

July
2025

SL Purchasing Managers' Index

Manufacturing and Services



Purchasing Managers' Indices indicate improvements in both Manufacturing and Services activities in July 2025

Sri Lanka Purchasing Managers' Index for Manufacturing (PMI – Manufacturing) increased at a higher rate to 62.2 in July 2025, indicating an expansion in manufacturing activities. All sub-indices contributed positively to this improvement.

The growth in New Orders and Production sub-indices was largely supported by strong performances in the food and beverages manufacturing and textiles and apparel sectors. Moreover, Employment sub-index returned to positive territory in July and Stock of Purchases sub-index further increased, in line with the increases in Production and New Orders. Meanwhile, Suppliers' Delivery Time remained lengthened during the month.

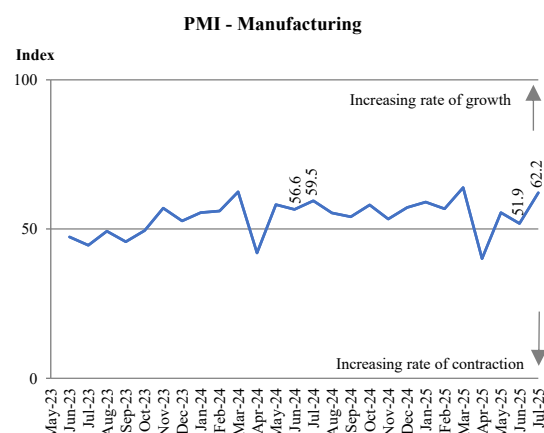
Summary of the PMI - Manufacturing Survey

Variable	Jun.	Jul.	+/-	Direction
PMI - Manufacturing	51.9	62.2	+	Rising, Higher Rate
New Orders	50.5	67.5	+	Rising, Higher Rate
Production	52.6	66.5	+	Rising, Higher Rate
Employment	49.0	55.0	+	Rising from Falling
Stock of Purchases	50.5	59.5	+	Rising, Higher Rate
Suppliers' Delivery Time	58.2	55.6	-	Lengthening, Slower Rate

Source: Central Bank of Sri Lanka

Manufacturing sector is optimistic about the next three months, while remaining cautious amid uncertainties in global trade.

PMI
Manufacturing
July 2025
62.2



Source: Central Bank of Sri Lanka

The World Outlook Summary of PMI Manufacturing

Country/Territory	Direction
Global	Falling from Rising
India	Rising, Higher Rate
China	Falling from Rising
US	Falling from Rising
UK	Falling, Slower Rate
Eurozone	Falling, Slower Rate

Source: S&P Global ¹ as of 15 August 2025 ([PMI Releases \(spglobal.com\)](https://www.spglobal.com/pmireleases))

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

Sri Lanka Purchasing Managers' Index for Services (PMI – Services) recorded an index value of 70.1 in July 2025 indicating an accelerated expansion in services activities.

Business activities expanded in July 2025 supported by the improvements observed across many sectors. Accordingly, business activities in the wholesale and retail trade experienced a considerable growth during the month. Further, business activities related to financial services continued to improve, driven by the increase in lending activities, and activities related to transportation of goods. Further, business activities in the other personal activities, postal activities, programming and broadcasting, telecommunication, accommodation, food and beverage service activities, and human health related sectors also recorded positive developments during the month.

New Businesses increased in July 2025 primarily due to the expansions observed in wholesale and retail trade, and the financial services sector.

Employment increased in July 2025, as rising business activity across several sectors prompted companies to recruit additional staff to meet growing operational demands. Meanwhile, Backlogs of Work increased compared to the previous month.

Summary of the PMI - Services Survey

Variable	Jun.	Jul.	+/-	Direction
PMI - Services (Business Activity Index)	61.9	70.1	+	Rising, Higher Rate
New Businesses	62.9	64.9	+	Rising, Higher Rate
Employment	51.6	59.8	+	Rising, Higher Rate
Backlogs of Work	50.0	51.1	+	Rising, Higher Rate
Expectations for Activity	75.8	80.7	+	Rising, Higher Rate

Source: Central Bank of Sri Lanka

Expectations for Business Activities over the next three months continued to improve supported by favourable macroeconomic conditions.

Technical Note

Methodology

Questionnaires are completed in the first half of the succeeding month. For each variable, respondents are asked to report an increase, decrease or no change compared with the previous month, and to provide reasons for any changes. The index compilation and interpretation of indices follow the survey methodology of S&P Global.

PMI – Manufacturing, which is considered as the headline index for Manufacturing, is a weighted average of New Orders, Output, Employment, Suppliers' Delivery Time and Stocks of Purchases.

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

The Index

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

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

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

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

Sample

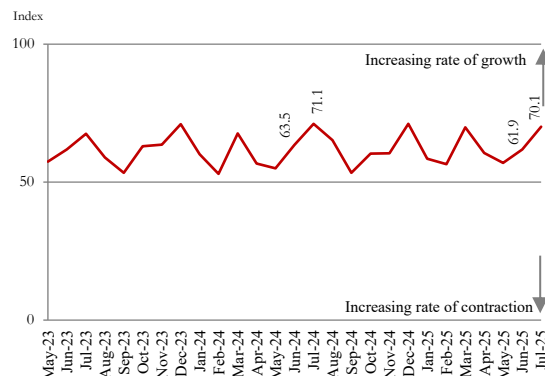
The sampling frame was based on a list of large companies located in the Western province obtained from the EPF Department. Samples for Manufacturing and Services activities were selected based on the GDP sectoral share, with a target of 100 responses for each.

Definitions of Variables

Employment : Number of staff working for the organization
 Stock 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
 Backlogs of Work : Uncompleted orders
 Other variables are self-explanatory.



PMI - Services (Business Activity Index)



Source: Central Bank of Sri Lanka

The World Outlook Summary of PMI Services

Country/Territory	Direction
Global	Rising, Higher Rate
India	Rising, Higher Rate
China	Rising, Higher Rate
US	Rising, Higher Rate
UK	Rising, Slower Rate
Eurozone	Rising, Higher Rate

Source: S&P Global ¹ as of 15 August 2025 ([PMI Releases \(spglobal.com\)](https://www.spglobal.com))