region. In Germany, business activity decreased for the first time in 11 months, while output in France fell at the sharpest pace since February 2025. Meanwhile, the rest of the euro area as a whole registered a slight drop in output, ending a sequence of growth stretching back to January 2024.

New orders decreased in the eurozone for the second



Data were collected 09-21 April 2026.

Sources: S&P Global PMI, Eurostat via S&P Global Market Intelligence. © 2026 S&P Global

Comment

Chris Williamson, Chief Business Economist at S&P Global Market Intelligence:

"The eurozone is facing deepening economic woes from the war in the Middle East, presenting a major headache for policymakers. The conflict has pushed the economy into decline in April, while driving inflation sharply higher. Increasingly widespread supply shortages meanwhile threaten to dampen growth further while adding more upward pressure to prices in the coming weeks.

"April's flash PMI has moved into contraction territory for the first time since late 2024, signalling a 0.1% quarterly rate of GDP decline after a 0.2% gain had been signalled for the first quarter. The war is currently hitting the service sector hardest, where business activity is falling at a rate not seen since the pandemic lockdowns of early 2021. However, the sustained growth of manufacturing meanwhile seen in April comes with something of a sting in the tail, as demand for goods is being buoyed by stock building as companies scramble to secure purchases ahead of further price hikes or supply shortages. Manufacturers have increased their buying of inputs to a degree not witnessed since early 2022 as supply chain delays have also risen to the most widespread since the pandemic.

"Input costs and selling prices have already jumped higher not just in response to higher energy costs but in a reflection of a broader upturn in commodity prices and mis-match of demand against constrained supply. If the COVID-19 pandemic is excluded, this is the biggest surge in cost pressures that we have recorded since 2000.

"Not surprisingly, businesses are taking an increasingly gloomy view of the outlook, with sentiment now down to its lowest since late 2022.

"In this environment, the ECB once again has the unenviable task of deciding whether to raise interest rates in the face of the worrying inflation picture, or whether this price spike will prove temporary and its focus should instead be on the need to prevent the economy sliding into a deeper downturn. While postponing any decision could make either scenario worse, it would be understandable to see rate setters sit on their hands and await more clarity on the situation, both in terms of the conflict and the assessment of the eurozone's economic health."

consecutive month in April, and at the fastest pace for almost a year-and-a-half. As was the case with output, the overall reduction was driven by falling services new business.

Manufacturing new orders, on the other hand, increased at the fastest pace in four years, supported by a first rise in new export business (which includes intra-eurozone trade) since February 2022. However, some of the upturn reflected reports of customers seeking to secure purchases amid concerns over price rises and supply shortages.

Prices

Continuing the picture seen in March following the outbreak of war in the Middle East, inflationary pressures strengthened during April.

Input costs increased at the fastest pace since the end of 2022. Rates of cost inflation quickened across both goods and services, but manufacturers registered the sharper rise.

In turn, output price inflation hit a 37-month high. Selling prices increased particularly sharply in Germany, but stronger inflation was also seen in France and across the rest of the single currency bloc as a whole.

Inventories and supply chains

The war in the Middle East caused substantial supply-chain delays in the eurozone manufacturing sector at the start of the second quarter of the year. Supplier lead times lengthened to the largest extent since July 2022.

Meanwhile, manufacturers continued to expand their purchasing activity in response to greater new order inflows, but also to build safety stocks. Input buying rose for the second month running, and at a modest pace that was the fastest since May 2022. Supply-chain disruption meant that stocks of purchases decreased despite increased purchasing, but the rate of depletion was the weakest in the current 39-month sequence of decline. Stocks of finished goods also fell to a lesser degree than in March.

Employment

While output and new orders decreased solidly in April, firms only reduced employment at a marginal pace, and less than seen in March.

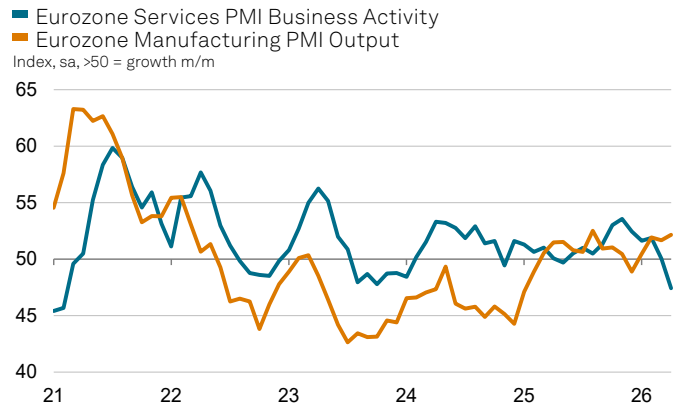
In contrast to the demand picture, resilience with regards to staffing levels was seen in the service sector, where employment continued to rise slightly. On the other hand, manufacturing workforce numbers decreased.

