

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** increased to 4.0% in May 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 158.63**
- ⇒ **Brent crude oil** increased to: **US\$ 77.23** per bbl
- ⇒ **Credit to private sector** decreased by **15.29%** in March 2018
- ⇒ **Tourist arrivals** up by **14.7 %** in May 2018

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WEEK IN REVIEW

Domestic Economy

The GDP grew by 3.2 per cent in real terms in first quarter 2018, mainly due to the moderate expansion of Agriculture sector and service sector. However industry sector contracted in first quarter 2018.

The total outstanding market liquidity decreased to a deficit of Rs. 11.90 bn by end of 08 June 2018, compared to a deficit of Rs. 17.98 bn by the end of 01 June 2018.

All Share Price Index (ASPI) decreased by 0.72% to 6,355 points and the S&P SL 20 Index decreased by 1.15% to 3,540 points, compared to the previous week.

NCPI increased to 2.1% in May 2018.

International Developments

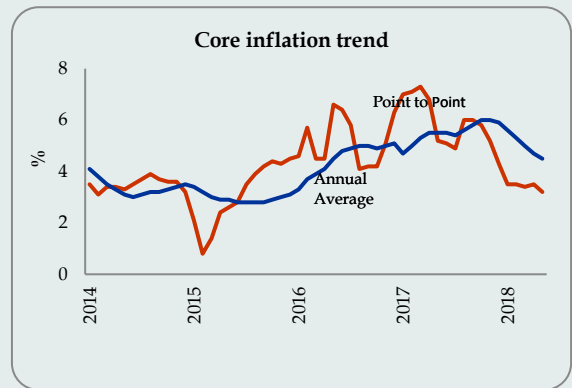
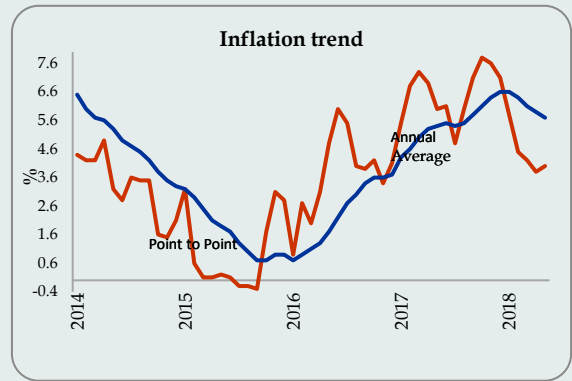
Global growth is projected to stabilize at 3.2 percent in both 2018 and 2019.

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
Jul-16	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
May	4.0	5.7	3.2	4.5	1.1	2.1



Source: Department of Census and Statistics

The point to point inflation of CCPI increased to 4.0 per cent in May 2018. The annual average of CCPI decreased to 5.7 per cent in May 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 3.2 per cent, on point to point basis, while annual average core inflation decreased to 4.5 per cent, in May 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 2.1 per cent in May 2018, on year on year basis.

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

Commodity	Value Change Rs.	Change %
Food	557.65	0.76
Rice	42.01	0.06
Chicken	-4.74	-0.01
Sea Fish	178.30	0.24
Coconut	-21.38	-0.03
Potatoes	28.10	0.04
Vegetables	292.72	0.40
Red Onions	8.32	0.01
Big onions	27.48	0.04
Dried Fish	19.78	0.03
Banana	-31.37	0.02
Eggs	11.49	0.02
Limes	49.24	0.07
Papaw	-15.24	-0.02

Source: Department of Census and Statistics

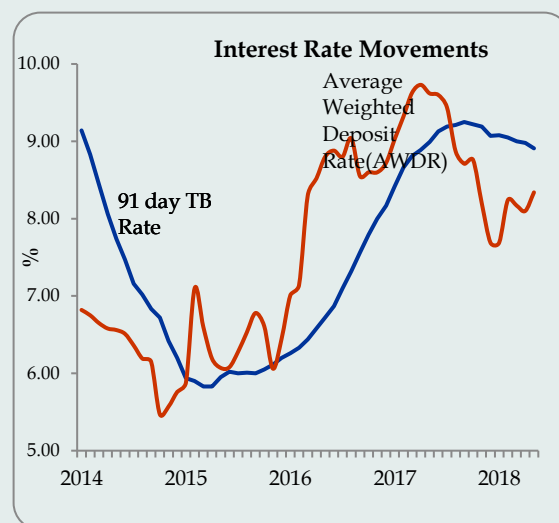
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Nov-16	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
May	2.6	3.3	8.3

