

WEEKLY ECONOMIC REPORT

December 16, 2016

Department of Fiscal Policy



CCPI increased to **3.4%** in November



NCPI increased to **5.0 %** in October



Trade deficit expanded by **1.6 %** during Jan-August 2016



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



Exchange rate appreciated to **US\$1=Rs. 149.36**



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



Brent crude oil decreased to: **US\$ 54.16** per bbl



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



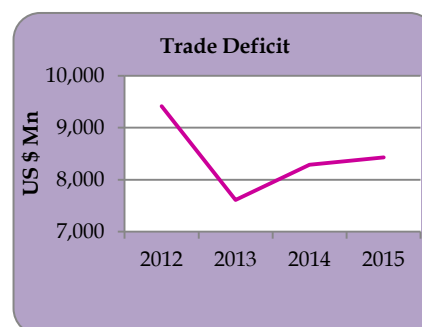
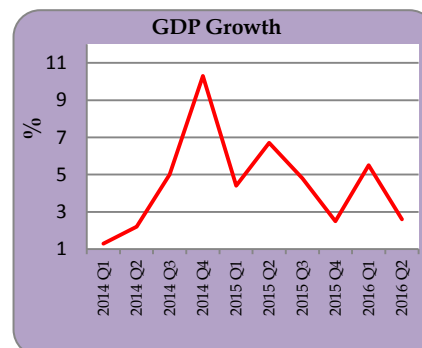
Tourist arrivals up by **14.7%** during Jan-Nov 2016



Unemployment rate was **4.6%** in the 2nd Quarter 2016



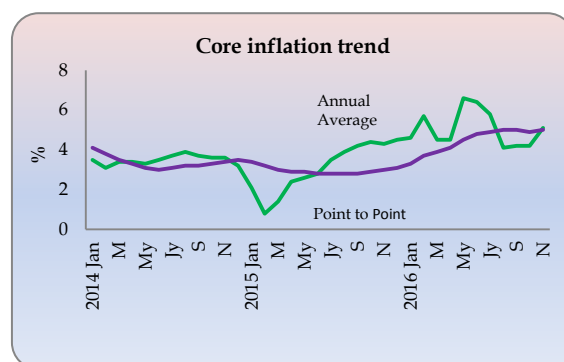
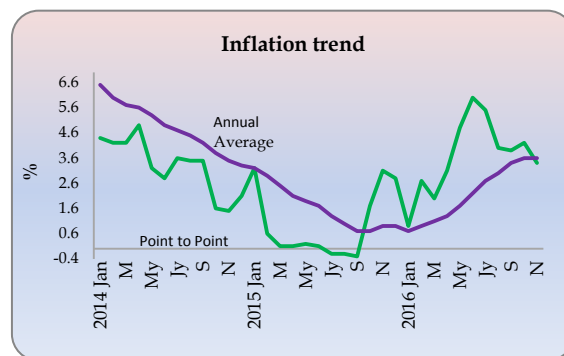
Workers Remittance grew by **3.5%** during Jan- Oct 2016



CONTENTS

	Page no.
Monetary Sector	ii
Fiscal Sector	ix
External Sector	x
Real Sector	xii

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
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
Nov	3.4	3.6	5.1	5.0	-	-



Source: Department of Census and Statistics

The point to point inflation decreased to 3.4 per cent in November 2016. The annual average 3.6 per cent in November 2016. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 5.1 per cent, on point to point basis, while annual average core inflation increased to 5.0 per cent, in November 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 October 2016 to November 2016

Movements of the CCPI in Food Items

Commodity	Value Change Rs.	Change %
Food	12.70	0.02
Rice	94.74	0.18
Chicken	-35.82	0.07
Fresh Fish	-165.46	0.31
Dried Fish	21.85	0.04
Coconut	53.91	0.10
Vegetables	76.30	0.14
Red Onion	12.18	0.02
Eggs	-36.26	-0.07
Green Chillies	-8.42	-0.02
Garlic	8.69	0.02
Mangoes	-75.15	-0.14
Papaw	-79.05	0.15
Limes	101.37	0.19

