BANGLADESH PURCHASING MANAGERS' INDEX (PMI)

07 September 2026

Bangladesh August PMI: Slight Contraction at 49.9
Mixed sectoral performance; Moderation in future business optimism

The AUGUST reading of the Bangladesh Purchasing Managers' Index (PMI) fell by 7.9 points from the previous month to 49.9, indicating a slight contraction in overall economic activity. The decline was driven mainly by a slowdown in manufacturing and services, both posting marginal contraction readings. Agriculture continued to expand while construction sector reverted to expansion.

The agriculture sector recorded its twelfth consecutive month of expansion, rising by 1.3 points to 56.5 in August. New business and business activity remained in expansion, while employment increased. Input costs continued to expand strongly, though at a slightly slower pace, while order backlogs remained in contraction.

The manufacturing sector moved to contraction, declining sharply by 18.0 points to 47.4 in August. New orders, new export orders, output, stocks of input purchases, imports and employment all reverted to contraction, while input prices continued to expand at a faster pace. Order backlogs remained in contraction, but at a slower pace, and Supplier delivery time remained unchanged.

The construction sector moved to expansion, reaching 52.4. Construction activity and employment moved to expansion, while new business recorded slower contraction. Input costs recorded faster expansion, whereas order backlogs moved into contraction.

The services sector recorded contraction at 49.2 for the first time after 22 months, declining by 6.8 points. New business and business activity continued to expand, though at slower rates, while employment contracted sharply. Input costs continued to expand, though at a slower pace, and order backlogs registered a slower contraction.

The Future Business Index indicates slight decline in optimism across all sectors.

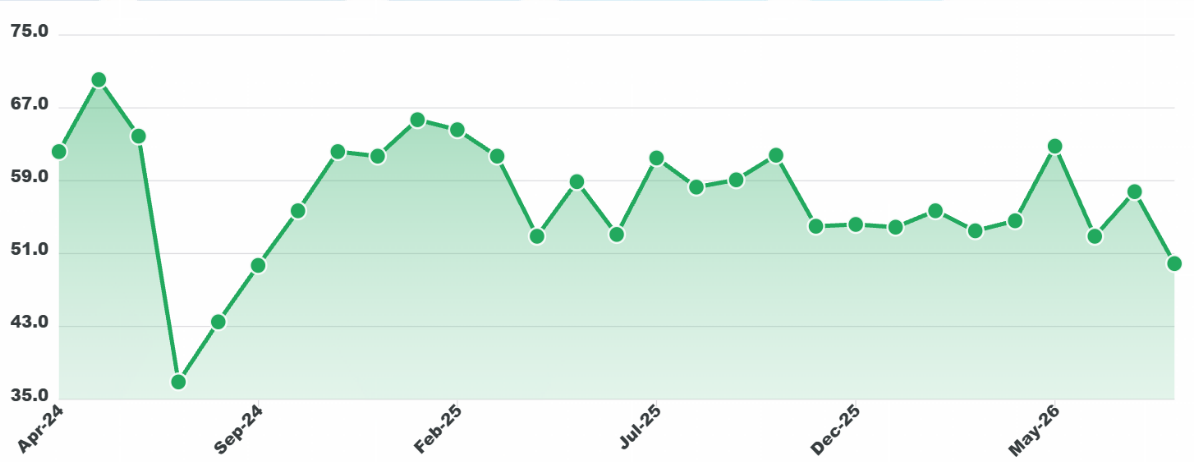
"The August PMI reading of 49.9 indicates that Bangladesh's economic activity remained broadly near the neutral threshold, despite temporary pressures on manufacturing and services. Agriculture continued expanding, while construction returned to growth, highlighting underlying economic resilience. The moderation in manufacturing partly reflects weaker monthly exports and temporary energy disruptions associated with LNG infrastructure maintenance. Looking ahead, improved energy availability, stronger export demand and supportive measures to restore business confidence can help the economy regain momentum and place it on a firmer growth trajectory."

- Dr. M Masrur Reaz, Chairman and CEO, Policy Exchange Bangladesh

Developed by MCCI POLICY EXCHANGE
Technical Support SIPMM
Funded by UK International Development

Bangladesh **PMI**

Purchasing Managers' Index (PMI)