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)
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
May	122.9	4.0	5.7	8.34	4.34	2.64

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



Interest Rate Movements

Category	Week Ending 08 th June 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.25	7.25
Standing Lending Facility	8.5	8.50	8.50	8.75
Call Money Weekly Average	8.08	7.92	7.89	8.75
Treasury Bill (Yield rate)				
91 Days	8.34	8.34	8.11	9.60
182 Days	8.87	8.93	-	10.34
364 Days	9.49	9.62	9.65	10.61
Prime Lending Rate	11.22	11.42	11.27	11.40
	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

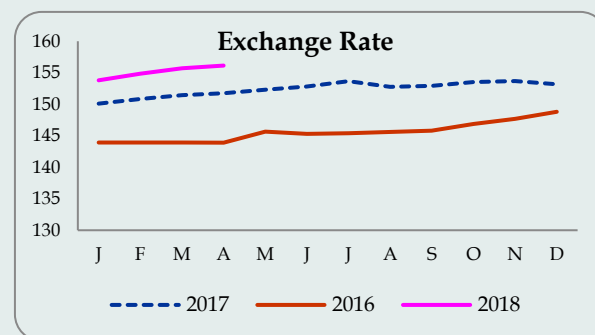
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.50 percent, respectively during this week.

The Prime Lending rate decreased to 11.22 per cent by week ending 08th June 2018 compared to last week and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of May 2018 was 8.91 percent.

Exchange Rates

Currency	Week Ending 08 th June 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	158.63	158.10	152.69	3.9
Sterling Pound	212.93	209.94	197.11	8.0
Euro	187.20	184.82	172.07	8.8
Japanese Yen	1.45	1.45	1.40	3.6
Indian Rupee	2.37	2.35	2.37	0.0

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 (RsBn)	841.18	770.85	773.42	782.02	744.60	742.85	7.56
M ₂ (RsBn)	5,995.49	5,826.70	5,739.01	5,096.20	4,951.31	4,866.01	17.65
M _{2b} (RsBn)	6,606.65	6,450.50	6,378.37	5,677.40	5,551.96	5,460.43	16.37

Source: Central Bank of Sri Lanka

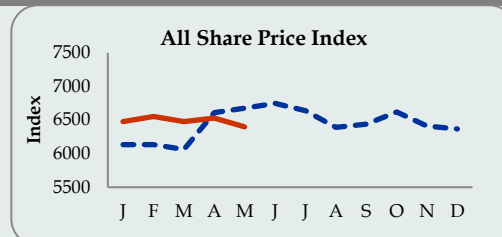
Item	Mar 2018	Month Ago	Year Ago	Growth 2017Mar/2018 Mar(%)
Credit to Private Sector (Rs.bn)	5,043.95	4,921.62	4,375.20	15.29
DBUs	4,686.93	4,567.50	4,065.75	15.28
OBU's	357.02	354.12	309.44	15.38

Share Market

Indicator	Week Ending 08 th June 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,355	6,401	6,664
S & P Sri Lanka 20 Index (S & P SL20)	3,540	3,581	3,834
Average Daily Turnover (Rs.Mn)	567	1,304	868
Market Capitalization (Rs.Bn.)	2,968	2,989	2,950

Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 46 index points and closed at 6,355 points compared to the second week of June 2018. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 41 to 3,540 index points. The Average Daily Turnover decreased by Rs.737 million and stationed at Rs.567 million. Market capitalization reached Rs.2,968 billion in the second week of June 2018.