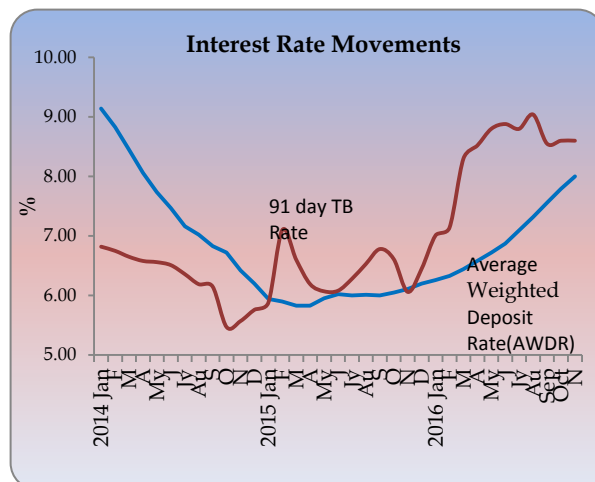
Source: Department of Census and Statistics

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
May-15	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
Nov	0.0	2.9	4.4

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)
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
Nov	190.9	3.4	3.6	8.60	5.20	5.00

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



Interest Rate Movements

Category	Week Ending 16 th Dec 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	8.42	8.40	8.40	6.33
Treasury Bill (Yield rate)				
91 Days		8.60	8.55	6.28
182 Days	9.56	9.56	9.39	6.54
364 Days	10.11	10.10	10.11	7.01
Prime Lending Rate	11.92	11.88	11.98	7.33
	Nov-16		Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.00		7.79	6.11

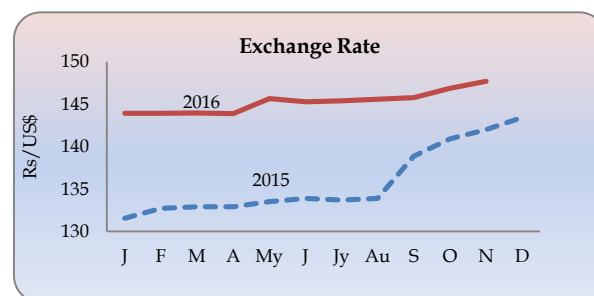
Source : Central Bank of Sri Lanka

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 increased to 11.92 per cent by week ending 16th December 2016 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of November 2016 was 8.00 percent.

Exchange Rates

Currency	Week Ending 16 th Dec 2016	Week Ago	Month Ago	Year Ago	% Change 2015/16
US Dollar	149.36	148.73	146.62	143.57	4.0
Sterling Pound	185.33	187.24	188.55	217.57	-14.8
Euro	155.70	157.68	163.20	157.99	-1.5
Japanese Yen	1.27	1.30	1.42	1.19	6.7
Indian Rupee	2.20	2.20	2.20	2.14	2.8

Source : Central Bank of Sri Lanka



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

MONEY SUPPLY & CAPITAL MARKET

Money Supply and Credit Growth

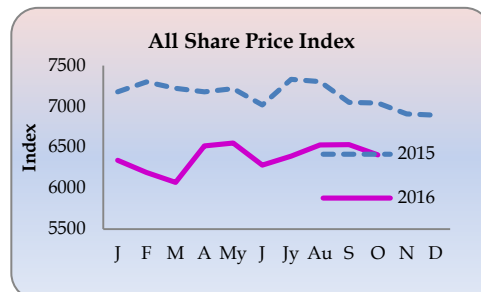
Item	Sep 2016	Aug 2016	Jun 2016	Aug 2015	Jun 2015	May 2015	Growth 2015Sep/2016 Sep (%)
M ₁ (Rs Bn)	729.3	714.2	705.6	660.4	650.0	629.4	22.3
M ₂ (Rs Bn)	4,551.9	4434.8	4,310.5	3,821.8	3783.9	3,677.5	15.2
M _{2b} (Rs Bn)	5,096.2	4988.6	4,843.7	4,305.0	4252.5	4,141.1	16.0

