

Economic activity in the manufacturing sector expanded in June for the sixth consecutive month, say the nation's supply executives in the latest ISM® Manufacturing PMI® Report.

The Manufacturing PMI® registered 53.3 percent. The overall economy continued in expansion for the 20th month in a row. (A Manufacturing PMI® above 47.5 percent, over a period of time, generally indicates an expansion of the overall economy.) The New Orders Index expanded for the sixth consecutive month after four straight readings in contraction, registering 56 percent, down 0.8 percentage point compared to May's figure of 56.8 percent. The June reading of the Production Index (52.2 percent) is 2.1 percentage points lower than May's reading of 54.3 percent. The Prices Index remained in expansion (or 'increasing' territory), registering 73 percent, a 9.1-percentage point decrease from May's reading of 82.1 percent. The Backlog of Orders Index registered 50.5 percent, down 1.7 percentage points compared to the 52.2 percent recorded in May.

The 14 manufacturing industries reporting growth in June — listed in order — are: Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Textile Mills; Primary Metals; Apparel, Leather & Allied Products; Fabricated Metal Products; Computer & Electronic Products; Machinery; Plastics & Rubber Products; Transportation Equipment; Nonmetallic Mineral Products; Chemical Products; Miscellaneous Manufacturing†; and Food, Beverage & Tobacco Products. **ISM**

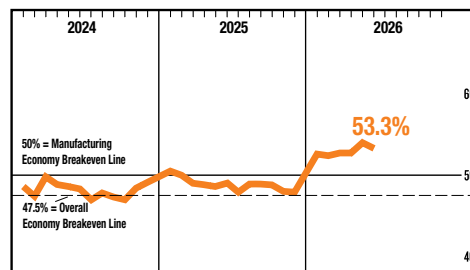
†**Miscellaneous Manufacturing** (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



MANUFACTURING PMI® at 53.3%

The U.S. manufacturing sector expanded in June for the sixth straight month following a 10-month period of contraction, registering 53.3 percent, a decrease of 0.7 percentage point compared to May. Of the five subindexes that directly factor into the Manufacturing PMI®, four (New Orders, Production, Supplier Deliveries and Inventories) were in expansion territory, one more than in May.

The Employment Index stayed in contraction but improved compared to May.



Manufacturing at a Glance

INDEX	Jun Index	May Index	% Point Change	Direction	Rate of Change	Trend* (months)
Manufacturing PMI®	53.3	54.0	-0.7	Growing	Slower	6
New Orders	56.0	56.8	-0.8	Growing	Slower	6
Production	52.2	54.3	-2.1	Growing	Slower	8
Employment	49.7	48.6	+1.1	Contracting	Slower	33
Supplier Deliveries	57.4	60.6	-3.2	Slowing	Slower	7
Inventories	51.4	49.9	+1.5	Growing	From Contracting	1
Customers' Inventories	42.3	42.7	-0.4	Too Low	Faster	21
Prices	73.0	82.1	-9.1	Increasing	Slower	21
Backlog of Orders	50.5	52.2	-1.7	Growing	Slower	6
New Export Orders	48.5	50.6	-2.1	Contracting	From Growing	1
Imports	52.9	53.0	-0.1	Growing	Slower	5
Overall Economy				Growing	Slower	20
Manufacturing Sector				Growing	Slower	6

*Number of months moving in current direction. ISM® Manufacturing PMI® Report data have been seasonally adjusted for the New Orders, Production, Employment and Inventories indexes.



Commodities Reported

Commodities Up in Price: Aluminum* (31); Aluminum Products (3); Brass (2); Copper (12); Copper Based Products (7); Corrugated Products (3); Electrical Components; Electronic Components (6); Freight (4); Fuel* (4); Memory Components (4); Metal Products (3); Ocean Freight (2); Oil (3); Oil Based Products (3); Packaging Materials (3); Paper Products (3); Plastic Based Products (3); Plastics (4); Printed Circuit Boards; Resins (5); Semiconductors; Steel (8); Steel — Hot Rolled (6); Steel — Stainless (5); Steel Products (7); and Sulfur Products (3).

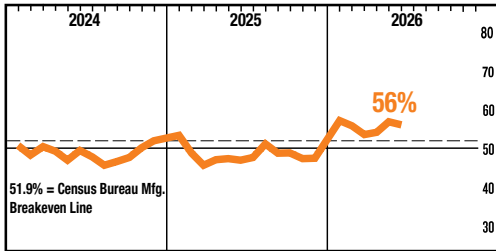
Commodities Down in Price: Aluminum*; Corn; Crude Oil; Fuel*; and Polypropylene Resin.

