

BCR Romania Manufacturing PMI[®]

Subdued demand continues to weigh on Romanian manufacturing in January

Key findings

Downturn in total orders picks up with export sales back in decline

Backlogs fall at record rate despite greater job retrenchment

Inflationary pressures at their strongest in three months

Manufacturers in Romania continued to face challenges at the start of the new year, with sustained reductions in output and new orders at the forefront. The weakness in demand was broad-based across both the domestic and international markets in January, confirming December's stabilisation in exports as being short-lived.

Despite deeper cutbacks to employment levels, the lack of incoming new work encouraged the clearance of outstanding orders. In fact, the rate of backlog depletion was the strongest on record. Finally, inflationary pressures picked up, with cost and charge inflation at three-month highs.

The headline PMI[®] is a composite single-figure indicator of manufacturing performance derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases.

Down slightly from December's three-month high of 48.9, the headline reading posted at 48.1 in January. The index remained consistent with a modest decline in operating conditions and one that was broadly in line with the series average.

Albeit still in contraction, output was the only one of the five headline PMI components not to impart a negative directional influence. Although production volumes have fallen in each month since June 2024, the rate of decline softened on the month and was moderate overall.

Lower output was typically attributed by panellists to reduced order book volumes, which likewise fell at a moderate pace in January. A contributing factor here was renewed weakness in international sales, with the decrease in export orders also solid in nature.

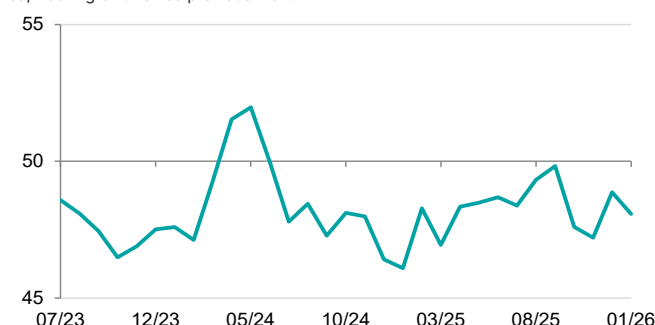
The pass-through of greater cost pressures to clients weighed on already constrained customer demand and budgets. Average prices charged rose again and at a rate that was elevated compared to the average trend.

In their reports, panellists noted higher raw material costs and greater tax burdens as the key drivers behind increases in operating expenses. Although the rate of cost inflation rose to its highest in three months and was strong overall, it was weaker than the average trend.

Muted order numbers led manufacturers to trim both buying levels and employment further in January. Although in both cases

BCR Romania Manufacturing PMI

sa, >50 = growth since previous month



Sources: BCR, S&P Global PMI.

Data were collected 12-26 January 2026.

Comment

Ciprian Dascalu, Chief Economist at BCR said:

"A weak start to the year was indicated by the BCR Romania Manufacturing PMI, which inched down to 48.1 in January 2026 compared to 48.9 at the end of 2025. This is signalling an accelerating decline in manufacturing conditions as it remained below the neutral mark for the 19th consecutive month. Except for output, which posted a relative improvement, all other components had a negative directional contribution this month. External demand continues to be a key factor for achieving domestic manufacturing growth. The flash data for the HCOB Germany Manufacturing PMI showed the index inching up in January to 48.7, reaching a 3-month high. Roughly 20% of Romania's exports have Germany as their destination.

"In 2025, industrial production likely ended the third consecutive year of contraction based on official data from the National Institute of Statistics. This is in line with PMI readings. Looking at the 12-month rolling average, industrial output stands at -0.8% y/y as of Nov-25, with manufacturing at -0.9% y/y. Considering the external environment expectations, we should see an improvement in 2026, and we could end up with industrial production regaining some growth momentum. External demand remains a key factor for domestic manufacturing business. Substantial EU security investments and Germany's fiscal stimulus for infrastructure and defence spending are expected to boost European industrial production.

"The Output Index posted a relative improvement this month, showing a decelerating pace of decline—the softest in four months. Reduced demand, partly due to higher prices on the

retrenchment was only modest in nature, the latter decreased at a rate that was elevated compared to the series average.

The sustained fall in backlogs of work was a sign that companies continued to have excess capacity in January. The rate at which work-in-hand (but not yet completed) fell was sharp and the fastest on record.

Although quantities of purchases were reduced again, suppliers were unable to meet orders in a timely manner, in part a reflection of adverse weather conditions.

Romanian manufacturers displayed a preference for leaner inventories both in terms of inputs and finished goods while production and order book volumes continued their descents. The decline in stocks of purchases was renewed after a brief period of stabilisation at the end of the 2025.

As for the outlook, Romanian manufacturers' optimism towards year-ahead growth prospects waned to a new survey low in January. Although around four-in-ten firms signalled confidence, concerns around future demand conditions, costs and competition lingered.

back of tax hikes, and insufficient manpower constraining output in some cases, were the main problems reported. New orders showed an accelerating pace of decline in January. Budgetary constraints from clients, partly due to higher prices, were reported as the main reasons behind the move. Export orders also followed a similar pattern, suggesting that the external environment remained unresponsive. Strong competition and subdued demand were behind the change. As a result of sustained depressed demand, the future business expectations index continued to trend downwards, reaching a new survey low, though it remained above 50. Noteworthy is that 42% of the companies surveyed expect higher output over the coming year. It seems that depressed demand continues to be the main issue for domestic manufacturing business, and it should be just a matter of time before a trend reversal takes place.

"Employment was also heading down this month, with a mix between insufficient work and challenges in finding skilled workers reported as the main problems. The backlog of work continued to diminish, reflecting weak demand, while the decline in stocks of finished goods, probably being more the result of less work being done rather than growing sales. The trend for purchasing quantities and stocks of purchases tell the same story of poor demand. Suppliers' delivery times continued to lengthen in January due to adverse weather conditions and limited availability.

"Both input and output price growth accelerated in the recent month. This was to be expected considering the excise duty hike which took place this month. This shock should be transitory and mainly linked to higher taxes, but there were some reports regarding higher raw materials costs, which could be more of a concern if it persists. Part of the growth in input prices was passed on to customers."

Contact

Ciprian Dascalu
Chief Economist
BCR
T: +40760286581
ciprian.dascalu@bcr.ro

Hannah Brook
EMEA Communications Manager
S&P Global Market Intelligence
T: +44-7483-439-812
hannah.brook@spglobal.com
press.mi@spglobal.com

Eleanor Dennison
Economist
S&P Global Market Intelligence
T: +44-1344-328-197
eleanor.dennison@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 BCR Romania 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 July 2023.

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.

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.

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

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.

About BCR

Banca Comercială Română (BCR), member of Erste Group, is one of the largest financial groups of Romania, and includes universal bank operations (retail, corporate & investment banking, treasury and capital markets) as well as specialized companies in the leasing market, private pensions and housing banks.

BCR offers a full range of financial products and services through a network of 20 business centres and 18 mobile offices dedicated to companies and 319 retail units located in most of the country's cities with more than 10,000 inhabitants, where 54% of units are cashless. BCR is Romania's No.1 bank in the transaction banking market, with BCR customers having the largest national network of ATMs and multifunctional machines - almost 2000 machines, and full banking services through Internet banking, Mobile banking, Phone-banking and E-commerce. www.bcr.ro

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.spglobal.com