

# WEEKLY ECONOMIC REPORT

May 20, 2016

## Department of Fiscal Policy



**CCPI** increased to **3.1%** in Apr.



**NCPI** increased to **2.2 %** in Mar.



**Exchange rate** depreciated to **US\$1=Rs. 145.95**



**Credit to private sector** increased by **26.5 %** Feb. 2016



**Brent crude oil** increased to: **US\$ 48.26** per bbl



**Government revenue** enhanced by **21.7%** in 2015



**Tourist arrivals** up by **20.0 %** during Jan-Apr 2016



**Trade deficit** widened by **1.7 %** during Jan. - Dec. 2015



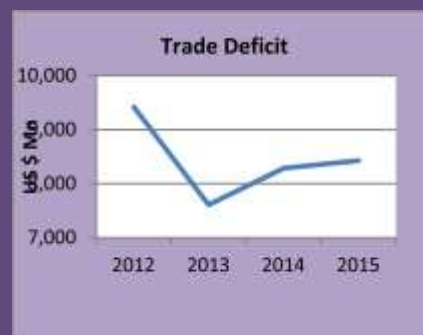
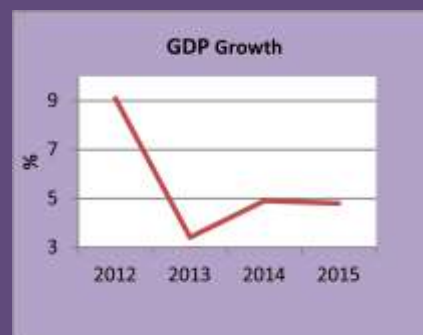
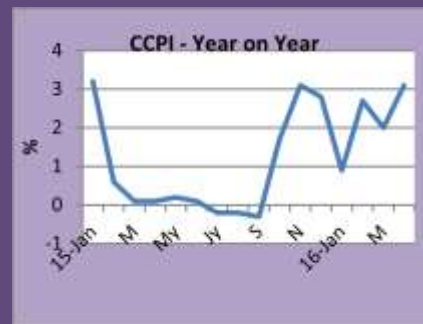
**GDP** grew by **4.8 %** in the 2015



**Unemployment** rate was **4.6 %** in 2015



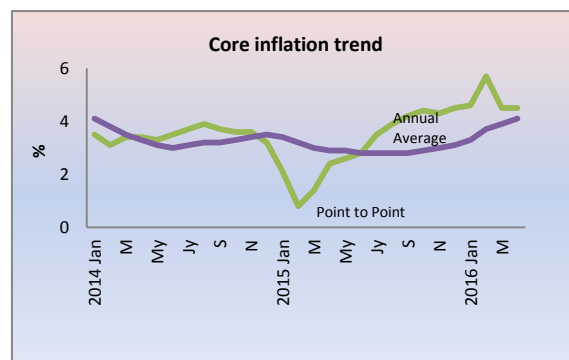
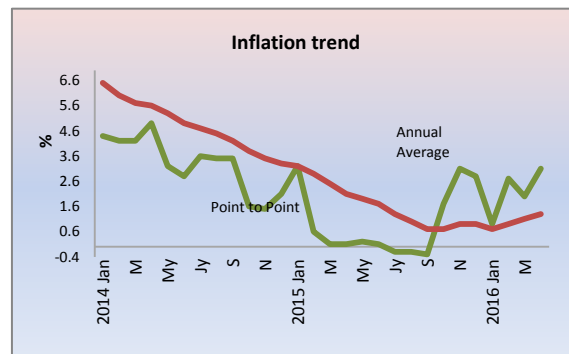
**Factory Industry Production Index** increased by **3.4 %** in Jan. 2016



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Month	CCPI (%)		Core Inflation (%)		NCPI (%)	
	(2006/2007=100)		(2006/2007=100)		(2013=100)	
	Point to Point	Annual Average	Point to Point	Annual Average	Monthly Change	Point to Point
Jun-14	2.8	4.9	3.5	3.0	1.2	
Jul	3.6	4.7	3.7	3.1	0.8	
Aug	3.5	4.5	3.9	3.2	-0.6	
Sep	3.5	4.2	3.7	3.2	0.0	
Oct	1.6	3.8	3.6	3.3	-0.4	
Nov	1.5	3.5	3.6	3.4	0.8	
Dec	2.1	3.3	3.2	3.5	1.6	
Jan-15	3.2	3.2	2.1	3.4	3.9	9.4
Feb	0.6	2.9	0.8	3.2	-3.5	5.7
Mar	0.1	2.5	1.4	3.0	-1.2	4.3
Apr	0.1	2.1	2.4	2.9	-0.6	2.8
May	0.2	1.9	2.6	2.9	0.9	3.0
Jun	0.1	1.7	2.8	2.8	1.0	2.7
Jul	-0.2	1.3	3.5	2.8	-0.2	1.8
Aug	-0.2	1.0	3.9	2.8	-0.5	1.9
Sep	-0.3	0.7	4.2	2.8	0.0	1.9
Oct	1.7	0.7	4.4	2.9	0.7	3.0
Nov	3.1	0.9	4.3	3.0	2.6	4.8
Dec	2.8	0.9	4.5	3.1	1.1	4.2
Jan-16	0.9	0.7	4.6	3.3	-1.1	-0.7
Feb	2.7	0.9	5.7	3.7	-1.1	1.7
Mar	2.0	1.1	4.5	3.9	-0.7	2.2
Apr	3.1	1.3	4.5	4.1		



Source: Department of Census and Statistics

The point to point inflation increased to 3.1 per cent in April 2016. The annual average increased to 1.3 per cent in April 2016. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, remained at 4.5 per cent, on point to point basis, while annual average core inflation increased to 4.1 per cent, in April 2016. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 2.2 percent in March 2016, on year on year basis.

