

# WEEKLY ECONOMIC REPORT

March 17, 2017

## Department of Fiscal Policy



**CCPI** increased to **6.8%** in February 2017



**NCPI** increased to **6.5 %** in January 2017



**Trade deficit** increased to **7.5%** during Jan-November 2016



**GDP** grew by **4.0 %** in the first nine months of 2016



**Exchange rate** depreciated to **US\$1=Rs. 152.25**



**Credit to private sector** increased by **21.9%** in December 2016



**Brent crude oil** decreased to: **US\$ 53.80** per bbl



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



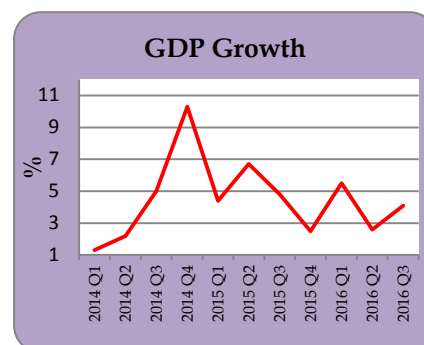
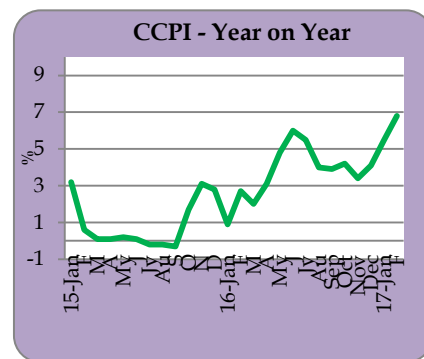
**Tourist arrivals** up by **6.4%** during Jan-Feb 2017



**Unemployment rate** was **4.5%** in the 3<sup>rd</sup> Quarter 2016



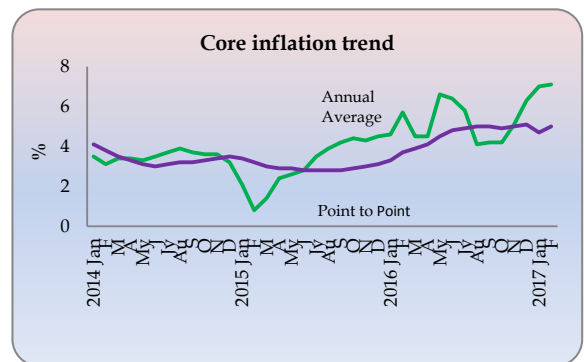
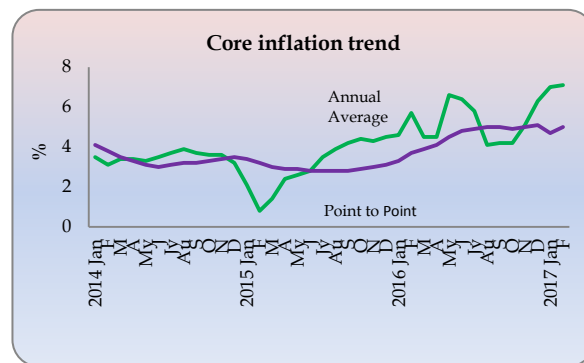
**Worker's Remittance** grew by **1.4%** in January 2017



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Month	CCPI (%)		Core Inflation (%)		NCPI (%)	
	(2013=100)		(2013=100)		(2013=100)	
	Point to Point	Annual Average	Point to Point	Annual Average	Monthly Change	Point to Point
Apr-15	1.4	2.1*	4.4	2.9*	-0.6	2.8
May	1.5	1.9*	4.5	2.9*	0.9	3.0
Jun	1.5	1.7*	4.7	2.8*	1.0	2.7
Jul	1.1	1.3*	5.0	2.8*	-0.2	1.8
Aug	1.0	1.0*	5.2	2.8*	-0.5	1.9
Sep	1.1	0.7*	5.6	2.8*	0.0	1.9
Oct	2.9	0.7*	5.5	2.9*	0.7	3.0
Nov	4.4	0.9*	6.5	3.0*	2.6	4.8
Dec	4.6	0.9*	6.7	3.1*	1.1	4.2
Jan-16	1.7	2.1	3.6	4.9	-1.1	-0.7
Feb	2.9	2.1	4.4	5.0	-1.1	1.7
Mar	2.6	2.2	3.7	5.0	-0.7	2.2
Apr	3.4	2.4	3.5	4.9	1.5	4.3
May	4.8	2.7	5.6	5.0	1.9	5.3
Jun	5.5	3.0	5.4	5.1	2.1	6.4
Jul	5.8	3.4	5.0	5.1	-0.8	5.8
Aug	4.4	3.7	3.8	4.9	-1.6	4.5
Sep	4.2	3.9	3.7	4.8	0.2	4.7
Oct	4.1	4.0	3.8	4.6	4.0	5.0
Nov	4.0	4.0	4.8	4.5	4.0	4.1
Dec	4.5	4.0	5.8	4.4	4.0	4.2
Jan-17	5.5	4.3	7.0	4.7	1.1	6.5
Feb	6.8	4.6	7.1	5.0	-	-



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

The point to point inflation of CCPI increased to 6.8 per cent in February 2017. The annual average of CCPI increased to 4.6 per cent in February 2017. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 7.1 per cent, on point to point basis, while annual average core inflation increased to 5.0 per cent, in February 2017. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 6.5 percent in January 2017, on year on year basis.

