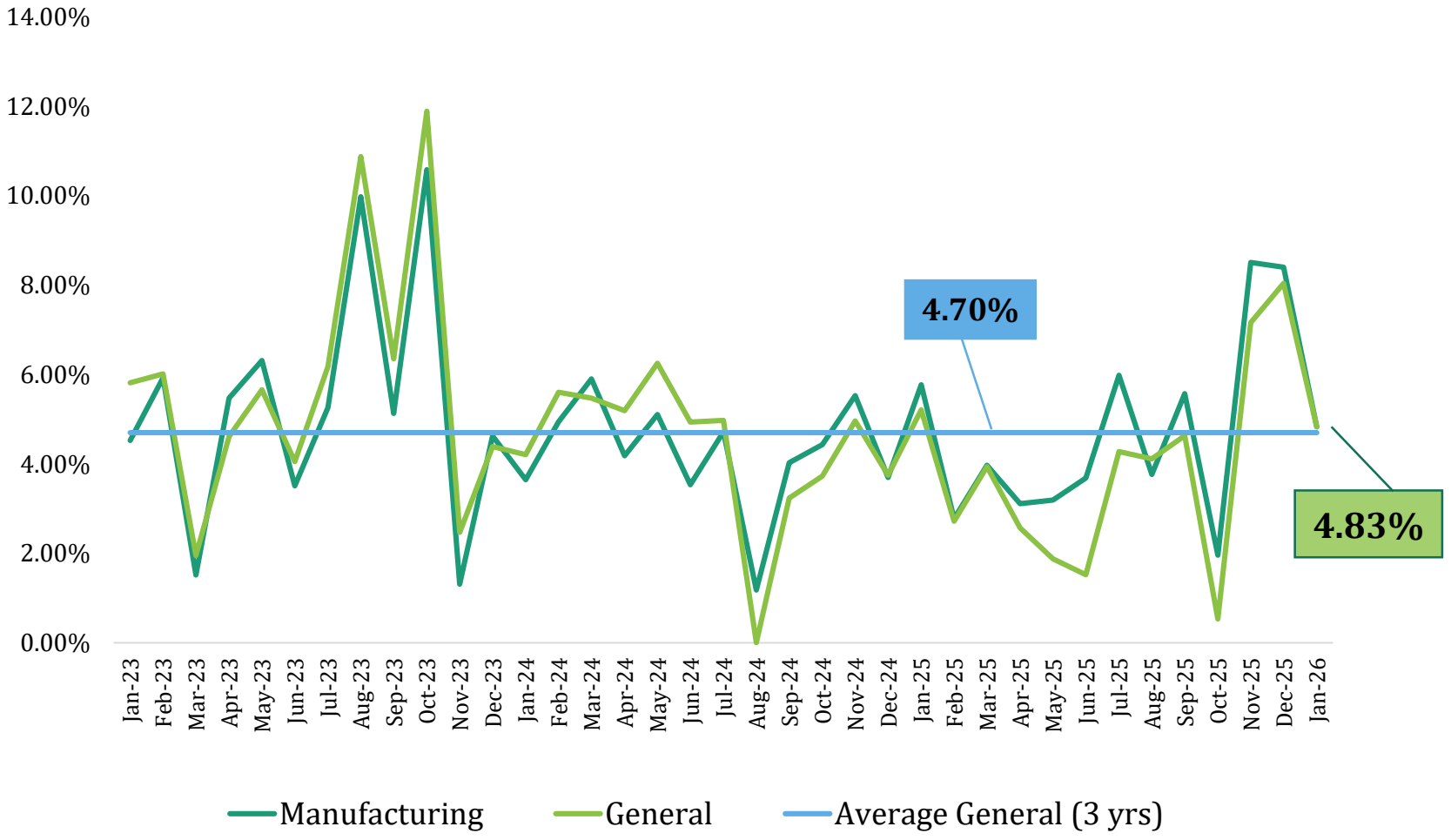
Analysis and Outlook on Index of Industrial Production: January 2026

