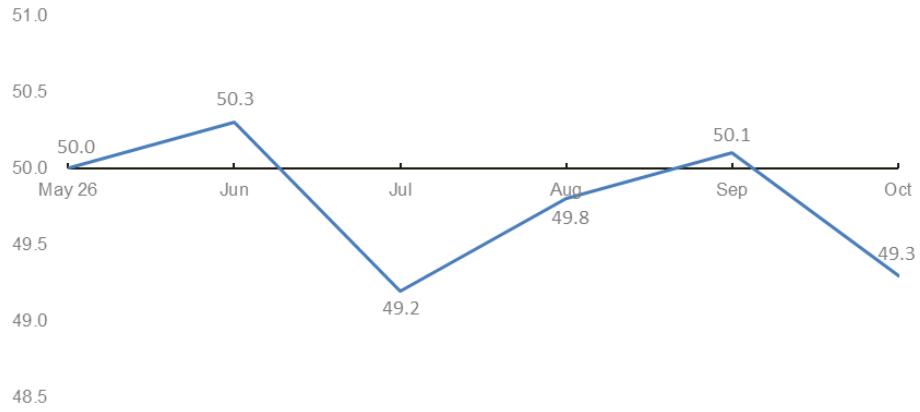
PMI Report on China Manufacturing

China's manufacturing PMI falls back to 49.3 in October, indicating renewed downward pressure on the manufacturing sector

China Manufacturing PMI, seasonally adjusted



China Manufacturing at a Glance – October 2026

Index	Seasonally Adjusted Index	Index Compared with the Previous Month	Direction
PMI	49.3	Lower ▼	Contracting
Output	49.8	Lower ▼	Contracting
New Orders	49.4	Lower ▼	Contracting
New Export Orders	48.7	Lower ▼	Contracting
Backlogs of Orders	44.1	Lower ▼	Contracting
Stocks of Finished Goods	47.5	Lower ▼	Contracting
Stocks of Major Inputs	48.4	Higher ▲	Contracting
Purchases of Inputs	48.9	Lower ▼	Contracting
Imports	47.0	Lower ▼	Contracting
Input Prices	56.8	Lower ▼	Rising
Ex-factory Prices	51.7	Lower ▼	Rising
Employment	48.4	Unchanged --	Contracting
Suppliers' Delivery Time	50.2	Higher ▲	Quickening
Business Expectations	53.4	Lower ▼	Optimistic

Out of the 13 sub-indices, ten recorded a decrease. The new orders index fell by 1.1 pts to 49.4, and the new export orders index dropped by 1.3 pts to 48.7, indicating that both overall market demand and external demand have contracted. In tandem with weaker demand, the output index dropped by 1.9 pts to 49.8, pointing to a contraction in manufacturing production. Reflecting this slowdown, the purchase of inputs index declined by 2.1 pts to 48.9, pointing to reduced purchasing activity. On the price front, the ex-factory prices index went down by 2.3 pts to 51.7. This indicates that ex-factory prices rose at a slower pace compared with the previous month, which was supported by a moderation in raw material price increase: The input prices index fell by 4.0 pts to 56.8 in October. Despite the drop, it remains well above the 50-mark, indicating that cost pressures on businesses persist.

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By size of enterprises, the PMI of “large enterprises” declined to 50.2 in October from 50.6 in September. The PMI of “medium enterprises” dropped to 48.4 in October from 49.7 in September. The PMI of “small enterprises” decreased to 47.5 in October from 48.9 in September.

The output index dropped to 49.8 in October from 51.7 in September. The output index of “large enterprises” stayed above the neutral level of 50, registering 51.0 in October. Meanwhile, the output indices of “medium enterprises” and “small enterprises” fell below 50, registering 48.6 and 47.9 respectively in the month.

The new orders index fell to 49.4 in October from 50.5 in September. The new orders index of “large enterprises” remained in the expansionary zone, registering 50.9 in October. Meanwhile, the new orders indices of “medium enterprises” and “small enterprises” stayed in the contractionary zone, registering 48.2 and 46.1 respectively in the month.

The new export orders index dropped to 48.7 in October from 50.0 in September. The new export orders index of “large enterprises” came in exactly at the neutral level of 50.0. Meanwhile, the new export orders indices of “medium enterprises” and “small enterprises” stayed below 50, registering 46.4 and 46.8 respectively in the month.

The backlogs of orders index declined to 44.1 in October from 46.0 in September. The backlogs of orders indices of “large enterprises”, “medium enterprises” and “small enterprises” all remained below the neutral level of 50, registering 45.4, 43.6 and 40.3 respectively in October.

The stocks of finished goods index edged down to 47.5 in October from 47.6 in September. The stocks of finished goods indices of “large enterprises”, “medium enterprises” and “small enterprises” all stayed in the contractionary zone, registering 49.2, 45.8 and 44.8 respectively in the month.

The stocks of major inputs index inched up to 48.4 in October from 48.2 in September. The major inputs indices of “large enterprises”, “medium enterprises” and “small enterprises” all stayed below the critical 50-mark, registering 49.5, 47.6 and 45.8 respectively in October.

The purchases of inputs index fell to 48.9 in October from 51.0 in September. The purchases of inputs indices of “large enterprises”, “medium enterprises” and “small enterprises” all stayed in the contractionary zone, registering 49.8, 48.6 and 46.0 respectively in October.

The imports index decreased to 47.0 in October from 49.2 in September. The imports indices of “large enterprises”, “medium enterprises” and “small enterprises” all stayed below the neutral level of 50, registering 47.5, 47.4 and 41.3 respectively in October.

The input prices index went down to 56.8 in October from 60.8 in September. The input prices indices of “large enterprises”, “medium enterprises” and “small enterprises” all remained above the critical 50-mark, registering 55.8, 57.8 and 58.5 respectively in October.

The ex-factory prices index declined to 51.7 in October from 54.0 in September. The ex-factory prices indices of “large enterprises”, “medium enterprises” and “small enterprises” all stayed above the neutral level of 50, registering 52.2, 51.0 and 51.0 respectively in October.

The employment index stayed flat at 48.4 in October compared with September. The employment indices of “large enterprises”, “medium enterprises” and “small enterprises” all remained in the contractionary zone, registering 48.9, 47.7 and 48.1 respectively in October.

The suppliers’ delivery time index rose to 50.2 in October from 50.1 in September. 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 50.1, 50.2 and 50.4 respectively in October.

The business expectations index decreased to 53.4 in October from 53.8 in September. The business expectations indices of “large enterprises”, “medium enterprises” and “small enterprises” registered 54.1, 53.2 and 51.2 respectively in October.

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 the National Bureau of Statistics (NBS) and China Federation of Logistics & Purchasing (CFLP). 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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