

# News Release

Embargoed until 0730 ICT (0030 UTC) 5 May 2025

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

### New orders fall sharply amid tariff announcements

#### Key findings

Marked reductions in output, new orders and employment

Business sentiment lowest since August 2021

Input cost inflation eases and output prices fall

The announcement of tariffs by the US caused a renewed contraction in the Vietnamese manufacturing sector during April. Output, new orders, employment and purchasing were all down sharply, while business confidence dropped to a 44-month low amid concerns about the further impact of tariffs on future production. A lack of demand meant that firms continued to lower their selling prices, while input costs rose only slightly.

The S&P Global Vietnam Manufacturing Purchasing Managers' Index™ (PMI<sup>®</sup>) dropped back below the 50.0 no-change mark in April, after having signalled growth for the first time in four months during March. At 45.6, the latest reading was down from 50.5 and signalled a marked monthly deterioration in the health of the sector. In fact, business conditions worsened to the largest extent since May 2023.

Manufacturing new orders decreased markedly in April, reversing the expansion seen in March. Moreover, the rate of contraction was sharp and the fastest in almost two years. Respondents indicated that the drop in new orders reflected the introduction of tariffs by the US and fluctuations in international market conditions.

New export orders fell even more quickly than total new business amid the declaration of tariffs. The sixth successive decrease in new business from abroad was the most marked since June 2023.

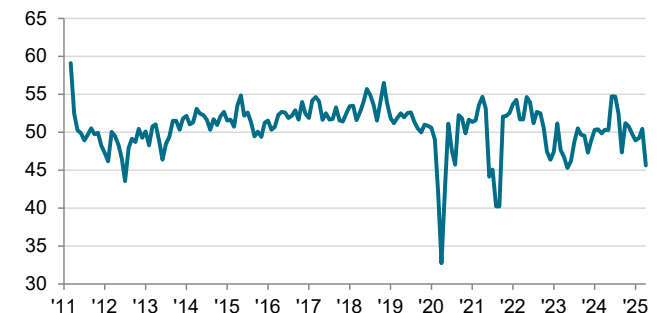
Tariffs, and the reduction in new orders led to a renewed fall in production following a rise in March. The decline in output was marked and the fastest since January 2023.

Manufacturers were also concerned about the impact of tariffs on production in the months ahead. Business confidence dropped sharply and was the lowest since August 2021. In fact, the level of optimism was one of the weakest in the series history.

Backlogs of work fell sharply amid lower new orders, with

S&P Global Vietnam Manufacturing PMI

sa, >50 = improvement since previous month



Source: S&P Global PMI.  
Data were collected 09-22 April 2025.

#### Comment

Andrew Harker, Economics Director at S&P Global Market Intelligence, said:

*"The imposition of tariffs by the US knocked the Vietnamese manufacturing sector into contraction during April, with firms seeing marked reductions in new orders, exports and production. What's more, the potential for further disruption to the sector as a result of additional tariffs meant that business confidence slumped and was one of the lowest on record. In what is a fluid situation, it will be important to keep tracking the S&P Global PMI data for Vietnam over the coming months to see how business conditions evolve."*

PMI<sup>®</sup>

by S&P Global

the rate of depletion broadly in line with that seen in the previous month.

Lower workloads led manufacturers to scale back employment, the seventh month running in which this has been the case. Furthermore, the pace of job cuts was the steepest for three-and-a-half years.

Firms also reduced their purchasing activity sharply in response to lower new orders and declining output requirements. Input buying was down for the second consecutive month, and to the largest degree since May 2023.

In turn, stocks of purchases were also down, and to the largest extent since last September.

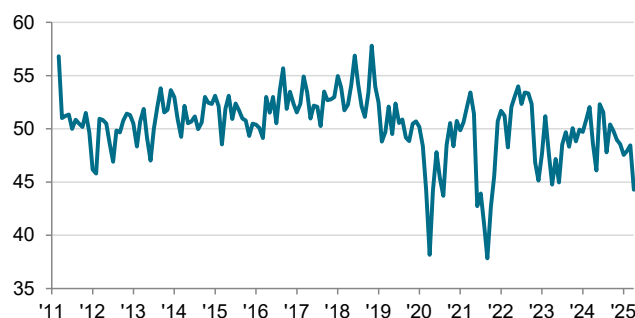
Reduced demand for inputs meant that suppliers' delivery times lengthened only marginally in April, and to the smallest degree in eight months. That said, there were some reports of delivery delays amid issues with the speed and availability of transportation.

A weakening demand environment also impacted prices in April. While input costs continued to increase amid rises in the price of some raw materials, the pace of inflation was only slight and the weakest since the current sequence of increasing operating expenses began in August 2023. Some firms mentioned lower costs for oil and transportation.

Selling prices decreased for the fourth consecutive month. Although modest, the pace of reduction was the sharpest in 21 months.

## PMI Employment Index

sa, >50 = growth since previous month



Source: S&P Global PMI.

## Contact

Andrew Harker  
Economics Director  
S&P Global Market Intelligence  
T: +44-1491-461-016  
[andrew.harker@spglobal.com](mailto:andrew.harker@spglobal.com)

Corporate Communications  
S&P Global Market Intelligence  
[press.mi@spglobal.com](mailto:press.mi@spglobal.com)

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

## Survey methodology

The S&P Global Vietnam 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 March 2011.

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](mailto: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.