

Prompt Manufacturing Index (PMI) Bank Indonesia



QUARTER IV - 2025

MANUFACTURING INDUSTRY PERFORMANCE INCREASING

Manufacturing Performance

The latest Prompt Manufacturing Index – Bank Indonesia (PMI-BI) reading taken in the fourth quarter of 2025 indicates increasing manufacturing industry performance, thus remaining in an expansionary phase (index > 50%) at 51.86%, up from 51.66% in the previous period. Most PMI-BI components posted gains, namely Production Volume, Inventory Volume and Order Volume. In addition, most manufacturing subsectors remained in an expansionary phase, led by the Paper and Paper Products, Printing and Reproduction of Recorded Media Industry, the Non-Metallic Mineral Products Industry as well as the Food and Beverages Industry. The PMI-BI trend is also consistent with the latest findings of manufacturing industry growth presented in the Business Survey published by Bank Indonesia, where the corresponding Weighted Net Balance (WNB) stood at 1.18%.

Business Optimism

In the first quarter of 2026, respondents expect manufacturing industry performance to continue tracking an upward trend in an expansionary phase, as reflected by a PMI-BI of 53.17%. The expansion is mainly driven by Order Volume, Production Volume, Inventory Volume and Speed of Supplier Delivery Time. Furthermore, most manufacturing subsectors are also expected in expansionary territory, with the highest index readings predicted for the Leather, Leather Products and Footwear Industry, Furniture Industry, Basic Metals Industry as well as the Food and Beverages Industry.

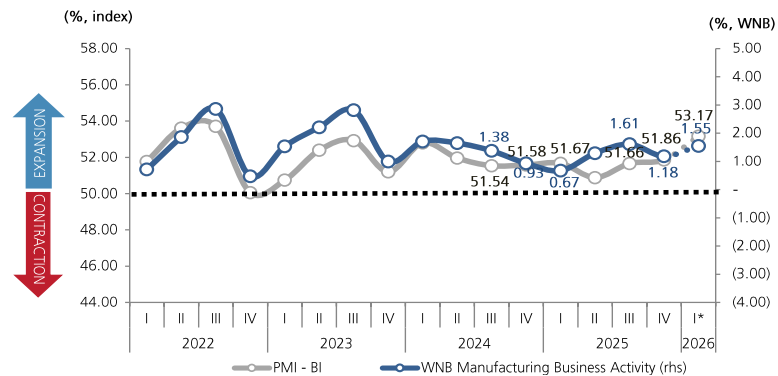
Prompt Manufacturing Index – Bank Indonesia (PMI-BI)

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The latest PMI-BI reading of 51.86% indicates increasing manufacturing industry performance in the fourth quarter of 2025, up from 51.66% in the previous period (Graph 1). PMI-BI performance in the fourth quarter of 2025 was driven by several components, which remained in an expansionary phase, namely Production Volume (53.46%), Inventory Volume (53.46%) and Order Volume (53.31%) (Table 1).

Graph 1

PMI-BI and WNB of Manufacturing Industry – Bank Indonesia Business Survey



*) Expectation

The current PMI-BI trend is consistent with increasing manufacturing activity according to the latest Business Survey conducted by Bank Indonesia in the fourth quarter of 2025, with the corresponding Weighted Net Balance (WNB) remaining solid at 1.18% (Graph 1).

Respondents predict increasing manufacturing industry performance in the first quarter of 2026.

Respondents expect manufacturing industry performance to continue tracking an upward trend in the first quarter of 2026, as indicated by an index of 53.17%, supported by most components, particularly Order Volume (55.05%), followed by Production Volume (54.82%), Inventory Volume (54.22%) and Speed of Supplier Delivery Time (50.38%). Meanwhile, respondents also predict improvements in terms of Employment Level, despite remaining in a contractionary zone at 49.85%.