Equity Trading Statistics

Indicator	May 2018	May 2017	Jan-May 2018	Jan-May 2017
Turnover -Equity (Rs. Mn.)	15,741.9	17,496.7	97,807.9	89,219.1
Domestic (Rs. Mn.)	8,452.7	12,583.2	53,920.8	48,207.6
Foreign (Rs. Mn.)	7,289.2	4,913.5	43,887.1	41,011.5
Market Days	21	20	98	99
Daily Turnover Avg. Equity (Rs. Mn.)	749.6	874.8	998.0	901.2
Trade Equity	80,737	104,904	417,586	357,703
Domestic	76,039	100,468	396,087	336,822
Foreign	4,698	4,436	21,499	20,881
Shares Traded_Equity	605.2	800.6	3,034.8	3,567.5
Domestic (Rs. Mn.)	466.1	702.0	2,470.8	2,597.2
Foreign (Rs. Mn.)	139.1	98.6	564.0	970.3
Companies Traded	275	276	279	278
Companies Listed	299	296	299	296

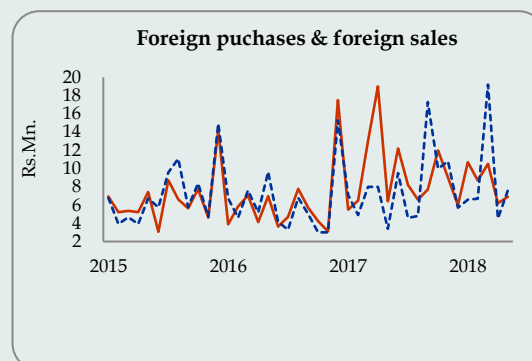
Price Indices	May 2018	Apr 2018
ASPI	6,398.44	6,531.06
S&P SL 20	3,567.04	3,660.10
Total Return Indicators		
ASTRI	8,515.44	8,686.81
S&P SL20 (TRI)	5,262.69	5,385.47
Market PER	10.73	10.74
Dividend Yield	3.01	2.96
Market Capitalization (Rs.Bn.)	2,989.02	3,049.25

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	May 2018	Jan-May 2018
Purchases by Foreigners (Rs. Mn)	6,977.2	43,101.2
Sales by Foreigners (Rs. Mn)	7,608.5	44,680.9
Net Foreign Purchases (Rs. Mn)	-631.3	-1,579.7

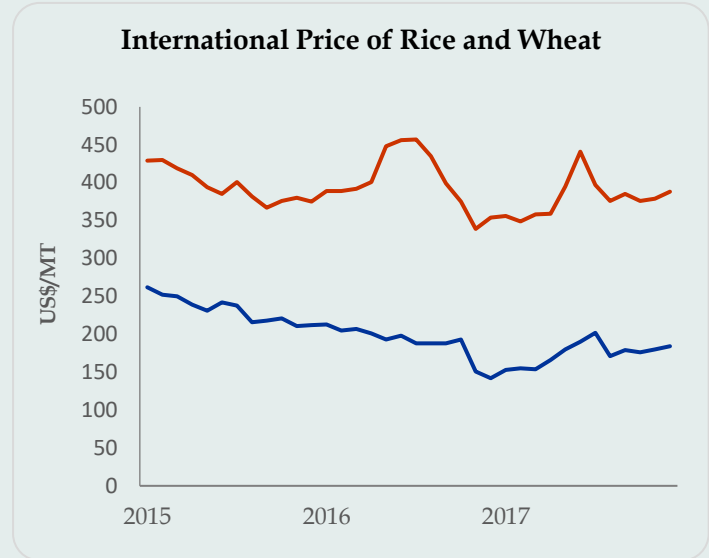
Source: Colombo Stock Exchange



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	June 04	June 05	June 06	June 07	June 08	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices)(US \$/bbl.)	76.67	75.66	75.42	75.54	77.23	77.52	75.55	47.86
WTI (US\$/bbl.)	65.85	65.12	65.72	64.93	66.03	66.94	70.03	45.64
Petrol	84.26	83.00	83.10	82.15	83.50	85.45	81.40	58.80
Diesel	86.47	85.85	85.60	85.02	86.43	87.40	87.34	56.67
Kerosene	88.36	87.78	87.16	86.89	88.46	89.58	89.15	57.00

