

# PRESS RELEASE

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 இலங்கை மத்திய வங்கி  
**CENTRAL BANK OF SRI LANKA**

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## Sri Lanka PMI - Construction contracted in April 2026

The Sri Lanka Purchasing Managers' Index for Construction (PMI – Construction), as reflected by the Total Activity Index, declined to 45.7 in April 2026, mainly due to the seasonal slowdown associated with the Sinhala and Tamil New Year period. Further, many survey respondents cited input shortages, particularly of petrochemical-based raw materials, and rising costs stemming from the conflict in the Middle East as challenges to the timely execution of planned work.

Most firms reported continued availability of projects in April, particularly road rehabilitation activities, which underpinned the expansion in the New Orders Index. However, several respondents indicated that some new projects could face delays as rising raw material costs may require price renegotiations. The Employment Index continued to expand, reflecting ongoing staff recruitment by firms in response to steady project availability. However, many firms highlighted shortages across most skilled labour categories. The Quantity of Purchases Index declined in April, mainly due to lower levels of construction activity. Meanwhile, the Suppliers' Delivery Time continued to lengthen during the month.

### Summary of the PMI - Construction Survey

Variable	2026 Mar.	2026 Apr.	+/-	Direction
<b>PMI - Construction (Total Activity Index)</b>	<b>57.1</b>	<b>45.7</b>	<b>-</b>	<b>Falling from Rising</b>
New Orders	67.2	62.9	-	Rising, Slower Rate
Employment	57.1	55.9	-	Rising, Slower Rate
Quantity of Purchases	55.7	42.6	-	Falling from Rising
Suppliers' Delivery Time	71.4	71.4	=	Lengthening, Same Rate

Source: Central Bank of Sri Lanka

Business sentiment among construction firms remained positive over the next three months, driven by the steady flow of projects, though concerns over geopolitical developments persist.

### 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

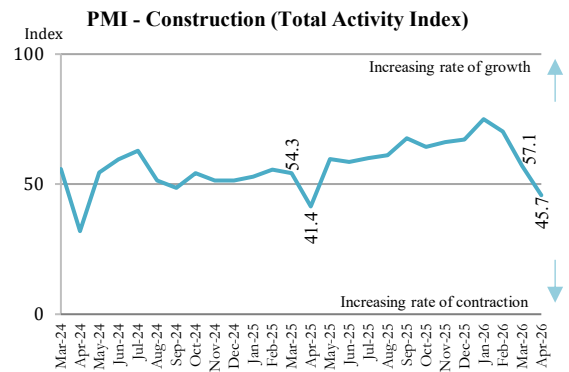
PMI<50 - sector is generally declining on month-on-month basis

#### 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.



Source: Central Bank of Sri Lanka

### The World Outlook: Summary of PMI Construction

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

Source: S&P Global<sup>1</sup> as of 29 May 2026 ([PMI Releases \(spglobal.com\)](https://www.spglobal.com))

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