



UniCredit Bank Austria Purchasing Managers' Index

April 2026

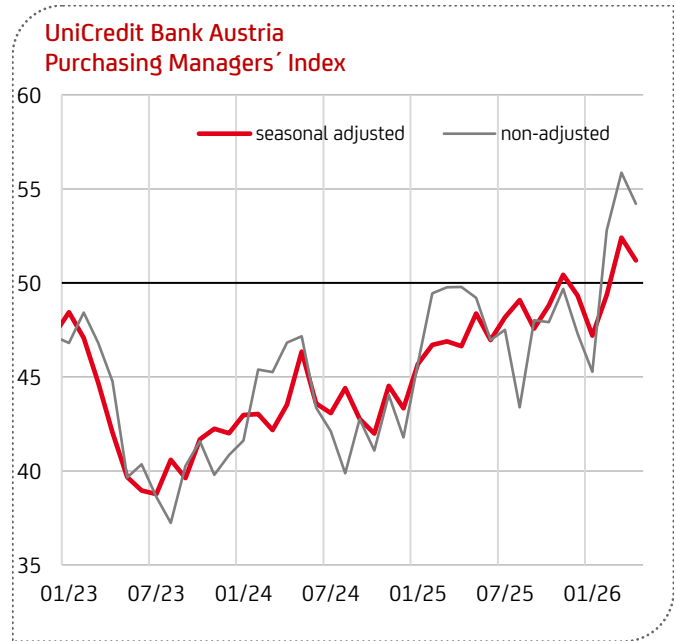
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Overview

MIDDLE EAST CONFLICT WEIGHS ON THE RECOVERY OF AUSTRIAN INDUSTRY

- The UniCredit Bank Austria Purchasing Managers' Index fell to 51.2 points in April
- A decline in new business led to a slight reduction in output at Austrian industrial firms
- Job losses accelerated significantly again in April
- High cost pressures caused the sharpest rise in output prices in over three years
- Growing supply concerns and the decline in demand led to an increase in stocks of purchases and stocks of finished goods
- Capacity bottlenecks, raw material shortages and transport disruptions due to the Middle East conflict triggered a significant lengthening of suppliers' delivery times
- Optimism is waning: business expectations over the coming year fell to 53.7 points in March, the lowest level in over a year.



Source: S&P Global, UniCredit Bank Austria

	UniCredit Bank Austria PMI	New orders	Output	Employment	Suppliers' delivery times	Stocks of purchases	Future output ¹⁾
Apr-26	51.2	49.2	49.5	45.8	35.3	52.0	53.7
<i>In comparison to previous month</i>	↓	↓	↓	↓	↗	↗	↓
<i>average since 2000</i>	↓	↓	↓	↓	↗	↗	↓

¹⁾ not in the overall index / business expectations 12 months

Source: S&P Global, UniCredit

In details

THE UNICREDIT BANK AUSTRIA PURCHASING MANAGERS' INDEX DECREASED TO 51.2 POINTS IN APRIL

The UniCredit Bank Austria Purchasing Managers' Index fell to 51.2 points in April. Despite the uncertainty caused by the conflict in the Middle East, the indicator thus once again exceeded the neutral threshold of 50 points – the level at which growth is signalled – following the four-year high recorded the previous month. Geopolitical tensions are already having a noticeable impact on the recovery of Austrian industry. Given the disruption to energy supplies caused by the blockade of the Strait of Hormuz and the damage to energy processing facilities in neighbouring countries, Austria's industry faces the threat of slipping back into recession – depending on the duration of the conflict. There is still a degree of optimism within the domestic industry. However, the production expectations index fell to 53.7 points in April, the lowest level in over a year.

The Middle East conflict left a clear mark on the Austrian industry at the start of the second quarter, as reflected in the current decline in the UniCredit Bank Austria Purchasing Managers' Index. In response to falling domestic and foreign demand, domestic industrial firms reduced output in April and accelerated staff cuts. Sharp cost increases forced them to raise output prices. Supply fears, fuelled by a significant lengthening of delivery times, triggered a build-up of raw material stocks, whilst lower demand caused an increase in stocks of finished goods.

Austrian industry was not alone in facing the pressures of the Middle East conflict at the start of the second quarter. Whilst the preliminary Purchasing Managers' Index for the manufacturing sector across the eurozone rose slightly to 52.2 points, driven in part by developments in France, in Germany—the domestic industry's most important trading partner—the Purchasing Managers' Index fell, as it did in Austria, and stood at 51.2 points, exactly the same level as here.

