

WEEKLY ECONOMIC BULLETIN



Department of Fiscal Policy
Ministry of Finance and Mass Media
Sri Lanka

This Weekly Economic Bulletin (WEB) provides a weekly update of some of the key economic, fiscal and monetary developments in Sri Lanka. Data published on the Bulletin are subject to revisions and the Department cannot guarantee of the accuracy of the information obtained from outside sources.

Highlights

- ⇒ **CCPI** declined to **3.8%** in April 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 158.10**
- ⇒ **Brent crude oil** increased to: **US\$ 77.52** per bbl
- ⇒ **Credit to private sector** decreased by **15.29%** in March 2018
- ⇒ **Tourist arrivals** up by **16.1%** in April 2018

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WEEK IN REVIEW

Domestic Economy

The GDP grew by 3.1 per cent in real terms in 2017, mainly due to the moderate expansion of industry sector and service sector. However Agriculture sector contracted in 2017.

The total outstanding market liquidity increased to a deficit of Rs. 17.98 bn by end of 01 June 2018, compared to a surplus of Rs. 1.44 bn by the end of 25 May 2018.

All Share Price Index (ASPI) decreased by 1.03% to 6,401 points and the S&P SL 20 Index decreased by 1.09% to 3,581 points, compared to the previous week.

NCPI decreased to 1.6% in April 2018.

International Developments

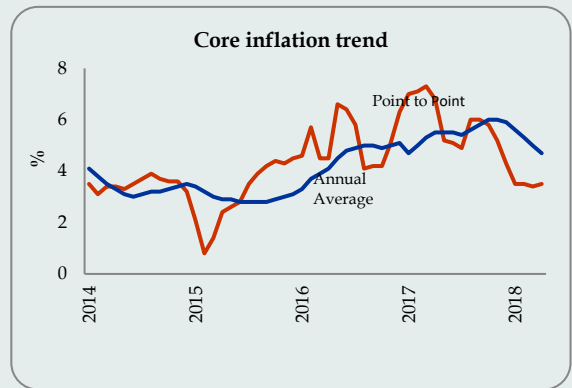
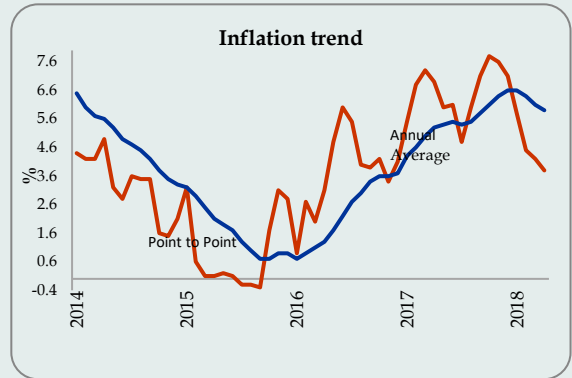
Global growth is projected to stabilize at 3.2 percent in both 2018 and 2019.

China's growth is expected to reach at 6.5 percent in 2018 and 6.3 in 2019.

The growth forecast for the United States 2.7 percent in 2018 and 2.5 percent in 2019.

Developing Economies estimated to growth by 4.8 percent in both 2018 and 2019.

Month	CCPI (%)		Core Inflation (%)		NCPI (%)	
	(2013=100)		(2013=100)		(2013=100)	
	Point to Point	Annual Average	Point to Point	Annual Average	Monthly Change	Point to Point
Jun-16	5.5	3.0	5.4	5.1	2.1	6.4
Jul	5.8	3.4	5.0	5.1	-0.8	5.8
Aug	4.4	3.7	3.8	4.9	-1.6	4.5
Sep	4.2	3.9	3.7	4.8	0.2	4.7
Oct	4.1	4.0	3.8	4.6	4.0	5.0
Nov	4.0	4.0	4.8	4.5	4.0	4.1
Dec	4.5	4.0	5.8	4.4	4.0	4.2
Jan-17	5.5	4.3	7.0	4.7	1.1	6.5
Feb	6.8	4.6	7.1	5.0	0.5	8.2
Mar	7.3	5.0	7.3	5.3	-0.3	8.6
Apr	6.9	5.3	6.8	5.5	1.3	8.4
May	6.0	5.4	5.2	5.5	0.7	7.1
June	6.1	5.5	5.1	5.5	1.3	6.3
July	4.8	5.4	4.9	5.4	-0.8	6.3
Aug	6.0	5.5	6.0	5.6	-0.1	7.9
Sep	7.1	5.8	6.0	5.8	0.8	8.6
Oct	7.8	6.1	5.8	6.0	1.2	8.8
Nov	7.6	6.4	5.2	6.0	1.3	8.4
Dec	7.1	6.6	4.3	5.9	0.2	7.3
Jan-18	5.8	6.6	3.5	5.6	-0.6	5.4
Feb	4.5	6.4	3.5	5.3	-1.7	3.2
Mar	4.2	6.1	3.4	5.0	-0.7	2.8
Apr	3.8	5.9	3.5	4.7	0.1	1.6



Source: Department of Census and Statistics

The point to point inflation of CCPI decreased to 3.8 per cent in April 2018. The annual average of CCPI decreased to 5.9 per cent in April 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 3.5 per cent, on point to point basis, while annual average core inflation decreased to 4.7 per cent, in April 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 1.6 per cent in April 2018, on year on year basis.

