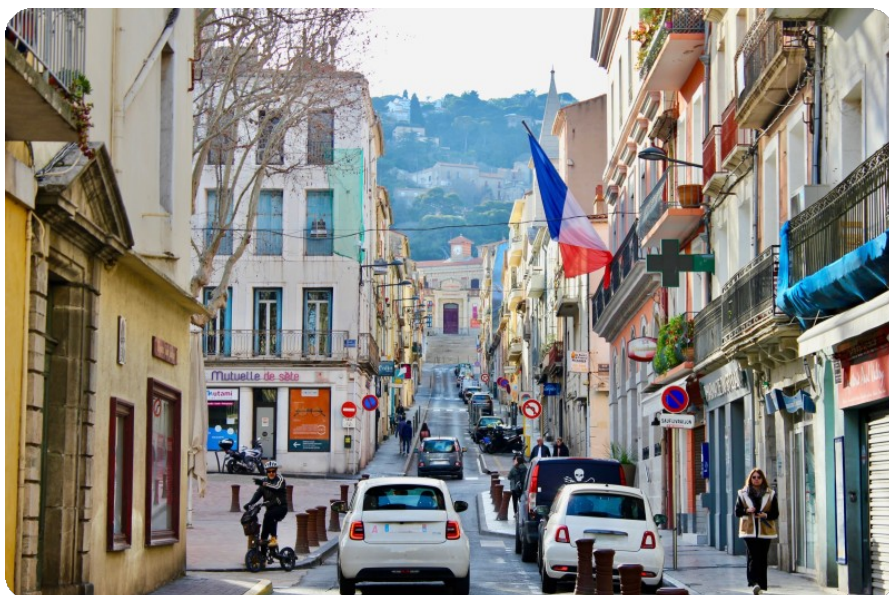


Snap | 23 September 2025

Eurozone PMI marches on thanks to stronger services sector

The composite PMI increased from 51 to 51.2 in September, indicating that the economy maintained a modest pace of growth in the third quarter



The French PMI dropped to the lowest level since April, with declines in both manufacturing and services

We suspected that last month's [very strong PMI](#) was a one-off. It was mainly the result of strong manufacturing, and the European Commission's survey had shown a jump in recent production but not in expectations. Today's data confirm this view. Most notably, manufacturing has now reversed, falling to its lowest point in three months. But service sector business activity picked up significantly, keeping the PMI at a level associated with modest growth. That rounds out a decent quarter for the eurozone economy despite significant global turmoil.

From a country perspective, France stands out negatively. The PMI dropped to the lowest level since April, with declines in both manufacturing and services. That stands in contrast to Germany, where services activity picked up according to the PMI. With heightened political uncertainty, the French economy appears to be mirroring this sense of instability.

The inflation outlook remains benign according to the survey, as input cost inflation eased a bit, which was also reflected in selling prices. And don't expect much of a resurgence of wage

pressure either, as employment remains muted – also confirmed by today's PMI. Eurozone inflation has been very stable around the 2% target in recent months, and we don't expect too much deviation in the months ahead either. If anything, it could go slightly below target, but nothing for the ECB to act on.

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