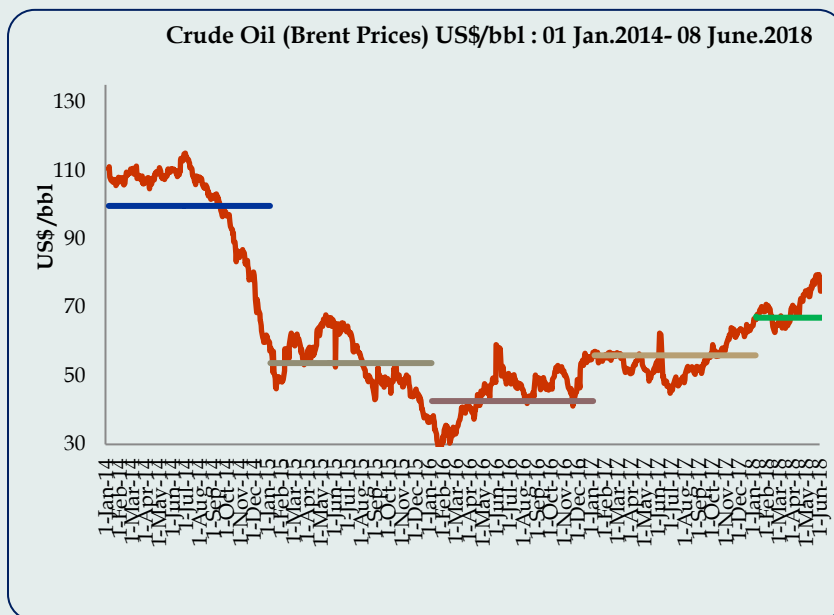
Source: Central Bank of Sri Lanka

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*	65.77	76.34

Source: Central Bank of Sri Lanka

*up to 08th June 2018

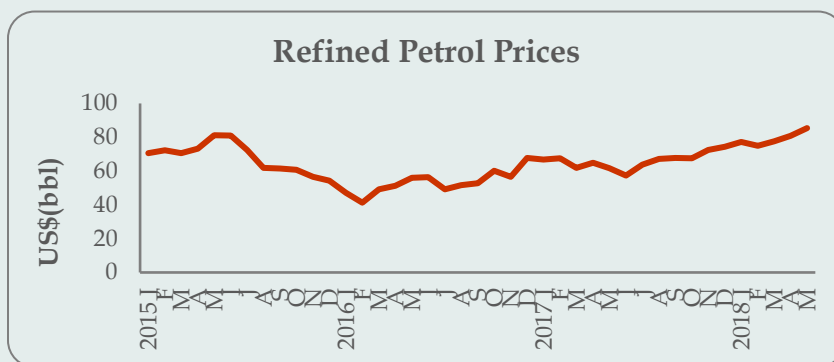


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

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*	83.58	86.13	88.04

Source: Central Bank of Sri Lanka

*up to 08th 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 08th June 2018(Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 08/06/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	106.00	106.00	-	94.82
Kekulu (Red)	72.00	71.00	1.4	80.30
Vegetable				
Beans	187.00	296.00	-36.8	118.56
Cabbage	53.00	85.00	-37.6	75.37
Carrots	210.00	225.00	-6.7	120.95
Tomatoes	73.00	90.00	-18.9	93.73
Pumpkins	33.00	30.00	10.0	61.84
Snake Gourd	115.00	108.00	6.5	96.74
Brinjals	120.00	114.00	5.3	94.90
Ash Plantains	55.00	63.00	-12.7	73.41
Other Foods				
Red-Onions (Local)	118.00	130.00	-9.2	250.84
Big Onions (Local)	n.a	n.a	-	110.80
Potatoes (N'Eliya)	145.00	131.00	10.7	127.34
Dried Chillies (Imported)	245.00	248.00	1.2	189.80
Dhal (Indian)	108.00	109.00	-1.0	135.31
Eggs (Red) (Each)	14.30	14.30	0.0	11.96
Coconut (Each)	70.00	78.00	-10.2	61.72
Fish (Rs/Kg)				
Kelawalla	600.00	520.00	15.4	540.63
Balaya	400.00	300.00	0.4	301.46
Salaya	200.00	160.00	25.0	116.88
Paraw (Small)	680.00	n.a	-	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	108.00
Kekulu (Red)	69.00
Vegetables	
Pumpkins	16.90
Snake Gourd	104.50
Ash Plantains	45.50
Beans	235.00
Carrots	205.00
Tomatoes	71.50
Other Foods	
Potatoes (N'Eliya)	125.00
Dried Chillies (Imported)	251.00
Big-Onions (Local)	n.a
Red-Onions (Local)	107.50
Coconut (Each)	64.90