Item	Sep 2016	Month Ago	Year Ago	Growth 2015Sep/2016 Sep (%)
Credit to Private Sector (Rs.bn)	3,965.4	3,905.9	3,156.3	25.6
DBUs	3,678.3	3,616.6	2,913.6	26.2
OBUs	287.1	289.3	242.7	18.3

Source: Central Bank of Sri Lanka

Share Market

Indicator	Week ending 16 th Dec-16	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,269	6,324	6,834
S & P Sri Lanka 20 Index (S & P SL20)	3,522	3,555	3,597
Average Daily Turnover (Rs.Mn)	1,138	2,996	2,270
Market Capitalization (Rs.Bn.)	2,675	2,699	2,915



Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 55 index points and closed at 6,269 points compared to the second week of December. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 33 to 3,522 index points. The Average Daily Turnover increased by Rs. 1,858 million and stationed at Rs.1, 138 million. Market capitalization reached Rs. 2,675 billion in the third week of December 2016.

Equity Trading Statistics

Indicator	Oct 2016	Oct 2015	Jan -Oct 2016	Jan -Oct 2015
Turnover -Equity (Rs. Mn.)	9,851.6	20,719.9	145,236.2	219,270.3
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
Trade Equity	76,149	142,128	958,350	1,356,825
Domestic	73,069	136,377	910,549	1,292,785
Foreign	3,080	5,751	47,801	64,040
Shares Traded Equity	478.9	651.2	6,499.1	8,039.9
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

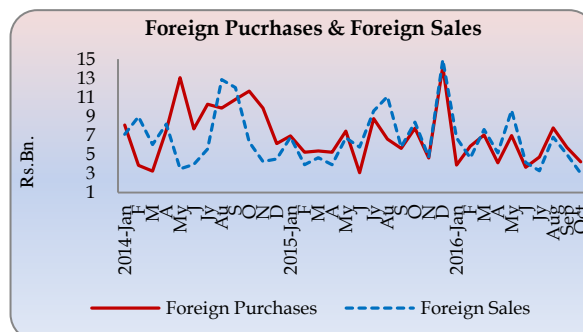
Price Indices	Sep 2016	Oct 2016
ASPI	6,534.77	6,409.23
S&P SL 20	3,617.32	3,559.92
Total Return Indicators		
ASTRI	8,631.0	8,466.92
S&P SL20 (TRI)	4,966.30	4,902.42
Market PER	13.43	13.28
Dividend Yield	3.03	3.05
Market Capitalization (Rs.Bn.)	2,785.68	2,732.38

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

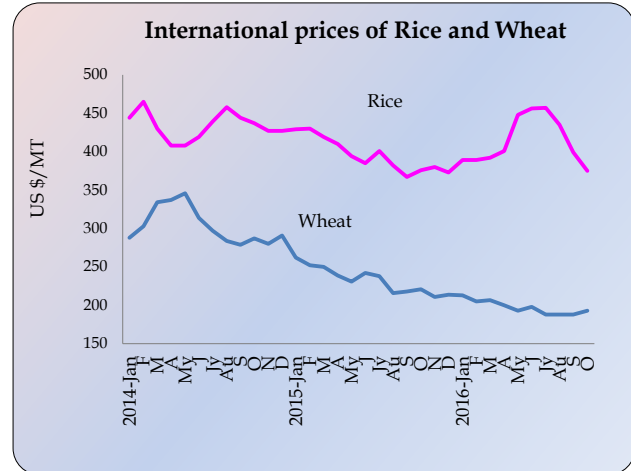
Source: Colombo Stock Exchange



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

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	Aug	Sep	Oct
		2013	2014	2015	2016	2016	2016
Non Energy, Agriculture, Beverages							
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
Food, Fats & Oils							
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
Grains							
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
Other Food							
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
Raw Materials, Timber							
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
Other Raw Materials							
Rubber RSS3, US	\$/kg	2.79	1.96	1.56	1.55	1.57	1.66
Fertilizers							
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
Metals and Minerals							
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

