News Release

Embargoed until 01:01 Dublin (00:01 UTC) 8 September 2026

AIB Ireland Construction PMI®

Slight rise in construction activity as new order growth solidifies

Key findings

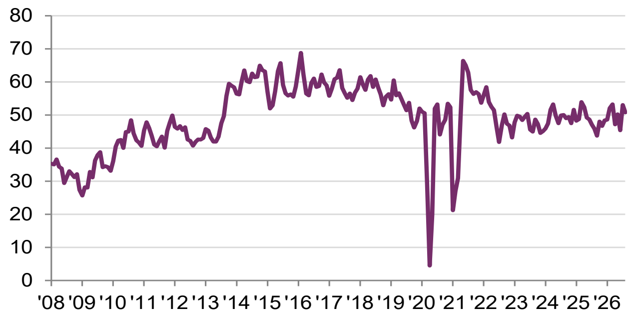
New orders expand for second month running

Business confidence at six-month high

Pace of job creation only marginal in August

AIB Ireland Construction PMI Total Activity Index

sa, >50 = growth since previous month



Sources: AIB, S&P Global PMI.
Data were collected 12-27 August 2026.

The latest AIB Ireland Construction PMI® data pointed to a second successive monthly increase in total activity as new order growth strengthened and business confidence hit a six-month high. That said, the rise in total activity was centred on the commercial category. A renewed increase in input buying was signalled, but employment growth eased to a 10-month low. Meanwhile, companies faced intensifying supply-chain delays and a sharper rise in input costs.

The headline seasonally adjusted AIB Ireland Construction Total Activity Index remained above the 50.0 no-change mark in August, signalling a second successive monthly rise in total construction activity midway through the third quarter of the year. At 50.7, however, the reading was down from July's 53.0, and pointed to only a slight expansion in activity during the month.

After all three monitored categories registered increases in activity in July, growth was limited to the commercial sector in August. Here, output rose for the sixth time in the past seven months, albeit modestly. Elsewhere, civil engineering activity was broadly unchanged and housing activity decreased solidly.

Those respondents that saw activity increase in August linked this to efforts to complete projects quickly as well as an improvement in demand. Stronger demand helped firms to be able to secure greater volumes of new orders, the second month running in which this has been the case. Moreover, the rate of expansion quickened to a five-month high.

Higher new orders and good pipelines of projects supported confidence that construction activity will rise over the coming year. Moreover, optimism hit a six-month high in August.

Rising workloads and the start of new projects led constructors to increase their employment and purchasing in August. Input buying rose for the first time in three months, while the pace of job creation eased to a marginal rate that was the slowest in the current 10-month sequence of increasing staffing levels.

Companies registered a further marked rise in input costs, with oil and metals mentioned in particular as having increased in price during the month. The rate of inflation ticked up from July, but was still much weaker than April's recent peak.

Suppliers' delivery times continued to lengthen in August. Moreover, the rate of deterioration in vendor performance was the

Comment

Commenting on the survey results, John Fahey, AIB Senior Economist, said:

"The AIB Irish Construction PMI survey for August showed that the sector registered a second consecutive month of growth. However, the headline index eased to 50.7 from 53.0 in July, indicating that the pace of growth slowed midway through the third quarter.

Looking at the sectoral breakdown, the expansion in activity levels was less broad-based than in July. Commercial activity retained its position as the top performer and was the only sector to record growth during the month. The residential sector was unable to maintain its momentum from July, falling back into contraction territory last month. Meanwhile, civil engineering activity levels were broadly unchanged in August.

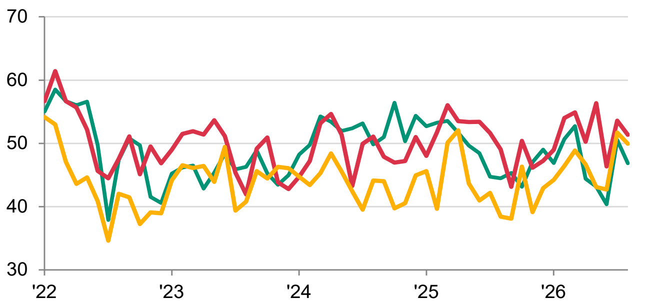
Some of the other key metrics in the August survey provided some encouraging signs. The new orders index, which is viewed as a leading indicator, increased for the second month in a row, with the pace of growth accelerating. At the same time, the construction sector continued to record an expansion in staffing levels, with employment numbers rising for a tenth successive month. However, price pressures remained a key challenge for the sector, with the rate of increase in input costs accelerating.

Meanwhile, construction firms' level of confidence in the prospect of higher activity levels over the coming 12 months strengthened for a fourth consecutive month in August. The improvement in sentiment was underpinned by rising new orders and a healthy pipeline of new projects."

most pronounced in four months. Panellists reported a lack of stock at suppliers and shortages of couriers.

Finally, constructors increased their usage of sub-contractors for the ninth consecutive month, albeit at a slower pace. Meanwhile, the availability of sub-contractors continued to decline.

Housing Activity Index	46.9
Commercial Activity Index	51.4
Civil Engineering Activity Index	49.9
sa, >50 = growth since previous month	Aug '26



Sources: AIB, S&P Global PMI.

Contact

John Fahey
AIB Senior Economist
T: +353 (0)1 6417520
john.j.fahey@aib.ie
AIBeconomics.Unit@aib.ie
www.aibeconomics.com

Paddy McDonnell
AIB Press Office
T: +353-87-739-0743
paddy.x.mcdonnell@aib.ie

Louise Kelly
AIB Press Office
T: +353-87-216-1545
louise.Y.kelly@aib.ie

Andrew Harker
Economics Director
S&P Global Market Intelligence
T: +44-1491-461-016
andrew.harker@spglobal.com

Hannah Brook
EMEA Communications Manager
S&P Global Market Intelligence
T: +44-7483-439-812
hannah.brook@spglobal.com
press.mi@spglobal.com

If you prefer not to receive news releases from S&P Global, please email press.mi@spglobal.com. To read our privacy policy, click here.

Survey methodology

The AIB Ireland Construction PMI® is compiled by S&P Global from responses to questionnaires sent to a panel of around 150 construction companies. The panel is stratified by company workforce size, based on contributions to GDP.

Survey responses are collected in the second half of each month and indicate the direction of change compared to the previous month. A diffusion index is calculated for each survey variable. The index is the sum of the percentage of 'higher' responses and half the percentage of 'unchanged' responses. The indices vary between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month, and below 50 an overall decrease. The indices are then seasonally adjusted.

The headline figure is the Total Activity Index. This is a diffusion index that tracks changes in the total volume of construction activity compared with one month previously. The Total Activity Index is comparable to the Manufacturing Output Index and Services Business Activity Index. It may be referred to as the 'Construction PMI' but is not comparable with the headline manufacturing PMI figure.

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.

About AIB

AIB is a financial services group operating predominantly in the Republic of Ireland and the UK. We provide a comprehensive range of services to personal, business and corporate customers in our target markets and have leading market shares in banking products in the Republic of Ireland.

About S&P Global

S&P Global (NYSE: SPGI) S&P Global provides essential intelligence. We enable governments, businesses and individuals with the right data, expertise and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges and accelerate progress for the world.

We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics and workflow solutions in the global capital, commodity and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow, today. www.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

PMI® by S&P Global