Contribution of Food Items to CCPI from March 2018 to April 2018

Commodity	Value Change Rs.	Change %
Food	-82.78	-0.11
Rice	29.94	0.04
Chicken	35.22	0.05
Sea Fish	-62.07	-0.08
Coconut	-37.72	-0.05
Potatoes	10.51	0.01
Vegetables	-61.99	-0.08
Red Onions	-13.35	-0.02
Big onions	-41.85	-0.06
Dhal	6.20	0.01
Green chilies	-5.69	-0.01
Eggs	-18.96	-0.03
Limes	12.87	0.02
Papaw	10.67	0.01

Source: Department of Census and Statistics

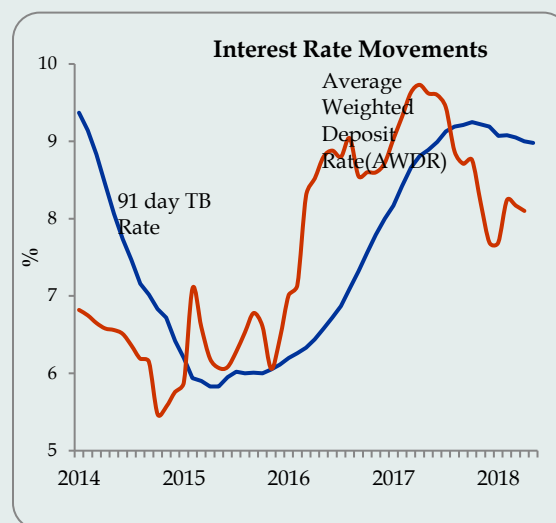
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Oct-16	0.6	6.9	6.2
Nov	0.6	4.3	6.1
Dec	0.8	4.1	6.1
Jan-17	1.6	4.5	6.4
Feb	1.2	7.7	6.9
Mar	-0.7	9.2	7.4
Apr	1.7	8.6	7.5
May	2.3	9.3	7.6
Jun	4.8	9.1	7.6
Jul	-1.7	4.8	7.0
Aug	-2.5	6.9	6.9
Sep	1.6	10.4	7.1
Oct	2.6	12.6	7.6
Nov	1.7	13.8	8.4
Dec	1.3	14.4	9.3
Jan-18	-1.9	10.5	9.8
Feb	-2.9	6.0	9.6
Mar	-1.5	5.1	9.2
Apr	-0.4	3.0	8.8

Source: Department of Census and Statistics

Month	CCPI (2013 =100)	CCPI Point to Point Change	CCPI Annual Average Change	91 Days T Bill Rate	Real Interest Rate (Y on Y)	Real Interest Rate (Annual Avg)
Oct-16	112.1	4.1	4.0	8.60	4.50	4.60
Nov	113.6	4.0	4.0	8.60	4.60	4.60
Dec	114.7	4.5	4.0	8.72	4.22	4.72
Jan-17	116.1	5.5	4.3	9.03	3.53	4.73
Feb	116.7	6.8	4.6	9.32	2.52	4.73
Mar	116.5	7.3	5.0	9.63	2.33	4.63
Apr	117.1	6.9	5.3	9.73	2.83	4.43
May	118.2	6.0	5.4	9.62	3.62	4.22
June	120.1	6.1	5.5	9.60	3.50	4.10
July	119.4	4.8	5.4	9.44	4.64	4.04
Aug	118.8	6.0	5.5	8.87	2.87	3.37
Sep	119.7	7.1	5.8	8.71	1.61	2.91
Oct	120.8	7.8	6.1	8.76	0.96	2.66
Nov	122.2	7.6	6.4	8.20	0.60	1.80
Dec	122.9	7.1	6.6	7.69	0.59	1.09
Jan-18	122.8	5.8	6.6	7.69	1.89	1.09
Feb	121.9	4.5	6.4	8.24	3.74	1.84
Mar	121.4	4.2	6.1	8.17	3.97	2.07
Apr	121.5	3.8	5.9	8.10	4.30	2.20

Sources : Central Bank of Sri Lanka and Department of Census and Statistics



Interest Rate Movements

Category	Week Ending 01 st June 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.00	7.25
Standing Lending Facility	8.50	8.50	8.00	8.75
Call Money Weekly Average	7.92	7.93	8.50	8.73
Treasury Bill (Yield rate)				
91 Days	8.34	8.37	-	9.61
182 Days	8.93	8.94	9.39	10.40
364 Days	9.62	9.73	10.11	10.71
Prime Lending Rate	11.42	11.19	11.78	11.34
	May-18		Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.91		8.98	8.99

Source : Central Bank of Sri Lanka

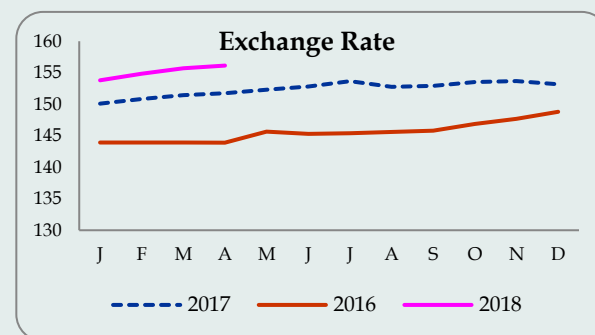
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.50 percent, respectively during this week.

The Prime Lending rate decreased to 11.19 per cent by week ending 01st June 2018 compared to last week and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of April 2018 was 8.98 percent.

Exchange Rates

Currency	Week Ending 01 st June 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	158.10	157.79	152.70	3.5
Sterling Pound	209.94	211.04	196.77	6.7
Euro	184.82	184.78	171.74	7.6
Japanese Yen	1.45	1.44	1.38	5.1
Indian Rupee	2.35	2.32	2.36	-0.4

Source : Central Bank of Sri Lanka



The rupee depreciated against US Dollar, Euro, sterling pound, Japanese Yen and Indian Rupee.