Contribution of Food Items to CCPI from January 2017 to February 2017

Commodity	Value Change Rs.	Change %
<b>Food</b>	<b>255.71</b>	<b>0.36</b>
Rice	26.65	0.04
Chicken	-8.77	-0.01
Fresh Fish	25.29	0.04
Dried Fish	8.52	0.01
Coconut	109.71	0.16
Coconut Oil	19.51	0.03
Vegetables	22.63	0.03
Big Onion	-8.47	-0.01
Red Onions	6.02	0.01
Potatoes	-14.41	-0.02
Green chilies	24.64	0.04
Sugar	4.16	0.01
Banana	46.76	0.07

Source: Department of Census and Statistics

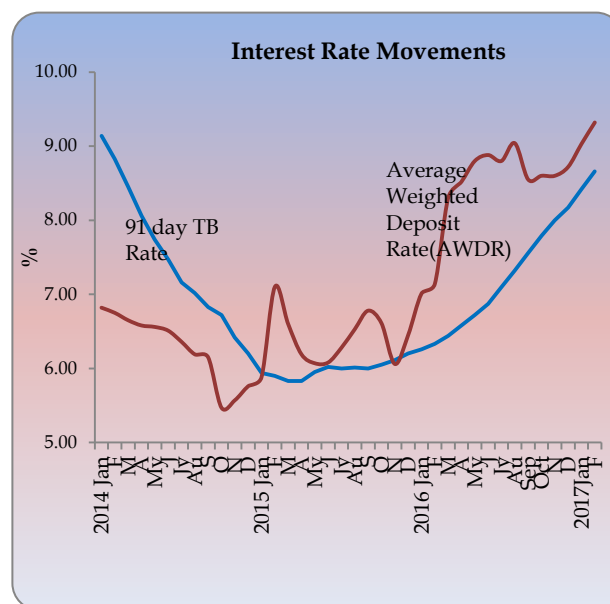
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Aug-15	-1.5	2.3	5.5
Sep	-0.8	2.1	5.3
Oct	1.1	3.2	5.1
Nov	3.2	5.7	5.1
Dec	0.9	4.1	4.9
Jan-16	1.2	0.9	4.4
Feb	-1.7	2.0	3.7
Mar	-2.1	3.1	3.3
Apr	2.3	7.3	3.5
May	1.6	7.4	3.7
Jun	5.0	9.8	4.2
Jul	2.3	11.7	5.0
Aug	-4.5	8.3	5.5
Sep	-1.6	7.5	5.9
Oct	0.6	6.9	6.2
Nov	0.6	4.3	6.1
Dec	0.8	4.1	6.1
Jan-17	1.6	4.5	6.4
Feb	1.2	7.7	6.9

Source: Department of Census and Statistics

Month	CCPI (2013 =100)	CCPI Point to Point Change	CCPI Annual Average Change	91 Days T Bill Rate	Real Interest Rate (Y on Y)	Real Interest Rate (Annual Avg)
Aug-15	107.4	1.0	1.0	6.53	5.53	5.53
Sep	107.3	1.1	0.7	6.78	5.68	6.08
Oct	107.7	2.9	0.7	6.61	3.71	5.91
Nov	109.2	4.4	0.9	6.06	1.66	5.16
Dec	109.8	4.6	0.9	6.45	1.85	5.55
Jan-16	110.0	1.7	2.1	7.01	5.31	4.91
Feb	109.3	2.9	2.1	7.14	4.24	5.04
Mar	108.6	2.6	2.2	8.30	5.70	6.10
Apr	109.5	3.4	2.4	8.45	5.05	6.05
May	111.5	4.8	2.7	8.80	4.00	6.10
June	113.2	5.5	3.0	8.86	3.36	5.86
Jul	113.9	5.8	3.4	8.80	3.00	5.40
Aug	112.1	4.4	3.7	9.04	4.64	5.34
Sep	111.8	4.2	3.9	8.55	4.35	4.65
Oct	112.1	4.1	4.0	8.60	4.50	4.60
Nov	113.6	4.0	4.0	8.60	4.60	4.60
Dec	114.7	4.5	4.0	8.72	4.22	4.72
Jan-17	116.1	5.5	4.3	9.03	3.53	4.73
Feb	116.7	6.8	4.6	9.32	2.52	4.73

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



## Interest Rate Movements

Category	Week Ending 17 <sup>th</sup> Mar 2017	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.00	7.00	7.00	6.50
Standing Lending Facility	8.50	8.50	8.50	8.00
Call Money Weekly Average	8.50	8.50	8.40	7.84
Treasury Bill (Yield rate)				
91 Days	-	9.47	8.55	-
182 Days	-	10.39	9.39	-
364 Days	-	10.74	10.11	-
Prime Lending Rate	11.40	11.72	11.98	8.35
	<b>Feb-17</b>		<b>Month Ago</b>	<b>Year Ago</b>
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.66		8.42	6.33

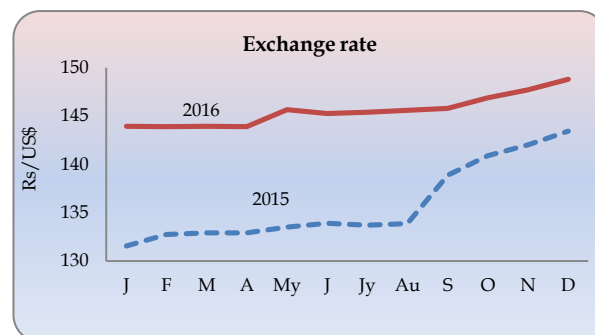
Source : Central Bank of Sri Lanka

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 11.40 per cent by week ending 17<sup>th</sup> March 2017 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of February 2017 was 8.66 percent.

