

News Release

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HSBC Flash India PMI[®]

Growth of Indian private sector output accelerates in April

Key findings

HSBC Flash India Composite PMI Output Index: 58.3 (March final: 57.0)

HSBC Flash India Services PMI Business Activity Index: 57.9 (March final: 57.5)

HSBC Flash India Manufacturing PMI Output Index: 59.1 (March final: 55.7)

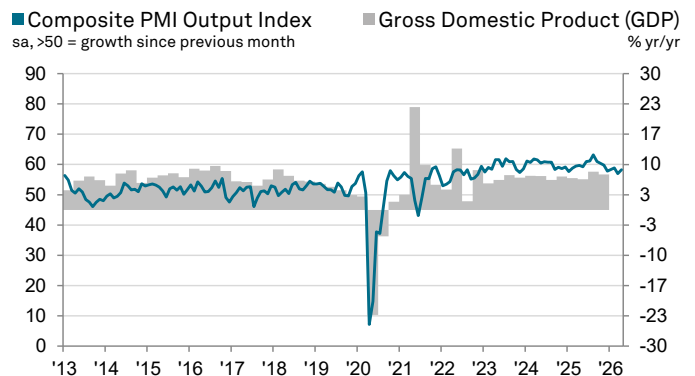
HSBC Flash India Manufacturing PMI: 55.9 (March final: 53.9)

Aggregate activity and new orders in India's private sector expanded at quicker rates at the start of this fiscal year, after growth receded in March due to the Middle East war. Inflation rates remained historically elevated but retreated from those registered last month due to a cooldown in the service sector. Manufacturing led the resurgence with notable rebounds in rates of increase for output and sales, but price pressures intensified here.

The **HSBC Flash India PMI[®] Composite* Output Index** – a seasonally adjusted index that measures the month-on-month change in the combined output of India's manufacturing and service sectors – was up from a final reading of 57.0 in March to 58.3 in April, indicating a sharp rate of growth that was substantial relative to its long-run average. Survey participants indicated that business activity was supported by capacity expansion, better demand conditions, rising intakes of new work and tech investment. New orders likewise rose at a quicker pace than in March and one that was historically strong.

Goods producers recorded faster rates of increase in new orders and output than service providers, with its respective seasonally adjusted indices rising by more than three index points. Services companies still noted accelerations, though they were marginal in comparison.

Trends for exports were mixed at the sector level as a slowdown in growth at service providers contrasted with a quicker increase among goods producers. The latter posted the fastest expansion in nine months, while services firms recorded the weakest uptick in just over a year reportedly due to the Middle East war. At the composite level, new export business rose at a softer rate than in March.



Sources: HSBC, S&P Global PMI, CSO via S&P Global Market Intelligence.

*Composite PMI indices are weighted averages of comparable manufacturing and services PMI indices. Weights reflect the relative size of the manufacturing and service sectors according to official GDP data.

Data were collected 8-20 April 2026.

Comment

Pranjul Bhandari, Chief India Economist at HSBC, said:

"Private sector activity accelerated after easing in March amid disruptions linked to the Middle East conflict. Manufacturing led the upturn, with faster growth in output and new orders. The survey indicated that firms are building buffer stocks to manage the uncertainties around the longevity of the supply-side shock. Finished goods and input inventories increased alongside a pick-up in purchasing volumes. Input cost pressures remained elevated, and firms passed through part of the increase via higher selling prices."

Private sector companies in India continued to report elevated cost pressures in April, which they attributed to rising fuel, gas, oil and raw material prices. They particularly signalled greater outlays on chemicals, food, jute, leather, metals, rubber and transportation. There were also mentions of gas shortages pushing up its price. Although below that seen in March, the overall rate of input cost inflation was the second-steepest in close to three years.

In response to rising cost burdens, Indian companies lifted their selling prices again at the start of the first fiscal quarter. Although marked and above its trend, the rate of output charge inflation was well below that seen for input costs.

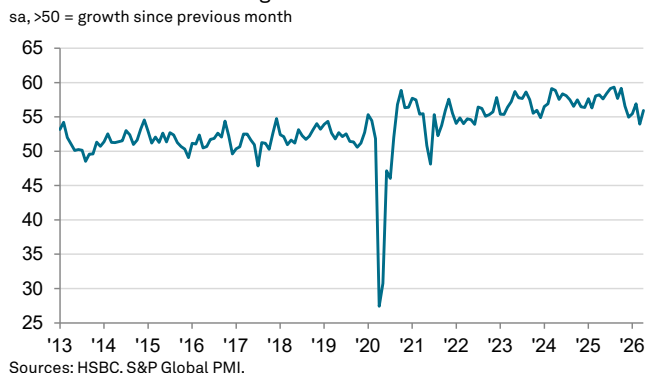
For both measures of inflation, accelerations in the manufacturing industry contrasted with slowdowns in the service economy.

