

WEEKLY 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** declined to **3.8%** in April 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 157.79**
- ⇒ **Brent crude oil** increased to: **US\$ 76.43** per bbl
- ⇒ **Credit to private sector** decreased by **15.29%** in March 2018
- ⇒ **Tourist arrivals** up by **16.1%** in April 2018

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WEEK IN REVIEW

Domestic Economy

The GDP grew by 3.1 per cent in real terms in 2017, mainly due to the expansion of industry sector and service sector coupled with the contraction of Agriculture sector.

The total outstanding market liquidity decreased to deficit of Rs. 3.95 bn by end of 18 May 2018, compared to a surplus of Rs. 6.71 bn by the end of 11 May 2018.

All Share Price Index (ASPI) increased by 0.20% to 6,492 points and the S&P SL 20 Index increased by 0.18% to 3,629 points, compared to the previous week.

NCPI decreased to 1.6% in April 2018.

International Developments

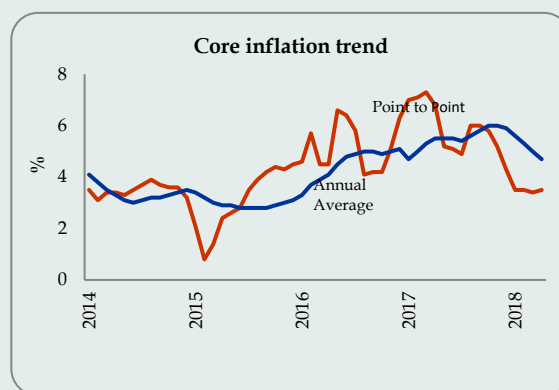
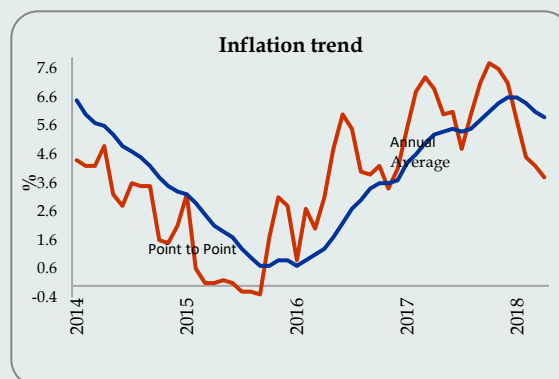
Global output is projected to grow by 3.5 percent in 2017 and 3.6 percent in 2018.

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
Jun-16	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
Dec	7.1	6.6	4.3	5.9	0.2	7.3
Jan-18	5.8	6.6	3.5	5.6	-0.6	5.4
Feb	4.5	6.4	3.5	5.3	-1.7	3.2
Mar	4.2	6.1	3.4	5.0	-0.7	2.8
Apr	3.8	5.9	3.5	4.7	0.1	1.6



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

The point to point inflation of CCPI decreased to 3.8 per cent in April 2018. The annual average of CCPI decreased to 5.9 per cent in April 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 3.5 per cent, on point to point basis, while annual average core inflation decreased to 4.7 per cent, in April 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 1.6 per cent in April 2018, on year on year basis.

Contribution of Food Items to CCPI from March 2018 to April 2018

Commodity	Value Change Rs.	Change %
Food	-82.78	-0.11
Rice	29.94	0.04
Chicken	35.22	0.05
Sea Fish	-62.07	-0.08
Coconut	-37.72	-0.05
Potatoes	10.51	0.01
Vegetables	-61.99	-0.08
Red Onions	-13.35	-0.02
Big onions	-41.85	-0.06
Dhal	6.20	0.01
Green chilies	-5.69	-0.01
Eggs	-18.96	-0.03
Limes	12.87	0.02
Papaw	10.67	0.01

Source: Department of Census and Statistics

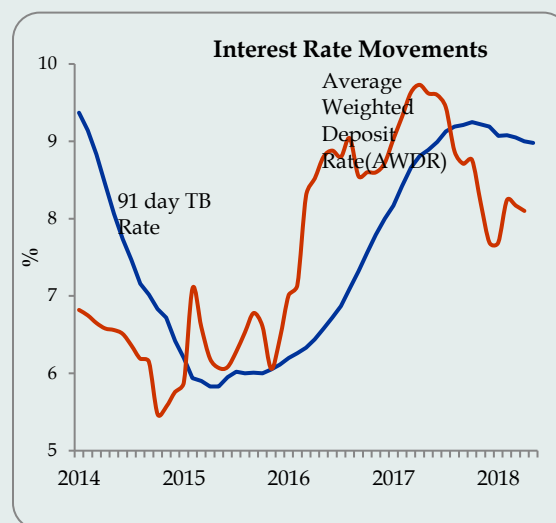
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Oct-16	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
Dec	1.3	14.4	9.3
Jan-18	-1.9	10.5	9.8
Feb	-2.9	6.0	9.6
Mar	-1.5	5.1	9.2
Apr	-0.4	3.0	8.8

