

S&P Global Flash Eurozone PMI[®]

Downturn in eurozone private sector eases in June as inflationary pressures show signs of softening

June 2026

Flash Eurozone PMI Composite Output Index: 49.5 (May: 48.5). 3-month high.

Flash Eurozone Services PMI Business Activity Index: 48.9 (May: 47.7). 3-month high.

Flash Eurozone Manufacturing Output Index: 51.2 (May: 51.3). 5-month low.

Flash Eurozone Manufacturing PMI: 51.3 (May: 51.6). 4-month low.

Provisional PMI[®] survey data for June signalled a further reduction in business activity across the eurozone's private sector amid sustained falls in new orders. A slight drop in employment was also recorded again. Meanwhile, there were signs of inflationary pressures softening, with input costs rising at the slowest pace since the outbreak of war in the Middle East and output charges increasing at the weakest rate in three months. Manufacturers continued to signal sharply lengthened suppliers' delivery times, while the recent spell of rising purchasing activity came to an end.

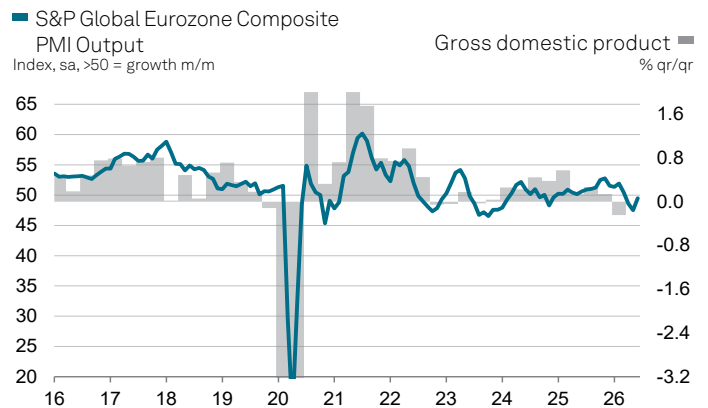
Most of the responses used in the calculation of the June flash PMI data were received prior to the signing of the memorandum of understanding for a cessation of hostilities between the US and Iran on June 17th.

Output and demand

The seasonally adjusted S&P Global Flash Eurozone Composite PMI Output Index, based on approximately 85% of usual survey responses, registered 49.5 in June, up from 48.5 in May but remaining below the 50.0 no-change mark and signalling a third consecutive monthly fall in business activity in the euro area. That said, the latest reduction was only slight and the weakest in the current sequence of decline.

Underlying data pointed to a slower fall in services activity, while manufacturing production continued to rise modestly. Declining output was seen across both of the two largest eurozone economies, but while the rate of contraction eased in France, Germany posted the fastest reduction in business activity for a year-and-a-half. Meanwhile, the rest of the euro area as a whole saw output rise modestly, and to the largest extent since the start of the year.

The sustained fall in overall business activity in the eurozone reflected further challenges for firms in securing new orders during June. New business decreased for the



Data were collected 11-19 June 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 economy is showing enough resilience to just about stay out of recession. The flash PMI registered only a slight drop in business activity in June, meaning the survey is indicative of unchanged GDP over the second quarter.

“There is welcome news of an easing in the recent downturn in services activity, with tourism and leisure related industries seeing signs of recovering demand after the initial disruptions from the war in the Middle East.

“Manufacturing meanwhile continues to benefit from inventory building as customers front-run future prices rises or supply issues amid ongoing supply fears linked to the war. However, although widespread supply chain delays contributed to further upward pressure on prices, there are signs that concerns over supply and price trends are starting to moderate.

“Encouragingly, lower energy prices are already filtering through to businesses and rates of input cost and selling price inflation have moved lower in June as a result, hinting at a potential peaking of the recent price spike.”

fourth consecutive month, albeit slightly and at the slowest pace since March. A renewed and marginal increase in manufacturing new orders was insufficient to counteract a further fall in services activity.

