

# WEEKLY ECONOMIC REPORT

November 11, 2016

## Department of Fiscal Policy



**CCPI** increased to **4.2%** in October



**NCPI** decreased to **5.0 %** in October



**Trade deficit** expanded by **0.7 %** during Jan-July 2016



**GDP** grew by **3.9 %** in the first Half 2016



**Exchange rate** appreciated to **US\$1=Rs. 147.73**



**Credit to private sector** increased by **27.3 %** August 2016



**Brent crude oil** decreased to: **US\$ 45.71** per bbl



**Government revenue** enhanced by **22.9 %** in Jan-Sep 2016



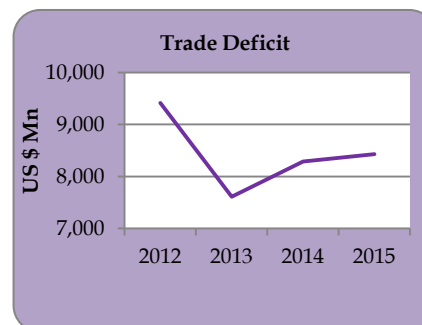
**Tourist arrivals** up by **14.6 %** during Jan-Oct 2016



**Unemployment** rate was **4.6 %** in the 2<sup>nd</sup> Quarter 2016



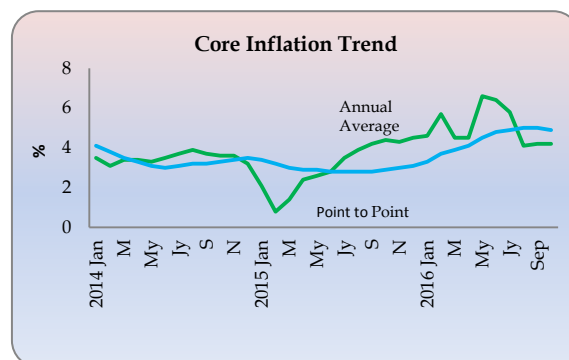
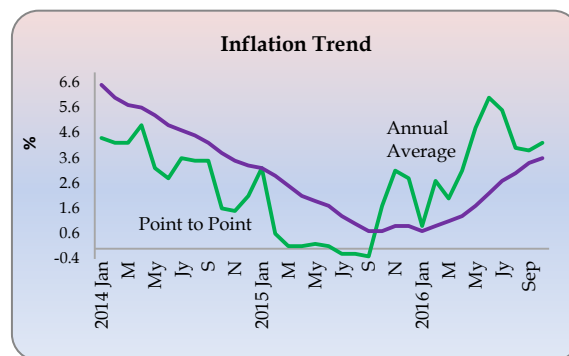
**Workers Remittance** grew by **3.9 %** during Jan- Sep 2016



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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
Dec-14	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	1.5	4.3
May	4.8	1.7	6.6	4.5	1.9	5.3
Jun	6.0	2.2	6.4	4.8	2.1	6.4
Jul	5.5	2.7	5.8	4.9	-0.8	5.8
Aug	4.0	3.0	4.1	5.0	-1.6	4.5
Sep	3.9	3.4	4.2	5.0	0.2	4.7
Oct	4.2	3.6	4.2	4.9	4.0	5.0



Source: Department of Census and Statistics

The point to point inflation increased to 4.2 per cent in October 2016. The annual average increased to 3.6 per cent in October 2016. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, decreased to 4.2 per cent, on point to point basis, while annual average core inflation decreased to 4.9 per cent, in October 2016. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 5.0 percent in October 2016, on year on year basis.

Contribution of Food Items to CCPI from September 2016 to October 2016

Movements of the CCPI in Food Items

Commodity	Value Change Rs.	Change %
<b>Food</b>	<b>328.01</b>	<b>0.62</b>
Rice	41.70	0.08
Chicken	-25.09	-0.05
Fresh Fish	-112.08	-0.21
Dried Fish	41.60	0.08
Coconut	89.80	0.17
Vegetables	61.90	0.12
Dhal	13.18	0.02
Potatoes	-18.29	-0.03
Red Onion	12.18	0.02
Coconut Oil	3.67	0.01
Eggs	-25.98	-0.05
Green Chillies	-20.46	-0.04
Dhal	13.18	0.02

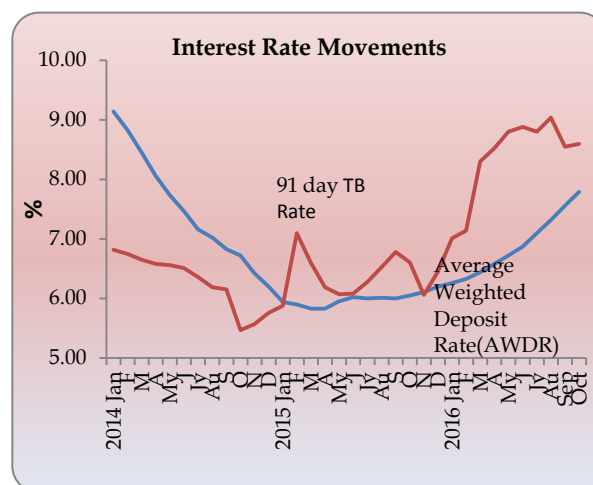
Source: Department of Census and Statistics

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Apr-15	-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
May	2.2	5.6	2.9
Jun	4.3	8.2	3.3
Jul	0.6	8.1	3.8
Aug	-3.7	5.6	4.0
Sep	-0.7	5.5	4.3
Oct	1.3	6.0	4.6

