

# News Release

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## HSBC Flash India PMI<sup>®</sup>

### April sees unprecedented growth of new export orders

#### Key findings

HSBC Flash India Composite PMI Output Index: 60.0 (March final: 59.5)

HSBC Flash India Services PMI Business Activity Index: 59.1 (March final: 58.5)

HSBC Flash India Manufacturing PMI Output Index: 61.9 (March final: 61.7)

HSBC Flash India Manufacturing PMI: 58.4 (March final: 58.1)

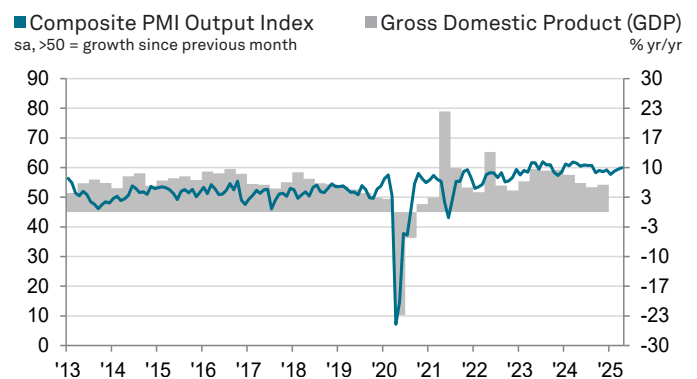
Private sector companies in India welcomed a sharp rise in total new business intakes at the start of the 2025/26 fiscal year, which was boosted by buoyant international demand for goods and services. Collectively, new export orders increased at the fastest pace since the series started in September 2014 as survey participants noted gains from across the globe. The HSBC 'flash' PMI<sup>®</sup> data also showed quicker expansions in aggregate output and employment. Cost pressures were equal to those seen in March, whereas selling charges rose at a faster rate.

Rising from a final reading of 59.5 in March to 60.0 in April, the **HSBC Flash India 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 – highlighted the fastest rate of expansion since August 2024. There were quicker increases across both the manufacturing and service sectors, with the former seeing the sharper upturn.

At 58.4 in April, up from 58.1 in March, the **HSBC Flash India Manufacturing PMI** indicated the strongest improvement in the health of the sector for one year. The upward movement in the PMI reflected higher readings for four of its five sub-components, the sole exception being delivery times which is inverted before entering the calculation.

Companies operating in India's private sector suggested that output levels had been raised in response to efficiency gains, positive demand trends and successful advertising. Some panellists also reported an improvement in international competitiveness as a result of the rupee's depreciation against the US dollar.

Indeed, private sector firms noted a record increase in new export orders during April amid healthy demand from Africa,



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 8-17 April 2025.

#### Comment

Pranjul Bhandari, Chief India Economist at HSBC, said:

*"New export orders accelerated sharply, likely buoyed by the 90-day pause in the implementation of tariffs. As a result, output and employment grew, for both, manufacturers and service providers. Cost inflation was in line with March levels, but prices charged rose a tad faster, leading to improved margins."*

Asia, Europe, the Middle East and the Americas. Goods producers saw a stronger rate of expansion than service providers, and one that was the most pronounced in over 15 years.

Aggregate sales increased at a sharp pace that was the fastest since August 2024. Once again, manufacturing companies registered a quicker upturn in new business than their services counterparts.

Robust intakes of new work exerted upward pressure on the capacity of Indian companies, who observed the fastest rise in outstanding business volumes since August 2022. There were quicker increases in backlogs across both the manufacturing and services economies.

In response to an intensification of capacity pressures, companies remained in hiring mode. Anecdotal evidence showed that full- and part-time staff had been recruited in April. Rates of job creation were equal at goods producers and service providers.

Although input prices continued to increase across the Indian private sector, the rate of inflation matched that seen in March and remained below its long-run average. Panellists that indicated greater expenses remarked on higher chemical, freight, labour, leather, rubber and steel costs. Services companies noted a quicker increase in expenses than manufacturers.

As a result of ongoing increases in cost burdens, private sector firms continued to lift their selling prices. April's rise was marked, faster than in March and stronger than seen on average across the survey history. Manufacturers led the upturn with the steepest rate of inflation in over 12 years.

Trends for business sentiment were mixed, as an improvement among goods producers contrasted with fading optimism at services firms. At the composite level, the degree of positivity was at its weakest for eight months. Firms that foresee output growth over the course of the coming 12 months hope to benefit from brand recognition, marketing efforts, productivity gains, rosy demand and tech investment. Competition and inflation were some of the potential headwinds to output listed by survey members.

Finally, manufacturing-only data showed that companies scaled up input purchases in a bid to rebuild stocks and safeguard against shortages. Holdings of raw materials and semi-finished items rose at the fastest pace in eight months, underpinned by shorter lead times for inputs, but post-production inventories dropped to greatest extent in nearly three-and-a-half years as orders were often fulfilled from warehouses.

HSBC India Manufacturing PMI

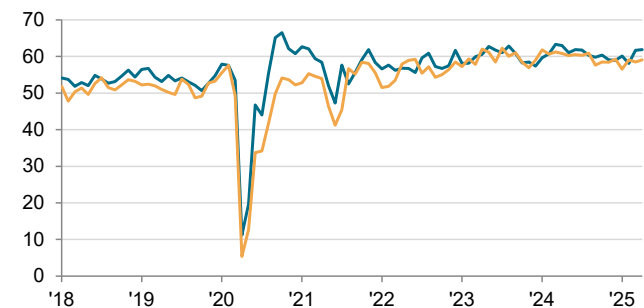
sa, >50 = growth since previous month



Sources: HSBC, S&P Global PMI.

Manufacturing PMI Output Index  
Services PMI Business Activity Index

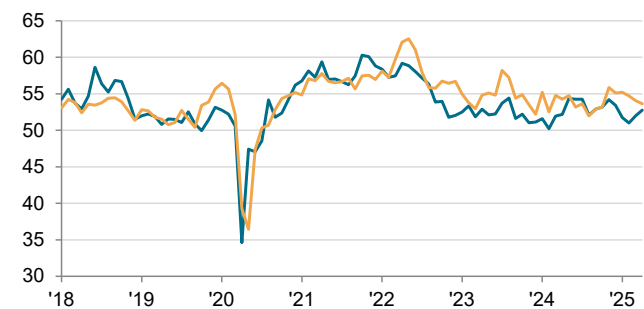
sa, >50 = growth since previous month



Sources: HSBC, S&P Global PMI.

Manufacturing PMI Input Prices Index  
Services PMI Input Prices Index

sa, >50 = inflation since previous month



Sources: HSBC, S&P Global PMI.

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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 = -0.1 (absolute difference = 0.5)

Services Business Activity Index = -0.1 (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](mailto: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](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)

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