Prices

There were signs of inflationary pressures easing in June. Although input costs continued to rise rapidly during the month, the rate of inflation eased to the slowest since February, just before the outbreak of war in the Middle East. Weaker increases in input prices were seen across both the manufacturing and service sectors, with the pace of inflation remaining sharper in the former. Cost inflation eased across Germany, France and the rest of the eurozone as a whole.

In turn, the rate of output price inflation also slowed in June, albeit to a lesser extent than was seen for input costs. Here too, manufacturers continued to record stronger inflation than their services counterparts.

Inventories and supply chains

Eurozone manufacturers continued to report lengthening suppliers' delivery times at the end of the second quarter of the year. The latest deterioration in vendor performance was substantial, albeit the least pronounced since March.

Purchasing activity was broadly unchanged in June, thereby ending a three-month period of expansion seen since the start of the war in the Middle East as firms looked to secure inputs at a time of severe supply disruption and sharply rising prices. Stocks of purchases and finished goods inventories also decreased.

Employment

Employment neared stabilisation in June, falling only fractionally and to the smallest extent since February. That said, the eurozone private sector has now failed to register jobs growth in six consecutive months. A renewed, but marginal increase in services staffing levels was recorded, but this was outweighed by sustained job cuts in the manufacturing sector.

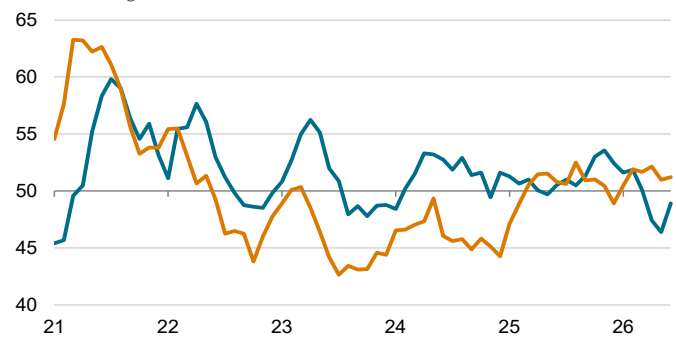
A further solid reduction in employment was seen in Germany, with the rate of job cuts unchanged on May. Workforce numbers were broadly stable in France, while the rest of the eurozone as a whole posted a modest increase in staffing levels.

Outlook

Business confidence ticked up for the second month running at the midway point of the year, having dropped to a 31-month low in April. Although companies in the eurozone expect output to rise over the coming year on average, sentiment was still relatively muted in June.

Confidence improved in both the manufacturing and service sectors. A slight drop in optimism among companies in Germany was outweighed by stronger sentiment in France and across the rest of the euro area as a whole.

■ Eurozone Services PMI Business Activity
■ Eurozone Manufacturing PMI Output
Index, sa, >50 = growth m/m



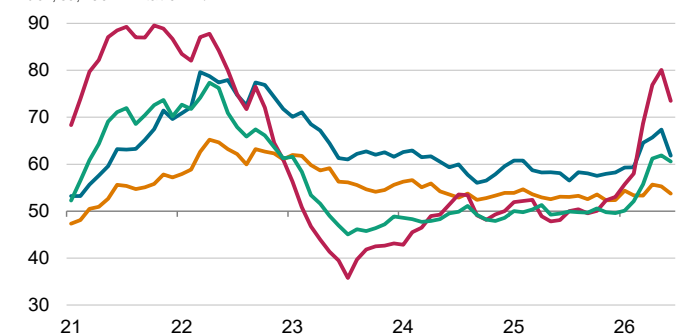
Source: S&P Global PMI. ©2026 S&P Global.

S&P Global Eurozone Manufacturing PMI
Index, sa, >50 = improvement m/m



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

■ Services PMI Input Prices
■ Services PMI Prices Charged
■ Manufacturing PMI Input Prices
■ Manufacturing PMI Output Prices
Index, sa, >50 = inflation m/m



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

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Methodology

Final June data are published on 1 July for manufacturing and 3 July 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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