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)
Apr-15	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
May	188.5	4.8	1.7	8.80	4.00	7.10
Jun	192.5	6.0	2.2	8.86	2.86	6.66
Jul	192.9	5.5	2.7	8.80	3.30	6.10
Aug	189.1	4.0	3.0	9.04	5.04	6.04
Sep	188.5	3.9	3.4	8.55	4.65	5.15
Oct	189.7	4.2	3.6	8.60	4.40	5.00

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



## Interest Rate Movements

Category	Week Ending 11 <sup>th</sup> Nov 2016	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.00	7.00	7.00	6.00
Standing Lending Facility	8.50	8.50	8.50	7.50
Call Money Weekly Average	8.44	8.44	8.40	6.28
Treasury Bill (Yield rate)				
91 Days	8.60	8.60	8.55	-
182 Days	9.56	9.47	9.39	-
364 Days	10.14	10.10	10.11	6.94
Prime Lending Rate	11.95	12.14	11.43	7.28
	<b>Oct-16</b>		<b>Month Ago</b>	<b>Year Ago</b>
Commercial Bank Average Weighted Deposit Rate (AWDR)	7.79		7.56	6.05

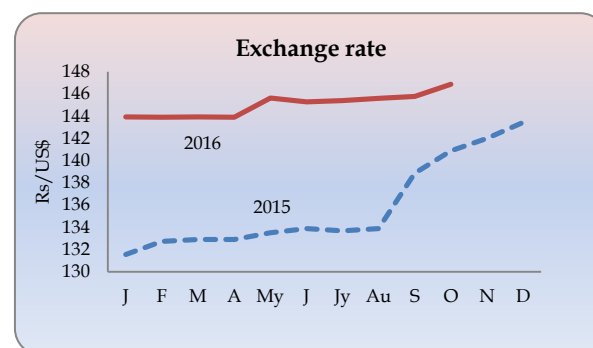
Source : Central Bank of Sri Lanka

Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remained at 7.00 percent and 8.50 percent, respectively during this week. The Prime Lending rate decreased to 11.95 per cent by week ending 11th November 2016 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of October 2016 was 7.79 percent.

## Exchange Rates

Currency	Week Ending 11 <sup>th</sup> Nov 2016	Week Ago	Month Ago	Year Ago	% Change 2015/16
US Dollar	147.73	148.45	146.62	141.96	4.1
Sterling Pound	185.49	184.83	188.55	215.28	-13.8
Euro	161.00	164.80	163.20	152.53	5.5
Japanese Yen	1.39	1.44	1.42	1.16	19.8
Indian Rupee	2.21	2.21	2.20	2.14	3.3

Source : Central Bank of Sri Lanka



The Rupee appreciated against US Dollar, Euro, Yen and rupee depreciated against sterling pound in this week.

# MONEY SUPPLY & CAPITAL MARKET

## Money Supply and Credit Growth

Item	Aug 2016	Jun 2016	May 2016	Aug 2015	Jun 2015	May 2015	Growth 2015Aug/2016 Aug(%)
M <sub>1</sub> (Rs Bn)	714.2	705.6	701.7	650.0	629.4	630.8	9.9
M <sub>2</sub> (Rs Bn)	4434.8	4,310.5	4,241.0	3783.9	3,677.5	3,641.3	17.2
M <sub>2b</sub> (Rs Bn)	4988.6	4,843.7	4,781.1	4252.5	4,141.1	4,102.8	17.3

Item	Aug 2016	Month Ago	Year Ago	Growth 2015Aug/2016 Aug (%)
Credit to Private Sector (Rs.bn)	3,905.9	3,860.9	3,068.7	27.3
DBUs	3,616.6	3,576.1	2,833.6	27.6
OBU's	289.3	284.8	235.1	23.0

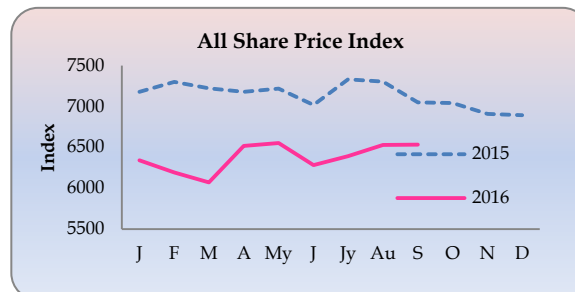
Source: Central Bank of Sri Lanka

## Share Market

Indicator	Week ending 11 <sup>th</sup> Nov -16	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,416	6,435	7,019
S & P Sri Lanka 20 Index (S & P SL20)	3,590	3,609	3,791
Average Daily Turnover (Rs.Mn)	282	313	891
Market Capitalization (Rs.Bn.)	2,733	2,741	2,980

Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 19 index points and closed at 6,416 points compared to the first week of November. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 19 to 3,590 index points. The Average Daily Turnover decreased by Rs. 31 million and stationed at Rs.282 million. Market capitalization reached Rs. 2,733 billion in the second week of November 2016.