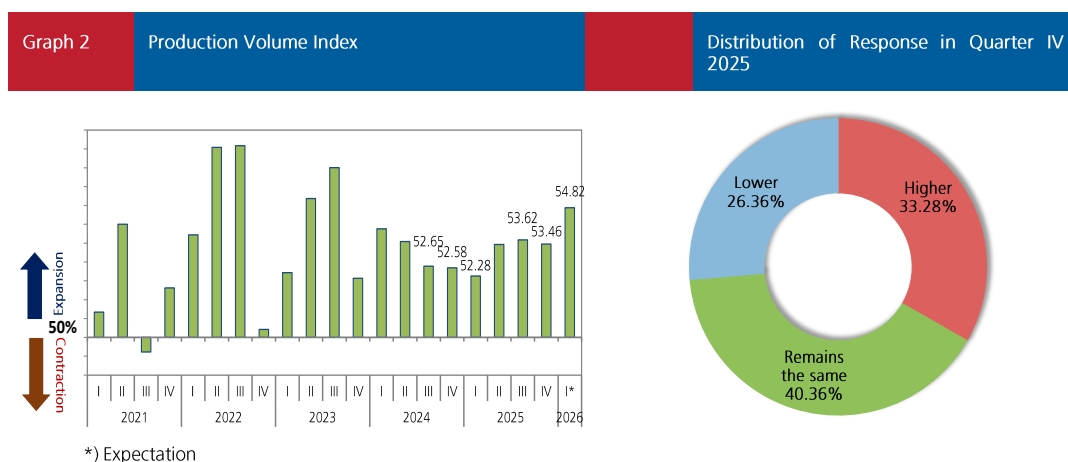
PMI-BI Components

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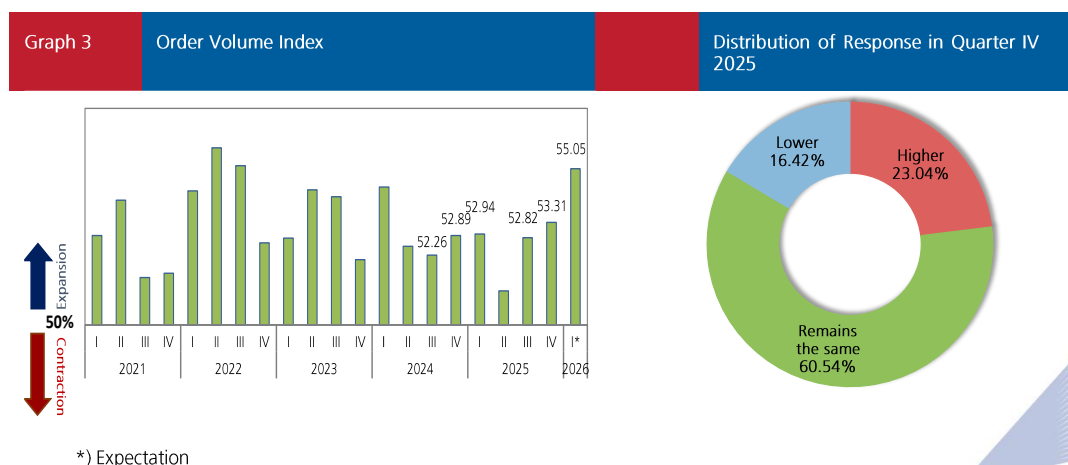
A. Production Volume

In the fourth quarter of 2025, the Production Volume Index remained in an expansionary phase with an index of 53.46%, moderating slightly from 53.62% in the previous period (Graph 2). Production Volume performance was maintained in line with persistently solid private demand, as reflected by an increase in Order Volume. Looking ahead, respondents predict an increase in the Production Volume Index to 54.82% in the first quarter of 2026 (Graph 2).



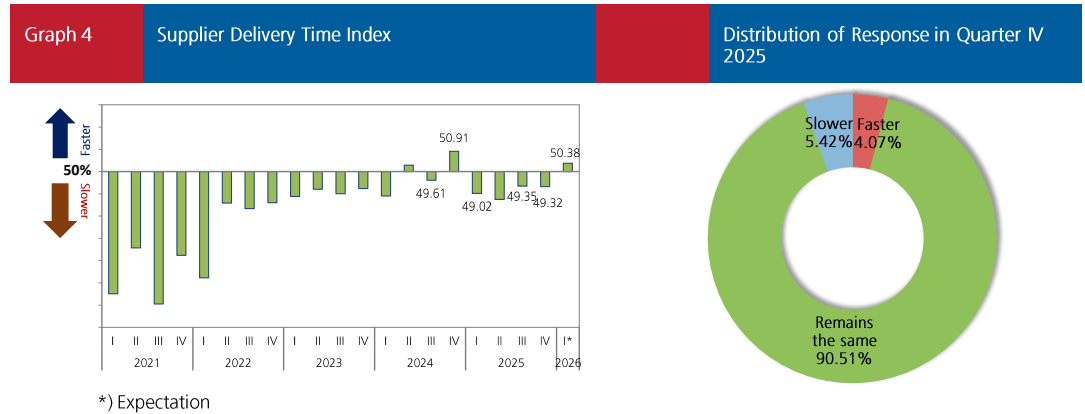
B. Order Volume

PMI-BI performance in the reporting period was also driven by an increase in the Order Volume Index to 53.31% from 52.82% in the third quarter of 2025. In the first quarter of 2026, respondents predict the Order Volume Index to accelerate to 55.05% (Graph 3).