Germany posted a fall in employment, but staffing levels were up in France and across the rest of the euro area.

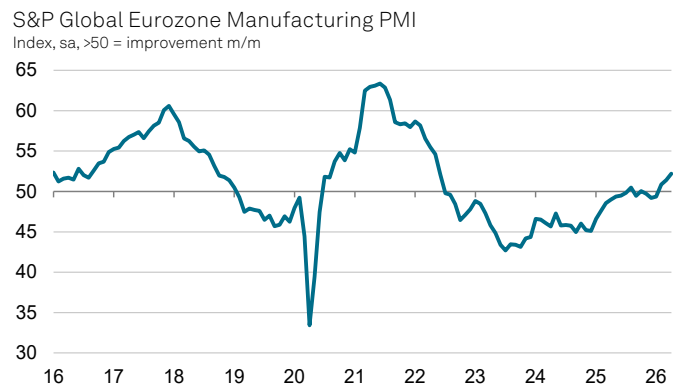
Outlook

Confidence in the year-ahead outlook for business activity continued to wane after having hit a 21-month high in February. Sentiment in April was the lowest since November 2022 and comfortably below the average since the series began in 2012.

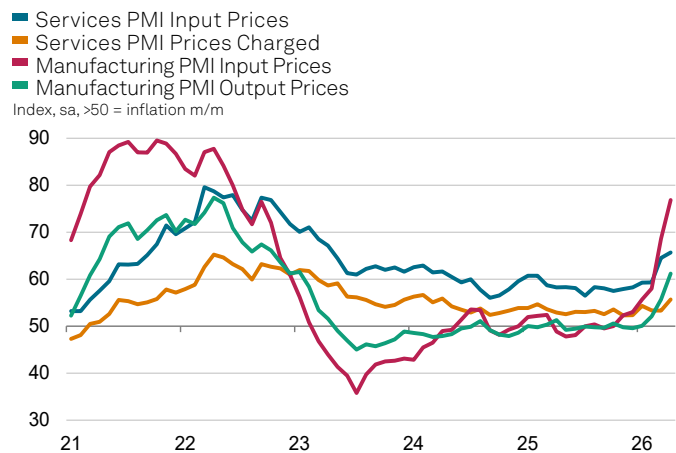
Services optimism was the weakest in three-and-a-half years, while in the manufacturing sector confidence dropped to a 17-month low.



Source: S&P Global PMI. ©2026 S&P Global.



Source: S&P Global PMI. ©2026 S&P Global.



Source: S&P Global PMI. ©2026 S&P Global.

German companies expressed a pessimistic outlook for the first time in just over a year-and-a-half, while reduced - but still positive - optimism was signalled in France and across the rest of the eurozone.

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Methodology

Final April data are published on 4 May for manufacturing and 6 May for services and composite indicators.

The S&P Global Flash Eurozone Composite PMI® is compiled by S&P Global from responses to questionnaires sent to survey panels of manufacturers in Germany, France, Italy, Spain, the Netherlands, Austria, Ireland and Greece, and of service providers in Germany, France, Italy, Spain and Ireland, totalling around 5000 companies. The panels are each stratified by detailed sector and company workforce size, based on contributions to GDP. The services sector is defined as consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. The following variables are monitored:

Manufacturing: Output, new orders, new export orders, backlogs of work, stocks of finished goods, employment, quantity of purchases, suppliers' delivery times, stocks of purchases, input prices, output prices, future output.

Services: Business activity, new business, new export business, outstanding business, employment, input prices, prices charged, future activity.

A diffusion index is calculated for each manufacturing and services variable, at the national level. 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.

Eurozone manufacturing and services indices are calculated by weighting together the national indices. National weights are calculated from annual manufacturing or services value added sourced from Eurostat.

Eurozone composite indices for are calculated by weighting together comparable Eurozone manufacturing and services indices using official eurozone manufacturing and services annual value added sourced from Eurostat.

The headline figure is the Composite Output Index. This is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. It may be referred to as the 'Composite PMI' but is not comparable with the headline Manufacturing PMI, which is a weighted average of five manufacturing indices (including the Manufacturing Output Index).

The headline manufacturing figure is the Manufacturing 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.

The headline services figure is the Services Business Activity Index. This is a diffusion index calculated from a single question that asks for changes in the volume of business activity

compared with one month previously. The 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.

Flash data are calculated from around 80-90% of total responses and are intended to provide an accurate early indication of the final data. Since flash data were first processed, the average differences between final and flash index values for the headline indices are:

Composite Output Index = 0.0 (absolute difference 0.3)

Services Business Activity Index = -0.1 (absolute difference 0.3)

Manufacturing PMI = 0.0 (absolute difference 0.2)

S&P Global do not revise underlying survey data after first publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series. Historical data relating to the underlying (unadjusted) numbers, first published seasonally adjusted series and subsequently revised data are available to subscribers from S&P Global.

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

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PMI by S&P Global

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

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