## Equity Trading Statistics

Indicator	Oct 2016	Oct 2015	Jan -Oct 2016	Jan -Oct 2015
<b>Turnover -Equity (Rs. Mn.)</b>	<b>9,851.6</b>	<b>20,719.9</b>	<b>145,236.2</b>	<b>219,270.3</b>
Domestic (Rs. Mn.)	6,227.9	12,656.9	90,319.1	151,415.2
Foreign (Rs. Mn.)	3,623.6	8,062.9	54,917.1	67,855.0
Market Days	21	21	200	199
Daily Turnover Avg. Equity (Rs. Mn.)	469.1	986.7	726.2	1,101.9
<b>Trade Equity</b>	<b>76,149</b>	<b>142,128</b>	<b>958,350</b>	<b>1,356,825</b>
Domestic	73,069	136,377	910,549	1,292,785
Foreign	3,080	5,751	47,801	64,040
<b>Shares Traded Equity</b>	<b>478.9</b>	<b>651.2</b>	<b>6,499.1</b>	<b>8,039.9</b>
Domestic (Rs. Mn.)	422.5	518.5	5,328.9	6,839.1
Foreign (Rs. Mn.)	56.4	132.7	1,170.3	1,200.7
Companies Traded	269	275	275	278
Companies Listed	295	294	295	294

## Market Indicators

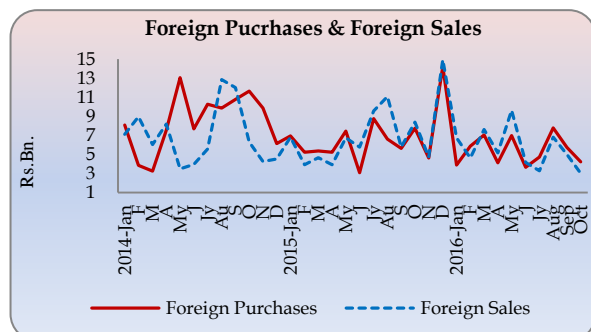
Price Indices	Sep 2016	Oct 2016
ASPI	6,534.77	6,409.23
S&P SL 20	3,617.32	3,559.92
<b>Total Return Indicators</b>		
ASTRI	8,631.0	8,466.92
S&P SL20 (TRI)	4,966.30	4,902.42
Market PER	13.43	13.28
Dividend Yield	3.03	3.05
Market Capitalization (Rs.Bn.)	2,785.68	2,732.38

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

Indicator	Oct 2016	Jan - Oct 2016
Purchases by Foreigners (Rs. Mn)	4,232.8	53,948.7
Sales by Foreigners (Rs. Mn)	3,016.9	55,980.2
Net Foreign Purchases (Rs. Mn)	1,215.8	-2,031.4

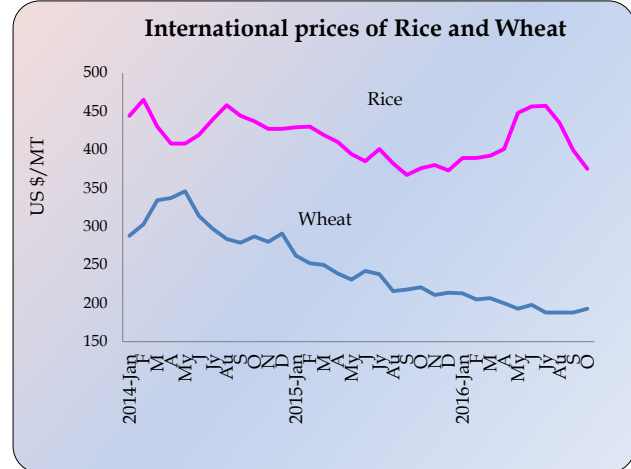
Source: Colombo Stock Exchange



# COMMODITY PRICES

## International Commodity Prices

Month	Milk Powder Average Price US\$/MT	Rice Thai,100% US\$/MT	Wheat (HRW) US\$/MT
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	201
May	2,064	448	193
Jun	2,192	456	198
Jul	2,284	457	188
Aug	2,506	435	188
Sep	2,831	399	188
Oct	2,874	375	193



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	Aug	Sep	Oct
		2013	2014	2015	2016	2016	2016
<b>Non Energy, Agriculture, Beverages</b>							
Cocoa	\$/kg	2.44	3.06	3.14	3.03	2.88	2.71
Coffee, Arabica	\$/kg	3.08	4.42	3.53	3.69	3.89	3.94
Tea, auctions (3) average	\$/kg	2.86	2.72	2.71	2.69	2.74	2.81
Tea, Colombo auctions	\$/kg	3.45	3.54	2.96	3.27	3.52	3.76
<b>Food, Fats &amp; Oils</b>							
Coconut Oil	\$/mt	941	1,280	1,110	1,529	1,547	1,446
Copra	\$/mt	627	854	736	1,018	1,025	964
Palm Oil	\$/mt	857	821	622	736	756	712
<b>Grains</b>							
Barley	\$/mt	202.2	137.6	194.3	138.0	135.5	132.5
Maize	\$/mt	259.4	192.9	169.8	150.2	148.4	152.3
Wheat, US HRW	\$/mt	312.2	284.9	203.2	149.2	150.8	151.8
<b>Other Food</b>							
Meat, Beef	\$/kg	4.07	4.95	4.42	4.09	4.02	3.94
Meat, Chicken	\$/kg	2.29	2.43	2.53	2.45	2.43	2.43
Sugar, World	\$/kg	0.57	0.37	0.30	0.44	0.47	0.49
<b>Raw Materials, Timber</b>							
Plywood	¢/sheets	560.2	517.3	451.2	539.3	535.9	526.2
Wood pulp	\$/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	1.55	1.57	1.66
<b>Fertilizers</b>							
Phosphate Rock	\$/mt	148.1	110.2	117.5	111.0	110.0	110.0
TSP	\$/mt	382.1	388.3	385.0	283.0	277.0	273.0
Urea	\$/mt	340.1	316.2	272.9	182.0	191.0	193.0
<b>Metals and Minerals</b>							
Aluminum	\$/mt	1,847	1,867	1,665	1,639	1,592	1,663
Gold	\$/toz	1,412	1,266	1,160	1,340	1,327	1,266
Iron ore	\$/dmt	135.0	97.0	56.0	61.0	58.0	59.0