Source: Central Bank of Sri Lanka

Marandagahamula Average Price of Rice
(Rs /Kg)

Item	Week Ending 08/06/2018	Week Ago	Month Ago	Year Ago
Samba	102.20	101.00	98.98	92.96
Sudu Kekulu	78.90	78.50	78.21	83.16
Raw Red	75.30	74.63	75.40	80.21
Nadu	82.50	82.25	80.88	87.93

Source: Central Bank of Sri Lanka

Weekly Retail Commodity Prices -3rd Week of May 2018

Rs.

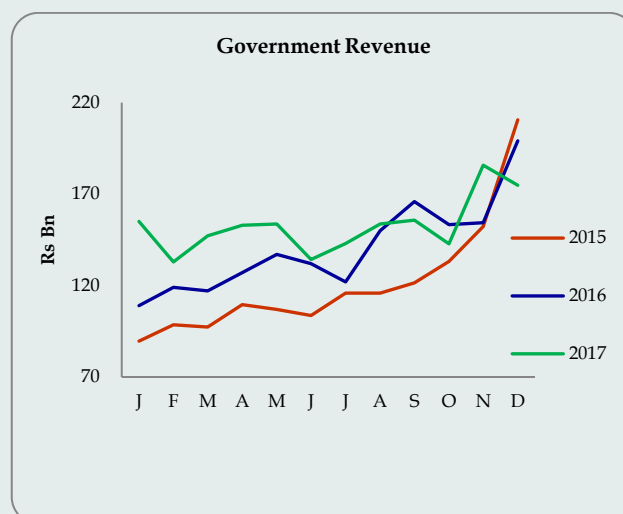
Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	109.19	108.57	0.60	94.09
No. 1	1 kg	114.96	113.93	0.9	97.74
No. 2	1kg	103.41	103.21	0.2	90.44
Nadu Red	1kg	99.33	98.90	0.4	91.29
Raw Red (Avg)	1kg	86.11	85.38	0.9	82.92
No. 1	1kg	91.25	91.15	0.1	85.98
No. 2	1kg	80.97	79.61	1.7	79.86
Wheat Flour	1 kg	89.88	89.82	0.1	88.90
Bread	450g	58.71	58.71	0.0	58.18
Sugar	1 kg	108.62	108.23	0.4	106.95
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	111.48	101.67	9.7	118.88
Potatoes (Local)	1kg	163.46	159.08	2.8	165.06
Red Dhal(Avg)	1kg	146.42	149.69	-2.2	180.70
Cowpea (Avg)	1kg	293.95	295.89	-0.7	326.12
Green Gram(Avg)	1kg	250.94	254.70	-1.5	253.98
Kadalai (Avg)	1kg	295.52	299.25	-1.2	311.86
Meat					
Beef	1kg	980.00	957.06	2.4	903.57
Chicken					
Fresh	1kg	580.53	570.00	1.8	552.70
Broiler	1kg	420.00	420.00	0.0	420.00
Fresh Fish					
Paraw	1 kg	1108.24	1,096.67	1.1	1,005.36
Balaya	1 kg	596.67	580.00	2.9	659.38
Kelawalla	1 kg	995.91	1,000.53	-0.5	999.69
Salaya	1 kg	181.5	181.82	-0.2	185.58
Dried Fish					
Sprats	1 kg	731.14	755.88	-3.3	745.76
Eggs	Each	15.16	13.88	9.2	13.59
Coconut	Each	75.93	79.81	-4.9	66.66
Coconut Oil	750ml	279.68	285.86	-2.2	301.10
Red Onions	1 kg	181.67	183.64	-1.1	254.00
B- Onions (Import)	1 kg	97.50	89.52	8.9	95.01
Brinjal	1kg	155.61	138.82	12.1	153.25
Beans Green	1 kg	277.06	193.85	42.9	213.91
Cabbage	1 kg	153.51	128.42	19.5	204.89
Leeks	1 kg	289.16	252.90	14.3	121.62
Beet Root	1kg	173.85	130.00	33.7	210.77
Carrot	1kg	265.76	176.78	50.3	278.90
Tomatoes	1kg	211.50	138.38	52.8	158.04
Green Chillies	1kg	255.37	181.91	40.4	406.71
Raddish	1kg	177.14	139.26	27.2	144.17
Snake Gourd	1kg	187.76	157.70	19.1	185.11
Drumstick	1kg	435.00	367.17	18.5	304.18
Kolikuttu	1kg	167.74	185.09	-9.4	208.51
Papaw	1kg	94.48	91.71	3.0	87.82
Pineapple	1kg	137.83	128.79	7.0	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)	End2016	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	RsMn	-829,502	-640,326	-733,494
	% of GDP	-7.6	-5.4	-5.5
Total Revenue	RsMn	1,454,878	1,686,061	1,831,531
	% of GDP	13.3	14.2	13.8
Tax Revenue	RsMn	1,355,779	1,463,689	1,670,178
	% of GDP	12.4	12.3	12.6
Non Tax Revenue	RsMn	99,099	222,372	161,353
	% of GDP	0.9	1.9	1.2
Recurrent Expenditure	RsMn	1,701,657	1,757,782	1,927,692
	% of GDP	15.5	14.8	14.5
Public Investment	RsMn	602,768	594,012	657,386
	% of GDP	5.5	5.0	4.9
Government Debt	RsMn	8,503,227	9,387,303	10,313,046
	% of GDP	77.7	78.8	77.6

