News Release

National Accounts Estimates of Sri Lanka
Second quarter - 2026
Production Approach
Base year - 2015

Department of Census and Statistics
Ministry of Finance, Planning and Economic Development

The Department of Census and Statistics (DCS) Sri Lanka, has released the estimated Gross Domestic Product (GDP) at current price and at constant (2015) price in Production approach and the other macroeconomic indicators for the second quarter (April 1st to June 30th) of 2026.

The GDP for the second quarter of 2026 at constant price (2015) has increased to Rs. 3,029,816 million from Rs. 2,908,570 million which was reported in the second quarter of 2025.

The GDP growth rate for the second quarter of year 2026 has been reported as 4.2 percent positive growth.

The overall Agricultural activities declined by 2.3 percent in the second quarter of 2026. Industrial activities and Services activities reported expansions of 7.3 percent and 2.7 percent respectively.

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Source Publication

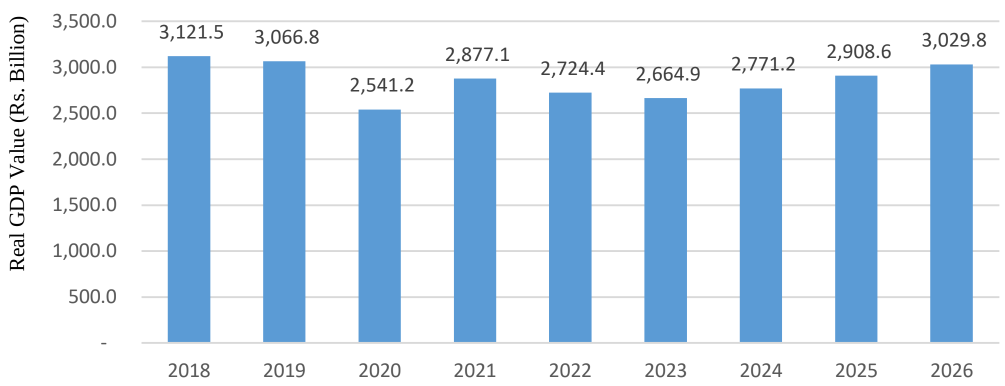
http://www.statistics.gov.lk/NationalAccounts/StaticalInformation/GDP2015

Executive summary

Issuing a communiqué, on releasing National Accounts Estimates, the DCS states that the GDP growth rate for the second quarter of 2026 has been estimated as 4.2 percent of positive growth.

Accordingly, the Gross Domestic Product for Sri Lanka for the second quarter of the year 2026 at constant price (2015) has increased up to Rs 3,029,816 million from Rs. 2,908,570 million which was recorded in the second quarter of 2025. The following Figure 1 reflects the changes in the real GDP levels in the second quarters of the years 2018 to 2026.

Figure 1
Real Gross Domestic Product - Second quarter series 2018-2026



Source
Department of Census and Statistics , Sri Lanka

In addition, the Gross Domestic Product for Sri Lanka for the second quarter of 2026 at current price has increased to Rs. 8,254,176 million from Rs. 7,414,306 million which recorded in the same quarter in 2025 registering an 11.3 percent positive change in the current price GDP.

The three major economic activities of the economy; 'Agriculture', 'Industry' and 'Services' stood at 8.4 percent, 25.9 percent and 52.7 percent respectively as their shares to the Gross Domestic Product(GDP) at current price of the economy and 'Taxes less subsidies on products' accounted for a share of 13.0 percent of the GDP in the second quarter of 2026.

In the second quarter of 2026, overall Agricultural activities declined by 2.3 percent. Industrial activities and Services activities reported expansions of 7.3 percent and 2.7 percent respectively. In the meantime taxes less subsidies on products reported an increase of 11.9 percent in this quarter.

Background

The GDP growth rate of the second quarter of 2026 is calculated compared to the real GDP value reported in the same quarter (second quarter) of the previous year (2025).

The second quarter of 2026 started with an economic outlook that somewhat gloomy given the escalating tensions in the Middle-East. That uncertainty in economic expectations mainly shaped the economic activities in the second quarter with seemingly shortage of crude oil supply. Moreover, the adverse effects were more visible through subdued tourism performance. In addition, agriculture activities reported a decline and some major economic activities reported relatively low expansions compared to the second quarter of 2025. In this regard, accommodation and food serving, financial service activities and insurance activities reported comparatively diminished growth rates.

Import volumes have consistently been reported expansions in recent quarters and similarly, a significant increase in import volumes can be observed in the second quarter of 2026. The expansion in the import has supported the availability of raw materials and machinery required for industrial activities while also contributing to government revenue through import-related taxes. Apparently in the second quarter of 2026, manufacturing activities altogether reported an expansion and taxes on products reported an increase. With the increased supply of building materials, construction activity reported an expansion by giving an incentive for mining and quarrying activity to prosper.

