

Absa Purchasing Managers' Index October 2025

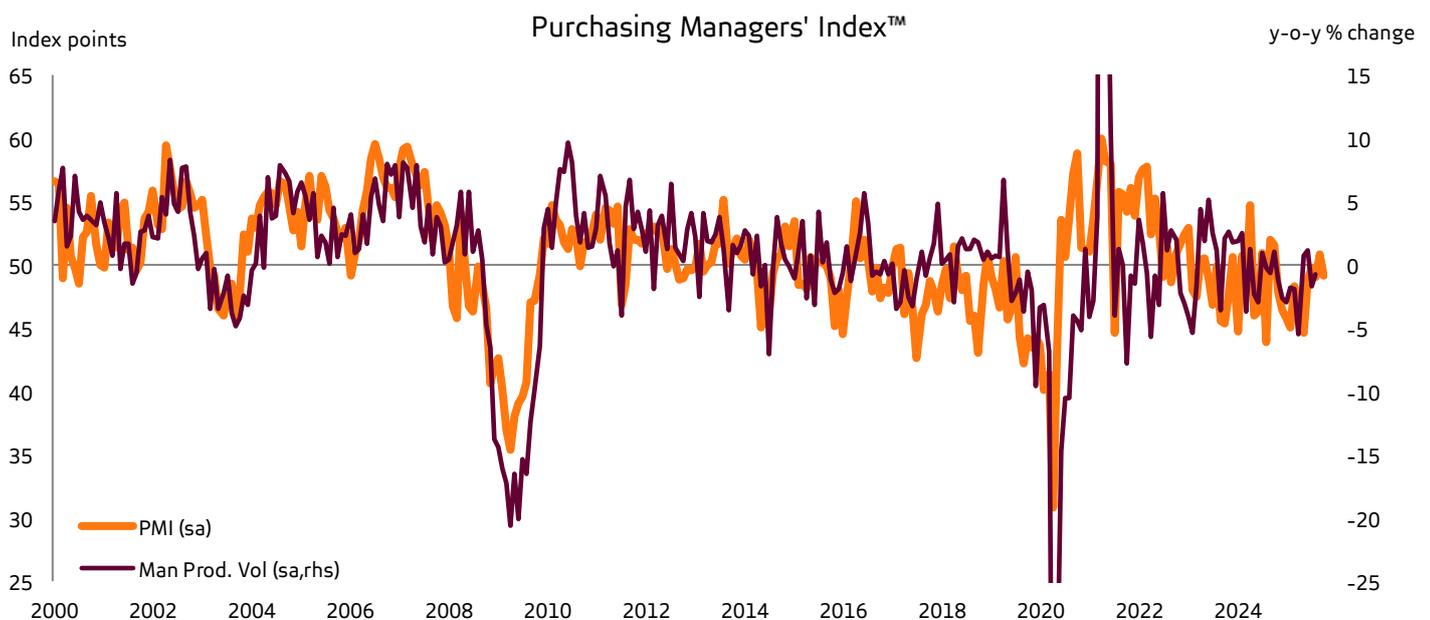
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The seasonally adjusted **Absa Purchasing Managers' Index (PMI)** decreased by 1.6 points to 49.2 points in October 2025 from 50.8 in September¹. The PMI thus returned to contractionary territory, albeit only just, after a mere month of signalling growth. The manufacturing sector's performance remains under pressure, with respondents commenting that domestic demand is quieter than usual this time of the year. On the export front, demand is also sluggish, complicated by the rise in US trade tariffs and logistical challenges.

The **business activity index** decreased by 5 points to 49.4 in October, slipping back into contractionary territory for nine of the ten months in 2025. However, October activity remains the second-highest reading for 2025, following 54.4 points in September. The demand recovery from September was reversed. **New sales orders** decreased by 3.9 points to 48.9 in October, following a substantial gain of 5.4 points in September. Sales orders have contracted for eight of the ten months this year, indicating that the economy remains under pressure and demand remains subdued. Global demand remained under pressure as exports contracted for a seventh successive month. The **supplier deliveries index** decreased by 1.4 points to 53.5 in September. It remains to be seen whether this decrease (signalling faster delivery times as the index is inverted) is due to the contraction in new orders or recent news of a better-performing port in KwaZulu-Natal. The **employment index** increased by 2.2 points in October, reaching 45.1, stuck in contractionary territory since April 2024. This follows a 4.9 contraction in September. As demand remains subdued and activity remains volatile and minor improvements are not sustained, manufacturers are reluctant to increase staff levels.

