

# 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 **4.5%** in February 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 155.80**
- ⇒ **Brent crude oil** decreased to: **US\$ 64.85** per bbl
- ⇒ **Credit to private sector** decreased by **14.7%** in December 2017
- ⇒ **Tourist arrivals** up by **15.8%** in February 2018

## CONTENTS

	Page no.
Monetary Sector	i
Fiscal Sector	viii
External Sector	ix
Real Sector	xi

## WEEK IN REVIEW

### **Domestic Economy**

*The GDP grew by 3.3 per cent in real terms in the third quarter of 2017, mainly due to the expansion of construction and financial activities coupled with the contraction of Agriculture sector.*

*The total outstanding market liquidity increased to a surplus of Rs. 43.96 bn by end of 16 March 2018, compared to Rs.40.75 bn by the end of 09 March 2018.*

*All Share Price Index (ASPI) declined by 0.64% to 6,509 points and the S&P SL 20 Index declined by 0.50% to 3,680 points, compared to the previous week.*

*NCPI decreased to 3.2% in February 2018.*

### **International Developments**

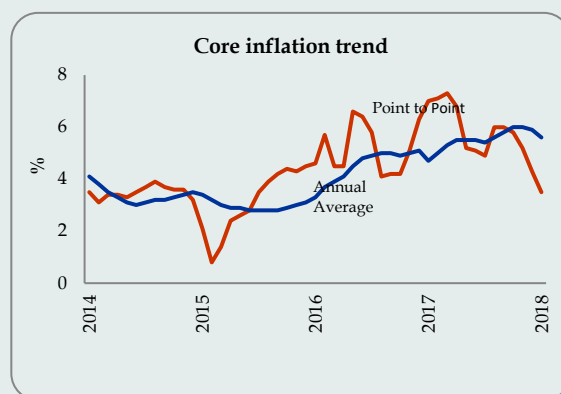
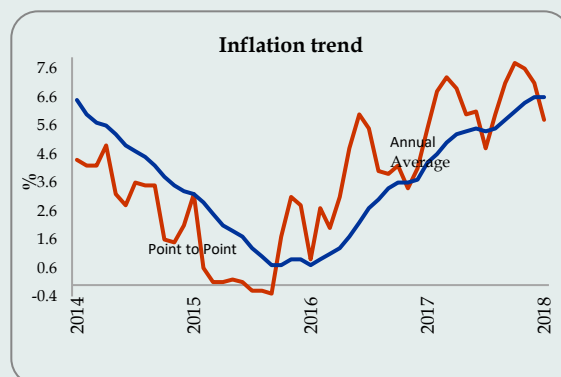
*Global output is projected to grow by 3.5 percent in 2017 and 3.6 percent in 2018.*

*China's growth is expected to remain at 6.7 percent in 2017.*

*The growth forecast for the United States has been revised to 2.1 percent from 2.3 percent.*

*Japan's economy grew by 4.0 percent in the second quarter of 2017.*

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
Apr-16	3.4	2.4	3.5	4.9	1.5	4.3
May	4.8	2.7	5.6	5.0	1.9	5.3
Jun	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



Source: Department of Census and Statistics , \* Base year - 2006/2007 = 100

The point to point inflation of CCPI decreased to 4.5 per cent in February 2018. The annual average of CCPI decreased to 6.4 per cent in February 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, decreased to 3.5 per cent, on point to point basis, while annual average core inflation decreased to 5.3 per cent, in February 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 3.2 percent in February 2018, on year on year basis.

**Contribution of Food Items to CCPI from January 2018 to February 2018**

Commodity	Value Change Rs.	Change %
Food	-647.88	-0.87
Rice	-78.68	-0.11
Chicken	-13.57	-0.02
Dried Fish	22.10	0.03
Coconut	25.80	0.03
Potatoes	-25.65	-0.03
Vegetables	-390.59	-0.53
Red Onions	-77.52	-0.10
Big onions	-75.08	-0.10
Dhal	-11.18	-0.02
Green chilies	-45.56	-0.06
Limes	-8.44	-0.01
Banana	14.21	0.02
Papaw	-15.83	-0.02

Source: Department of Census and Statistics

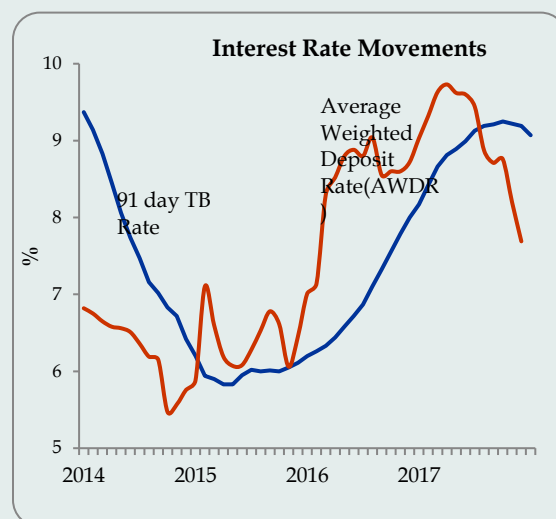
**Movements of the CCPI in Food Item (2013=100)**

