

Highlights

Manufacturing PMI:

- India Manufacturing PMI rose to 59.3 in August 2025 from 59.1 in July, but was revised lower from initial estimates of 59.8.

Inflation:

- Input costs increased at a moderate pace during August, while selling prices rose above trend, reflecting that firms were able to pass on part of their higher expenses to customers.

Production & Demand:

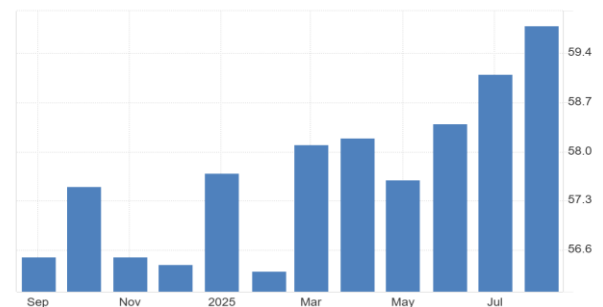
- Production growth climbed to a five-year high, driven by strong demand and better supply alignment. New orders rose at the fastest pace in 57 months across all major sectors, while firms boosted input buying to rebuild inventories.

Employment:

- Employment rose for the 18th consecutive month, but at the slowest pace since November 2024.



IN Manufacturing PMI - points



Source: tradingeconomics.com | S&P Global

The PMI results for India painted a vibrant picture of the nation's manufacturing landscape in August. Robust and accelerated increases in new orders and production suggest... strong contribution to second quarter (fiscal) economic growth, **Pollyanna De Lima**.

Note:

1. PMI stands for Purchasing Managers' Index.
2. PMI is one of the closely watched indicators of business activity across the world.
3. The magic number is 50. A reading of 50 or higher generally indicates that the industry is expanding.
4. Share of the manufacturing sector in GDP in India is nearly 17%.
5. The PMI is prepared by IHS Market.
6. PMI was first prepared by ISM USA in 1948.

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Services PMI:

- India Services PMI was revised lower to 62.5 in August 2025, down from the preliminary estimate of 65.6 and below market expectations of 65.

Production & Demand:

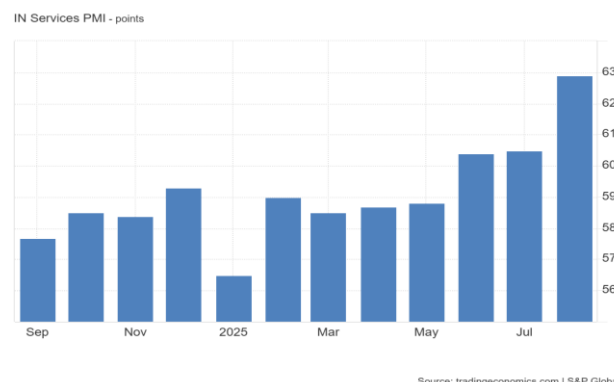
- New orders and output rose at the fastest pace since mid-2010, supported by strong demand conditions. Foreign sales also expanded significantly, marking the third-strongest rise since the series began in 2014.

Business Sentiment:

- Confidence strengthened to a five-month high, backed by higher advertising budgets and expectations of sustained demand.

Inflation:

- Input costs continued to rise, while selling prices surged at the steepest rate in over 13 years as firms passed higher expenses on to clients.



Source - S&P Global India Services PMI®

A spike in international demand supported one of the best sales performances recorded over the past 13 years and acted as a catalyst for firms to expand their workforces as well as output. said Pollyanna De Lima

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2. PMI is one of the closely watched indicators of business activity across the world.
3. The magic number is 50. A reading of 50 or higher generally indicates that the industry is expanding.
4. Share of the Service sector in GDP in India is nearly 50%.
5. The PMI is prepared by IHS Markit.
6. PMI was first prepared by ISM USA in 1948.