Contribution of Food Items to CCPI from March 2016 to April 2016

Movements of the CCPI in Food Items

Commodity	Value Change Rs.	Change %
<b>Food</b>	<b>-138.84</b>	<b>-0.27</b>
Sugar	27.75	0.05
Potatoes	15.04	0.03
Fresh Fish	89.01	0.18
Dried Fish	-11.47	-0.02
Papaw	26.73	0.05
B Onion	22.23	0.04
Rice	-36.16	-0.07
Vegetables	26.10	0.05
Chicken	39.48	0.08
Red Onion	-5.49	-0.01
Big Onion	10.07	0.02
Coconut	-14.51	-0.03
Other	46.29	0.09

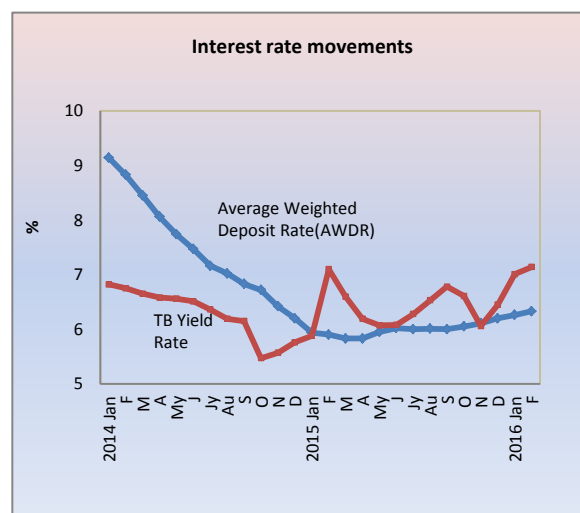
Source: Department of Census and Statistics

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Nov	0.6	4.9	3.5
Dec	1.8	7.0	3.8
Jan-15	3.8	12.0	4.7
Feb	-2.1	9.5	5.4
Mar	-2.8	6.3	5.8
Apr	-1.2	4.3	5.9
May	1.5	4.6	5.9
Jun	1.8	4.0	6.0
Jul	0.7	2.5	5.7
Aug	-1.5	2.2	5.5
Sep	-0.6	2.0	5.3
Oct	0.8	2.7	5.1
Nov	3.0	5.2	5.1
Dec	0.8	4.2	4.9
Jan-16	-0.5	-0.2	3.9
Feb	-1.1	0.8	3.2
Mar	-2.3	1.4	2.8
Apr	2.2	4.9	2.8

Source: Department of Census and Statistics

Month	CCPI (2006/07 =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-14	179.2	1.5	3.5	5.57	4.07	2.07
Dec	180.2	2.1	3.3	5.76	3.66	2.46
Jan-15	183.2	3.2	3.2	5.88	2.68	2.68
Feb	178.9	0.6	2.9	7.10	6.50	4.20
Mar	178.1	0.1	2.5	6.60	6.50	4.10
Apr	178.5	0.1	2.1	6.19	6.09	4.09
May	179.8	0.2	1.9	6.07	6.05	4.17
Jun	181.6	0.1	1.7	6.08	5.98	4.38
Jul	182.8	-0.2	1.3	6.28	6.48	4.98
Aug	181.9	-0.2	1.0	6.53	6.73	5.53
Sep	181.4	-0.3	0.7	6.78	7.08	6.08
Oct	182.1	1.7	0.7	6.61	4.91	5.91
Nov	184.7	3.1	0.9	6.06	2.96	5.16
Dec	185.2	2.8	0.9	6.45	3.65	5.55
Jan-16	184.9	0.9	0.7	7.01	6.11	6.31
Feb	183.8	2.7	0.9	7.14	4.44	6.24
Mar	181.7	2.0	1.1	8.30	6.30	7.20
Apr	184.1	3.1	1.3	8.45	5.35	7.15

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



## Interest Rate Movements

Category	Week Ending 20 <sup>th</sup> May 2016	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	6.50	6.50	6.00	6.50
Standing Lending Facility	8.00	8.00	7.50	7.50
Call Money Weekly Average	8.15	8.15	8.15	6.12
Treasury Bill (Yield rate)				
91 Days	8.66	-	8.45	6.08
182 Days	-	9.40	9.54	6.19
364 Days	10.48	10.37	10.10	6.31
Prime Lending Rate	10.00	10.12	9.56	7.09
	<b>Apr-16</b>		<b>Month Ago</b>	<b>Year Ago</b>
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.58		6.44	5.83

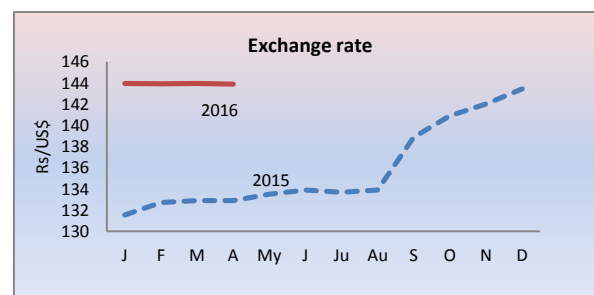
Source : Central Bank of Sri Lanka

Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remained at 6.50 percent and 8.00 percent, respectively during this week. The Prime Lending rate increased to 10.00 per cent by week ending 20<sup>th</sup> May 2016 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of April 2016 was 6.58 percent.

## Exchange Rates

Currency	Week Ending 20 <sup>th</sup> May 2016	Week Ago	Month Ago	Year Ago	% Change 2015/16
US Dollar	145.95	145.66	144.23	134.61	8.4
Sterling Pound	213.25	210.41	206.48	208.89	2.1
Euro	163.63	165.71	160.32	149.95	9.1
Japanese Yen	1.33	1.34	1.28	1.11	19.8
Indian Rupee	2.16	2.18	2.10	2.09	3.3

Source : Central Bank of Sri Lanka



The Rupee depreciated against US Dollar and Sterling Pound while it appreciated against Euro, Yen and Indian rupee in this week.