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Aug-16	-4.5	8.3	5.5
Sep	-1.6	7.5	5.9
Oct	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

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)
Aug	112.1	4.4	3.7	9.04	4.64	5.34
Sep	111.8	4.2	3.9	8.55	4.35	4.65
Oct	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

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



## Interest Rate Movements

Category	Week Ending 16 <sup>th</sup> Mar 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.00	7.00
Standing Lending Facility	8.75	8.75	8.00	8.50
Call Money Weekly Average	8.13	8.15	8.50	8.50
Treasury Bill (Yield rate)				
91 Days	8.32	-	-	9.47
182 Days	-	-	9.39	10.39
364 Days	9.70	9.66	10.11	10.74
Prime Lending Rate	10.82	11.03	11.98	11.70
	<b>Feb-18</b>		<b>Month Ago</b>	<b>Year Ago</b>
Commercial Bank Average Weighted Deposit Rate (AWDR)	9.05		9.08	8.66

Source : Central Bank of Sri Lanka

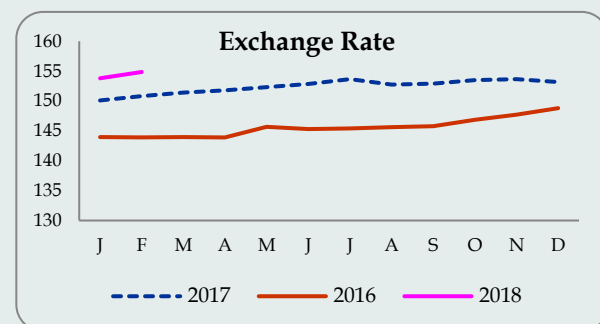
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.75 percent, respectively during this week.

The Prime Lending rate decreased to 10.82 per cent by week ending 16<sup>th</sup> March 2018 compared to last week and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of February 2018 was 9.05 percent.

## Exchange Rates

Currency	Week Ending 16 <sup>th</sup> Mar 2018	Week Ago	Year Ago	% Change 2016/17
US Dollar	155.80	155.25	155.25	0.4
Sterling Pound	217.08	214.28	214.28	1.3
Euro	191.70	191.00	191.00	0.4
Japanese Yen	1.47	1.46	1.46	0.7
Indian Rupee	2.40	2.39	2.39	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

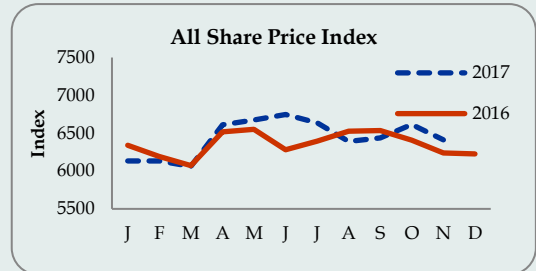
Item	Dec 2017	Nov 2017	Oct 2017	Dec 2016	Nov 2016	Oct 2016	Growth 2016 Dec/2017 Dec (%)
M <sub>1</sub> (Rs Bn)	793.30	751.29	743.19	776.62	720.20	727.63	2.15
M <sub>2</sub> (Rs Bn)	5,665.31	5,549.95	5,532.51	4,823.56	4,683.23	4,616.76	17.45
M <sub>2b</sub> (Rs Bn)	6,308.06	6,183.94	6,159.24	5,405.60	5,246.72	5,165.73	16.70

Item	Dec 2017	Month Ago	Year Ago	Growth 2016 Dec /2017 Dec (%)
<b>Credit to Private Sector (Rs.bn)</b>	<b>4,821.84</b>	<b>4,761.96</b>	<b>4,204.43</b>	<b>14.7</b>
DBUs	4,494.59	4,438.00	3,891.85	15.5
OBUs	327.25	323.95	312.58	4.7

Source: Central Bank of Sri Lanka

## Share Market

Indicator	Week Ending 16 <sup>th</sup> Mar 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,510	6,551	6,029
S & P Sri Lanka 20 Index (S & P SL20)	3,680	3,699	3,447
Average Daily Turnover (Rs.Mn)	1,250	741	459
Market Capitalization (Rs.Bn.)	3,039	3,059	2,647



Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 41 index points and closed at 6,510 points compared to the second week of March 2018. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 19 to 3,680 index points. The Average Daily Turnover increased by Rs. 509 million and stationed at Rs. 1,250 million. Market capitalization reached Rs. 3,039 billion in the third week of March 2018.