In April, the UniCredit Bank Austria Purchasing Managers' Index was once again below the corresponding figure for the eurozone, and even when compared with Germany, Austrian industry appeared to react more strongly to the Middle East conflict, despite the two indices recording the same overall value. In the eurozone and in Germany, new orders rose slightly and production output increased.

FEWER NEW ORDERS AND LOWER PRODUCTION OUTPUT

After two months of rising demand and production expansion, the upward trend in Austrian industry was at least interrupted as a result of the pressures caused by the Middle East conflict. A decline in new business led domestic firms to reduce production output. The production index fell to 49.5 points, although the build-up of safety stocks against a backdrop of rising prices and supply disruptions limited the decline. Furthermore, the sharp decline in order backlogs points to the processing of outstanding orders to maintain capacity utilization.

After two months of order growth, new business declined slightly again in April. The index for new orders fell to 49.2 points, weighed down by an equally sharp drop in demand from both domestic and foreign markets. The uncertainty caused by the war in the Middle East led to the first cancellations of orders and postponements of purchases. Furthermore, rising prices and delivery difficulties led to greater caution among customers.

DELIBERATE STOCKPILING, BUT ALSO THE CONSEQUENCES OF LOWER DEMAND

In view of supply fears caused by geopolitical tensions, domestic industrial firms increased their purchasing volumes in April for the second month in a row, thereby leading to a rise in stocks of input materials and raw materials. For the first time in over three years, warehouse stocks increased in order to be better prepared for potential capacity bottlenecks, shortages of raw materials and transport disruptions. However, the rise in stock levels is also a consequence of reduced production in the face of lower customer demand. This is reflected in the simultaneous rise in finished goods stock levels, which was as sharp as it was a year ago.

The pressure on supply chains has risen massively since the start of the Middle East conflict and the blockade of the Strait of Hormuz. Additional orders driven by supply fears further exacerbated delivery difficulties. Average delivery times lengthened in April to levels last seen in the summer of 2022.

LOWER MARGINS DUE TO HIGH COST PRESSURES

In April, input prices rose sharply once again. The relevant index climbed to 77.4 points, its highest level in three and a half years. The main causes were supply disruptions resulting from the blockade of the Strait of Hormuz, which led to a sharp rise in oil and gas prices. This caused costs to rise, particularly for energy, fuel and transport. Other raw materials, such as fertilizers and metals, also became more expensive. Consequently, output prices also had to be raised.

The sharp rise in costs weighed heavily on companies' earnings in April. The long-standing downward trend in margins eased only marginally compared with the previous month. Due to fierce competition amid falling demand, businesses were still only able to pass on significantly higher costs to their customers to a limited extent. Apart from the previous month, the ratio between input and output prices reached its lowest level in five years.

JOB LOSSES IN INDUSTRY ACCELERATED

In view of lower production requirements and declining new business, job cuts in Austrian industry accelerated in April. The employment index fell to 45.8 points.

The expected turnaround in the labor market for goods production has receded further into the distance with the onset of the Middle East conflict and the first noticeable effects on order and production trends in Austrian industry. The number of jobseekers in Austrian industry had recently risen to over 28,000 on a seasonally adjusted basis. The unemployment rate is also showing an upward trend again due to the sharper decline in employment following the stabilization in the second half of 2025.

At the start of the second quarter of 2026, the unemployment rate in the Austrian manufacturing sector is expected to have risen to 4.4 per cent, up from 4.2 per cent at the turn of 2025. A further slight increase is anticipated in the coming months as a result of the impact of the Middle East conflict and the energy crisis. At 4.5 per cent on an annual average, the unemployment rate in 2026 is expected to be slightly higher than the previous year's figure of 4.3 per cent. The unemployment rate in manufacturing will, however, remain significantly lower than in the economy as a whole. We expect an overall unemployment rate of 7.4 per cent for Austria.

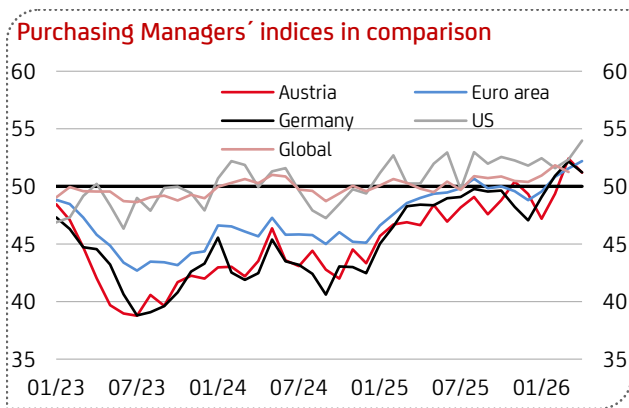
UniCredit Bank Austria Purchasing Managers' Index and components

