

## ***HIGHLIGHTS***

### **MANUFACTURING PMI:**

- India Manufacturing PMI rose to 56.9 in February 2026 from 55.4 in January, revising lower from initial estimates of 57.5. Still, this marked a four-month high and signals a notable improvement in operating conditions.

### **EMPLOYMENT:**

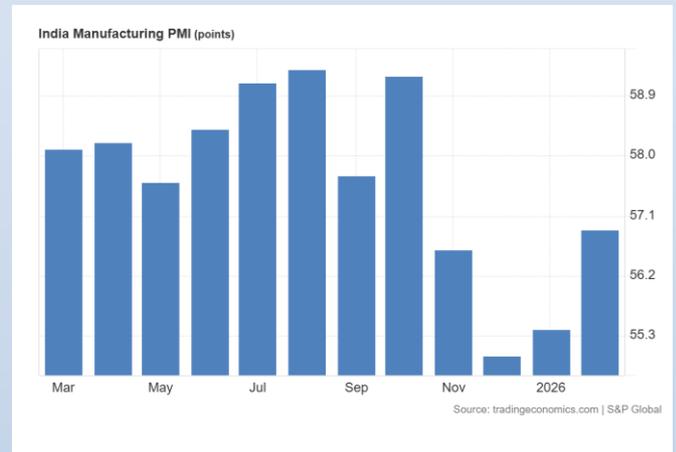
- Employment increased slightly, with the rate of job creation reaching a four-month high as firms hired to manage rising workloads.

### **BUSINESS CONFIDENCE:**

- its lowest level in nearly 3.5 years, amid heightened competition and market uncertainty, despite support from new products and advertising.

### **INFLATION:**

- **Input cost inflation remained moderate** and unchanged from January. **Output prices rose at a faster pace**, exceeding the long-run trend.



Even with growth momentum easing, India's manufacturing industry wrapped up 2025 in good shape. The sharp rise in new business intakes should keep companies busy as we head into the final fiscal quarter, and the lack of major inflationary pressures could continue to support demand. said **Pollyanna De Lima**, Economics Associate Director at S&P Global Market Intelligence.

#### **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.

## Highlights

### Services PMI:

- India Services PMI was revised slightly down to 58.1 in February 2026 from an initial estimate of 58.4. This was below January's reading of 58.5 and forecasts of 58.6, yet still signaled another month of robust expansion in the sector.

### Employment:

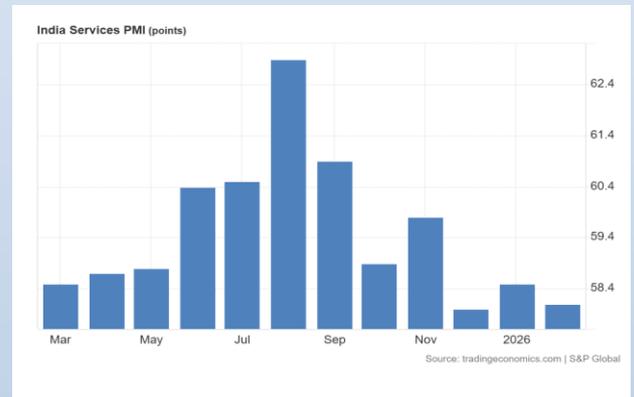
- Firms increased hiring, with the rate of job creation exceeding its long-term trend.

### Business Sentiment:

- Business confidence climbed to its highest level in a year, supported by plans to expand presence in existing and new markets.

### Inflation:

- Input cost inflation accelerated to a two-and-a-half-year high, driven by higher food prices and increased spending on energy, labour, and commodities.



Source - S&P Global India Services PMI®

" Boosted by a solid rise in new work, the service sector output in India expanded at a robust rate in February that was the strongest since mid-2014, said Pollyanna De Lima, economics associate director at S&P Global Market Intelligence.

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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.