## Equity Trading Statistics

Indicator	Feb 2018	Feb 2017	Jan-Feb 2018	Jan- Feb 2017
<b>Turnover -Equity (Rs. Mn.)</b>	<b>19,513.2</b>	<b>12,554.</b>	<b>36,971.3</b>	<b>26,162.7</b>
Domestic (Rs. Mn.)	11,814.1	6,858.7	20,590.9	14,131.1
Foreign (Rs. Mn.)	7,699.1	5,695.5	16,380.4	12,031.6
Market Days	18	18	38	39
Daily Turnover Avg. Equity (Rs. Mn.)	1,084.1	697.4	972.9	670.8
<b>Trade Equity</b>	<b>108,986</b>	<b>47,075</b>	<b>169,932</b>	<b>97,797</b>
Domestic	103,483	44,087	160,924	91,447
Foreign	5,503	2,988	9,008	6,350
<b>Shares Traded _Equity</b>	<b>721.9</b>	<b>430.8</b>	<b>1,149.1</b>	<b>1,100.4</b>
Domestic (Rs. Mn.)	613.6	296.6	974.2	565.7
Foreign (Rs. Mn.)	108.2	134.3	174.9	534.7
Companies Traded	278	273	278	273
Companies Listed	299	295	299	295

## Market Indicators

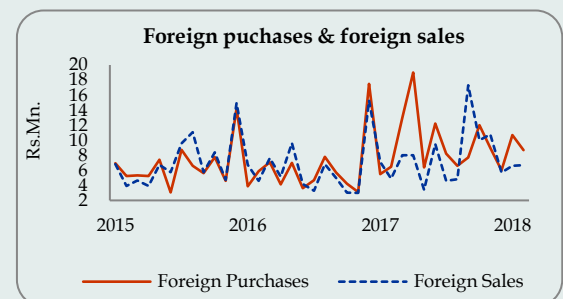
Price Indices	Feb 2018	Jan 2018
ASPI	6,551.78	6,476.41
S&P SL 20	3,710.14	3,747.30
<b>Total Return Indicators</b>		
ASTRI	8,707.07	8,600.79
S&P SL20 (TRI)	5,366.84	5,379.47
Market PER	11.05	10.69
Dividend Yield	2.97	3.07
Market Capitalization (Rs.Bn.)	3,046.35	2,961.47

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

Indicator	February 2018	Jan-Feb 2018
Purchases by Foreigners (Rs. Mn)	8,710.2	19,412.2
Sales by Foreigners (Rs. Mn)	6,688.0	13,349.2
Net Foreign Purchases (Rs. Mn)	2,022.1	6,062.9

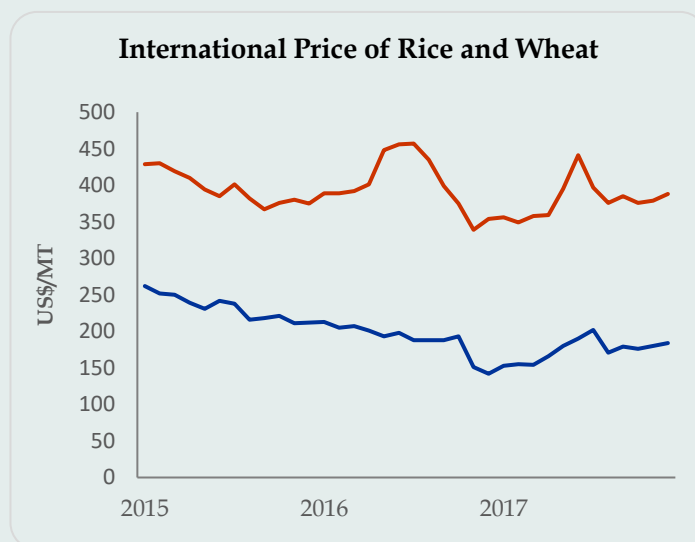
Source: Colombo Stock Exchange



# 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](http://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
<b>Non Energy, Agriculture, Beverages</b>							
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
<b>Food, Fats &amp; Oils</b>							
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
<b>Grains</b>							
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
<b>Other Food</b>							
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
<b>Raw Materials, Timber</b>							
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
<b>Other Raw Materials</b>							
Rubber RSS3, US	\$/kg	1.57	1.61	2.00	1.64	1.57	1.65
<b>Fertilizers</b>							
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
<b>Metals and Minerals</b>							
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/EXTDECPROJECTS](http://worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROJECTS)

¢= US cent

\$= US dollar

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

Item	Mar 12	Mar 13	Mar 14	Mar 15	Mar 16	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	65.72	64.83	64.63	64.92	65.08	63.94	64.55	52.21
WTI (US\$/bbl.)	62.26	61.22	60.78	61.04	61.18	60.39	61.45	49.20
Petrol	72.60	72.45	71.90	72.60	73.00	71.50	72.75	61.10
Diesel	75.65	74.99	75.20	75.57	75.62	74.37	74.22	61.67
Kerosene	77.59	76.74	76.75	76.62	76.35	76.96	77.58	61.09