## Exchange Rates

Currency	Week Ending 17 <sup>th</sup> Mar 2017	Week Ago	Month Ago	Year Ago	% Change 2016/17
US Dollar	152.25	151.57	146.62	144.99	5.0
Sterling Pound	188.10	184.35	188.55	206.82	-9.1
Euro	163.99	160.51	163.20	162.56	0.9
Japanese Yen	1.34	1.32	1.42	1.29	3.9
Indian Rupee	2.31	2.27	2.20	2.14	7.9

Source : Central Bank of Sri Lanka



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

# MONEY SUPPLY & CAPITAL MARKET

## Money Supply and Credit Growth

Item	Dec 2016	Nov 2016	Oct 2016	Dec 2015	Nov 2015	Oct 2015	Growth 2015 Dec/2016 Dec (%)
M <sub>1</sub> (Rs Bn)	776.6	720.2	727.6	715.0	669.4	665.1	8.6
M <sub>2</sub> (Rs Bn)	4,823.6	4,683.2	4,616.8	4,057.2	3,945.7	3,877.7	18.9
M <sub>2b</sub> (Rs Bn)	5,405.6	5,246.7	5,165.7	4,565.9	4,447.6	4,384.8	18.4

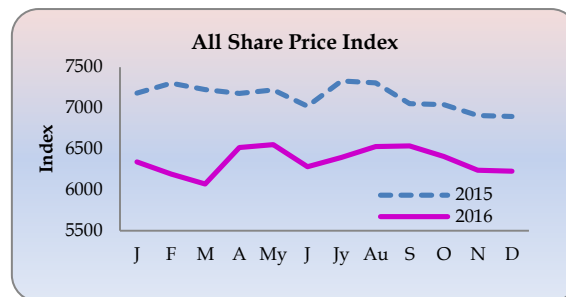
Item	Dec 2016	Month Ago	Year Ago	Growth 2015 Dec/2016 Dec (%)
<b>Credit to Private Sector (Rs.bn)</b>	<b>4,204.4</b>	<b>4,125.7</b>	<b>3,449.6</b>	<b>21.9</b>
DBUs	3,891.9	3,826.6	3,186.1	22.2
OBU's	312.6	299.1	263.5	18.6

Source: Central Bank of Sri Lanka

## Share Market

Indicator	Week Ending 17 <sup>th</sup> Mar 2017	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,048	6,085	6,068
S & P Sri Lanka 20 Index (S & P SL20)	3,452	3,497	3,174
Average Daily Turnover (Rs.Mn)	551	780	922
Market Capitalization (Rs.Bn.)	2,656	2,672	2,593

Source: Colombo Stock Exchange



All Share Price Index (ASPI) decreased by 37 index points and closed at 6,048 points compared to the second week of March 2017. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 45 to 3,452 index points. The Average Daily Turnover decreased by Rs. 229 million and stationed at Rs.551 million. Market capitalization reached Rs. 2,656 billion in the third week of March 2017.

## Equity Trading Statistics

Indicator	Jan 2017	Jan 2016	Jan-Jan 2017	Jan-Jan 2016
<b>Turnover -Equity (Rs. Mn.)</b>	<b>13,608.5</b>	<b>14,216.4</b>	<b>13,608.5</b>	<b>14,216.4</b>
Domestic (Rs. Mn.)	7,272.4	8,920.7	7,272.4	8,920.7
Foreign (Rs. Mn.)	6,336.1	5,295.7	6,336.1	5,295.7
Market Days	21	19	21	19
Daily Turnover Avg. Equity (Rs. Mn.)	648.0	748.2	648.0	748.2
<b>Trade Equity</b>	<b>50,722</b>	<b>88,074</b>	<b>50,722</b>	<b>88,074</b>
Domestic	47,356	82,955	47,356	82,955
Foreign	3,366	5,119	3,366	5,119
<b>Shares Traded Equity</b>	<b>669.5</b>	<b>591.7</b>	<b>669.5</b>	<b>591.7</b>
Domestic (Rs. Mn.)	269.1	440.2	269.1	440.2
Foreign (Rs. Mn.)	400.4	151.5	400.4	151.5
Companies Traded	271	272	271	272
Companies Listed	295	295	295	295