Money Supply and Credit Growth

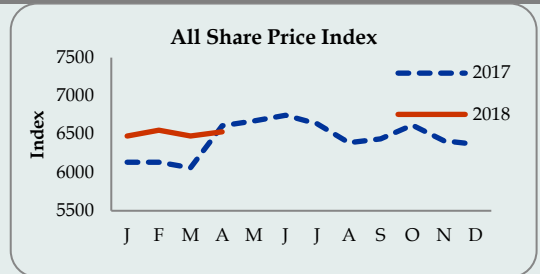
Item	Mar 2018	Feb 2018	Jan 2018	Mar 2017	Feb 2017	Jan 2017	Growth 2017 Mar/2018 Mar (%)
M ₁ (Rs Bn)	841.18	770.85	773.42	782.02	744.60	742.85	7.56
M ₂ (Rs Bn)	5,995.49	5,826.70	5,739.01	5,096.20	4,951.31	4,866.01	17.65
M _{2b} (Rs Bn)	6,606.65	6,450.50	6,378.37	5,677.40	5,551.96	5,460.43	16.37

Item	Mar 2018	Month Ago	Year Ago	Growth 2017 Mar/2018 Mar (%)
Credit to Private Sector (Rs.bn)	5,043.95	4,921.62	4,375.20	15.29
DBUs	4,686.93	4,567.50	4,065.75	15.28
OBUs	357.02	354.12	309.44	15.38

Source: Central Bank of Sri Lanka

Share Market

Indicator	Week Ending 01 st June 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,401	6,468	6,694
S & P Sri Lanka 20 Index (S & P SL20)	3,581	3,621	3,833
Average Daily Turnover (Rs.Mn)	1,304	711	770
Market Capitalization (Rs.Bn.)	2,989	3,021	2,961



Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 67 index points and closed at 6,401 points compared to the fourth week of May 2018. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 40 to 3,581 index points. The Average Daily Turnover increased by Rs. 593 million and stationed at Rs. 1,304 million. Market capitalization reached Rs. 2,989 billion in the first week of June 2018.

Equity Trading Statistics

Indicator	Apr 2018	Apr 2017	Jan-Apr 2018	Jan-Apr 2017
Turnover -Equity (Rs. Mn.)	11,661.2	26,161.5	82,066.1	71,722.4
Domestic (Rs. Mn.)	6,282.7	12,619.2	45,468.2	355,624.4
Foreign (Rs. Mn.)	5,378.6	13,542.3	36,597.9	36,098.1
Market Days	19	17	77	79
Daily Turnover Avg. Equity (Rs. Mn.)	613.7	1,538.9	1,065.8	907.9
Trade Equity	66,048	89,494	336,849	252,799
Domestic	62,200	83,517	320,048	236,354
Foreign	3,848	5,977	16,801	16,445
Shares Traded -Equity	407.4	997.9	2,429.6	2,766.9
Domestic (Rs. Mn.)	332.9	833.7	2,004.6	1,895.2
Foreign (Rs. Mn.)	74.5	164.1	424.9	871.8
Companies Traded	276	275	279	277
Companies Listed	299	295	299	295

Market Indicators

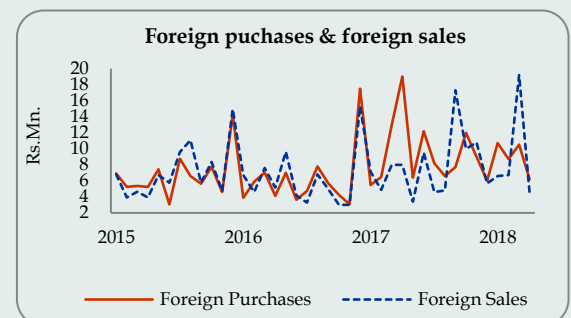
Price Indices	Apr 2018	Mar 2018
ASPI	6,531.06	6,476.78
S&P SL 20	3,660.10	3,650.10
Total Return Indicators		
ASTRI	8,686.81	8,613.19
S&P SL20 (TRI)	5,385.47	5,325.81
Market PER	10.74	11.19
Dividend Yield	2.96	2.91
Market Capitalization (Rs.Bn.)	3,049.25	3,032.71

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	April 2018	Jan-Apr 2018
Purchases by Foreigners (Rs. Mn)	6,219.3	36,123.9
Sales by Foreigners (Rs. Mn)	4,537.9	37,072.4
Net Foreign Purchases (Rs. Mn)	1,681.5	-948.5

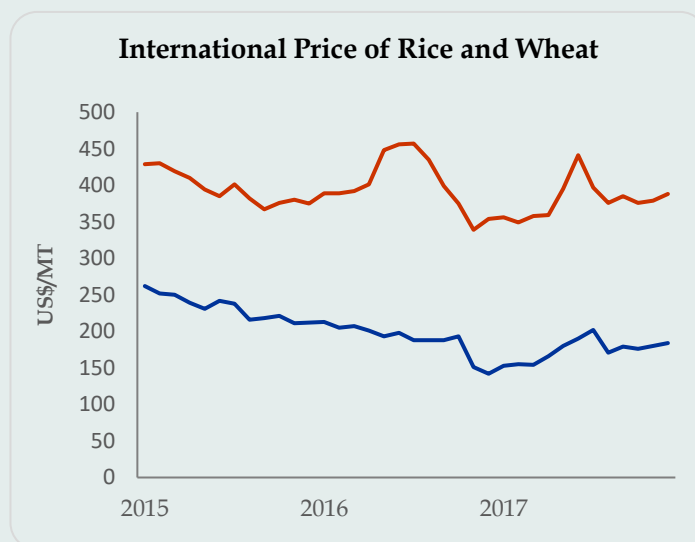
Source: Colombo Stock Exchange



COMMODITY PRICES

International Commodity Prices

Month	Rice Thai,100% US\$/MT	Wheat (HRW) US\$/MT
Jun-2016	456	198
Jul	457	188
Aug	435	188
Sep	399	188
Oct	375	193
Nov	339	151
Dec	354	142
Jan-2017	356	153
Feb	349	155
Mar	358	154
Apr	359	166
May	395	180
Jun	440	190
Jul	397	202
Aug	376	171
Sep	385	179
Oct	376	176
Nov	379	180
Dec	388	184