¢= US cent

\$= US dollar

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

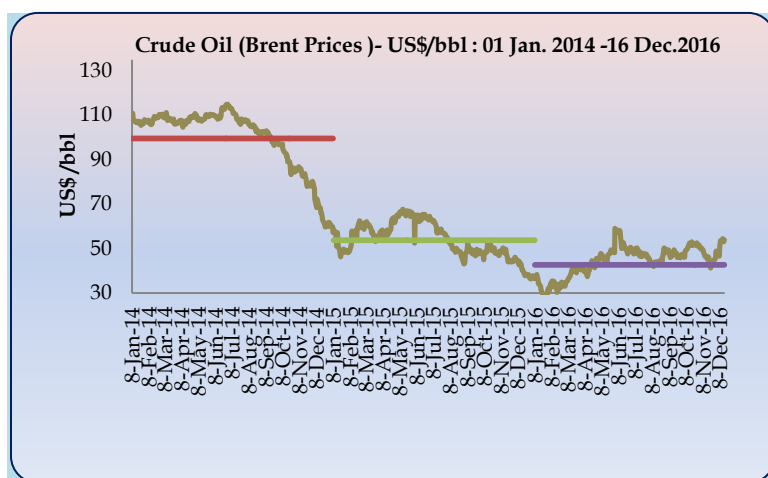
Item	Dec 12	Dec 13	Dec 14	Dec 15	Dec 16	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	56.64	55.62	55.15	53.92	54.23	53.91	44.22	38.45
WTI (US\$/bbl.)	53.90	52.66	52.37	50.92	51.15	50.98	45.56	36.86
Petrol	-	63.70	63.60	63.61	63.00	65.00	54.85	52.40
Diesel	-	63.00	62.69	61.93	61.28	64.29	55.31	46.01
Kerosene	-	64.75	64.60	63.67	63.30	66.53	55.80	43.56

Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Apr-15	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	45.85	45.96
Dec*	51.15	54.23

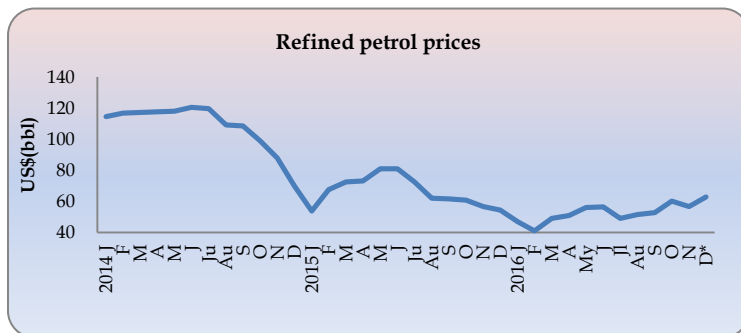
Source: Central Bank of Sri Lanka
*upto 16th Dec 2016



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

Month	Petrol	Diesel	Kerosene
Apr-15	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	56.63	56.03	56.62
Dec*	63.00	61.28	63.30

Source: Central Bank of Sri Lanka
*upto 16th Dec 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 16/12/16	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	85.00	85.00	0.0	83.22
Kekulu (Red)	78.0	75.00	4.0	66.15
Vegetable				
Beans	160.00	210.00	-23.8	160.49
Cabbage	27.50	25.00	10.0	79.31
Carrots	95.00	95.00	0.0	146.27
Tomatoes	37.50	32.50	15.4	89.80
Pumpkins	30.00	37.50	-20.0	49.12
Snake Gourd	95.00	90.00	5.6	73.73
Brinjals	35.00	35.00	0.0	72.56
Ash Plantains	65.00	65.00	0.0	81.08
Other Foods				
Red-Onions (Local)	n.a	110.00	-	105.28
Big Onions (Local)	92.50	80.00	15.6	95.17
Potatoes (N'Eliya)	157.50	150.00	5.0	107.98
Dried Chillies (Imported)	240.00	240.00	0.0	248.90
Dhal (Indian)	150.00	153.00	2.0	161.98
Eggs (Red) (Each)	14.20	14.20	0.0	14.17
Coconut (Each)	44.00	43.50	1.2	41.00
Fish (Rs/Kg)				
Kelawalla	510.00	500.00	2.0	453.14
Balaya	300.00	250.00	20.0	295.00
Salaya	190.00	90.00	111.1	114.71
Paraw (Small)	460.00	400.00	15.0	484.69

