

September
2025

SL Purchasing Managers' Index

Manufacturing and Services



STATISTICS DEPARTMENT
CENTRAL BANK OF SRI LANKA

Purchasing Managers' Indices indicate expansions in both Manufacturing and Services activities in September 2025

Sri Lanka Purchasing Managers' Index for Manufacturing (PMI – Manufacturing) recorded an index value of 55.4 in September 2025, indicating an expansion in manufacturing activities. All sub-indices, except for Employment, remained above the neutral threshold during the month.

The expansions in New Orders and Production were largely attributed to the manufacture of textiles & wearing apparel sector. In addition, Stock of Purchases increased during the month, driven by the planned accumulation of inventory in preparation for upcoming production targeting the festive season. Employment sub-index turned below the neutral threshold in September, with many firms highlighted the difficulties in retaining and attracting skilled workers. Meanwhile, Suppliers' Delivery Time further lengthened during the month, as many respondents cited persistent delays in international shipping operations.

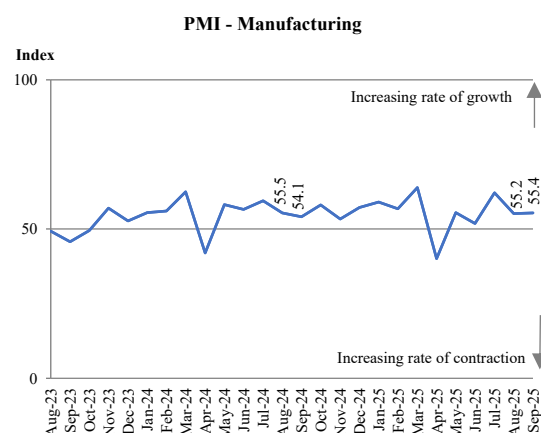
Summary of the PMI - Manufacturing Survey

Variable	Aug.	Sep.	+/-	Direction
PMI - Manufacturing	55.2	55.4	+	Rising, Higher Rate
New Orders	56.5	59.0	+	Rising, Higher Rate
Production	54.0	55.5	+	Rising, Higher Rate
Employment	54.0	46.0	-	Falling from Rising
Stock of Purchases	53.5	57.5	+	Rising, Higher Rate
Suppliers' Delivery Time	57.1	59.0	+	Lengthening, Higher Rate

Source: Central Bank of Sri Lanka

The outlook for manufacturing activities over the next three months remains positive, reflecting the expectations of strong year-end seasonal demand.

PMI
Manufacturing
September 2025
55.4



Source: Central Bank of Sri Lanka

The World Outlook Summary of PMI Manufacturing

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

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

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

Sri Lanka Purchasing Managers' Index for Services (PMI – Services) recorded an index value of 58.7 in September 2025, indicating a slower expansion in services activities compared to the previous month, following a similar trend observed in the same period last year.

Business activities continued to expand in September 2025, supported by the improvements observed across multiple sectors. The growth was driven by strong performance in wholesale and retail trade. In addition, business activities related to financial services also continued to improve, underpinned by increased lending activity.

New Businesses increased in September 2025, mainly reflecting the expansions observed in wholesale and retail trade, and financial services related activities.

Employment continued to increase in September 2025, as several companies recruited additional staff to meet ongoing operational requirements. However, Backlogs of Work declined slightly compared to the previous month.

Summary of the PMI - Services Survey

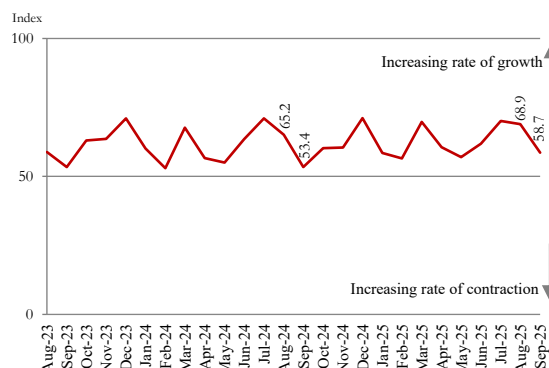
Variable	Aug.	Sep.	+/-	Direction
PMI - Services (Business Activity Index)	68.9	58.7	-	Rising, Slower Rate
New Businesses	66.8	65.2	-	Rising, Slower Rate
Employment	57.0	53.1	-	Rising, Slower Rate
Backlogs of Work	49.4	47.8	-	Falling, Higher Rate
Expectations for Activity	79.3	81.1	+	Rising, Higher Rate

Source: Central Bank of Sri Lanka

Expectations for Business Activities over the next three months continued to improve, supported by favourable macroeconomic conditions, increased tourist arrivals, and the anticipated boost from the upcoming festive season.



PMI - Services (Business Activity Index)



Source: Central Bank of Sri Lanka

The World Outlook Summary of PMI Services

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

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

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.	