

# S&P Global Qatar PMI<sup>®</sup>

## Output and new orders fall in January but hiring remains strong

### January 2026

Output and new work both fall for second month running

Employment and wage growth remain strong

Companies cut prices charged for goods and services at marked rate to stimulate demand

Qatar's non-energy sector posted further decreases in both activity and new business in January, according to the latest Purchasing Managers' Index<sup>™</sup> (PMI<sup>®</sup>) survey data from S&P Global. Employment and backlogs continued to rise, however, and the outlook for 2026 remained positive.

The Qatar PMI indices are compiled from survey responses from a panel of around 450 private sector companies. The headline S&P Global Qatar PMI is a composite single-figure indicator of non-energy private sector performance. It is derived from indicators for new orders, output, employment, suppliers' delivery times and stocks of purchases.

The PMI rose from 50.0 in December to 50.4 in January, signalling a slight improvement in business conditions in the non-energy private sector at the start of 2026. The latest reading was among the lowest for three years, however, and below the long-run average of 52.2 since 2017.

The overall improvement in business conditions in the first month of 2026 purely reflected higher employment and growth in stocks of purchases. These positive contributions masked further declines in output and new orders, while shorter suppliers' delivery times also weighed on the PMI.

Business conditions remained constrained by a fall in new orders, the seventh decrease in eight months. Lower incoming new work led to a further overall drop in output in the non-energy private sector in January, the first back-to-back contraction since the first quarter of 2025. The rates of decline in both new orders and output eased since December, however, and were modest overall.

Although output and new orders both fell further in January, the 12-month business outlook remained positive. Firms linked positive sentiment to improving market conditions, investment, population growth and government projects. The overall degree of optimism moderated since December, however.

With firms expecting growth over the next 12 months, workforces continued to be expanded. The rate of job creation remained strong in January, despite easing to a

S&P Global Qatar PMI  
Index, sa, >50 = improvement m/m



Data were collected 12-23 January 2026.  
Source: S&P Global PMI. ©2026 S&P Global.

### Comment

Trevor Balchin, Economics Director at S&P Global Market Intelligence

"Although the latest PMI figure of 50.4 was consistent with a slight improvement in business conditions in Qatar's non-energy private sector at the start of 2026, upon closer inspection of the components a less favourable picture emerges.

"The rise in the PMI since December's 50.0 reading merely reflected slower declines in output and new orders. Underlying demand remained weak, with new business having declined in seven of the past eight months. Moreover, the drop in output was the first back-to-back contraction since the first quarter of 2025.

"The headline figure continued to be flattered by another strong increase in employment, although even here the rate of job creation was the weakest in nine months. The PMI was also supported by higher input stocks in January.

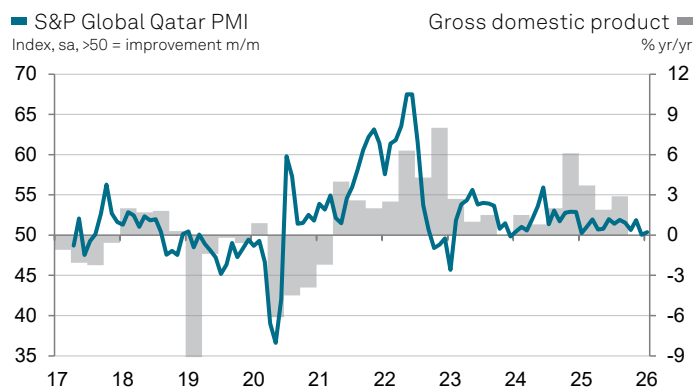
"Outstanding business continued to rise, albeit modestly, and the year-ahead outlook remained positive despite moderating at the start of the year."

nine-month low. Higher staffing levels were linked to the expansion of capacity and sales support.

Outstanding work across the non-energy private sector rose for the fourteenth month running in January. That said, the latest expansion was only marginal and among the weakest in this sequence.

Supply chains continued to improve in January, with a solid reduction in input delivery times. Lead times improved as demand for inputs fell, with purchasing activity by Qatari firms down slightly for the second time in three months. Lower purchasing partly reflected a rise in input stocks during the month.

Qatari companies raised wages at a marked pace in January, with the rate of inflation the highest in four months. Cost pressures outside of wages and salaries remained much more muted, with purchase prices and overall input prices both rising only slightly. Prices charged were reduced for the fourth month running as firms attempted to stimulate demand, and at the sharpest rate since August.



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## Methodology

The S&P Global Qatar PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 450 non-energy private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. Data collection began in April 2017.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times Index is inverted so that it moves in a comparable direction to the other indices.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

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