

Snap | 30 April 2026

CHINA

China's PMI data suggests domestic demand remains soft

China's purchasing managers' index fared better than expected as new export orders and imports returned to expansion for the first time since early 2024. But softer domestic activity sent the non-manufacturing PMI back into contraction. Price pressures also stayed firmly in expansionary territory, suggesting China's reflation is continuing



50.3

China's March manufacturing PMI

Higher than expected

Official manufacturing PMI broadly stable in April

China's official manufacturing purchasing managers' index edged down slightly to 50.3 in April from 50.4, but still came in stronger than both our forecast and broader market expectations.

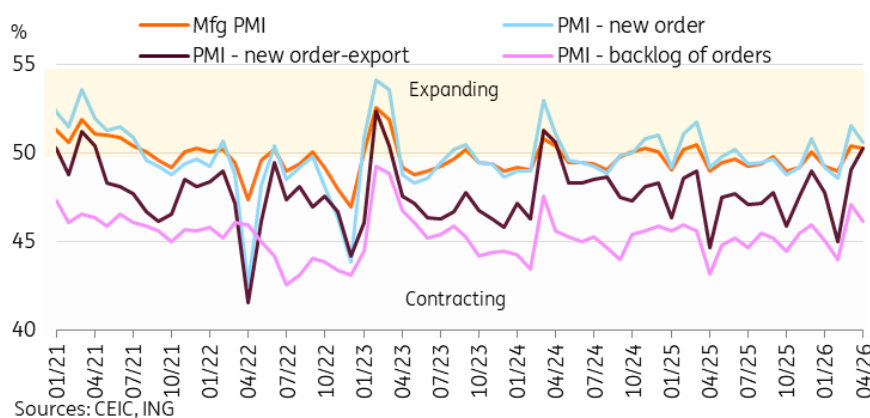
In terms of the key subindices, production edged up 0.1pp to 51.5, while employment also moved 0.2pp higher, staying in contraction at 48.8. However, overall new orders dropped quite significantly to 50.6 from 51.6, suggesting weak orders domestically.

The more encouraging data points were the new export orders subindex, which rose 1.2pp to 50.3. It returned to expansionary levels for the first time since April 2024, as did the imports subindex, which eked back into expansionary territory at 50.1 for the first time since March 2024. This data suggests that trade activity remained solid in April.

In terms of price pressures, the raw material purchase price index (63.7) and ex-factory prices (55.1) both remained quite elevated, though down slightly from March's levels. This early data suggest that the reflation trend is continuing, likely to be confirmed by the inflation data out on 11 May.

The RatingDog manufacturing PMI also beat expectations solidly. It rose to 52.2, up from 50.8. The outperformance of this measure, which samples more export-oriented private firms, suggests that external demand continues to outpace domestic demand.

Export orders returned to expansion for the first time since 2024, but overall new orders slowed



Non-manufacturing PMI ties January for a 40-month low

Non-manufacturing PMI data was less encouraging in April, down to 49.4 again, tying January's data for a 40-month low.

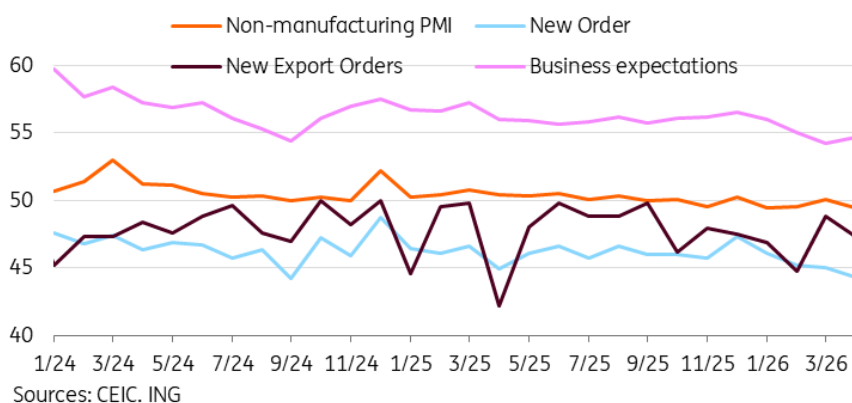
The new orders subindex fell to 44.3, which was the lowest level since 2022. New export orders fared a little better at 47.3, but still remained in contraction for the 16th consecutive month. The only silver lining was a slight uptick in business expectations to 54.7, snapping a 3-month streak of deceleration.

Input prices moderated to 51.7 but remained above 50 for the sixth straight month. In

contrast, price pressures haven't been transmitted to customers yet. The sales price component remained in contraction for the 31st consecutive month, coming in at 48.1.

As China's services sector tends to be more domestically oriented than manufacturing, it has started to underperform in recent months.

Non-manufacturing PMI has started to lag behind amid soft domestic demand



Author

Lynn Song

Chief Economist, Greater China

lynn.song@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England

THINK economic and financial analysis

(Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.