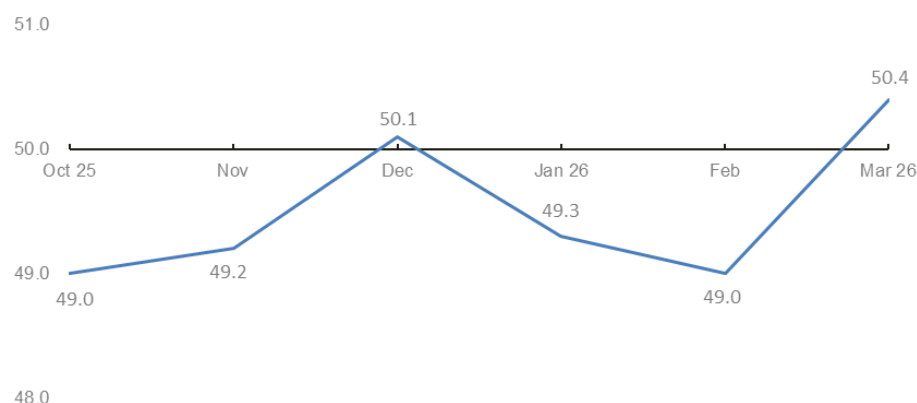


PMI Report on China Manufacturing

China's manufacturing PMI rises to 50.4 in March, indicating that the manufacturing sector recovers after the Chinese New Year holiday

China Manufacturing PMI, seasonally adjusted



China Manufacturing at a Glance – March 2026

Index	Seasonally Adjusted Index	Index Compared with the Previous Month	Direction
PMI	50.4	Higher ▲	Expanding
Output	51.4	Higher ▲	Expanding
New Orders	51.6	Higher ▲	Expanding
New Export Orders	49.1	Higher ▲	Contracting
Backlogs of Orders	47.1	Higher ▲	Contracting
Stocks of Finished Goods	46.7	Higher ▲	Contracting
Stocks of Major Inputs	47.7	Higher ▲	Contracting
Purchases of Inputs	50.9	Higher ▲	Expanding
Imports	49.8	Higher ▲	Contracting
Input Prices	63.9	Higher ▲	Rising
Ex-factory Prices	55.4	Higher ▲	Rising
Employment	48.6	Higher ▲	Contracting
Suppliers' Delivery Time	49.5	Higher ▲	Slowing
Business Expectations	53.4	Higher ▲	Optimistic

All 13 sub-indices saw an increase compared with February, when the Chinese New Year had dampened factory activity. For example, the new orders index jumped 3.0 pts to a one-year high of 51.6 in March, signalling a recent resurgence in market demand. Similarly, the new export orders index surged by 4.1 pts to 49.1, its highest level since April 2024, indicating a slower decline in export demand. Against this backdrop, the output index climbed by 1.8 pts to 51.4 in March, pointing to growth in manufacturing production. The purchase of inputs index also increased by 2.7 pts to 50.9, returning to expansionary territory. Material prices continued to rise, and at a notably faster pace: The input prices index soared by 9.1 pts to a four-year high of 63.9 in March, indicating high cost pressures on enterprises. The ex-factory prices index also went up by 4.8 pts to 55.4, the highest level since March 2022.

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By size of enterprises, the PMI of 'large enterprises' edged up to 51.6 in March from 51.5 in February. The PMI of 'medium enterprises' rebounded to 49.0 in March from 47.5 in February. The PMI of 'small enterprises' surged to 49.3 in March from 44.8 in February.

The output index climbed to 51.4 in March from 49.6 in February. The output index of 'large enterprises' remained above the neutral level of 50, registering 53.4 in March. Meanwhile, the output indices of 'medium enterprises' and 'small enterprises' stayed below 50, both registering 49.4 in the month.

The new orders index surged to 51.6 in March from 48.6 in February. The new orders index of 'large enterprises' remained in the expansionary zone, registering 53.5 in March. Meanwhile, the new orders indices of 'medium enterprises' and 'small enterprises' stayed in the contractionary zone, registering 49.5 and 49.8 respectively in the month.

The new export orders index soared to 49.1 in March from 45.0 in February. The new export orders indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all remained below the critical 50-mark, registering 49.6, 47.6 and 49.9 respectively in March.

The backlogs of orders index increased to 47.1 in March from 44.0 in February. The backlogs of orders indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all remained below the neutral level of 50, registering 47.3, 46.2 and 48.0 respectively in March.

The stocks of finished goods index picked up to 46.7 in March from 45.8 in February. The stocks of finished goods indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all stayed in the contractionary zone, registering 46.9, 46.6 and 46.3 respectively in March.

The stocks of major inputs index inched up to 47.7 in March from 47.5 in February. The major inputs indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all remained below the critical 50-mark, registering 47.5, 47.9 and 47.9 respectively in March.

