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## Stanbic Bank Uganda PMI<sup>®</sup>

### Business conditions improve further amid greater new order inflows in February

#### Key findings

Output and new business rise further

Employment growth sustained amid confidence in the outlook

Hikes in purchase and staff costs drive input price inflation

The health of the Ugandan private sector continued to improve in February, according to the latest PMI<sup>®</sup> data, as expansions in output, new orders and employment were sustained. Greater client demand also spurred a further rise in purchasing activity, with shorter lead times for inputs supporting the accumulation of inventories. Companies were also optimistic regarding the outlook for business activity over the coming year.

On the price front, increases in purchase and staff costs underpinned a rise in overall operating expenses, with firms hiking their selling prices in response.

The headline figure derived from the survey is the Purchasing Managers' Index<sup>™</sup> (PMI). Readings above 50.0 signal an improvement in business conditions on the previous month, while readings below 50.0 show a deterioration.

The headline PMI posted at 54.2 in February, up from 52.6 in January, to signal a sustained improvement in business conditions at Ugandan private sector firms. Growth was recorded for the thirteenth month running.

Supporting the upturn was a further increase in business activity at Ugandan companies in February. Greater output has been noted in the sector in each month since February 2025. Where a rise was reported, panellists linked this to an improvement in customer demand and increased client numbers.

A sustained rise in new business was also seen at Ugandan firms, amid mentions of strong demand.

As has been the case in each of the last three months, expansions in output and new business were broad-based by sector.

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sa, >50 = improvement since previous month



Sources: Stanbic Bank, S&P Global PMI.  
Data were collected 10-25 February 2026.

#### Comment

Christopher Legilisho, Economist at Stanbic Bank commented:

*"The Stanbic Bank Uganda PMI returned to a healthy expansion in both output and new orders in February, supported by robust consumer demand. Further, private firms are optimistic that future output conditions will be sturdy. Firms hired workers in February to clear rising backlogs and mounting new orders.*

*"Similarly, firms ramped up quantities purchased and stocks to cater for higher customer demand.*

*"However, while demand conditions have remained sturdy, prices have not come under much pressure. While total input prices, purchase prices, staffing costs and output charges increased, headline inflation moderated to 2.9% y/y, according to the authorities. This implies that the Bank of Uganda's restrictive stance by has been effective."*

Meanwhile, staffing numbers at Ugandan businesses were expanded again midway through the first quarter. Job creation was largely attributed to greater workloads, with all five monitored sectors registering a rise in headcounts. Nonetheless, sustained growth in new orders drove a renewed rise in backlogs.

A further improvement in client demand also contributed towards continued optimism in the outlook for output in February. Firms were hopeful of further strength in client demand and planned investment in advertising campaigns.

Average overall cost burdens rose again, amid higher purchase prices and wage bills in the Ugandan private sector. Motivational employee payments, greater utility charges and increased prices for materials including medicine, metals and cement reportedly underpinned cost inflation.

Finally, greater new orders supported another expansion in input buying midway through the first quarter. Expectations of growth in activity in the coming year also encouraged Ugandan businesses to accumulate stocks of purchases, as has been the case for the last 12 months. Companies also recorded a fresh improvement in vendor performance as supplier competition for customers shortened lead times.

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### Survey methodology

The Stanbic Bank Uganda PMI® is compiled by S&P Global from responses to questionnaires sent to purchasing managers in a panel of around 400 private sector companies. The panel is stratified by detailed sector and company workforce size, based on contributions to GDP. The sectors covered by the survey include agriculture, mining, manufacturing, construction, wholesale, retail and services. Data were first collected June 2016.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month.

The headline figure is the Purchasing Managers' Index™ (PMI). The PMI is a weighted average of the following five indices: New Orders (30%), Output (25%), Employment (20%), Suppliers' Delivery Times (15%) and Stocks of Purchases (10%). For the PMI calculation the Suppliers' Delivery Times series is inverted so that it moves in a comparable direction to the other series.

Underlying survey data are not revised after publication, but seasonal adjustment factors may be revised from time to time as appropriate which will affect the seasonally adjusted data series.

For further information on the PMI survey methodology, please contact [economics@spglobal.com](mailto:economics@spglobal.com).

### About PMI

Purchasing Managers' Index™ (PMI®) surveys are now available for over 40 countries and also for key regions including the eurozone. They are the most closely watched business surveys in the world, favoured by central banks, financial markets and business decision makers for their ability to provide up-to-date, accurate and often unique monthly indicators of economic trends. [www.spglobal.com/marketintelligence/en/mi/products/pmi](http://www.spglobal.com/marketintelligence/en/mi/products/pmi)

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Stanbic Bank Uganda is a member of the Standard Bank Group, Africa's largest bank by assets. As of 30th June 2023, Standard Bank Group had total assets of R3.0 trillion (about USD 146 billion), while its market capitalisation was R297.5 billion (about USD 14.5 billion).

The group has direct, on-the-ground representation in 20 African countries. Standard Bank Group has 1 221 branches and 8 815 ATMs in Africa, making it one of the largest banking networks on the continent. It provides global connections backed by deep insights into the countries where it operates.

Stanbic Bank Uganda provides the full spectrum of financial services. Its Corporate & Investment Banking division serves a wide range of requirements for banking, finance, trading, investment, risk management and advisory services. Corporate & Investment Banking delivers this comprehensive range of products and services relating to: investment banking; global markets; and global transactional products and services.

Stanbic Bank Uganda personal & business banking unit offers banking and other financial services to individuals and small-to-medium enterprises. This unit serves the increasing need among Africa's small business and individual customers for banking products that can meet their shifting expectations and growing wealth. <http://www.stanbicbank.co.ug>

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