

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

## UK manufacturing recovery continues at end of 2025 as output and new orders edge higher

December 2025

Manufacturing PMI at 50.6 in December (15-month high)

Production growth supported by stock building and new order uptick

Input price inflation accelerates

December saw further signs of growth emanating from the UK manufacturing sector. Output rose for the third successive month and new orders increased for the first time since September 2024. There were also signs of the trends in new export orders and employment moving closer to stabilising after sustained downturns.

The seasonally adjusted S&P Global UK Manufacturing Purchasing Managers' Index™ (PMI<sup>®</sup>) rose to 50.6 in December, from 50.2 in November, its highest level for 15 months but below the earlier flash estimate of 51.2. The PMI has posted above its neutral 50.0 mark (separating growth from decline) in each of the past two months.

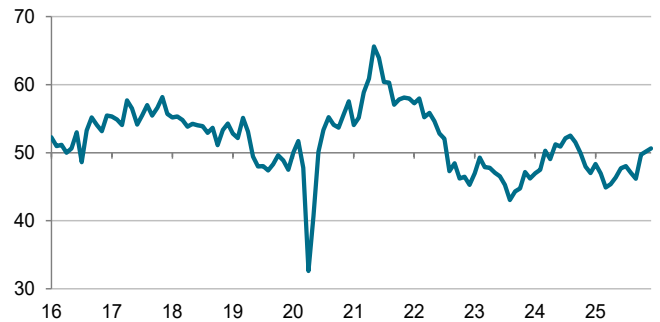
Three of the PMI sub-components registered readings consistent with improved operating conditions in December, as output and new orders both rose, and suppliers' delivery times lengthened. Although stocks of purchases and employment both declined, this was to lesser extents than in November.

The latest increase in manufacturing production mainly reflected a building-up of stocks of finished products and efforts to clear backlogs of work. UK manufacturers also benefited from several reduced headwinds towards the end of the year, as the negative impacts of uncertainty surrounding the Autumn Budget, tariffs and the JLR cyber-attack all moderated.

Output rose across the consumer, intermediate and investment goods sectors, the first time concurrent growth has been registered since August 2024. Data broken down by company size definitions were less suggestive of broad-based expansion, however. Growth was heavily skewed towards large manufacturers, as both small- and medium-sized companies registered downturns (an identical pattern was also seen for new orders).

A slight gain in new work intakes also contributed to the expansion of production volumes. Incoming new business rose for the first time in 15 months. Inflows improved at consumer goods manufacturers, stabilised in the intermediate goods category, but fell at investment goods producers.

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



Data were collected 4-18 December 2025.  
Source: S&P Global PMI. ©2026 S&P Global.

### Comment

Rob Dobson, Director at S&P Global Market Intelligence  
*"Further signs of growth emanated from the UK manufacturing sector before the turn of the year. Output rose for the third successive month and new order intakes improved, albeit slightly, for the first time since September 2024. The domestic market remained a positive spur to growth while new export business, despite having now fallen for almost four consecutive years, took a sizeable stride towards stabilising.*

*"UK manufacturers benefited from several reduced headwinds towards the end of the year, as the negative impacts of the uncertainty surrounding the Autumn Budget, tariffs and the JLR cyber-attack all moderated.*

*"The start of 2026 will show if growth can be sustained after these temporary boosts subside. The base of the expansion needs to shift more towards rising demand and away from inventory building and backlog clearance. December's interest rate cut will hopefully play some part in assisting this transition, encouraging manufacturers and their customers to increase spending and investment. Manufacturers remain uncertain on this score, with business optimism falling for the first time in three months in December."*

The domestic market was the main growth spur for new orders, as intakes of new work from overseas contracted for the forty-seventh successive month in December. That said, the rate of decline in new export business was only mild and one of the weakest during that sequence. UK manufacturers saw signs of recovery in demand from the US, APAC and Middle East regions.

Although manufacturing employment decreased for the fourteenth month running in December, the rate of job loss was the weakest during that sequence of decline. Where a reduction in staff headcounts was reported, this was linked to redundancies, non-replacement of leavers, hiring freezes and efforts to control costs. There remained evidence of excess capacity at UK factories despite the latest round of job cuts, however, as backlogs of work contracted for the forty-fourth successive month (albeit at a much slower pace than in November).

December saw a mild increase in price pressures, as input cost inflation accelerated and output charges rose after declining in November.

Average purchasing costs have risen throughout the past two years, with December seeing manufacturers again report a wide range of inputs as up in price (including electronics, energy, metals and packaging components). Some also noted that suppliers were passing on higher costs, particularly those related to payroll taxes. Small- and medium-sized producers were hit harder by cost increases than large manufacturers (the latter saw the weakest rise in purchase prices overall). After falling for the first time in over two years in November, factory gate prices resumed their upwards trend in December.

Business confidence about the year ahead outlook dipped from November's nine-month high in December. Manufacturers reported they remain concerned about high costs, increased taxation, reduced international competitiveness, geopolitical uncertainty and the possible impact of Government policy.

## Methodology

The S&P Global UK Manufacturing PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 650 manufacturers. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in January 1992.

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. Since January 2006 the average difference between final and flash Manufacturing PMI values is 0.1 (0.4 in absolute terms).

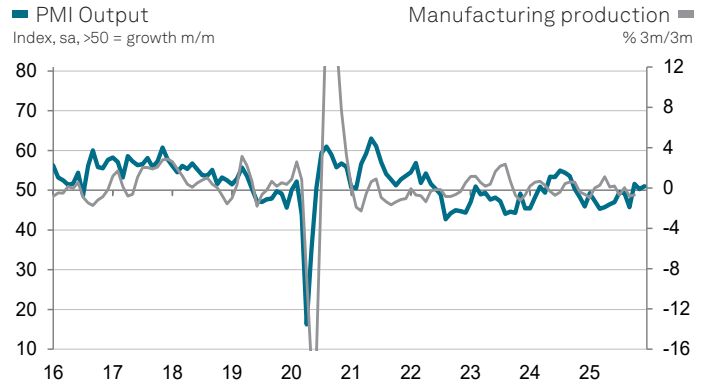
Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

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