



# ECONOMIC

# BULLETIN

Department of Fiscal Policy  
Ministry of Finance and Mass Media  
Sri Lanka

This Weekly Economic Bulletin (WEB) provides a weekly update of some of the key economic, fiscal and monetary developments in Sri Lanka. Data published on the Bulletin are subject to revisions and the Department cannot guarantee of the accuracy of the information obtained from outside sources.

## Highlights

- ⇒ **CCPI** decreased to **7.6%** in November 2017
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 153.07**
- ⇒ **Brent crude oil** increased to: **US\$ 63.07** per bbl
- ⇒ **Credit to private sector** decreased by **17.5%** in September 2017
- ⇒ **Tourist arrivals** up by **2.5%** during Jan-Nov 2017

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## WEEK IN REVIEW

### Domestic Economy

The GDP grew by 4.0 per cent in real terms in the second quarter of 2017, mainly due to the expansion of construction and financial activities coupled with the contraction of Agriculture sector.

NCPI increased to 8.4% in November 2017.

The total outstanding market liquidity decreased to a surplus of Rs. 19.17 bn by end of 15 December, compared to Rs. 22.90 bn by the end of last week.

All Share Price Index (ASPI) decreased by 0.36% to 6,352 points and the S&P SL20 Index decreased by 0.55% to 3,693 points, compared to the previous week.

### International Developments

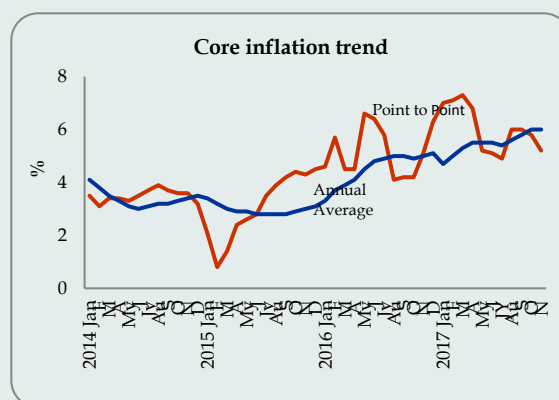
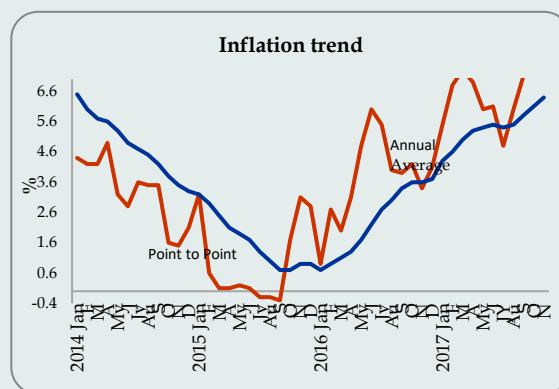
Global output is projected to grow by 3.5 percent in 2017 and 3.6 percent in 2018.

China's growth is expected to remain at 6.7 percent in 2017.

The growth forecast for the United States has been revised to 2.1 percent from 2.3 percent.

Japan's economy grew by 4.0 percent in the second quarter of 2017.

| 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 |
| 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            | 0.5            | 8.2            |
| Mar    | 7.3            | 5.0            | 7.3                | 5.3            | -0.3           | 8.6            |
| Apr    | 6.9            | 5.3            | 6.8                | 5.5            | 1.3            | 8.4            |
| May    | 6.0            | 5.4            | 5.2                | 5.5            | 0.7            | 7.1            |
| June   | 6.1            | 5.5            | 5.1                | 5.5            | 1.3            | 6.3            |
| July   | 4.8            | 5.4            | 4.9                | 5.4            | -0.8           | 6.3            |
| Aug    | 6.0            | 5.5            | 6.0                | 5.6            | -0.1           | 7.9            |
| Sep    | 7.1            | 5.8            | 6.0                | 5.8            | 0.8            | 8.6            |
| Oct    | 7.8            | 6.1            | 5.8                | 6.0            | 1.2            | 8.8            |
| Nov    | 7.6            | 6.4            | 5.2                | 6.0            | 1.3            | 8.4            |



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

The point to point inflation of CCPI decreased to 7.6 per cent in November 2017. The annual average of CCPI increased to 6.4 per cent in November 2017. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, decreased to 5.2 per cent, on point to point basis, while annual average core inflation remain unchanged to 6.0 per cent, in November 2017. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 8.4 percent in November 2017, on year on year basis.

**Contribution of Food Items to CCPI from October 2017 to November 2017**

| Commodity     | Value Change Rs. | Change %    |
|---------------|------------------|-------------|
| <b>Food</b>   | <b>303.15</b>    | <b>0.41</b> |
| Rice          | 20.66            | 0.03        |
| Chicken       | 28.87            | 0.04        |
| Dried Fish    | -5.04            | -0.01       |
| Coconut       | 24.03            | 0.03        |
| Sugar         | 5.34             | 0.01        |
| Vegetables    | 264.42           | 0.36        |
| Red Onions    | 14.35            | 0.02        |
| Dhal          | -31.75           | -0.04       |
| Green chilies | 8.37             | 0.01        |
| Potatoes      | -17.91           | -0.02       |
| Banana        | -41.74           | -0.06       |
| Papaw         | 11.98            | 0.02        |
| Pineapple     | -6.36            | -0.01       |

Source: Department of Census and Statistics

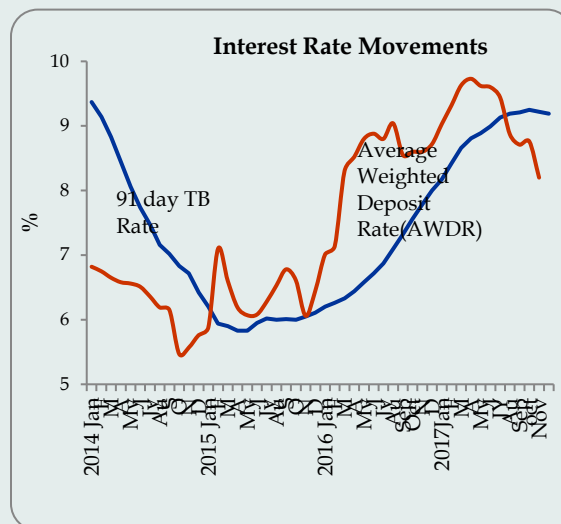
**Movements of the CCPI in Food Item (2013=100)**

| Month  | % Change Month to Month | Inflation      |                |
|--------|-------------------------|----------------|----------------|
|        |                         | Point to Point | Annual Average |
| May-16 | 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            |
| Mar    | -0.7                    | 9.2            | 7.4            |
| Apr    | 1.7                     | 8.6            | 7.5            |
| May    | 2.3                     | 9.3            | 7.6            |
| Jun    | 4.8                     | 9.1            | 7.6            |
| Jul    | -1.7                    | 4.8            | 7.0            |
| Aug    | -2.5                    | 6.9            | 6.9            |
| Sep    | 1.6                     | 10.4           | 7.1            |
| Oct    | 2.6                     | 12.6           | 7.6            |
| Nov    | 1.7                     | 13.8           | 8.4            |