## Market Indicators

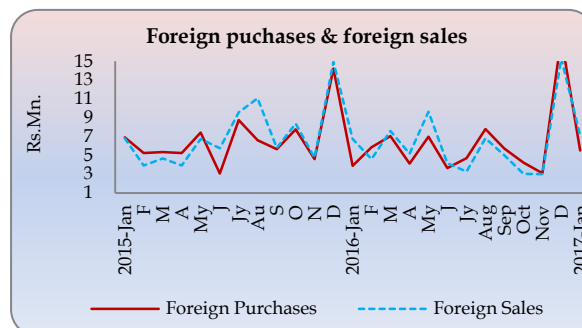
Price Indices	Dec 2016	Jan 2017
ASPI	6,228.26	6,132.68
S&P SL 20	3,496.44	3,489.61
<b>Total Return Indicators</b>		
ASTRI	8,232.66	8,108.18
S&P SL20 (TRI)	4,843.17	4,837.20
Market PER	12.37	12.07
Dividend Yield	2.75	2.95
Market Capitalization (Rs.Bn.)	2,745.41	2,701.60

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

Indicator	Jan 2017	Jan-Jan 2017
Purchases by Foreigners (Rs. Mn)	5,507.7	5,507.7
Sales by Foreigners (Rs. Mn)	7,164.6	7,164.6
Net Foreign Purchases (Rs. Mn)	(1656.8)	(1656.8)

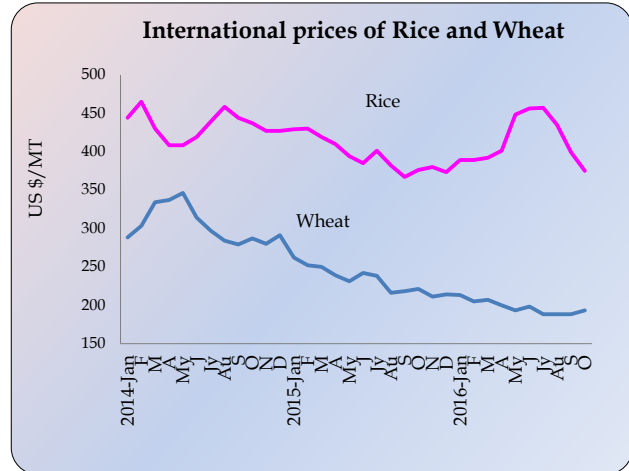
Source: Colombo Stock Exchange



# 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)

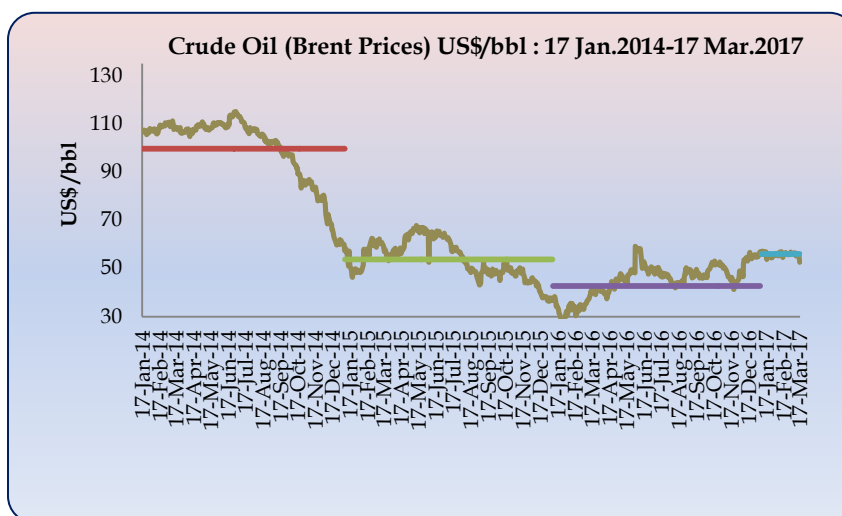
Item	Mar 13	Mar 14	Mar 15	Mar 16	Mar 17	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	51.04	51.30	51.54	52.21	51.84	52.55	55.74	40.83
WTI (US\$/bbl.)	48.11	48.34	48.41	49.20	48.92	49.69	53.45	39.24
Petrol	60.50	60.35	60.55	61.10	60.65	62.00	66.60	50.90
Diesel	61.14	61.15	61.24	61.67	60.93	62.34	66.09	47.22
Kerosene	60.11	59.59	59.71	61.09	60.42	61.21	66.05	49.81

Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Jul-15	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	54.74	52.04
Jan-17	52.83	55.67
Feb	53.41	55.99
Mar	50.99	53.80

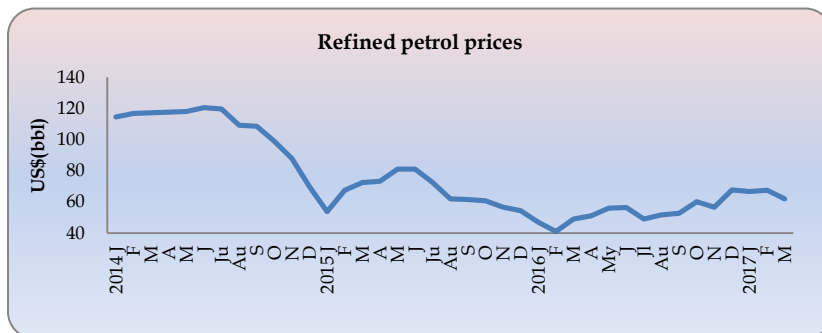
Source: Central Bank of Sri Lanka  
\*upto 17<sup>th</sup> March 2017