# MONEY SUPPLY & CAPITAL MARKET

## Money Supply and Credit Growth

Item	Feb 2016	Jan 2016	Dec 2015	Feb 2015	Jan 2015	Dec 2014	Growth 2015Feb/2016 Feb(%)
M <sub>1</sub> (Rs Bn)	700.5	692.4	715.0	596.7	568.3	612.2	17.4
M <sub>2</sub> (Rs Bn)	4,158.4	4,103.0	4,057.2	3,492.6	3,398.5	3,460.6	19.1
M <sub>2b</sub> (Rs Bn)	4,703.8	4,638.3	4,565.9	3,926.6	3,794.8	3,875.9	19.8

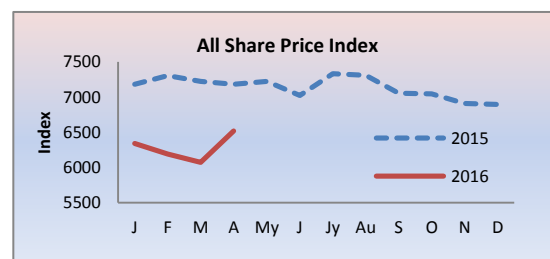
Source: Central Bank of Sri Lanka

Item	Feb 2016	Month Ago	Year Ago	Growth 2015Feb/2016 Feb(%)
Credit to Private Sector (Rs.bn)	3,546.8	3,493.1	2,803.7	26.5
DBUs	3,275.3	3,215.7	2,545.4	28.7
FCBUs	271.5	277.5	258.3	5.1

## Share Market

Indicator	Week ending 20 May -16	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,633	6,680	7,290
S & P Sri Lanka 20 Index (S & P SL20)	3,455	3,510	4,074
Average Daily Turnover (Rs.Mn)	949	953	2,236
Market Capitalization (Rs.Bn.)	2,826	2,846	3,097

Source: Colombo Stock Exchange



All Share Price Index (ASPI) decreased by 47 index points and closed at 6,633 points compared to the second week of May. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 55 to 3,455 index points. The Average Daily Turnover decreased by Rs. 4 million and stationed at Rs. 949 million. Market capitalization reached Rs. 2,826 billion compared to Rs. 3,097 billion in the same period of the last year.

## Equity Trading Statistics

Indicator	Apr 2016	Apr 2015	Jan -Apr 2016	Jan -Apr 2015
<b>Turnover -Equity (Rs. Mn.)</b>	<b>14,256.8</b>	<b>13,321.0</b>	<b>59,112.2</b>	<b>79,587.5</b>
Domestic (Rs. Mn.)	9,648.7	8,319.5	36,660.0	54,986.0
Foreign (Rs. Mn.)	4,608.2	5,001.5	22,452.2	24,601.5
Market Days	18	19	76	75
Daily Turnover Avg. Equity (Rs. Mn.)	792.0	701.1	777.8	1,061.2
<b>Trade Equity</b>	<b>106,605</b>	<b>108,322</b>	<b>342,347</b>	<b>488,310</b>
Domestic	101,828	103,469	323,502	262,676
Foreign	4,777	4,853	18,845	27,397
<b>Shares Traded Equity</b>	<b>598.6</b>	<b>631.6</b>	<b>2,716.6</b>	<b>3,210.0</b>
Domestic (Rs. Mn.)	515.1	726.8	2,144.8	2,720.0
Foreign (Rs. Mn.)	83.4	112.5	571.8	418.0
Companies Traded	269	269	274	278
Companies Listed	295	297	294	297

## Market Indicators

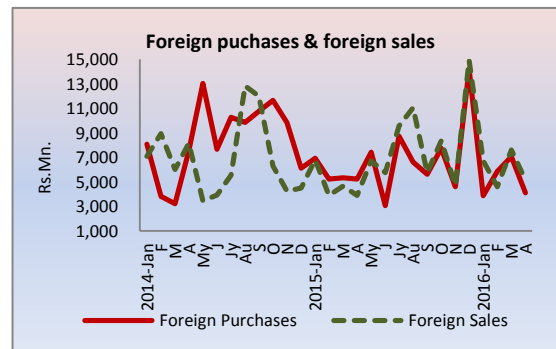
Price Indices	Mar 2016	Apr 2016
ASPI	6,071.88	6,516.26
S&P SL 20	3,204.44	3,435.55
<b>Total Return Indicators</b>		
ASTRI	8,000.92	8,590.73
S&P SL20 (TRI)	4,322.71	4,664.80
Market PER	15.29	16.42
Dividend Yield	2.48	2.31
Market Capitalization (Rs.Bn.)	2,586.15	2,776.54

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

Indicator	Apr 2016	Jan - Apr 2016
Purchases by Foreigners (Rs. Mn)	4,127.0	20,892.6
Sales by Foreigners (Rs. Mn)	5,170.6	24,103.6
Net Foreign Purchases (Rs. Mn)	-1,043.6	-3,211.0

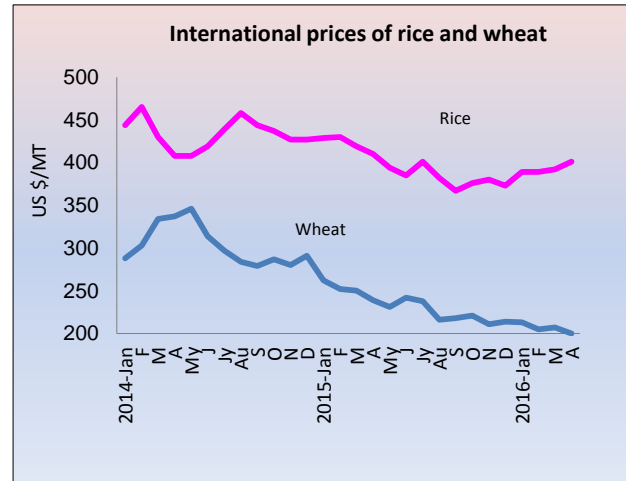
Source: Colombo Stock Exchange



# COMMODITY PRICES

## International Commodity Prices

Month	Milk Powder Average Price US\$/MT	Rice Thai,100% US\$/MT	Wheat (HRW) US\$/MT
Oct	2,822	437	287
Nov	2,696	427	280
Dec	2,576	427	291
Jan-2015	2,573	429	262
Feb	2,913	430	252
Mar	3,225	419	250
Apr	2,780	410	239
May	2,637	394	231
Jun	2,455	385	242
Jul	2,164	401	238
Aug	1,912	382	216
Sep	2,148	367	218
Oct	2,597	376	221
Nov	2,420	380	211
Dec	2,279	375	212
Jan-2016	2,134	389	213
Feb	2,094	389	205
Mar	2,058	392	207
Apr	2,046	401	200