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) |
|--------|------------------|----------------------------|----------------------------|---------------------|-----------------------------|---------------------------------|
| 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                            |
| Mar    | 116.5            | 7.3                        | 5.0                        | 9.63                | 2.33                        | 4.63                            |
| Apr    | 117.1            | 6.9                        | 5.3                        | 9.73                | 2.83                        | 4.43                            |
| May    | 118.2            | 6.0                        | 5.4                        | 9.62                | 3.62                        | 4.22                            |
| June   | 120.1            | 6.1                        | 5.5                        | 9.60                | 3.50                        | 4.10                            |
| July   | 119.4            | 4.8                        | 5.4                        | 9.44                | 4.64                        | 4.04                            |
| Aug    | 118.8            | 6.0                        | 5.5                        | 8.87                | 2.87                        | 3.37                            |
| Sep    | 119.7            | 7.1                        | 5.8                        | 8.71                | 1.61                        | 2.91                            |
| Oct    | 120.8            | 7.8                        | 6.1                        | 8.76                | 0.96                        | 2.66                            |
| Nov    | 122.2            | 7.6                        | 6.4                        | 8.20                | 0.60                        | 1.80                            |

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



Interest Rate Movements

| Category   | Week Ending 15 <sup>th</sup> Dec 2017 | Week Ago | Month Ago | Year Ago |
|--|---------------------------------------|----------|-----------|----------|
| Standing Deposit Facility                            | 7.25                                  | 7.25     | 7.00      | 7.00     |
| Standing Lending Facility                            | 8.75                                  | 8.75     | 8.00      | 8.50     |
| Call Money Weekly Average                            | 8.12                                  | 8.13     | 8.50      | 8.42     |
| Treasury Bill (Yield rate)                           |                                       |          |           |          |
| 91 Days  | -                                     | 7.97     | -         | -        |
| 182 Days   | 8.48                                  | 8.76     | 9.39      | 9.56     |
| 364 Days   | 9.04                                  | 9.34     | 10.11     | 10.11    |
| Prime Lending Rate                                   | 11.26                                 | 11.58    | 11.98     | 11.88    |
|  | Nov-17                                |          | Month Ago | Year Ago |
| Commercial Bank Average Weighted Deposit Rate (AWDR) | 9.19                                  |          | 9.22      | 8.00     |

Source : Central Bank of Sri Lanka

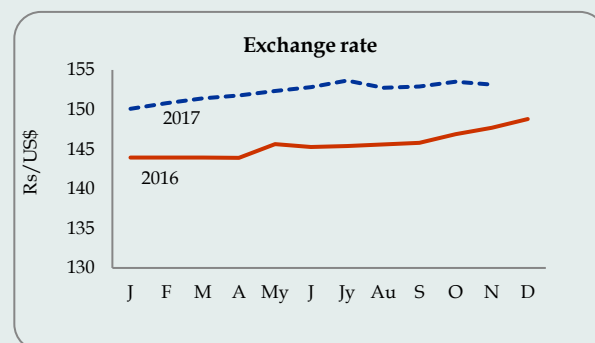
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) increased to 7.25 percent and 8.75 percent, respectively during this week.

The Prime Lending rate decreased to 11.26 per cent by week ending 15<sup>th</sup> December 2017 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of November 2017 was 9.19 percent.

Exchange Rates

| Currency       | Week Ending 15 <sup>th</sup> Dec 2017 | Week Ago | Year Ago | % Change 2016/17 |
|----------------|---------------------------------------|----------|----------|------------------|
| US Dollar      | 153.07                                | 153.17   | 148.88   | 2.8              |
| Sterling Pound | 205.84                                | 206.45   | 186.88   | 10.1             |
| Euro           | 180.43                                | 180.23   | 156.53   | 15.3             |
| Japanese Yen   | 1.37                                  | 1.37     | 1.27     | 7.9              |
| Indian Rupee   | 2.38                                  | 2.39     | 2.20     | 8.2              |

Source : Central Bank of Sri Lanka



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

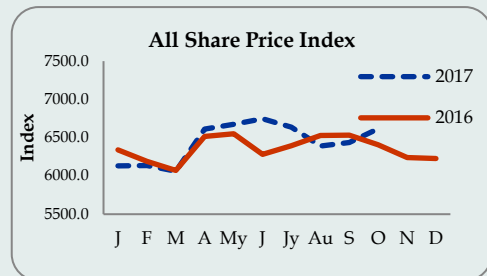
| Item                    | Sep 2017 | Aug 2017 | Jul 2017 | Sep 2016 | Aug 2016 | Jul 2016 | Growth 2016 Sep/2017 Sep (%) |
|-------------------------|----------|----------|----------|----------|----------|----------|------------------------------|
| M <sub>1</sub> (Rs Bn)  | 754.62   | 759.14   | 768.43   | 729.32   | 714.18   | 716.58   | 3.5                          |
| M <sub>2</sub> (Rs Bn)  | 5,503.15 | 5,423.04 | 5,367.00 | 4,551.94 | 4,434.84 | 4,394.70 | 20.9                         |
| M <sub>2b</sub> (Rs Bn) | 6,132.13 | 6,050.58 | 5,986.62 | 5,096.24 | 4,988.56 | 4,940.43 | 20.3                         |

| Item                                    | Sep 2017        | Month Ago       | Year Ago        | Growth 2016 Sep /2017 Sep (%) |
|---|-----------------|-----------------|-----------------|-------------------------------|
| <b>Credit to Private Sector (Rs.bn)</b> | <b>4,659.12</b> | <b>4,609.05</b> | <b>3,965.42</b> | <b>17.5</b>                   |
| DBUs                                    | 4,335.42        | 4,281.67        | 3,678.28        | 17.9                          |
| OBU's                                   | 323.71          | 327.38          | 287.14          | 12.7                          |

Source: Central Bank of Sri Lanka

## Share Market

| Indicator                                 | Week Ending 15 <sup>th</sup> Dec 2017 | Week Ago | Year Ago |
|---|---------------------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,352                                 | 6,375    | 6,285    |
| S & P Sri Lanka 20 Index (S & P SL20)     | 3,693                                 | 3,713    | 3,530    |
| Average Daily Turnover (Rs.Mn)            | 708                                   | 929      | 725      |
| Market Capitalization (Rs.Bn.)            | 2,892                                 | 2,906    | 2,682    |



Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 23 index points and closed at 6,352 points compared to the first week of December 2017. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 20 to 3,693 index points. The Average Daily Turnover increased by Rs. 221 million and stationed at Rs. 708 million. Market capitalization reached Rs. 2,892 billion in the second week of December 2017.