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)

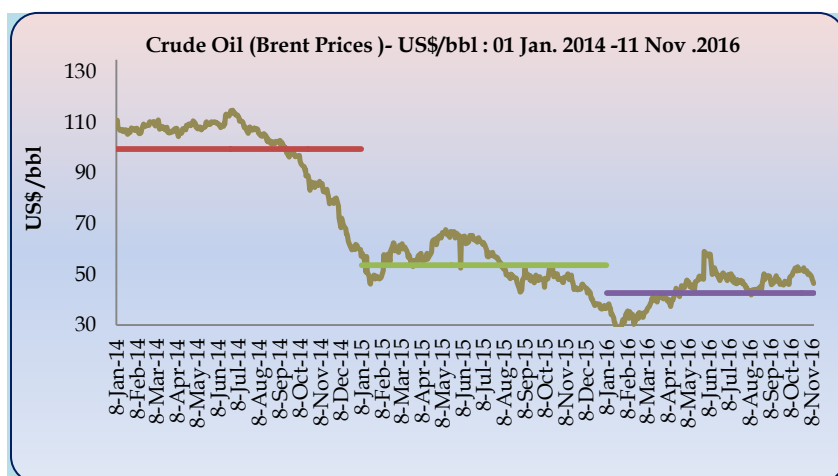
Item	Nov 07	Nov 08	Nov 09	Nov 10	Nov 11	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	45.91	46.28	44.97	46.29	45.71	46.48	53.02	47.13
WTI (US\$/bbl.)	44.44	44.91	43.77	45.07	44.46	44.77	51.21	43.66
Petrol	55.60	55.00	54.75	55.40	55.25	56.45	60.10	57.20
Diesel	55.21	55.64	55.27	56.00	55.16	56.20	61.20	57.83
Kerosene	55.12	55.71	55.53	56.15	55.44	55.82	61.78	58.86

Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Mar -15	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	7.92
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	47.58	46.84
Jun	48.83	49.82
Jul	45.32	46.88
Aug	44.61	46.82
Sep	44.26	46.52
Oct	49.91	51.38
Nov*	44.46	45.71

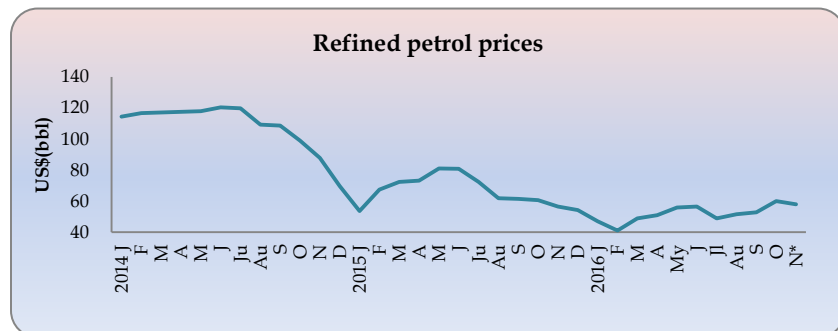
Source: Central Bank of Sri Lanka  
\*upto 11<sup>th</sup> Nov 2016



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

Month	Petrol	Diesel	Kerosene
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	55.98	54.28	55.19
Jun	56.48	57.97	58.14
Jul	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*	55.25	55.16	55.44

Source: Central Bank of Sri Lanka  
\*upto 11<sup>th</sup> Nov 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	49.00	49.00
L P Gas	12.5 kg	2,396.00	1,896.00	1,346.00	1,321.00

**Pettah Market**

**Dambulla Market**

Average Wholesale Prices	Week Ending 11/11/16	Week Ago	% Change	Year Ago Annual Avg.
<b>Rice (Rs/Kg)</b>				
Samba	85.00	85.00	0.0	83.22
Kekulu (Red)	70.00	70.00	0.0	66.15
<b>Vegetable</b>				
Beans	180.00	120.00	50.0	160.49
Cabbage	25.00	25.00	0.0	79.31
Carrots	65.00	57.50	13.0	146.27
Tomatoes	32.50	37.50	-13.3	89.80
Pumpkins	32.50	32.50	0.0	49.12
Snake Gourd	80.00	75.00	6.7	73.73
Brinjals	35.00	35.00	0.0	72.56
Ash Plantains	65.00	65.00	0.0	81.08
<b>Other Foods</b>				
Red-Onions (Local)	75.00	105.00	-28.6	105.28
Big Onions (Local)	72.50	70.00	3.6	95.17
Potatoes (N'Eliya)	112.50	122.50	-8.2	107.98
Dried Chilies (Imported)	270.00	275.00	-1.8	248.90
Dhal (Indian)	160.00	165.00	3.0	161.98
Eggs (Red) (Each)	12.00	9.50	26.3	14.17
Coconut (Each)	43.50	43.50	0.0	41.00
<b>Fish (Rs/Kg)</b>				
Kelawalla	550.00	420.00	30.9	453.14
Balaya	300.00	250.00	20.0	295.00
Salaya	130.00	130.00	0.0	114.71
Paraw (Small)	480.00	350.00	37.1	484.69

