

BANGLADESH PURCHASING MANAGERS' INDEX (PMI)

7 March 2024

Bangladesh February PMI recorded a faster expansion at 64.6 All sectors except Services posted faster expansion rates

The FEBRUARY reading of the Bangladesh Purchasing Managers' Index (PMI) increased by 2.5 points from the previous month to record a faster expansion at 64.6. This latest PMI reading was attributed to a faster expansion rate in the key sectors of agriculture, manufacturing and construction. The services sector posted a slower rate of expansion from the previous month.

The agriculture sector recorded a second month of expansion after having posted a contraction reading in December last year. The sector posted a faster expansion rate for the indexes of new business and input costs, but posted a slower expansion rate for the employment index. The business activity reverted to a contraction whereas order backlog reverted to an expansion.

The manufacturing sector posted a faster expansion rate for the indexes of new orders, new exports, input purchases, and supplier deliveries. However, slower expansion rates were recorded for the indexes of factory output, imports, input prices, and order backlog. The employment index reverted to an expansion, whereas the finished goods index posted a slower rate of contraction.

The construction sector posted a faster expansion rate for the indexes of new business, construction activity, and input costs. The employment index reverted to an expansion, and the order backlog posted a slower contraction.

The services sector posted a faster expansion rate for the indexes of new business and input costs. The business activity index posted a slower expansion rate whereas the employment index posted the same expansion rate. However, the order backlog index posted a faster rate of contraction.

In terms of the future business index, faster expansion rates were recorded for the sectors of agriculture, manufacturing and construction. The services sector however posted a slower expansion rate.

“The Bangladesh economy continued to power ahead as the PMI readings indicated all sectors firmly on the expansion track. The services sector posted a slower expansion rate whereas all other sectors recorded faster expansion rates. The slower expansion could be attributed to a contracting order backlog, and this is also reflected in the future business index.”

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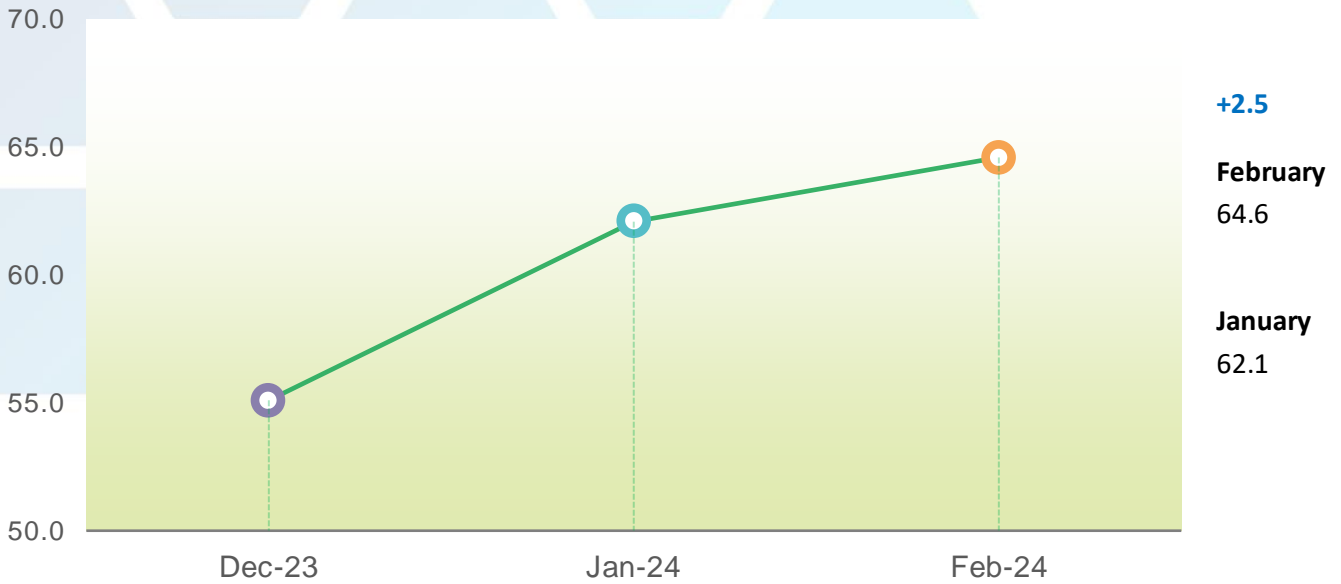
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Bangladesh PMI

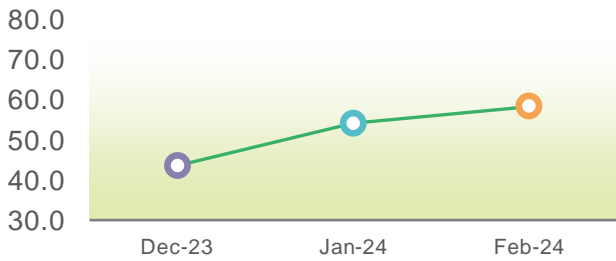
Purchasing Managers' Index (PMI)



