NEWS RELEASE
MARKET SENSITIVE INFORMATION
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HCOB Italy Manufacturing PMI®

Strongest increase in order books in over three-and-a-half years

Key findings:

Renewed growth in total new orders, supported by improved export sales

Slight increase in output, but employment and purchasing fall

Strongest cost inflation in three years

Data were collected 12-21 November 2025.

The Italian manufacturing sector saw the greatest improvement in the health of the sector in over two-and-a-half years in November. The modest pick-up reflected healthier order books, bolstered by a renewed pick-up in export sales. Although production volumes increased, the expansion was only fractional, which in turn led firms to maintain a preference for lower headcounts and buying levels. Nevertheless, cost pressures rose at a noticeably stronger rate that was the most pronounced in three years.

At 50.6, the **HCOB Italy Manufacturing Purchasing Managers' Index™ (PMI®)**, a composite single-figure indicator of manufacturing performance derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases, crept back inside positive territory in the penultimate month of 2025.

Up from 49.9 in October, the index posted the first sectoral expansion in three months that was the strongest seen since March 2023 (albeit only marginal overall). Supporting the positive reading was growth in output and new orders, as well as longer delivery times – traditionally a sign of busier supply chains.

The consumer goods sector bucked the wider trend of growth, with both capital and investment segments seeing modest gains in November.

A renewed uplift in Italian manufacturers' order books was at the centre of November's improvement. Although the increase in the overall volume of new orders was modest, it was best in over three-and-a-half years. Anecdotal evidence revealed that firms saw greater interest from both domestic and international clients. Indeed, new orders from abroad rose in November, marking the first increase in six months. The rate of expansion was not only elevated by historical standards, but also the strongest in 45 months.

Production volumes at Italian factories rose at a softer and only slight pace in November. Here, a marked drop in output at consumer goods makers was just outweighed by growth in the remaining categories.

With production growth below trend, firms continued to make cutbacks to their payroll numbers, through dismissals and opting not to replace voluntary leavers. The rate of job shedding was the strongest in four months. Still, firms had sufficient capacity to make inroads to their orders pending completion. The rate of depletion was broadly in line with that seen in the previous two months and therefore still relatively sharp overall.

As has been the case on a consistent basis for three-and-a-half year, purchasing activity was lowered again in November. The rate of reduction was only fractional and the weakest over this period, however.

Where firms did purchase additional inputs, there were reports of longer lead times, linked to logistical issues and delays on the delivery of more labour-intensive inputs.

Firms leant on existing stocks of purchases to support output requirements. It marked the fourth decrease in inventories in consecutive months, though one that was only marginal.

Reflective of inflated raw material prices, operating expenses facing goods producers rose at the sharpest rate seen in exactly three years. Although firms passed on some of the burden through to customers, the increase in selling prices was comparatively mild.

Set on an improvement in market conditions, Italian manufacturers were confident that output would rise over the coming 12 months. Although down from October, sentiment remained above trend.

Comment

Commenting on the PMI data, Nils Müller, Junior Economist at Hamburg Commercial Bank, said:

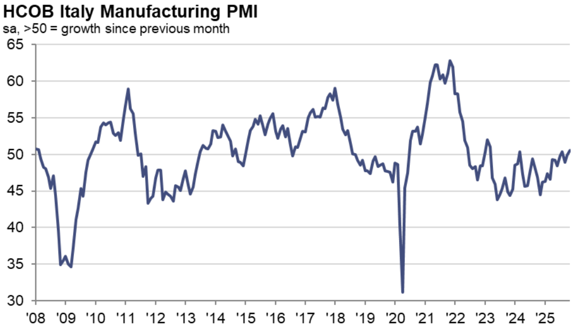
"November brought a welcome rebound for Italy's manufacturing sector. The headline PMI climbed back into expansionary territory to 50.6, up from 49.9 in October, marking the strongest improvement since March 2023, though the overall pace of growth remains marginal.

"The headline gain was driven primarily by a renewed increase in new orders, which rose at the fastest rate in more than three-and-a-half years. Export demand provided a notable boost, ending a five-month run of decline and registering its sharpest rise since early 2022. However, production growth lagged behind, with output expanding only slightly and consumer goods makers reporting a drop in activity.

"Despite a notable improvement in order books, manufacturers remained cautious on staffing, opting for dismissals and refraining from replacing voluntary leavers. Purchasing activity also fell, as companies leaned on existing inventories to meet production needs. Supply chain conditions remained strained, with delivery times lengthening moderately. Meanwhile, cost pressures intensified sharply, with input prices rising at the fastest rate in three years, driven by higher raw material costs. While selling prices increased, the pass-through was limited, pointing to margin compression.

"Italian manufacturers stayed optimistic in November, anticipating improved conditions over the next 12 months. Hopes of a rebound in global markets and new customer inflows supported confidence, albeit sentiment eased slightly compared to the previous month. Overall, November's data signal a fragile return to growth for the Italian manufacturing sector, supported by export-led demand but tempered by persistent cost inflation and cautious hiring."

-Ends-



Source: HCOB, S&P Global PMI.

Source: HCOB, S&P Global PMI, ISTAT via S&P Global Market Intelligence.

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Note to Editors

The HCOB Italy 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 June 1997.

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.

Hamburg Commercial Bank AG

Hamburg Commercial Bank (HCOB) is a private commercial bank and specialist financier headquartered in Hamburg, Germany. The bank offers its clients a high level of structuring expertise in the financing of commercial real estate projects with a focus on Germany as well as neighboring European countries. It also has a strong market position in international shipping. The bank is one of the pioneers in European-wide project financing for renewable energies and is also involved in the expansion of digital and other areas of important infrastructure. HCOB offers individual financing solutions for international corporate clients as well as a focused corporate client business in Germany. The bank's portfolio is completed by digital products and services facilitating reliable, timely domestic and international payment transactions as well as for trade finance.

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S&P Global (NYSE: SPGI)

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

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