## Equity Trading Statistics

| Indicator                            | Nov 2017        | Nov 2016       | Jan-Nov 2017     | Jan-Nov 2016     |
|--------------------------------------|-----------------|----------------|------------------|------------------|
| <b>Turnover -Equity (Rs. Mn.)</b>    | <b>20,245.8</b> | <b>8,269.4</b> | <b>209,648.5</b> | <b>153,505.7</b> |
| Domestic (Rs. Mn.)                   | 10,334.3        | 5,199.3        | 112,091.5        | 95,518.4         |
| Foreign (Rs. Mn.)                    | 9,911.5         | 3,070.2        | 97,557.0         | 57,987.3         |
| Market Days                          | 21              | 21             | 222              | 221              |
| Daily Turnover Avg. Equity (Rs. Mn.) | 964.1           | 393.8          | 944.4            | 694.6            |
| <b>Trade Equity</b>                  | <b>74,562</b>   | <b>54,791</b>  | <b>930,727</b>   | <b>1,013,141</b> |
| Domestic                             | 70,472          | 51,383         | 880,276          | 961,932          |
| Foreign                              | 4,090           | 3,408          | 50,451           | 51,209           |
| <b>Shares Traded -Equity</b>         | <b>584.3</b>    | <b>296.7</b>   | <b>8,134.3</b>   | <b>6,795.8</b>   |
| Domestic (Rs. Mn.)                   | 362.6           | 259.1          | 6,261.4          | 5,587.9          |
| Foreign (Rs. Mn.)                    | 221.7           | 37.6           | 1,872.9          | 1,207.8          |
| Companies Traded                     | 276             | 269            | 279              | 275              |
| Companies Listed                     | 296             | 294            | 296              | 294              |

## Market Indicators

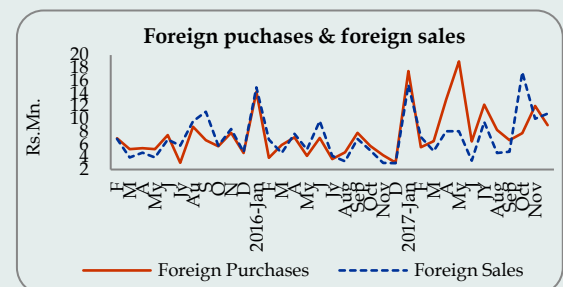
| Price Indices                  | Nov 2017 | Oct 2017 |
|--------------------------------|----------|----------|
| ASPI                           | 6,411.84 | 6,617.36 |
| S&P SL 20                      | 3,724.96 | 3,899.63 |
| <b>Total Return Indicators</b> |          |          |
| ASTRI                          | 8,511.89 | 8,781.65 |
| S&P SL20 (TRI)                 | 5,325.85 | 5,547.68 |
| Market PER                     | 10.71    | 10.99    |
| Dividend Yield                 | 3.08     | 2.90     |
| Market Capitalization (Rs.Bn.) | 2,922.66 | 3,008.75 |

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

| Indicator                        | November 2017 | Jan-Nov 2017 |
|----------------------------------|---------------|--------------|
| Purchases by Foreigners (Rs. Mn) | 9,032.6       | 106,254.5    |
| Sales by Foreigners (Rs. Mn)     | 10,790.4      | 88,862.4     |
| Net Foreign Purchases (Rs. Mn)   | (1,757.8)     | 17,392.1     |

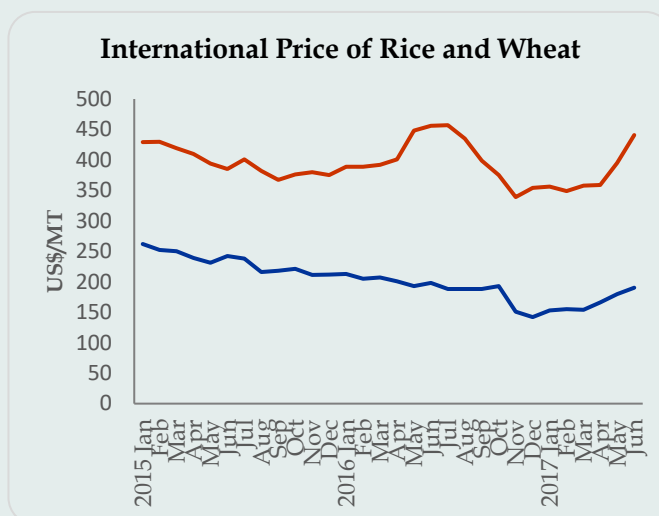
Source: Colombo Stock Exchange



# COMMODITY PRICES

## International Commodity Prices

| Month    | Rice<br>Thai,100%<br>US\$/MT | Wheat (HRW)<br>US\$/MT |
|----------|------------------------------|------------------------|
| Dec      | 375                          | 212                    |
| Jan-2016 | 389                          | 213                    |
| Feb      | 389                          | 205                    |
| Mar      | 392                          | 207                    |
| Apr      | 401                          | 201                    |
| May      | 448                          | 193                    |
| Jun      | 456                          | 198                    |
| Jul      | 457                          | 188                    |
| Aug      | 435                          | 188                    |
| Sep      | 399                          | 188                    |
| Oct      | 375                          | 193                    |
| Nov      | 339                          | 151                    |
| Dec      | 354                          | 142                    |
| Jan-2017 | 356                          | 153                    |
| Feb      | 349                          | 155                    |
| Mar      | 358                          | 154                    |
| Apr      | 359                          | 166                    |
| May      | 395                          | 180                    |
| Jun      | 440                          | 190                    |



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 | Apr              | May   | Jun   |
|   |          | 2014            | 2015    | 2016    | 2017             | 2017  | 2017  |
| <b>Non Energy, Agriculture, Beverages</b> |          |                 |         |         |                  |       |       |
| Cocoa                                     | \$/kg    | 3.06            | 3.14    | 2.89    | 1.96             | 1.98  | 2.00  |
| Coffee, Arabica                           | \$/kg    | 4.42            | 3.53    | 3.61    | 3.43             | 3.31  | 3.16  |
| Tea, auctions (3) average                 | \$/kg    | 2.72            | 2.71    | 2.64    | 3.06             | 3.18  | 3.19  |
| Tea, Colombo auctions                     | \$/kg    | 3.54            | 2.96    | 3.24    | 4.27             | 4.12  | 3.90  |
| <b>Food, Fats &amp; Oils</b>              |          |                 |         |         |                  |       |       |
| Coconut Oil                               | \$/mt    | 1,280           | 1,110   | 1,475   | 1,580            | 1,687 | 1,697 |
| Copra                                     | \$/mt    | 854             | 735     | 982     | 1,044            | 1,113 | 1,119 |
| Palm Oil                                  | \$/mt    | 821             | 623     | 700     | 685              | 727   | 677   |
| <b>Grains</b>                             |          |                 |         |         |                  |       |       |
| Barley                                    | \$/mt    | 138.2           | 194.3   | 158.5   | 137.0            | 138.0 | 138.0 |
| Maize                                     | \$/mt    | 192.9           | 169.8   | 159.2   | 156.4            | 158.6 | 157.9 |
| Wheat, US HRW                             | \$/mt    | 284.9           | 204.5   | 166.6   | 166.1            | 180.4 | 189.6 |
| <b>Other Food</b>                         |          |                 |         |         |                  |       |       |
| Meat, Beef                                | \$/kg    | 4.95            | 4.42    | 3.93    | 4.25             | 4.41  | 4.53  |
| Meat, Chicken                             | \$/kg    | 2.43            | 2.53    | 2.46    | ...              | ...   | ...   |
| Sugar, World                              | \$/kg    | 0.37            | 0.30    | 0.40    | 0.36             | 0.35  | 0.31  |
| <b>Raw Materials, Timber</b>              |          |                 |         |         |                  |       |       |
| Plywood                                   | ¢/sheets | 517.3           | 451.2   | 503.3   | 495.9            | 486.6 | 492.3 |
| Wood pulp                                 | \$/mt    | 876.9           | 875.0   | 875.0   | 875.0            | 875.0 | 875.0 |
| <b>Other Raw Materials</b>                |          |                 |         |         |                  |       |       |
| Rubber RSS3, US                           | \$/kg    | 1.95            | 1.57    | 1.61    | 2.21             | 2.10  | 1.72  |
| <b>Fertilizers</b>                        |          |                 |         |         |                  |       |       |
| Phosphate Rock                            | \$/mt    | 110.2           | 117.5   | 112.2   | 96.0             | 93.0  | 93.0  |
| TSP                                       | \$/mt    | 388.3           | 385.0   | 290.5   | 276.0            | 273.0 | 277.0 |
| Urea                                      | \$/mt    | 316.2           | 272.9   | 199.3   | 205.0            | 180.0 | 185.0 |
| <b>Metals and Minerals</b>                |          |                 |         |         |                  |       |       |
| Aluminum                                  | \$/mt    | 1,867           | 1,665   | 1,604   | 1,921            | 1,913 | 1,885 |
| Gold                                      | \$/toz   | 1,266           | 1,161   | 1,249   | 1,267            | 1,246 | 1,260 |
| Iron ore                                  | \$/dmt   | 96.9            | 55.8    | 58.4    | 70.2             | 62.4  | 57.5  |

