

S&P Global Eurozone Construction PMI[®]

Steeper fall in construction activity as inflationary pressures bite

April 2026

Activity contracts at fastest pace since August 2024

Sharpest reduction in new orders for 17 months

Employment falls again as pessimism worsens

Construction firms in the eurozone saw the pace of decline in total activity accelerate in April amid surging inflationary pressure and weak demand.

The decline in April was the most marked since August 2024, as all monitored nations and sub-sectors saw steeper reductions. Moreover, new business volumes fell at the sharpest rate in almost a year-and-a-half.

A key driver of weakness stemmed from a substantial uplift in cost burdens. The rate of input price inflation accelerated from March to reach the highest since October 2022.

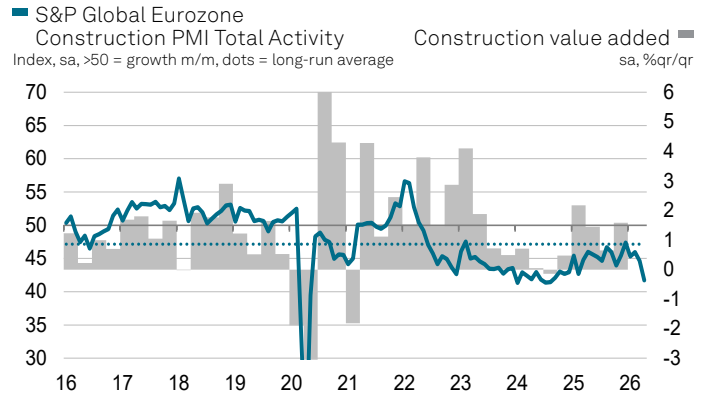
The S&P Global Eurozone Construction PMI Total Activity Index — a seasonally adjusted index tracking monthly changes in total industry activity — posted 41.7 in April, down from 44.6 in March to signal a stronger contraction in construction activity that was the most pronounced for 20 months. Total activity has now decreased on a monthly basis for four years.

The steeper fall in construction activity reflected quicker declines across the three largest economies. The fastest decrease in April was seen in France, followed by a considerably sharper reduction in Germany when compared to the prior month. Italian companies also saw a marked contraction that was the strongest since August 2022.

By sector, commercial activity decreased at the sharpest rate of the three sectors and to the greatest extent since May 2020. This was closely followed by the quickest decline in residential construction for five months. Civil engineering activity saw the softest decrease in comparison, but still at the most pronounced rate since February 2025.

In line with the picture for total construction activity, the rate of decline in new orders gathered pace at the start of the second quarter. New business was down for the forty-ninth successive month and at the strongest rate since November 2024. New orders fell particularly sharply in France and Germany. Construction new orders in Italy fell at a comparatively weaker pace, but still the fastest since August 2024.

Employment fell for the third month in a row in April, with the rate of job shedding the most prominent in six months. Steep reductions in workforce numbers were recorded in France and



Data were collected 9-30 April 2026.

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

Comment

Usamah Bhatti, Economist at S&P Global Market Intelligence, said:

"The start of the second quarter brought a sharp intensification of price pressures, largely in response to rising raw material costs in relation to the war in the Middle East. Higher expenses weighed heavily on the sector and contributed to the sharpest fall in activity levels since August 2024. Moreover, the decline was broad-based across the three sub-sectors and monitored nations.

"Muted demand also played a factor in the malaise, as new work intakes fell to the greatest extent since November 2024. Falling demand was often related to rising price pressures, uncertainty and hesitancy among clients to commit to projects.

"The weakness across the sector weighed on the outlook for activity, with firms signalling the greatest degree of pessimism for 16 months. According to panel members, headwinds to activity included elevated levels of uncertainty and rising inflation, largely stemming from the war in the Middle East."

Germany, while staffing levels in Italy rose for the twentieth month running.

Constructors decreased their usage of subcontractors again, and at a stronger rate than in March. As a result, the availability of subcontractors continued to increase.