PHDCCI Research Bureau

Index of Industrial Production (Y-o-Y) - Trend Analysis



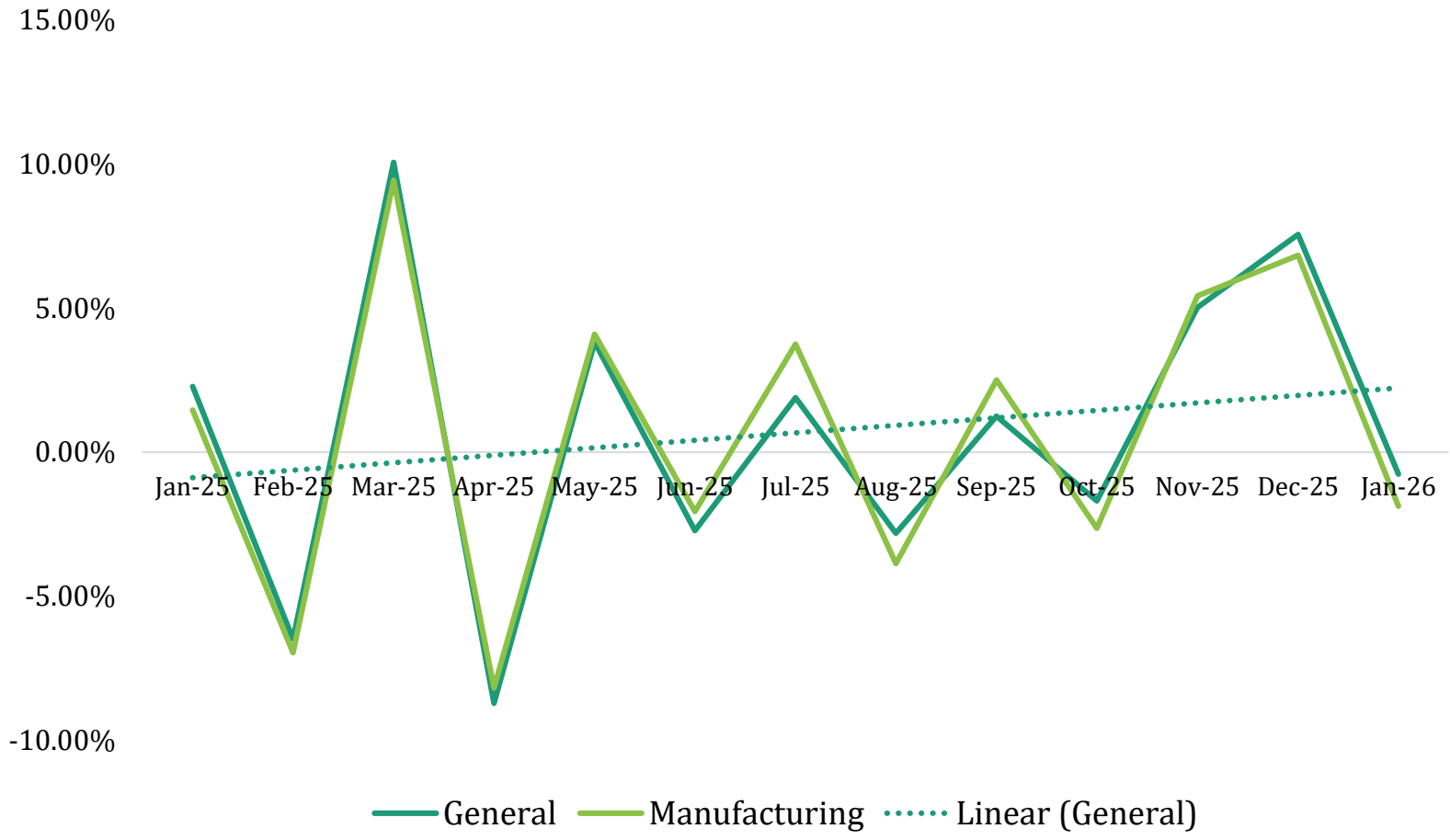
- IIP for January 2026 registered the growth of 4.83% (Y-o-Y), driven by 4.83% growth in the Manufacturing sector and 5.1% growth in the Electricity Sector.
- The Mining sector witnesses the growth of 4.3%.
- The growth in IIP is slightly above the 3 year Average of 4.70%.
- Within the manufacturing sector, the top three positive contributors for the month of January 2026 are – "Manufacture of basic metals" (13.2%), "Manufacture of motor vehicles, trailers and semi-trailers" (10.9%) and "Manufacture of other non-metallic mineral products" (9.9%).