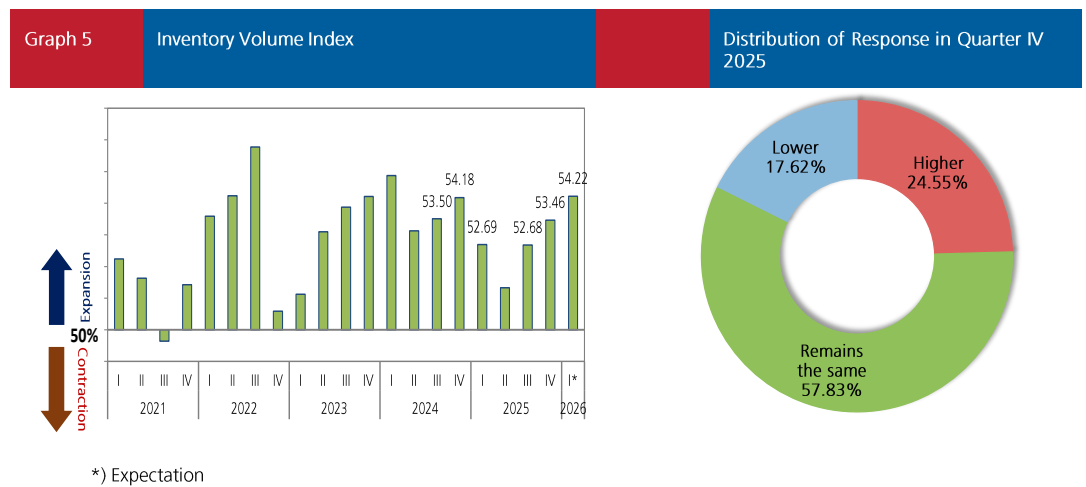
C. Speed of Supplier Delivery Time Index

The Speed of Supplier Delivery Time Index remained relatively stable in a contractionary zone at 49.32% in the fourth quarter of 2025 compared with 49.35% in the third quarter of 2025 (Graph 4). Meanwhile, respondents expect the Speed of Supplier Delivery Time Index to move into an expansionary phase in the first quarter of 2026 at 50.38% (Graph 4).



D. Inventory Volume

The Inventory Volume Index indicated expansion in the fourth quarter of 2025 at 53.46%, up from 52.68% in the previous period (Graph 5). The increase was consistent with the higher Order Volume Index in the reporting period. Meanwhile, respondents expect the upward Inventory Volume Index trend to persist in the first quarter of 2026, reaching 54.22%.



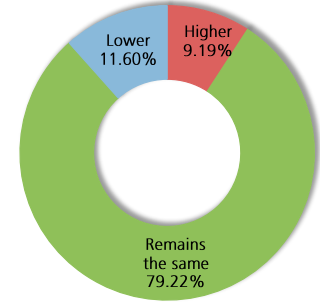
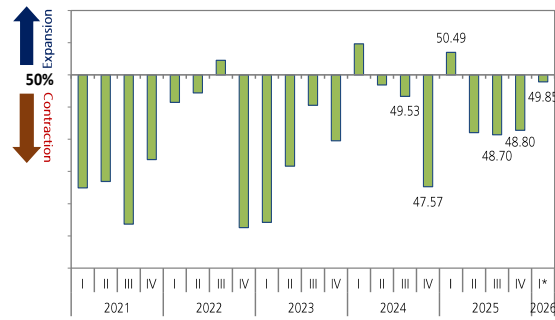
E. Employment Level

The Employment Level component in the fourth quarter of 2025 improving to 48.80% from 48.70% in the previous period despite remained in a contractionary phase (Graph 6). Respondents expect ongoing improvements in the Employment Level Index to persist in the first quarter of 2026, with an index reading 49.85%.