Source: FAO Web Site, Available at fao.org/worldfoodsituation/foodpricesindex

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	Oct	Nov	Dec
		2015	2016	2017	2017	2017	2017
Non Energy, Agriculture, Beverages							
Cocoa	\$/kg	3.14	2.89	2.03	2.10	2.13	1.92
Coffee, Arabica	\$/kg	3.53	3.61	3.32	3.10	3.11	3.03
Tea, auctions (3) average	\$/kg	2.71	2.64	3.10	3.26	3.17	3.07
Tea, Colombo auctions	\$/kg	2.96	3.24	4.07	4.22	4.08	4.06
Food, Fats & Oils							
Coconut Oil	\$/mt	1,110	1,475	1,602	1,485	1,549	1,443
Copra	\$/mt	735	982	1,065	989	1,038	960
Palm Oil	\$/mt	623	700	1,365	721	716	665
Grains							
Barley	\$/mt	194.3	158.5	140.8
Maize	\$/mt	169.8	159.2	154.5	148.6	148.7	149.0
Wheat, US HRW	\$/mt	204.5	166.6	174.2	175.6	179.7	184.1
Other Food							
Meat, Beef	\$/kg	4.42	3.93	4.23	4.17	4.20	4.13
Meat, Chicken	\$/kg	2.53	2.46	2.51
Sugar, World	\$/kg	0.30	0.40	0.35	0.32	0.33	0.32
Raw Materials, Timber							
Plywood	¢/sheets	451.2	503.3	486.9	483.5	484.0	483.5
Wood pulp	\$/mt	875.0	875.0	875.0	875.0	875.0	875.0
Other Raw Materials							
Rubber RSS3, US	\$/kg	1.57	1.61	2.00	1.64	1.57	1.65
Fertilizers							
Phosphate Rock	\$/mt	117.5	112.2	89.7	80.0	80.0	80.0
TSP	\$/mt	385.0	290.5	276.3	222.0	222.0	222.0
Urea	\$/mt	272.9	199.3	219.8	263.0	246.0	219.0
Metals and Minerals							
Aluminum	\$/mt	1,665	1,604	1,968	2,131	2,097	2,080
Gold	\$/toz	1,161	1,249	1,258	1,280	1,282	1,264
Iron ore	\$/dmt	55.8	58.4	71.8	61.7	64.2	72.3

Source: The World Bank, Available at worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROPECTS

¢= US cent

\$= US dollar

Crude Oil Prices - Singapore Plattes Prices (US\$/bbl)

Item	May 28	May 29	May 30	May 31	June 01	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	74.76	75.39	74.96	77.10	77.52	78.73	75.17	51.21
WTI (US\$/bbl.)	65.85	66.73	66.46	68.05	66.94	70.68	68.57	48.80
Petrol	87.55	84.75	84.15	85.40	85.45	87.55	80.60	62.10
Diesel	88.78	86.46	86.75	88.06	87.40	88.78	84.93	59.98
Kerosene	81.07	88.50	88.93	90.08	89.58	91.07	87.27	60.90

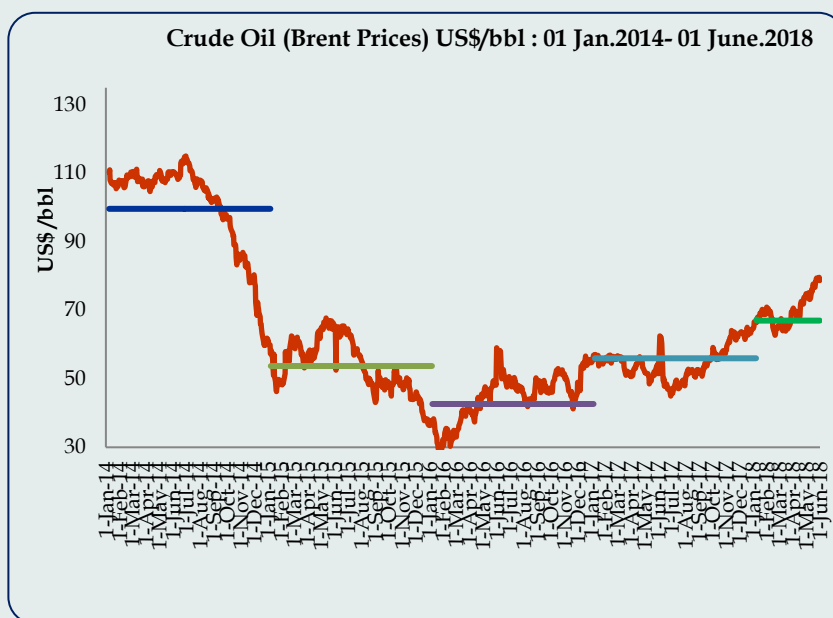
Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Oct-16	49.91	51.38
Nov	45.85	45.96
Dec	54.74	52.04
Jan-17	52.83	55.67
Feb	53.41	55.99
Mar	49.92	52.76
Apr	51.27	53.98
May	51.59	48.77
Jun	47.71	45.34
July	49.02	46.93
Aug	51.87	48.18
Sep	49.76	55.44
Oct	54.04	60.83
Nov	56.68	62.80
Dec	63.92	57.82
Jan-18	63.55	69.02
Feb	62.26	65.80
Mar	66.69	62.80
Apr	66.21	71.55
May	76.88	69.92
June*	76.91	69.79

