

NEWS RELEASE
MARKET SENSITIVE INFORMATION
Embargoed until 0950 CET (0850 UTC) 6 January 2026

HCOB France Services PMI®

Service sector business activity broadly stagnates in December

Key findings:

Service sector loses growth momentum after November's expansion

New business and employment virtually unchanged

Prices charged held steady amid relatively benign cost inflation

Data were collected 4-18 December

France's services economy stagnated during December, according to the final HCOB PMI® survey of the year, rounding off a flat fourth quarter (on average) for business activity across the sector. This was also the case for new orders, with demand for services seeing virtually no change since November.

Meanwhile, a fairly benign cost inflation environment, as evidenced by a below-average rise in input prices, afforded service providers with some flexibility over their pricing decisions. Output charges were broadly unchanged once again in December.

Looking ahead to 2026, surveyed companies continued to show limited optimism as growth expectations remained historically weak.

The seasonally adjusted **HCOB France Services PMI Business Activity Index** — which measures changes in the volume of business activity compared with one month previously — recorded 50.1 in the final month of 2025. This indicated broadly unchanged output levels across France's service sector following the first expansion for 15 months in November (51.4). For the fourth quarter as a whole, the headline index averaged 49.8, indicating a broadly flat final three months of the year.

Demand for French services virtually stagnated in December. While there were some reports of increased client interest, others noted that uncertainty led prospects and customers to hold back on spending. A sharper drag on sales performances stemmed from international markets, sub-index data revealed, as new export business volumes fell at the sharpest rate since November 2024.

Progress clearing backlogged orders was sustained in December. For a fourth successive month, outstanding business volumes across France's service sector were depleted. The rate of decrease was modest and slightly faster than the month prior. Project completions were accomplished without a concurrent expansion in headcounts. As was the case in November, service sector employment was broadly unchanged.

Turning to prices, December survey data signalled a historically low rate of input cost inflation. Overall operating expenses faced by companies in the French service sector rose at a softer pace than in November and to an extent that was well below the long-run trend seen since the survey began in 1998. Wage pressures were often cited by firms that registered an uptick in costs.

Weaker (and relatively benign) input price inflation meant that French services companies were more willing to absorb cost increases. Output charges were broadly unchanged on the month, as was the case in November. Some companies commented that competition for work had deterred them from lifting selling prices.

Lastly, year-ahead expectations for business activity were positive, although growth projections were weak by historical standards. In fact, the overall level of optimism slipped to a five-month low at the end of 2025. Uncertainty heading into the new year reportedly led some firms to anticipate a challenging next 12 months.

Comment

Commenting on the PMI data, Jonas Feldhusen, Junior Economist at Hamburg at Hamburg Commercial Bank, said:

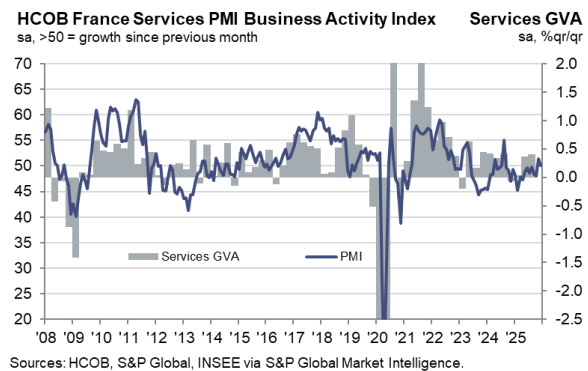
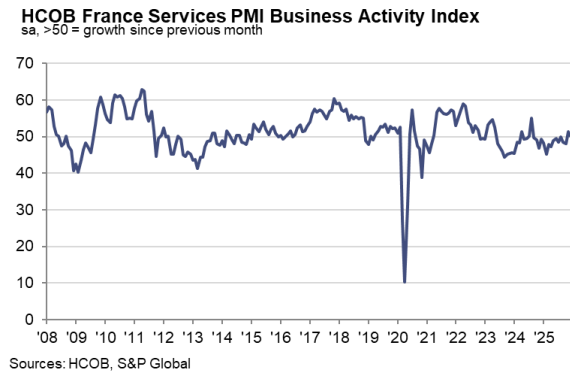
“France’s private sector ended the year in stagnation. The past year has been marked by uncertainties such as external headwinds emanating from U.S. policy and Germany’s economic slowdown, but most principally the domestic challenges relating to France’s fragile political environment.

“Business activity in the services sector stalled at year-end. As anticipated, the surprisingly strong November figures now appear to have been a temporary anomaly. Alongside weaker activity, new orders disappointed, particularly export orders, with panellists citing subdued demand from the US market.