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	88.00
Kekulu (Red)	77.50
Vegetables	
Pumpkins	29.38
Snake Gourd	61.88
Ash Plantains	53.75
Beans	120.00
Carrots	95.63
Tomatoes	24.38
Other Foods	
Potatoes (N'Eliya)	147.50
Dried Chillies (Imported)	242.50
Big-Onions (Local)	90.88
Red-Onions (Local)	78.75
Coconut (Each)	39.00

Source: Central Bank of Sri Lanka

Marandagahamula Average Price of Rice (Rs /Kg)

Item	Week Ending 16/12/16	Week Ago	Month Ago	Year Ago
Samba	85.33	83.50	81.10	79.56
Sudu Kekulu	82.50	79.38	68.83	62.37
Raw Red	72.83	71.00	61.52	66.17
Nadu	84.83	81.88	74.60	64.24

Source: Central Bank of Sri Lanka

Wholesale prices of some of the vegetable varieties, some of rice varieties, fish varieties and other commodities such as big onion and potatoes increased during the week.

Weekly Retail Commodity Prices – 1st Week of December 2016

					Rs.
Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	93.73	93.40	-1.8	95.43
No. 1	1 kg	96.96	96.30	-1.1	98.07
No. 2	1kg	90.50	90.50	-2.5	92.80
Nadu Red	1kg	90.23	87.59	8.2	83.39
Raw Red (Avg)	1kg	80.60	77.44	12.8	71.46
No. 1	1kg	82.72	80.80	13.0	73.19
No. 2	1kg	78.48	74.07	12.5	69.74
Wheat Flour	1 kg	88.69	89.36	2.6	86.43
Bread	450g	58.14	58.14	9.2	53.25
Sugar	1 kg	97.46	98.32	7.3	90.85
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	124.23	126.50	30.6	95.11
Potatoes (Local)	1kg	154.47	156.56	11.6	138.44
Red Dhal(Avg)	1kg	195.17	196.74	9.6	178.09
Cowpea (Avg)	1kg	261.67	262.67	-2.1	267.40
Green Gram(Avg)	1kg	226.24	227.85	-10.6	253.00
Kadalai (Avg)	1kg	294.86	299.73	69.2	174.23
Meat					
Beef	1kg	842.27	839.29	17.0	720.19
Chicken					
Fresh	1kg	486.84	510.28	-2.4	498.93
Broiler	1kg	410.00	410.00	7.9	380.00
Fresh Fish					
Paraw	1 kg	812.73	842.89	-9.1	893.83
Balaya	1 kg	584.29	602.22	14.0	512.43
Kelawalla	1 kg	850.87	836.84	4.6	813.74
Salaya	1 kg	163.00	162.00	-5.5	172.53
Dried Fish					
Sprats	1 kg	625.16	615.20	10.3	566.56
Eggs	Each	15.32	15.07	-1.8	15.60
Coconut	Each	46.58	49.51	0.2	46.50
Coconut Oil	750ml	231.03	225.59	14.6	201.56
Red Onions	1 kg	130.00	131.90	-22.9	168.69
B- Onions (Import)	1 kg	89.07	88.18	1.2	88.01
Brinjal	1kg	114.74	116.43	-32.6	170.30
Beans Green	1 kg	239.46	233.16	-18.2	292.89
Cabbage	1 kg	113.33	121.03	-49.7	225.11
Leeks	1 kg	132.95	133.33	-30.1	190.19
Beet Root	1kg	133.14	127.22	-40.1	222.26
Carrot	1kg	145.41	136.22	-48.3	281.30
Tomatoes	1kg	81.39	92.63	-64.2	227.07
Radish	1kg	117.80	113.91	-30.7	170.05
Vetakolu	1kg	151.00	143.85	-0.8	152.24
Snake Gourd	1kg	145.45	145.00	0.8	144.32
Bandakka	1kg	128.65	128.48	-27.1	176.56
Kolikuttu	1kg	224.17	230.32	21.8	184.00
Papaw	1kg	93.85	88.85	23.2	76.15
Pineapple	1kg	190.00	208.46	64.1	115.80