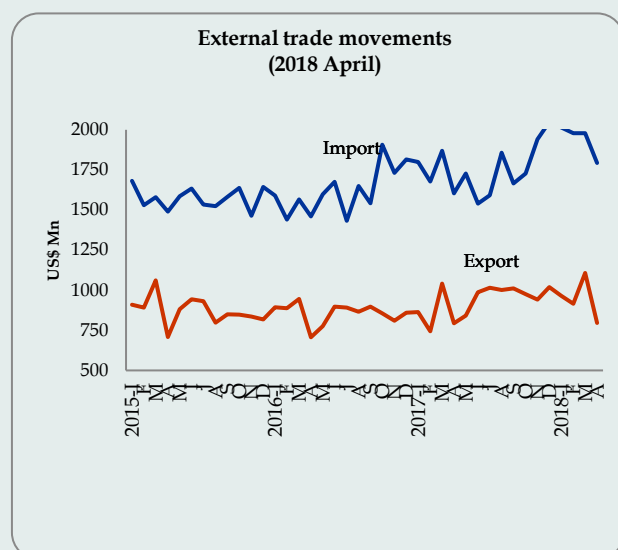
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	Apr 2017 (US\$ Mn)	Apr 2018 (US\$ Mn)	Growth Rate (%)	Jan- Apr 2017 (US\$ Mn)	Jan- Apr 2018 (US\$ Mn)	Growth Rate (%)
Exports	794.7	795.1	0.0	3,569.0	3,783.7	6.0
Agricultural	195.8	190.3	-2.8	851.7	843.4	-1.0
Tea	109.1	109.6	0.5	458.2	478.1	4.3
Other	86.7	80.7	-6.9	393.5	365.3	-7.2
Industrial	594.9	601.3	1.1	2,701.5	2,923.3	8.2
Rubber Products	48.9	55.3	13.1	248.4	280.5	12.9
Textiles and Garments	350.5	338.6	-3.4	1,626.3	1,667.2	2.5
Food, Beverage and Tobacco	24.9	33.5	34.5	101.4	155.0	52.9
Other	170.6	173.9	1.9	725.4	820.6	13.1
Mineral	2.7	1.9	-28.6	9.9	10.3	4.0
Unclassified	1.3	1.5	17.5	5.9	6.7	14.3
Imports	1,603.9	1,793.6	11.8	6,883.3	7,764.6	12.8
Consumer Goods	345.1	419.6	21.6	1,515.6	1,780.0	17.4
Food and Beverages	123.9	126.4	2.0	629.2	652.7	3.7
Other Consumer Goods	221.2	293.2	32.5	886.4	1,127.3	27.2
Intermediate Goods	885.7	978.4	10.5	3,692.2	4,329.8	17.3
Petroleum	325.6	326.8	0.4	1,208.3	1,402.0	16.0
Textiles & Textile Articles	193.9	191.6	-1.2	860.6	882.7	2.6
Other Intermediate Goods	366.2	460.0	25.6	1,623.3	2,045.1	25.9
Investment Goods	372.5	394.7	6.0	1,614.6	1,590.7	-1.5
Machinery and Equipment	185.7	215.6	16.1	871.9	866.9	-0.6
Transport Equipment	51.6	57.5	11.4	215.1	221.4	2.9
Building Material	134.3	121.3	-9.7	524.1	499.7	-4.7
Other Investment Goods	0.9	0.3	-65.1	3.4	2.7	-20.8
Unclassified	0.6	0.9	48.1	60.9	64.1	5.3
Trade Balance	-809.2	-998.5	23.4	-3,314.3	-3,980.9	20.1