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

¢= US cent

\$= US dollar

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

| Item   | Dec 11 | Dec 12 | Dec 13 | Dec 14 | Dec 15 | Week Ago | Month Ago | Year Ago |
|--|--------|--------|--------|--------|--------|----------|-----------|----------|
| Brent (New York Closing Prices) (US \$/bbl.) | 63.17  | 65.03  | 63.85  | 62.84  | 63.30  | 62.08    | 61.50     | 53.92    |
| WTI (US\$/bbl.)                              | 57.18  | 58.16  | 57.51  | 56.81  | 57.11  | 56.61    | 55.12     | 50.92    |
| Petrol                                       | 73.00  | 78.25  | 73.85  | 72.55  | 73.40  | 72.50    | 72.00     | 63.61    |
| Diesel                                       | 73.61  | 75.56  | 75.05  | 73.66  | 74.10  | 73.00    | 70.66     | 61.93    |
| Kerosene                                     | 74.86  | 76.72  | 75.69  | 74.09  | 74.53  | 74.00    | 73.31     | 63.67    |

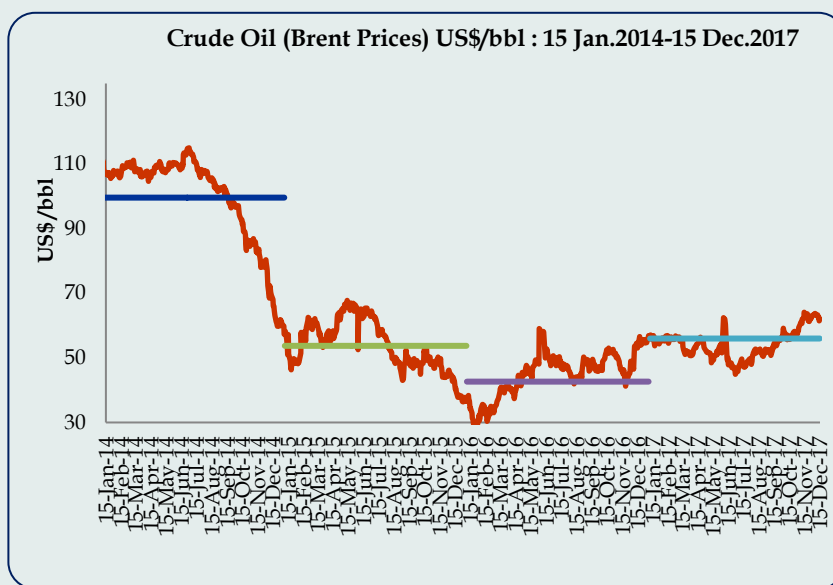
Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

| Month  | WTI European Market (US\$/bbl) | Brent (US\$/bbl) |
|--------|--------------------------------|------------------|
| Apr-16 | 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    | 49.92                          | 52.76            |
| Apr    | 51.27                          | 53.98            |
| May    | 51.59                          | 48.77            |
| Jun    | 47.71                          | 45.34            |
| July   | 49.02                          | 46.93            |
| Aug    | 51.87                          | 48.18            |
| Sep    | 49.76                          | 55.44            |
| Oct    | 54.04                          | 60.83            |
| Nov    | 56.68                          | 62.80            |
| Dec*   | 57.26                          | 63.07            |

Source: Central Bank of Sri Lanka

\*up to 15<sup>th</sup> Dec 2017

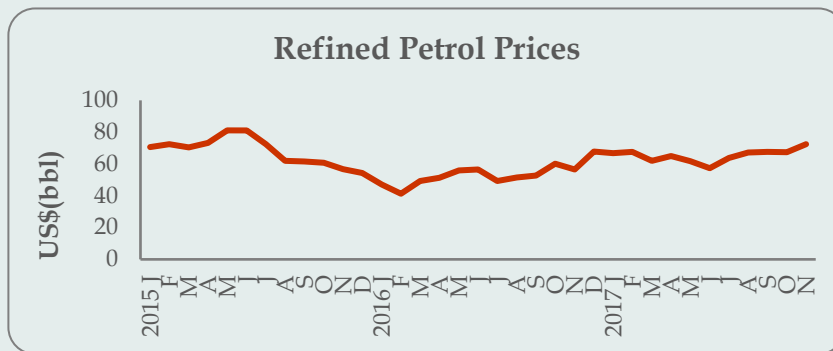


## Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

| Month  | Petrol | Diesel | Kerosene |
|--------|--------|--------|----------|
| Apr-16 | 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    | 61.93  | 62.43  | 61.85    |
| Apr    | 64.83  | 63.92  | 63.92    |
| May    | 61.60  | 60.45  | 60.84    |
| Jun    | 57.38  | 56.81  | 57.12    |
| July   | 59.10  | 59.76  | 59.87    |
| Aug    | 64.73  | 62.02  | 61.11    |
| Sep    | 67.66  | 66.53  | 67.97    |
| Oct    | 70.15  | 69.68  | 71.33    |
| Nov    | 73.05  | 71.80  | 74.06    |
| Dec*   | 73.32  | 73.27  | 74.37    |

Source: Central Bank of Sri Lanka

\*up to 15<sup>th</sup> Dec 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           |

**Wholesale Prices**  
**Week Ending -15<sup>th</sup> December 2017(Rs /Kg)**

**Pettah Market**

**Dambulla Market**

| Average Wholesale Prices  | Week Ending 15/12/2017 | Week Ago | % Change | Year Ago Annual Avg. |
|---------------------------|------------------------|----------|----------|----------------------|
| <b>Rice (Rs/Kg)</b>       |                        |          |          |                      |
| Samba                     | 106.00                 | 103.00   |          | 80.97                |
| Kekulu (Red)              | 81.00                  | 82.00    |          | 60.29                |
| <b>Vegetable</b>          |                        |          |          |                      |
| Beans                     | 230.00                 | 175.00   |          | 147.16               |
| Cabbage                   | 88.00                  | 90.00    |          | 76.62                |
| Carrots                   | 106.00                 | 125.00   |          | 121.42               |
| Tomatoes                  | 66.00                  | 55.00    |          | 75.00                |
| Pumpkins                  | 53.00                  | 60.00    |          | 60.29                |
| Snake Gourd               | 125.00                 | 105.00   |          | 76.18                |
| Brinjals                  | 130.00                 | 120.00   |          | 66.57                |
| Ash Plantains             | 100.00                 | 80.00    |          | 67.65                |
| <b>Other Foods</b>        |                        |          |          |                      |
| Red-Onions (Local)        | 457.00                 | 400.00   |          | 92.66                |
| Big Onions (Local)        | n.a.                   | n.a.     |          | 74.50                |
| Potatoes (N'Eliya)        | 125.00                 | 115.00   |          | 122.58               |
| Dried Chillies (Imported) | 210.00                 | 210.00   |          | 293.68               |
| Dhal (Indian)             | 115.00                 | 118.00   |          | 160.16               |
| Eggs (Red) (Each)         | 13.00                  | 13.00    |          | 14.30                |
| Coconut (Each)            | 81.00                  | 80.00    |          | 34.69                |
| <b>Fish (Rs/Kg)</b>       |                        |          |          |                      |
| Kelawalla                 | 470.00                 | 620.00   |          | 508.20               |
| Balaya                    | 230.00                 | 350.00   |          | 327.29               |
| Salaya                    | 100.00                 | 160.00   |          | 141.43               |
| Paraw (Small)             | 450.00                 | 500.00   |          | 540.36               |

