

## ***HIGHLIGHTS***

### **MANUFACTURING PMI:**

- India Manufacturing PMI fell to 55.0 in December 2025, revised lower from initial estimates of 55.7, down from 56.6 in November.

### **EMPLOYMENT:**

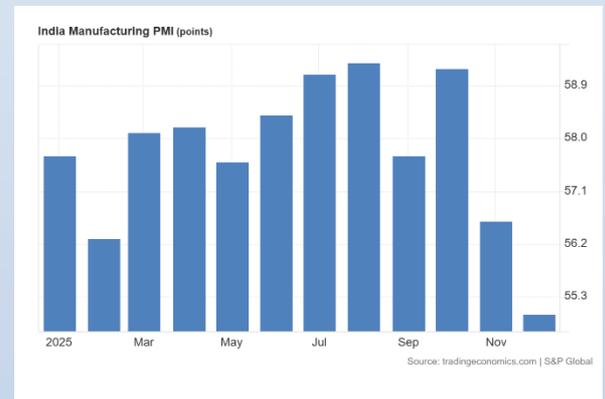
- The limited hiring reflects sufficient staffing capacity, as firms reported easing workloads alongside slower growth in output and new orders.

### **BUSINESS CONFIDENCE:**

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

### **INFLATION:**

- Easing pressure from raw materials and logistics has helped contain input costs, while improved cost control measures adopted by manufacturers have further limited expense growth



“In fact, the share of companies signalling higher international sales in December was about half of the average for 2025.” Pollyanna De Lima (Global Market Intelligence Economics Associate Director).

#### **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 lower to 58.0 in December 2025 from a preliminary estimate of 59.1 and a final reading of 59.8 in November, coming in below market forecasts of 59.3.

### Employment:

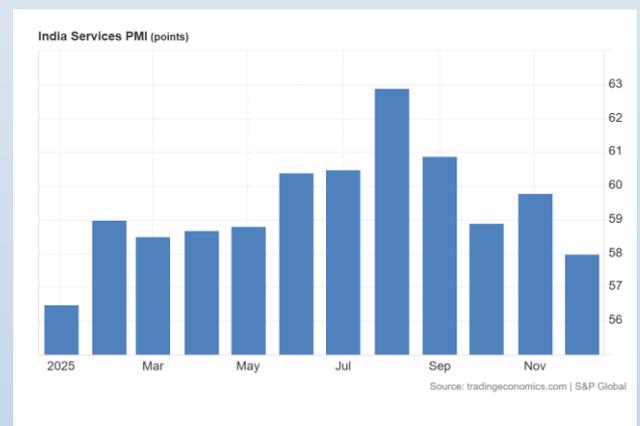
- the first drop since May, though most firms reported unchanged staffing levels, indicating cautious workforce management rather than layoffs.

### Business Sentiment:

- Business confidence weakened further, falling to its lowest level in almost three-and-a-half years, highlighting growing uncertainty despite continued expansion.

### Inflation:

- Selling price inflation remained muted, with prices rising only slightly—one of the weakest increases in nearly two years, reflecting restrained pricing power.



Source - S&P Global India Services PMI®

"While India's service sector continued to perform well in December, the retreat in several survey indicators as 2025 ended may suggest a moderation in growth heading into the new year," 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.