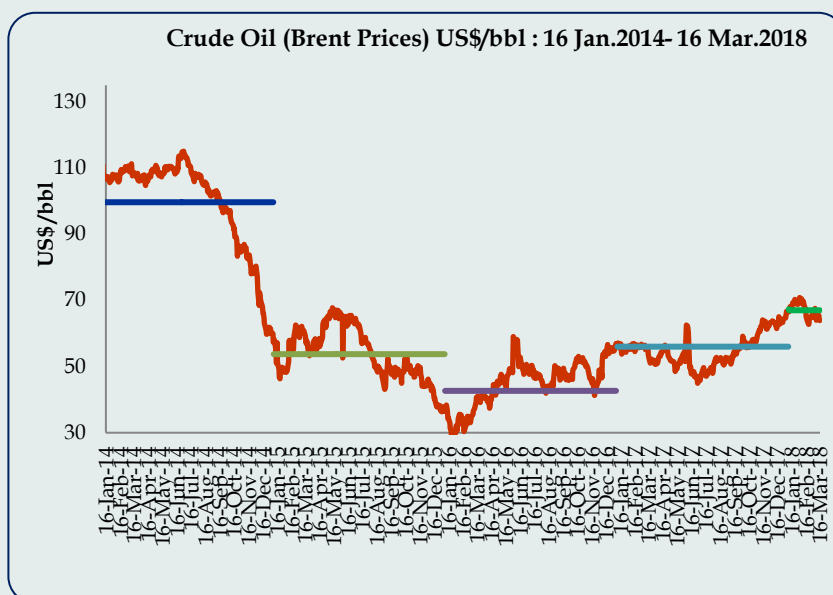
Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Jul-16	45.32	46.88
Aug	44.61	46.82
Sep	44.26	46.52
Oct	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*	61.46	64.85

Source: Central Bank of Sri Lanka

\*up to 16<sup>th</sup> Mar 2018

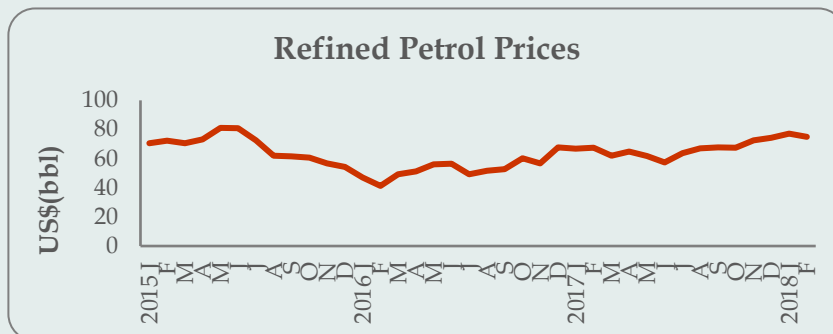


## Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
Jul-16	49.24	54.12	54.49
Aug	51.60	53.09	53.53
Sep	52.81	54.25	55.18
Oct	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	72.69	74.91	77.97

Source: Central Bank of Sri Lanka

\*up to 16<sup>th</sup> Mar 2018



## Local Market Prices of Petroleum Products

Item	Unit	End 2014	End 2015	End 2016	Current Price 2017
Auto Diesel	1 liter	111.00	95.00	95.00	95.00
Petrol (Octane 92)	1 liter	150.00	117.00	117.00	117.00
Kerosene oil	1 liter	81.00	49.00	49.00	44.00
L P Gas	12.5 kg	1,896.00	1,346.00	1,321.00	1,321.00

Wholesale Prices  
Week Ending 16<sup>th</sup> March 2018 (Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 16/03/2018	Week Ago	% Change	Year Ago Annual Avg.
<b>Rice (Rs/Kg)</b>				
Samba	107.00	105.00	1.9	94.82
Kekulu (Red)	74.00	73.00	1.4	80.30
<b>Vegetable</b>				
Beans	125.00	92.00	35.9	118.56
Cabbage	33.00	24.00	37.5	75.37
Carrots	70.00	60.00	16.7	120.95
Tomatoes	40.00	28.00	42.8	93.73
Pumpkins	40.00	48.00	-16.7	61.84
Snake Gourd	50.00	53.00	-5.7	96.74
Brinjals	53.00	60.00	11.7	94.90
Ash Plantains	55.00	60.00	8.3	73.41
<b>Other Foods</b>				
Red-Onions (Local)	113.00	120.00	-5.8	250.84
Big Onions (Local)	n.a	n.a.	-	110.80
Potatoes (N'Eliya)	85.00	78.00	8.9	127.34
Dried Chilies (Imported)	230.00	225.00	2.2	189.80
Dhal (Indian)	108.00	108.00	0.0	135.31
Eggs (Red) (Each)	12.00	13.00	-7.7	11.96
Coconut (Each)	78.00	80.00	-2.5	61.72
<b>Fish (Rs/Kg)</b>				
Kelawalla	450.00	430.00	4.7	540.63
Balaya	250.00	250.00	0.0	301.46
Salaya	140.00	120.00	16.7	116.88
Paraw (Small)	450.00	480.00	-6.2	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
<b>Rice (Rs/Kg)</b>	
Samba	108.20
Kekulu (Red)	73.70
<b>Vegetables</b>	
Pumpkins	44.80
Snake Gourd	40.50
Ash Plantains	57.00
Beans	82.50
Carrots	75.00
Tomatoes	31.50
<b>Other Foods</b>	
Potatoes (N'Eliya)	84.00
Dried Chilies (Imported)	239.50
Big-Onions (Local)	n.a
Red-Onions (Local)	111.50
Coconut (Each)	68.90

Source: Central Bank of Sri Lanka

Marandaghamula Average Price of Rice  
(Rs /Kg)

Item	Week Ending 16/03/2018	Week Ago	Month Ago	Year Ago
Samba	91.30	92.20	84.58	92.96
Sudu Kekulu	78.70	76.10	75.58	83.16
Raw Red	76.80	74.90	75.58	80.21
Nadu	79.00	78.00	76.28	87.93

Source: Central Bank of Sri Lanka



Rs.