Source: Central Bank of Sri Lanka

| Food Item                 | Wholesale (Average) |
|---------------------------|---------------------|
| <b>Rice (Rs/Kg)</b>       |                     |
| Samba                     | 106.20              |
| Kekulu (Red)              | 84.20               |
| <b>Vegetables</b>         |                     |
| Pumpkins                  | 53.20               |
| Snake Gourd               | 95.50               |
| Ash Plantains             | 78.50               |
| Beans                     | 225.00              |
| Carrots                   | 146.50              |
| Tomatoes                  | 62.00               |
| <b>Other Foods</b>        |                     |
| Potatoes (N'Eliya)        | 107.50              |
| Dried Chillies (Imported) | 205.00              |
| Big-Onions (Local)        | n.a.                |
| Red-Onions (Local)        | 362.00              |
| Coconut (Each)            | 73.50               |

Source: Central Bank of Sri Lanka

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

| Item        | Week Ending 15/12/2017 | Week Ago | Month Ago | Year Ago |
|-------------|------------------------|----------|-----------|----------|
| Samba       | 104.25                 | 103.70   | 102.00    | 77.58    |
| Sudu Kekulu | 89.75                  | 88.30    | 86.50     | 62.91    |
| Raw Red     | 84.63                  | 83.80    | 82.90     | 59.59    |
| Nadu        | 96.63                  | 95.80    | 94.24     | 66.62    |

Source: Central Bank of Sri Lanka

Weekly Retail Commodity Prices -4<sup>th</sup> Week of November 2017

Rs.

| Item               | Unit  | This Week | Week Ago | % Change | Year Ago |
|--------------------|-------|-----------|----------|----------|----------|
| Rice               |       |           |          |          |          |
| Samba(Avg.)        | 1 kg  | 102.90    | 105.19   | -2.2     | 90.98    |
| No. 1              | 1 kg  | 112.63    | 113.24   | -0.5     | 94.50    |
| No. 2              | 1kg   | 93.17     | 97.14    | -4.1     | 87.45    |
| Nadu Red           | 1kg   | 103.90    | 105.86   | -1.9     | 81.73    |
| Raw Red (Avg)      | 1kg   | 92.83     | 94.02    | -1.3     | 72.09    |
| No. 1              | 1kg   | 95.83     | 97.18    | -1.4     | 75.03    |
| No. 2              | 1kg   | 89.82     | 90.86    | -1.1     | 69.14    |
| Wheat Flour        | 1 kg  | 89.15     | 89.96    | -0.9     | 88.54    |
| Bread              | 450g  | 58.38     | 58.38    | 0.0      | 58.14    |
| Sugar              | 1 kg  | 112.21    | 111.06   | 1.0      | 96.90    |
| Lakspray           | 400g  | 325.00    | 325.00   | 0.0      | 325.00   |
| Potatoes (Import)  | 1 kg  | 84.17     | 88.33    | -4.7     | 110.90   |
| Potatoes (Local)   | 1kg   | 144.94    | 150.07   | -3.4     | 142.36   |
| Red Dhal(Avg)      | 1kg   | 161.44    | 165.22   | -2.3     | 193.57   |
| Cowpea (Avg)       | 1kg   | 310.16    | 309.50   | 0.2      | 258.54   |
| Green Gram(Avg)    | 1kg   | 248.14    | 252.36   | -1.7     | 228.73   |
| Kadalai (Avg)      | 1kg   | 356.84    | 352.00   | 1.4      | 276.59   |
| Meat               |       |           |          |          |          |
| Beef               | 1kg   | 949.44    | 946.88   | 0.3      | 839.83   |
| Chicken            |       |           |          |          |          |
| Fresh              | 1kg   | 528.75    | 514.00   | 2.9      | 562.22   |
| Broiler            | 1kg   | 420.00    | 420.00   | 0.0      | 410.00   |
| Fresh Fish         |       |           |          |          |          |
| Paraw              | 1 kg  | 953.91    | 992.22   | -3.9     | 918.38   |
| Balaya             | 1 kg  | 540.00    | 516.00   | 4.7      | 652.56   |
| Kelawalla          | 1 kg  | 865.00    | 815.00   | 6.1      | 890.03   |
| Salaya             | 1 kg  | 153.08    | 154.40   | -0.9     | 172.00   |
| Dried Fish         |       |           |          |          |          |
| Sprats             | 1 kg  | 712.14    | 710.71   | 0.2      | 589.99   |
| Eggs               | Each  | 14.81     | 14.33    | 3.3      | 14.42    |
| Coconut            | Each  | 86.02     | 87.72    | -1.9     | 45.82    |
| Coconut Oil        | 750ml | 287.00    | 289.00   | -0.7     | 222.98   |
| Red Onions         | 1 kg  | 475.61    | 509.28   | -6.6     | 124.48   |
| B- Onions (Import) | 1 kg  | 154.64    | 142.43   | 8.6      | 79.85    |
| Brinjal            | 1kg   | 206.15    | 208.86   | -1.3     | 124.34   |
| Beans Green        | 1 kg  | 216.76    | 206.67   | 4.9      | 185.84   |
| Cabbage            | 1 kg  | 222.16    | 220.20   | 0.9      | 128.85   |
| Leeks              | 1 kg  | 296.90    | 267.50   | 11.0     | 140.16   |
| Beet Root          | 1kg   | 219.43    | 190.91   | 14.9     | 111.92   |
| Carrot             | 1kg   | 252.22    | 242.67   | 3.9      | 134.94   |
| Tomatoes           | 1kg   | 141.08    | 149.03   | -5.3     | 102.34   |
| Radish             | 1kg   | 170.37    | 153.13   | 11.3     | 106.88   |
| Vetakolu           | 1kg   | 215.11    | 197.60   | 8.9      | 139.92   |
| Snake Gourd        | 1kg   | 209.41    | 207.63   | 0.9      | 122.56   |
| Bandakka           | 1kg   | 162.78    | 158.83   | 2.5      | 120.55   |
| Kolikuttu          | 1kg   | 183.21    | 188.08   | -2.6     | 248.16   |
| Papaw              | 1kg   | 97.83     | 93.91    | 4.2      | 122.81   |
| Pineapple          | 1kg   | 126.80    | 142.96   | -11.3    | 301.55   |

