# SL Purchasing Managers' Index (PMI) – February 2026

## Purchasing Managers' Indices indicate expansions in both Manufacturing and Services activities in February 2026

**Sri Lanka Purchasing Managers' Index for Manufacturing (PMI – Manufacturing) recorded an index value of 56.8 in February 2026, indicating a continued expansion in manufacturing activities.** All sub-indices contributed positively to this expansion.

The New Orders and Production sub-indices expanded in February, albeit at a slower rate compared to the previous month. The Employment and Stock of Purchases sub-indices expanded further during the month, reflecting the firms' preperations ahead of the festive season. Further, some firms reported pre-emptive stocking in anticipation of potential supply pressures stemming from the unrest in the Middle East. Meanwhile, the Suppliers' Delivery Time lengthened further, indicating increased pressure on supply chains.

**Summary of the PMI - Manufacturing Survey**

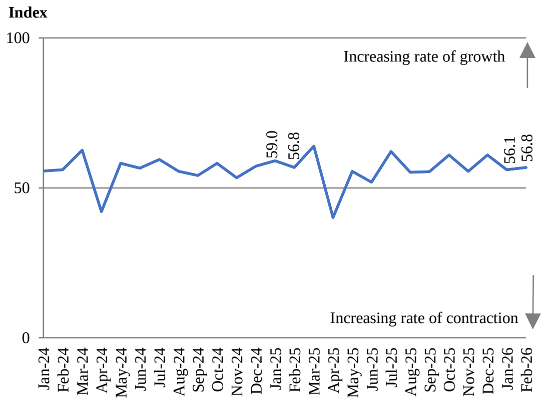
| Variable | Jan. | Feb. | +/- | Direction |
|---|---|---|---|---|
| **PMI - Manufacturing** | **56.1** | **56.8** | **+** | **Rising, Higher Rate** |
| New Orders | 58.5 | 55.0 | - | Rising, Slower Rate |
| Production | 57.5 | 54.5 | - | Rising, Slower Rate |
| Employment | 51.5 | 58.6 | + | Rising, Higher Rate |
| Stock of Purchases | 56.0 | 60.0 | + | Rising, Higher Rate |
| Suppliers' Delivery Time | 55.0 | 59.6 | + | Lengthening, Higher Rate |

Source: Central Bank of Sri Lanka

Expectations for manufacturing activities over the next three months remain positive, driven by anticipated festive demand. However, many respondents expressed caution about potential adverse implications if the conflict in the Middle East continues.

**PMI Manufacturing February 2026 56.8**

**PMI - Manufacturing**




Source: Central Bank of Sri Lanka

**The World Outlook**
**Summary of PMI Manufacturing**

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

*Source: S&P Global [1] as of 16 March 2026 (PMI Releases (spglobal.com))*

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

**Sri Lanka Purchasing Managers' Index for Services (PMI – Services) recorded an index value of 54.4 in February 2026, indicating a expansion in services activities compared to the previous month.**

The expansion in business activities was underpinned by broad-based improvements across most sectors. This growth was primarily driven by robust performance in professional services and other personal service activities. Furthermore, the accommodation, food and beverage, and education sectors continued to demonstrate sustained growth.

New Businesses continued to expand in February 2026, supported by increased demand for accommodation, food and beverage services, alongside a notable uptick in other personal service activities.

Employment continued to increase in February 2026, as firms expanded their workforce to meet rising consumer demand. Meanwhile, Backlogs of Work continued to diminish at an accelerated pace during the month.

**Summary of the PMI - Services Survey**

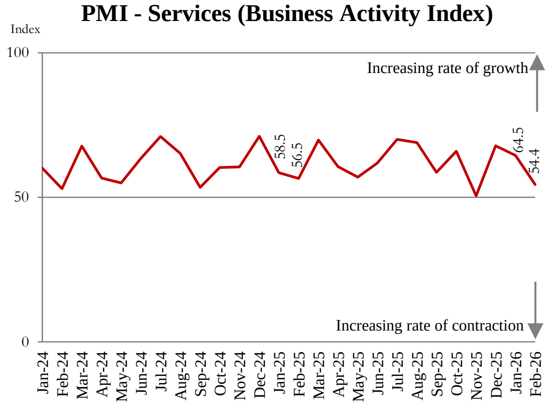
| Variable | 2026 Jan. | 2026 Feb. | +/- | Direction |
|---|---|---|---|---|
| **PMI - Services (Business Activity Index)** | **64.5** | **54.4** | **-** | **Rising, Slower Rate** |
| New Businesses | 60.8 | 53.8 | - | Rising, Slower Rate |
| Employment | 59.2 | 55.1 | - | Rising, Slower Rate |
| Backlogs of Work | 48.9 | 47.6 | - | Falling, Higher Rate |
| Expectations for Activity | 76.9 | 65.9 | - | Rising, Slower Rate |

Source: Central Bank of Sri Lanka

Expectations for Business Activity over the next three months strengthened further, supported by anticipated seasonal demand, planned business expansions, and ongoing operational improvements. Nevertheless, some firms highlighted potential downside risks, including conflicts in the Middle East and broader uncertainties in global economic conditions.

**PMI**
**Services**
**Business Activity Index**
**February 2026**
**54.4**

**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, Slower Rate |
| China | Rising, Higher Rate |
| US | Rising, Slower Rate |
| UK | Rising, Slower Rate |
| Eurozone | Rising, Higher Rate |

*Source: S&P Global [1] as of 16 March 2026 (PMI Releases (spglobal.com))*

*Data collection for the PMI - February 2026 survey was conducted up to 14 March 2026.

## 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.