

Global PMI and inflation

Global PMI shows inflation set to heat up further as energy fuels higher prices

Global inflation remained elevated around mid-year, and looks set to rise further in the coming months, according to the leading indicators from the PMI data, potentially staying elevated into the new year.

US businesses reported the steepest price rise in output prices among the major economies in September, contrasting with falling charges in mainland China, where inflationary pressures were the weakest among the economies surveyed by the PMIs. However, stubbornly elevated inflation rates are also signalled for the eurozone, UK and Japan, with the PMI leading indicators all signalling inflation at levels well above central bank targets.

By sector, the steepest global charges growth was reported for transportation, reflecting higher fuel costs.

Cooling, but stubbornly high, inflation

Worldwide inflation remained elevated around mid-year, and looks set to rise further in the coming months, according to S&P Global's PMI survey data, produced at the global level on behalf of J.P. Morgan.

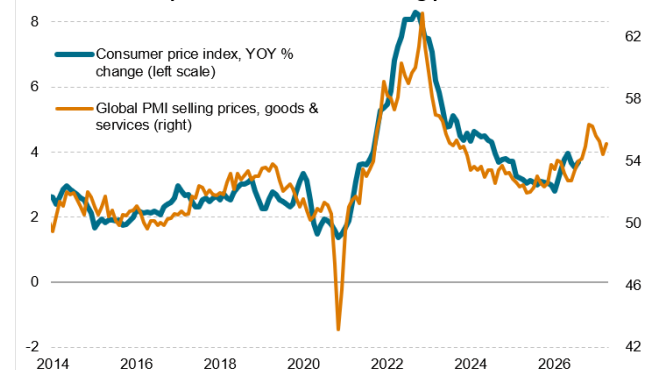
The latest official data point to global consumer prices rising at an annual 3.7% rate in August, which compares with a pre-pandemic decade average of 2.7%, and the leading indicators of inflation from the PMI data hint that it could breach 4% in the near term and stay elevated into the new year. Measured across both goods and services, the PMIs showed average prices charged rising at an increased rate in September. Although below that seen in the four months to July, the latest rise was the fifth largest since February 2023.

PMI as a leading indicator of inflation

The PMI data exhibit a close correlation with inflation both at the global level and within the world's major economies, with businesses' reporting of cost and selling price changes tending to act as a reliable forward indicator of changes in consumer prices. At the global level, for

example, the PMI input cost and selling price indices both exhibit a 90% correlation with the official annual consumer price inflation data over the past decade, importantly with the PMI gauges leading the official data by six months. Hence, the PMI indicators provide advance warning not only of changes in the trajectory of inflation but also of the near-term inflation rate.

Global consumer price inflation and PMI selling prices

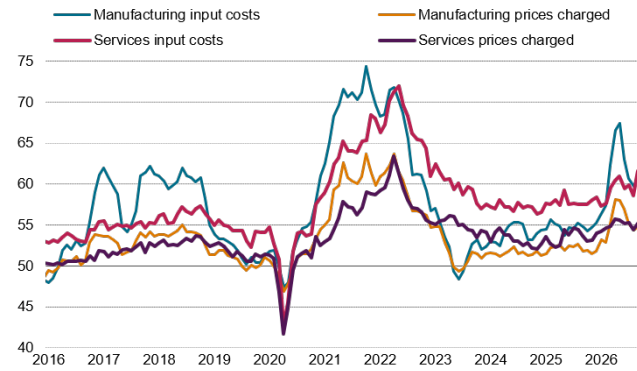


Data compiled October 2026 including PMI data to September 2026 advanced six months.
PMI value of 50 = no change on prior month.
Sources: S&P Global PMI with J.P. Morgan, S&P Global Market Intelligence.
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Services cost inflation spikes to highest since early 2023 as energy price surge feeds price hikes

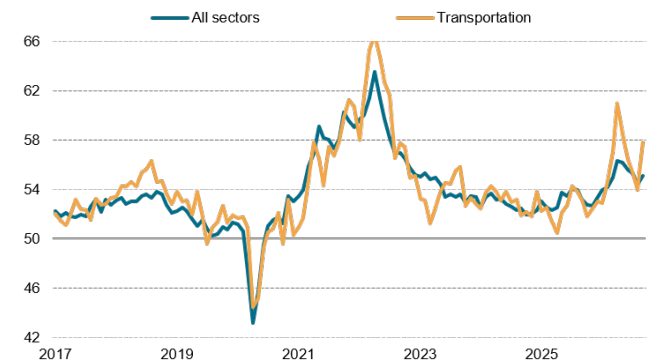
Rates of selling price inflation for both goods and services accelerated in September, thanks principally to higher energy, fuel and transport costs resulting from the war in the Middle East, as well as higher interest rates. The rate of services cost inflation notably hit the highest since January 2023.