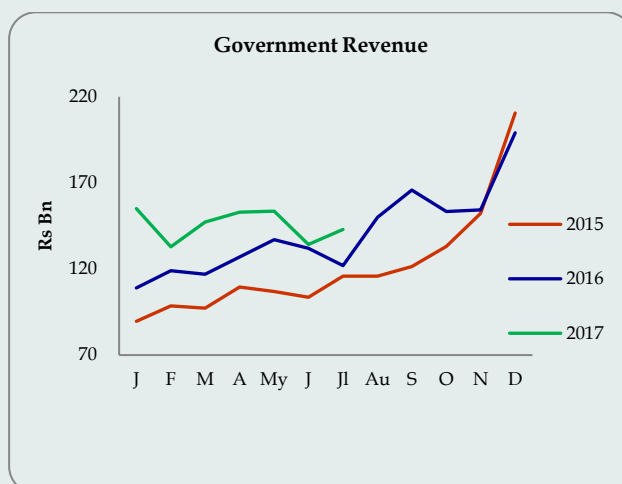
Source: Department of Census and Statistics



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

| Item                   | 2015             | 2016             | 2017 (Jan-Aug)   |
|------------------------|------------------|------------------|------------------|
| <b>Tax Revenue</b>     | <b>1,355,779</b> | <b>1,463,689</b> | <b>1,094,948</b> |
| Income Tax             | 262,583          | 258,857          | 171,038          |
| VAT                    | 219,700          | 283,470          | 290,049          |
| Excise Duty            | 497,623          | 454,952          | 312,524          |
| Nation Building Tax    | 45,004           | 57,424           | 45,025           |
| PAL                    | 58,644           | 88,823           | 65,619           |
| Customs Duty           | 132,189          | 156,487          | 92,514           |
| SCL                    | 52,276           | 55,825           | 49,175           |
| Cess                   | 46,289           | 61,730           | 39,530           |
| License Fee and Other  | 41,471           | 46,121           | 29,474           |
| <b>Non Tax Revenue</b> | <b>99,099</b>    | <b>222,372</b>   | <b>77,426</b>    |
| <b>Total Revenue</b>   | <b>1,454,878</b> | <b>1,686,061</b> | <b>1,172,374</b> |



Source: Department of Fiscal Policy

(a) provisional

## Government Debt

| Government Debt (Rs.bn)      | End 2016       | Jan-Jun 2017(a) |
|------------------------------|----------------|-----------------|
| Total Domestic Debt          | 5,341.5        | 5,666.5         |
| Total Foreign Debt           | 4,045.8        | 4,497.4         |
| <b>Total Government Debt</b> | <b>9,387.3</b> | <b>10,163.9</b> |

Source: Central Bank of Sri Lanka

(a) provisional

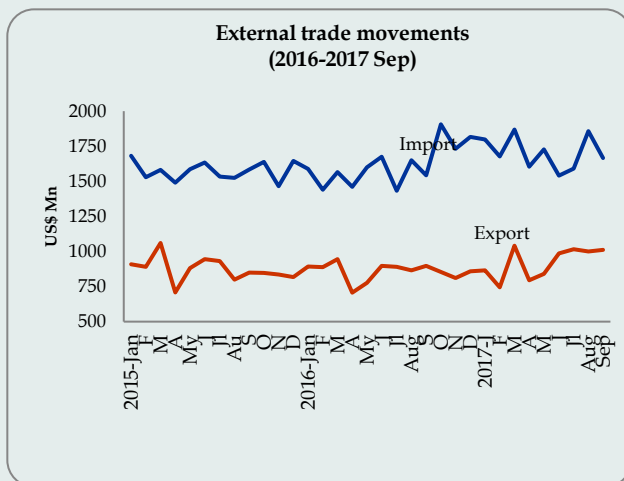
## Key Fiscal Indicators 2015-2016-2017

| Indicator             | Unit     | 2015      | 2016      | 2017 Jan-Aug |
|-----------------------|----------|-----------|-----------|--------------|
| Budget Deficit        | Rs Mn    | -829,502  | -640,326  | -520,220     |
|                       | % of GDP | -7.4      | -5.4      | -4.0         |
| Total Revenue         | Rs Mn    | 1,454,878 | 1,686,061 | 1,172,374    |
|                       | % of GDP | 13.0      | 14.2      | 9.0          |
| Tax Revenue           | Rs Mn    | 1,355,779 | 1,463,689 | 1,094,948    |
|                       | % of GDP | 12.1      | 12.4      | 8.4          |
| Non Tax Revenue       | Rs Mn    | 99,099    | 222,372   | 77,426       |
|                       | % of GDP | 0.9       | 1.9       | 0.6          |
| Recurrent Expenditure | Rs Mn    | 1,701,657 | 1,757,782 | 1,294,354    |
|                       | % of GDP | 15.2      | 14.8      | 10.0         |
| Public Investment     | Rs Mn    | 602,768   | 594,012   | 404,859      |
|                       | % of GDP | 5.4       | 5.0       | 3.1          |
| Government Debt       | Rs Mn    | 8,503,227 | 9,387,303 | -            |
|                       | % of GDP | 77.6      | 79.3      | -            |

Compiled by Department of Fiscal Policy

| Category                    | Sep 2016<br>(US\$ Mn) | Sep 2017<br>(US\$ Mn) | Growth Rate (%) | Jan-Sep 2016<br>(US\$ Mn) | Jan-Sep 2017<br>(US\$ Mn) | Growth Rate (%) |
|-----------------------------|-----------------------|-----------------------|-----------------|---------------------------|---------------------------|-----------------|
| <b>Exports</b>              | <b>897.9</b>          | <b>1,011.0</b>        | <b>12.6</b>     | <b>7,786.0</b>            | <b>8,424.1</b>            | <b>8.2</b>      |
| <b>Agricultural</b>         | <b>224.0</b>          | <b>262.7</b>          | <b>17.3</b>     | <b>1,744.6</b>            | <b>2,077.8</b>            | <b>19.1</b>     |
| Tea                         | 114.9                 | 136.9                 | 19.2            | 949.9                     | 1,139.6                   | 20.0            |
| Other                       | 109.1                 | 125.8                 | 15.3            | 794.7                     | 938.2                     | 18.1            |
| <b>Industrial</b>           | <b>669.9</b>          | <b>744.5</b>          | <b>11.1</b>     | <b>6,007.5</b>            | <b>6,306.8</b>            | <b>5.0</b>      |
| Rubber Products             | 67.5                  | 76.5                  | 13.3            | 575.9                     | 614.6                     | 6.7             |
| Textiles and Garments       | 382.2                 | 431.5                 | 12.9            | 3,715.8                   | 3,715.0                   | 0.0             |
| Food, Beverage and Tobacco  | 30.7                  | 37.2                  | 21.2            | 253.1                     | 296.3                     | 17.1            |
| Other                       | 189.5                 | 199.3                 | 5.2             | 1,462.7                   | 1,680.9                   | 14.9            |
| <b>Mineral</b>              | <b>3.1</b>            | <b>2.5</b>            | <b>-18.3</b>    | <b>22.7</b>               | <b>27.0</b>               | <b>18.8</b>     |
| <b>Unclassified</b>         | <b>1.0</b>            | <b>1.3</b>            | <b>31.6</b>     | <b>11.2</b>               | <b>12.6</b>               | <b>12.0</b>     |
| <b>Imports</b>              | <b>1,508.3</b>        | <b>1,666.7</b>        | <b>10.5</b>     | <b>13,911.1</b>           | <b>15,263.7</b>           | <b>9.7</b>      |
| <b>Consumer Goods</b>       | <b>374.8</b>          | <b>328.9</b>          | <b>-12.2</b>    | <b>3,199.7</b>            | <b>3,279.0</b>            | <b>2.5</b>      |
| Food and Beverages          | 144.8                 | 131.2                 | -9.4            | 1,183.9                   | 1,335.7                   | 12.8            |
| Other Consumer Goods        | 230.0                 | 197.7                 | -14.0           | 2,015.8                   | 1,943.3                   | -3.6            |
| <b>Intermediate Goods</b>   | <b>775.6</b>          | <b>949.4</b>          | <b>22.4</b>     | <b>7,084.6</b>            | <b>8,221.2</b>            | <b>16.0</b>     |
| Petroleum                   | 176.3                 | 298.5                 | 69.3            | 1,677.2                   | 2,451.3                   | 46.2            |
| Textiles & Textile Articles | 221.5                 | 217.3                 | -1.9            | 1,986.2                   | 1,998.5                   | 0.6             |
| Other Intermediate Goods    | 377.8                 | 433.6                 | 14.8            | 3,421.2                   | 3,771.4                   | 10.2            |
| <b>Investment Goods</b>     | <b>357.5</b>          | <b>385.9</b>          | <b>7.9</b>      | <b>3,617.1</b>            | <b>3,623.6</b>            | <b>0.2</b>      |
| Machinery and Equipment     | 194.7                 | 203.5                 | 4.5             | 2,010.1                   | 1,941.8                   | -3.4            |
| Transport Equipment         | 51.1                  | 59.2                  | 15.8            | 465.4                     | 497.8                     | 7.0             |
| Building Material           | 111.3                 | 122.9                 | 10.5            | 1,137.0                   | 1,177.7                   | 3.6             |
| Other Investment Goods      | 0.4                   | 0.3                   | -34.5           | 4.5                       | 6.3                       | 38.9            |
| <b>Unclassified</b>         | <b>0.4</b>            | <b>2.4</b>            | <b>574.0</b>    | <b>9.8</b>                | <b>139.9</b>              | <b>1,329.9</b>  |
| <b>Trade Balance</b>        | <b>(610.4)</b>        | <b>(655.7)</b>        | <b>7.4</b>      | <b>(6,125.1)</b>          | <b>(6,839.6)</b>          | <b>11.7</b>     |