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	Feb	Mar	Apr
		2013	2014	2015	2016	2016	2016
<b>Non Energy, Agriculture, Beverages</b>							
Cocoa	\$/kg	2.44	3.06	3.14	2.92	3.07	3.08
Coffee, Arabica	\$/kg	3.08	4.42	3.53	3.26	3.47	3.40
Tea, auctions (3) average	\$/kg	2.86	2.72	2.71	2.34	2.28	2.50
Tea, Colombo auctions	\$/kg	3.45	3.54	2.96	2.79	2.82	2.94
<b>Food, Fats &amp; Oils</b>							
Coconut Oil	\$/mt	941	1,280	1,110	1,216	1,448	1,590
Copra	\$/mt	627	854	736	813	990	1,045
Palm Oil	\$/mt	857	821	622	640	686	723
<b>Grains</b>							
Barley	\$/mt	202.2	137.6	194.3	187.4	175.9	172.0
Maize	\$/mt	259.4	192.9	169.8	159.7	159.1	164.4
Wheat, US HRW	\$/mt	312.2	284.9	203.2	173.7	191.2	187.5
<b>Other Food</b>							
Meat, Beef	\$/kg	4.07	4.95	4.42	3.77	3.88	3.91
Meat, Chicken	\$/kg	2.29	2.43	2.53	2.47	2.46	2.46
Sugar, World	\$/kg	0.57	0.37	0.30	0.29	0.34	0.34
<b>Raw Materials, Timber</b>							
Plywood	¢/sheets	560.2	517.3	451.2	475.7	483.5	498.4
Woodpulp	\$/mt	823.1	876.9	875.0	875.0	875.0	875.0
<b>Other Raw Materials</b>							
Rubber RSS3, US	\$/kg	2.79	1.96	1.56	1.26	1.45	1.72
<b>Fertilizers</b>							
Phosphate Rock	\$/mt	148.1	110.2	117.5	115.0	115.0	115.0
TSP	\$/mt	382.1	388.3	385.0	329.0	275.0	278.0
Urea	\$/mt	340.1	316.2	272.9	209.0	203.0	204.0
<b>Metals and Minerals</b>							
Aluminum	\$/mt	1,847	1,867	1,665	1,531	1,531	1,571
Gold	\$/toz	1,412	1,266	1,160	1,200	1,245	1,242
Iron ore	\$/dmt	135.0	97.0	56.0	47.0	56.0	61.0

Source: The World Bank, Available at [worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROPECTS](http://worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROPECTS)

¢= US cent

\$= US dollar

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

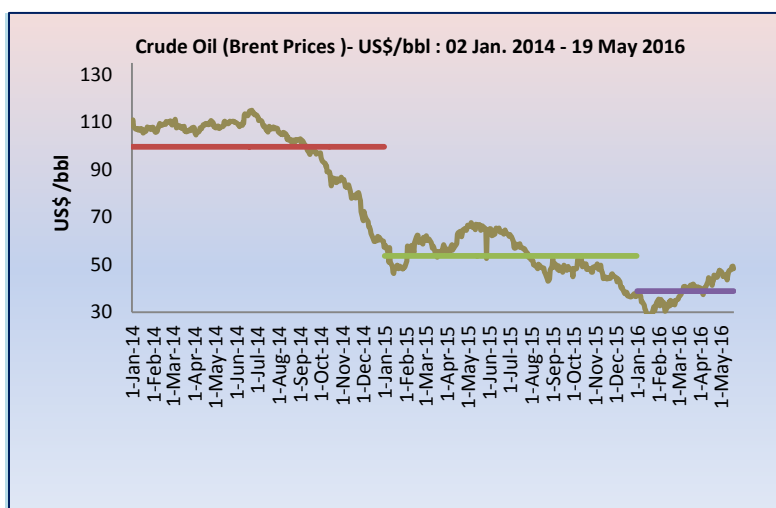
Item	May 16	May 17	May 18	May 19	May 20	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	47.88	49.23	49.41	48.26	n.a.	47.68	43.35	56.91
WTI (US\$/bbl.)	46.24	48.22	48.46	47.65	n.a.	46.13	40.25	49.00
Petrol	57.30	57.60	58.00	57.00	57.90	55.45	50.20	65.70
Diesel	55.37	55.78	56.22	55.33	56.32	53.60	51.43	70.31
Kerosene	55.24	56.35	56.77	56.07	57.30	53.89	51.91	72.72

Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Sep	93.26	98.90
Oct	85.47	88.91
Nov	76.59	80.28
Dec	60.65	64.55
Jan-15	48.82	51.89
Feb	50.75	58.47
Mar	47.81	57.38
Apr	54.38	60.67
May	63.65	65.24
Jun	63.85	60.16
Jul	51.52	57.11
Aug	42.64	47.92
Sep	45.60	48.87
Oct	46.35	49.34
Nov	43.56	46.79
Dec	37.55	39.36
Jan-16	32.09	32.23
Feb	31.13	33.63
Mar	37.64	39.66
Apr	40.80	42.86
May*	45.63	46.64

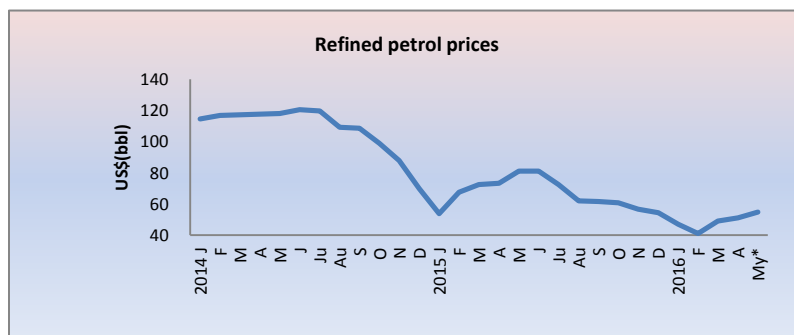
Source: Central Bank of Sri Lanka  
\*upto 19<sup>th</sup> May 2016



