



Reflecting the seasonal slowdown in construction activities during the Sinhala and Tamil New Year period, Sri Lanka Purchasing Managers' Index for Construction (PMI - Construction), as indicated by the Total Activity Index, declined to 41.4 in April 2025. However, the seasonal dip in April 2025 was less pronounced than in the corresponding month in the previous year. Survey respondents mentioned that most of their construction sites were temporarily closed for an extended period during the month due to the New Year celebrations.

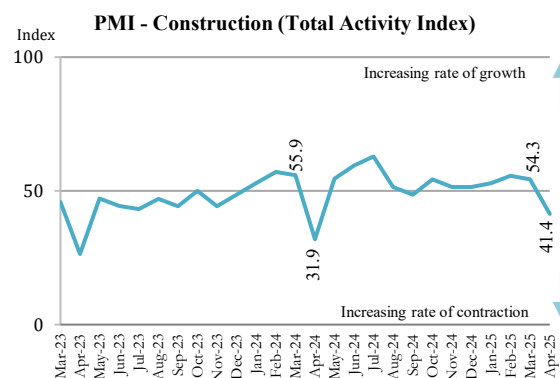
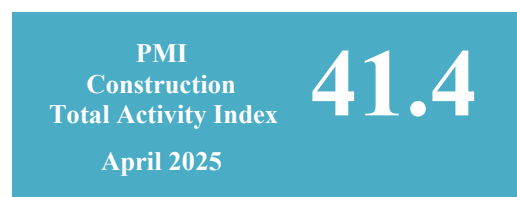
New Orders recorded a decline in April, mainly attributed to the limited number of working days. However, most respondents noted that a growing number of construction projects are currently under evaluation, while several others are open for tender. Employment and Quantity of Purchases also declined during the month due to the reduced volume of construction work undertaken during the month. Meanwhile, Suppliers' Delivery Time index further lengthened in April due to the holiday period.

Summary of the PMI - Construction Survey

Variable	Mar.	Apr.	+/-	Direction
PMI - Construction (Total Activity Index)	54.3	41.4	-	Falling from Rising
New Orders	51.4	48.6	-	Falling from Rising
Employment	48.5	35.7	-	Falling, Higher Rate
Quantity of Purchases	54.4	37.1	-	Falling from Rising
Suppliers' Delivery Time	51.4	52.9	+	Lengthening, Higher Rate

Source: Central Bank of Sri Lanka

The outlook for construction activities over the next three months is positive, with operations expected to return to normalcy.



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, Slower Rate
Ireland	Rising, Slower Rate
Italy	Rising, Slower Rate
UK	Falling, Slower Rate

Source: S&P Global¹ as of 30 May 2025 (PMI Releases ([spglobal.com](https://www.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.