Source: Central Bank of Sri Lanka



- Export earnings during January to September 2017 increased by 8.2 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The earnings for the month of September 2017 increased by 12.6 percent, compared to the respective period of 2016.
- On a cumulative basis, expenditure on imports increased by 9.7 percent for the period during January to September 2017. Expenditure on imports for the month of September 2017 increased by 10.5 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit widened to US\$ 655.7 Mn in September 2017 over the same period of 2016.

| 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          | 188,076            | -2.5             | 260.3            | 330.8          | 322.7            | -2.5             |
| Apr          | 122,217          | 136,367          | 160,249            | 17.5             | 202.6            | 226.0          | 274.9            | 21.6             |
| May          | 113,529          | 125,044          | 121,891            | 2.5              | 188.2            | 214.5          | 209.1            | -2.5             |
| Jun          | 115,467          | 118,038          | 123,351            | 4.5              | 191.4            | 195.6          | 211.6            | 8.2              |
| July         | 175,804          | 209,351          | 205,482            | -1.9             | 291.4            | 359.2          | 352.5            | -1.9             |
| Aug          | 166,610          | 186,288          | 190,928            | 2.5              | 276.1            | 319.6          | 327.6            | 2.5              |
| Sep          | 143,374          | 148,499          | 145,077            | -2.3             | 237.6            | 254.8          | 248.9            | -2.3             |
| Oct          | 132,280          | 150,419          | 152,429            | 1.3              | 219.2            | 249.3          | 261.5            | 4.8              |
| Nov          | 144,147          | 167,217          | 167,511            | 0.2              | 238.9            | 277.1          | 287.4            | 3.7              |
| Dec          | 206,114          | 224,791          |                    |                  | 341.6            | 372.6          |                  |                  |
| <b>Total</b> | <b>1,798,380</b> | <b>2,050,832</b> | <b>1,871,871 *</b> | <b>2.75*</b>     | <b>2,980.7</b>   | <b>3,399.1</b> | <b>3,211.5 *</b> | <b>2.5*</b>      |

Source: Sri Lanka Tourism Development Authority

\*Jan-June

### Tourism

Earnings from tourism increased to US \$ 3,211.5Mn. during Jan-Nov 2017 with an increase of 2.5 per cent over the same period of 2016.

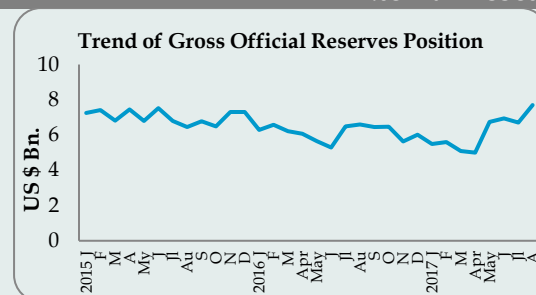
The number of tourist arrivals decreased to 167,511 in November 2017.



### External Assets

| External Assets (US\$ Mn) | Aug 2017 | Jul 2017 | Jun 2017 |
|---------------------------|----------|----------|----------|
| Total Reserves            | n.a.     | 8,993.7  | 7,534.3  |
| Gross Official Reserves   | 7,693.6  | 6,710.5  | 5,048.1  |

Source: Central Bank of Sri Lanka



### Official reserves

The total reserves and gross official reserves were US\$ 9.0 Bn and US\$ 6.7 Bn, respectively by end July 2017. Total foreign reserves were sufficient to 5.3 months of imports and the gross official reserves were equivalent to 3.9 months of imports. Workers' remittances decreased by 16.7 per cent in dollar terms to US \$ 481.4 Mn. in September 2017.

### Private Remittances

| Category       | 2016 Oct | 2017 Oct(a) | 2016 Jan-Oct | 2017 Jan-Oct(a) | % Change |
|----------------|----------|-------------|--------------|-----------------|----------|
| Inflow US\$ Mn | 607.5    | 533.5       | 5,989.6      | 5,518.2         | -7.9     |
| Rs. Bn         | 89.2     | 81.9        | 868.7        | 840.1           | -3.      |

Source: Central Bank of Sri Lanka

(a) Provisional

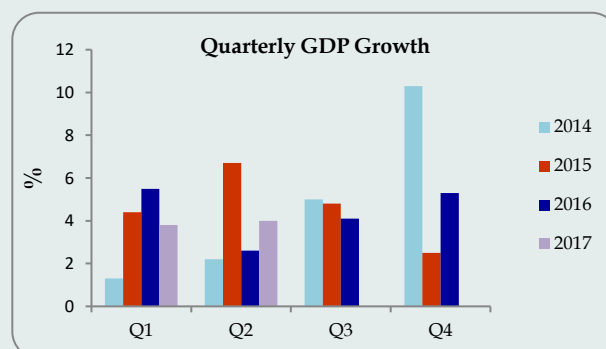
## PRODUCTION

### 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>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>        | <b>5.3</b>        | <b>4.4</b> |
| Agriculture | 1.9               | -5.6              | -1.9              | -8.4              | -4.2       |
| Industry    | 8.3               | 2.2               | 6.8               | 9.2               | 6.7        |
| Service     | 4.9               | 4.9               | 4.7               | 4.6               | 4.2        |
| <b>2017</b> | <b>3.8</b>        | <b>4.0</b>        | <b>3.3</b>        |                   |            |
| Agriculture | -3.2              | -2.9              | -3.3              |                   |            |
| Industry    | 6.3               | 5.2               | 1.9               |                   |            |
| Service     | 3.5               | 4.5               | 4.3               |                   |            |

Source: Department of Census & Statistics

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



### GDP grew by 3.3%

The Sri Lankan economy grew by 3.3% during the 3<sup>rd</sup> quarter 2017 compared to 4.1% growth recorded in same period of 2016. The growth was mainly supported by expands of Industry sector by 1.9% and Service sector by 4.3%. However, Agriculture sector contracted by 3.3%.

