

PURCHASING MANAGER'S INDEX



CALCULATION OF PURCHASING MANAGER'S INDEX

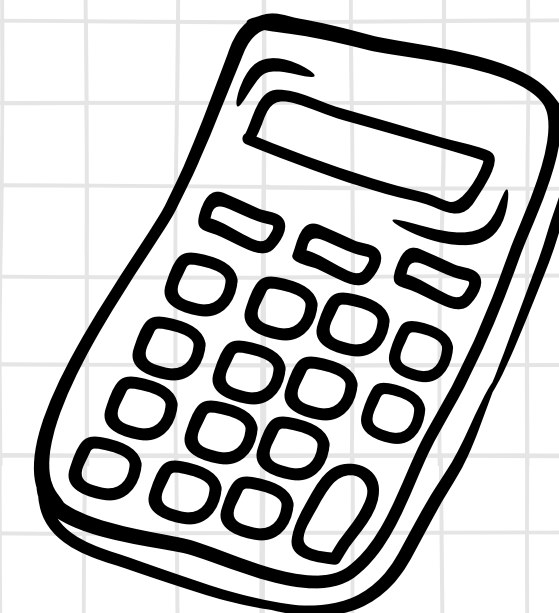
Purchasing Manager's Index is an economic indicator measuring the monthly performance of manufacturing and service sector on the basis of a survey conducted on private companies' sentiments with respect to performance in five major areas.

PMI is calculated by surveying purchasing managers of various industries. The respondents respond between 0 to 100 for the major areas. The diffusion index is used for final conversion of the responses.

Diffusion INDEX = (Percentage of survey respondents reporting 'higher') * 1.0 + (Percentage of survey respondents reporting 'the same') * 0.5 + (Percentage of survey respondents reporting 'the same') * 0.0

Purchasing Manager's Index (PMI) focuses mainly on the monthly changes in the five major Survey Areas:

- Employment
- New orders
- Production
- Inventory levels
- Supplier deliveries



- The indexes show monthly changes in output from 0 to 100.
- 50.0 means no change from last month.
- Above 50.0 means more output (expansion) in the economy, below 50.0 means less output (contraction) in the economy.
- The farther from 50.0, the faster the change in output.

India's manufacturing PMI was a three-month high of 58.6 in August month of 2023.

Purchasing Manager's Index is different from Index of Industrial Production as the latter considers only manufacturing data of public and private sectors and is calculated by NSO. The Purchasing Managers Index is published by S&P Global.



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