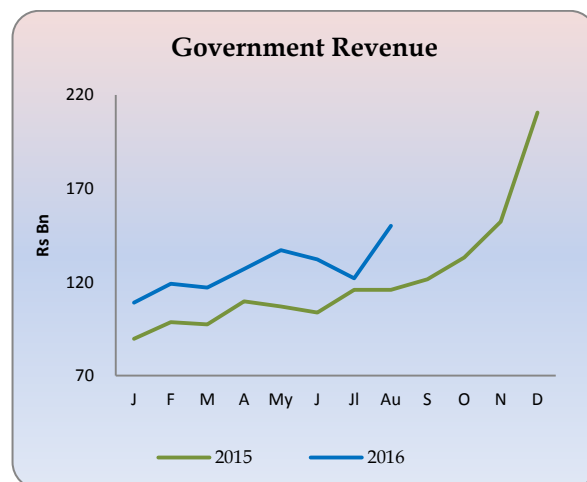
Source: Department of Census and Statistics

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)
Tax Revenue	1,355,779	1,067,317
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
Non Tax Revenue	99,099	112,021
Total Revenue	1,454,878	1,179,338



Source: Department of Fiscal Policy

(a) provisional

Note: Not to be quoted

Government Debt

Government Debt (Rs.bn)	End Dec 2015	End Sep 2016 (a)
Total Domestic Debt	4,959.2	5,332.3
Total Foreign Debt	3,544.0	4,069.7
Total Government Debt	8,503.2	9,401.9

Source: Central Bank of Sri Lanka

(a) provisional

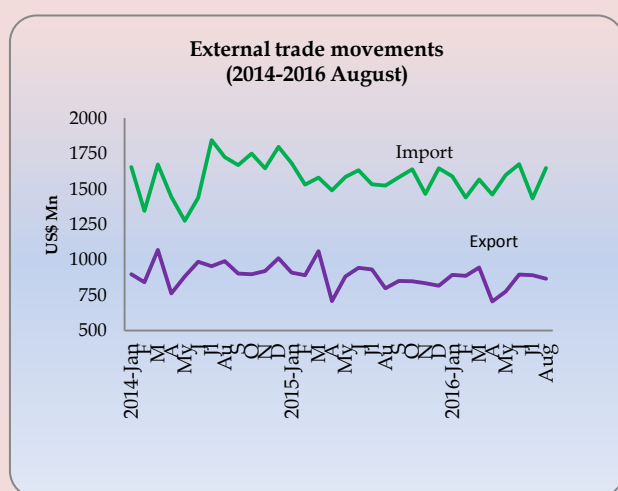
Key Fiscal Indicators 2014- 2015

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

Category	Aug 2015 (US\$ Mn)	Aug 2016 (US\$ Mn)	Growth Rate (%)	Jan-Aug 2015 (US\$ Mn)	Jan-Aug 2016 (US\$ Mn)	Growth Rate (%)
Exports	798.9	866.3	8.4	7,155.4	6,865.2	-4.1
Agricultural	177.8	208.0	17.0	1,667.8	1,520.6	-8.8
Tea	91.8	108.9	18.6	901.2	835.0	-7.3
Other	86.0	99.1	15.2	766.6	685.6	-10.6
Industrial	618.2	654.3	5.8	5,455.0	5,314.7	-2.6
Rubber Products	55.1	68.2	23.9	524.9	508.4	-3.1
Textiles and Garments	400.1	393.4	-1.7	3,218.7	3,333.7	-1.7
Food, Beverage and Tobacco	18.5	25.6	38.6	174.3	199.5	14.5
Other	144.5	167.1	15.6	1,537.1	1,273.1	-17.2
Mineral	1.8	2.5	39.8	22.4	19.7	-12.1
Unclassified	1.1	1.5	35.2	10.2	10.2	0.4
Imports	1,523.4	1,649.1	8.3	12,604.0	12,402.9	-1.6
Consumer Goods	420.3	393.7	-6.3	3,142.4	2,824.9	-10.1
Food and Beverages	121.1	142.6	17.8	1,124.4	1,039.1	-7.6
Other Consumer Goods	299.2	251.1	-16.1	2,018.0	1,785.8	-11.5
Intermediate Goods	738.7	824.0	11.5	6,442.7	6,309.0	-2.1
Petroleum	186.5	180.6	-3.2	1,834.7	1,500.8	-18.2
Textiles & Textile Articles	154.2	220.0	42.7	1,547.4	1,764.7	14.0
Other Intermediate Goods	398.0	423.4	6.4	3,060.6	3,043.5	-0.5
Investment Goods	363.8	429.7	18.1	3,007.4	3,259.6	8.4
Machinery and Equipment	161.1	218.9	35.9	1,482.9	1,815.4	22.4
Transport Equipment	80.5	66.3	-17.6	676.3	414.3	-38.7
Building Material	121.9	144.1	18.2	845.1	1,025.7	21.4
Other Investment Goods	0.3	0.3	3.0	3.0	4.1	36.8
Unclassified	0.5	1.7	214.0	11.5	9.4	-18.2
Trade Balance	-724.5	-782.8	8.1	-5,448.6	-5,537.7	1.6