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	106.18	105.74	0.4	96.48
No. 1	1 kg	114.06	112.15	1.7	100.11
No. 2	1kg	98.30	99.33	-1.0	92.85
Nadu Red	1kg	99.46	98.18	1.3	94.23
Raw Red (Avg)	1kg	86.82	86.18	0.7	91.15
No. 1	1kg	90.86	91.00	-0.2	97.36
No. 2	1kg	82.77	81.36	1.7	84.95
Wheat Flour	1 kg	89.76	89.59	0.2	89.12
Bread	450g	58.71	58.71	0.0	58.15
Sugar	1 kg	109.33	108.78	0.5	101.66
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	76.92	76.80	0.2	108.73
Potatoes (Local)	1kg	139.72	140.00	-0.2	172.13
Red Dhal(Avg)	1kg	147.93	148.97	-0.7	192.71
Cowpea (Avg)	1kg	298.88	298.23	0.2	278.23
Green Gram(Avg)	1kg	248.17	249.44	-0.5	240.82
Kadalai (Avg)	1kg	361.64	354.57	2.0	308.96
Meat					
Beef	1kg	948.46	954.38	-0.6	852.72
Chicken					
Fresh	1kg	537.50	541.88	-0.8	477.28
Broiler	1kg	420.00	420.00	0.0	410.00
Fresh Fish					
Paraw	1 kg	1,035.29	1,024.44	1.1	921.63
Balaya	1 kg	613.85	602.86	1.8	597.24
Kelawalla	1 kg	925.42	900.43	2.8	888.41
Salaya	1 kg	158.52	157.50	0.6	153.87
Dried Fish					
Sprats	1 kg	698.89	717.84	-2.6	679.73
Eggs	Each	14.19	14.51	-2.2	14.80
Coconut	Each	78.62	78.20	0.5	57.74
Coconut Oil	750ml	291.29	286.77	1.6	270.28
Red Onions	1 kg	225.00	217.91	3.3	146.48
B- Onions (Import)	1 kg	109.73	107.25	2.3	97.14
Brinjal	1kg	127.06	125.29	1.4	98.21
Beans Green	1 kg	201.03	206.61	-2.7	159.87
Cabbage	1 kg	125.13	126.32	-0.9	91.80
Leeks	1 kg	207.61	207.61	0.0	117.52
Beet Root	1kg	139.49	140.54	-0.7	126.57
Carrot	1kg	145.95	145.59	0.2	129.71
Tomatoes	1kg	96.32	97.30	-1.0	119.09
Radish	1kg	103.68	105.41	-1.6	97.87
Vetakolu	1kg	193.94	192.73	0.6	176.51
Snake Gourd	1kg	146.53	146.53	0.0	134.50
Bandakka	1kg	168.89	169.14	-0.2	137.59
Kolikuttu	1kg	205.81	203.87	0.9	236.71
Papaw	1kg	98.97	97.50	1.5	120.47
Pineapple	1kg	154.21	153.82	0.3	178.25

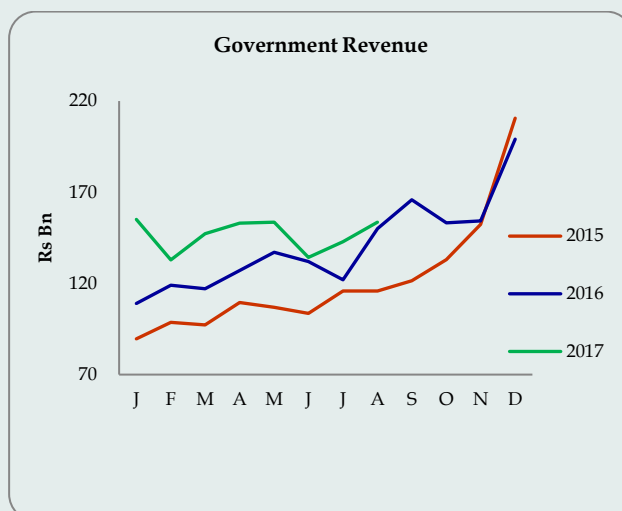
Source: Department of Census and Statistics



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

Item	2015	2016	2017 (Jan-Aug)
<b>Tax Revenue</b>	<b>1,355,779</b>	<b>1,463,689</b>	<b>1,094,948</b>
Income Tax	262,583	258,857	171,038
VAT	219,700	283,470	290,049
Excise Duty	497,623	454,952	312,524
Nation Building Tax	45,004	57,424	45,025
PAL	58,644	88,823	65,619
Customs Duty	132,189	156,487	92,514
SCL	52,276	55,825	49,175
Cess	46,289	61,730	39,530
License Fee and Other	41,471	46,121	29,474
<b>Non Tax Revenue</b>	<b>99,099</b>	<b>222,372</b>	<b>77,426</b>
<b>Total Revenue</b>	<b>1,454,878</b>	<b>1,686,061</b>	<b>1,172,374</b>