Source: Central Bank of Sri Lanka

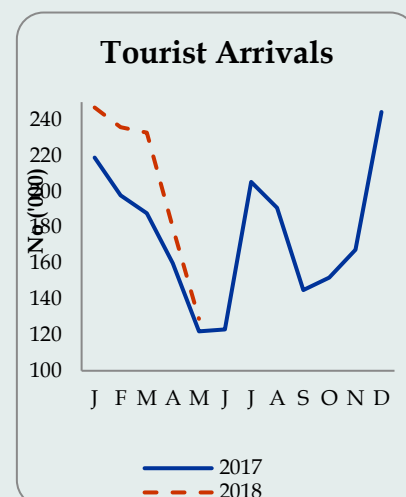


- Export earnings during January to April 2018 increased by 6.0 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The Industrial export earnings for the month of April 2018 increased by 1.1 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 12.8 percent for the period during January to April 2018. Expenditure on imports for the month of April 2018 increased by 11.8 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit contracted to US\$ 998.5 Mn in April 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	129,466	6.2	214.5	226.1	240.1	6.2
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

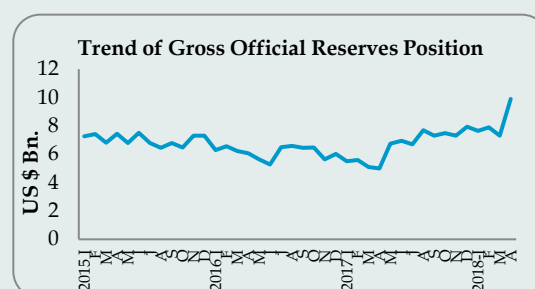
Earnings from tourism increased to US \$ 240.1 in May 2018 with an increase of 6.2 per cent over the same period of 2017.

The number of tourist arrivals increased to 129,466 in May 2018.

External Assets

External Assets (US\$ Mn)	Apr 2018	Mar 2018	Feb 2018
Total Reserves	n.a.	9,575.97	10,062.35
Gross Official Reserves	9,935.77	7,319.75	7,922.37

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 9.6 Bn and US\$ 7.3 Bn, respectively by end March 2018. Total foreign reserves were sufficient to 5.3 months of imports and the gross official reserves were equivalent to 4.1 months of imports in March 2018. Workers' remittances increased by 5.4 per cent in dollar terms to US \$ 541.2 Mn. in April 2018.

Private Remittances

Category	2017Apr	2018Apr (a)	2017Jan-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

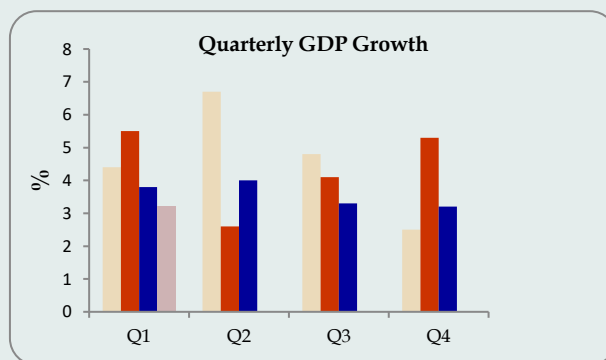
PRODUCTION

QUARTERLY GDP GROWTH (%)