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

Month	Petrol	Diesel	Kerosene
Jul-15	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	67.80	66.34	64.87
Jan-17	66.75	64.70	65.13
Feb	67.55	66.31	66.25
Mar	62.44	63.79	62.75

Source: Central Bank of Sri Lanka  
\*upto 17<sup>th</sup> March 2017



## Local Market Prices of Petroleum Products

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

**Pettah Market**

**Dambulla Market**

Average Wholesale Prices	Week Ending 16/03/2017	Week Ago	% Change	Year Ago Annual Avg.
<b>Rice (Rs/Kg)</b>				
Samba	85.00	85.00	0.0	80.97
Kekulu (Red)	75.00	75.00	0.0	60.29
<b>Vegetable</b>				
Beans	120.00	110.00	9.1	147.16
Cabbage	30.00	25.00	20.0	76.62
Carrots	35.00	55.00	-36.4	121.42
Tomatoes	85.00	65.00	30.8	75.00
Pumpkins	55.00	50.00	10.0	60.29
Snake Gourd	70.00	100.00	-30.0	76.18
Brinjals	15.00	45.00	-66.7	66.57
Ash Plantains	60.00	80.00	-25.0	67.65
<b>Other Foods</b>				
Red-Onions (Local)	90.00	136.00	-33.8	92.66
Big Onions (Local)	n.a.	n.a.	-	74.50
Potatoes (N'Eliya)	100.00	107.50	-7.0	122.58
Dried Chilies (Imported)	180.00	195.00	-7.7	293.68
Dhal (Indian)	138.00	140.00	-1.4	160.16
Eggs (Red) (Each)	12.80	12.75	3.9	14.30
Coconut (Each)	59.00	54.50	8.3	34.69
<b>Fish (Rs/Kg)</b>				
Kelawalla	450.00	440.00	2.3	508.20
Balaya	260.00	320.00	-18.8	327.29
Salaya	80.00	90.00	-11.1	141.43
Paraw (Small)	480.00	500.00	-4.0	540.36

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
<b>Rice (Rs/Kg)</b>	
Samba	85.00
Kekulu (Red)	76.13
<b>Vegetables</b>	
Pumpkins	48.75
Snake Gourd	60.63
Ash Plantains	47.50
Beans	111.88
Carrots	38.75
Tomatoes	48.75
<b>Other Foods</b>	
Potatoes (N'Eliya)	90.83
Dried Chilies (Imported)	198.13
Big-Onions (Local)	n.a.
Red-Onions (Local)	100.00
Coconut (Each)	48.75

Source: Central Bank of Sri Lanka

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

Item	Week Ending 17/03/2017	Week Ago	Month Ago	Year Ago
Samba	84.50	86.10	88.97	77.58
Sudu Kekulu	74.10	73.50	83.81	62.91
Raw Red	73.70	74.10	84.50	59.59
Nadu	76.10	76.10	86.81	66.62

Source: Central Bank of Sri Lanka

Wholesale prices of, fish varieties, Some of the rice varieties and other foods such as red onions, potatoes, dhal and dried chilies decreased during the week and some of vegetable varieties show a mixed performance in the week.

Weekly Retail Commodity Prices - 1<sup>st</sup> Week of March 2017

Rs.

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	92.95	92.96	0.0	92.22
No. 1	1 kg	96.08	94.64	1.5	95.96
No. 2	1kg	89.82	91.27	-1.6	88.83
Nadu Red	1kg	88.00	88.33	-0.4	80.38
Raw Red (Avg)	1kg	82.50	82.77	-0.3	64.98
No. 1	1kg	86.50	86.91	-0.5	70.93
No. 2	1kg	78.50	78.64	-0.2	62.67
Wheat Flour	1 kg	89.07	89.21	-0.2	88.80
Bread	450g	58.15	58.15	0.0	53.02
Sugar	1 kg	103.33	102.79	0.5	99.52
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	111.07	111.03	0.0	80.23
Potatoes (Local)	1kg	161.43	162.41	-0.6	129.48
Red Dhal(Avg)	1kg	188.04	190.30	-1.2	184.52
Cowpea (Avg)	1kg	293.06	287.52	1.9	261.15
Green Gram(Avg)	1kg	245.14	239.52	2.3	250.64
Kadalai (Avg)	1kg	304.86	311.64	-2.2	182.07
Meat					
Beef	1kg	858.67	851.84	0.8	747.75
Chicken					
Fresh	1kg	461.32	463.64	-0.5	473.54
Broiler	1kg	410.00	410.00	0.0	382.78
Fresh Fish					
Paraw	1 kg	905.26	928.89	-2.5	858.15
Balaya	1 kg	584.44	600.00	-2.6	499.05
Kelawalla	1 kg	860.83	873.46	-1.4	797.74
Salaya	1 kg	157.89	157.50	0.3	135.30
Dried Fish					
Sprats	1 kg	674.03	657.06	2.6	712.92
Eggs	Each	14.90	14.75	1.0	16.91
Coconut	Each	61.40	58.78	4.5	46.72
Coconut Oil	750ml	283.03	275.88	2.6	205.19
Red Onions	1 kg	155.00	153.23	1.2	114.17
B- Onions (Import)	1 kg	n.a.	n.a.	n.a.	n.a.
Brinjal	1kg	105.26	98.38	7.0	113.80
Beans Green	1 kg	142.05	175.68	-19.1	148.88
Cabbage	1 kg	94.19	91.89	2.5	131.94
Leeks	1 kg	99.49	113.68	-12.5	131.62
Beet Root	1kg	128.89	130.29	-1.1	133.85
Carrot	1kg	130.94	129.30	1.3	166.98
Tomatoes	1kg	96.41	92.12	4.7	83.12
Radish	1kg	102.49	98.13	4.4	93.40
Vetakolu	1kg	195.00	185.71	5.0	138.75
Snake Gourd	1kg	143.75	143.14	0.4	132.29
Bandakka	1kg	148.82	143.53	3.7	132.99
Kolikuttu	1kg	222.50	231.04	-3.7	177.65
Papaw	1kg	137.09	127.14	7.8	133.04
Pineapple	1kg	168.18	177.65	-5.3	138.13