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	Ø since 2000
UniCredit Bank Austria Purchasing Managers' Index	48.4	47.0	48.2	49.1	47.6	48.8	50.4	49.3	47.2	49.4	52.4	51.2	51.4
Output	50.2	49.1	50.5	52.5	49.7	50.7	52.7	50.2	47.1	50.1	51.9	49.5	52.2
New orders	46.9	44.3	46.2	47.8	46.1	49.0	50.7	47.2	45.6	50.4	52.4	49.2	50.3
Employment	47.0	44.2	45.8	45.6	44.4	43.7	45.4	48.0	45.1	44.1	47.0	45.8	50.5
Suppliers' delivery times (inverse)	50.1	47.2	47.1	47.5	47.4	46.1	45.5	44.3	46.6	46.0	37.2	35.3	45.0
Stocks of purchases	48.8	46.2	46.0	46.2	45.6	46.0	47.9	46.7	47.1	48.1	49.1	52.0	49.0
Stocks of finished goods ¹⁾	52.4	46.9	48.6	51.8	47.2	50.6	50.1	52.2	52.1	50.9	51.6	52.3	49.0
Backlog of work ¹⁾	47.7	46.1	49.1	47.7	46.6	45.6	48.7	50.5	46.5	48.7	51.1	46.1	50.2
New export orders ¹⁾	46.0	44.9	46.3	47.0	46.2	49.1	51.1	46.5	46.0	48.4	50.9	49.2	49.7
Quantity of purchases ¹⁾	44.2	45.1	49.3	49.8	47.0	45.5	48.1	47.1	46.1	47.4	53.1	50.8	50.3
Input prices ¹⁾	49.9	49.6	52.1	52.6	54.4	52.5	53.6	52.8	54.0	56.4	72.1	77.4	57.4
Output prices ¹⁾	48.0	48.5	48.2	49.1	48.6	47.7	49.7	48.7	48.6	50.7	53.8	59.8	52.1
New orders/Stocks of finished goods ²⁾	0.90	0.95	0.95	0.92	0.98	0.97	1.01	0.90	0.88	0.99	1.01	0.94	1.03
Future output ¹⁾	56.1	55.4	59.5	57.1	53.7	59.7	59.2	59.8	58.9	62.6	57.7	53.7	55.0

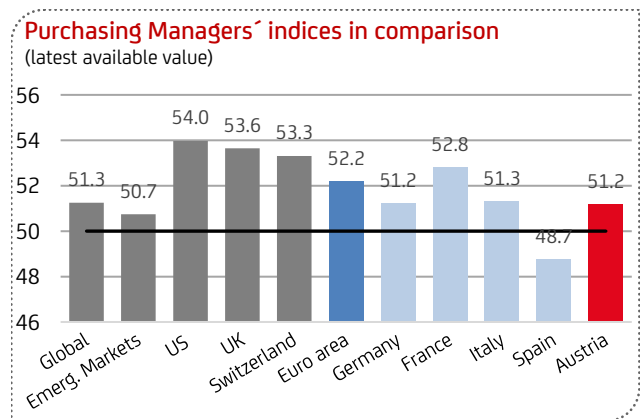
¹⁾ not in the overall index ²⁾ own calculation

Source: S&P Global, UniCredit

Improvement in industrial activity in Europe despite Iran war

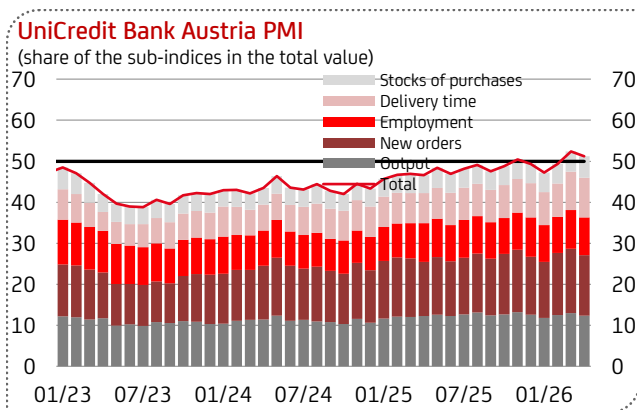


In the euro area, the preliminary purchasing managers' index for the manufacturing industry improved to 52.2 points in April and is thus once again in growth territory.