Source: Department of Fiscal Policy

(a) provisional

## Government Debt

Government Debt (Rs.bn)	End 2016	Jan-Sep 2017(a)
Total Domestic Debt	5,341.5	5,630.9
Total Foreign Debt	4,045.8	4,638.3
<b>Total Government Debt</b>	<b>9,387.3</b>	<b>10,269.1</b>

Source: Central Bank of Sri Lanka

(a) provisional

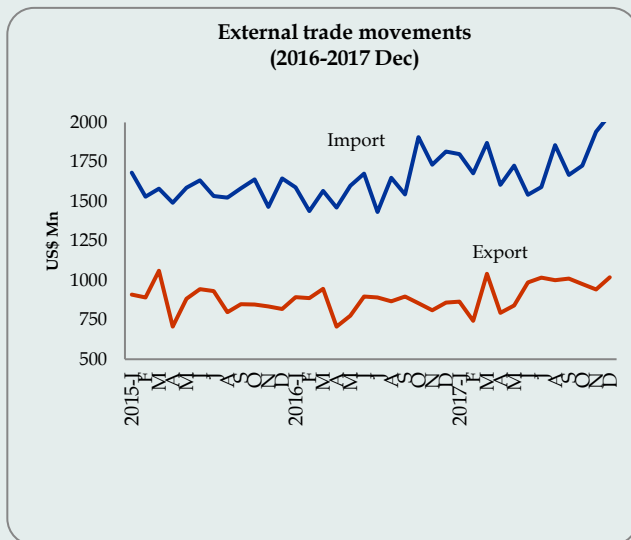
## Key Fiscal Indicators 2015-2016-2017

Indicator	Unit	2015	2016	2017 Jan-Aug
Budget Deficit	Rs Mn	-829,502	-640,326	-520,220
	% of GDP	-7.4	-5.4	-4.0
Total Revenue	Rs Mn	1,454,878	1,686,061	1,172,374
	% of GDP	13.0	14.2	9.0
Tax Revenue	Rs Mn	1,355,779	1,463,689	1,094,948
	% of GDP	12.1	12.4	8.4
Non Tax Revenue	Rs Mn	99,099	222,372	77,426
	% of GDP	0.9	1.9	0.6
Recurrent Expenditure	Rs Mn	1,701,657	1,757,782	1,294,354
	% of GDP	15.2	14.8	10.0
Public Investment	Rs Mn	602,768	594,012	404,859
	% of GDP	5.4	5.0	3.1
Government Debt (2017 Jan-Jun)	Rs Mn	8,503,227	9,387,303	10,163,868
	% of GDP	77.6	79.3	-

Compiled by Department of Fiscal Policy

Category	Dec 2016 (US\$ Mn)	Dec 2017 (US\$ Mn)	Growth Rate (%)	Jan-Dec 2016 (US\$ Mn)	Jan-Dec 2017 (US\$ Mn)	Growth Rate (%)
<b>Exports</b>	<b>859.0</b>	<b>1,019.5</b>	<b>18.7</b>	<b>10,309.7</b>	<b>11,360.2</b>	<b>10.2</b>
<b>Agricultural</b>	<b>200.9</b>	<b>219.7</b>	<b>9.3</b>	<b>2,326.1</b>	<b>2,767.2</b>	<b>19.0</b>
Tea	109.8	126.9	15.6	1,269.0	1,529.8	20.5
Other	91.1	92.8		1,057.1	1,237.4	17.1
<b>Industrial</b>	<b>654.9</b>	<b>796.3</b>	<b>21.6</b>	<b>7,940.1</b>	<b>8,541.6</b>	<b>7.6</b>
Rubber Products	62.4	74.6	19.6	767.9	835.4	8.8
Textiles and Garments	393.6	470.0	19.4	4,884.1	5,031.9	3.0
Food, Beverage and Tobacco	23.7	32.8	38.5	323.7	392.7	21.3
Other	175.2	218.9	24.9	1,964.4	2,281.6	16.2
<b>Mineral</b>	<b>2.2</b>	<b>2.3</b>	<b>5.8</b>	<b>29.0</b>	<b>34.5</b>	<b>19.0</b>
<b>Unclassified</b>	<b>1.0</b>	<b>1.2</b>	<b>21.7</b>	<b>14.5</b>	<b>16.9</b>	<b>16.0</b>
<b>Imports</b>	<b>1,816.1</b>	<b>2,048.5</b>	<b>12.8</b>	<b>19,182.8</b>	<b>20,979.8</b>	<b>9.4</b>
<b>Consumer Goods</b>	<b>354.2</b>	<b>433.6</b>	<b>22.4</b>	<b>4,319.0</b>	<b>4,502.5</b>	<b>4.3</b>
Food and Beverages	142.6	181.5	27.3	1,627.4	1,841.1	13.1
Other Consumer Goods	211.6	252.1	19.1	2,691.5	2,661.5	-1.1
<b>Intermediate Goods</b>	<b>1,003.6</b>	<b>1,193.8</b>	<b>18.9</b>	<b>9,870.0</b>	<b>11,435.8</b>	<b>15.9</b>
Petroleum	328.2	433.3	32.0	2,481.0	3,427.9	38.2
Textiles & Textile Articles	227.9	232.5	2.0	2,704.9	2,724.2	0.7
Other Intermediate Goods	447.5	528.0	18.0	4,684.1	5,283.7	12.8
<b>Investment Goods</b>	<b>457.2</b>	<b>418.8</b>	<b>-8.4</b>	<b>4,980.8</b>	<b>4,894.7</b>	<b>-1.7</b>
Machinery and Equipment	251.1	229.6	-8.6	2,740.7	2,620.6	-4.4
Transport Equipment	55.4	57.9	4.6	662.9	674.9	1.8
Building Material	148.1	130.9	-11.6	1,568.7	1,591.4	1.4
Other Investment Goods	2.6	0.4	-83.4	8.5	7.8	-7.8
<b>Unclassified</b>	<b>1.1</b>	<b>2.4</b>	<b>110.4</b>	<b>13.1</b>	<b>146.8</b>	<b>1,024.6</b>
<b>Trade Balance</b>	<b>-957.1</b>	<b>-1,029.0</b>	<b>7.0</b>	<b>-8,873.1</b>	<b>-9,619.6</b>	<b>8.4</b>