Global PMI price indices



Data compiled October 2026 including PMI data to September 2026.
PMI (Purchasing Managers' Index) value of 50 = no change on prior month.
Sources: S&P Global PMI with J.P. Morgan, S&P Global Market Intelligence.
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Global PMI prices charged

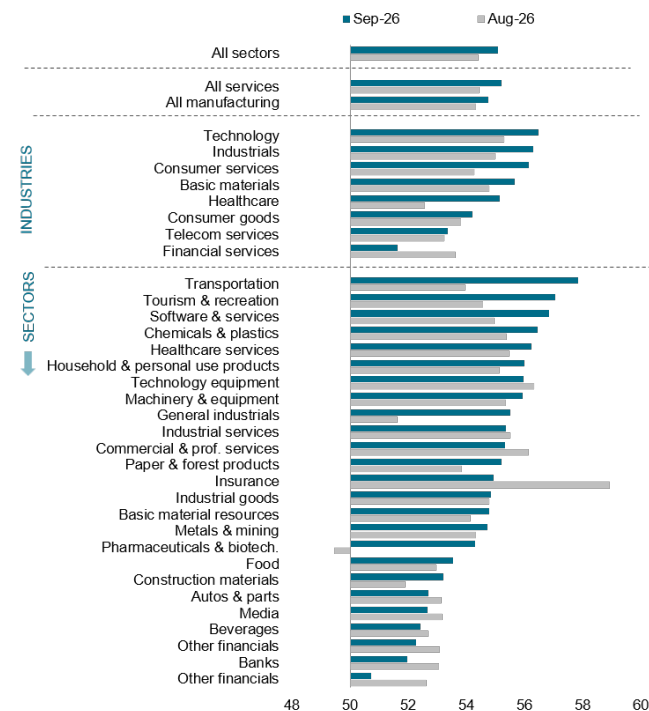


Data compiled October 2026 including PMI data to September 2026.
PMI 50 = no change on prior month.
Source: S&P Global PMI with J.P. Morgan
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Transport prices lead charge inflation higher

Not surprisingly, given the surge in oil prices seen in September, the steepest price rises globally were seen for transportation, followed by tourism & recreation. With the AI investment boom continuing to dominate the economic picture in September ([see our analysis of the latest PMI sector output trends here](#)), an above-average hike was also seen for prices levied by software & related services firms.

S&P Global PMI, global prices charged index



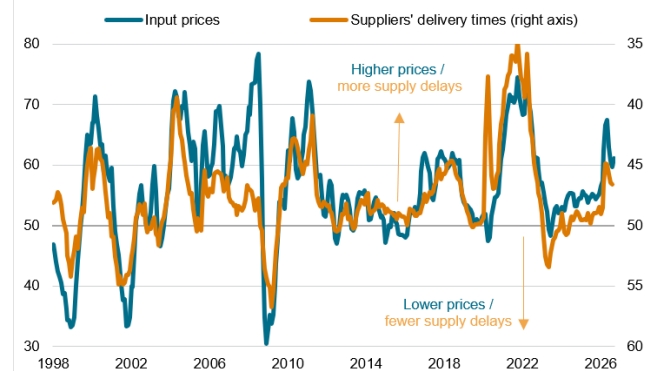
Data compiled October 2026
PMI (Purchasing Managers' Index) value of 50 = no change on prior month.
Source: S&P Global PMI with J. P. Morgan.
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Supply chain stress adds to price pressures

Although energy prices, and specifically the renewed upward pressure on oil prices, reportedly played a key role in driving prices higher globally in September, the PMI survey contributors also continue to highlight the broader upward pressure on prices from supply constraints.

Suppliers' delivery times lengthened in September to one of the greatest extents recorded over the past four years amid supply chain bottlenecks linked to both reduced raw material availability and shipping delays, in turn often associated with the conflict in the Middle East and restricted shipping. Low water levels on other transit routes were also reported. [Longer supply chains typically mean suppliers have greater pricing power](#) and are therefore highly correlated with producer input price inflation. September's rise in factory input costs was the largest since June and the fifth largest in nearly four years.

Global manufacturing supply delays and prices



Data compiled October 2026 using PMI data updated to September 2026.
PMI (Purchasing Managers' Index) 50 = no change on prior month
Source: S&P Global PMI with J.P. Morgan, S&P Global Market Intelligence.
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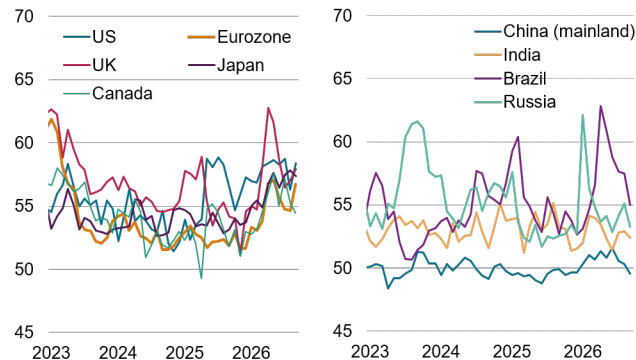
US reports steepest price rise of advanced economies

Among the major economies, the US reported the steepest rate of selling price inflation in September, with the rate of increase accelerating. Germany came second, recording the joint second-steepest rise in three-and-a-half years, followed by the UK, where a three-month high was reported. Meanwhile inflation cooled slightly in Japan (which had led the rankings in August with a new survey high). Rates also remained elevated and increased in Spain, France and Italy, pushing eurozone inflation to within a whisker of its recent high back in May.