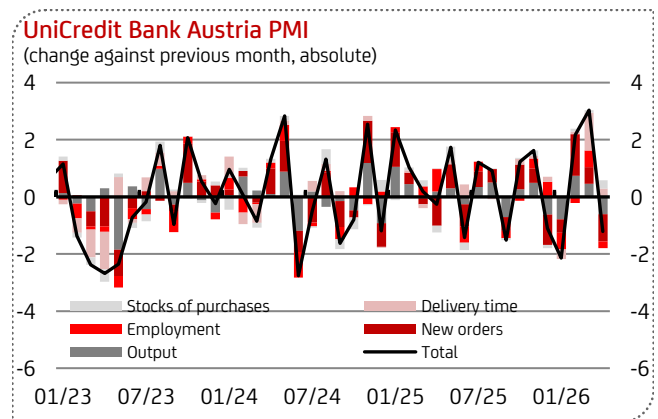


The increase in the index to 52.8 points in France supported the improvement in the euro area, while in Germany the purchasing managers' index fell to 51.2 points.

Industrial recovery in Austria in danger

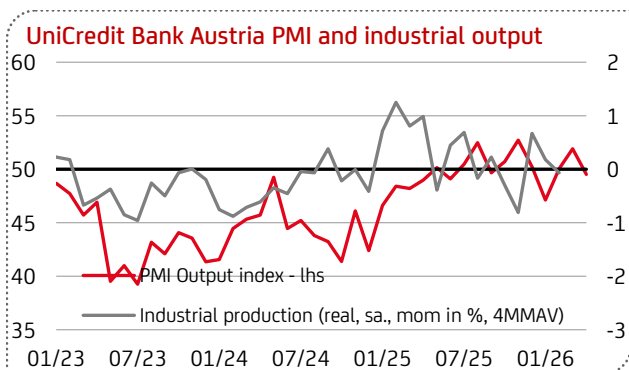


Austrian industry is feeling the effects of the Middle East conflict. The UCBA Purchasing Managers' Index fell to 51.2 points in April.

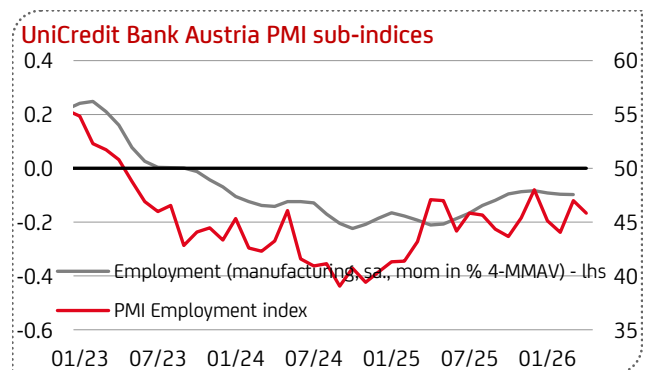


The decline of 1.2 points in April was mainly due to weaker demand and a reduction in production and employment.

Production output fell in April and job losses accelerated

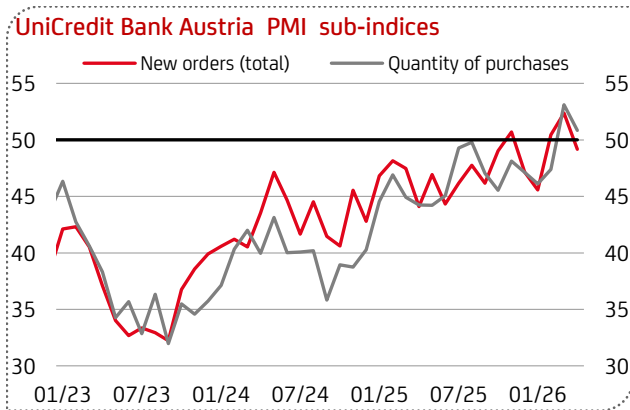


The production index fell to 49.5 points, although the build-up of safety stocks still limited the decline against the backdrop of rising prices and supply disruptions as a result of the Middle East conflict.

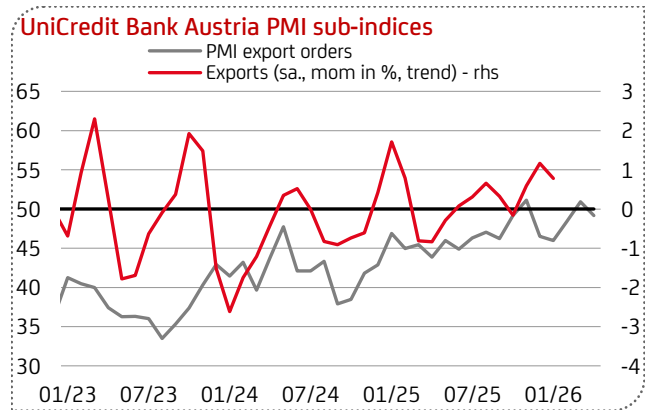


In view of lower production requirements and falling new business, job cuts accelerated in April. The employment index fell to 45.8 points.