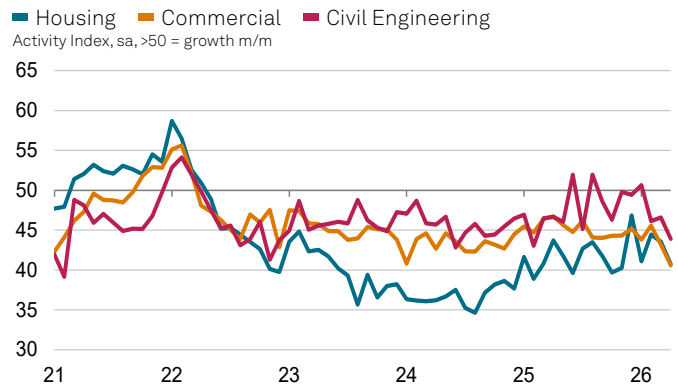
Higher cost burdens played a large part in the deterioration in the health of the construction sector. The rate of input cost inflation accelerated substantially to reach the highest in three-and-a-half years. Rates of inflation in France and Germany accelerated to 41- and 47-month highs respectively. Meanwhile, the rise in input costs in Italy was the most prominent in four years.

At the same time, construction firms also scaled back their purchasing activity during April. Input buying has fallen continuously on a monthly basis since June 2022. The latest reduction was the strongest since December 2024. Purchasing was down at a quicker pace across all three economies covered.

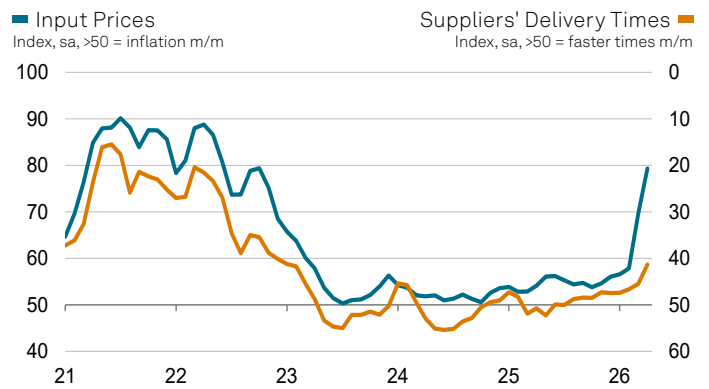
Although demand for inputs fell, construction firms were faced with a further lengthening of suppliers' delivery times, the ninth in as many months. Lead times lengthened markedly, with the latest deterioration the strongest since January 2023. Germany posted the most pronounced delivery delays in April.

Eurozone construction firms gave a downbeat assessment regarding the prospects for growth in activity over the coming year, in line with the stronger contraction in output registered in April. Furthermore, the degree of pessimism worsened in April, dropping to a 16-month low.

Similarly pessimistic outlooks were registered in Germany and France, with the former posting the lowest sentiment since December 2024. Italian firms, meanwhile, were only fractionally pessimistic, and less so than in March.



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



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

Contact

Usamah Bhatti
Economist
S&P Global Market Intelligence
T: +44-1344-328-370
usamah.bhatti@spglobal.com

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

Methodology

The S&P Global Eurozone Construction PMI® is compiled by S&P Global from responses to questionnaires sent to panels of construction companies in Germany, France, Italy and Ireland. The panels are stratified by company workforce size, based on contributions to GDP. Survey data for the eurozone are available from January 2000.

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 construction survey variable, at the country 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 level indices for construction are calculated by weighting together the country indices using national construction annual value added (source = Eurostat).

The headline figure is the Total Activity Index. This is a diffusion index that tracks changes in the total volume of construction activity compared with one month previously. The Total Activity Index is comparable to the Manufacturing Output Index and Services Business Activity Index. It may be referred to as the 'Construction 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.

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.

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.

S&P Global

S&P Global (NYSE: SPGI) 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

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/marketintelligence/en/mi/products/pmi