Source: Central Bank of Sri Lanka

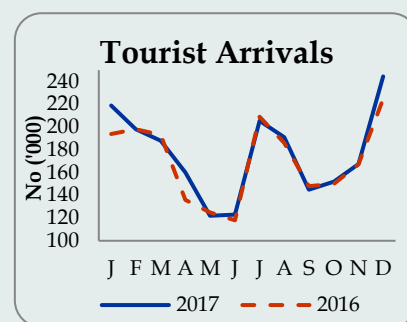


- Export earnings during January to December 2017 increased by 10.2 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The earnings for the month of December 2017 increased by 18.7 percent, compared to the respective period of 2016.
- On a cumulative basis, expenditure on imports increased by 9.4 percent for the period during January to December 2017. Expenditure on imports for the month of December 2017 increased by 12.8 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit widened to US\$ 1,029 Mn in December 2017 over the same period of 2016.

## 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			330.8	322.7		
Apr	136,367	160,249			226.0	274.9		
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		
<b>Total</b>	<b>2,050,832</b>	<b>1,871,871</b>	<b>482,590</b>	<b>15.8</b>	<b>3,518.5</b>	<b>3,631.0</b>	<b>894.9</b>	<b>15.8</b>

Source: Sri Lanka Tourism Development Authority



## Tourism

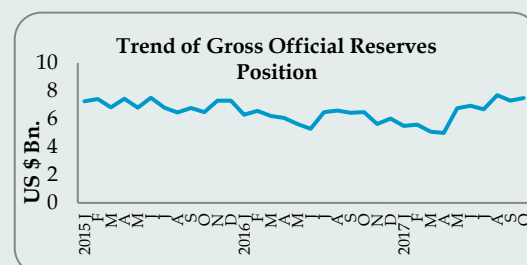
Earnings from tourism increased to US \$ 436.9 in February 2018 with an increase of 19.3 per cent over the same period of 2017.

The number of tourist arrivals increased to 235,618 in February 2018.

## External Assets

External Assets (US\$ Mn)	Dec 2017	Nov 2017	Oct 2017
Total Reserves	10,436.49	9,659.26	9,771.61
Gross Official Reserves	7,958.65	7,335.12	7,500.79

Source: Central Bank of Sri Lanka



## Official reserves

The total reserves and gross official reserves were US\$ 10.4 Bn and US\$ 7.9 Bn, respectively by end December 2017. Total foreign reserves were sufficient to 6.0 months of imports and the gross official reserves were equivalent to 4.6 months of imports. Workers' remittances increased by 8.8 per cent in dollar terms to US \$ 729.4 Mn. in January 2018.

## Private Remittances

Category	2017 Jan	2018 Jan(a)	2017 Jan-Jan	2018 Jan-Jan(a)	% Change
Inflow US\$ Mn	670.3	729.4	670.3	729.4	8.8
Rs. Bn	100.6	112.2	100.6	112.2	11.5

Source: Central Bank of Sri Lanka

(a) Provisional

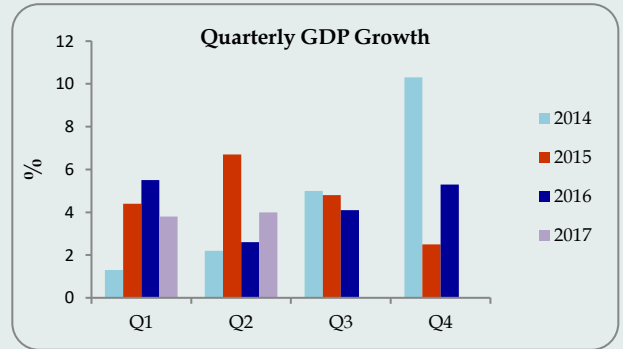
## PRODUCTION

### QUARTERLY GDP GROWTH (%)

	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	Annual
<b>2013</b>	<b>3.6</b>	<b>5.9</b>	<b>4.0</b>	<b>0.5</b>	<b>3.4</b>
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
<b>2014</b>	<b>1.3</b>	<b>2.2</b>	<b>5.0</b>	<b>10.3</b>	<b>4.9</b>
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
<b>2015</b>	<b>4.4</b>	<b>6.7</b>	<b>4.8</b>	<b>2.5</b>	<b>4.8</b>
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
<b>2016</b>	<b>5.5</b>	<b>2.6</b>	<b>4.1</b>	<b>5.3</b>	<b>4.4</b>
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
<b>2017</b>	<b>3.8</b>	<b>4.0</b>	<b>3.3</b>		
Agriculture	-3.2	-2.9	-3.3		
Industry	6.3	5.2	1.9		
Service	3.5	4.5	4.3		