Source: Central Bank of Sri Lanka

*up to 01st June 2018

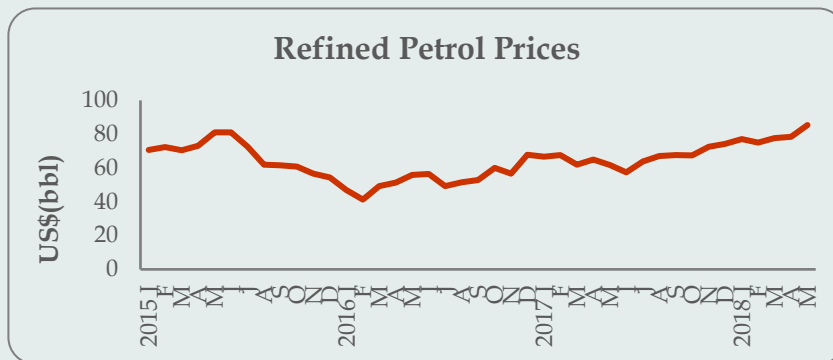


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
Oct-16	60.15	60.63	60.98
Nov	56.63	56.03	56.62
Dec	67.80	66.34	64.87
Jan-17	66.75	64.70	65.13
Feb	67.55	66.31	66.25
Mar	61.93	62.43	61.85
Apr	64.83	63.92	63.92
May	61.60	60.45	60.84
Jun	57.38	56.81	57.12
July	59.10	59.76	59.87
Aug	64.73	62.02	61.11
Sep	67.66	66.53	67.97
Oct	70.15	69.68	71.33
Nov	73.05	71.80	74.06
Dec	73.45	74.49	75.61
Jan-18	76.65	80.05	80.91
Feb	74.17	76.52	79.98
Mar	74.24	76.74	79.03
Apr	78.36	82.58	85.14
May	85.37	88.26	90.16
June*	85.38	88.22	90.14

Source: Central Bank of Sri Lanka

*up to 01st June 2018



Local Market Prices of Petroleum Products

Item	Unit	End 2015	End 2016	End 2017	Current Price 2018
Auto Diesel	1 liter	95.00	95.00	95.00	109.00
Petrol (Octane 92)	1 liter	117.00	117.00	117.00	137.00
Kerosene oil	1 liter	49.00	49.00	44.00	101.00
L P Gas	12.5 kg	1,346.00	1,321.00	1,321.00	1,676.00

Wholesale Prices
Week Ending 01st June 2018(Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 01/06/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	106.00	102.00	3.9	94.82
Kekulu (Red)	71.00	70.00	1.4	80.30
Vegetable				
Beans	296.00	187.00	58.2	118.56
Cabbage	85.00	65.00	30.8	75.37
Carrots	225.00	187.00	20.3	120.95
Tomatoes	90.00	153.00	-41.2	93.73
Pumpkins	30.00	33.00	-9.1	61.84
Snake Gourd	108.00	103.00	4.8	96.74
Brinjals	114.00	77.00	48.1	94.90
Ash Plantains	63.00	60.00	5.0	73.41
Other Foods				
Red-Onions (Local)	130.00	100.00	30.0	250.84
Big Onions (Local)	n.a	n.a	-	110.80
Potatoes (N'Eliya)	131.00	133.00	-1.5	127.34
Dried Chilies (Imported)	248.00	255.00	-2.7	189.80
Dhal (Indian)	109.00	110.00	-1.0	135.31
Eggs (Red) (Each)	14.30	13.75	0.0	11.96
Coconut (Each)	78.00	73.00	6.8	61.72
Fish (Rs/Kg)				
Kelawalla	520.00	550.00	5.4	540.63
Balaya	300.00	350.00	14.3	301.46
Salaya	160.00	150.00	6.6	116.88
Paraw (Small)	n.a	n.a	-	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	113.00
Kekulu (Red)	73.50
Vegetables	
Pumpkins	15.33
Snake Gourd	101.67
Ash Plantains	51.67
Beans	271.67
Carrots	198.33
Tomatoes	82.50
Other Foods	
Potatoes (N'Eliya)	124.17
Dried Chilies (Imported)	247.50
Big-Onions (Local)	n.a
Red-Onions (Local)	133.33
Coconut (Each)	67.67

Source: Central Bank of Sri Lanka

Marandaghamula Average Price of Rice (Rs /Kg)

Item	Week Ending 01/06/2018	Week Ago	Month Ago	Year Ago
Samba	101.00	100.60	98.98	92.96
Sudu Kekulu	78.50	78.50	78.21	83.16
Raw Red	74.63	74.50	75.40	80.21
Nadu	82.25	81.50	80.88	87.93

Source: Central Bank of Sri Lanka

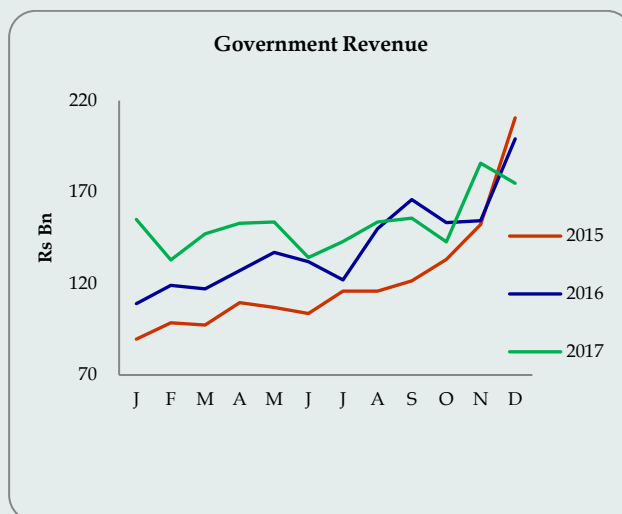
Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	108.57	108.57	0.0	94.09
No. 1	1 kg	113.93	113.81	0.1	97.74
No. 2	1kg	103.21	103.33	-0.1	90.44
Nadu Red	1kg	98.90	98.69	0.2	91.29
Raw Red (Avg)	1kg	85.38	84.93	0.5	82.92
No. 1	1kg	91.15	90.73	0.5	85.98
No. 2	1kg	79.61	79.13	0.6	79.86
Wheat Flour	1 kg	89.82	89.77	0.1	88.90
Bread	450g	58.71	58.71	0.0	58.18
Sugar	1 kg	108.23	108.14	0.1	106.95
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	101.67	101.38	0.3	118.88
Potatoes (Local)	1kg	159.08	158.25	0.5	165.06
Red Dhal(Avg)	1kg	149.69	148.29	0.9	180.70
Cowpea (Avg)	1kg	295.89	295.51	0.1	326.12
Green Gram(Avg)	1kg	254.70	254.63	0.0	253.98
Kadalai (Avg)	1kg	299.25	298.12	0.4	311.86
Meat					
Beef	1kg	957.06	961.33	-0.4	903.57
Chicken					
Fresh	1kg	570.00	568.95	0.2	552.70
Broiler	1kg	420.00	420.00	0.0	420.00
Fresh Fish					
Paraw	1 kg	1,096.67	1,083.33	1.2	1,005.36
Balaya	1 kg	580.00	600.00	-3.3	659.38
Kelawalla	1 kg	1,000.53	990.00	1.1	999.69
Salaya	1 kg	181.82	184.35	-1.4	185.58
Dried Fish					
Sprats	1 kg	755.88	753.43	0.3	745.76
Eggs	Each	13.88	13.70	1.3	13.59
Coconut	Each	79.81	78.10	2.2	66.66
Coconut Oil	750ml	285.86	284.06	0.6	301.10
Red Onions	1 kg	183.64	183.89	-0.1	254.00
B- Onions (Import)	1 kg	89.52	89.88	-0.4	95.01
Brinjal	1kg	138.82	139.43	-0.4	153.25
Beans Green	1 kg	193.85	191.70	1.1	213.91
Cabbage	1 kg	128.42	123.78	3.7	204.89
Leeks	1 kg	252.90	249.64	1.3	121.62
Beet Root	1kg	130.00	131.25	-1.0	210.77
Carrot	1kg	176.78	177.20	-0.2	278.90
Tomatoes	1kg	138.38	135.56	2.1	158.04
Radish	1kg	139.26	137.60	1.2	144.17
Vetakolu	1kg	163.76	161.45	1.4	196.30
Snake Gourd	1kg	157.70	155.97	1.1	185.11
Bandakka	1kg	151.05	147.37	2.5	164.58
Kolikuttu	1kg	185.09	184.00	0.6	208.51
Papaw	1kg	91.71	91.71	0.0	87.82
Pineapple	1kg	128.79	127.15	1.3	169.14