Graph 6

Employment Index

Distribution of Response in Quarter IV 2025



*) Expectation

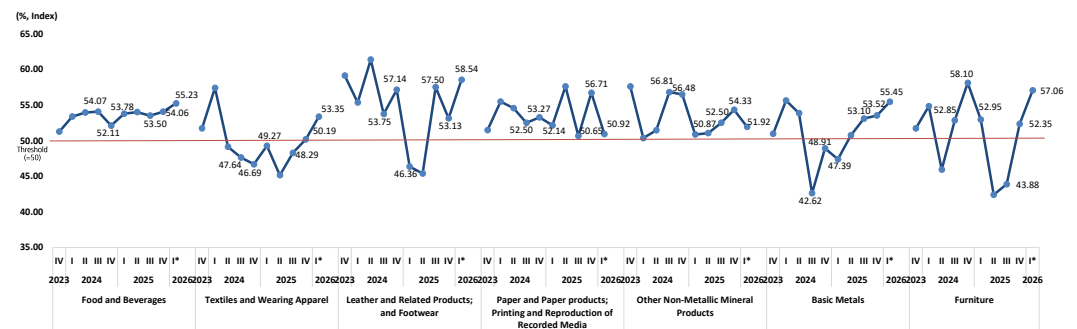
PMI – BI by Subsector

PMI-BI performance in the fourth quarter of 2025 was supported by several manufacturing subsectors, which indicated stronger performance in an expansionary phase. The Paper and Paper Products, Printing and Reproduction of Recorded Media Industry recorded the highest index (56.71%), followed by Non-Metallic Mineral Products Industry (54.33%), as well as the Food and Beverages Industry (54.06%). Furthermore, the Furniture Industry as well as the Textiles and Wearing Apparel Industry recorded higher indexes of 52.35% and 50.19% compared with contractionary readings of 43.88% and 48.29% in the previous period.

In the first quarter of 2026, respondents anticipate most manufacturing subsectors in an expansionary phase, led by the Leather, Leather Products and Footwear Industry (58.54%), the Furniture Industry (57.06%), Basic Metals Industry (55.45%), as well as the Food and Beverages Industry (55.23%).

Graph 7

PMI-BI By Subsector



*) Expectation

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METHODOLOGY

PMI – BI is a composite indicator providing an overview of the manufacturing sector performance in Indonesia based on the Bank Indonesia Business Survey. PMI-BI composites comprises of five indices, namely production volume (output), new order volume (input), inventories, employment, and speed of supplier delivery times. PMI is calculated based on a pre-assessment of benchmarked Purchasing Managers' Index from a number of other countries. An index reading of above 50 signals business expansion, while a reading below 50 indicates a contraction. Starting the first of 2023, the Survey has been adjusted to accommodate Subsector weight of 2010 base year from previously using 2000 base year. PMI-BI is calculated from \pm 600 respondents in the manufacturing sector. The metadata can be accessed at <https://www.bi.go.id/id/statistik/Metadata/Survei/Documents/4-Metadata-PMI-2022.pdf>.

Table 1 Prompt Manufacturing Index – Bank Indonesia
(% Index)