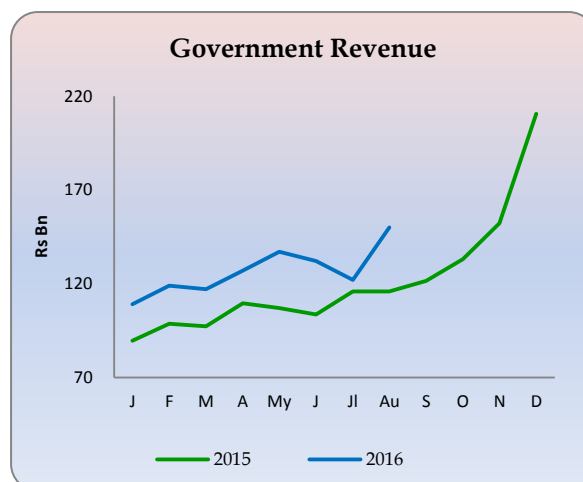
Source: Department of Census and Statistics



# 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 Sep 2016 (a)
Total Domestic Debt	4,959.2	5,332.3
Total Foreign Debt	3,544.0	4,069.7
<b>Total Government Debt</b>	<b>8,503.2</b>	<b>9,401.9</b>

Source: Central Bank of Sri Lanka

(a) provisional

## Key Fiscal Indicators 2015-2016

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	-

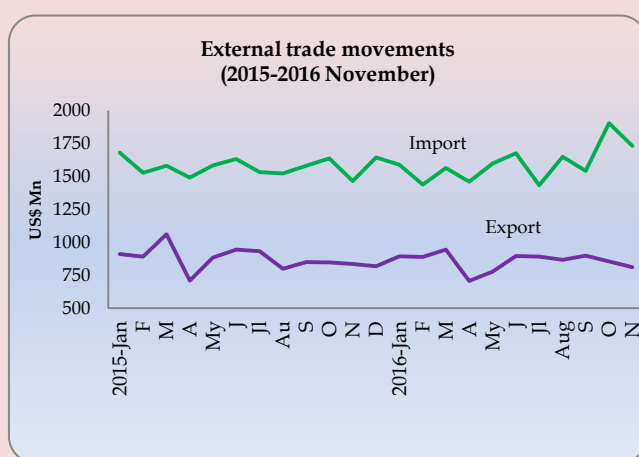
Compiled by Department of Fiscal Policy

## EXTERNAL SECTOR

### External Trade

Category	Nov 2015 (US\$ Mn)	Nov 2016 (US\$ Mn)	Growth Rate (%)	Jan- Nov 2015 (US\$ Mn)	Jan- Nov 2016 (US\$ Mn)	Growth Rate (%)
<b>Exports</b>	<b>838.4</b>	<b>809.7</b>	<b>-3.4</b>	<b>9,726.0</b>	<b>9,450.7</b>	<b>-2.8</b>
<b>Agricultural</b>	<b>199.4</b>	<b>182.9</b>	<b>-8.3</b>	<b>2,290.4</b>	<b>2,125.2</b>	<b>-7.2</b>
Tea	108.5	101.3	-6.6	1,235.3	1,159.2	-6.2
Other	90.9	81.6	-10.2	1,055.1	966.0	-8.5
<b>Industrial</b>	<b>636.5</b>	<b>623.8</b>	<b>-2.0</b>	<b>7,390.0</b>	<b>7,285.2</b>	<b>-1.4</b>
Rubber Products	56.0	61.2	9.3	702.7	705.5	0.4
Textiles and Garments	410.2	383.1	-6.6	4,426.8	4,490.5	1.4
Food, Beverage and Tobacco	26.0	23.2	-10.8	279.7	300.0	7.3
Other	144.3	156.3	8.3	1,980.8	1,789.2	-9.7
<b>Mineral</b>	<b>1.5</b>	<b>1.8</b>	<b>24.4</b>	<b>27.3</b>	<b>26.8</b>	<b>-1.7</b>
<b>Unclassified</b>	<b>1.1</b>	<b>1.2</b>	<b>6.5</b>	<b>18.4</b>	<b>13.5</b>	<b>-26.3</b>
<b>Imports</b>	<b>1,464.9</b>	<b>1,732.1</b>	<b>18.2</b>	<b>17,289.9</b>	<b>17,584.0</b>	<b>1.7</b>
<b>Consumer Goods</b>	<b>391.0</b>	<b>387.9</b>	<b>-0.8</b>	<b>4,329.6</b>	<b>3,964.7</b>	<b>-8.4</b>
Food and Beverages	127.6	141.1	10.6	1,478.3	1,484.9	0.4
Other Consumer Goods	263.4	246.8	-6.3	2,851.3	2,479.9	-13.0
<b>Intermediate Goods</b>	<b>690.5</b>	<b>882.9</b>	<b>27.9</b>	<b>8,782.8</b>	<b>8,866.5</b>	<b>1.0</b>
Petroleum	193.7	221.9	14.6	2,483.4	2,152.8	-13.3
Textiles & Textile Articles	167.7	258.4	54.1	2,054.9	2,477.0	20.5
Other Intermediate Goods	329.1	402.6	22.3	4,244.5	4,236.7	-0.2
<b>Investment Goods</b>	<b>382.6</b>	<b>460.5</b>	<b>20.4</b>	<b>4,162.7</b>	<b>4,740.8</b>	<b>13.9</b>
Machinery and Equipment	195.1	243.9	25.0	2,054.3	2,489.6	21.2