Source: Ministry of Statistics and Programme Implementation, MoSPI

Index of Industrial Production (M-o-M) Growth momentum slows

- The Manufacturing sector, being the highest weighted component (77.6) determines the momentum for the General Index of Industrial Production.

- Though the month over month growth has moderated in January 2026 over December 2025, the positive slope reflects mild acceleration in the Index.



Year-on-Year Growth (January 2025 to January 2026)

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26
General IIP	**5.21%**	**2.72%**	**3.94%**	**2.57%**	**1.87%**	**1.52%**	**4.27%**	**4.12%**	**4.63%**	**0.53%**	**7.16%**	**8.04%**	**4.83%**
Mining	**4.44%**	1.57%	1.22%	-0.15%	-0.07%	-8.67%	-7.24%	6.63%	-0.45%	-1.79%	5.83%	6.91%	4.31%
Manufacturing	**5.77%**	2.77%	3.97%	3.11%	3.19%	3.68%	5.98%	3.76%	5.57%	1.95%	8.50%	8.40%	4.83%
Electricity	**2.44%**	3.63%	7.49%	1.75%	-4.71%	-1.21%	3.72%	4.15%	3.14%	-6.93%	-1.52%	6.28%	5.05%
Primary Goods	**5.5%**	2.8%	3.9%	-0.2%	-1.4%	-2.5%	-0.7%	5.4%	1.3%	-0.6%	2.2%	4.4%	3.1%
Capital Goods	**10.2%**	8.2%	3.6%	14.0%	13.3%	3.0%	6.8%	4.5%	5.4%	2.1%	10.1%	8.3%	4.3%
Intermediate Goods	**5.3%**	1.0%	3.8%	4.9%	4.7%	5.5%	6.1%	5.2%	6.3%	2.5%	7.4%	7.8%	6.0%
Infrastructure/ Construction Goods	**7.3%**	6.8%	9.9%	4.7%	6.7%	6.7%	13.7%	10.4%	10.6%	7.1%	13.0%	12.8%	13.7%
Consumer Durables	**7.1%**	3.7%	6.9%	6.2%	-0.9%	2.8%	7.3%	3.5%	10.0%	-1.3%	11.2%	12.4%	6.3%
Consumer Non-Durables	**0.1%**	-2.1%	-4.0%	-2.7%	-1.0%	-0.9%	0.5%	-6.4%	-0.3%	-5.2%	8.0%	8.5%	-2.7%

