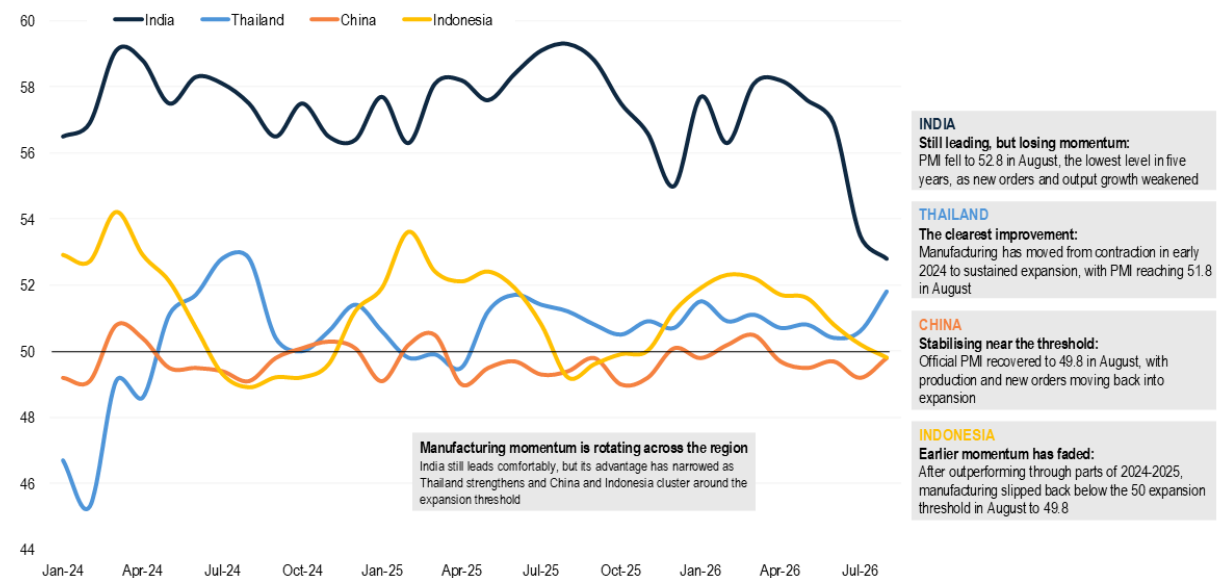


Asia's Manufacturing Momentum Is Shifting in 2026

Manufacturing PMI shows India remaining the strongest performer despite slowing in 2026, while Thailand is gaining momentum, China is stabilising and Indonesia is slipping back into contraction

Manufacturing PMI: Selected Asian Economies (Jan. 2024-Aug. 2026)



Asia's manufacturing landscape is moving in different directions in 2026. India remains the clear standout, but its lead is narrowing: manufacturing PMI fell to 52.8 in August, its weakest reading in five years, as growth in new orders and output slowed.

Elsewhere, the picture is changing. Thailand has staged the clearest turnaround, moving from contraction in early 2024 to a PMI of 51.8 in August. China's official manufacturing PMI improved to 49.8, with production and new orders returning to expansion even as the overall index remained just below the 50 threshold. Indonesia has moved the other way, slipping back into contraction at 49.8 after periods of stronger growth in 2024 and 2025.

The result is a more fluid regional manufacturing picture. India still leads comfortably, but Thailand is gaining ground while China and Indonesia sit on the boundary between expansion and contraction. Asia's manufacturing momentum is not moving in one direction; it is increasingly shifting between markets.

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