Transport Equipment	54.1	66.3	22.5	880.0	824.8	-6.3
Building Material	132.7	149.5	12.7	1,223.5	1,420.6	16.1
Other Investment Goods	0.7	0.9	18.5	4.9	5.9	19.6
<b>Unclassified</b>	<b>0.7</b>	<b>0.8</b>	<b>4.0</b>	<b>14.8</b>	<b>11.9</b>	<b>-19.3</b>
<b>Trade Balance</b>	<b>-626.5</b>	<b>-922.4</b>	<b>47.2</b>	<b>-7,563.9</b>	<b>-8,133.3</b>	<b>7.5</b>

Source: Central Bank of Sri Lanka

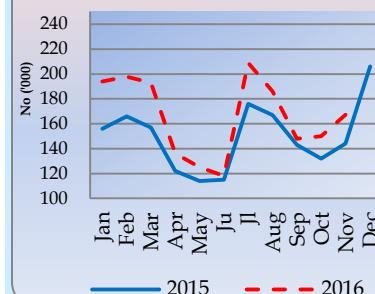


- Export earnings during January to November 2016 declined by 2.8 percent, compared to the respective period of 2015. The earnings for the month of November decreased by 3.4 percent on year on year basis, reflecting the negative contribution from industrial and agriculture exports.
- On a cumulative basis, expenditure on imports increased by 1.7 percent for the period during January to November 2016. Expenditure on imports for the month of November 2016 recorded 18.2 percent increased over the corresponding month of 2015 reflecting the positive contribution in imports of Investment and intermediate goods.
- Trade deficit was US\$ 8,133.3 Mn during January to November 2016 recording 7.5 expands over the same period of 2015.

Month	Arrivals				Earnings US\$ Mn			
	2015	2016	2017	% change 2016/17	2015	2016	2017	% change 2016/17
Jan	156,246	194,280	219,360	12.9	248.7	333.3	376.3	12.9
Feb	165,541	197,697	197,517	0.0	274.4	339.0	339.0	0.0
Mar	157,051	192,841			260.3	319.6		
Apr	122,217	136,367			202.6	226.0		
May	113,529	125,044			188.2	207.2		
Jun	115,467	118,038			191.4	195.6		
July	175,804	209,351			291.4	347.0		
Aug	166,610	186,288			276.1	308.8		
Sep	143,374	148,499			237.6	246.1		
Oct	132,280	150,419			219.2	249.3		
Nov	144,147	167,217			238.9	277.1		
Dec	206,114	224,791			341.6	372.6		
<b>Total</b>	<b>1,798,380</b>	<b>2,050,832</b>	<b>416,877*</b>	<b>6.4*</b>	<b>2,980.7</b>	<b>3,399.1</b>	<b>715.3*</b>	<b>6.4*</b>

Source: Sri Lanka Tourism Development Authority

\*Jan-Feb

**Tourist Arrivals**

**Tourism**

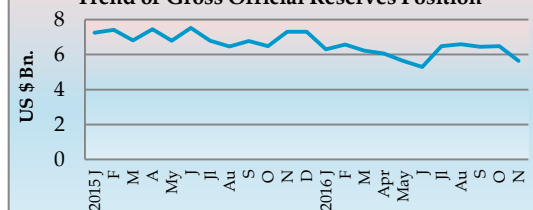
Earnings from tourism increased to US \$ 715.3 Mn. in February 2017 with an increase of 6.4 per cent over the same period of 2016.

The number of tourist arrivals decreased to 197,517 in February 2017.