Employment across India's private sector increased further, with the rate of job creation reaching a ten-month high in April. Qualitative evidence from the survey showed that growth was fuelled by rising business requirements, expansion plans and upbeat year-ahead forecasts. Hiring growth strengthened at manufacturing firms and their services counterparts, with the quicker upturn among the former.

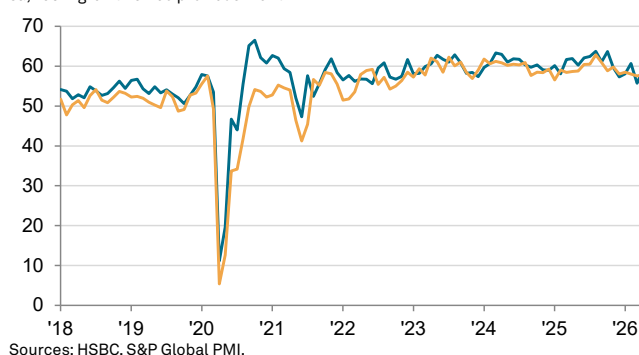
Indian companies foresee an increase in output over the course of the coming 12 months. According to them, marketing efforts should support demand for their goods and services, with projects pending approval and rising client enquiries also boosting optimism. The overall level of confidence fell since March, but was the second-highest in nearly a year-and-a-half.

Finally, manufacturing-specific data continued to signal attempts among firms to raise buffer stocks. Holdings of finished goods increased for the first time in six months and at the quickest pace since May 2015. Input inventories rose markedly, albeit at the slowest pace in the current 58-month sequence of accumulation. This occurred despite a faster upturn in buying levels and another shortening of supplier delivery times. Overall business conditions improved to a greater extent than in March, as shown by the **HSBC Flash India Manufacturing PMI** rising from 53.9 to 55.9 in April.

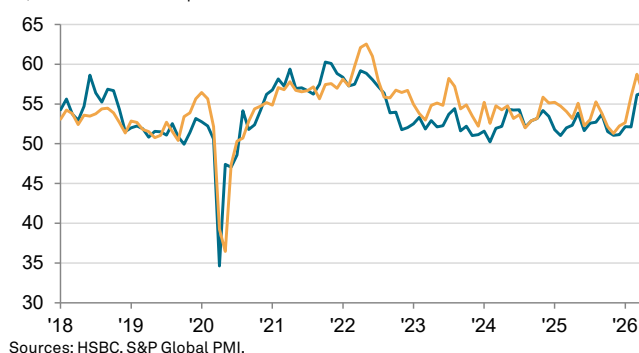
HSBC India Manufacturing PMI



■ Manufacturing PMI Output Index
 ■ Services PMI Business Activity Index
 sa, >50 = growth since previous month



■ Manufacturing PMI Input Prices Index
 ■ Services PMI Input Prices Index
 sa, >50 = inflation since previous month



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Survey methodology

The HSBC Flash India PMI® is compiled by S&P Global from responses to questionnaires sent to survey panels of around 400 manufacturers and 400 service providers. The panels are each stratified by detailed sector and company workforce size, based on contributions to GDP. The services sector is defined by S&P Global as consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. The following variables are monitored:

Manufacturing: Output, new orders, new export orders, backlogs of work, stocks of finished goods, employment, quantity of purchases, suppliers' delivery times, stocks of purchases, input prices, output prices, future output.

Services: Business activity, new business, new export business, outstanding business, employment, input prices, prices charged, future activity.

A diffusion index is calculated for each manufacturing and services 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.

Composite indices for are calculated by weighting together comparable manufacturing and services indices using official manufacturing and services annual value added.

The headline figure is the Composite Output Index. This is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. It may be referred to as the 'Composite PMI' but is not comparable with the headline Manufacturing PMI, which is a weighted average of five manufacturing indices (including the Manufacturing Output Index).

The headline manufacturing figure is the Manufacturing Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

The headline services figure is the Services Business Activity Index. This is a diffusion index calculated from a single question that asks for changes in the volume of business activity compared with one month previously. The Business Activity Index is comparable to the Manufacturing Output Index. It may be referred to as the 'Services PMI' but is not comparable with the headline Manufacturing PMI.

Flash data are calculated from around 80-90% of total responses and are intended to provide an accurate early indication of the final data. Since flash data were first processed, the average differences between final and flash index values for the headline indices are:

Composite Output Index = -0.2 (absolute difference = 0.5)

Services Business Activity Index = -0.2 (absolute difference = 0.7)

Manufacturing PMI = -0.1 (absolute difference = 0.4)

Underlying final 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.

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About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. www.spglobal.com/marketintelligence/en/mi/products/pmi

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