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

Month	Petrol	Diesel	Kerosene
Sep-14	108.63	111.16	112.45
Oct	98.98	99.99	101.98
Nov	87.90	93.26	96.40
Dec	70.74	77.33	79.63
Jan-15	53.70	60.88	62.82
Feb	67.53	71.63	73.74
Mar	72.52	69.39	70.00
Apr	73.19	71.60	72.13
May	81.07	77.27	77.68
Jun	80.99	74.32	71.36
Jul	72.52	64.50	65.91
Aug	61.90	56.30	57.25
Sep	61.59	58.72	58.61
Oct	60.75	58.34	59.32
Nov	56.66	57.19	58.10
Dec	54.36	48.30	47.38
Jan-16	47.08	35.76	38.07
Feb	41.29	38.11	41.00
Mar	49.20	45.23	47.13
Apr	51.26	47.94	49.52
May*	54.86	53.15	53.78

Source: Central Bank of Sri Lanka  
\*upto 20<sup>th</sup> May 2016



## Local Market Prices of Petroleum Products

Item	Unit	End 2013	End 2014	End 2015	Current Price 2016
Auto Diesel	1 liter	121.00	111.00	95.00	95.00
Petrol (Octane 92)	1 liter	162.00	150.00	117.00	117.00
Kerosene oil	1 liter	106.00	81.00	55.00	55.00
L P Gas	12.5 kg	2,396.00	1,896.00	1,346.00	1,346.00

**Pettah Market**

**Dambulla Market**

Average Wholesale Prices	Week Ending 20/05/16	Week Ago	% Change	Year Ago Annual Avg.
<b>Rice (Rs/Kg)</b>				
Samba	80.00	78.00	2.6	83.22
Kekulu (Red)	55.00	53.00	3.8	66.15
<b>Vegetable</b>				
Beans	240.00	170.00	41.2	160.49
Cabbage	70.00	100.00	-30.0	79.31
Carrots	130.00	120.00	8.3	146.27
Tomatoes	200.00	180.00	11.1	89.80
Pumpkins	40.00	50.00	-20.0	49.12
Snake Gourd	110.00	130.00	-15.4	73.73
Brinjals	90.00	80.00	12.5	72.56
Ash Plantains	70.00	50.00	40.0	81.08
<b>Other Foods</b>				
Red-Onions (Local)	142.50	100.00	42.5	105.28
Big Onions (Local)	n.a.	n.a.	-	95.17
Potatoes (N'Eliya)	145.00	107.50	34.9	107.98
Dried Chillies (Imported)	320.00	300.00	6.7	248.90
Dhal (Indian)	170.00	175.00	-2.9	161.98
Eggs (Red) (Each)	13.50	13.50	0.0	14.17
Coconut (Each)	31.00	32.00	-3.1	41.00
<b>Fish (Rs/Kg)</b>				
Kelawalla	n.a.	550.00	-	453.14
Balaya	n.a.	350.00	-	295.00
Salaya	n.a.	150.00	-	114.71
Paraw (Small)	n.a.	630.00	-	484.69

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
<b>Rice (Rs/Kg)</b>	
Samba	80.00
Kekulu (Red)	57.00
<b>Vegetables</b>	
Pumpkins	30.00
Snake Gourd	76.00
Ash Plantains	37.50
Beans	137.50
Carrots	115.50
Tomatoes	137.00
<b>Other Foods</b>	
Potatoes (N'Eliya)	131.00
Dried Chillies (Imported)	303.50
Big-Onions (Local)	n.a.
Red-Onions (Local)	106.00
Coconut (Each)	29.00

Source: Central Bank of Sri Lanka

**Marandagahamula Average Price of Rice (Rs /Kg)**

Item	Week Ending 20/05/16	Week Ago	Month Ago	Year Ago
Samba	77.90	74.30	72.78	79.56
Sudu Kekulu	62.50	61.40	60.56	62.37
Raw Red	58.32	58.30	57.89	66.17
Nadu	65.50	65.00	62.92	64.24

Source: Central Bank of Sri Lanka

Wholesale prices of most of the rice and vegetable varieties increased in this week. Prices of other commodities such as red onion, potatoes and dried chillies increased while the prices of dhal and coconut decreased during this week.

Item	Unit	This Week	Week Ago	% Change	Rs. Year Ago
Rice					
Samba(Avg.)	1 kg	92.76	91.21	1.7	88.14
No. 1	1 kg	97.00	95.58	1.5	91.54
No. 2	1kg	88.52	86.84	1.9	84.75
Nadu Red	1kg	78.62	79.30	-0.9	86.86
Raw Red (Avg)	1kg	64.55	63.71	1.3	78.18
No. 1	1kg	67.70	66.25	2.2	81.86
No. 2	1kg	61.39	61.17	0.4	74.49
Wheat Flour	1 kg	92.26	91.54	0.8	86.55
Bread	450g	53.33	53.33	0.0	53.13
Sugar	1 kg	103.18	103.02	0.2	85.64
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	86.48	83.79	3.2	94.31
Potatoes (Local)	1kg	137.88	133.80	3.0	131.88
Red Dhal(Avg)	1kg	185.47	183.62	1.0	174.89
Cowpea (Avg)	1kg	262.21	259.16	1.2	260.79
Green Gram(Avg)	1kg	267.00	263.88	1.2	273.01
Kadalai (Avg)	1kg	184.67	183.80	0.5	164.34
Meat					
Beef	1kg	765.29	762.35	0.4	614.49
Chicken					
Fresh	1kg	517.86	512.14	1.1	511.67
Broiler	1kg	380.00	380.00	0.0	380.00
Fresh Fish					
Paraw	1 kg	848.89	852.11	-0.4	747.19
Balaya	1 kg	530.00	522.50	1.4	565.19
Kelawalla	1 kg	800.87	790.43	1.3	761.29
Salaya	1 kg	145.29	144.38	0.6	137.51
Dried Fish					
Sprats	1 kg	688.29	680.29	1.2	470.50
Eggs	Each	18.78	18.81	-0.2	14.31
Coconut	Each	46.38	45.90	1.0	53.60
Coconut Oil	750ml	207.81	206.11	0.8	212.08
Red Onions	1 kg	111.52	109.82	1.5	113.48
B- Onions (Import)	1 kg	81.74	80.13	2.0	88.71
Brinjal	1kg	119.51	124.51	-4.0	87.32
Beans Green	1 kg	140.54	143.08	-1.8	117.84
Cabbage	1 kg	136.84	135.76	0.8	96.13
Leeks	1 kg	147.02	139.49	5.4	153.25
Beet Root	1kg	148.78	140.00	6.3	104.95
Carrot	1kg	158.50	145.64	8.8	159.63
Tomatoes	1kg	98.92	94.71	4.4	110.66
Radish	1kg	110.00	102.67	7.1	88.50
Vetakolu	1kg	148.00	144.59	2.4	111.08
Snake Gourd	1kg	136.00	135.76	0.2	101.16
Bandakka	1kg	137.65	131.88	4.4	96.80
Kolikuttu	1kg	193.33	181.45	6.5	171.12
Papaw	1kg	140.83	133.18	5.7	152.54
Pineapple	1kg	138.75	144.78	-4.2	106.84