Agriculture Sectors

February 58.3 January 54.1

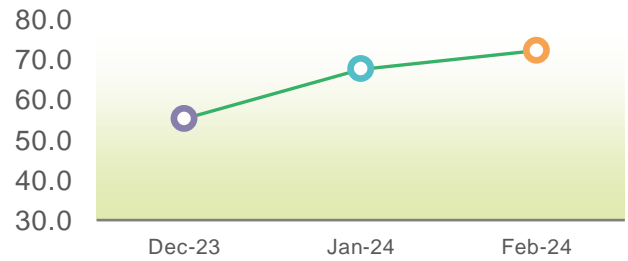
Agriculture Sector Index



Manufacturing Sectors

February 72.3 January 67.7

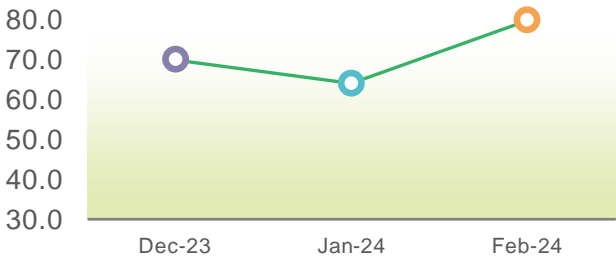
Manufacturing Sector Index



Construction Sectors

February 79.6 January 63.9

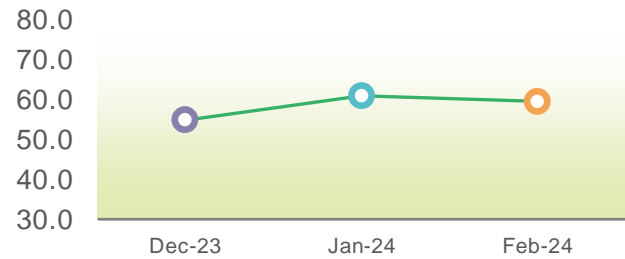
Construction Sector Index



Services Sectors

February 59.4 January 60.8

Services Sector Index



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ABOUT BANGLADESH PMI

The Bangladesh PMI was developed in 2024 by Metropolitan Chamber of Commerce and Industry (MCCI) and Policy Exchange Bangladesh, in cooperation with the Singapore Institute of Purchasing & Materials Management (SIPMM) and supported by UK International Development.



The Purchasing Managers' Index (PMI) is a forward looking (or "leading") economic indicator which helps understand the direction in which the economy is headed. First developed in the United States in 1948, it has since then been utilized in over 50 countries for its accuracy and reliability in capturing the pulse of key sectors and the economy. It is widely used by investors, businesses and policymakers for making key decisions.

The Bangladesh PMI was initiated by the UK Government. Covering the key economic sectors, the Bangladesh PMI is based on data compiled from monthly surveys of over 500 private sector enterprises. Survey responses reflect the change in business activity, if any, in the current month compared to the previous month. The headline numbers are derived using 'diffusion index' methodology, aggregating inputs from these companies on various indicators, weighted. The methodology was developed by Singapore Institute of Purchasing & Materials Management (SIPMM), with technical inputs from Policy Exchange.

A PMI reading above 50 indicates that the sector/ economy is generally 'expanding'. A reading of 50 indicates 'no change' compared to last month, while a reading below 50 indicates a 'contraction'.

For more information, please visit: www.bangladeshpmi.com

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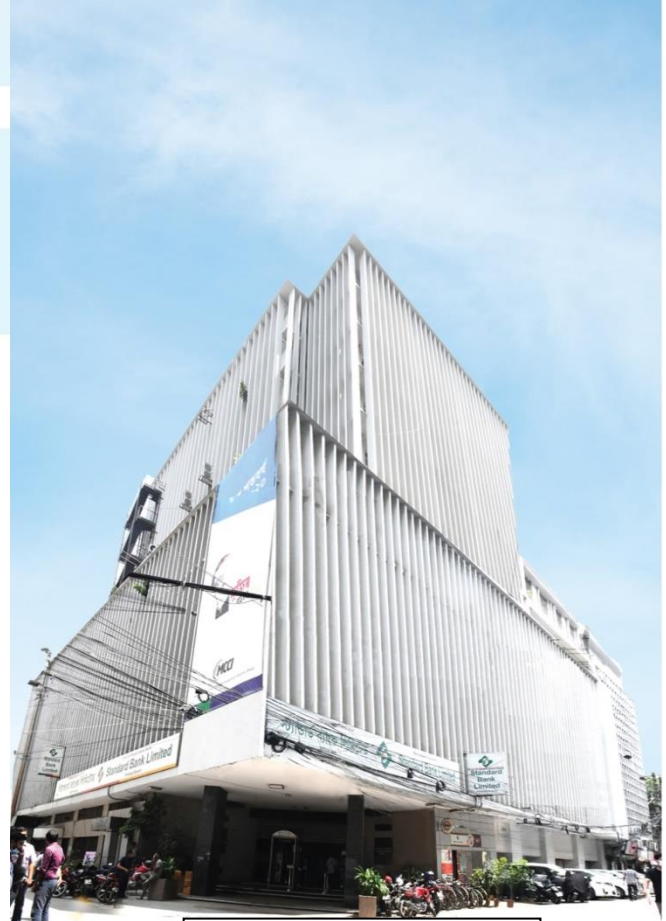


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ABOUT MCCI

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), founded in 1904, is the oldest and most prominent trade organization in Bangladesh. Its membership includes leading commercial and large industrial organizations from both the public and private sectors, as well as local and multinational companies. Currently, almost all major enterprises in the manufacturing and service sectors are members of the Chamber. The Chamber offers a wide range of professional services to its members. Over the years, the Chamber has developed comprehensive services covering specialized areas such as taxation, import-export, tariffs, non-tariff measures, investment, WTO matters, and other national and international economic and commercial issues. The Chamber maintains a secretariat staffed by professionals and provides secretarial services to the Bangladesh Employers' Federation (BEF), the country's sole national-level organization of employers dealing with industrial relations, occupational safety and health, workplace cooperation, skills development, labor law, and other labor-related issues.



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