Commodities in Short Supply: Electrical Components (12); Electronic Components (16); Memory (6); Semiconductors (4); and Steel — Hot Rolled.

Note: To view the full report, visit the ISM® PMI® Reports website at ismrob.org.
 The number of consecutive months the commodity is listed is indicated after each item. *Indicates both up and down in price.

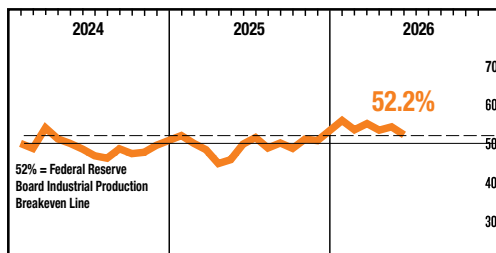
Manufacturing PMI[®]

Analysis by **Susan Spence, MBA**, Chair of the Institute for Supply Management[®] Manufacturing Business Survey Committee



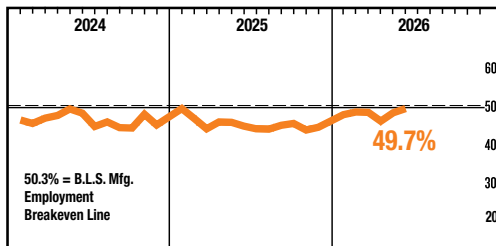
New Orders

ISM's New Orders Index registered 56 percent. The 11 manufacturing industries that reported growth in new orders in June, in order, are: Primary Metals; Apparel, Leather & Allied Products; Printing & Related Support Activities; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Machinery; Nonmetallic Mineral Products; Fabricated Metal Products; Plastics & Rubber Products; Transportation Equipment; and Chemical Products.



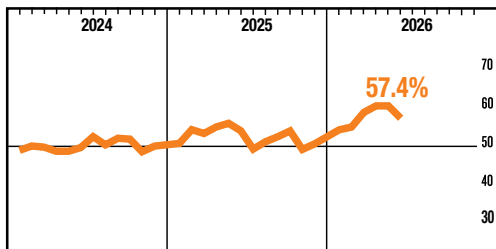
Production

The Production Index registered 52.2 percent. The eight industries reporting growth in production during the month of June — listed in order — are: Printing & Related Support Activities; Fabricated Metal Products; Electrical Equipment, Appliances & Components; Computer & Electronic Products; Primary Metals; Machinery; Transportation Equipment; and Chemical Products.



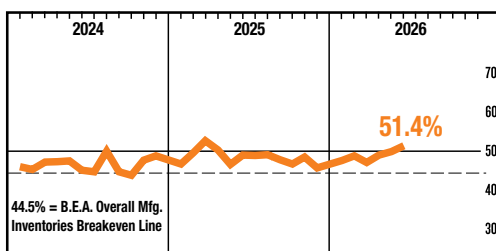
Employment

ISM's Employment Index registered 49.7 percent. Of the 18 manufacturing industries, nine reported employment growth in June, in the following order: Printing & Related Support Activities; Paper Products; Primary Metals; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Machinery; Miscellaneous Manufacturing[‡]; Transportation Equipment; and Chemical Products.



Supplier Deliveries

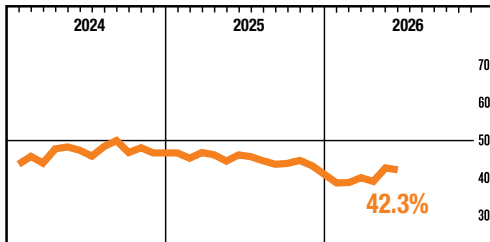
The Supplier Deliveries Index registered 57.4 percent. The 12 manufacturing industries reporting slower supplier deliveries in June, in order, are: Textile Mills; Primary Metals; Miscellaneous Manufacturing[‡]; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Nonmetallic Mineral Products; Computer & Electronic Products; Machinery; Food, Beverage & Tobacco Products; Plastics & Rubber Products; Chemical Products; and Transportation Equipment.



Inventories

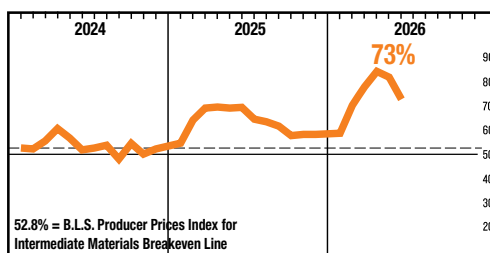
The Inventories Index registered 51.4 percent. Of 18 manufacturing industries, the seven reporting higher inventories in June — in the following order — are: Textile Mills; Apparel, Leather & Allied Products; Electrical Equipment, Appliances & Components; Machinery; Food, Beverage & Tobacco Products; Fabricated Metal Products; and Transportation Equipment.