While inflation also gathered pace in Australia, it slipped to a seven-month low in Canada.

Of the four major emerging markets, Brazil continued to report the steepest rate of inflation, while prices fell in mainland China for the first time since December.

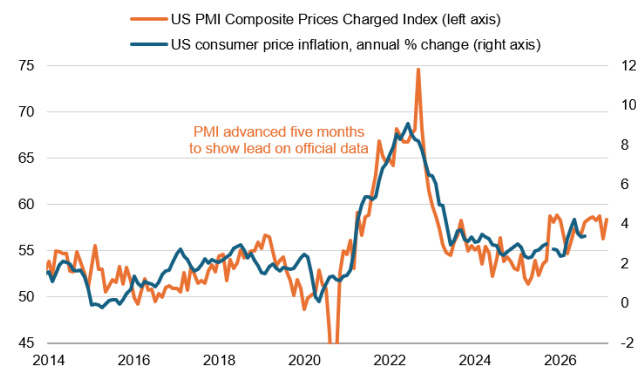
Major economies, prices charged



Data compiled October 2026 including PMI data to September 2026.
PMI index 50 = no change on prior month, covers manufacturing and services.
Source: S&P Global PMI, S&P Global Market Intelligence, HSBC, RatingDog.
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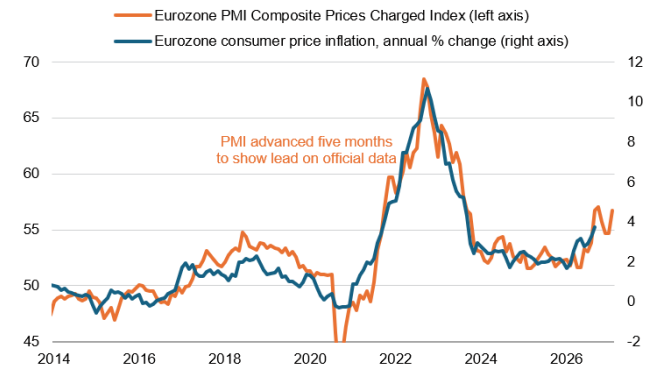
Comparisons of the PMI selling price indicators for all major developed economies point to consumer price inflation remaining stubbornly elevated in the coming months. In all cases, the indicators are running at levels significantly above central bank inflation targets, sending hawkish policy signals.

S&P Global US PMI vs. inflation



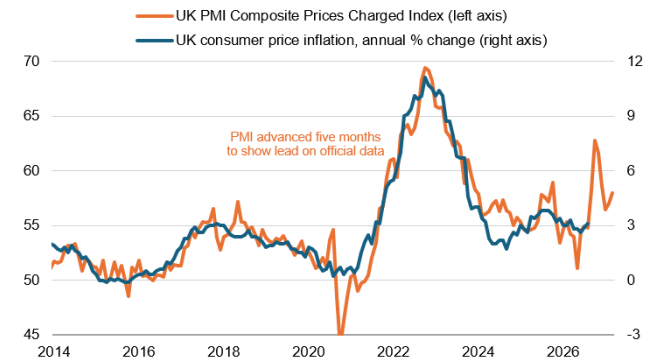
Data compiled October 5, 2026.
PMI 50 = no change on prior month, seasonally adjusted. Axes may be clipped to remove extremes.
Source: S&P Global PMI, BLS.
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Eurozone PMI vs. inflation



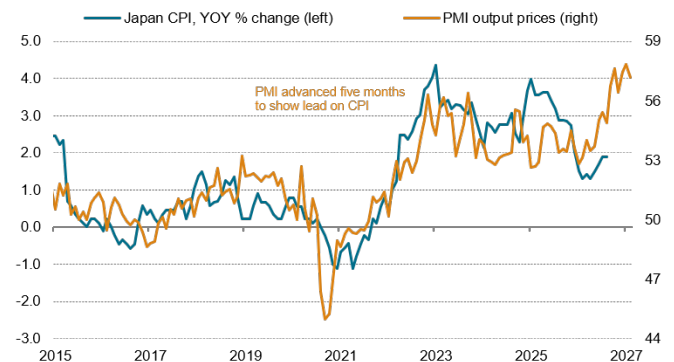
Data compiled October 5, 2026.
PMI 50 = no change on prior month. All data seasonally adjusted. Axes may be clipped to remove extremes.
Source: S&P Global PMI, Eurostat
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UK PMI vs. inflation



Data compiled October 5, 2026.
PMI 50 = no change on prior month. All data seasonally adjusted. Axes clipped to remove extremes.
Source: S&P Global PMI, ONS
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Japan PMI and inflation



Data compiled October 6, 2026, with PMI data to September.
PMI (Purchasing Managers' Index) value of 50 = no change on prior month, covers manufacturing and services.
Source: S&P Global PMI, CEIC.
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- [Running commentary on the PMI survey findings](#)
- [PMI Frequently Asked Questions](#)
- [Background to the PMIs \(video\)](#)
- [Understanding the headline PMI and its various subindices](#)
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