

S&P Global US Flash PMI[®]

Flash PMI signals subdued growth in May amid price surge

May 2026

Flash US Composite PMI Output Index: 51.7 (April: 51.7). Unchanged.

Flash US Services PMI Business Activity Index: 50.9 (April: 51.0). 2-month low.

Flash US Manufacturing Output Index: 56.2 (April: 56.0). 49-month high.

Flash US Manufacturing PMI: 55.3 (April: 54.5). 48-month high.

US business activity growth held steady in May at a modest rate compared to earlier in the year, according to flash PMI data from S&P Global, as an improved performance in manufacturing was countered by a sluggish service sector. However, factory growth was again in part supported by temporary stock building and both sectors reported that order book growth had been somewhat subdued by the ongoing war in the Middle East, most notably in terms of export sales.

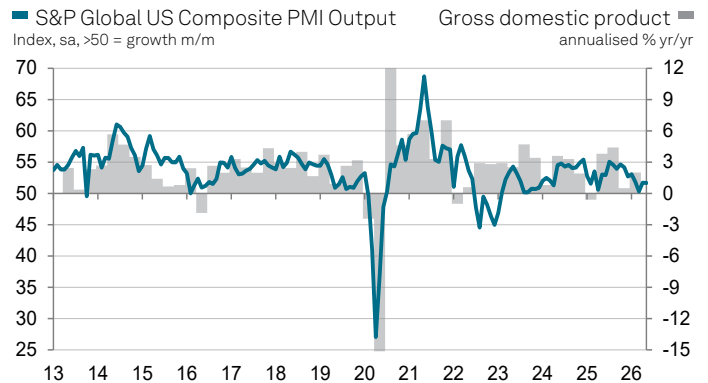
Surging input costs, which jumped in May at the steepest rate since late-2022 on the back of rising war-related supply constraints and steep energy cost increases, were not only cited as causing lower sales but also contributed to steepening job losses and a further rise in selling price inflation to its highest since August 2022.

Output and demand

Business activity continued to grow in May but at a reduced rate compared to that seen earlier in the year. The headline flash S&P Global US PMI Composite Output Index, covering both manufacturing and services, held steady at 51.7 in May. Growth over the past three months since the outbreak of war in the Middle East has been the weakest seen since the start of 2024.

Divergences persisted in terms of the impact of the war by sector. Service sector growth remained especially sluggish and is on course for its weakest calendar quarter since late 2023 as new business inflows rose only modestly, albeit improving on the slight decline seen in April. Service providers reported subdued demand reflected rising prices and uncertainty, notably among consumer-facing businesses and for exports. Service exports fell at the sharpest rate for six years.

Manufacturing output meanwhile rose at the fastest rate for



Data were collected 12-20 May 2026.
Sources: S&P Global PMI, Bureau of Economic Analysis via S&P Global Market Intelligence.
©2026 S&P Global.

Comment

Chris Williamson, Chief Business Economist at S&P Global Market Intelligence:

"The damaging economic impact from the war in the Middle East is becoming increasingly evident in the business surveys. The 'flash' PMI data for May recorded only modest growth of business activity as demand was again squeezed by a further spike in prices and jobs were cut as firms worried over rising costs and the economic outlook.

"Coming on the heels of a subdued April reading, the May PMI indicates that the economy will struggle to manage annualized GDP growth of much more than 1% in the second quarter. However, even this subdued pace of growth may not last. On average, over the past three months order book growth has slowed to its weakest for two years, and a boost from precautionary stock building due to concerns over further price hikes and supply delays will not last forever.

"Demand also looks set to cool further in response to rising prices. Firms' costs have jumped higher at a pace not seen since the energy price shock of 2022 and are being passed on to customers in the form of sharply higher selling prices. The survey price gauges therefore indicate that inflation looks set to rise further just as the economy cools."

just over four years, the rate of growth accelerating from the already-robust pace seen in April. However, an accompanying marked influx of new orders for goods in part again reflected precautionary stock building by clients. Order book growth in manufacturing was also purely domestically driven, with goods exports falling again.

Employment

Sector divergences were also evident in terms of the labor market. Measured overall, employment fell in May for the second time in the past three months, the rate of job losses reaching the highest since August 2024 due to growing concerns over rising costs and deteriorating demand conditions. However, whereas service sector jobs were reduced at the second-fastest pace seen since May 2020 (surpassed only by April 2024), manufacturing payrolls showed the largest rise for 11 months as factories raised headcounts to meet the recent upturn in orders.

Future sentiment

Companies' expectations for output in the year ahead have also diverged. Service sector optimism fell to its weakest since April 2025, and second lowest since October 2022, reflecting growing concern over the outlook for demand thanks to surging prices, higher interest rates and heightened political uncertainty. In contrast, manufacturers were their most optimistic since February 2025 and one of the highest levels seen since the pandemic, thanks to the recent upturn in orders and the ongoing anticipation of tariff-related reshoring.

Supply chains and prices

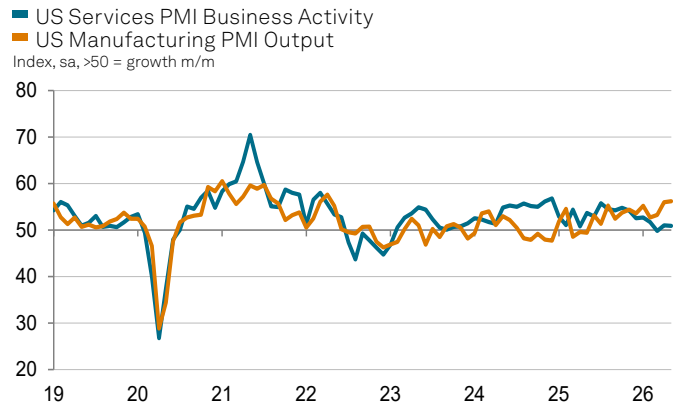
War-related issues led to a further deterioration of supply chains. Factories reported the greatest lengthening of supplier delivery times since August 2022. Lead-times have now lengthened continually over the past nine months, with factories reporting that war-related shipping disruptions and stock piling have exacerbated existing tariff-related supply constraints. Indeed, the amount of inputs bought by factories rose at its steepest rate since April 2022, driving input inventories higher.

