

Macro Insights

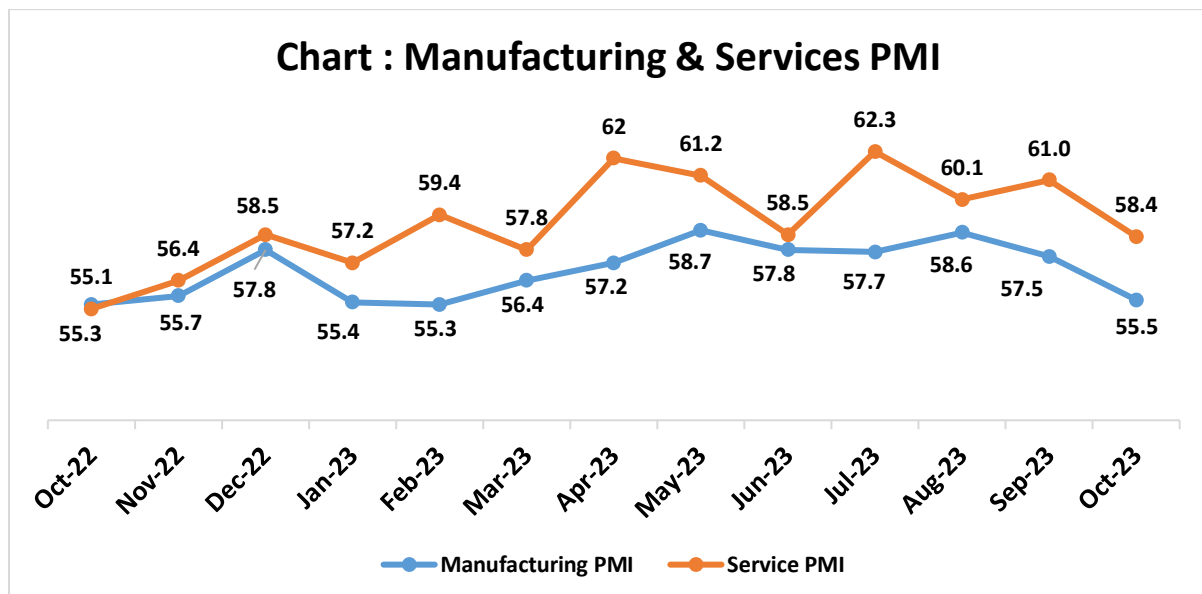
06th November 2023

Highlights:

- ☞ The services purchasing managers' index (PMI) fallen to 58.4 in October'23 from 61.0 recorded in September'23 but it is still higher than 55.1 of October'22.
- ☞ The services PMI has been above 50 for 27th consecutive month.
- ☞ The manufacturing PMI further declined to 55.5 in October'23 from 57.5 in September'23 but stands marginally higher than 55.3 of October'22.
- ☞ Therefore, the composite PMI, a combination of the manufacturing and services indices, fell to 58.4 in October'23 from 61.0 in September'23 but stands higher than 55.5 of October'23.

Views:

- ☞ A reading above 50 means expansion while a reading below it shows contraction.
- ☞ India's services sector PMI witnessed a drop owing to fierce competition and subdued demand for certain types of services along with a pick-up in inflation expectations that dampened business confidence.
- ☞ Manufacturing PMI in October'23 is lowest in last 8 months owing to heightened cost pressures and a decline in demand in the consumer goods sub-sector.
- ☞ Composite PMI declined due to slowing manufacturing activities with services growth also cooling.



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