Source: Department of Census and Statistics

FISCAL SECTOR AND GOVERNMENT DEBT

Summary of Government Revenue

Item	2015	2016	2017(a)
Tax Revenue	1,355,779	1,463,689	1,670,178
Income Tax	262,583	258,857	274,562
VAT	219,700	283,470	443,739
Excise Duty	497,623	454,952	469,500
Nation Building Tax	45,004	57,424	69,035
PAL	58,644	88,823	102,360
Customs Duty	132,189	156,487	136,501
SCL	52,276	55,825	71,402
Cess	46,289	61,730	59,554
License Fee and Other	41,471	46,121	43,525
Non Tax Revenue	99,099	222,372	161,353
Total Revenue	1,454,878	1,686,061	1,831,531



Source: Department of Fiscal Policy

(a) provisional

Government Debt

Government Debt (Rs.bn)	End 2016	End 2017(a)
Total Domestic Debt	5,341.5	5,594.4
Total Foreign Debt	4,045.8	4,718.6
Total Government Debt	9,387.3	10,313.0

Source: Central Bank of Sri Lanka

(a) provisional

Key Fiscal Indicators 2015-2016-2017

Indicator	Unit	2015	2016	2017(a)
Budget Deficit	Rs Mn	-829,502	-640,326	-733,494
	% of GDP	-7.6	-5.4	-5.5
Total Revenue	Rs Mn	1,454,878	1,686,061	1,831,531
	% of GDP	13.3	14.2	13.8
Tax Revenue	Rs Mn	1,355,779	1,463,689	1,670,178
	% of GDP	12.4	12.3	12.6
Non Tax Revenue	Rs Mn	99,099	222,372	161,353
	% of GDP	0.9	1.9	1.2
Recurrent Expenditure	Rs Mn	1,701,657	1,757,782	1,927,692
	% of GDP	15.5	14.8	14.5
Public Investment	Rs Mn	602,768	594,012	657,386
	% of GDP	5.5	5.0	4.9
Government Debt	Rs Mn	8,503,227	9,387,303	10,313,046
	% of GDP	77.7	78.8	77.6

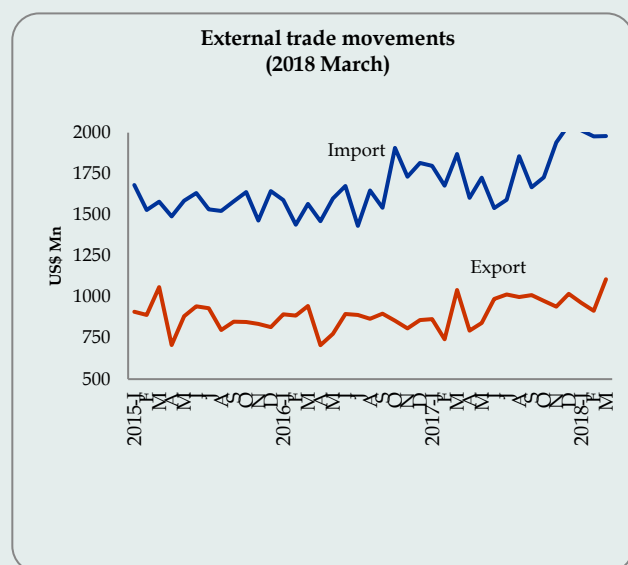
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	Mar 2017 (US\$ Mn)	Mar 2018 (US\$ Mn)	Growth Rate (%)	Jan-Mar 2017 (US\$ Mn)	Jan-Mar 2018 (US\$ Mn)	Growth Rate (%)
Exports	1,041.8	1,107.7	6.3	2,774.3	2,988.7	7.7
Agricultural	257.4	242.8	-5.6	655.9	653.1	-0.4
Tea	133.7	138.5	3.6	349.1	368.5	5.5
Other	123.7	104.3	-18.6	306.8	284.6	-7.2
Industrial	779.2	861.1	10.5	2,106.6	2,322.0	10.2
Rubber Products	76.7	85.8	11.8	199.5	225.2	12.9
Textiles and Garments	453.3	486.8	7.4	1,275.8	1,328.7	4.1
Food, Beverage and Tobacco	30.8	43.7	42.0	76.5	121.5	58.8
Other	218.4	244.8	12.0	554.8	646.6	16.5
Mineral	3.3	2.2	-34.5	7.3	8.4	16.1
Unclassified	1.9	1.5	-20.3	4.6	5.2	13.4
Imports	1,869.3	1,978.5	5.8	5,279.4	5,971.0	13.1
Consumer Goods	468.5	477.1	1.8	1,170.5	1,360.4	16.2
Food and Beverages	213.5	177.3	-17.0	505.2	526.3	4.2
Other Consumer Goods	255.0	299.0	17.6	665.3	834.2	25.4
Intermediate Goods	948.5	1,121.7	18.3	2,806.5	3,351.4	19.4
Petroleum	245.3	398.0	62.3	882.6	1,075.2	21.8
Textiles & Textile Articles	227.0	198.6	-12.5	666.7	691.1	3.7
Other Intermediate Goods	476.2	525.1	10.3	1,257.2	1,585.1	26.1
Investment Goods	449.6	378.6	-15.8	1,242.1	1,196.0	-3.7
Machinery and Equipment	237.8	210.6	-11.5	686.2	651.3	-5.1
Transport Equipment	69.0	54.9	-20.4	163.5	163.9	0.2
Building Material	142.0	112.3	-20.9	389.8	378.4	-2.9
Other Investment Goods	0.7	0.8	8.1	2.5	2.4	-5.2
Unclassified	2.8	1.1	-62.2	60.3	63.2	4.8
Trade Balance	-827.5	-870.8	5.2	-2,505.1	-2,982.3	19.0