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
<b>Rice (Rs/Kg)</b>	
Samba	82.00
Kekulu (Red)	68.00
<b>Vegetables</b>	
Pumpkins	24.00
Snake Gourd	43.00
Ash Plantains	45.50
Beans	120.00
Carrots	82.00
Tomatoes	23.50
<b>Other Foods</b>	
Potatoes (N'Eliya)	114.50
Dried Chilies (Imported)	283.20
Big-Onions (Local)	67.40
Red-Onions (Local)	87.00
Coconut (Each)	34.00

Source: Central Bank of Sri Lanka

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

Item	Week Ending 11/11/16	Week Ago	Month Ago	Year Ago
Samba	80.80	80.60	77.26	79.56
Sudu Kekulu	67.90	68.10	66.52	62.37
Raw Red	61.20	61.20	60.90	66.17
Nadu	74.50	72.50	70.26	64.24

Source: Central Bank of Sri Lanka

Wholesale prices of some of the vegetable and fish varieties increased during the week. Prices of other commodities such as red onion, potatoes and dhal decreased while the prices of eggs increased during this week.

Rs.

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	92.67	91.65	1.1	92.95
No. 1	1 kg	96.00	95.41	0.6	95.81
No. 2	1kg	89.33	87.89	1.6	90.08
Nadu Red	1kg	87.47	85.73	2.0	82.85
Raw Red (Avg)	1kg	76.11	76.01	0.1	70.41
No. 1	1kg	79.11	78.31	1.0	73.92
No. 2	1kg	73.11	73.71	-0.8	66.90
Wheat Flour	1 kg	88.81	88.59	0.3	86.56
Bread	450g	58.14	58.14	0.0	53.64
Sugar	1 kg	97.10	97.53	-0.4	92.25
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	117.81	113.89	3.4	120.58
Potatoes (Local)	1kg	151.81	145.78	4.1	159.37
Red Dhal(Avg)	1kg	194.02	193.22	0.4	192.12
Cowpea (Avg)	1kg	255.68	261.30	-2.2	269.68
Green Gram(Avg)	1kg	225.22	224.17	0.5	254.34
Kadalai (Avg)	1kg	293.59	289.02	1.6	179.88
Meat					
Beef	1kg	847.22	833.33	1.7	725.53
Chicken					
Fresh	1kg	507.37	539.44	-5.9	511.82
Broiler	1kg	410.00	410.00	0.0	380.00
Fresh Fish					
Paraw	1 kg	845.00	887.33	-4.8	921.52
Balaya	1 kg	611.43	650.00	-5.9	557.84
Kelawalla	1 kg	822.80	820.45	0.3	820.19
Salaya	1 kg	155.29	151.74	2.3	180.05
Dried Fish					
Sprats	1 kg	609.41	625.15	-2.5	660.82
Eggs	Each	12.68	11.90	6.5	13.60
Coconut	Each	46.91	47.35	-0.9	47.15
Coconut Oil	750ml	222.39	224.22	-0.8	200.33
Red Onions	1 kg	131.85	124.18	6.2	159.74
B- Onions (Import)	1 kg	87.00	84.67	2.8	136.78
Brinjal	1kg	115.82	112.68	2.8	144.39
Beans Green	1 kg	205.00	202.78	1.1	280.21
Cabbage	1 kg	128.11	129.66	-1.2	195.29
Leeks	1 kg	143.65	143.72	0.0	150.60
Beet Root	1kg	122.58	120.00	2.2	174.54
Carrot	1kg	141.13	144.85	-2.6	249.19
Tomatoes	1kg	97.14	97.22	-0.1	173.87
Radish	1kg	108.75	107.10	1.5	156.40
Vetakolu	1kg	150.77	149.38	0.9	148.01
Snake Gourd	1kg	142.07	135.97	4.5	145.71
Bandakka	1kg	134.71	132.97	1.3	160.77
Kolikuttu	1kg	243.56	247.83	-1.7	185.20
Papaw	1kg	92.26	91.11	1.3	79.68
Pineapple	1kg	223.70	235.95	-5.2	121.86

Source: Department of Census and Statistics

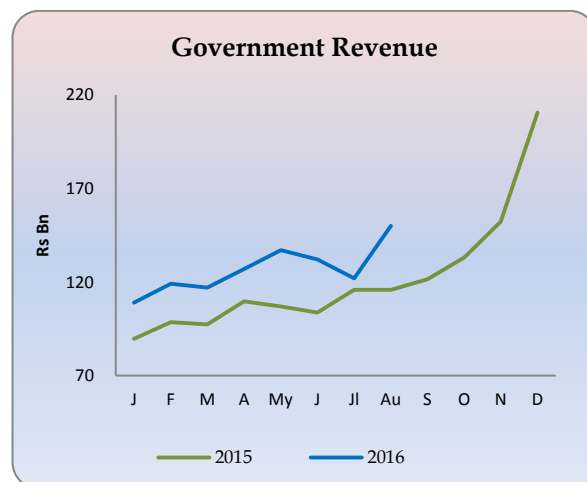
The average retail prices of rice varieties and some vegetable varieties increased and fish varieties showed a mixed performance during this week.