Source: Department of Census and Statistics

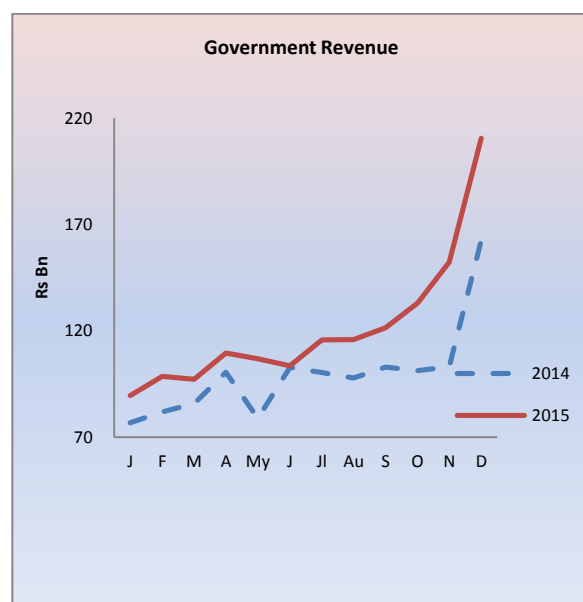
*The average retail prices of most of the rice, vegetable varieties and fish varieties increased during this week.*



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue -Jan-Dec

Rs. Million			
Item	2014	2015 (a)	Growth %
<b>Tax Revenue</b>	<b>1,050,362</b>	<b>1,355,779</b>	<b>29.1</b>
Income Tax	198,115	262,583	32.5
VAT	275,350	219,700	-20.2
Excise Duty	256,690	497,623	93.9
Nation Building Tax	44,583	45,004	0.9
PAL	68,646	58,644	-14.6
Customs Duty	81,108	132,189	63.0
SCL	47,953	52,276	9.0
Cess	38,707	46,289	19.6
Licence Fee and Other	39,209	41,471	4.2
<b>Non Tax Revenue</b>	<b>144,844</b>	<b>99,099</b>	<b>-31.6</b>
<b>Total Revenue</b>	<b>1,195,206</b>	<b>1,454,878</b>	<b>21.7</b>



Source: Department of Fiscal Policy

(a) provisional

Note: Not to be quoted

## Government Debt

Government Debt (Rs.bn)	End Dec 2014	End Dec 2015 (a)
Total Domestic Debt	4,277.8	4,959.2
Total Foreign Debt	3,113.1	3,544.0
<b>Total Government Debt</b>	<b>7,390.9</b>	<b>8,503.2</b>

Source: Central Bank of Sri Lanka

(a) provisional

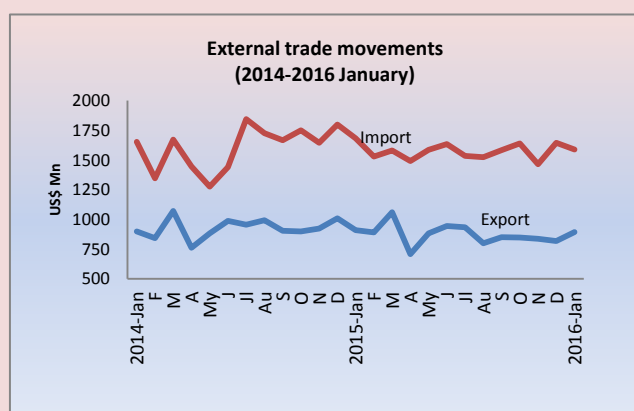
## Key Fiscal Indicators 2014- 2015

Indicator	Unit	2014	2015
Budget Deficit	Rs Mn	591,244	829,502
	% of GDP	5.7	7.4
Total Revenue	Rs Mn	1,195,206	1,454,878
	% of GDP	11.4	13.0
Tax Revenue	Rs Mn	1,050,362	1,355,779
	% of GDP	10.1	12.1
Non Tax Revenue	Rs Mn	144,844	99,099
	% of GDP	1.4	0.9
Recurrent Expenditure	Rs Mn	1,322,898	1,701,657
	% of GDP	12.7	15.2
Public Investment	Rs Mn	486,610	602,768
	% of GDP	4.7	5.4
Government Debt	Rs Mn	7,390,899	8,503,227
	% of GDP	70.7	76.0

