

# Factory activity at 10-mth high in April, exports surge

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India's manufacturing accelerated in April to grow at its fastest pace in 10 months, helped by exports and accompanied by a notable improvement in employment, a private survey said on Friday.

The HSBC India Manufacturing Purchasing Managers' Index (PMI), compiled by S&P Global, improved to 58.2 in April from 58.1 in March. A figure above 50 denotes expansion in manufacturing activity while below that signifies contraction. The headline figure has been in the expansion zone for the 46th month running.

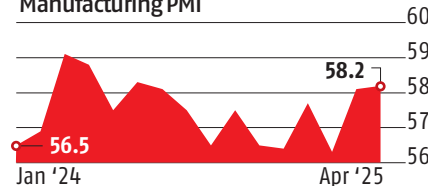
"Total sales were supported by the second-fastest upturn in international orders since March 2011. Robust demand for Indian goods boosted firms' pricing power, with selling charges hiked to the greatest degree since October 2013," said the survey.

Nomura Asia in a note on Friday said that manufacturing PMIs tumbled across most of Asia in April, led by a decline in new orders and output amid global trade uncertainty. This is the first PMI reading since US President Donald Trump imposed 10 per cent baseline tariffs on all countries and an aggressive 145 per cent tariff on China. Six of eight economies that have reported April data have PMIs in contractionary territory.

"The PMIs of domestic-oriented



## GOING STRONG Manufacturing PMI



A figure above 50 in the index denotes expansion in manufacturing activity that month and below it signifies contraction

Source: HSBC

## INDIA, PHILIPPINES HOLD UP

Manufacturing PMI across Asia, ex-Japan

	March	April
China	50.5	49.0
India	58.1	58.4
Indonesia	52.4	46.7
Malaysia	48.8	48.6
Philippines	49.4	53.0
South Korea	49.1	47.5
Thailand	49.9	49.5
Vietnam	50.5	N/A

Source: Nomura Asia

economies like India and the Philippines, however, are holding up, with the latter experiencing a boost in activity due to upcoming elections. This suggests domestic demand will be pivotal in serving as a growth cushion against external shocks, which means policy stimulus, particularly on the fiscal side, is likely to gain traction," the note added.

Consumer goods companies reported the fastest increase among various sectors. A sharp rise in new business was a key factor for the latest improvement in output growth.

"Little changed from March, the rate of expansion was the second-strongest for nine months.

Respondents attributed growth to better domestic and international demand. With the sole exception of January, new business from abroad grew to the greatest degree in over 14 years at the start of the FY26 (sic)."

Pranjal Bhandari, chief India economist at HSBC, said the increase in new export orders in April may indicate a potential shift in production to India as businesses adapt to the evolving trade landscape and tariff announcements by the US.

Besides, the PMI survey also said that manufacturers' order book volumes occurred despite a marked increase in prices charged for Indian goods.