[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).



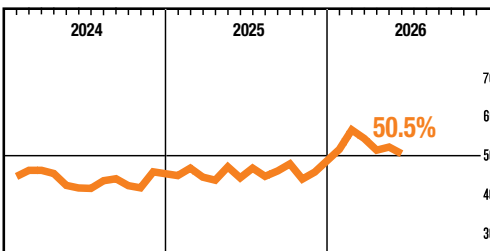
Customers' Inventories

ISM's Customers' Inventories Index registered 42.3 percent. The four industries that reported that customers' inventories were too high in June are: Textile Mills; Wood Products; Miscellaneous Manufacturing[‡]; and Plastics & Rubber Products.



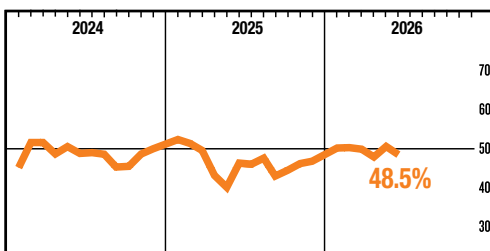
Prices

The ISM Prices Index registered 73 percent. In June, the 15 industries that reported paying increased prices for raw materials, in order, are: Electrical Equipment, Appliances & Components; Nonmetallic Mineral Products; Fabricated Metal Products; Miscellaneous Manufacturing[‡]; Machinery; Primary Metals; Wood Products; Plastics & Rubber Products; Paper Products; Computer & Electronic Products; Transportation Equipment; Furniture & Related Products; Textile Mills; Chemical Products; and Food, Beverage & Tobacco Products.



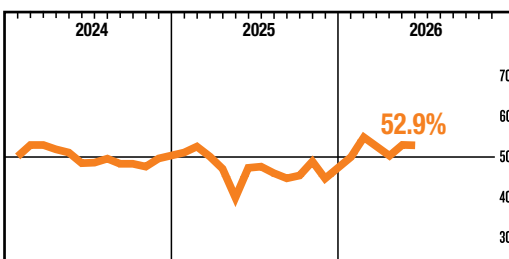
Backlog of Orders

ISM's Backlog of Orders Index registered 50.5 percent. The eight industries reporting higher backlogs in June — listed in order — are: Nonmetallic Mineral Products; Electrical Equipment, Appliances & Components; Plastics & Rubber Products; Computer & Electronic Products; Primary Metals; Chemical Products; Fabricated Metal Products; and Machinery.



New Export Orders

ISM's New Export Orders Index registered 48.5 percent. Of the 18 manufacturing industries, the four that reported growth in new export orders in June are: Computer & Electronic Products; Fabricated Metal Products; Electrical Equipment, Appliances & Components; and Miscellaneous Manufacturing[‡].



Imports

ISM's Imports Index registered 52.9 percent. The 10 industries reporting higher imports in June — in the following order — are: Wood Products; Textile Mills; Primary Metals; Machinery; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Fabricated Metal Products; Food, Beverage & Tobacco Products; Chemical Products; and Transportation Equipment.

[‡]Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies).

About This Report

DO NOT CONFUSE THIS NATIONAL REPORT with the various regional purchasing reports released across the country. The national report's information reflects the entire U.S., while the regional reports contain primarily regional data from their local vicinities. Also, the information in the regional reports is not used in calculating the results of the national report.

The data presented herein is obtained from a survey of manufacturing and services supply executives based on information they have collected within their respective organizations. ISM® makes no representation, other than that stated within this release, regarding the individual company data collection procedures. The data should be compared to all other economic data sources when used in decision-making.

Data and Method of Presentation

The **ISM® Manufacturing PMI® Report** is based on data compiled from purchasing and supply executives nationwide. The composition of the Manufacturing Business Survey Panel is stratified according to the North American Industry Classification System (NAICS) and each of the following NAICS-based industries' contribution to gross domestic product (GDP): Food, Beverage & Tobacco Products; Textile Mills; Apparel, Leather & Allied Products; Wood Products; Paper Products; Printing & Related Support Activities; Petroleum & Coal Products; Chemical Products; Plastics & Rubber Products; Nonmetallic Mineral Products; Primary Metals; Fabricated Metal Products; Machinery; Computer & Electronic Products; Electrical Equipment, Appliances & Components; Transportation Equipment; Furniture & Related Products; and Miscellaneous Manufacturing (products such as medical equipment and supplies, jewelry, sporting goods, toys and office supplies). The data are weighted based on each industry's contribution to GDP. According to U.S. Bureau of Economic Analysis (BEA) estimates (the average of the fourth quarter 2024 GDP estimate and the GDP estimates for first, second, and third quarter 2025, as released on January 22, 2026), the six largest manufacturing industries are: Chemical Products; Transportation Equipment; Food, Beverage & Tobacco Products; Computer & Electronic Products; Machinery; and Petroleum & Coal Products.