Performance in Agricultural Activities

Overall agricultural activities reported a 2.3 percent decline in the second quarter of 2026 compared to the 2.5 percent expansion reported in the corresponding quarter of 2025.

Although there were expansions in a few agricultural activities, agriculture activities altogether reported 2.3 percent decline. This decline was mainly attributable to ‘Fresh water fishing and fresh water aquaculture’ (61.0 percent), ‘Growing of rice’ (15.1 percent), ‘Growing of sugar cane and tobacco’ (14.7 percent), ‘Marine fishing and marine aquaculture’ (10.1 percent), ‘Plant propagation’ (7.7 percent), ‘Growing of rubber’ (2.2 percent), ‘Growing of tea’ (1.9 percent), ‘Growing of other perennial crops’ (1.7 percent), and ‘Agriculture supporting activities’ (1.5 percent). The overall decline that would have been reported in agriculture activities mostly offset by the reported expansions in ‘Forestry and logging’ (9.7 percent), ‘Growing of spices’ (7.0 percent), ‘Growing of oleaginous fruits’ (6.2 percent), ‘Growing of cereals’ (5.2 percent), ‘Growing of fruits’ (1.9 percent), ‘Animal production’ (1.6 percent), ‘Growing of coffee, cocoa and other beverages crops’ (1.3 percent) and ‘Growing of vegetables’ (0.8 percent).

Performance in Industrial Activities

In the second quarter of 2026 overall Industrial activities grew by 7.3 percent compared to the 5.7 percent growth reported in the second quarter of 2025.

Among the ‘Industrial activities’, ‘Construction activities’ and ‘Mining and quarrying activities’ grew by 13.9 percent and 17.4 percent respectively. Manufacturing activities as a whole showed 3.2 percent expansion during the second quarter of 2026. This reported growth in manufacturing activities, mainly underpinned by the expansions in ‘Manufacture of wood and wood products’ (13.9 percent), ‘Manufacture of other non-metallic mineral products’ (13.1 percent), ‘Manufacture of furniture’ (12.8 percent), ‘Manufacture of machinery and equipment’ (12.4

percent), ‘Manufacture of basic metal and fabricated metal products’ (7.3 percent), ‘Manufacture of paper and paper products’ (5.6 percent), ‘Manufacture of food, beverages and tobacco products’ (3.7 percent), ‘Other manufacturing and repair and installation of machinery and equipment’ (3.3 percent), and ‘Manufacture of chemical products and basic pharmaceutical products’ (1.7 percent). In the meantime, ‘Manufacture of coke and refined petroleum products’ (15.2 percent) ‘Manufacture of rubber and plastic products’ (4.2 percent), and ‘Manufacture of textiles, wearing apparel, leather and other related products’ (1.4 percent) declined during the second quarter of 2026.

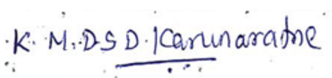
‘Electricity, gas, steam and air conditioning supply’ (6.8 percent), ‘Water collection, treatment and supply’(4.6 percent) and ‘ Sewerage, waste, treatment and disposal activities’(1.5 percent) reported expansions during the second quarter of 2026.

Performance in Services Activities

Overall services activities reported a 2.7 percent growth in the second quarter of 2026 compared to the reported 4.0 percent increase in the corresponding quarter of 2025.

In the second quarter of 2026, almost all of the services sub activities reported expansions apart from the reported decline in ‘Public administration and defense’ (2.4 percent) sub activity. As mentioned ‘IT programming consultancy and related activities’ (10.0 percent), ‘Insurance, reinsurance and pension funding’ (8.0 percent), ‘Financial service activities’(7.7 percent), ‘Telecommunication’ (4.8 percent), ‘Real estate activities and ownership of dwelling’ (4.1 percent), ‘Postal and courier services’ (4.0 percent), ‘Transportation of goods and passengers including warehousing’ (3.1 percent), ‘Accommodation, food and beverage serving activities’ (2.9 percent), ‘Professional services’ (2.4 percent), ‘Programming and broadcasting activities’ (1.5 percent), ‘Wholesale and retail trade’ (1.4 percent), ‘Human health services’ (1.4 percent), ‘Education’ (1.3 percent) and ‘Other personal services’ (0.7 percent) respectively recorded expansions in the second quarter of 2026.

Detailed information of GDP estimates for the second quarter of 2026 has been published in the DCS website:
http://www.statistics.gov.lk/NationalAccounts/StaticalInformation/GDP2015



K.M.D.S.D. Karunaratne
Director General

The Vision of DCS

“To be the leader in the region in producing timely statistical information to achieve the country’s development goals.”

The Mission of DCS

“Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilising the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalised environment.”

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