The **purchasing price index** increased slightly by 0.2 points, edging up to 61.9 in October, despite a relatively stronger rand exchange rate. Movements in fuel prices were mixed, with minor increases in petrol prices and decreases in diesel prices. Worryingly, the index tracking **expected business conditions** in six months' time declined from 49.2 in September to 46.1 in October, falling deep into contractionary territory. This is the lowest level since the 48.6 points in April 2025.

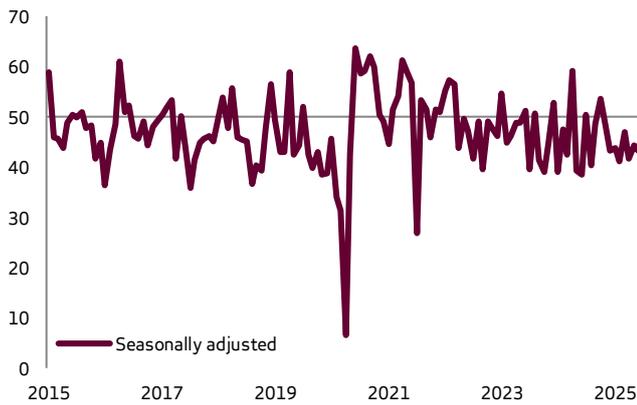
¹ As usual in October, we have updated the seasonal factors used to calculate the seasonally adjusted series. This has resulted in minor changes to the historic data. The updated data sheet can be found on the [BER's website](#).



For further information: Nkosiphindile Shange, Economist, BER (shange@sun.ac.za)

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PMI: Business activity



The **business activity index** decreased by 5 points to 49.4 in October, and returned to contractionary territory as September demand gains were reversed. However, performance remains the second-best this year, after September.

	Aug	Sep	Oct
Business activity	46.2	54.4	49.4

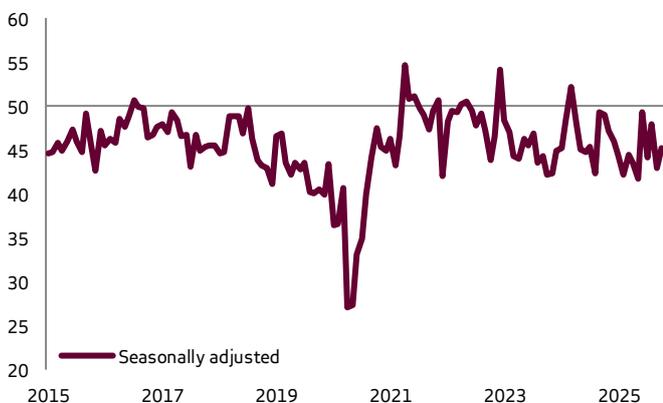
PMI: New sales orders



New sales orders decreased by 3.9 points to 48.9 in October, also returning to contractionary territory. This follows a 5.4-point gain in September. Exports remain subdued.

	Aug	Sep	Oct
New sales orders	47.4	52.9	48.9

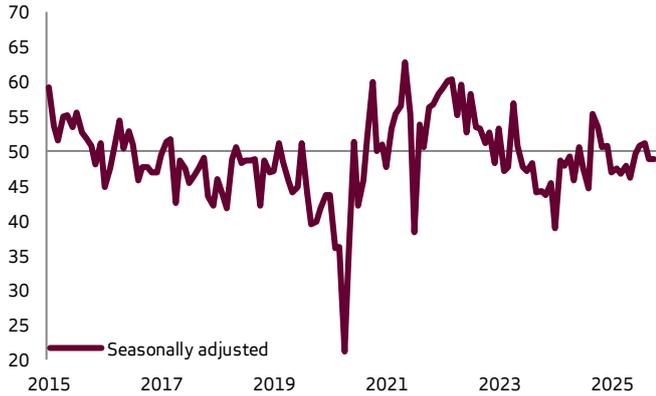
PMI: Employment



The **employment index** increased by 2.2 points in October, following a 4.9-point contraction in September. The employment index has remained in contractionary terrain since April 2024. Slow economic growth, subdued demand and volatile activity mean manufacturers are reluctant to increase employment.

