



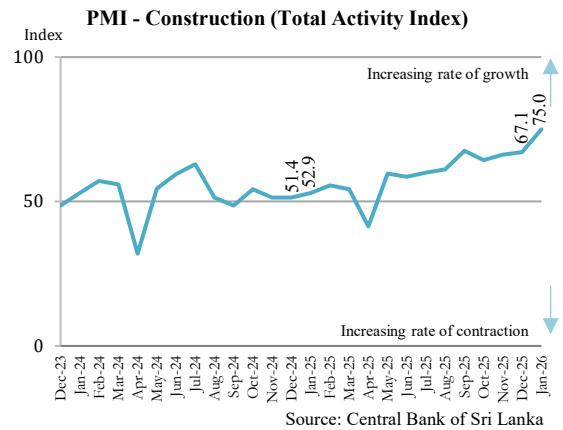
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## Sri Lanka PMI - Construction increased notably in January 2026

The Sri Lanka Purchasing Managers' Index for Construction (PMI – Construction), as reflected by the Total Activity Index, reached an index value of 75.0 in January 2026, its second-highest reading on record after the peak of 75.7 in July 2020. Most firms reported increased project activity during the month, driven by the commencement of new projects in the New Year and the easing of weather-related disruptions experienced in December.

The New Orders Index rose in January, driven by increased project availability across most construction segments. Meanwhile, the Employment Index also expanded compared to the previous month, reflecting higher hiring levels. However, many firms emphasised the persistent difficulties faced in recruiting employees to various skilled occupational categories. The Quantity of Purchases Index increased further in January, as firms continued to build up inventories for scheduled projects. Meanwhile, the Suppliers' Delivery Time Index remained lengthened during the month.



### Summary of the PMI - Construction Survey

Variable	2025 Dec.	2026 Jan.	+/-	Direction
<b>PMI - Construction (Total Activity Index)</b>	<b>67.1</b>	<b>75.0</b>	<b>+</b>	<b>Rising, Higher Rate</b>
New Orders	67.6	77.8	+	Rising, Higher Rate
Employment	50.0	54.2	+	Rising from Neutral
Quantity of Purchases	54.2	65.3	+	Rising, Higher Rate
Suppliers' Delivery Time	56.9	54.2	-	Lengthening, Slower Rate

Source: Central Bank of Sri Lanka

### The World Outlook: Summary of PMI Construction

Country/Territory	Direction
Eurozone	Falling, Higher Rate
France	Falling, Slower Rate
Germany	Falling from Rising
Ireland	Falling, Slower Rate
Italy	Falling, Higher Rate
UK	Falling, Slower Rate

Source: S&P Global<sup>1</sup> as of 27 February 2026 (PMI Releases (spglobal.com))

<sup>1</sup>S&P Global compiles PMIs for over 40 economies worldwide.

Construction activities are expected to remain upbeat in the next three months, underpinned by expected project commencements.

### 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.