

Manufacturing PMI in Nov hits a 3-month high

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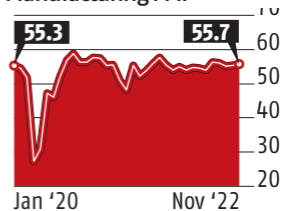
India's Purchasing Managers' Index (PMI) for manufacturing rose slightly to 55.7 in November from 55.3 in October to post a three-month high amid an increase in new orders and production, and a slowdown in inflation. The headline figure is above its long-run average of 53.7.

The survey compiled by the rating agency - S&P Global, and released on Thursday reflected an improvement in employment and purchases by factories. A print above 50 in the survey indicates expansion in manufacturing activity. A score below that represents contraction. "Firms were strongly confident towards growth prospects, with optimism driving another round of job creation and restocking initiatives. Buying levels expanded at a marked and accelerated rate as firms also sought to benefit from relatively mild price pressures. Input cost inflation receded to the joint-weakest rate in 28 months, while charges rose at the slowest pace since February," the survey said. The survey noted that the November data highlighted the seventeenth successive expansion in manufacturing production across India, as companies responded to



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Manufacturing PMI



ongoing increases in new work intakes.

Pollyanna De Lima, economics associate director at S&P Global Market Intelligence, said the Indian manufacturing sector performed well in November amid heightened recession fears elsewhere and a deteriorating economic outlook globally.

"It was business as usual for goods producers, who lifted production volumes to the greatest extent in three months amid impressive evidence of demand resilience. New orders and exports expanded markedly in the latest month," she added.