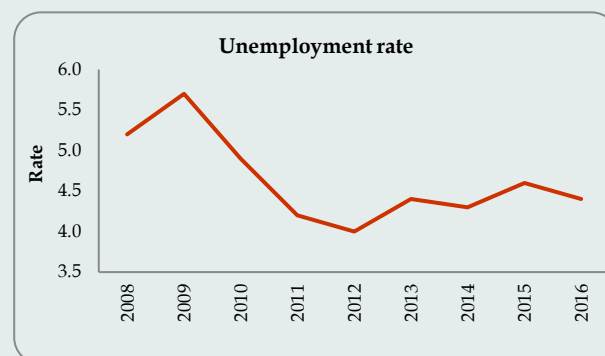
## Labour Force Statistics

| Employment                      | 2017 2 <sup>nd</sup> Quarter* (a) | 2017 1 <sup>st</sup> Quarter* (a) | 2016 Annual (a) | 2015 Annual |
|---------------------------------|-----------------------------------|-----------------------------------|-----------------|-------------|
| Labour Force Participation Rate | 53.9                              | 54.7                              | 53.8            | 53.8        |
| Unemployment Rate               | 4.5                               | 4.1                               | 4.4             | 4.7         |
| <b>By Gender</b>                |                                   |                                   |                 |             |
| Male                            | 3.0                               | 2.7                               | 2.9             | 3.0         |
| Female                          | 7.1                               | 6.5                               | 7.0             | 7.6         |
| <b>By Age Group</b>             |                                   |                                   |                 |             |
| 20-29                           | 14.6                              | 12.5                              | 14.2            | 14.2        |
| 20-24                           | 18.4                              | 17.4                              | 19.9            | 19.7        |
| 25-29                           | 11.3                              | 8.0                               | 9.2             | 9.4         |

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



## Paddy Production

| Category                       | 2016           |           |       | 2017           |           |       |
|--------------------------------|----------------|-----------|-------|----------------|-----------|-------|
|                                | 2015/2016 Maha | 2016 Yala | Total | 2016/2017 Maha | 2017 Yala | Total |
| <b>Production</b>              |                |           |       |                |           |       |
| Mn.Mt                          | 2.90           | 1.55      | 4.45  | 1.48           | 1.02      | 2.50  |
| Bushels Mn.                    | 139            | 73        | 212   | 71.2           | 48.8      | 120.0 |
| <b>Net Extent Harvested</b>    |                |           |       |                |           |       |
| Hectares ('000)                | 667            | 344       | 1,011 | 343            | -         | -     |
| Acres ('000)                   | 1,649          | 849       | 2,498 | 847            | -         | -     |
| <b>Average Yield kg per ha</b> | 4,349          | 4,417     | 8,766 | 4,301          | -         | -     |

Source: Department of Census & Statistics

(a)provisional

The paddy production in 2017 Yala season decreased by 34.2 percent to around 1.0 million mt, compared to the 1.6 million mt recorded in 2016. The total paddy production in 2017 decreased by 43.8 percent to around 2.5 million mt, compared to the 4.5 million mt recorded in 2016.

## Tea, Rubber & Coconut Production

| Category                      | 2016 Jan-Oct    | 2017 Jan-Oct    | % Change |
|-------------------------------|-----------------|-----------------|----------|
| <b>Production</b>             |                 |                 |          |
| Tea (Mn. Kg)                  | 237.68          | 256.71          | 8.01     |
| Rubber (Mn. Kg)               | 70.24           | 68.99           | 1.81     |
| Coconut (Mn. Nuts)            | 2,097.70        | 2,512.22        | -16.50   |
| <b>Exports (US\$ Mn)</b>      |                 |                 |          |
|                               | <b>2016 Sep</b> | <b>2017 Sep</b> |          |
| Tea                           | 114.9           | 136.9           | 19.2     |
| Rubber                        | 2.3             | 2.9             | 28.8     |
| Coconut                       | 37.2            | 33.0            | -11.2    |
| <b>Colombo Auction Prices</b> |                 |                 |          |
|                               | <b>2016 Aug</b> | <b>2017 Aug</b> |          |
| Tea (Rs./ Kg)                 | 468.81          | 607.19          | 29.52    |
| Rubber (Rs./ Kg)              | 229.33          | 346.38          | 51.04    |
| Coconut (Rs./nut)             | 22.68           | 48.84           | 115.35   |

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

## Factory Industrial Production Index (2010=100)

| Item (a)  | 2016 August (b) | 2017 August (c) | Growth %   |
|---|-----------------|-----------------|------------|
| Manufacture of Food Products                        | 103.3           | 108.6           | 5.1        |
| Manufacture of Beverages                            | 104.6           | 87.4            | -16.4      |
| Manufacture of Tobacco Products                     | 113.1           | 122.6           | 8.4        |
| Manufacture of Textiles                             | 103.6           | 105.1           | 1.5        |
| Manufacture of Wearing Apparel                      | 101.6           | 109.8           | 8.1        |
| Manufacture of Leather and Related Products         | 107.6           | 118.2           | 9.8        |
| Manufacture of Wood products ,except Furniture      | 99.3            | 101.1           | 1.8        |
| Manufacture of Paper and Paper Products             | 108.0           | 109.3           | 1.1        |
| Printing and Reproduction of Recorded Media         | 97.4            | 106.1           | 8.9        |
| Manufacture of Coke and Refined Petroleum Products  | 96.1            | 106.1           | 10.4       |
| Manufacture of Chemicals and Chemical Products      | 103.4           | 100.8           | -2.5       |
| Manufacture of Pharmaceuticals, Medicinal Chemicals | 118.0           | 118.9           | 0.8        |
| Manufacture of Rubber and Plastic Products          | 106.7           | 106.9           | 0.2        |
| Manufacture of Other Non-Metallic Mineral Products  | 108.5           | 108.6           | 0.1        |
| Manufacture of Basic Metals                         | 114.2           | 135.7           | 18.9       |
| Manufacture of Fabricated Metal Products            | 98.7            | 133.8           | 35.5       |
| Manufacture of Electrical Equipment                 | 99.5            | 107.0           | 7.5        |
| Manufacture of Machinery and Equipment n.e.c        | 112.4           | 113.9           | 1.3        |
| Manufacture of Furniture                            | 125.7           | 117.1           | -6.9       |
| Manufacture of other Manufacturing                  | 106.1           | 103.9           | -2.0       |
| <b>Factory Industry Production Index</b>            | <b>103.6</b>    | <b>108.6</b>    | <b>4.8</b> |

Source: Central Bank of Sri Lanka

(a) The Factory Industrial Production Index (FIPI) has been replaced with the Index of Industrial Production (IIP)

(b) Revised

(c) Provisional