The purchases of inputs index rose to 50.9 in March from 48.2 in February. The purchases of inputs indices of 'large enterprises' and 'small enterprises' stayed in the expansionary zone, registering 51.6 and 50.6 respectively in March. Meanwhile, the purchases of inputs index of 'medium enterprises' registered 50.0 in the month.

The imports index jumped to 49.8 in March from 45.6 in February. The imports indices of 'large enterprises' and 'medium enterprises' remained below the neutral level of 50, registering 49.8 and 49.3 respectively in March. Meanwhile, the imports index of 'small enterprises' rose above 50, registering 51.3 in the month.

The input prices index shot up to 63.9 in March from 54.8 in February. The input prices indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all remained above the critical 50-mark, registering 64.1, 64.1 and 63.1 respectively in March.

The ex-factory prices index climbed to 55.4 in March from 50.6 in February. The ex-factory prices indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all remained above the neutral level of 50, registering 56.2, 55.6 and 53.4 respectively in March.

The employment index went up to 48.6 in March from 48.0 in February. The employment indices of 'large enterprises', 'medium enterprises' and 'small enterprises' all stayed in the contractionary zone, registering 49.5, 46.9 and 48.6 respectively in March.

The suppliers' delivery time index increased to 49.5 in March from 49.1 in February. A reading above 50 implies faster delivery; below 50, slower delivery. The suppliers' delivery time indices of 'large enterprises', 'medium enterprises' and 'small enterprises' registered 49.6, 48.9 and 50.2 respectively in March.

The business expectations index edged up to 53.4 in March from 53.2 in February. The business expectations indices of 'large enterprises', 'medium enterprises' and 'small enterprises' registered 52.3, 54.2 and 55.0 respectively in March.

CFLP

中國物流與採購聯合會

China Federation of Logistics & Purchasing (CFLP) is the logistics and purchasing industry association approved by the State Council. CFLP's mission is to push forward the development of the logistics industry and the procurement businesses of both government and enterprises, as well as the circulation of factors of production in China. The government authorizes the CFLP to produce industry statistics and set industry standards. CFLP is also China's representative in the Asian-Pacific Logistics Federation (APLF) and the International Federation of Purchasing and Supply Management (IFPSM).

NBS

國家統計局

The National Bureau of Statistics (NBS), an agency directly under the State Council in China, is in charge of the country's statistics. It is responsible for formulating statistical policies and establishing the national statistical system, drafting and enforcing the statistical laws and regulations, setting up and improving the national economic accounting system, conducting censuses, as well as making statistical analyses and forecasts of the macroeconomy, social development, scientific advancement, resources and environment.

China Manufacturing PMI

中國製造業採購經理指數

China Manufacturing Purchasing Managers' Index (PMI) provides an early indication each month of economic activities in the Chinese manufacturing sector. It is jointly published by China Federation of Logistics & Purchasing (CFLP) and the National Bureau of Statistics (NBS). Fung Business Intelligence is responsible for drafting and disseminating the English PMI report.

Every month questionnaires are sent to 3,000 manufacturing enterprises all over China. The data presented herein is compiled from the enterprises' responses about their purchasing activities and supply situations. CFLP makes no representation regarding the data collection procedures, nor does it disclose any data of individual enterprises. The PMI should be compared to other economic data sources when used in decision-making.

3,000 manufacturing enterprises in 31 industries from Eastern, Northeastern, Central and Western China are surveyed. The sampling of the enterprises involves the use of Probability Proportional to Size Sampling (PPS), which means the selection of enterprises surveyed is largely based on each industry's contribution to GDP, and the representation of each geographical region.

There are 13 sub-indicators in the survey: Output, New Orders, New Export Orders, Backlogs of Orders, Stocks of Finished Goods, Purchases of Inputs, Imports, Input Prices, Stocks of Major Inputs, Ex-factory Prices, Employment, Suppliers' Delivery Time and Business Expectations. An index reading above 50 indicates an overall positive change in a sub-indicator; below 50, an overall negative change.

The PMI is a composite index based on the seasonally adjusted indices for five of the sub-indicators with varying weights: New Orders—30%; Output—25%; Employment—20%; Suppliers' Delivery Time—15%; and Stocks of Major Inputs—10%. A PMI reading above 50 indicates an overall expansion in the manufacturing sector; below 50, an overall contraction.

Currently there are more than twenty countries and regions conducting the PMI survey and compilation, based on an internationally standardized methodology.

HKUST Li & Fung Supply Chain Institute

The HKUST Li & Fung Supply Chain Institute accelerates the creation, global dissemination, and practical application of new knowledge and technologies for managing supply chains. Jointly established by international research university HKUST and supply chain industry leader Li & Fung, the Institute engages in collaborative research, exchanges, professional development and executive education to drive real-world impact across the region and globally, while contributing to Hong Kong's development as a multinational supply chain management center.

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