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)
Oct-16	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
Dec	122.9	7.1	6.6	7.69	0.59	1.09
Jan-18	122.8	5.8	6.6	7.69	1.89	1.09
Feb	121.9	4.5	6.4	8.24	3.74	1.84
Mar	121.4	4.2	6.1	8.17	3.97	2.07
Apr	121.5	3.8	5.9	8.10	4.30	2.20

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



Interest Rate Movements

Category	Week Ending 18 th May 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.00	7.25
Standing Lending Facility	8.50	8.50	8.00	8.75
Call Money Weekly Average	7.89	7.89	8.50	8.75
Treasury Bill (Yield rate)				
91 Days	8.33	8.11	-	-
182 Days	8.90	-	9.39	10.43
364 Days	9.70	9.65	10.11	10.89
Prime Lending Rate	11.39	11.27	11.78	11.98
	Apr-18		Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.98		9.00	8.89

Source : Central Bank of Sri Lanka

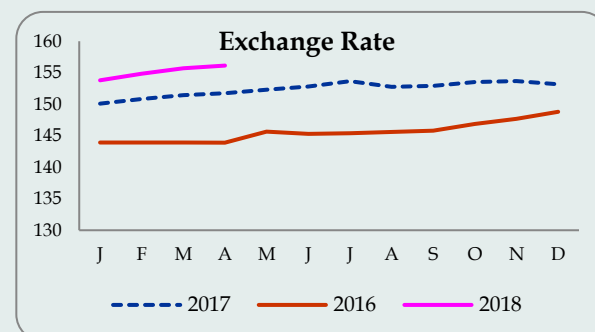
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.50 percent, respectively during this week.

The Prime Lending rate decreased to 11.39 per cent by week ending 18th May 2018 compared to last week and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of April 2018 was 8.98 percent.

Exchange Rates

Currency	Week Ending 18 th May 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	157.79	157.69	152.53	3.4
Sterling Pound	213.29	213.31	197.86	7.8
Euro	186.26	187.83	170.18	9.4
Japanese Yen	1.44	1.44	1.38	4.3
Indian Rupee	2.33	2.35	2.38	-2.1

Source : Central Bank of Sri Lanka



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

Money Supply and Credit Growth

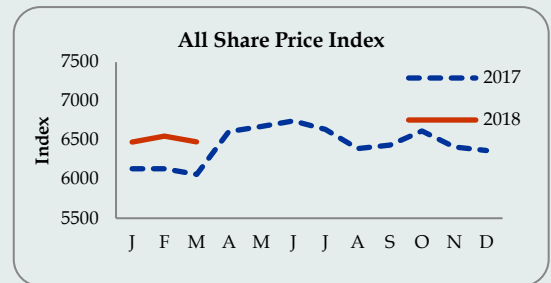
Item	Mar 2018	Feb 2018	Jan 2018	Mar 2017	Feb 2017	Jan 2017	Growth 2017 Mar/2018 Mar (%)
M ₁ (Rs Bn)	841.18	770.85	773.42	782.02	744.60	742.85	7.56
M ₂ (Rs Bn)	5,995.49	5,826.70	5,739.01	5,096.20	4,951.31	4,866.01	17.65
M _{2b} (Rs Bn)	6,606.65	6,450.50	6,378.37	5,677.40	5,551.96	5,460.43	16.37

Item	Mar 2018	Month Ago	Year Ago	Growth 2017 Mar/2018 Mar (%)
Credit to Private Sector (Rs.bn)	5,043.95	4,921.62	4,375.20	15.29
DBUs	4,686.93	4,567.50	4,065.75	15.28
OBUs	357.02	354.12	309.44	15.38

Source: Central Bank of Sri Lanka

Share Market

Indicator	Week Ending 18 th May 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,492	6,479	6,698
S & P Sri Lanka 20 Index (S & P SL20)	3,629	3,622	3,841
Average Daily Turnover (Rs.Mn)	525	802	935
Market Capitalization (Rs.Bn.)	3,032	3,026	2,953



Source: Colombo Stock Exchange

All Share Price Index (ASPI) increased by 13 index points and closed at 6,492 points compared to the second week of May 2018. The S & P Sri Lanka 20 Index (S & P SL20) increased by 7 to 3,629 index points. The Average Daily Turnover decreased by Rs. 277 million and stationed at Rs. 525 million. Market capitalization reached Rs. 3,032 billion in the third week of May 2018.