-7.9

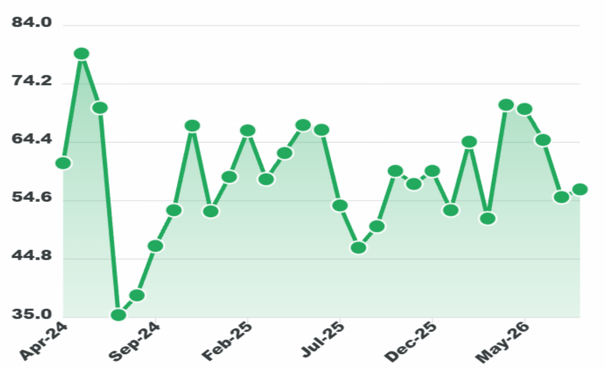
August
49.9

July
57.8

Agriculture Sectors

August 56.5 July 55.2

Agriculture Sector Index



Manufacturing Sectors

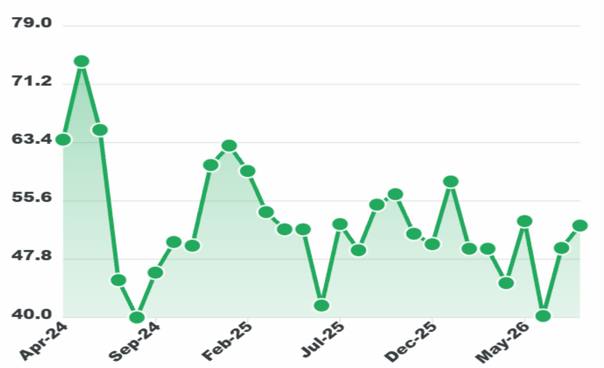
August 47.4 July 65.4

Manufacturing Sector Index

Construction Sectors

August 52.3 July 49.3

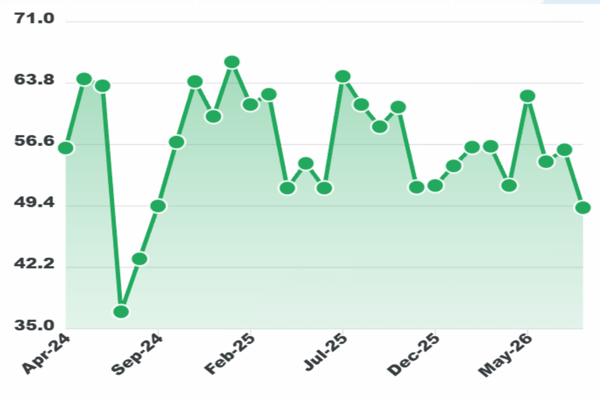
Construction Sector Index



Services Sectors

August 49.2 July 56.0

Services Sector Index



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ABOUT BANGLADESH PMI

The Bangladesh PMI was developed in 2024 by Metropolitan Chamber of Commerce and Industry (MCCI) and Policy Exchange Bangladesh, in cooperation with the Singapore Institute of Purchasing & Materials Management (SIPMM) and supported by UK International Development.

The Purchasing Managers' Index (PMI) is a forward looking (or "leading") economic indicator which helps understand the direction in which the economy is headed. First developed in the United States in 1948, it has since then been utilized in over 50 countries for its accuracy and reliability in capturing the pulse of key sectors and the economy. It is widely used by investors, businesses and policymakers for making key decisions.

The Bangladesh PMI was initiated by the UK Government. Covering the key economic sectors, the Bangladesh PMI is based on data compiled from monthly surveys of over 500 private sector enterprises. Survey responses reflect the change in business activity, if any, in the current month compared to the previous month. The headline numbers are derived using 'diffusion index' methodology, aggregating inputs from these companies on various indicators, weighted. The methodology was developed by Singapore Institute of Purchasing & Materials Management (SIPMM), with technical inputs from Policy Exchange.

A PMI reading above 50 indicates that the sector/ economy is generally 'expanding'. A reading of 50 indicates 'no change' compared to last month, while a reading below 50 indicates a 'contraction'.

For more information, please visit: www.bangladeshpmi.com

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ABOUT MCCI

The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI), founded in 1904, is the oldest and most prominent trade organization in Bangladesh. Its membership includes leading commercial and large industrial organizations from both the public and private sectors, as well as local and multinational companies. Currently, almost all major enterprises in the manufacturing and service sectors are members of the Chamber. The Chamber offers a wide range of professional services to its members. Over the years, the Chamber has developed comprehensive services covering specialized areas such as taxation, import-export, tariffs, non-tariff measures, investment, WTO matters, and other national and international economic and commercial issues. The Chamber maintains a secretariat staffed by professionals and provides secretarial services to the Bangladesh Employers' Federation (BEF), the country's sole national-level organization of employers dealing with industrial relations, occupational safety and health, workplace cooperation, skills development, labor law, and other labor-related issues.

CHAMBER BUILDING

ABOUT Policy Exchange

Policy Exchange of Bangladesh (PEB), established in August 2020, is a private sector economic and investment advisory platform, dedicated to analytics, policy dialogue, and investments/market advisory, with focus on trade, investment, industrial and trade infrastructure, financial markets, digital economy, technology and green growth. It is the premier platform in Bangladesh bringing together rigorous applied policy orientation and pragmatic, market-oriented policy and strategy solutions which help Bangladesh and other developing countries tackle major economic and market challenges.

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