Source: Central Bank of Sri Lanka

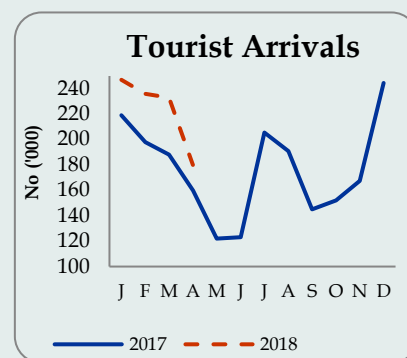


- Export earnings during January to March 2018 increased by 7.7 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The earnings for the month of March 2018 increased by 6.3 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 13.1 percent for the period during January to March 2018. Expenditure on imports for the month of March 2018 increased by 5.8 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit contracted to US\$ 870.8 Mn in March 2018 over the same period of 2017.

Tourist Arrivals

Month	Arrivals				Earnings US\$ Mn			
	2016	2017	2018	% change 2017/18	2016	2017	2018	% change 2017/18
Jan	194,280	219,360	246,972	12.6	333.3	376.3	423.7	12.6
Feb	197,697	197,517	235,618	19.3	339.0	366.3	436.9	19.3
Mar	192,841	188,076	233,382	24.1	330.8	348.8	432.8	24.1
Apr	136,367	160,249	180,429	12.6	226.0	297.2	334.6	12.6
May	125,044	121,891			214.5	209.1		
Jun	118,038	123,351			195.6	211.6		
July	209,351	205,482			359.2	352.5		
Aug	186,288	190,928			319.6	327.6		
Sep	148,499	145,077			254.8	248.9		
Oct	150,419	152,429			249.3	261.5		
Nov	167,217	167,511			277.1	287.4		
Dec	224,791	244,536			385.7	419.5		
Total	2,050,832	1,871,871	888,353	16.1	3,518.5	3,631.0	1,647.5	16.1

Source: Sri Lanka Tourism Development Authority



Tourism

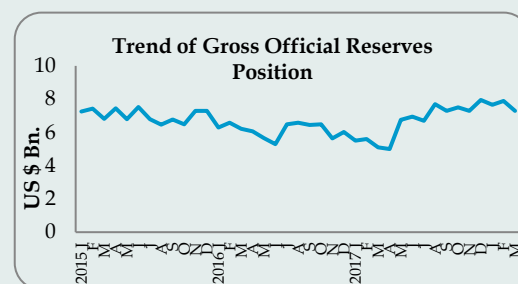
Earnings from tourism increased to US \$ 334.6 in April 2018 with an increase of 12.6 per cent over the same period of 2017.

The number of tourist arrivals increased to 180,429 in April 2018.

External Assets

External Assets (US\$ Mn)	Mar 2018	Feb 2018	Jan 2018
Total Reserves	n.a.	10,062.35	10,040.34
Gross Official Reserves	7,319.75	7,922.37	7,669.98

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 10.0 Bn and US\$ 7.9 Bn, respectively by end February 2018. Total foreign reserves were sufficient to 5.6 months of imports and the gross official reserves were equivalent to 4.4 months of imports in February 2018. Workers' remittances increased by 5.4 per cent in dollar terms to US \$ 677.7 Mn. in March 2018.

Private Remittances

Category	2017 Apr	2018 Apr (a)	2017 Jan-Apr	2018 Jan-Apr(a)	% Change
Inflow US\$ Mn	487.9	541.2	2,399.4	2,519.7	5.0
Rs. Bn	74.1	84.5	362.2	390.7	7.9

Source: Central Bank of Sri Lanka

(a) Provisional

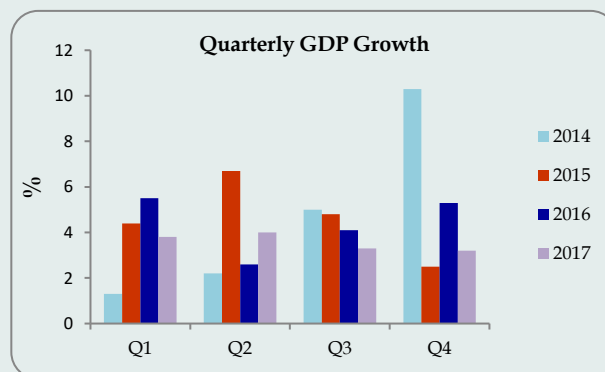
PRODUCTION

QUARTERLY GDP GROWTH (%)