**External Assets**

External Assets (US\$ Mn)	Nov 2016	Oct 2016	Sep 2016	Nov 2015	Oct 2015	Sep 2015	Growth 2015 Nov /2016 Nov (%)
Total Reserves	7,913.8	7,997.0	9,074.1	9,068.6	8,468.9	8,438.9	-12.7
Gross Official Reserves	5,644.1	6,480.7	6,455.7	7,281.2	6,053.8	6,783.7	-22.5

Source: Central Bank of Sri Lanka

**Trend of Gross Official Reserves Position**

**Official reserves**

The gross official reserves and total reserves were US\$ 5.6Bn and US\$ 7.9 Bn, respectively by end November 2016. Total foreign reserves were sufficient to 4.9 months of imports and the gross official reserves were equivalent to 3.5 months of imports. Workers' remittances increased by 1.4 per cent in dollar terms to US \$ 571.6 Mn. in January 2017.

**Private Remittances**

Category	2016 January	2017 January(a)	% Change
Inflows US\$ Mn	563.4	571.6	1.4
Rs. Bn	81.1	85.8	5.8

Source: Central Bank of Sri Lanka

(a) Provisional

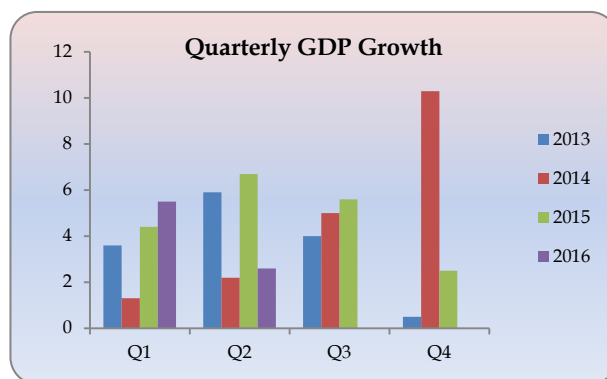
## PRODUCTION

### 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>	<b>4.1</b>		
Agriculture	1.9	-5.6	-1.9		
Industry	8.3	2.2	6.8		
Service	4.9	4.9	4.7		

Source: Department of Census & Statistics

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



### GDP grew by 4.0%

The Sri Lankan economy grew by 4.0% in the first nine months of 2016 compared to the 5.7% growth recorded in the same period of 2015. The Industry sector mainly supported to this growth with 5.7% contribution while the Service sector contributed to GDP by 4.8% and Agriculture sector negatively contributed to GDP by 2.5%.

### Labour Force Statistics

Employment	2016 3 <sup>rd</sup> Quarter* (a)	2015 3 <sup>rd</sup> Quarter (a)	2015 Annual (a)	2014 Annual (a)
Labour Force Participation Rate	53.8	53.8	53.8	53.2
Unemployment Rate	4.5	5.1	4.7	4.3
<b>By Gender</b>				
Male	2.7	3.5	3.0	3.1
Female	7.6	7.8	7.6	6.5
<b>By Age Group</b>				
20-29	14.3	15.0	14.2	13.6
20-24	19.8	21.7	19.7	19.9
25-29	9.7	8.9	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	2016 Jan	2017 Jan	% Change
<b>Production</b>			
Tea (Mn. Kg)	25.1	21.3	-15.3
Rubber (Mn. Kg)	9.5	6.5	-31.8
Coconut (Mn. Nuts)	242.6	240.5	-0.9
<b>Exports (US\$ Mn)</b>			
	2015 Jan - Nov	2016 Jan - Nov	
Tea	1,235.3	1,159.2	-6.2
Rubber	23.9	29.4	23.4
Coconut	328.0	337.4	2.9
<b>Colombo Auction Prices</b>			
	2015 Nov	2016 Nov	
Tea (Rs./ Kg)	411.2	579.6	41.0
Rubber (Rs./ Kg)	-	262.5	-
Coconut (Rs/nut)	32.0	-	-

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

## Factory Industrial Production Index (2010=100)

Item	2016 Jan	2017 Jan (b)	Growth %
Manufacture of Food Products	102.6	100.8	-1.8
Manufacture of Beverages	106.6	111.3	4.4
Manufacture of Tobacco Products	88.1	61.5	-30.3
Manufacture of Textiles	133.6	136.4	2.0
Manufacture of Wearing Apparel	165.6	187.7	13.3
Manufacture of Leather and Related Products	79.7	122.1	53.1
Manufacture of Wood products ,except Furniture	135.6	152.3	12.3
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	103.8	65.3	-37.1
Manufacture of Chemicals and Chemical Products	38.5	89.8	133.1
Manufacture of Pharmaceuticals, Medicinal Chemicals	151.5	148.8	-1.8
Manufacture of Rubber and Plastic Products	132.9	148.0	11.4
Manufacture of Other Non Metallic Mineral Products	132.7	143.9	8.4
Manufacture of Basic Metals	164.4	141.1	-14.2
Manufacture of Fabricated Metal Products	56.5	87.0	54.2
Manufacture of Electrical Equipment	110.4	139.9	26.7
Manufacture of machinery and equipment n.e.c	92.8	113.2	22.0
<b>Factory Industry Production Index</b>	<b>117.0</b>	<b>126.6</b>	<b>8.2</b>

Source: Central Bank of Sri Lanka

(a) FIPI based on ISIC Revision 4 Classification

(b) Provisional