News Release

Embargoed until 01:01 Dublin (00:01 UTC) 11 August 2026

AIB Ireland Construction PMI®

Construction activity returns to growth in July

Key findings

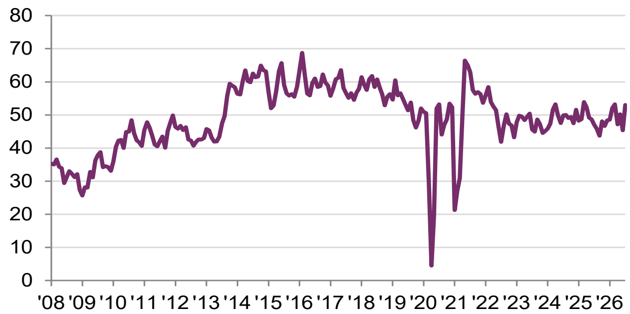
Renewed rises in output and new orders

Further solid increase in employment

Input cost inflation softens, but remains marked

AIB Ireland Construction PMI Total Activity Index

sa, >50 = growth since previous month



Sources: AIB, S&P Global PMI.
Data were collected 09-30 July 2026.

The latest AIB Ireland Construction PMI® data signalled a rebound in the sector as the second half of the year got underway. Both total activity and new business saw renewed rises following marked falls in June, with all three categories of construction in positive territory. Firms continued to raise staffing levels and business confidence continued to recover modestly. Meanwhile, inflation and supply-chain pressures softened during the month.

The headline seasonally adjusted AIB Ireland Construction Total Activity Index signalled a return to growth of Irish construction activity in July. At 53.0, the index was up sharply from June's reading of 45.4 and pointed to a solid monthly rise in total output. Activity has now risen in four of the past six months.

For the first time in 15 months, all three monitored categories of construction saw activity increase in July. Commercial led the way, registering a solid rise in activity which was the fifth in the past six months. Meanwhile, modest expansions were recorded in housing and civil engineering activity, ending sequences of contraction of three and 14 months respectively.

Where activity rose, panellists often linked this to improved customer demand, and this was also evident with regards to new orders which increased following a marked fall in June. The rate of expansion was only slight, however, amid reports of a scarcity of tender opportunities.

As has been the case in each month since last November, construction firms increased their workforce numbers in July. The rate of job creation was solid, having quickened from June. Alongside the rise in employment, constructors also expanded their use of sub-contractors, and at the joint-fastest pace in almost three-and-a-half years. As such, the availability of sub-contractors decreased markedly.

Meanwhile, purchasing activity was broadly stable, following a solid fall in the previous month. While some firms increased input buying in response to higher new orders, others indicated that their holdings of materials were sufficient to support current requirements.

July data signalled easing inflationary pressures and supply-chain disruption. Input costs increased rapidly again, but at the slowest pace in five months. Meanwhile. sub-contractor rates rose to the least extent since February 2025. The latest deterioration in vendor

Comment

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

"The AIB Irish Construction PMI survey for July indicated that the sector started the third quarter with some renewed momentum. The headline index rose sharply and moved back into expansionary territory last month, printing at 53.0. This compared to a very weak 45.4 in June.

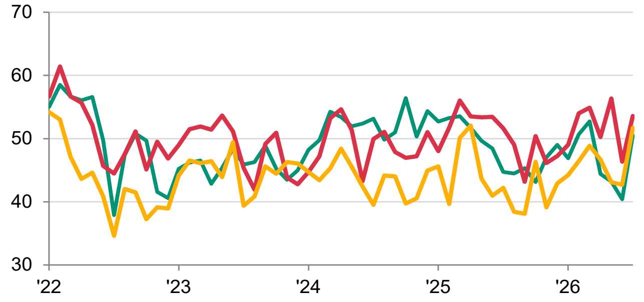
"The sectoral breakdown showed that the improvement in July was broad-based. Indeed, it was the first time since April of last year that all three sub sectors registered growth. The best performing of the three and main driver of the expansion was commercial. It returned to growth after contracting for the first time in five months in June. Meanwhile, activity levels in the residential sector expanded for the first time since March, albeit the rate of growth was modest. There was good news as well emanating from the civil engineering sector, with it recording its first month of growth since April 2025.

"There were also encouraging developments in some of the other key measures of the July survey. The sector continued to add jobs, with employment levels rising for a ninth month in a row and at a slightly quicker pace compared to June. There were some positive signs in terms of inflationary pressures, with the pace of increase in input costs at a five-month low, albeit they are still rising at a rate that is quicker than before the Middle East conflict. The new orders index, which is regarded as a leading indicator, returned to growth after contracting the previous month. Meanwhile, construction sector firms' confidence on the prospect of increasing activity levels over the coming 12 months strengthened for a third successive report, in part due to optimism that the improvement in new orders would be sustained."

performance was the smallest in five months, although lead times still lengthened markedly amid reports of issues with international shipping.

Business confidence continued to tick higher from the recent low posted in April. Sentiment was at a four-month high, but still below the level seen prior to the outbreak of war in the Middle East. According to respondents, optimism reflected hopes of continued growth of new orders.

Housing Activity Index	50.5
Commercial Activity Index	53.6
Civil Engineering Activity Index	51.7
sa, >50 = growth since previous month	Jul '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