June 2026

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 June 2026

Sri Lanka Purchasing Managers' Index for Manufacturing (PMI – Manufacturing) recorded an index value of 53.0 in June 2026. This indicates continued expansion in manufacturing activities, albeit at a slower pace than the previous month.

Incoming orders in June were broadly unchanged from the previous month, with the New Orders sub-index remaining at the neutral threshold. The Production sub-index continued to expand, driven by the manufacture of food and beverages sector. The Employment sub-index remained around the neutral threshold, indicating hiring trends similar to those in the previous month. However, many respondents cited persistent skilled labour shortages and rising labour costs as key challenges. The Stock of Purchases sub-index increased further in June, reflecting firms' efforts to build inventory amid a volatile supply environment. Meanwhile, the Suppliers' Delivery Time sub-index continued to lengthen in June.

Summary of the PMI - Manufacturing Survey

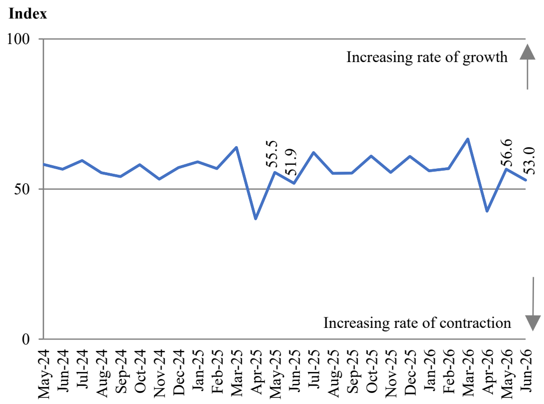
Variable	2026 May	2026 June	+/-	Direction
PMI - Manufacturing	**56.6**	**53.0**	**-**	**Rising, Slower Rate**
New Orders	52.6	50.0	-	Neutral from Rising
Production	54.6	52.0	-	Rising, Slower Rate
Employment	59.7	50.5	-	Rising, Slower Rate
Stock of Purchases	52.6	56.6	+	Rising, Higher Rate
Suppliers' Delivery Time	66.3	61.6	-	Lengthening, Slower Rate

Source: Central Bank of Sri Lanka

The expectations for manufacturing activities remained positive, though moderated mainly by the challenging environment associated with the unrest in the Middle East.

PMI Manufacturing June 2026 **53.0**

PMI - Manufacturing



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, Slower Rate
US	Rising, Slower Rate
UK	Rising, Slower Rate
Eurozone	Rising, Slower Rate

Source: S&P Global[1] as of 15 July 2026 (PMI Releases (spglobal.com))

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

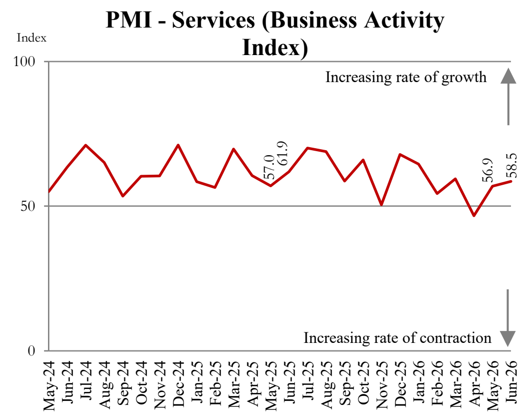
Sri Lanka Purchasing Managers' Index for Services (PMI – Services) recorded an index value of 58.5 in June 2026, indicating continued expansion in services activities compared to the previous month.

Business activity expanded in June 2026, supported by broad sectoral improvements. Growth was primarily driven by the financial and professional services sub-sectors, alongside notable gains in the insurance sector.

New businesses grew in June 2026, primarily led by the financial services sector. The insurance, professional services, and other personal services sectors also contributed to the expansion.

Employment increased in June 2026 as multiple companies expanded their workforce. Meanwhile, the Backlogs of Work sub-index, which had been falling in May, held steady in June as the index reached the neutral threshold.

PMI
Services
Business Activity Index **58.5**
June 2026



Source: Central Bank of Sri Lanka

Summary of the PMI - Services Survey

Variable	2026 May	2026 June	+/-	Direction
PMI - Services (Business Activity Index)	**56.9**	**58.5**	+	**Rising, Higher Rate**
New Businesses	58.0	62.5	+	Rising, Higher Rate
Employment	49.4	54.0	+	Rising from Falling
Backlogs of Work	48.1	50.0	+	Neutral from Falling
Expectations for Activity	64.7	72.7	+	Rising, Higher Rate

Source: Central Bank of Sri Lanka

Expectations for business activity for the next quarter remained positive, driven by anticipated economic improvements and the expected surge in tourist arrivals, partly driven by the upcoming Kandy Esala Perahera season. However, broader global uncertainties still pose risks to the outlook.

The World Outlook
Summary of PMI Services

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

Source: S&P Global[1] as of 15 July 2026 (PMI Releases (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.