	Aug	Sep	Oct
Employment	47.9	43.0	45.1

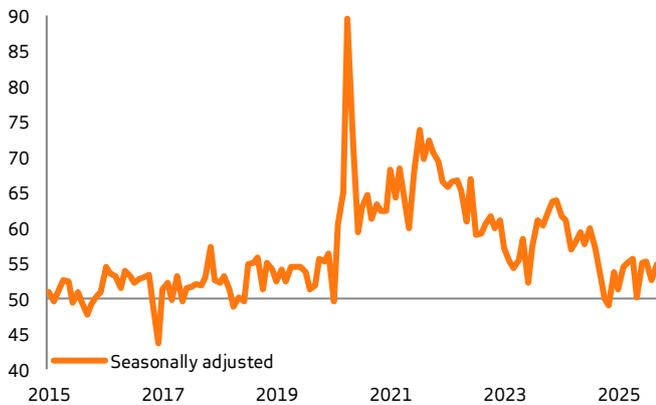
PMI: Inventories



The **inventories index** remained at September's level. This indicates that there could be delays in production, as stock levels remain low or manufacturers are not optimistic about demand and therefore do not see the need to maintain high levels of purchased stock.

	Aug	Sep	Oct
Inventories	51.0	48.8	48.8

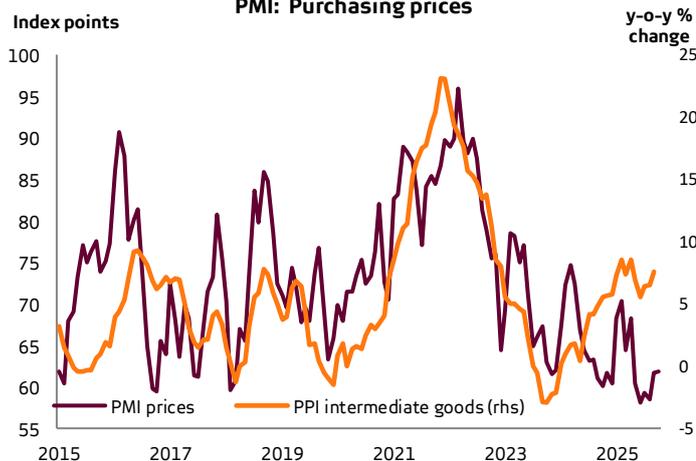
PMI: Supplier deliveries



The **supplier deliveries index** decreased by 1.4 points to 53.5 in September. It remains to be seen whether this decrease (signalling faster delivery times as the index is inverted) is due to the contraction in new orders or recent news of a better-performing port in KwaZulu-Natal.

	Aug	Sep	Oct
Supplier deliveries	52.7	54.9	53.5

PMI: Purchasing prices



The **purchasing price index** increased slightly by 0.2 points, edging up to 61.9 in October despite a relatively stronger rand exchange rate. Movements in fuel prices were mixed, as petrol prices increased by 1-8 cents while diesel prices decreased by 8-10 cents, depending on the grades. The PPI for intermediate goods was 7.6% in September from 6.5% in August—the highest since April (8.5%).

	Aug	Sep	Oct
Purchasing prices	58.5	61.7	61.9

The PMI is an economic activity index based on a survey conducted by the Bureau for Economic Research and sponsored by Absa. The monthly surveys are conducted under a representative group of purchasing managers in the South African manufacturing sector. These purchasing managers have to indicate each month whether a particular activity (e.g. new sales orders) for their company has increased, decreased or remained unchanged. Diffusion indices are then calculated by taking the percentage of respondents that reported an increase and adding it to one-half of the percentage that reported no change. This results in an index for which a value of 50 indicates no change in the activity, a value above 50 indicates increased activity and a value below 50 indicates decreased activity. The indices are then seasonally adjusted, but no further smoothing method is applied. The headline PMI is calculated as the weighted average of the following indices (weights in parentheses): Business Activity (0.20), New Orders (0.20), Employment (0.20), Supplier Deliveries (0.20) and Inventories (0.20). Note that the inverse of the Supplier Deliveries index is used in the PMI calculation. For more information on the South African manufacturing PMI, the historical data series as well as a description of the questions in the PMI survey, please visit the BER's website (www.ber.ac.za).