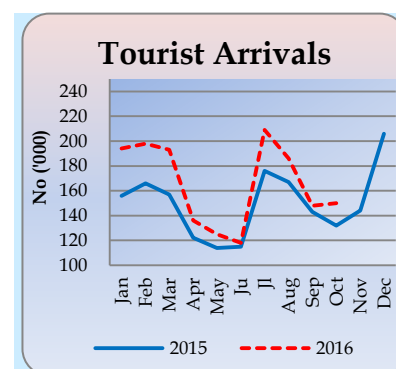
Source: Central Bank of Sri Lanka



- Export earnings during January to August 2016 declined by 4.1 percent, compared to the respective period of 2015. The earnings for the month of August increased by 8.4 percent on year on year basis, reflecting the positive contribution from agricultural, industrial and mineral exports.
- On a cumulative basis, expenditure on imports decreased by 1.6 percent for the period during January to August 2016. Expenditure on imports for the month of August 2016 recorded 8.3 percent increase over the corresponding month of 2015 despite the increase in imports of consumer and intermediate goods.
- Trade deficit was US\$ 5,537.7 Mn during January to August 2016 recording 1.6 percent expansion over the same period of 2015.

Tourist Arrivals

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	167,217	16.0	190.6	238.9	277.1	16.0
Dec	178,672	206,114			284.4	341.6		
Total	1,527,153	1,798,380	1,826,041*	14.7	2,431.0	2,980.7	3,026.5*	14.7



Source: Sri Lanka Tourism Development Authority

*Jan-Oct

Tourism

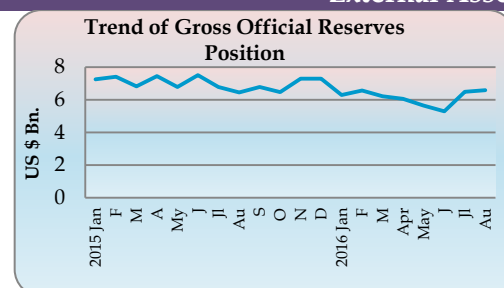
Earnings from tourism increased to US \$ 3,026.5 Mn. during January to November 2016 with an increase of 14.7 per cent over the same period of 2015.

The number of tourist arrivals increased to 1,826,041 during January to November 2016 with a 14.7 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 Aug(%)
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 5.9 months of imports and the gross official reserves were equivalent to 4.2 months of imports. Workers' remittances increased by 3.5 per cent in dollar terms to US \$ 5,989.5 Mn. in January to October 2016.