Input price inflation surged to its highest since November 2022, in part due to supply constraints but also driven up by increased energy prices. Manufacturing input costs registered their largest monthly increase since June 2022. While the rise in services costs was muted compared to manufacturing, it was nonetheless the steepest recorded for a year.

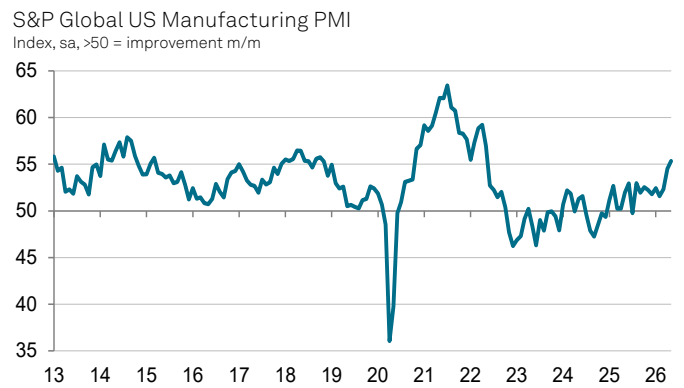
Average prices charged for goods and services rose in April at the fastest rate since August 2022 amid the growing supply scarcities and jump in costs. Goods prices showed a particularly marked rise, the rate of increase hitting the highest since September 2022, but service sector selling price inflation also accelerated to a ten-month high and was one of the sharpest rates seen over the past four years.

Manufacturing PMI

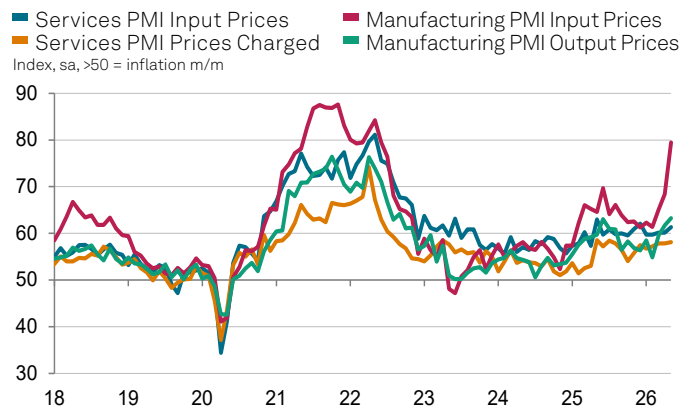
The S&P Global US Manufacturing PMI rose to 55.3 in May, up from 54.5 in April to sit at its highest since May 2022. The expansion means factory business conditions have improved continually since last August.



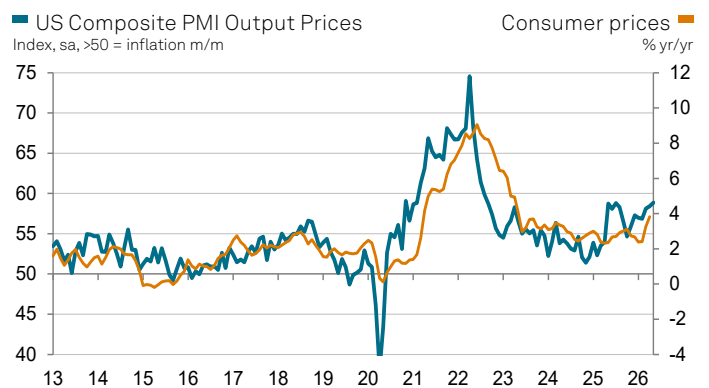
Source: S&P Global PMI. ©2026 S&P Global.



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



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



Sources: S&P Global PMI, Bureau of Labor Statistics via S&P Global Market Intelligence. ©2026 S&P Global.

Production growth was the fastest since April 2022 and jobs were added at a rate not seen since June of last year. While new order growth slowed, it was the second fastest seen over the past four years. Input inventories also added positively to the PMI, rising to the greatest extent for 11 months. However, this in part reflected the building of safety stocks amid price and supply worries. Supplier delivery times lengthened to the greatest degree since August 2022.

Contact

Chris Williamson
Chief Business Economist
S&P Global Market Intelligence
T: +44-779-5555-061
chris.williamson@spglobal.com

Florence Bogitsh
Senior Communications
Manager, Americas
S&P Global Market Intelligence
T: +1-646-460-7204
florence.bogitsh@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

Final May data are published on 1 June for manufacturing and 3 June for services and composite indicators.

The S&P Global Flash US Composite PMI® is compiled by S&P Global from responses to questionnaires sent to survey panels of around 650 manufacturers and 500 service providers. 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. 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.

Composite indices for are calculated by weighting together comparable manufacturing and services indices using official manufacturing and services annual value added.

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.

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.

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 = 0.1 (absolute difference 0.4)

Services Business Activity Index = 0.1 (absolute difference 0.4)

Manufacturing PMI = 0.0 (absolute difference 0.3)

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.

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/marketintelligence/en/mi/products/pmi

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