

News Release

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HSBC India Services PMI®

Business activity growth recovers some of the ground lost in October

Key findings

New orders and output rise at quicker rates

Cost pressures at their lowest since August 2020

Negligible uptick in output charges

Growth of Indian services activity accelerated during November, after losing some momentum in October, boosted by a faster upturn in new business intakes. International sales continued to improve, though here the rate of expansion retreated to an eight-month low.

Underlying data showed that positive demand trends were supported by a general absence of price pressures. There was only a negligible uptick in selling charges, as input cost inflation retreated to its lowest in nearly five-and-a-half years.

Rising from 58.9 in October to 59.8 in November, the seasonally adjusted HSBC India Services PMI® Business Activity Index – based on a single question asking how the level of business activity compares with the situation the month before – highlighted a historically sharp expansion in output that was faster than in the previous month. According to panel members, the upturn was underpinned by new business growth.

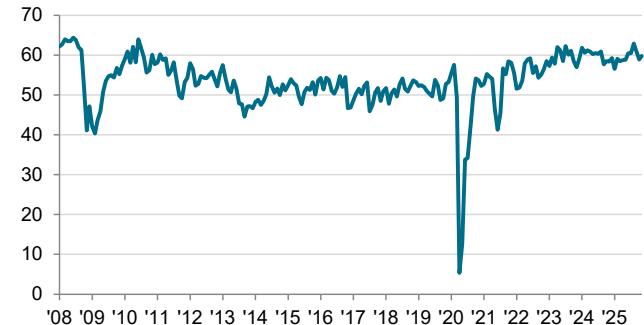
Indeed, demand for Indian services continued to strengthen as shown by another expansion in new business intakes. The rate of increase was sharp, quicker than in October and above its long-run average.

On the other hand, there was a softer increase in new export orders midway through the third fiscal quarter. The rate of growth was solid, but eased to an eight-month low.

Where external sales rose, firms reported gains from Asia, Europe and the Middle East. Concurrently, panel member reports showed that fierce international competition and the supply of cheaper services elsewhere constrained growth.

Indian services companies signalled a marginal increase in their expenses, with outlays on electricity, food, rent and software subscription reportedly rising. The rate of inflation receded to the lowest since August 2020, however, and was

HSBC India Services PMI Business Activity Index
sa, >50 = growth since previous month



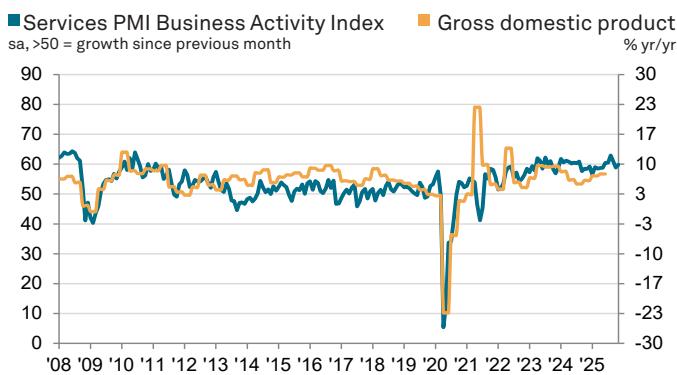
Sources: HSBC, S&P Global PMI.

Data were collected 11-26 November 2025.

Comment

Pranjal Bhandari, Chief India Economist at HSBC, said:

"India's services PMI Business Activity Index rose from 58.9 in October to 59.8 in November, driven by robust new business intakes that fuelled output growth. However, international sales expanded at an eight-month low due to fierce overseas services competition. Input price inflation reached its lowest rate in nearly five-and-a-half years, resulting in negligible increases in selling charges. Employment growth remained modest with most companies reporting no change in payroll numbers. Meanwhile, India's composite PMI remained strong, though it softened slightly to 59.7 in November, reflecting a slowdown in growth of factory production."



Sources: HSBC, S&P Global PMI, CSO via S&P Global Market Intelligence.

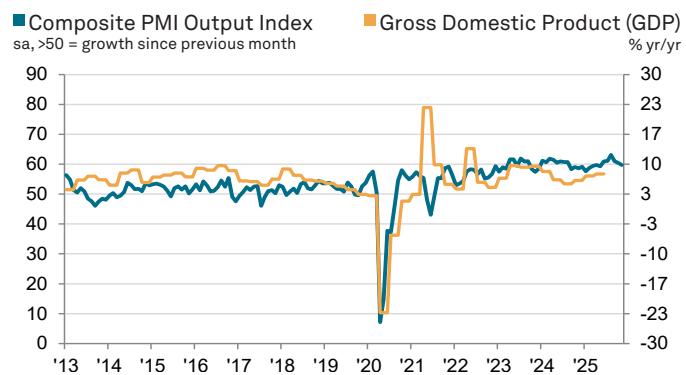
below its long-run average.

