

Manufacturing PMI in Jan hit 6-month high

SHIVA RAJORA

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Indian goods producers kicked off 2025 on a robust note as Purchasing Managers' Index (PMI) rose to 57.7 in January, recovering sharply from 12-month low of 56.4 in the previous month.

The rise was fuelled by the steepest upturn in exports in nearly 14 years and by new orders, rising at the quickest pace since July.

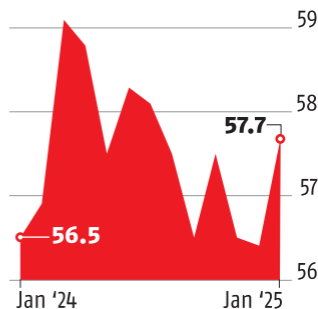
The PMI figure was released by HSBC and compiled by S&P Global. A figure above 50 in the index denotes expansion in activity and below it signifies contraction.

“Cost pressures retreated to their weakest in 11 months, but selling prices rose solidly amid buoyant demand. Meanwhile, business confidence strengthened. January data also showed a pick-up in growth of buying levels and record job creation,” the survey said.

The survey attributed the increase in new orders to better domestic demand and a pick-up in international sales. International demand for Indian goods strengthened in January, with panellists noting gains from across the globe. Notably, the rate of expansion in new export orders was the best seen in just under 14 years.

Pranjul Bhandari, chief India economist at HSBC, said domestic and export demand were strong, supporting new orders growth. “The employment PMI suggested robust job creation in the manufacturing industry, as the index increased to its highest level since the series was created. Input cost inflation eased for a second month, relieving pressure on manufacturers to raise final output prices,” she added.

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Note: A figure below 50 indicates contraction and above that denotes expansion
Source: HSBC