The **ISM® Services PMI® Report** (formerly the Non-Manufacturing ISM® *Report On Business*®) is based on data compiled from purchasing and supply executives nationwide. Membership of the Services Business Survey Panel (formerly Non-Manufacturing Business Survey Committee) is diversified by the North American Industry Classification System (NAICS), based on each industry's contribution to gross domestic product (GDP). The Services Business Survey Panel responses are divided into the following NAICS code categories: Agriculture, Forestry, Fishing & Hunting; Mining; Utilities; Construction; Wholesale Trade; Retail Trade; Transportation & Warehousing; Information; Finance & Insurance; Real Estate, Rental & Leasing; Professional, Scientific & Technical Services; Management of Companies & Support Services; Educational Services; Health Care & Social Assistance; Arts, Entertainment & Recreation; Accommodation & Food Services; Public Administration; and Other Services (services such as Equipment & Machinery Repairing; Promoting or Administering Religious Activities; Grantmaking; Advocacy; and Providing Dry-Cleaning & Laundry Services, Personal Care Services, Death Care Services, Pet Care Services, Photofinishing Services, Temporary Parking Services, and Dating Services). The data are weighted based on each industry's contribution to GDP. According to U.S. Bureau of Economic Analysis (BEA) estimates (the average of the fourth quarter 2024 GDP estimate and the GDP estimates for first, second, and third quarter 2025, as released on January 22, 2026), the six largest services sectors are: Real Estate, Rental & Leasing; Public Administration; Professional, Scientific, & Technical Services; Health Care & Social Assistance; Information; and Finance & Insurance.

Survey responses reflect the change, if any, in the current month compared to the previous month. Responses are raw data and are never changed. The diffusion index includes the percent of positive responses plus one-half of those responding the same (considered positive).

The resulting single index number for those meeting the criteria for seasonal adjustments (for Manufacturing: New Orders, Production, Employment, and Inventories) (for Services: Business Activity, New Orders, Employment and Prices) is then seasonally adjusted to allow for the effects of repetitive intra-year variations resulting primarily from normal differences in weather conditions, various institutional arrangements, and differences attributable to non-moveable holidays. The remaining indexes have not indicated significant seasonality. All seasonal adjustment factors are subject annually to relatively minor changes when conditions warrant them.

The Manufacturing PMI® is a composite index based on the diffusion indexes of five of the indexes with equal weights: New Orders (seasonally adjusted), Production (seasonally adjusted), Employment (seasonally adjusted), Supplier Deliveries, and Inventories (seasonally adjusted). The Services PMI® is a composite index based on the diffusion indexes for four of the indicators with equal weights: Business Activity (seasonally adjusted), New Orders (seasonally adjusted), Employment (seasonally adjusted) and Supplier Deliveries.

Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change.

A Manufacturing PMI® reading above 50 percent indicates that the manufacturing economy is generally expanding; below 50 percent indicates that it is generally declining. A Manufacturing PMI® above 47.5 percent, over a period of time, indicates that the overall economy, or gross

domestic product (GDP), is generally expanding; below 47.5 percent, it is generally declining. The distance from 50 percent or 47.5 percent is indicative of the extent of the expansion or decline. A Services PMI® reading above 50 percent indicates that the services economy is generally expanding; below 50 percent indicates that it is generally declining. A Services PMI® above 48.1 percent, over time, indicates that the overall economy, or gross domestic product (GDP), is generally expanding; below 48.1 percent, it is generally declining. The distance from 50 percent or 48.1 percent is indicative of the strength of the expansion or decline. With some of the indicators within the ISM® Manufacturing PMI® Report, ISM® has indicated the departure point between expansion and decline of comparable government series, as determined by regression analysis.

The ISM® *PMI® Report* surveys are sent out to Manufacturing and Services Business Survey Panel respondents the first part of each month. Respondents are asked to report on information for the current month for U.S. operations only. ISM® receives survey responses throughout most of any given month, with the majority of respondents generally waiting until late in the month to submit responses to give the most accurate picture of current business activity.

The industries reporting growth, as indicated in the monthly reports, are listed in the order of most growth to least growth. For the industries reporting contraction or decreases, those are listed in the order of the highest level of contraction/decrease to the least level of contraction/decrease.

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