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

Item	2015	2016 Jan-Sep (a)
<b>Tax Revenue</b>	<b>1,355,779</b>	<b>1,067,317</b>
Income Tax	262,583	196,034
VAT	219,700	194,777
Excise Duty	497,623	336,433
Nation Building Tax	45,004	39,445
PAL	58,644	63,622
Customs Duty	132,189	114,668
SCL	52,276	43,390
Cess	46,289	44,183
License Fee and Other	41,471	34,765
<b>Non Tax Revenue</b>	<b>99,099</b>	<b>112,021</b>
<b>Total Revenue</b>	<b>1,454,878</b>	<b>1,179,338</b>



Source: Department of Fiscal Policy

(a) provisional

Note: Not to be quoted

## Government Debt

Government Debt (Rs.bn)	End Dec 2015	End June 2016 (a)
Total Domestic Debt	4,959.2	5,391.1
Total Foreign Debt	3,544.0	3,671.1
<b>Total Government Debt</b>	<b>8,503.2</b>	<b>9,062.2</b>

Source: Central Bank of Sri Lanka

(a) provisional

## Key Fiscal Indicators 2014- 2015

Indicator	Unit	2015	Jan-Sep 2016
Budget Deficit	Rs Mn	829,502	505,971
	% of GDP	7.4	-
Total Revenue	Rs Mn	1,454,878	1,179,338
	% of GDP	13.0	-
Tax Revenue	Rs Mn	1,355,779	1,067,317
	% of GDP	12.1	-
Non Tax Revenue	Rs Mn	99,099	112,021
	% of GDP	0.9	-
Recurrent Expenditure	Rs Mn	1,701,657	1,308,347
	% of GDP	15.2	-
Public Investment	Rs Mn	602,768	390,769
	% of GDP	5.4	-
Government Debt	Rs Mn	8,503,227	9,062,212
	% of GDP	76.0	-

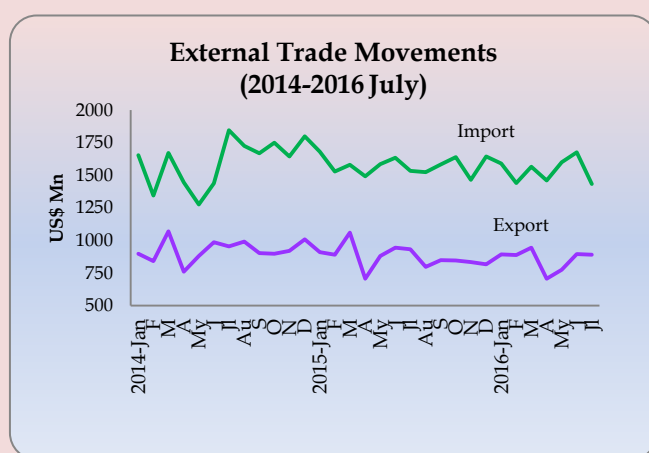
Compiled by Department of Fiscal Policy

## EXTERNAL SECTOR

## External Trade

Category	July 2015 (US\$ Mn)	July 2016 (US\$ Mn)	Growth Rate (%)	Jan-July 2015 (US\$ Mn)	Jan-July 2016 (US\$ Mn)	Growth Rate (%)
<b>Exports</b>	<b>932.1</b>	<b>891.2</b>	<b>-4.4</b>	<b>6,356.5</b>	<b>5,998.9</b>	<b>-5.6</b>
<b>Agricultural</b>	<b>245.3</b>	<b>207.9</b>	<b>-15.2</b>	<b>1,490.1</b>	<b>1,312.6</b>	<b>-11.9</b>
Tea	126.5	107.8	-14.8	809.4	726.1	-10.3
Other	118.8	100.1	-15.7	680.7	586.5	-13.8
<b>Industrial</b>	<b>682.4</b>	<b>678.5</b>	<b>-0.6</b>	<b>4,836.7</b>	<b>4,660.4</b>	<b>-3.6</b>
Rubber Products	71.8	68.2	-5.1	469.8	440.2	-6.3
Textiles and Garments	413.1	425.6	3.0	2,818.5	2,940.2	4.3
Food, Beverage and Tobacco	22.5	22.5	-0.1	155.8	173.9	11.6
Other	175.0	162.2	-7.3	1,392.6	1,106.1	-20.6
<b>Mineral</b>	<b>3.2</b>	<b>3.5</b>	<b>10.7</b>	<b>20.6</b>	<b>17.2</b>	<b>-16.6</b>
<b>Unclassified</b>	<b>1.2</b>	<b>1.2</b>	<b>0.8</b>	<b>9.1</b>	<b>8.8</b>	<b>-3.8</b>
<b>Imports</b>	<b>1,533.9</b>	<b>1,432.8</b>	<b>-6.6</b>	<b>11,080.6</b>	<b>10,753.8</b>	<b>-2.9</b>
<b>Consumer Goods</b>	<b>414.7</b>	<b>323.4</b>	<b>-22.0</b>	<b>2,722.1</b>	<b>2,431.1</b>	<b>-10.7</b>
Food and Beverages	132.7	120.8	-9.0	1,003.3	896.5	-10.6
Other Consumer Goods	282.0	202.6	-28.2	1,718.8	1,534.6	-10.7
<b>Intermediate Goods</b>	<b>752.0</b>	<b>704.7</b>	<b>-6.3</b>	<b>5,703.9</b>	<b>5,485.1</b>	<b>-3.8</b>
Petroleum	174.8	142.3	-18.6	1,648.2	1,320.2	-19.9
Textiles & Textile Articles	201.0	198.0	-1.5	1,393.2	1,544.7	10.9
Other Intermediate Goods	376.2	364.4	-3.1	2,662.5	2,620.2	-1.6
<b>Investment Goods</b>	<b>365.8</b>	<b>403.1</b>	<b>10.2</b>	<b>2,643.6</b>	<b>2,829.9</b>	<b>7.0</b>
Machinery and Equipment	179.1	224.7	25.4	1,321.8	1,596.5	20.8
Transport Equipment	80.8	57.0	-29.4	595.8	347.9	-41.6
Building Material	105.7	120.9	14.4	723.2	881.6	21.9
Other Investment Goods	0.2	0.6	153.6	2.7	3.8	40.9
<b>Unclassified</b>	<b>1.4</b>	<b>1.6</b>	<b>11.4</b>	<b>11.0</b>	<b>7.7</b>	<b>-29.5</b>
<b>Trade Balance</b>	<b>-601.8</b>	<b>-541.6</b>	<b>-10.0</b>	<b>-4,724.1</b>	<b>-4,754.9</b>	<b>0.6</b>

