

# S&P Global UK Construction PMI<sup>®</sup>

## Steepest downturn in UK construction output for five-and-a-half years

November 2025

All three construction sub-sectors saw the greatest fall in activity since May 2020

Steep reductions in new orders and employment

Business optimism weakest since December 2022

November data pointed to a sharp and accelerated reduction in output levels across the construction sector amid widespread reports of challenging market conditions.

New orders also decreased to the greatest extent since May 2020. Many construction companies commented on weak client confidence, alongside delayed spending decisions linked to uncertainty ahead of the Budget.

At 39.4 in November, down from 44.1 in October, the headline S&P Global UK Construction Purchasing Managers' Index<sup>™</sup> (PMI<sup>®</sup>) – a seasonally adjusted index tracking changes in total industry activity – was the lowest since May 2020. Lower volumes of construction output have now been recorded for eleven months in a row.

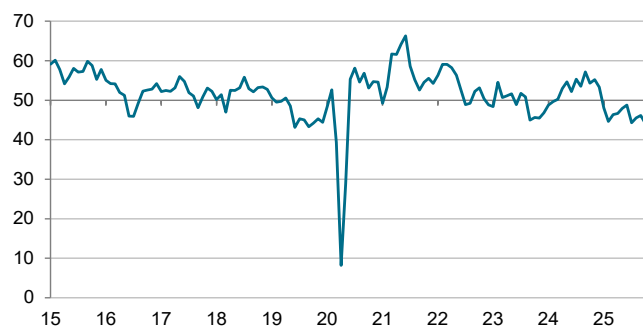
Sub-sector data showed that housing activity (index at 35.4), commercial construction (43.8) and civil engineering (30.0) all experienced the fastest downturns in activity for five-and-a-half years. Survey respondents commented on fragile market confidence, delays with the release of new projects and a general lack of incoming new work.

Total new business decreased at a rapid pace in November. Around 44% of the survey panel reported a fall in new orders, while only 17% signalled an increase. Aside from the pandemic, the resulting seasonally adjusted New Orders Index pointed to the fastest downturn in new work since early-2009. Construction companies commented on sales headwinds due to risk aversion among clients, worries about the UK economic outlook and elevated business uncertainty ahead of the Budget.

Employment numbers across the construction sector decreased for the eleventh consecutive month in November, reflecting a lack of new work to replace completed projects and elevated wage pressures. The latest fall in staffing levels was the steepest since August 2020. Subcontractor usage also decreased, as has been the case in each month since December 2024.

Supplier performance meanwhile improved solidly in November and to the greatest extent since June 2024. Survey respondents noted that softer demand for construction

S&P Global UK Construction PMI Total Activity  
Index, sa, >50 = growth m/m



Data were collected 12-27 November 2025.  
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### Comment

**Tim Moore, Economics Director at S&P Global Market Intelligence, said:**

*"November data revealed a sharp retrenchment across the UK construction sector as weak client confidence and a shortfall of new project starts again weighed on activity."*

*"Total industry activity decreased to the greatest extent for five-and-a-half years, led by steep falls in infrastructure and residential building work. Commercial construction also faced severe headwinds during November as business uncertainty in the run up to the Budget pushed clients to defer investment decisions."*

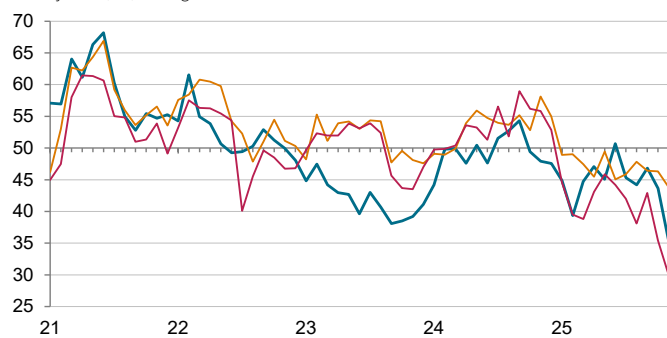
*"Lower workloads, alongside pressure on margins from rising wages and purchasing costs, continued to dampen staff hiring in November. The latest round of job cuts was the most marked since August 2020."*

*"Construction companies also signalled a slide in business activity expectations for the year ahead as hopes of an imminent rebound in sales pipelines faded in November. The degree of optimism dropped to its lowest since December 2022 amid reports of cutbacks to client budgets and pervasive worries about long-term UK economic growth prospects."*

## S&P Global UK Construction PMI®

■ Housing ■ Commercial ■ Civil Engineering

Activity Index, sa, >50 = growth m/m



Source: S&P Global PMI. ©2025 S&P Global.

products and materials had helped to alleviate supply chain pressures, although some firms cited ongoing challenges with shipping delays. Latest data also indicated that overall buying activity dropped at the steepest pace for five-and-a-half years.

Cost burdens increased at an accelerated pace in November, but the speed of inflation remained well below the long-run survey average. Anecdotal evidence pointed to higher prices paid for a range of items, especially electrical components, copper products and insulation.

Looking ahead, the proportion of construction companies expecting an upturn in business activity in the next 12 months (31%) narrowly exceeded those forecasting a decline (25%). The resulting Future Activity Index signalled the lowest degree of optimism since December 2022. Some firms commented on hopes of a rebound in general market conditions and support from lower borrowing costs. However, this was offset by signs of cutbacks to clients' investment spending plans and concerns about long-term domestic economic prospects.

### Methodology

The S&P Global UK Construction PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 150 construction companies. The panel is stratified by company workforce size, based on contributions to GDP. Survey data were first collected April 1997.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Total Activity Index. This is a diffusion index that tracks changes in the total volume of construction activity compared with one month previously. The Total Activity Index is comparable to the Manufacturing Output Index and Services Business Activity Index. It may be referred to as the 'Construction PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

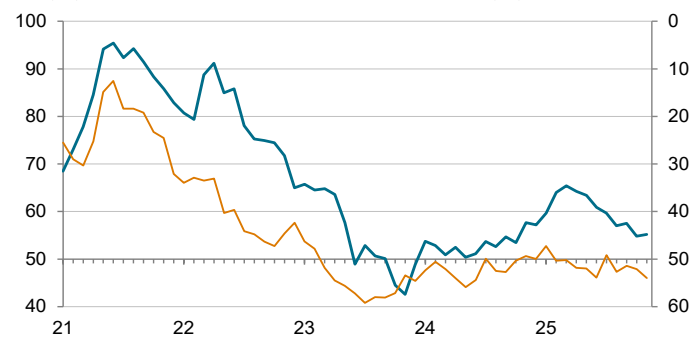
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■ Input Prices

Index, sa, >50 = inflation m/m



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