	1 st Q	2 nd Q	3 rd Q	4 th Q	Annual
2014	1.3	2.2	5.0	10.3	5.0
Agriculture	7.3	4.1	3.2	5.0	4.6
Industry	-1.5	-2.8	7.8	11.7	4.7
Service	1.9	4.0	3.0	11.7	4.8
2015	4.4	6.7	4.8	2.5	5.0
Agriculture	5.9	10.4	7.3	-0.5	4.7
Industry	1.4	3.9	4.9	1.9	2.2
Service	5.4	6.9	6.5	2.7	6.0
2016	5.5	2.6	4.1	5.3	4.5
Agriculture	1.9	-5.6	-1.9	-8.4	-3.8
Industry	8.3	2.2	6.8	9.2	5.8
Service	4.9	4.9	4.7	4.6	4.7
2017	3.4	3.0	3.2	3.5	3.3
Agriculture	-4.4	-3.1	-3.0	7.1	-0.8
Industry	3.7	5.6	5.3	4.1	4.6
Service	4.3	2.7	2.8	3.2	3.2
2018	3.2				
Agriculture	4.8				
Industry	0.9				
Service	4.4				

Source: Department of Census & Statistics

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



GDP grew by 3.2%

The Sri Lankan economy grew by 3.2% in first quarter 2018 compared to 3.4% growth recorded in first quarter 2017. The growth was mainly supported by the expansion of Agriculture sector by 4.8 % and Services sector by 4.4%. However, Industry sector contracted by 1.0%.

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	1.52	4.42	1.48	0.9	2.38
Bushels Mn.	139	73	212	70.6	43.6	114.2
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 40.8 percent to around 0.9 million mt. compared to the 1.52 million mt recorded in 2016. The total paddy production in 2017 declined by 46.1 percent to around 2.38 million mt, compared to the 4.42 million mt recorded in 2016.

Tea, Rubber & Coconut Production

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)			
	2017 Apr	2018 Apr	
Tea	109.1	109.6	0.5
Rubber	2.6	2.3	-9.4
Coconut	24.8	22.6	-8.5
Colombo Auction Prices			
	2017 Mar	2018 Mar	
Tea (Rs./ Kg)	639.17	614.18	-3.9
Rubber (Rs./ Kg)	316.21	280.33	-11.4
Coconut (Rs./nut)	42.96	53.80	25.2

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

Factory Industrial Production Index (2015=100)

Item (a)	2017 April (b)	2018 April (c)	Growth %
Manufacture of Food Products	102.2	102.8	0.5
Manufacture of Beverages	91.9	94.9	3.3
Manufacture of Tobacco Products	79.2	76.0	-4.0
Manufacture of Textiles	99.4	90.1	-9.4
Manufacture of Wearing Apparel	96.0	102.0	6.3
Manufacture of Leather and Related Products	98.2	109.2	11.2
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	75.0	95.7	27.6
Manufacture of Paper and Paper Products	103.2	96.6	-6.3
Printing and Reproduction of Recorded Media	99.8	96.8	-3.0
Manufacture of Coke and Refined Petroleum Products	93.4	96.0	2.7
Manufacture of Chemicals and Chemical Products	71.9	78.5	9.2
Manufacture of Pharmaceuticals, Medicinal Chemicals	98.7	89.0	-9.8
Manufacture of Rubber and Plastic Products	95.6	82.2	-14.0
Manufacture of Other Non-Metallic Mineral Products	111.7	94.8	-15.1
Manufacture of Basic Metals	102.1	107.9	5.6
Manufacture of Fabricated Metal Products	100.8	90.6	-10.1
Manufacture of Electrical Equipment	100.7	98.2	-2.5
Manufacture of Machinery and Equipment n.e.c	93.8	98.7	5.3
Manufacture of Furniture	100.0	89.3	-10.7
Manufacture of other Manufacturing	89.0	94.8	6.5
Factory Industry Production Index	98.3	97.7	-0.7

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