Source: Central Bank of Sri Lanka

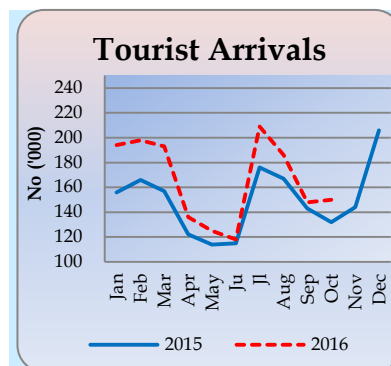


- Export earnings during January to July 2016 declined by 5.6 percent, compared to the respective period of 2015. The earnings for the month of July dropped by 4.4 percent on year on year basis, reflecting the negative contribution from agricultural, industrial and mineral exports.
- On a cumulative basis, expenditure on imports decreased by 2.9 percent for the period during January to July 2016. Expenditure on imports for the month of July 2016 recorded 6.6 percent decreased over the corresponding month of 2015 despite the decline in imports of consumer and intermediate goods.
- Trade deficit was US\$ 4,754.93Mn during January to July 2016 recording 0.6 percent expand 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	125,044	10.1	143.3	188.2	207.2	10.1
Jun	103,175	115,467	118,038	2.2	164.2	191.4	195.6	2.2
July	133,971	175,804	209,351	19.1	213.3	291.4	347.0	19.1
Aug	140,319	166,610	186,288	11.8	223.4	276.1	308.8	11.8
Sep	105,535	143,374	148,499	3.6	168.0	237.6	246.1	3.6
Oct	121,576	132,280	150,419	13.7	193.5	219.2	249.3	13.7
Nov	119,727	144,147			190.6	238.9		
Dec	178,672	206,114			284.4	341.6		
<b>Total</b>	<b>1,527,153</b>	<b>1,798,380</b>	<b>1,658,824 *</b>	<b>14.6</b>	<b>2,431.0</b>	<b>2,980.7</b>	<b>2,749.4 *</b>	<b>14.6</b>

Source: Sri Lanka Tourism Development Authority

\*Jan-Oct



### Tourism

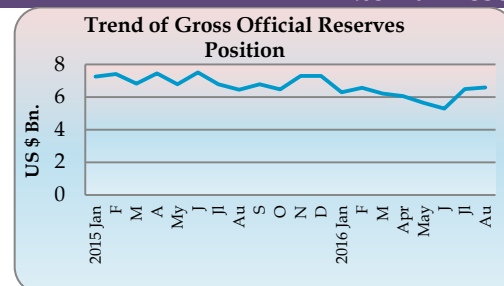
Earnings from tourism increased to US \$ 2,749.4 Mn. during January to October 2016 with an increase of 14.6 per cent over the same period of 2015.

The number of tourist arrivals increased to 1,798,380 during January to October 2016 with a 14.6 per cent increase compared to same period of 2015.

### External Assets

External Assets (US\$ Mn)	Aug 2016	July 2016	May 2016	Aug 2015	July 2015	May 2015	Growth 2015Au /2016 Au (%)
Total Reserves	9,240.9	8,850.3	7,663.2	8,190.0	8,431.4	8,714.5	12.8
Gross Official Reserves	6,598.9	6,489.2	5,645.1	6,457.7	6,808.5	6,845.8	2.2

Source: Central Bank of Sri Lanka



### Official reserves

The gross official reserves and total reserves were US\$ 6.6 Bn and US\$ 9.2 Bn, respectively by end August 2016. Total foreign reserves were sufficient to 4.9 months of imports and the gross official reserves were equivalent to 3.6 months of imports. Workers' remittances increased by 3.9 per cent in dollar terms to US \$ 5,382.0 Mn. in January to September 2016.

### Private Remittances

Category	2015 Jan -Sep	2016 Jan -Sep (a)	% Change
Inflows US\$ Mn	5,182.2	5,382.0	3.9
Rs. Bn	693.4	779.5	12.0

Source: Central Bank of Sri Lanka

(a) Provisional

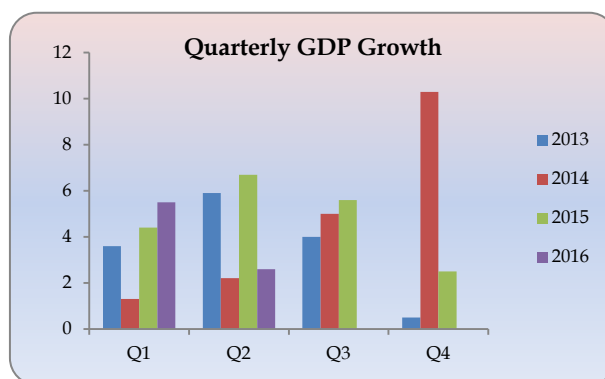
## PRODUCTION

### 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>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
<b>2016</b>	<b>5.5</b>	<b>2.6</b>			
Agriculture	1.9	-5.6			
Industry	8.3	2.2			
Service	4.9	4.9			

Source: Department of Census & Statistics

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



### GDP grew by 3.9%

The Sri Lankan economy grew by 3.9% in the first half of 2016 compared to the 5.7% growth recorded in the same period of 2015. The Industry sector mainly supported to this growth with 5.2% contribution while the Service sector contributed to GDP by 4.9% and Agriculture sector negatively contributed to GDP by 2.5%.