Period		Component					PMI - BI
		Production Volume	Order Volume	Speed of Supplier Delivery Time	Inventory Volume	Employment Level	
2017	I	47.70	48.17	48.31	49.16	48.62	47.93
	II	57.53	48.23	49.41	50.74	51.70	51.68
	III	54.78	49.79	49.07	48.64	48.29	50.51
	IV	49.36	48.94	48.73	48.30	47.95	48.75
2018	I	52.71	50.50	48.57	50.00	47.64	50.14
	II	54.39	54.57	46.57	53.15	50.67	52.40
	III	55.18	53.37	45.37	54.10	50.00	52.02
	IV	55.42	56.17	44.58	54.03	48.92	52.58
2019	I	53.49	54.04	49.94	53.29	51.22	52.65
	II	54.19	54.88	49.89	51.13	50.28	52.66
	III	53.64	53.48	49.50	54.27	48.68	52.04
	IV	53.42	53.27	49.71	52.56	47.23	51.50
2020	I	43.10	47.28	43.22	46.69	47.63	45.64
	II	25.36	28.95	26.16	32.28	31.84	28.55
	III	45.35	50.55	38.75	43.87	41.03	44.91
	IV	49.94	49.33	42.27	46.78	44.95	47.29
2021	I	50.94	52.89	44.51	52.24	47.54	50.01
	II	54.20	54.03	46.57	51.63	47.68	51.45
	III	49.46	51.53	44.05	49.64	46.76	48.75
	IV	51.84	51.67	46.24	51.42	48.16	50.17
2022	I	53.81	54.33	45.22	53.59	49.40	51.77
	II	57.05	55.72	48.59	54.23	49.61	53.61
	III	57.12	55.14	48.34	55.78	50.32	53.71
	IV	50.29	52.65	48.60	50.59	46.68	50.06
2023	I	52.40	52.80	48.88	51.12	46.79	50.75
	II	55.16	54.37	49.21	53.10	48.02	52.39
	III	56.30	54.15	49.00	53.88	49.34	52.93
	IV	52.19	52.11	49.24	54.22	48.57	51.20
2024	I	54.03	54.45	48.91	54.87	50.67	52.80
	II	53.56	52.54	50.29	53.13	49.78	51.97
	III	52.65	52.26	49.61	53.50	49.53	51.54
	IV	52.58	52.89	50.91	54.18	47.57	51.58
2025	I	52.28	52.94	49.02	52.69	50.49	51.67
	II	53.45	51.10	48.75	51.33	48.75	50.89
	III	53.62	52.82	49.35	52.68	48.70	51.66
	IV	53.46	53.31	49.32	53.46	48.80	51.86
2026	I*	54.82	55.05	50.38	54.22	49.85	53.17

*) Expectation

Table 2 Prompt Manufacturing Index – BI by Subsector
(% Index)

Subsector	2022	2023					2024				2025				2026
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I*	
Manufacture of Food Products and Beverages	51.0	52.20	53.73	53.44	51.26	53.38	53.95	54.07	52.11	53.78	54.00	53.50	54.06	55.23	
Manufacture of Tobacco Products	43.6	52.35	53.30	59.58	49.53	58.42	59.34	59.83	47.89	47.94	50.16	57.79	50.00	49.69	
Manufacture of Textiles; and Wearing Apparel	55.0	53.17	50.34	50.20	51.72	57.40	49.13	47.64	46.69	49.27	45.15	48.29	50.19	53.35	
Manufacture of Leather and Related Products; and Footwear	56.3	58.50	63.55	55.92	59.12	55.36	61.36	53.75	57.14	46.36	45.38	57.50	53.13	58.54	
Manufacture of Wood and Products of Wood and Cork, Articles of Straw and Plaiting Materials	45.5	43.54	50.71	52.06	51.94	47.71	44.42	46.33	46.58	50.65	42.38	44.08	49.91	51.67	
Manufacture of Paper and Paper products; Printing and Reproduction of Recorded Media	52.3	50.00	53.65	55.71	51.47	55.48	54.57	52.50	53.27	52.14	57.61	50.65	56.71	50.92	
Manufacture of Chemicals and Pharmaceuticals; and Botanical Products	54.6	50.78	55.19	49.73	52.50	50.00	51.44	52.06	51.90	52.66	50.31	52.56	51.79	51.13	
Manufacture of Rubber, Rubber Products and Plastic Products	41.4	46.71	47.36	49.10	46.42	50.73	50.27	53.73	48.68	48.71	47.90	48.71	46.72	52.45	
Manufacture of Other Non-Metallic Mineral Products	57.7	53.43	56.71	59.96	57.61	50.36	51.45	56.81	56.48	50.87	51.05	52.50	54.33	51.92	
Manufacture of Basic Metals	54.3	55.09	52.50	59.42	50.96	55.63	53.85	42.62	48.91	47.39	50.76	53.10	53.52	55.45	
Manufacture of Fabricated Metal Products, Computer, Optical Products and Electronic Devices	45.4	47.35	50.37	46.42	44.20	50.66	52.83	48.36	53.13	48.11	48.62	51.86	52.30	52.14	
Manufacture of Machinery and Equipment	53.2	61.83	57.50	60.78	60.17	53.50	57.19	54.58	57.19	52.86	58.24	58.57	51.36	53.86	
Manufacture of Transport Equipment	52.1	58.93	55.00	62.78	61.25	55.33	51.67	54.38	56.18	52.97	52.50	50.47	49.69	49.69	
Manufacture of Furniture	41.9	45.71	51.15	46.95	51.73	54.83	45.94	52.85	58.10	52.95	42.40	43.88	52.35	57.06	

*) Expectation