	1 st Q	2 nd Q	3 rd Q	4 th Q	Annual
2013	3.6	5.9	4.0	0.5	3.4
Agriculture	2.2	3.9	4.5	2.5	3.2
Industry	6.7	6.0	2.8	0.6	4.1
Service	2.9	7.7	5.5	-0.8	3.8
2014	1.3	2.2	5.0	10.3	4.9
Agriculture	7.3	4.1	3.2	5.0	4.9
Industry	-1.5	-2.8	7.8	11.7	3.5
Service	1.9	4.0	3.0	11.7	5.2
2015	4.4	6.7	4.8	2.5	4.8
Agriculture	5.9	10.4	7.3	-0.5	5.5
Industry	1.4	3.9	4.9	1.9	3.0
Service	5.4	6.9	6.5	2.7	5.3
2016	5.5	2.6	4.1	5.3	4.4
Agriculture	1.9	-5.6	-1.9	-8.4	-4.2
Industry	8.3	2.2	6.8	9.2	6.7
Service	4.9	4.9	4.7	4.6	4.2
2017	3.8	4.0	3.3	3.2	3.1
Agriculture	-3.2	-2.9	-3.3	7.1	-0.8
Industry	6.3	5.2	1.9	2.7	3.9
Service	3.5	4.5	4.3	3.2	3.2

Source: Department of Census & Statistics

Note : Growth rate of value added terms based on year 2010



GDP grew by 3.1%

The Sri Lankan economy grew by 3.1% in 2017 compared to 4.4% growth recorded in 2016. The growth was mainly supported by the expansion of Industry sector by 3.9% and Services sector by 3.2%. However, Agriculture sector contracted by 0.8%.

Labour Force Statistics

Employment	2017 Annual (a)	2017 4 th Quarter* (a)	2016 Annual (a)	2015 Annual
Labour Force Participation Rate	54.1	54.1	53.8	53.8
Unemployment Rate	4.2	4.0	4.4	4.7
By Gender				
Male	2.9	3.0	2.9	3.0
Female	6.5	5.6	7.0	7.6
By Age Group				
20-29	13.5	12.6	14.2	14.2
20-24	17.8	16.6	19.9	19.7
25-29	9.5	8.9	9.2	9.4

Source: Department of Census & Statistics

(a) Data cover the entire island

* Provisional



Paddy Production

Category	2016			2017		
	2015/2016 Maha	2016 Yala	Total	2016/2017 Maha	2017 Yala	Total
Production						
Mn.Mt	2.90	1.55	4.45	1.48	1.02	2.50
Bushels Mn.	139	73	212	71.2	48.8	120.0
Net Extent Harvested						
Hectares ('000)	667	344	1,011	343	212	555
Acres ('000)	1,649	849	2,498	847	524	1,371
Average Yield kg per ha	4,349	4,417	8,766	4,301	4,291	8,592

Source: Department of Census & Statistics

(a)provisional

The paddy production in 2017 Yala season declined by 34.2 percent to around 1.02 million mt. compared to the 1.55 million mt recorded in 2016. The total paddy production in 2017 declined by 43.8 percent to around 2.5 million mt, compared to the 4.45 million mt recorded in 2016.

Category	2017 Jan-Mar	2018 Jan-Mar	% Change
Production			
Tea (Mn. Kg)	66.58	73.83	10.9
Rubber (Mn. Kg)	23.35	20.12	-13.8
Coconut (Mn. Nuts)	683.16	581.45	-14.9
Exports (US\$ Mn)			
Tea	113.9	118.2	3.8
Rubber	5.6	4.1	-27.0
Coconut	27.2	26.3	-3.1
Colombo Auction Prices			
Tea (Rs./ Kg)	597.91	631.46	5.6
Rubber (Rs./ Kg)	338.67	278.83	-17.7
Coconut (Rs./nut)	42.34	63.54	50.1

Source: Central Bank of Sri Lanka and Forbes & Walkers Commodity Brokers Pvt Ltd

Factory Industrial Production Index (2015=100)

Item (a)	2017 March (b)	2018 March (c)	Growth %
Manufacture of Food Products	109.3	112.9	3.2
Manufacture of Beverages	99.1	115.6	16.6
Manufacture of Tobacco Products	100.5	101.3	0.7
Manufacture of Textiles	115.7	113.4	-1.9
Manufacture of Wearing Apparel	112.6	121.2	7.6
Manufacture of Leather and Related Products	103.1	87.5	-15.3
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	89.0	105.1	18.1
Manufacture of Paper and Paper Products	111.8	97.9	-12.4
Printing and Reproduction of Recorded Media	108.5	115.8	6.8
Manufacture of Coke and Refined Petroleum Products	93.8	36.2	-61.4
Manufacture of Chemicals and Chemical Products	107.2	115.9	8.1
Manufacture of Pharmaceuticals, Medicinal Chemicals	105.4	89.1	-15.5
Manufacture of Rubber and Plastic Products	112.0	117.3	4.7
Manufacture of Other Non-Metallic Mineral Products	124.3	124.7	0.3
Manufacture of Basic Metals	108.2	139.9	29.4
Manufacture of Fabricated Metal Products	120.3	129.7	7.8
Manufacture of Electrical Equipment	120.3	100.6	-16.4
Manufacture of Machinery and Equipment n.e.c	111.7	100.4	-10.1
Manufacture of Furniture	115.7	114.0	-1.6
Manufacture of other Manufacturing	113.1	119.6	5.7
Factory Industry Production Index	110.1	110.3	0.1

Source: Central Bank of Sri Lanka

(a) The Factory Industrial Production Index (FIPI) has been replaced with the Index of Industrial Production (IIP)

(b) Revised

(c) Provisional