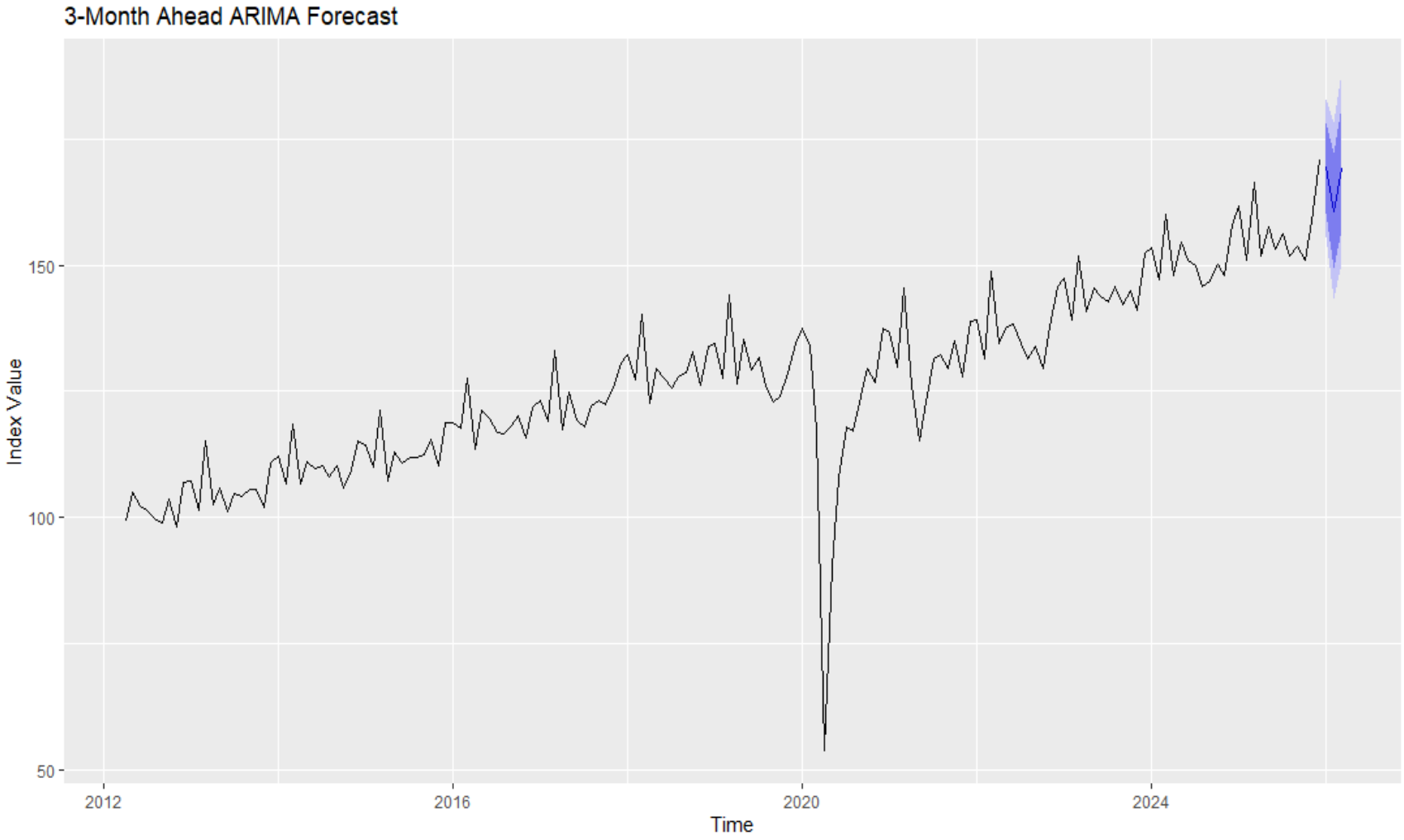
Source: Ministry of Statistics and Programme Implementation, MoSPI

Index of Industrial Production – Forecast for 3 months by PHDCCI

Date	Forecast
Jan-26	169.36
Feb-26	160.63
Mar-26	169.26

Methodology:

- The ARIMA model is applied to the monthly Index of Industrial Production (2011-12 series) using R version 4.5.2 to get the forecast of next 3 months.
- The stationarity of the series is checked using ADF test.
- The forecast for February 2026 suggests a further decline in the index, while it suggests recovery in the month of March 2026.



Source: PHDCCI Research Bureau Analysis using R version 4.5.2 software

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Thank You