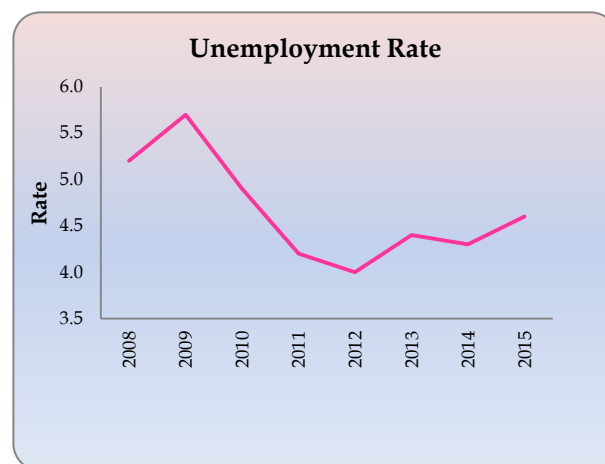
### Labour Force Statistics

Employment	2016 2 <sup>nd</sup> Quarter* (a)	2015 2 <sup>nd</sup> Quarter (a)	2015 Annual (a)	2014 Annual (a)
Labour Force	53.3	54.2	53.8	53.2
Participation Rate				
Unemployment Rate	4.6	4.5	4.7	4.3
Unemployment Rate				
<b>By Gender</b>				
Male	3.1	3.1	3.0	3.1
Female	7.3	7.1	7.6	6.5
<b>By Age Group</b>				
20-29	14.4	14.6	14.2	13.6
20-24	21.2	21.1	19.7	19.9
25-29	8.3	9.2	9.4	8.2

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



### Paddy Production

Category	2015			2016		
	2014/2015 Maha	2015 Yala	Total	2015/2016 Maha	2016 Yala	Total
<b>Production</b>						
Mn.Mt	2.88	1.94	4.82	2.90	1.55	4.45
Bushels Mn.	138	93	231	139	71	210
<b>Net Extent Harvested</b>						
Hectares ('000)	659	429	1,088	667	391	1,058
Acres ('000)	1,629	1,060	2,689	1,649	-	-
<b>Average Yield kg per ha</b>	4,364	4,527	4,429	4,349	-	-

Source: Department of Census & Statistics

The paddy production in 2016 Yala season decreased by 17.8 percent to around 1.6 million mt. compared to the 1.9 million mt recorded in 2015.

## Tea, Rubber & Coconut Production

Category	2015 Jan - Sep	2016 Jan - Sep	% Change
<b>Production</b>			
Tea (Mn. Kg)	251.3	216.7	-13.7
Rubber (Mn. Kg)	69.8	63.9	8.4
Coconut (Mn. Nuts)	2,295.1	2,364.7	3.0
<b>Exports (US\$ Mn)</b>			
	<b>2015 Jan - July</b>	<b>2016 Jan - July</b>	
Tea	809.4	726.1	-10.3
Rubber	16.1	18.6	15.6
Coconut	208.5	206.0	-1.2
<b>Colombo Auction Prices</b>			
	<b>2015 July</b>	<b>2016 July</b>	
Tea (Rs./ Kg)	400.5	452.3	12.9
Rubber (Rs./ Kg)	243.0	254.4	4.7
Coconut (Rs/nut)	37.6	27.8	-26.2

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

## Factory Industrial Production Index (2010=100)

Item	2015 July	2016 July (b)	Growth %
Manufacture of Food Products	112.4	102.8	-8.5
Manufacture of Beverages	123.8	102.0	-17.6
Manufacture of Tobacco Products	106.5	107.0	0.4
Manufacture of Textiles	140.7	141.5	0.5
Manufacture of Wearing Apparel	187.1	164.5	-12.1
Manufacture of Leather and Related Products	83.6	115.5	38.1
Manufacture of Wood products except Furniture	132.7	145.0	9.2
Manufacture of Paper and Paper Products	129.0	129.0	0.0
Printing and Reproduction of Recorded Media	114.1	114.1	0.0
Manufacture of Coke and Refined Petroleum Products	108.2	94.4	-12.7
Manufacture of Chemicals and Chemical Products	78.5	85.3	8.7
Manufacture of Pharmaceuticals, Medicinal Chemicals	140.1	156.1	11.4
Manufacture of Rubber and Plastic Products	146.2	152.4	4.2
Manufacture of Other Non Metallic Mineral Products	129.1	132.5	2.6
Manufacture of Basic Metals	122.3	123.9	1.4
Manufacture of Fabricated Metal Products	81.2	84.2	3.7
Manufacture of Electrical Equipment	169.9	122.6	-27.9
<b>Factory Industry Production Index</b>	<b>133.0</b>	<b>124.2</b>	<b>-6.6</b>

Source: Central Bank of Sri Lanka

(a) FIPI based on ISIC Revision 4 classification

(b) Provisional