

December
2024

SL Purchasing Managers' Index

Construction



STATISTICS DEPARTMENT
CENTRAL BANK OF SRI LANKA

Sri Lanka Purchasing Managers' Index for Construction (PMI - Construction), as reflected by the Total Activity Index, stood at 51.4 in December 2024, indicating a continued expansion in construction activities. However, most survey respondents emphasised the need for more large-scale construction projects to sustain the industry growth.

The New Orders index was at the neutral threshold, indicating that the number of construction projects approved in December remained at a similar level as in the previous month. Meanwhile, the Employment index continued to contract, yet at a slower pace in December. The Quantity of Purchases index increased, in line with the expansion in construction work. Meanwhile, Suppliers' Delivery Time remained lengthened in December.

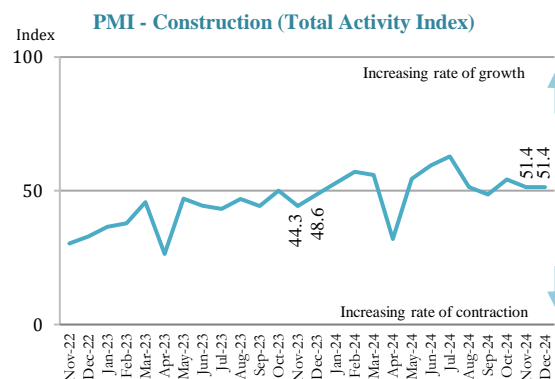
Summary of the PMI - Construction Survey

Variable	Nov.	Dec.	+/-	Direction
PMI - Construction (Total Activity Index)	51.4	51.4	=	Rising, Same Rate
New Orders	47.2	50.0	+	Neutral from Falling
Employment	37.5	38.2	+	Falling, Slower Rate
Quantity of Purchases	50.0	52.9	+	Rising from Neutral
Suppliers' Delivery Time	51.4	52.9	+	Lengthening, Higher Rate

Source: Central Bank of Sri Lanka

The outlook for construction activities for the next three months is positive, mainly supported by the expected favourable weather conditions. Further, the firms are looking forward to the government's infrastructure plans through the upcoming national budget.

PMI
Construction
Total Activity Index
December 2024
51.4



Source: Central Bank of Sri Lanka

The World Outlook: Summary of PMI Construction

Country/Territory	Direction
Eurozone	Falling, Slower Rate
France	Falling, Higher Rate
Germany	Falling, Higher Rate
Ireland	Rising from Falling
Italy	Rising from Falling
UK	Rising, Slower Rate

Source: S&P Global¹ as of 30 January 2025 ([PMI Releases \(spglobal.com\)](#))

¹S&P Global compiles PMIs for over 40 economies worldwide.

Technical Note

Methodology

The index compilation and interpretation of indices follow the survey methodology of S&P Global.

The Construction Total Activity Index is the headline index for Construction, which is referred to as the **PMI - Construction**, as per the international best practices. The Construction Total Activity Index is comparable to the Manufacturing Production Index and Services Business Activity Index.

The Index

PMI is calculated as a 'Diffusion Index', where it takes values between 0 and 100.

PMI=50 - sector remained neutral on month-on-month basis;

PMI>50 - sector is generally expanding on month-on-month basis

PMI<50 - sector is generally declining on month-on-month basis

Sample

The survey is conducted targeting highest graded local construction companies registered in the Construction Industry Development Authority covering around 35 responses to capture month on month developments.

Definitions of Variables

Employment : Number of staff working for the organization

Quantity of purchases : Raw materials purchased and kept in a warehouse to be used for production

Supplier Delivery Time : Time lag between order placement and delivery by the supplier

Other variables are self-explanatory.