Compiled by Department of Fiscal Policy

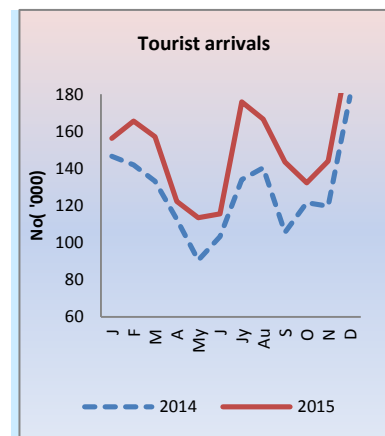
Category	Jan 2015 (US\$ Mn)	Jan 2016 (US\$ Mn)	Growth Rate (%)
<b>Exports</b>	<b>916.7</b>	<b>893.9</b>	<b>-2.5</b>
<b>Agricultural</b>	<b>202.0</b>	<b>179.5</b>	<b>-11.1</b>
Tea	113.5	99.4	-12.4
Other	88.5	80.1	-9.5
<b>Industrial</b>	<b>710.7</b>	<b>711.5</b>	<b>0.1</b>
Rubber Products	64.2	71.3	11.1
Textiles and Garments	409.9	464.4	13.3
Food, Beverage and Tobacco	21.2	22.0	3.8
Other	215.4	153.8	-28.6
<b>Mineral</b>	<b>2.8</b>	<b>1.9</b>	<b>-34.7</b>
<b>Unclassified</b>	<b>1.2</b>	<b>1.1</b>	<b>-10.1</b>
<b>Imports</b>	<b>1,681.6</b>	<b>1,589.1</b>	<b>-5.5</b>
<b>Consumer Goods</b>	<b>397.3</b>	<b>343.5</b>	<b>-13.5</b>
Food and Beverages	169.5	118.6	-30.0
Other Consumer Goods	227.8	224.9	-1.3
<b>Intermediate Goods</b>	<b>841.6</b>	<b>801.2</b>	<b>-4.8</b>
Petroleum	289.2	174.8	-39.6
Textiles & Textile Articles	200.0	250.9	25.4
Other Intermediate Goods	352.4	375.5	6.6
<b>Investment Goods</b>	<b>441.8</b>	<b>443.9</b>	<b>0.5</b>
Machinery and Equipment	240.6	255.5	6.2
Transport Equipment	91.1	52.6	-42.3
Building Material	109.1	135.0	23.7
Other Investment Goods	1.0	0.8	-20.0
<b>Unclassified</b>	<b>0.8</b>	<b>0.5</b>	<b>-41.4</b>
<b>Trade Balance</b>	<b>-880.8</b>	<b>-750.8</b>	<b>-14.6</b>

Source: Central Bank of Sri Lanka



- Export earnings in January 2016 declined by 2.5 percent, compared to the respective period of 2015. The earnings for the month of December dropped by 18.7 percent on year on year basis, reflecting the negative contribution from agricultural and mineral exports.
- On a cumulative basis, expenditure on imports decreased by 82.5 percent in January 2016 due to decline in imports of consumer and intermediate goods.
- Trade deficit substantially narrowed to US\$ 750.8Mn in January 2016 recording 14.6 percent decrease over the same period of 2015.

Month	Arrivals				Earnings US\$ Mn			
	2014	2015	2016	% change 2015/16	2014	2015	2016	% change 2015/16
Jan	146,575	156,246	194,280	24.3	233.3	248.7	309.3	24.3
Feb	141,878	165,541	197,697	19.4	225.9	274.4	327.7	19.4
Mar	133,048	157,051	192,841	22.8	192.2	260.3	319.6	22.8
Apr	112,631	122,217	136,367	11.6	179.3	202.6	226.0	11.6
May	90,046	113,529			143.3	180.7		
Jun	103,175	115,467			164.2	183.8		
July	133,971	175,804			213.3	279.9		
Aug	140,319	166,610			223.4	265.2		
Sep	105,535	143,374			168.0	228.2		
Oct	121,576	132,280			193.5	210.6		
Nov	119,727	144,147			190.6	229.5		
Dec	178,672	206,114			284.4	328.1		
<b>Total</b>	<b>1,527,153</b>	<b>1,798,380</b>	<b>721,185*</b>	<b>20.0</b>	<b>2,431.0</b>	<b>2,862.9</b>	<b>1,195*</b>	<b>20.0</b>



Source: Sri Lanka Tourism Development Authority

\*Jan-Feb

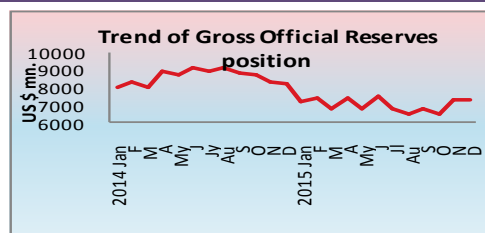
### Tourism

Earnings from tourism increased to US \$ 1,195.3 Mn. during January to April 2016 with an increase of 20.0 per cent over the same period of 2015.

The number of tourist arrivals increased to 721,185 during January to April 2016, a 20.0 per cent increase compared to same period of 2015.

### External Assets

External Assets (US\$ Mn)	Jan 2016	Dec 2015	Nov 2015	Jan 2015	Dec 2014	Nov 2014	Growth 2015 /2016(%)
Total Reserves	8,393	9,300	9,100	8,861	9,884	9,608	-5.9
Gross Official Reserves	6,294	7,304	7,281	7,252	8,208	8,331	-11.1



Source: Central Bank of Sri Lanka

### Official reserves

The gross official reserves and total reserves were US\$ 6.3 Bn and US\$ 8.4 Bn, respectively by end January 2016. Total foreign reserves were sufficient to 5.4 months of imports and the gross official reserves were equivalent to 4.0 months of imports. Workers' remittances increased by 8.1 per cent in dollar terms to US \$ 1,815 Mn. in March 2016.

### Private Remittances

Category	2015 Jan -Mar	2016 Jan -Mar (a)	% Change
Inflows US\$ Mn	1,679.4	1,814.7	8.1
Rs. Bn	222.4	261.2	17.5