As a result of receding cost pressures and efforts to secure new work, a smaller proportion of services companies increased their own fees in November. Having eased to its lowest in over four years, the overall rate of charge inflation was negligible.

Although more jobs were added to India's service economy in November, the rate of expansion was moderate and broadly similar to those seen in the previous two months.

Underlying data showed that one factor that restricted employment growth was the absence of pressure on firms' operating capacities. Following a marginal decline in October, outstanding business volumes were broadly stable halfway through the third fiscal quarter.

Concurrently, year-ahead optimism faded during November amid some concerns around competition and potential disruptions from state assembly elections. Firms still foresee output growth, however, with positive sentiment linked to favourable demand, a greater social media presence, marketing initiatives and plans to keep price increases to a minimum.



Sources: HSBC, S&P Global PMI, CSO via S&P Global Market Intelligence.

HSBC India Composite PMI®

Private sector sees slowest rise in input costs in over five years

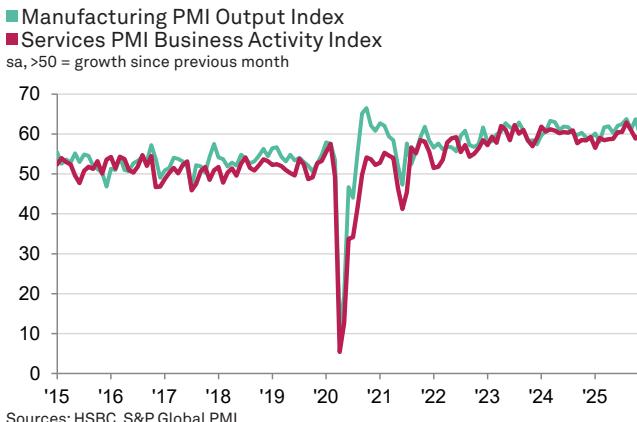
India's private sector economy registered a moderation in growth and softer inflationary pressures halfway through the third fiscal quarter. Registering 59.7 in November, the HSBC India Composite PMI® Output Index* signalled a sharp expansion. However, falling from 60.4 in October, the current reading indicated the slowest rate of growth since May.

Aggregate new orders likewise increased sharply, but to the least extent in six months. While rates of expansion in output and sales eased at goods producers, accelerations were noted in the service economy.

There was a widespread slowdown in input cost inflation at manufacturing firms and their services counterparts. At the composite level, the latest rise in expenses was the weakest in the current 64-month sequence of inflation.

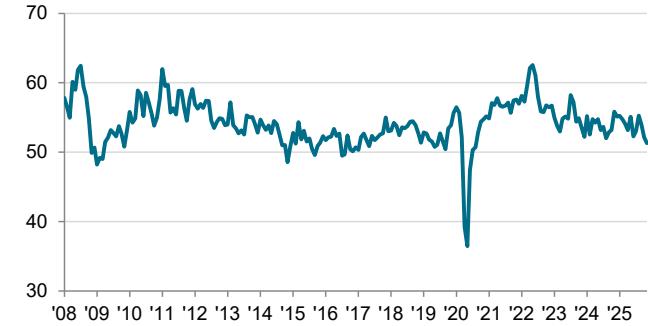
Receding cost pressures helped curtail charge inflation across the private sector, which eased to an eight-month low. Instances of increases in output prices diminished at both manufacturers and service providers.

*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.



Services PMI Input Prices Index

sa, >50 = inflation since previous month



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Survey methodology

The HSBC India Services PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 400 service sector companies. The sectors covered include consumer (excluding retail), transport, information, communication, finance, insurance, real estate and business services. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in December 2005.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey 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.

The headline figure is the Services Business Activity Index. This is a diffusion index calculated from a question that asks for changes in the volume of business activity compared with one month previously. The Services 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 figure.

The Composite Output Index is a weighted average of the Manufacturing Output Index and the Services Business Activity Index. The weights reflect the relative size of the manufacturing and service sectors according to official GDP data. The Composite Output Index may be referred to as the 'Composite PMI' but is not comparable with the headline manufacturing PMI figure.

Underlying 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.

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