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SL Purchasing Managers’ Index (PMI) – April 2026

Purchasing Managers’ Indices indicate a contraction in Manufacturing activities and Services activities in April 2026

Following the seasonal pattern, Sri Lanka Purchasing Managers’ Index for Manufacturing (PMI – Manufacturing) contracted in April 2026, recording an index value of 42.6. New Orders, Production, Employment, and Stock of Purchases sub-indices declined during the month compared to the seasonal peak in March, resulting in an overall contraction in the index.

According to respondents, the contraction in the New Orders sub-index was mainly attributed to fading festive demand, particularly in the manufacture of food and beverage and the manufacture of textiles & apparel sectors. The decline in the Production sub-index was largely due to fewer working days in April, as many manufacturing facilities remained closed during the Sinhala and Tamil New Year period. The Employment sub-index declined as manufacturers scaled back temporary workforces following the end of the seasonal labour requirements. The Stock of Purchases sub-index declined alongside the decreases in New Orders and Production. Meanwhile, Suppliers’ Delivery Time lengthened further, driven by festive-related disruptions and heightened logistical challenges stemming from the current conflict in the Middle East.

Summary of the PMI - Manufacturing Survey

Variable	Mar.	Apr.	+/-	Direction
PMI - Manufacturing	66.7	42.6	-	Falling from Rising
New Orders	69.9	36.4	-	Falling from Rising
Production	68.8	30.5	-	Falling from Rising
Employment	55.9	47.0	-	Falling from Rising
Stock of Purchases	59.9	44.0	-	Falling from Rising
Suppliers' Delivery Time	75.5	68.7	-	Lengthening, Slower Rate

Source: Central Bank of Sri Lanka

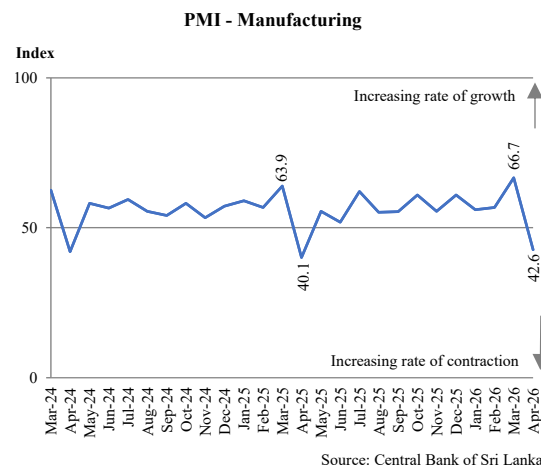
Expectations for manufacturing activities over the next three months indicate an improvement, though tempered by caution over risks associated with ongoing Middle East tensions.

PMI

Manufacturing

April 2026

42.6



The World Outlook Summary of PMI Manufacturing

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

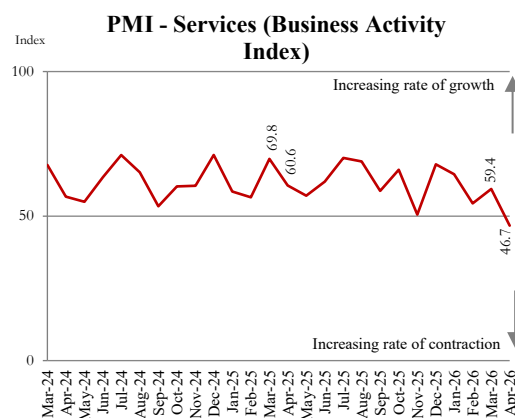
Source: S&P Global ¹ as of 15 May 2026 (PMI Releases (spglobal.com))

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

Sri Lanka Purchasing Managers’ Index for Services (PMI – Services) recorded an index value of 46.7 in April 2026, indicating a contraction in services activities, mainly due to seasonal impacts following the festive period and the increase in energy prices.



Business activities declined across most of the sectors during the month, primarily due to rising fuel prices, festive season holidays, and the slowdown in tourist arrivals. The transportation of goods and other personal service activities sub-sectors recorded the steepest contraction, while insurance, wholesale and retail trade, and accommodation, food and beverage service activities also reporting notable downturns.



Source: Central Bank of Sri Lanka

New businesses declined in April 2026 for the first time since April 2023, particularly due to the deteriorations observed in transportation of goods, insurance, wholesale and retail trade, and accommodation, food and beverage service activities.

Employment declined in April 2026 due to contract expirations, retirements and resignations. Meanwhile, Backlogs of work continued to decline, although at a slower rate compared to the previous month.

Summary of the PMI - Services Survey

Variable	2026 Mar.	2026 Apr.	+/-	Direction
PMI - Services (Business Activity Index)	59.4	46.7	-	Falling from Rising
New Businesses	57.6	48.9	-	Falling from Rising
Employment	54.2	44.4	-	Falling from Rising
Backlogs of Work	48.1	48.8	+	Falling, Slower Rate
Expectations for Activity	57.1	65.9	+	Rising, Higher Rate

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 from Falling
UK	Rising, Higher Rate
Eurozone	Falling from Rising

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

Expectations for business activities over the next quarter remain positive, supported by the anticipated stabilisation in activities following the end of the war. However, the outlook is subject to several risks, including geopolitical tensions in the Middle East and broader global uncertainties.

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.