Source: Central Bank of Sri Lanka

(a) Provisional

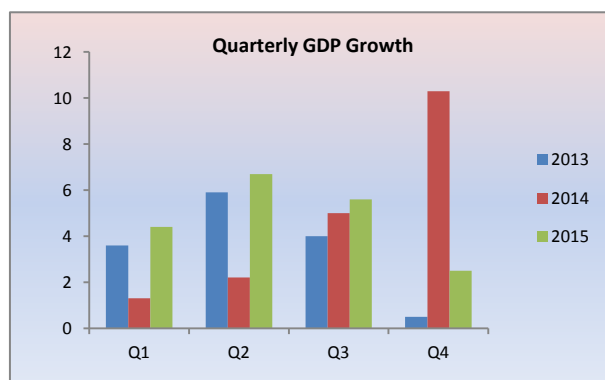
## PRODUCTION

### 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>2011</b>	<b>8.0</b>	<b>8.2</b>	<b>8.4</b>	<b>8.3</b>	<b>8.4</b>
Agriculture	-0.7	5.8	8.5	4.5	4.6
Industry	10.3	2.0	13.8	10.5	9.3
Service	11.7	11.0	6.8	6.9	8.9
<b>2012</b>	<b>8.0</b>	<b>6.4</b>	<b>5.2</b>	<b>6.8</b>	<b>9.1</b>
Agriculture	13.3	0.6	0.6	2.6	4.0
Industry	21.0	10.6	-2.6	8.5	9.0
Service	14.6	11.1	10.7	8.8	11.2
<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

Source: Department of Census & Statistics

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



### GDP growth continues at a relatively high rate

The Sri Lankan economy grew by 4.8% in 2015 compared to the 4.9% growth recorded in 2014. The Agriculture sector mainly supported to this growth with 5.5% contribution while the Services and Industry sectors contributed to GDP by 5.3% and 3.0%, respectively.

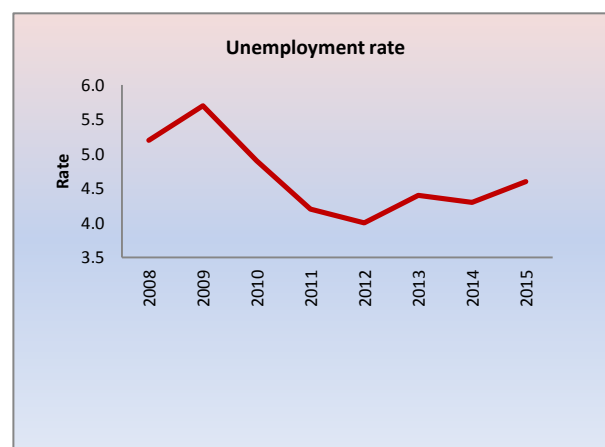
## Labour Force Statistics

Employment	2014 4 <sup>th</sup> Quarter (a)	2015 4 <sup>th</sup> Quarter (a)*	2015 3 <sup>rd</sup> Quarter (a)*	2015 Annual (a)	2014 Annual (a)
Labour Force Participation Rate	52.9	53.6	53.8	53.8	53.3
Unemployment Rate	4.4	4.3	5.0	4.6	4.3
Unemployment Rate	<b>By Gender</b>				
Male	2.9	2.6	3.5	3.0	3.1
Female	7.2	7.6	7.8	7.6	6.1
Unemployment Rate	<b>By Age Group</b>				
20-29	13.5	13.0	14.9	14.2	13.7
20-24	21.2	15.4	21.7	n.a.	20.0
25-29	86.9	10.9	8.8	n.a.	8.3

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



## Paddy Production

Category	2014			2015		
	2013/2014 Maha	2014 Yala	Total	2014/2015 Maha	2015 Yala	Total
<b>Production</b>						
Mn.Mt	2.23	1.14	3.38	2.88	1.94	4.82
Bushels Mn.	107	55	162	138	93	231
<b>Net Extent Harvested</b>						
Hectares ('000)	521	272	793	659	429	1,088
Acres ('000)	1,286	673	1,959	1,629	1,060	2,689
<b>Average Yield kg per ha</b>	4,222	4,204	4,264	4,364	4,527	4,430

Source: Department of Census & Statistics

The paddy production in 2015 increased by 43 percent to around 4.8 million mt. compared to the 3.4 million mt recorded in 2014. Average Yield per hectare for that period increased to 4,430 kg.

## Tea, Rubber & Coconut Production

Category	2015 Jan- Feb	2016 Jan - Feb	% Change
<b>Production</b>			
Tea (Mn. Kg)	48.7	48.0	-1.4
Rubber (Mn. Kg)	20.3	18.8	-7.4
Coconut (Mn. Nuts)	475.0	512.0	7.8
<b>Exports (US\$ Mn)</b>			
	<b>2015 Jan</b>	<b>2016 Jan</b>	
Tea	113.5	99.4	-12.4
Rubber	2.4	3.5	44.1
Coconut	19.2	24.5	27.3
<b>Colombo Auction Prices</b>			
	<b>2015 Jan</b>	<b>2016 Jan</b>	
Tea (Rs./ Kg)	423.24	409.61	-3.2
Rubber (Rs./ Kg)	304.83	228.00	-25.2
Coconut (Rs/nut)	39.2 *	43.5*	11.0

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

\* Oct

## Factory Industrial Production Index (2010=100)

Item	2015 Jan	2016 Jan(a)	Growth %
Manufacture of Food Products	97.7	106.8	9.4
Manufacture of Beverages	124.2	108.1	-12.9
Manufacture of Tobacco Products	103.9	88.1	-15.1
Manufacture of Textiles	124.1	128.8	3.8
Manufacture of Wearing Apparel	161.4	172.0	6.5
Manufacture of Leather and Related Products	80.6	93.9	16.5
Manufacture of Wood products except Furniture	108.6	135.6	24.9
Manufacture of Paper and Paper Products	125.7	125.7	0.0
Printing and Reproduction of Recorded Media	111.5	111.5	0.0
Manufacture of Coke and Refined Petroleum Products	92.7	103.8	11.9
Manufacture of Chemicals and Chemical Products	70.6	38.5	-45.5
Manufacture of Pharmaceuticals, Medicinal Chemicals	167.4	151.5	-9.5
Manufacture of Rubber and Plastic Products	132.7	132.9	0.1
Manufacture of Other Non Metallic Mineral Products	108.4	132.4	22.1
Manufacture of Basic Metals	104.6	164.4	57.1
Manufacture of Fabricated Metal Products	85.4	127.1	48.8
Manufacture of Electrical Equipment	118.4	107.7	-9.6
Manufacture of Machinery and Equipment	95.2	92.8	-2.3
<b>Factory Industry Production Index</b>	<b>118.2</b>	<b>122.2</b>	<b>3.4</b>

Source: Central Bank of Sri Lanka

(a) Provisional