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## SL Purchasing Managers' Index (PMI) – February 2025

**Purchasing Managers' Indices indicate expansions in both Manufacturing and Services activities in February 2025**

Sri Lanka Purchasing Managers' Index for Manufacturing (PMI – Manufacturing) recorded an index value of 56.8 in February 2025, indicating a continued expansion in manufacturing activities. This expansion is attributable to the positive contributions from all sub-indices.

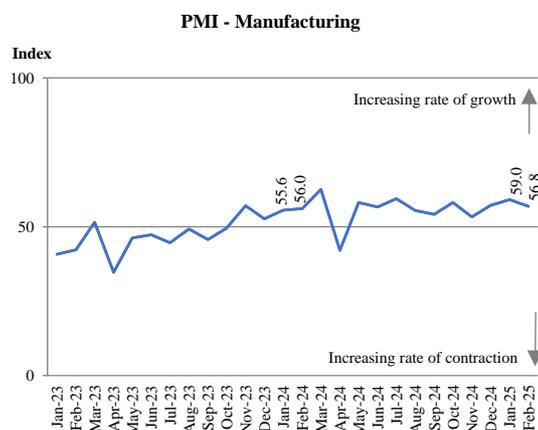
Most of the firms, particularly within the food and beverage manufacturing sector, are gearing up for the upcoming festive season, driving expansions in the New Orders and Production sub-indices. Further, Employment and Stock of Purchases also expanded, indicating proactive adjustments to accommodate growing demand. Meanwhile, Suppliers' Delivery Time continued to lengthen during the month, reflecting the increased pressure on suppliers.

### Summary of the PMI - Manufacturing Survey

Variable	Jan.	Feb.	+/-	Direction
<b>PMI - Manufacturing</b>	<b>59.0</b>	<b>56.8</b>	<b>-</b>	<b>Rising, Slower Rate</b>
New Orders	61.0	60.5	-	Rising, Slower Rate
Production	59.5	53.0	-	Rising, Slower Rate
Employment	58.0	57.0	-	Rising, Slower Rate
Stock of Purchases	58.5	55.0	-	Rising, Slower Rate
Suppliers' Delivery Time	56.1	56.6	+	Lengthening, Higher Rate

Source: Central Bank of Sri Lanka

Expectations for the manufacturing activities for the next three months remain positive, mainly due to the upcoming festive season.



Source: Central Bank of Sri Lanka

### The World Outlook Summary of PMI Manufacturing

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

Source: S&P Global <sup>1</sup> as of 17 March 2025 ([PMI Releases \(spglobal.com\)](https://www.spglobal.com))

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

**Sri Lanka Purchasing Managers’ Index for Services (PMI – Services) recorded an index value of 56.5 in February 2025 indicating a slower expansion in services activities.**

Business activities expanded, supported by the improvements observed across most of the sectors. Accordingly, business activities in the financial services continued to improve supported by increased lending activities. Further, business activities related to wholesale and retail trade and education also showed improvements during the month. Meanwhile, real estate, professional services, accommodation, food and beverage, insurance and other personal services related business activities also indicated increases during the month.

New Businesses increased in February 2025, primarily due to expansions observed in the financial services, accommodation, food and beverage, education, other personal services, real estate and transportation related activities.

Employment continued to increase amid recruitments across many companies in view of the festive season. Meanwhile, Backlogs of Work continued to decline at a higher rate in February 2025.

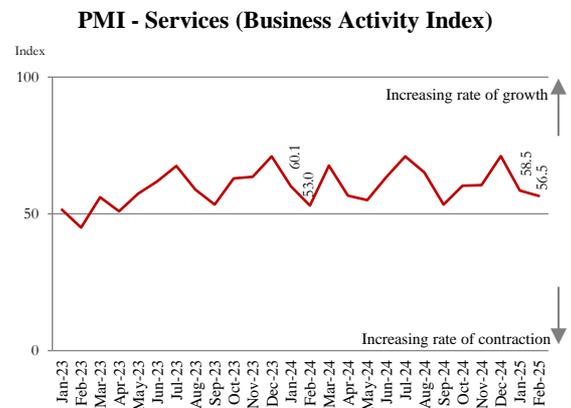
**Summary of the PMI - Services Survey**

Variable	Jan.	Feb.	+/-	Direction
<b>PMI - Services (Business Activity Index)</b>	<b>58.5</b>	<b>56.5</b>	-	Rising, Slower Rate
New Businesses	59.0	58.5	-	Rising, Slower Rate
Employment	56.6	59.6	+	Rising, Higher Rate
Backlogs of Work	47.3	45.6	-	Falling, Higher Rate
Expectations for Activity	79.3	81.3	+	Rising, Higher Rate

Source: Central Bank of Sri Lanka

Expectations for Business Activities for the next three months continued to improve at a higher rate due to upcoming festive season.

**PMI**  
**Services**  
**Business Activity Index** 56.5  
**February 2025**



Source: Central Bank of Sri Lanka

**The World Outlook**  
**Summary of PMI Services**

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

Source: S&P Global <sup>1</sup> as of 17 March 2025 ([PMI Releases \(spglobal.com\)](https://www.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 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 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.