“Sentiment among service providers deteriorated in December, with the corresponding index falling to its lowest level in five months. Employment and capacity utilisation also reflect the sector’s muted outlook, as hiring has been virtually flat since November, while outstanding business continued to decline.

“The sluggish economy is evident in pricing dynamics. Services firms have little pricing power and, in some cases, are resorting to discounts to support sales. This is squeezing margins, as input costs remain elevated, driven primarily by persistent wage pressures.”

-Ends-



HCOB France Composite PMI[®]

French private sector economy ends 2025 in stagnation

The HCOB France Composite PMI[®] Output Index* recorded 50.0 in December, thereby indicating stagnant private sector output in the final month of 2025. Unchanged activity levels followed on from November’s mild expansion (50.4).

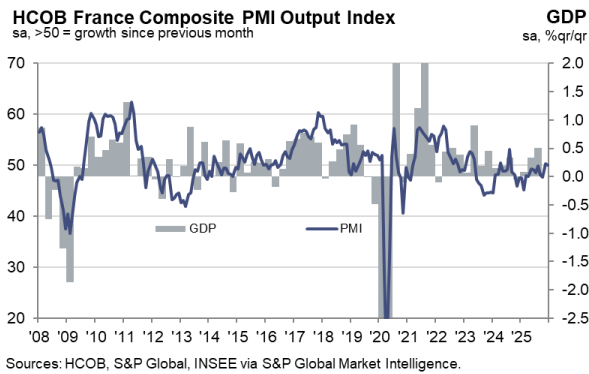
Output trends flatlined at the sector level. This did mark a relative improvement for manufacturers after they posted the sharpest downturn in production for nine months in the prior survey. It represented a deterioration for services, however, as the sector failed to maintain growth momentum after the strongest expansion for 15 months previously.

In a similar vein, private sector new orders and employment were both broadly unmoved at the end of the year. Exports were a slight drag as a sharp fall in overseas demand for French services more-than-counteracted a 46-month record rise in international orders received by manufacturers.

Turning to prices, goods and services charges rose fractionally overall, reflecting a renewed rise in prices for manufactured products. The pace of increase in overall costs slowed, nonetheless, and in a broad-based manner.

Finally, private sector business confidence weakened slightly.

*Composite PMI indices are weighted averages of comparable manufacturing and services PMI indices. Weights reflect the relative size of the manufacturing and service sectors according to official GDP data.



Contact

Hamburg Commercial Bank AG

Jonas Feldhusen
Junior Economist
T: +49-151-2294-9096
jonas.feldhusen@hcob-bank.com

Katrin Steinbacher
Head of Press Office
Senior Vice President
T: +49-40-3333-11130
katrin.steinbacher@hcob-bank.com

S&P Global Market Intelligence

Joe Hayes
Principal Economist
T: +44-1344-328-099
joe.hayes@spglobal.com

Hannah Brook
EMEA Communications Manager
T: +44-7483-439-812
hannah.brook@spglobal.com
press.mi@spglobal.com

Note to Editors

The HCOB France Services PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 service sector companies. The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in May 1998.

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 Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services 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 figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite 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.

Flash services data were calculated from 84% of final responses. Flash composite data were calculated from 90% of final responses. Since January 2006 the average difference between final and flash Services Business Activity Index values is -0.1 (0.6 in absolute terms). Since January 2006 the average difference between final and flash Composite Output Index values is 0.0 (0.4 in absolute terms).

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.

Hamburg Commercial Bank aligns its activities with established ESG (Environment, Social, and Governance) criteria and has anchored sustainability aspects in its business model. It supports its clients in their transition to a more sustainable future.

The bank's specialists are as experienced as they are pragmatic. They act in a reliable manner and at eye level with their customers. They provide in-depth advice in order to jointly find efficient solutions that are a perfect fit – for complex projects in particular. Tailor-made financing, a high level of structuring and syndication expertise and many years of experience are just as much a hallmark of the bank as are our profound market and sector expertise.

S&P Global (NYSE: SPGI)

S&P Global 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.

S&P Global is a registered trademark of S&P Global Ltd. and/or its affiliates. All other company and product names may be trademarks of their respective owners © 2026 S&P Global Ltd. All rights reserved. www.spglobal.com

About CNA

CNA (Conseil national des achats – National Purchasing Council), is a non-profit making, non union trade association, gathering individuals, and people actually involved in the purchasing activity of companies or public services. Its aim is to increase the efficiency of the purchasing function in the economy by training and informing those concerned, defining and applying a professional ethic, providing studies, research, surveys, and all actions of general interest in any field directly or non directly related to purchasing and subsidiary functions.

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.

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](#).

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.