Private Remittances

Category	2015 Jan -Oct	2016 Jan -Oct (a)	% Change
Inflows US\$ Mn	5,787.3	5,989.5	3.5
Rs. Bn	778.6	868.7	11.6

Source: Central Bank of Sri Lanka

(a) Provisional

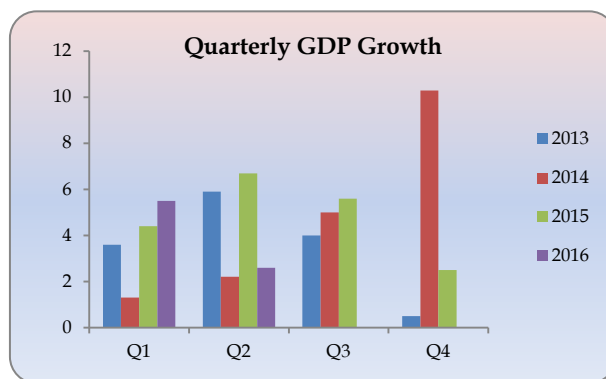
PRODUCTION

QUARTERLY GDP GROWTH (%)

	1 st Q	2 nd Q	3 rd Q	4 th Q	Annual
2012	8.0	6.4	5.2	6.8	9.1
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
2013	3.6	5.9	4.0	0.5	3.4
Agriculture	2.2	3.9	4.5	2.5	3.2
Industry	6.7	6.0	2.8	0.6	4.1
Service	2.9	7.7	5.5	-0.8	3.8
2014	1.3	2.2	5.0	10.3	4.9
Agriculture	7.3	4.1	3.2	5.0	4.9
Industry	-1.5	-2.8	7.8	11.7	3.5
Service	1.9	4.0	3.0	11.7	5.2
2015	4.4	6.7	4.8	2.5	4.8
Agriculture	5.9	10.4	7.3	-0.5	5.5
Industry	1.4	3.9	4.9	1.9	3.0
Service	5.4	6.9	6.5	2.7	5.3
2016	5.5	2.6			
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%.

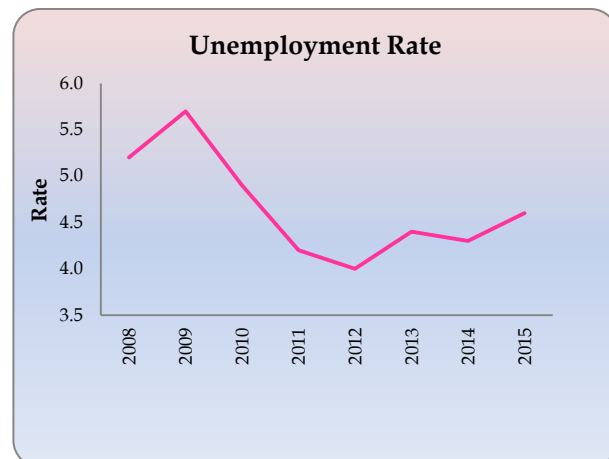
Labour Force Statistics

Employment	2016 2 nd Quarter* (a)	2015 2 nd Quarter (a)	2015 Annual (a)	2014 Annual (a)
Labour Force Participation Rate	53.3	54.2	53.8	53.2
Unemployment Rate	4.6	4.5	4.7	4.3
By Gender				
Male	3.1	3.1	3.0	3.1
Female	7.3	7.1	7.6	6.5
By Age Group				
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
Production						
Mn.Mt	2.88	1.94	4.82	2.90	1.55	4.45
Bushels Mn.	138	93	231	139	71	210
Net Extent Harvested						
Hectares ('000)	659	429	1,088	667	391	1,058
Acres ('000)	1,629	1,060	2,689	1,649	-	-
Average Yield kg per ha	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
Production			
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
Exports (US\$ Mn)			
	2015 Jan - Aug	2016 Jan - Aug	
Tea	901.2	835.0	-7.3
Rubber	17.8	20.9	17.4
Coconut	238.0	238.3	0.1
Colombo Auction Prices			
	2015 Aug	2016 Aug	
Tea (Rs./ Kg)	384.4	468.8	22.0
Rubber (Rs./ Kg)	243.3	229.3	-5.8
Coconut (Rs/nut)	34.8	26.9	-22.8

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
Factory Industry Production Index	133.0	124.2	-6.6

Source: Central Bank of Sri Lanka

(a) FIPI based on ISIC Revision 4 classification

(b) Provisional