Equity Trading Statistics

Indicator	Mar 2018	Mar 2017	Jan-Mar 2018	Jan-Mar 2017
Turnover -Equity (Rs. Mn.)	33,433.5	19,398.2	70,404.8	45,560.9
Domestic (Rs. Mn.)	18,594.6	8,874.0	39,185.5	23,005.2
Foreign (Rs. Mn.)	14,838.9	10,524.2	31,219.3	22,555.7
Market Days	20	23	58	62
Daily Turnover Avg. Equity (Rs. Mn.)	1,671.7	843.4	1,213.9	734.8
Trade Equity	100,869	65,508	270,801	163,305
Domestic	96,922	61,391	257,847	152,838
Foreign	3,947	4,117	12,954	10,467
Shares Traded -Equity	873.2	668.7	2,022.2	1,769.1
Domestic (Rs. Mn.)	697.6	495.8	1,671.8	1,061.5
Foreign (Rs. Mn.)	175.6	172.9	350.4	707.6
Companies Traded	276	274	278	275
Companies Listed	299	295	299	295

Market Indicators

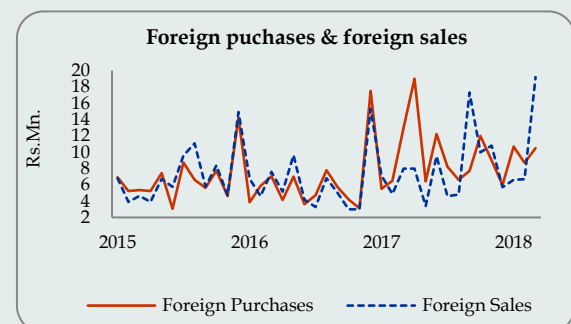
Price Indices	Mar 2018	Feb 2018
ASPI	6,476.78	6,551.78
S&P SL 20	3,650.10	3,710.14
Total Return Indicators		
ASTRI	8,613.19	8,707.07
S&P SL20 (TRI)	5,325.81	5,366.84
Market PER	11.19	11.05
Dividend Yield	2.91	2.97
Market Capitalization (Rs.Bn.)	3,032.71	3,046.35

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	March 2018	Jan-Mar 2018
Purchases by Foreigners (Rs. Mn)	10,492.4	29,904.6
Sales by Foreigners (Rs. Mn)	19,185.4	32,534.6
Net Foreign Purchases (Rs. Mn)	(8,692.9)	(2,629.9)

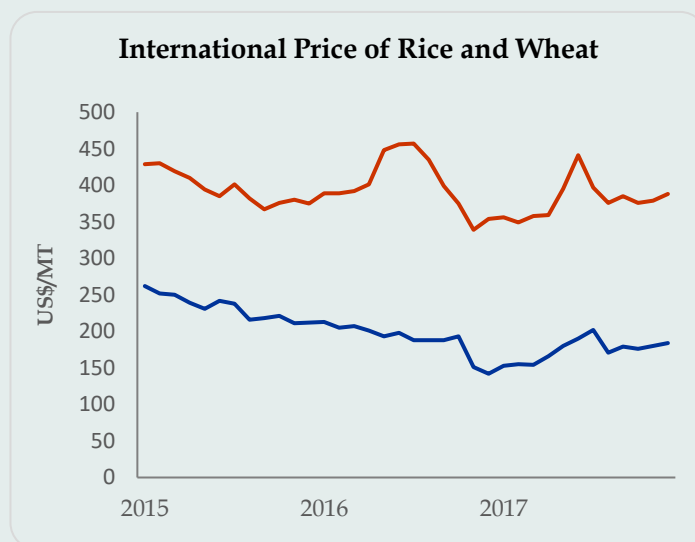
Source: Colombo Stock Exchange



COMMODITY PRICES

International Commodity Prices

Month	Rice Thai,100% US\$/MT	Wheat (HRW) US\$/MT
Jun-2016	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
Jul	397	202
Aug	376	171
Sep	385	179
Oct	376	176
Nov	379	180
Dec	388	184



Source: FAO Web Site, Available at fao.org/worldfoodsituation/foodpricesindex

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	Oct	Nov	Dec
		2015	2016	2017	2017	2017	2017
Non Energy, Agriculture, Beverages							
Cocoa	\$/kg	3.14	2.89	2.03	2.10	2.13	1.92
Coffee, Arabica	\$/kg	3.53	3.61	3.32	3.10	3.11	3.03
Tea, auctions (3) average	\$/kg	2.71	2.64	3.10	3.26	3.17	3.07
Tea, Colombo auctions	\$/kg	2.96	3.24	4.07	4.22	4.08	4.06
Food, Fats & Oils							
Coconut Oil	\$/mt	1,110	1,475	1,602	1,485	1,549	1,443
Copra	\$/mt	735	982	1,065	989	1,038	960
Palm Oil	\$/mt	623	700	1,365	721	716	665
Grains							
Barley	\$/mt	194.3	158.5	140.8
Maize	\$/mt	169.8	159.2	154.5	148.6	148.7	149.0
Wheat, US HRW	\$/mt	204.5	166.6	174.2	175.6	179.7	184.1
Other Food							
Meat, Beef	\$/kg	4.42	3.93	4.23	4.17	4.20	4.13
Meat, Chicken	\$/kg	2.53	2.46	2.51
Sugar, World	\$/kg	0.30	0.40	0.35	0.32	0.33	0.32
Raw Materials, Timber							
Plywood	¢/sheets	451.2	503.3	486.9	483.5	484.0	483.5
Wood pulp	\$/mt	875.0	875.0	875.0	875.0	875.0	875.0
Other Raw Materials							
Rubber RSS3, US	\$/kg	1.57	1.61	2.00	1.64	1.57	1.65
Fertilizers							
Phosphate Rock	\$/mt	117.5	112.2	89.7	80.0	80.0	80.0
TSP	\$/mt	385.0	290.5	276.3	222.0	222.0	222.0
Urea	\$/mt	272.9	199.3	219.8	263.0	246.0	219.0
Metals and Minerals							
Aluminum	\$/mt	1,665	1,604	1,968	2,131	2,097	2,080
Gold	\$/toz	1,161	1,249	1,258	1,280	1,282	1,264
Iron ore	\$/dmt	55.8	58.4	71.8	61.7	64.2	72.3

Source: The World Bank, Available at worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROJECTS

¢= US cent

\$= US dollar

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

Item	May 14	May 15	May 16	May 17	May 18	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	76.71	78.27	78.15	79.25	79.49	77.35	71.92	52.08
WTI (US\$/bbl.)	70.36	71.01	71.00	71.64	71.58	71.34	66.84	48.94
Petrol	84.40	85.70	86.45	89.40	89.30	84.80	78.30	62.10
Diesel	88.15	89.67	88.89	90.13	91.09	88.64	82.55	60.56
Kerosene	89.54	91.01	90.56	92.24	92.83	90.09	85.30	61.00

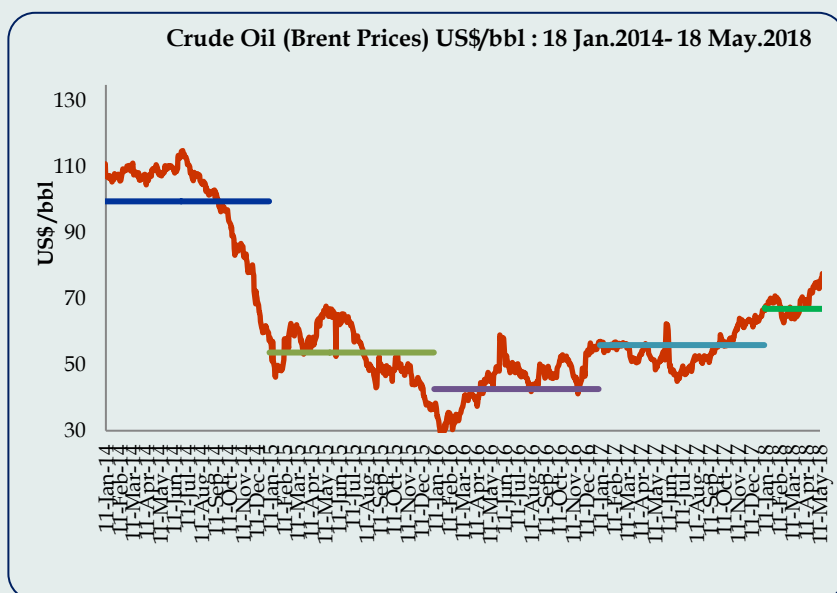
Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Sep-16	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	63.92	57.82
Jan-18	63.55	69.02
Feb	62.26	65.80
Mar	66.69	62.80
Apr	66.21	71.55
May*	70.16	76.43

Source: Central Bank of Sri Lanka

*up to 18th May 2018

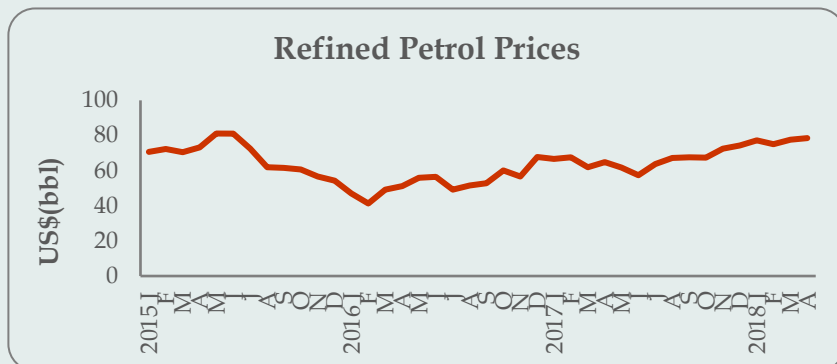


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
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	73.45	74.49	75.61
Jan-18	76.65	80.05	80.91
Feb	74.17	76.52	79.98
Mar	74.24	76.74	79.03
Apr	78.36	82.58	85.14
May*	84.05	87.86	89.59

Source: Central Bank of Sri Lanka

*up to 18th May 2018



Local Market Prices of Petroleum Products

Item	Unit	End 2015	End 2016	End 2017	Current Price 2018
Auto Diesel	1 liter	95.00	95.00	95.00	109.00
Petrol (Octane 92)	1 liter	117.00	117.00	117.00	137.00
Kerosene oil	1 liter	49.00	49.00	44.00	101.00
L P Gas	12.5 kg	1,346.00	1,321.00	1,321.00	1,676.00

Wholesale Prices
Week Ending 18th May 2018 (Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 18/05/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	106.00	106.00	0.0	94.82
Kekulu (Red)	71.00	71.00	0.0	80.30
Vegetable				
Beans	128.00	107.00	19.6	118.56
Cabbage	38.00	35.00	8.6	75.37
Carrots	148.00	140.00	5.7	120.95
Tomatoes	114.00	75.00	52.0	93.73
Pumpkins	26.00	25.00	4.0	61.84
Snake Gourd	86.00	80.00	7.5	96.74
Brinjals	68.00	63.00	7.9	94.90
Ash Plantains	50.00	50.00	0.0	73.41
Other Foods				
Red-Onions (Local)	105.00	127.00	-17.3	250.84
Big Onions (Local)	n.a.	n.a.	-	110.80
Potatoes (N'Eliya)	128.00	125.00	2.4	127.34
Dried Chillies (Imported)	248.00	248.00	0.0	189.80
Dhal (Indian)	115.00	115.00	0.0	135.31
Eggs (Red) (Each)	13.50	12.50	8.0	11.96
Coconut (Each)	80.00	77.00	3.9	61.72
Fish (Rs/Kg)				
Kelawalla	570.00	580.00	1.7	540.63
Balaya	340.00	370.00	-8.1	301.46
Salaya	140.00	130.00	7.7	116.88
Paraw (Small)	450.00	450.00	0.0	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	109.40
Kekulu (Red)	74.60
Vegetables	
Pumpkins	18.30
Snake Gourd	78.50
Ash Plantains	44.50
Beans	125.00
Carrots	154.00
Tomatoes	95.00
Other Foods	
Potatoes (N'Eliya)	120.83
Dried Chillies (Imported)	253.00
Big-Onions (Local)	n.a
Red-Onions (Local)	100.00
Coconut (Each)	69.20

Source: Central Bank of Sri Lanka

Marandaghamula Average Price of Rice (Rs /Kg)

Item	Week Ending 18/05/2018	Week Ago	Month Ago	Year Ago
Samba	98.90	98.25	96.58	92.96
Sudu Kekulu	77.90	78.63	76.45	83.16
Raw Red	75.20	76.63	74.53	80.21
Nadu	80.90	80.75	79.79	87.93

Source: Central Bank of Sri Lanka

Weekly Retail Commodity Prices -4th Week of April 2018

Rs.

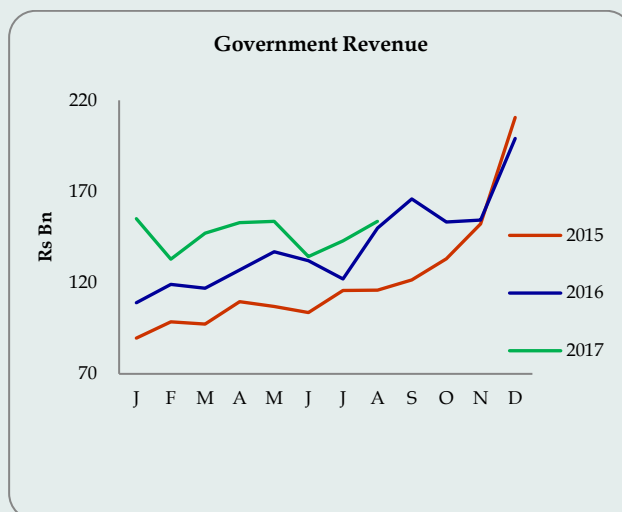
Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	110.56	110.14	0.4	92.15
No. 1	1 kg	115.19	114.63	0.5	95.26
No. 2	1kg	105.93	105.64	0.3	89.04
Nadu Red	1kg	99.57	99.52	0.1	90.60
Raw Red (Avg)	1kg	85.93	85.86	0.1	82.15
No. 1	1kg	91.31	90.92	0.4	85.44
No. 2	1kg	80.56	80.81	-0.3	78.85
Wheat Flour	1 kg	90.74	90.58	0.2	89.87
Bread	450g	58.71	58.71	0.0	58.18
Sugar	1 kg	108.86	108.63	0.2	108.95
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	89.38	89.80	-0.5	114.56
Potatoes (Local)	1kg	142.52	142.72	-0.1	161.33
Red Dhal(Avg)	1kg	148.18	147.31	0.6	182.25
Cowpea (Avg)	1kg	292.89	293.04	-0.1	312.73
Green Gram(Avg)	1kg	257.58	257.00	0.2	247.79
Kadalai (Avg)	1kg	318.90	318.65	0.1	302.19
Meat					
Beef	1kg	956.00	947.86	0.9	878.14
Chicken					
Fresh	1kg	577.89	583.53	-1.0	523.71
Broiler	1kg	445.00	440.00	1.0	414.17
Fresh Fish					
Paraw	1 kg	1,063.48	1,014.74	4.8	912.47
Balaya	1 kg	586.67	590.00	-0.6	588.85
Kelawalla	1 kg	940.00	908.00	3.5	880.27
Salaya	1 kg	167.27	163.64	2.2	162.14
Dried Fish					
Sprats	1 kg	725.56	723.43	0.3	696.58
Eggs	Each	13.37	13.12	1.9	14.61
Coconut	Each	76.87	75.66	1.6	64.31
Coconut Oil	750ml	287.10	285.81	0.5	288.43
Red Onions	1 kg	192.83	190.46	1.2	173.51
B- Onions (Import)	1 kg	68.40	66.74	2.5	96.76
Brinjal	1kg	127.00	123.26	3.0	108.84
Beans Green	1 kg	180.74	181.25	-0.3	187.36
Cabbage	1 kg	109.79	109.79	0.0	124.26
Leeks	1 kg	229.71	226.29	1.5	108.01
Beet Root	1kg	102.50	104.14	-1.6	162.82
Carrot	1kg	161.78	153.79	5.2	159.35
Tomatoes	1kg	86.67	82.78	4.7	184.69
Radish	1kg	112.63	110.91	1.6	116.36
Vetakolu	1kg	160.00	154.07	3.8	204.80
Snake Gourd	1kg	136.00	133.57	1.8	159.58
Bandakka	1kg	138.46	136.55	1.4	154.21
Kolikuttu	1kg	200.00	199.29	0.4	227.22
Papaw	1kg	99.92	101.08	-1.1	161.49
Pineapple	1kg	142.76	137.69	3.0	213.33

Source: Department of Census and Statistics

FISCAL SECTOR AND GOVERNMENT DEBT

Summary of Government Revenue

Item	2015	2016	2017 (Jan-Aug)
Tax Revenue	1,355,779	1,463,689	1,094,948
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
Non Tax Revenue	99,099	222,372	77,426
Total Revenue	1,454,878	1,686,061	1,172,374



Source: Department of Fiscal Policy

(a) provisional

Government Debt

Government Debt (Rs.bn)	End 2016	End 2017(a)
Total Domestic Debt	5,341.5	5,594.4
Total Foreign Debt	4,045.8	4,718.6
Total Government Debt	9,387.3	10,313.0

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 (2017 Jan-Jun)	Rs Mn	8,503,227	9,387,303	10,163,868
	% of GDP	77.6	79.3	-

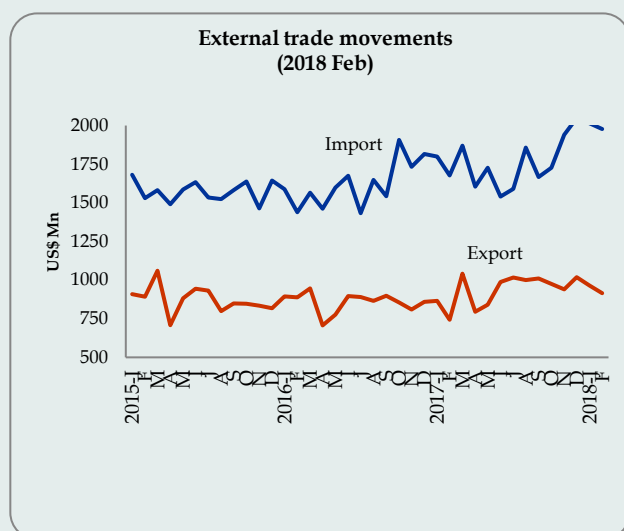
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	Feb 2017 (US\$ Mn)	Feb 2018 (US\$ Mn)	Growth Rate (%)	Jan-Feb 2017 (US\$ Mn)	Jan-Feb 2018 (US\$ Mn)	Growth Rate (%)
Exports	867.8	915.7	5.5	1,732.5	1,881.0	8.6
Agricultural	204.9	206.1	0.6	398.5	410.0	2.9
Tea	113.9	118.2	3.8	215.5	230.0	6.7
Other	91.0	87.9	-3.4	183.0	180.0	-1.6
Industrial	659.4	703.2	6.6	1,327.4	1,460.9	10.1
Rubber Products	64.8	68.3	5.4	122.8	139.4	13.5
Textiles and Garments	396.1	407.0	2.8	822.4	841.8	2.4
Food, Beverage and Tobacco	23.7	29.6	25.3	45.7	77.8	70.2
Other	174.8	198.3	13.4	336.5	401.9	19.4
Mineral	2.2	4.8	117.0	3.9	6.2	58.7
Unclassified	1.3	1.5	10.8	2.7	3.7	38.0
Imports	1,611.2	1,978.0	22.8	3,410.1	3,992.5	17.1
Consumer Goods	343.2	441.8	28.7	702.0	883.3	25.8
Food and Beverages	148.1	165.3	11.6	291.7	349.0	19.6
Other Consumer Goods	195.1	276.5	41.7	410.3	534.3	30.2
Intermediate Goods	907.4	1,096.3	20.8	1,858.0	2,229.7	20.0
Petroleum	354.6	315.2	-11.1	637.4	677.2	6.3
Textiles & Textile Articles	186.6	247.3	32.5	439.6	492.5	12.0
Other Intermediate Goods	366.2	533.8	45.8	781.0	1,060.0	35.7
Investment Goods	360.3	380.5	5.6	792.5	817.4	3.1
Machinery and Equipment	197.8	200.4	1.3	448.4	440.7	-1.7
Transport Equipment	50.2	56.2	11.9	94.5	108.9	15.3
Building Material	111.9	123.0	10.0	247.8	266.1	7.4
Other Investment Goods	0.4	0.9	147.5	1.8	1.6	-10.5
Unclassified	0.2	59.3	26,153.5	57.5	62.2	8.1
Trade Balance	-743.4	-1,062.3	42.9	-1,677.6	-2,111.5	25.9

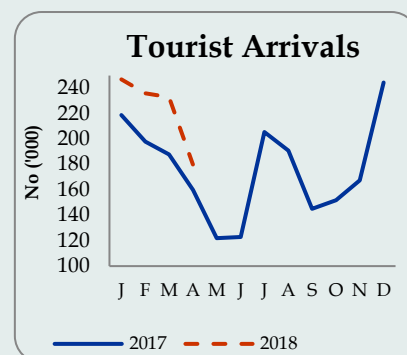
Source: Central Bank of Sri Lanka



- Export earnings during January to February 2018 increased by 8.6 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The earnings for the month of February 2018 increased by 5.5 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 17.1 percent for the period during January to February 2018. Expenditure on imports for the month of February 2018 increased by 22.8 percent reflecting the performance of imports of intermediate goods, Investment goods and consumer goods.
- Trade deficit widened to US\$ 1,062.3 Mn in February 2018 over the same period of 2017.

Month	Arrivals				Earnings US\$ Mn			
	2016	2017	2018	% change 2017/18	2016	2017	2018	% change 2017/18
Jan	194,280	219,360	246,972	12.6	333.3	376.3	423.7	12.6
Feb	197,697	197,517	235,618	19.3	339.0	366.3	436.9	19.3
Mar	192,841	188,076	233,382	24.1	330.8	348.8	432.8	24.1
Apr	136,367	160,249	180,429	12.6	226.0	297.2	334.6	12.6
May	125,044	121,891			214.5	209.1		
Jun	118,038	123,351			195.6	211.6		
July	209,351	205,482			359.2	352.5		
Aug	186,288	190,928			319.6	327.6		
Sep	148,499	145,077			254.8	248.9		
Oct	150,419	152,429			249.3	261.5		
Nov	167,217	167,511			277.1	287.4		
Dec	224,791	244,536			385.7	419.5		
Total	2,050,832	1,871,871	888,353	16.1	3,518.5	3,631.0	1,647.5	16.1

Source: Sri Lanka Tourism Development Authority



Tourism

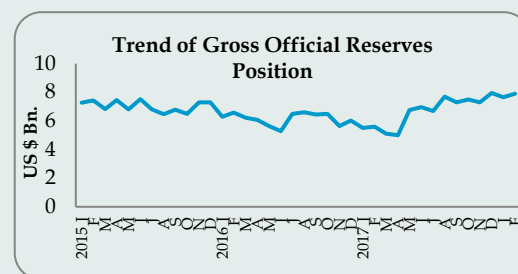
Earnings from tourism increased to US \$ 334.6 in April 2018 with an increase of 12.6 per cent over the same period of 2017.

The number of tourist arrivals increased to 180,429 in April 2018.

External Assets

External Assets (US\$ Mn)	Feb 2018	Jan 2018	Dec 2017
Total Reserves	10,062.35	10,040.34	10,436.49
Gross Official Reserves	7,922.37	7,669.98	7,958.65

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 10.0 Bn and US\$ 7.9 Bn, respectively by end February 2018. Total foreign reserves were sufficient to 5.6 months of imports and the gross official reserves were equivalent to 4.4 months of imports in February 2018. Workers' remittances increased by 5.4 per cent in dollar terms to US \$ 677.7 Mn. in March 2018.

Private Remittances

Category	2017 Mar	2018 Mar(a)	2017 Jan-Mar	2018 Jan-Mar(a)	% Change
Inflow US\$ Mn	643.1	677.7	1,911.4	1,978.6	3.5
Rs. Bn	97.4	105.5	288.2	306.2	6.3

Source: Central Bank of Sri Lanka

(a) Provisional

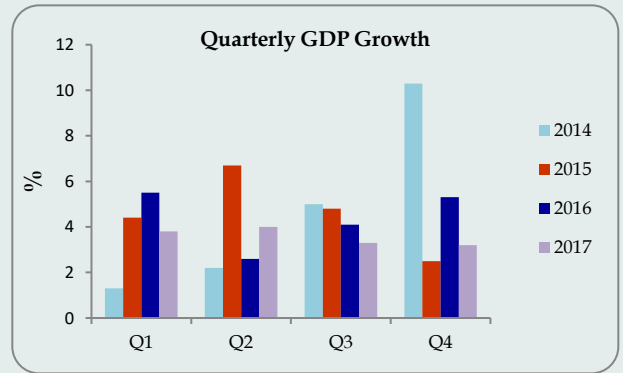
PRODUCTION

QUARTERLY GDP GROWTH (%)

	1 st Q	2 nd Q	3 rd Q	4 th Q	Annual
2013	3.6	5.9	4.0	0.5	3.4
Agriculture	2.2	3.9	4.5	2.5	3.2
Industry	6.7	6.0	2.8	0.6	4.1
Service	2.9	7.7	5.5	-0.8	3.8
2014	1.3	2.2	5.0	10.3	4.9
Agriculture	7.3	4.1	3.2	5.0	4.9
Industry	-1.5	-2.8	7.8	11.7	3.5
Service	1.9	4.0	3.0	11.7	5.2
2015	4.4	6.7	4.8	2.5	4.8
Agriculture	5.9	10.4	7.3	-0.5	5.5
Industry	1.4	3.9	4.9	1.9	3.0
Service	5.4	6.9	6.5	2.7	5.3
2016	5.5	2.6	4.1	5.3	4.4
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
2017	3.8	4.0	3.3	3.2	3.1
Agriculture	-3.2	-2.9	-3.3	7.1	-0.8
Industry	6.3	5.2	1.9	2.7	3.9
Service	3.5	4.5	4.3	3.2	3.2

Source: Department of Census & Statistics

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



GDP grew by 3.1%

The Sri Lankan economy grew by 3.1% in 2017 compared to 4.4% growth recorded in 2016. The growth was mainly supported by the expansion of Industry sector by 3.9% and Services sector by 3.2%. However, Agriculture sector contracted by 0.8%.

Labour Force Statistics

Employment	2017 Annual (a)	2017 4 th Quarter* (a)	2016 Annual (a)	2015 Annual
Labour Force Participation Rate	54.1	54.1	53.8	53.8
Unemployment Rate	4.2	4.0	4.4	4.7
By Gender				
Male	2.9	3.0	2.9	3.0
Female	6.5	5.6	7.0	7.6
By Age Group				
20-29	13.5	12.6	14.2	14.2
20-24	17.8	16.6	19.9	19.7
25-29	9.5	8.9	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
Production						
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
Net Extent Harvested						
Hectares ('000)	667	344	1,011	343	212	555
Acres ('000)	1,649	849	2,498	847	524	1,371
Average Yield kg per ha	4,349	4,417	8,766	4,301	4,291	8,592

Source: Department of Census & Statistics

(a)provisional

The paddy production in 2017 Yala season declined by 34.2 percent to around 1.02 million mt. compared to the 1.55 million mt recorded in 2016. The total paddy production in 2017 declined by 43.8 percent to around 2.5 million mt, compared to the 4.45 million mt recorded in 2016.

Tea, Rubber & Coconut Production

Category	2017 Jan-Mar	2018 Jan-Mar	% Change
Production			
Tea (Mn. Kg)	66.58	73.83	10.9
Rubber (Mn. Kg)	23.35	20.12	-13.8
Coconut (Mn. Nuts)	683.16	581.45	-14.9
Exports (US\$ Mn)			
	2017 Feb	2018 Feb	
Tea	113.9	118.2	3.8
Rubber	5.6	4.1	-27.0
Coconut	27.2	26.3	-3.1
Colombo Auction Prices			
	2017 Jan	2018 Jan	
Tea (Rs./ Kg)	596.71	640.45	7.3
Rubber (Rs./ Kg)	328.71	311.17	-5.3
Coconut (Rs/nut)	37.38	64.16	71.7

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

Factory Industrial Production Index (2010=100)

Item (a)	2017 February (b)	2018 February (c)	Growth %
Manufacture of Food Products	102.9	106.6	3.7
Manufacture of Beverages	93.1	100.7	8.1
Manufacture of Tobacco Products	95.6	73.6	-23.0
Manufacture of Textiles	93.5	88.2	-5.7
Manufacture of Wearing Apparel	110.7	119.4	7.8
Manufacture of Leather and Related Products	100.4	116.7	16.2
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	87.0	104.8	20.5
Manufacture of Paper and Paper Products	104.7	78.4	-25.2
Printing and Reproduction of Recorded Media	106.5	100.7	-5.5
Manufacture of Coke and Refined Petroleum Products	89.1	56.6	-36.5
Manufacture of Chemicals and Chemical Products	102.3	99.4	-2.9
Manufacture of Pharmaceuticals, Medicinal Chemicals	103.1	81.0	-21.5
Manufacture of Rubber and Plastic Products	100.1	108.0	7.9
Manufacture of Other Non-Metallic Mineral Products	110.7	107.6	-2.7
Manufacture of Basic Metals	120.2	138.9	15.5
Manufacture of Fabricated Metal Products	90.0	117.2	30.2
Manufacture of Electrical Equipment	102.9	97.6	-5.2
Manufacture of Machinery and Equipment n.e.c	104.9	115.7	10.3
Manufacture of Furniture	114.5	92.6	-19.1
Manufacture of other Manufacturing	101.5	73.4	-27.7
Factory Industry Production Index	103.4	103.9	0.5

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