New business decreased

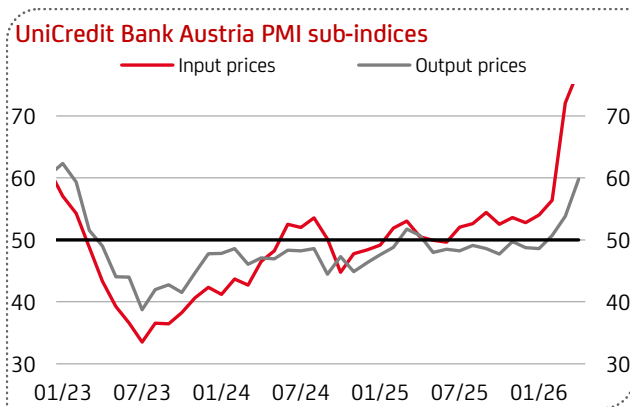


After two months of order growth, new business declined slightly again in April. The index for new orders fell to 49.2 points.

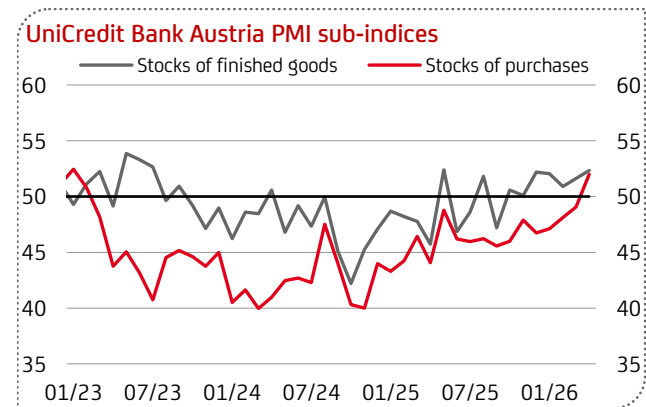


The decline was equally attributable to reduced demand from home and abroad.

Margin burden due to cost inflation

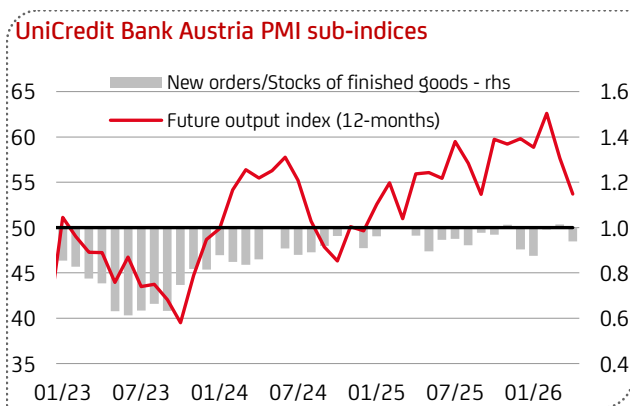


Higher energy, transport and raw material prices caused the strongest cost increase since September 2022. More than a third of the companies have increased sales prices.

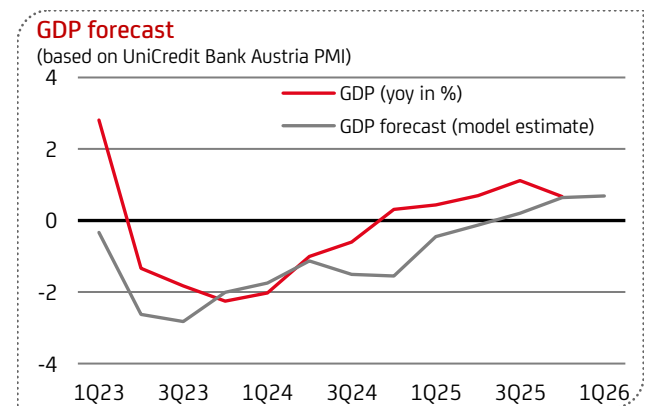


Supply fears led to an increase of stocks of purchases despite lower customer demand. Stocks of finished goods also increased.

Optimism in industrial companies has fallen again



The index for production expectations fell to 53.7 points, the lowest level in over a year.



The purchasing managers' index for industry points to a stable year-on-year increase in GDP in the first quarter of 2026.

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