

# WEEKLY ECONOMIC REPORT

July 14, 2017

Department of Fiscal Policy



**CCPI** decreased to 6.1% in June 2017



**NCPI** increased to 7.1 % in May 2017



**Trade deficit** contracted to **27.2%** in April 2017



**GDP** grew by **3.8 %** in first quarter 2017



**Exchange rate** depreciated to **US\$1=Rs. 153.54**



**Credit to private sector** decreased by **20.0%** in April 2017



**Brent crude oil** decreased to: **US\$ 48.18** per bbl



**Government revenue** up by **24.6 %** in the first 4 months of 2017



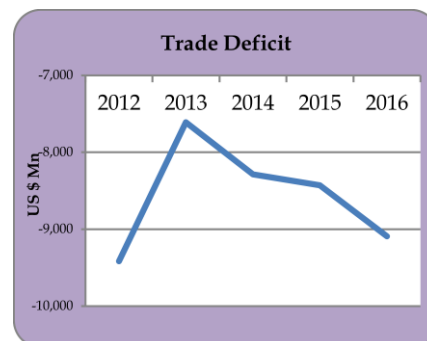
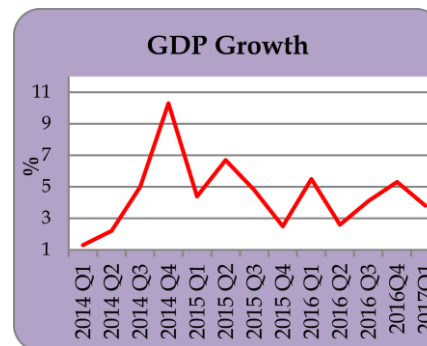
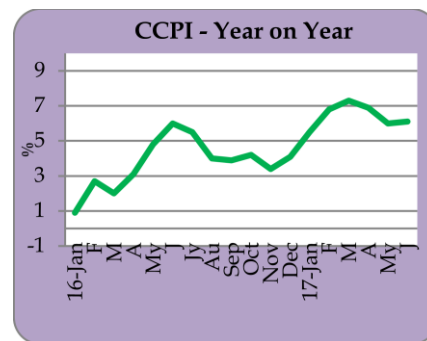
**Tourist arrivals** up by **4.8%** during Jan-June 2017



**Unemployment** rate was 4.1% in first quarter 2017



**Worker's Remittances** declined by **5.8%** during Jan-May 2017



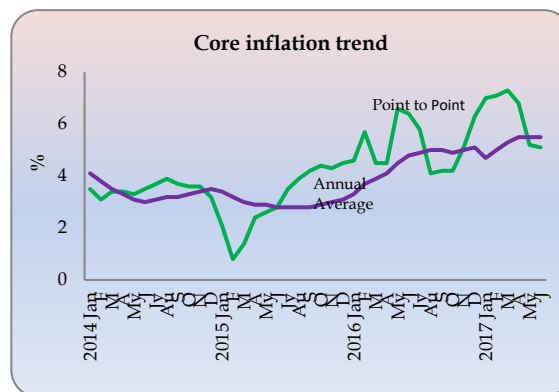
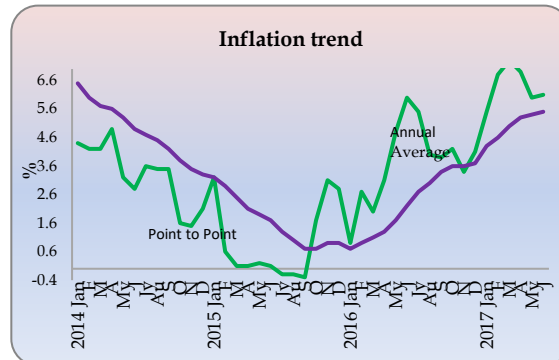
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| Month  | CCPI (%)       |                | Core Inflation (%) |                | NCPI (%)       |                |
|--------|----------------|----------------|--------------------|----------------|----------------|----------------|
|        | (2013=100)     |                | (2013=100)         |                | (2013=100)     |                |
|        | Point to Point | Annual Average | Point to Point     | Annual Average | Monthly Change | Point to Point |
| 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            | 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            | -              | -              |

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

The point to point inflation of CCPI increased to 6.1 per cent in June 2017. The annual average of CCPI increased to 5.5 per cent in June 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 5.1 per cent, on point to point basis, while annual average core inflation increased to 5.5 per cent, in June 2017. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 7.1 per cent in May 2017, on year on year basis.



### Contribution of Food Items to CCPI from May 2017 to June 2017

| Commodity      | Value Change Rs. | Change %    |
|----------------|------------------|-------------|
| <b>Food</b>    | <b>1,044.25</b>  | <b>1.46</b> |
| Rice           | 163.24           | 0.23        |
| Chicken        | 21.26            | 0.03        |
| Dried Fish     | 16.09            | 0.02        |
| Coconut        | -15.91           | -0.02       |
| Potatoes       | 26.49            | 0.04        |
| Vegetables     | 289.14           | 0.41        |
| Red Onions     | 82.96            | 0.12        |
| Green chillies | 104.76           | 0.15        |
| Garlic         | 11.25            | 0.02        |
| Pineapple      | -4.45            | -0.01       |
| Banana         | -109.93          | -0.15       |
| Papaw          | -33.55           | -0.05       |
| Mangoes        | -5.98            | -0.01       |

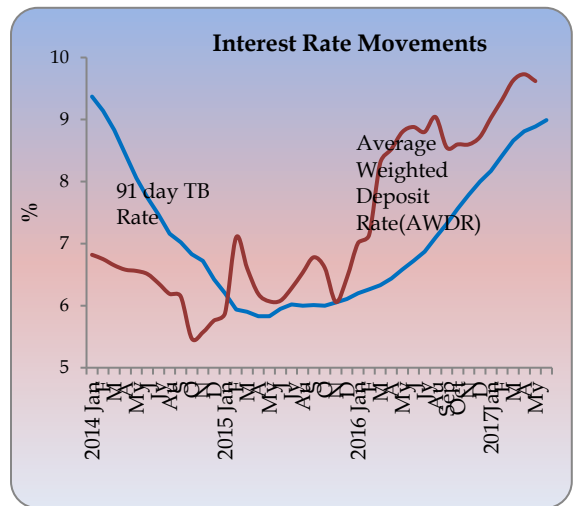
Source: Department of Census and Statistics

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

| Month  | % Change Month to Month | Inflation      |                |
|--------|-------------------------|----------------|----------------|
|        |                         | Point to Point | Annual Average |
| Dec-15 | 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            |
| Mar    | -0.7                    | 9.2            | 7.4            |
| Apr    | 1.7                     | 8.6            | 7.5            |
| May    | 2.3                     | 9.3            | 7.6            |
| June   | 4.8                     | 9.1            | 7.6            |

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) |
|--------|------------------|----------------------------|----------------------------|---------------------|-----------------------------|---------------------------------|
| Dec-15 | 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                            |
| 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                | 3.5                         | 4.1                             |



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

## Interest Rate Movements

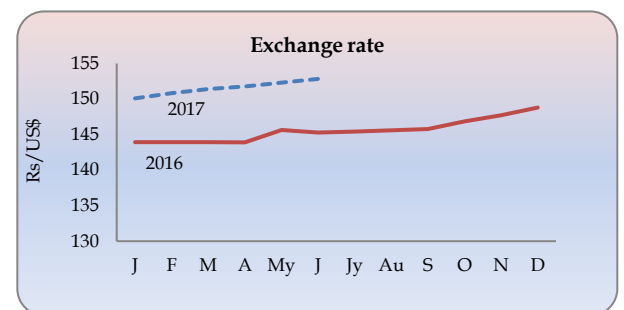
| Category   | Week Ending 14 <sup>th</sup> July 2017 | Week Ago | Month Ago        | Year Ago        |
|--|--|----------|------------------|-----------------|
| Standing Deposit Facility                            | 7.25                                   | 7.25     | 7.00             | 6.50            |
| Standing Lending Facility                            | 8.75                                   | 8.75     | 8.00             | 8.00            |
| Call Money Weekly Average                            | 8.75                                   | 8.75     | 8.50             | 8.21            |
| Treasury Bill (Yield rate)                           |  |          |                  |                 |
| 91 Days  | 9.60                                   | 9.60     | -                | 8.87            |
| 182 Days   | 10.23                                  | 10.26    | 9.39             | 9.89            |
| 364 Days   | 10.39                                  | 10.45    | 10.11            | 10.49           |
| Prime Lending Rate                                   | 11.84                                  | 11.40    | 11.98            | 10.64           |
|  | <b>June-17</b>                         |          | <b>Month Ago</b> | <b>Year Ago</b> |
| Commercial Bank Average Weighted Deposit Rate (AWDR) | 9.13                                   |          | 8.99             | 6.87            |

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 increased to 11.84 per cent by week ending 14<sup>th</sup> July 2017 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of June 2017 was 9.13 percent.

## Exchange Rates

| Currency       | Week Ending 14 <sup>th</sup> July 2017 | Week Ago | Year Ago | % Change 2016/17 |
|----------------|--|----------|----------|------------------|
| US Dollar      | 153.54                                 | 153.48   | 146.07   | 5.1              |
| Sterling Pound | 198.81                                 | 199.14   | 194.21   | 2.4              |
| Euro           | 175.11                                 | 175.18   | 161.60   | 8.4              |
| Japanese Yen   | 1.36                                   | 1.35     | 1.40     | -2.9             |
| Indian Rupee   | 2.38                                   | 2.37     | 2.17     | 9.7              |



Source : Central Bank of Sri Lanka

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

| Item                    | Apr 2017 | Mar 2017 | Feb 2017 | Apr 2016 | Mar 2016 | Feb 2016 | Growth 2016 Apr/2017 Apr (%) |
|-------------------------|----------|----------|----------|----------|----------|----------|------------------------------|
| M <sub>1</sub> (Rs Bn)  | 765.2    | 782.0    | 744.6    | 715.5    | 729.6    | 700.5    | 7.0                          |
| M <sub>2</sub> (Rs Bn)  | 5,146.8  | 5,096.2  | 4,951.3  | 4,242.1  | 4,206.4  | 4,158.4  | 21.3                         |
| M <sub>2b</sub> (Rs Bn) | 5,730.8  | 5,677.4  | 5,552.0  | 4,772.1  | 4,731.6  | 4,703.8  | 20.1                         |

Source: Central Bank of Sri Lanka

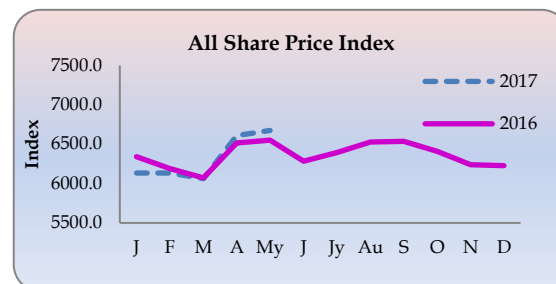
| Item                                    | Apr 2017       | Month Ago      | Year Ago       | Growth 2016 Apr /2017 Apr (%) |
|---|----------------|----------------|----------------|-------------------------------|
| <b>Credit to Private Sector (Rs.bn)</b> | <b>4,394.1</b> | <b>4,375.2</b> | <b>3,662.0</b> | <b>20.0</b>                   |
| DBUs                                    | 4,085.9        | 4,065.8        | 3,396.7        | 20.1                          |
| OBU's                                   | 308.3          | 309.4          | 265.3          | -0.4                          |

## Share Market

| Indicator                                 | Week Ending 14 <sup>th</sup> July 2017 | Week Ago | Year Ago |
|---|--|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,766                                  | 6,738    | 6,402    |
| S & P Sri Lanka 20 Index (S & P SL20)     | 3,910                                  | 3,909    | 3,405    |
| Average Daily Turnover (Rs.Mn)            | 733                                    | 696      | 959      |
| Market Capitalization (Rs.Bn.)            | 3,068                                  | 3,056    | 2,728    |

Source: Colombo Stock Exchange

All Share Price Index (ASPI) increased by 28 index points and closed at 6,766 points compared to the first week of July 2017. The S & P Sri Lanka 20 Index (S & P SL20) increased by 1 to 3,910 index points. The Average Daily Turnover increased by Rs. 37 million and stationed at Rs.733 million. Market capitalization reached Rs. 3,068 billion in the second week of July 2017.



## Equity Trading Statistics Market Indicators

| Indicator                            | May 2017        | May 2016        | Jan-May 2017    | Jan-May 2016    |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Turnover -Equity (Rs. Mn.)</b>    | <b>17,496.7</b> | <b>17,204.4</b> | <b>89,219.1</b> | <b>76,316.6</b> |
| Domestic (Rs. Mn.)                   | 12,583.2        | 8,901.3         | 48,207.6        | 45,564.3        |
| Foreign (Rs. Mn.)                    | 4,913.5         | 8,303.1         | 41,011.5        | 30,752.2        |
| Market Days                          | 20              | 20              | 99              | 96              |
| Daily Turnover Avg. Equity (Rs. Mn.) | 874.8           | 860.2           | 9901.2          | 794.9           |
| <b>Trade Equity</b>                  | <b>104,904</b>  | <b>109,940</b>  | <b>357,703</b>  | <b>452,287</b>  |
| Domestic                             | 100,468         | 104,102         | 336,822         | 427,610         |
| Foreign                              | 4,436           | 5,838           | 20,881          | 24,677          |
| <b>Shares Traded -Equity</b>         | <b>800.6</b>    | <b>534.2</b>    | <b>3,567.5</b>  | <b>3,250.8</b>  |
| Domestic (Rs. Mn.)                   | 702.0           | 410.3           | 2,597.2         | 2,555.1         |
| Foreign (Rs. Mn.)                    | 98.6            | 123.8           | 970.3           | 695.7           |
| Companies Traded                     | 276             | 270             | 278             | 274             |
| Companies Listed                     | 296             | 294             | 296             | 294             |

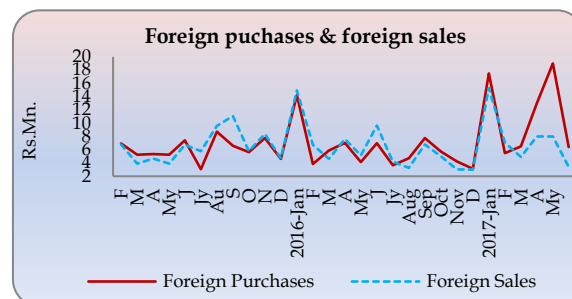
| Price Indices                  | May 2017 | Apr 2017 |
|--------------------------------|----------|----------|
| ASPI                           | 6,674.32 | 6,610.46 |
| S&P SL 20                      | 3,818.90 | 3,786.39 |
| <b>Total Return Indicators</b> |          |          |
| ASTRI                          | 8,845.93 | 8,755.66 |
| S&P SL20 (TRI)                 | 5,398.10 | 5,330.96 |
| Market PER                     | 11.70    | 12.62    |
| Dividend Yield                 | 2.58     | 2.71     |
| Market Capitalization (Rs.Bn.) | 2,952.54 | 2,908.77 |

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

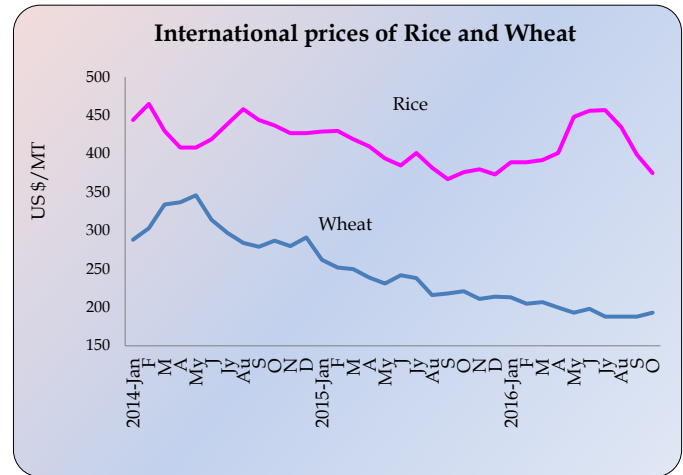
| Indicator                        | May 2017 | Jan-May 2017 |
|----------------------------------|----------|--------------|
| Purchases by Foreigners (Rs. Mn) | 6,401.9  | 50,410.7     |
| Sales by Foreigners (Rs. Mn)     | 3,425.1  | 27,855.3     |
| Net Foreign Purchases (Rs. Mn)   | 2,976.8  | 22,555.4     |

Source: Colombo Stock Exchange



## COMMODITY PRICES

| Month    | Milk Powder<br>Average Price<br>US\$/MT | Rice<br>Thai,100%<br>US\$/MT | Wheat<br>(HRW)<br>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

| Item   | Jul 10 | Jul 11 | Jul 12 | Jul 13 | Jul 14 | Week Ago | Month Ago | Year Ago |
|--|--------|--------|--------|--------|--------|----------|-----------|----------|
| Brent (New York Closing Prices) (US \$/bbl.) | 47.07  | 47.16  | 48.17  | 47.64  | 48.36  | 47.42    | 48.28     | 46.68    |
| WTI (US\$/bbl.)                              | 44.59  | 44.66  | 45.77  | 45.35  | 46.01  | 47.42    | 45.95     | 45.20    |
| Petrol                                       | 56.70  | 56.75  | 58.25  | 56.90  | 57.55  | 57.55    | 57.10     | 49.60    |
| Diesel                                       | 57.12  | 57.25  | 58.83  | 57.41  | 58.55  | 58.30    | 57.13     | 55.50    |
| Kerosene                                     | 57.70  | 57.07  | 59.06  | 57.35  | 58.64  | 57.89    | 57.49     | 55.93    |

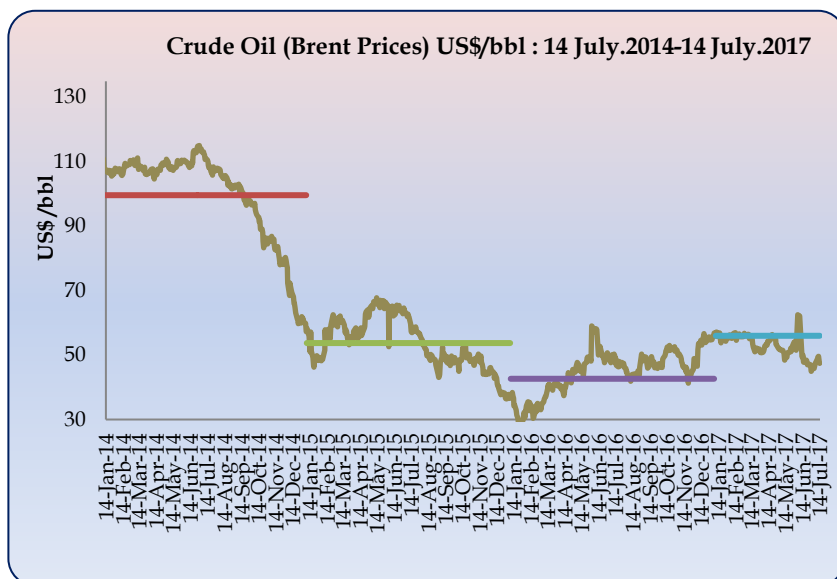
Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

| Month  | WTI European Market (US\$/bbl) | Brent (US\$/bbl) |
|--------|--------------------------------|------------------|
| Nov-15 | 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    | 49.92                          | 52.76            |
| Apr    | 51.27                          | 53.98            |
| May    | 51.59                          | 48.77            |
| Jun    | 47.71                          | 45.34            |
| July*  | 48.18                          | 46.45            |

Source: Central Bank of Sri Lanka

\*up to 14<sup>th</sup> July 2017

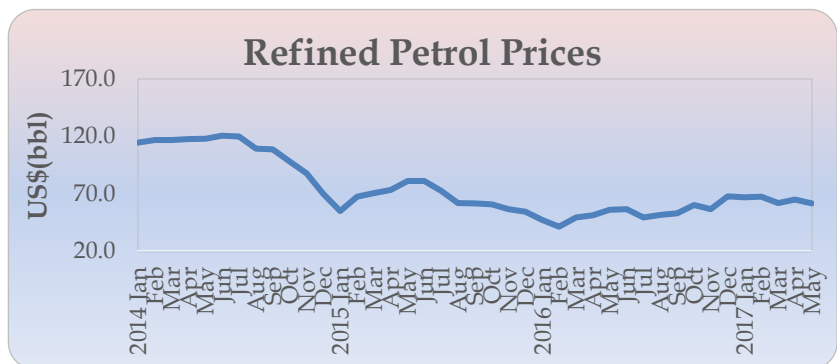


## Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

| Month  | Petrol | Diesel | Kerosene |
|--------|--------|--------|----------|
| Nov-15 | 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    | 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*  | 57.58  | 58.75  | 58.78    |

Source: Central Bank of Sri Lanka

\*up to 14<sup>th</sup> July 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

## Pettah Market

## Dambulla Market

| Average Wholesale Prices | Week Ending 14/07/2017 | Week Ago | % Change | Year Ago Annual Avg. |
|--------------------------|------------------------|----------|----------|----------------------|
| <b>Rice (Rs/Kg)</b>      |                        |          |          |                      |
| Samba                    | 95.00                  | 95.00    | 0.0      | 80.97                |
| Kekulu (Red)             | 80.00                  | 80.00    | 0.0      | 60.29                |
| <b>Vegetable</b>         |                        |          |          |                      |
| Beans                    | 95.00                  | 115.00   | -17.4    | 147.16               |
| Cabbage                  | 110.00                 | 90.00    | 22.2     | 76.62                |
| Carrots                  | 140.00                 | 145.00   | -3.5     | 121.42               |
| Tomatoes                 | 90.00                  | 135.00   | -33.3    | 75.00                |
| Pumpkins                 | 105.00                 | 125.00   | -16.0    | 60.29                |
| Snake Gourd              | 125.00                 | 130.00   | -3.8     | 76.18                |
| Brinjals                 | 105.00                 | 80.00    | 31.3     | 66.57                |
| Ash Plantains            | 75.00                  | 60.00    | 25.0     | 67.65                |
| <b>Other Foods</b>       |                        |          |          |                      |
| Red-Onions (Local)       | 200.00                 | 250.00   | -20.0    | 92.66                |
| Big Onions (Local)       | 147.50                 | n.a.     | -        | 74.50                |
| Potatoes (N'Eliya)       | 160.00                 | 130.00   | 23.1     | 122.58               |
| Dried Chilies (Imported) | 140.00                 | 165.00   | -15.2    | 293.68               |
| Dhal (Indian)            | 140.00                 | 135.00   | 3.7      | 160.16               |
| Eggs (Red) (Each)        | 13.00                  | 13.00    | 0.0      | 14.30                |
| Coconut (Each)           | 49.00                  | 49.00    | 0.0      | 34.69                |
| <b>Fish (Rs/Kg)</b>      |                        |          |          |                      |
| Kelawalla                | 580.00                 | 630.00   | -7.9     | 508.20               |
| Balaya                   | 360.00                 | 350.00   | 2.9      | 327.29               |
| Salaya                   | 160.00                 | 140.00   | 14.3     | 141.43               |
| Paraw (Small)            | 580.00                 | 630.00   | -7.9     | 540.36               |

Source: Central Bank of Sri Lanka

| Food Item                | Wholesale (Average) |
|--------------------------|---------------------|
| <b>Rice (Rs/Kg)</b>      |                     |
| Samba                    | 93.00               |
| Kekulu (Red)             | 80.50               |
| <b>Vegetables</b>        |                     |
| Pumpkins                 | 100.00              |
| Snake Gourd              | 81.50               |
| Ash Plantains            | 63.50               |
| Beans                    | 90.00               |
| Carrots                  | 181.00              |
| Tomatoes                 | 83.00               |
| <b>Other Foods</b>       |                     |
| Potatoes (N'Eliya)       | 125.00              |
| Dried Chilies (Imported) | 158.60              |
| Big-Onions (Local)       | n.a.                |
| Red-Onions (Local)       | 198.00              |
| Coconut (Each)           | 51.20               |

Source: Central Bank of Sri Lanka

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

| Item        | Week Ending 14/07/2017 | Week Ago | Month Ago | Year Ago |
|-------------|------------------------|----------|-----------|----------|
| Samba       | 92.20                  | 92.50    | 90.97     | 77.58    |
| Sudu Kekulu | 82.50                  | 82.62    | 81.71     | 62.91    |
| Raw Red     | 80.40                  | 80.30    | 77.68     | 59.59    |
| Nadu        | 89.90                  | 90.10    | 87.50     | 66.62    |

Source: Central Bank of Sri Lanka

Wholesale prices of some of vegetable varieties, some of fish varieties and other food such as red-onions and dried chilies decreased during this week. While some of rice varieties increased in this week.



Rs.

| Item               | Unit  | This Week | Week Ago | % Change | Year Ago |
|--------------------|-------|-----------|----------|----------|----------|
| Rice               |       |           |          |          |          |
| Samba(Avg.)        | 1 kg  | 99.74     | 98.29    | 1.5      | 91.71    |
| No. 1              | 1 kg  | 102.48    | 101.84   | 0.6      | 95.65    |
| No. 2              | 1kg   | 97.00     | 94.74    | 2.4      | 87.76    |
| Nadu Red           | 1kg   | 97.57     | 97.64    | -0.1     | 76.64    |
| Raw Red (Avg)      | 1kg   | 89.79     | 88.59    | 1.3      | 65.74    |
| No. 1              | 1kg   | 92.71     | 91.58    | 1.2      | 69.40    |
| No. 2              | 1kg   | 86.87     | 85.61    | 1.5      | 62.08    |
| Wheat Flour        | 1 kg  | 89.29     | 90.20    | -1.0     | 91.44    |
| Bread              | 450g  | 58.18     | 58.18    | 0.0      | 58.07    |
| Sugar              | 1 kg  | 106.24    | 105.87   | 0.3      | 107.93   |
| Lakspray           | 400g  | 325.00    | 325.00   | 0.0      | 325.00   |
| Potatoes (Import)  | 1 kg  | 116.32    | 121.48   | -4.2     | 114.32   |
| Potatoes (Local)   | 1kg   | 178.22    | 175.45   | 1.6      | 181.28   |
| Red Dhal(Avg)      | 1kg   | 181.95    | 181.12   | 0.5      | 195.28   |
| Cowpea (Avg)       | 1kg   | 321.94    | 327.59   | -1.7     | 256.32   |
| Green Gram(Avg)    | 1kg   | 254.98    | 263.13   | -3.1     | 246.27   |
| Kadalai (Avg)      | 1kg   | 328.25    | 319.92   | 2.6      | 238.80   |
| Meat               |       |           |          |          |          |
| Beef               | 1kg   | 935.88    | 940.00   | -0.4     | 806.58   |
| Chicken            |       |           |          |          |          |
| Fresh              | 1kg   | 566.25    | 569.33   | -0.5     | 588.74   |
| Broiler            | 1kg   | 420.00    | 420.00   | 0.0      |          |
| Fresh Fish         |       |           |          |          |          |
| Paraw              | 1 kg  | 1,111.25  | 1,113.83 | -0.2     | 985.37   |
| Balaya             | 1 kg  | 726.67    | 740.00   | -1.8     | 650.17   |
| Kelawalla          | 1 kg  | 1,125.50  | 1,137.33 | -1.0     | 918.21   |
| Salaya             | 1 kg  | 221.11    | 232.50   | -4.9     | 207.99   |
| Dried Fish         |       |           |          |          |          |
| Sprats             | 1 kg  | 760.00    | 754.81   | 0.7      | 646.15   |
| Eggs               | Each  | 13.83     | 13.95    | -0.9     | 17.05    |
| Coconut            | Each  | 61.83     | 64.06    | -3.5     | 45.51    |
| Coconut Oil        | 750ml | 282.94    | 287.35   | -1.5     | 218.81   |
| Red Onions         | 1 kg  | 396.50    | 372.17   | 6.5      | 160.03   |
| B- Onions (Import) | 1 kg  | 95.95     | 98.15    | -2.2     | 80.36    |
| Brinjal            | 1kg   | 164.24    | 167.74   | -2.1     | 148.49   |
| Beans Green        | 1 kg  | 201.32    | 209.14   | -3.7     | 227.66   |
| Cabbage            | 1 kg  | 172.62    | 192.22   | -10.2    | 189.72   |
| Leeks              | 1 kg  | 140.53    | 145.37   | -3.3     | 188.89   |
| Beet Root          | 1kg   | 176.32    | 192.11   | -8.2     | 214.71   |
| Carrot             | 1kg   | 230.29    | 293.53   | -21.5    | 219.80   |
| Tomatoes           | 1kg   | 196.22    | 157.41   | 24.7     | 249.47   |
| Radish             | 1kg   | 149.68    | 166.67   | -10.2    | 137.31   |
| Vetakolu           | 1kg   | 208.50    | 213.03   | -2.1     | 183.76   |
| Snake Gourd        | 1kg   | 202.87    | 198.82   | 2.0      | 170.18   |
| Bandakka           | 1kg   | 150.26    | 169.66   | -11.4    | 136.69   |
| Kolikuttu          | 1kg   | 196.20    | 187.60   | 4.6      | 218.46   |
| Papaw              | 1kg   | 89.13     | 86.54    | 3.0      | 96.51    |
| Pineapple          | 1kg   | 176.30    | 164.74   | 7.0      | 132.31   |

Source: Department of Census and Statistics



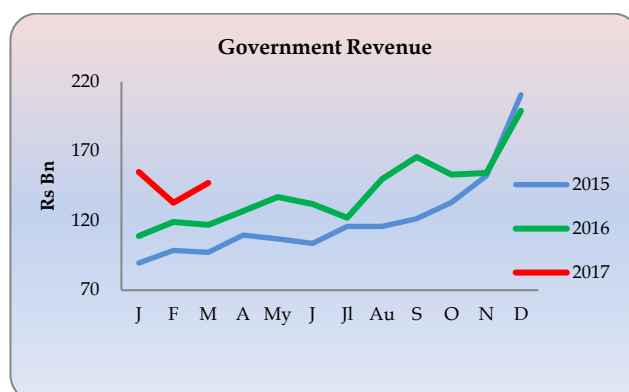
# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

| Item                   | 2015             | 2016             | 2017 (Jan-Apr) |
|------------------------|------------------|------------------|----------------|
| <b>Tax Revenue</b>     | <b>1,355,779</b> | <b>1,463,689</b> | <b>554,294</b> |
| Income Tax             | 262,583          | 258,857          | 84,475         |
| VAT                    | 219,700          | 283,470          | 152,570        |
| Excise Duty            | 497,623          | 454,952          | 155,697        |
| Nation Building Tax    | 45,004           | 57,424           | 22,763         |
| PAL                    | 58,644           | 88,823           | 32,353         |
| Customs Duty           | 132,189          | 156,487          | 47,392         |
| SCL                    | 52,276           | 55,825           | 24,091         |
| Cess                   | 46,289           | 61,730           | 20,214         |
| License Fee and Other  | 41,471           | 46,121           | 14,739         |
| <b>Non Tax Revenue</b> | <b>99,099</b>    | <b>222,372</b>   | <b>34,725</b>  |
| <b>Total Revenue</b>   | <b>1,454,878</b> | <b>1,686,061</b> | <b>589,019</b> |

Source: Department of Fiscal Policy

(a) provisional



## Government Debt

| Government Debt (Rs.bn)      | End 2016       | Jan-Mar 2017(a) |
|------------------------------|----------------|-----------------|
| Total Domestic Debt          | 5,341.5        | 5,625.8         |
| Total Foreign Debt           | 4,045.8        | 4,076.6         |
| <b>Total Government Debt</b> | <b>9,387.3</b> | <b>9,702.5</b>  |

Source: Central Bank of Sri Lanka

(a) provisional

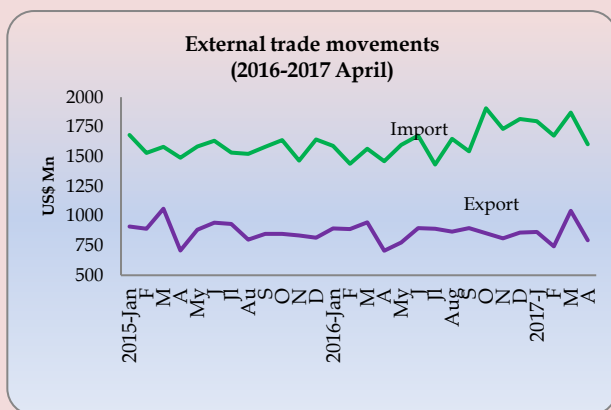
## Key Fiscal Indicators 2015-2016

| Indicator             | Unit     | 2015      | 2016      | 2017 Jan-Apr |
|-----------------------|----------|-----------|-----------|--------------|
| Budget Deficit        | Rs Mn    | -829,502  | -640,326  | -233,171     |
|                       | % of GDP | -7.4      | -5.4      | -            |
| Total Revenue         | Rs Mn    | 1,454,878 | 1,686,061 | 589,019      |
|                       | % of GDP | 13.0      | 14.2      | -            |
| Tax Revenue           | Rs Mn    | 1,355,779 | 1,463,689 | 554,294      |
|                       | % of GDP | 12.1      | 12.4      | -            |
| Non Tax Revenue       | Rs Mn    | 99,099    | 222,372   | 34,725       |
|                       | % of GDP | 0.9       | 1.9       | -            |
| Recurrent Expenditure | Rs Mn    | 1,701,657 | 1,757,782 | 822,840      |
|                       | % of GDP | 15.2      | 14.8      | -            |
| Public Investment     | Rs Mn    | 602,768   | 594,012   | 201,012      |
|                       | % of GDP | 5.4       | 5.0       | -            |
| Government Debt       | Rs Mn    | 8,503,227 | 9,387,303 | -            |
|                       | % of GDP | 77.6      | 79.3      | -            |

Compiled by Department of Fiscal Policy

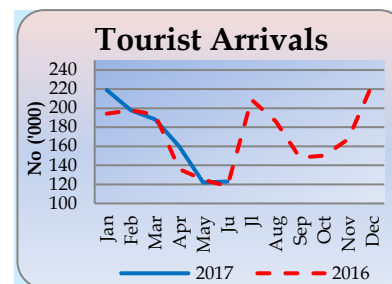
| Category                    | Apr<br>2016<br>(US\$ Mn) | Apr<br>2017<br>(US\$ Mn) | Growth<br>Rate<br>(%) | Jan-Apr<br>2016<br>(US\$ Mn) | Jan-Apr<br>2017<br>(US\$ Mn) | Growth<br>Rate<br>(%) |
|-----------------------------|--------------------------|--------------------------|-----------------------|------------------------------|------------------------------|-----------------------|
| <b>Exports</b>              | <b>710.4</b>             | <b>794.7</b>             | <b>11.9</b>           | <b>3,449.6</b>               | <b>3,569.6</b>               | <b>3.5</b>            |
| <b>Agricultural</b>         | <b>159.5</b>             | <b>195.8</b>             | <b>22.7</b>           | <b>721.8</b>                 | <b>851.7</b>                 | <b>18.0</b>           |
| Tea                         | 93.2                     | 109.1                    | 17.1                  | 406.3                        | 458.2                        | 12.8                  |
| Other                       |                          |                          |                       |                              |                              |                       |
| <b>Industrial</b>           | <b>547.9</b>             | <b>594.9</b>             | <b>8.6</b>            | <b>2,713.5</b>               | <b>2,701.5</b>               | <b>-0.4</b>           |
| Rubber Products             | 48.5                     | 48.9                     | 0.9                   | 251.6                        | 248.4                        | -1.3                  |
| Textiles and Garments       | 340.5                    | 350.5                    | 3.0                   | 1,709.8                      | 1,626.3                      | -4.9                  |
| Food, Beverage and Tobacco  | 24.7                     | 24.9                     | 0.9                   | 117.4                        | 101.4                        | -13.6                 |
| Other                       |                          |                          |                       |                              |                              |                       |
| <b>Mineral</b>              | <b>1.6</b>               | <b>2.7</b>               | <b>72.3</b>           | <b>9.2</b>                   | <b>9.9</b>                   | <b>8.0</b>            |
| <b>Unclassified</b>         | <b>1.3</b>               | <b>1.3</b>               | <b>-4.2</b>           | <b>5.1</b>                   | <b>5.9</b>                   | <b>16.1</b>           |
| <b>Imports</b>              | <b>1,460.9</b>           | <b>1,603.9</b>           | <b>9.8</b>            | <b>6,055.4</b>               | <b>6,883.3</b>               | <b>13.7</b>           |
| <b>Consumer Goods</b>       | <b>316.2</b>             | <b>345.1</b>             | <b>9.1</b>            | <b>1,425.5</b>               | <b>1,515.6</b>               | <b>6.3</b>            |
| Food and Beverages          | 117.4                    | 123.9                    | 5.6                   | 516.9                        | 629.2                        | 21.7                  |
| Other Consumer Goods        |                          |                          |                       |                              |                              |                       |
| <b>Intermediate Goods</b>   | <b>778.9</b>             | <b>885.7</b>             | <b>13.7</b>           | <b>3,019.2</b>               | <b>3,692.2</b>               | <b>22.3</b>           |
| Petroleum                   | 200.8                    | 325.6                    | 62.1                  | 686.5                        | 1,208.3                      | 76.0                  |
| Textiles & Textile Articles | 198.3                    | 193.9                    | -2.2                  | 896.8                        | 860.6                        | -4.0                  |
| Other Intermediate Goods    |                          |                          |                       |                              |                              |                       |
| <b>Investment Goods</b>     | <b>364.3</b>             | <b>372.5</b>             | <b>2.3</b>            | <b>1,607.8</b>               | <b>1,614.6</b>               | <b>0.4</b>            |
| Machinery and Equipment     | 212.8                    | 185.7                    | -12.8                 | 925.2                        | 871.9                        | -5.8                  |
| Transport Equipment         | 37.3                     | 51.6                     | 38.2                  | 195.1                        | 215.1                        | 10.3                  |
| Building Material           | 113.8                    | 134.3                    | 18.1                  | 485.3                        | 524.1                        | 8.0                   |
| Other Investment Goods      | 0.3                      | 0.9                      | 160.8                 | 2.2                          | 3.4                          | 53.7                  |
| <b>Unclassified</b>         | <b>1.5</b>               | <b>0.6</b>               | <b>-59.2</b>          | <b>2.8</b>                   | <b>60.9</b>                  | <b>2,061.4</b>        |
| <b>Trade Balance</b>        | <b>750.5</b>             | <b>809.2</b>             | <b>7.8</b>            | <b>2,605.8</b>               | <b>3,313.7</b>               | <b>27.2</b>           |

Source: Central Bank of Sri Lanka



- Export earnings during January to April 2017 increased by 3.5 percent mainly due to the expansion of earnings from agriculture, industry and unclassified exports. The earnings for the month of April 2017 increased by 11.9 percent, compared to the respective period of 2016.
- On a cumulative basis, expenditure on imports increased by 13.7 percent for the period during January to April 2017. Expenditure on imports for the month of April 2017 increased by 9.8 percent reflecting the performance of imports of intermediate goods, investment goods and consumer goods.
- Trade deficit widened to US\$ 809.2 Mn in April 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          |                   |                  | 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>1,010,444*</b> | <b>4.8*</b>      | <b>2,980.7</b>   | <b>3,399.1</b> | <b>1,733.6*</b> | <b>4.8*</b>      |



Source: Sri Lanka Tourism Development Authority

\*Jan-June

### Tourism

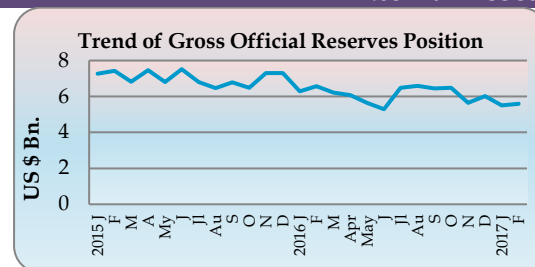
Earnings from tourism increased to US \$ 1,733.6 Mn. during Jan-June 2017 with an increase of 4.8 per cent over the same period of 2016.

The number of tourist arrivals decreased to 123,351 in June 2017.

### External Assets

| External Assets (US\$ Mn) | Feb 2017 | Jan 2017 | Dec 2016 | Feb 2016 | Jan 2016 | Dec 2015 | Growth 2016 Feb /2017 Feb (%) |
|---------------------------|----------|----------|----------|----------|----------|----------|-------------------------------|
| Total Reserves            | 7,753.9  | 7,597.3  | 8,432.9  | 8,502.0  | 8,393.3  | 9,336.9  | -8.8                          |
| Gross Official Reserves   | 5,634.7  | 5,453.2  | 6,019.0  | 6,573.4  | 6,294.3  | 7,303.6  | -14.3                         |

Source: Central Bank of Sri Lanka



### Official reserves

The total reserves and gross official reserves were US\$ 7.8 Bn and US\$ 5.6 Bn, respectively by end February 2017. Total foreign reserves were sufficient to 4.7 months of imports and the gross official reserves were equivalent to 3.4 months of imports. Workers' remittances decreased by 3.7 per cent in dollar terms to US \$ 575.4 Mn. in May 2017.

### Private Remittances

| Category |         | 2016 May | 2017 May(a) | 2016 Jan-May | 2017 Jan-May(a) | % Change |
|----------|---------|----------|-------------|--------------|-----------------|----------|
| Inflow   | US\$ Mn | 597.2    | 575.4       | 2,968.6      | 2,797.0         | -5.8     |
|          | Rs. Bn  | 87.0     | 87.6        | 428.3        | 423.1           | -1.2     |

Source: Central Bank of Sri Lanka

(a) Provisional

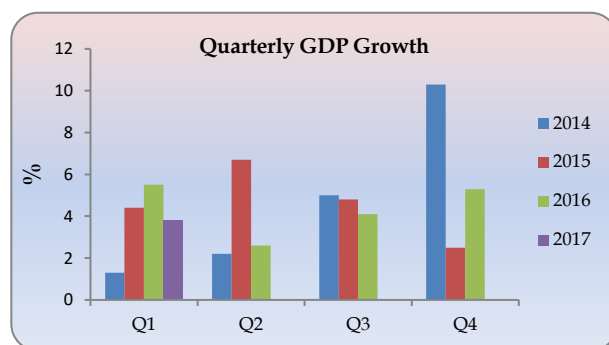
## PRODUCTION

### 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>        |                   |                   |                   |            |
| Agriculture | -3.2              |                   |                   |                   |            |
| Industry    | 6.3               |                   |                   |                   |            |
| Service     | 3.5               |                   |                   |                   |            |

Source: Department of Census & Statistics

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



### GDP grew by 3.8%

The Sri Lankan economy grew by 3.8% during the 1<sup>st</sup> quarter 2017 compared to 5.5% growth recorded in same period of 2016. The growth was mainly supported by expands of Industry sector by 6.3% and Service sector by 3.5%. However, Agriculture sector contracted by 3.2%.

### Labour Force Statistics

| Employment                      | 2017 1 <sup>st</sup> Quarter* (a) | 2016 Annual (a) | 2015 Annual | 2014 Annual |
|---------------------------------|-----------------------------------|-----------------|-------------|-------------|
| Labour Force Participation Rate | 54.7                              | 53.8            | 53.8        | 53.2        |
| Unemployment Rate               | 4.1                               | 4.4             | 4.7         | 4.3         |
| <b>By Gender</b>                |                                   |                 |             |             |
| Male                            | 2.7                               | 2.9             | 3.0         | 3.1         |
| Female                          | 6.5                               | 7.0             | 7.6         | 6.5         |
| <b>By Age Group</b>             |                                   |                 |             |             |
| 20-29                           | 12.5                              | 14.2            | 14.2        | 13.6        |
| 20-24                           | 17.4                              | 19.9            | 19.7        | 19.9        |
| 25-29                           | 8.0                               | 9.2             | 9.4         | 8.2         |

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



### Paddy Production

| Category                       | 2015           |           |       | 2016           |           |       |
|--------------------------------|----------------|-----------|-------|----------------|-----------|-------|
|                                | 2014/2015 Maha | 2015 Yala | Total | 2015/2016 Maha | 2016 Yala | Total |
| <b>Production</b>              |                |           |       |                |           |       |
| Mn.Mt                          | 2.88           | 1.94      | 4.82  | 2.90           | 1.55      | 4.45  |
| Bushels Mn.                    | 138            | 93        | 231   | 139            | 73        | 212   |
| <b>Net Extent Harvested</b>    |                |           |       |                |           |       |
| