

# S&P Global ASEAN Manufacturing PMI<sup>®</sup>

## ASEAN operating conditions improves solidly in January

### January 2026

Sustained and solid improvement across ASEAN manufacturing sector

Sharp rise in output

Business confidence highest in 33 months

The ASEAN manufacturing sector continued to perform strongly in January, thereby continuing the strong performance seen in the final quarter of last year. After slowing slightly in December, the pace of output growth reaccelerated to match that seen in November 2025. The upturn in new orders was strong, despite the pace of increase moderating further to the weakest in four months. Firms in turn stepped up their purchasing activity. Meanwhile, job creation was only marginal, but growth has now been recorded in the last five survey periods, the longest stretch of rising employment since 2018.

Picking up slightly from December's reading of 52.7, the S&P Global ASEAN Manufacturing Purchasing Managers' Index<sup>™</sup> (PMI<sup>®</sup>) posted 52.8 in January, thereby indicating another month of solid improvement in operating conditions across ASEAN. The health of the sector has now improved in each month since July 2025.

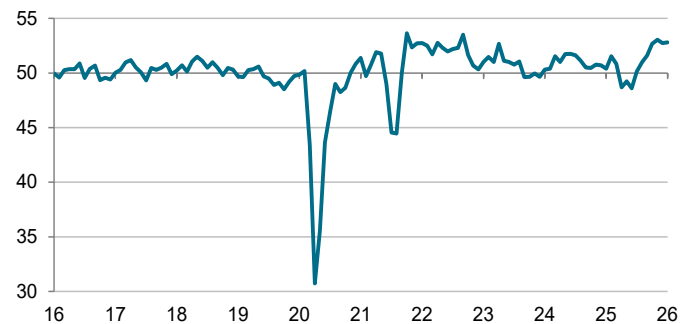
The latest survey data revealed another strong monthly expansion of new orders across the ASEAN manufacturing sector. The rate of growth was historically strong but had slowed further since last November to register a four-month low. Nonetheless, sustained and solid growth in new orders meant that production ticked up for a seventh straight month in January. Moreover, the pace of increase was the joint-fastest in 33 months, equalling that seen in November 2025.

Higher output requirements meant that companies raised their purchasing activity in January. The latest upturn was solid and the most marked since April 2023. Growth in employment meanwhile slowed further. The pace of job creation was marginal overall and the weakest in four months. Moreover, this expansion in capacity was not sufficient to prevent a further build-up in backlogs of work, especially given the strength of the rise in new orders.

Turning to prices, the rate of input cost inflation accelerated in January to a 14-month high, thereby moving closer to the long-run average. Higher cost burdens also led firms to increase their selling prices. The rate of inflation was solid, and also the fastest in 14 months.

When assessing the year-ahead outlook for production, ASEAN manufacturers were optimistic in January. The overall level of optimism ticked up to a 33-month high, albeit was still slightly weaker than the historical average.

S&P Global ASEAN Manufacturing PMI  
Index, sa, >50 = improvement m/m



Data were collected 12-26 January 2026.  
Source: S&P Global PMI. ©2026 S&P Global.

### Comment

Maryam Baluch, Economist at S&P Global Market Intelligence said:

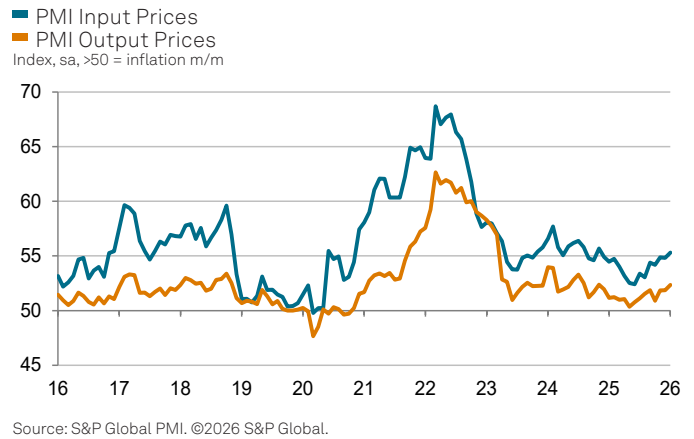
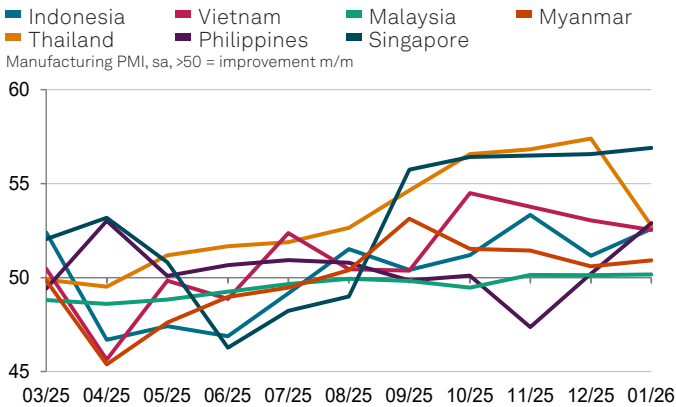
"The momentum seen in the closing months of 2025 was carried into the start of 2026, as January data indicated another solid improvement in operating conditions across the ASEAN manufacturing sector. Both output and new orders rose sharply.

"Moreover, growing signs of pressure on capacity suggest scope for job creation to accelerate after several periods of only modest employment growth. Firms have already increased their purchasing activity to support higher production requirements.

"However, the latest improvement was accompanied by a rise in inflationary pressures. Input costs and output charges increased. Further price build-up in the coming months could pose a risk to the growth outlook. Monitoring inflation will therefore be essential moving forward.

"Nonetheless, firms remain broadly optimistic about the year-ahead production outlook. Business confidence reached its highest level since April 2023 and was only slightly below the long-run survey average, indicating that companies expect the sector's current growth trajectory to continue."

## S&P Global ASEAN Manufacturing PMI®



## Contact

Maryam Baluch  
Economist  
S&P Global Market Intelligence  
T: + 44 13 4432 7213  
[maryam.baluch@spglobal.com](mailto:maryam.baluch@spglobal.com)

Eri Amano  
APAC Senior Communications Manager  
S&P Global Market Intelligence  
Tokyo  
T: +81 (0) 80 3714 7658  
[eri.amano@spglobal.com](mailto:eri.amano@spglobal.com)  
[press.mi@spglobal.com](mailto:press.mi@spglobal.com)

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## Methodology

The S&P Global ASEAN Manufacturing PMI® is compiled by S&P Global from responses to monthly questionnaires sent to purchasing managers in panels of manufacturers in Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, totalling around 2,100 manufacturers. These countries account for 98% of ASEAN manufacturing value added\*. The panels are stratified by detailed sector and company workforce size, based on contributions to GDP.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable at the national level. 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. ASEAN indices are calculated by weighting together the national indices. Country weights are calculated from annual manufacturing value added\*.

The headline figure is the 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.

Underlying 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](mailto:economics@spglobal.com).

\*Source: World Bank World Development Indicators.

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