Source: Department of Census & Statistics

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



### GDP grew by 3.3%

The Sri Lankan economy grew by 3.3% during the 3<sup>rd</sup> quarter 2017 compared to 4.1% growth recorded in same period of 2016. The growth was mainly supported by the expansion of Industry sector by 1.9% and Services sector by 4.3%. However, Agriculture sector contracted by 3.3%.

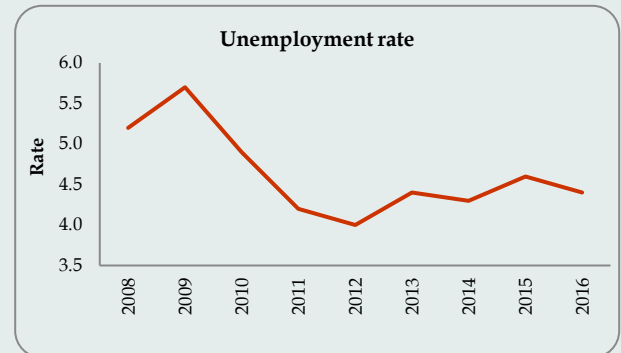
## Labour Force Statistics

Employment	2017 3 <sup>rd</sup> Quarter* (a)	2017 2 <sup>nd</sup> Quarter* (a)	2016 Annual (a)	2015 Annual
Labour Force Participation Rate	53.6	53.9	53.8	53.8
Unemployment Rate	4.2	4.5	4.4	4.7
<b>By Gender</b>				
Male	2.7	3.0	2.9	3.0
Female	6.8	7.1	7.0	7.6
<b>By Age Group</b>				
20-29	14.2	14.6	14.2	14.2
20-24	19.0	18.4	19.9	19.7
25-29	9.8	11.3	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
<b>Production</b>						
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
<b>Net Extent Harvested</b>						
Hectares ('000)	667	344	1,011	343	-	-
Acres ('000)	1,649	849	2,498	847	-	-
<b>Average Yield kg per ha</b>	4,349	4,417	8,766	4,301	-	-

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.

## Tea, Rubber & Coconut Production

Category	2017 Jan	2018 Jan	% Change
<b>Production</b>			
Tea (Mn. Kg)	21.69	24.27	11.92
Rubber (Mn. Kg)	6.50	6.70	3.13
Coconut (Mn. Nuts)	240.14	183.63	-23.53
<b>Exports (US\$ Mn)</b>			
	<b>2016 Dec</b>	<b>2017 Dec</b>	
Tea	109.8	126.9	15.6
Rubber	3.2	3.3	0.9
Coconut	28.5	18.9	-33.8
<b>Colombo Auction Prices</b>			
	<b>2016 Dec</b>	<b>2017 Dec</b>	
Tea (Rs./ Kg)	584.01	621.74	6.5
Rubber (Rs./ Kg)	285.21	332.80	16.7
Coconut (Rs./nut)	36.34	66.80	83.8

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

## Factory Industrial Production Index (2010=100)

Item (a)	2017 January (b)	2018 January (c)	Growth %
Manufacture of Food Products	103.7	107.3	3.5
Manufacture of Beverages	101.9	98.1	-3.7
Manufacture of Tobacco Products	106.5	108.6	2.0
Manufacture of Textiles	103.2	87.7	-15.0
Manufacture of Wearing Apparel	111.5	114.3	2.6
Manufacture of Leather and Related Products	100.4	116.4	15.9
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	93.2	104.2	11.8
Manufacture of Paper and Paper Products	102.5	83.2	-18.8
Printing and Reproduction of Recorded Media	105.5	104.0	-1.5
Manufacture of Coke and Refined Petroleum Products	78.1	108.1	38.4
Manufacture of Chemicals and Chemical Products	97.3	110.0	13.1
Manufacture of Pharmaceuticals, Medicinal Chemicals	101.0	78.6	-22.2
Manufacture of Rubber and Plastic Products	100.7	111.5	10.8
Manufacture of Other Non-Metallic Mineral Products	120.1	117.1	-2.5
Manufacture of Basic Metals	116.8	129.9	11.2
Manufacture of Fabricated Metal Products	99.0	123.1	24.4
Manufacture of Electrical Equipment	103.1	97.4	-5.6
Manufacture of Machinery and Equipment n.e.c	101.3	118.3	16.7
Manufacture of Furniture	114.8	90.6	-21.1
Manufacture of other Manufacturing	100.0	86.9	-13.1
<b>Factory Industry Production Index</b>	<b>104.4</b>	<b>108.9</b>	<b>4.3</b>

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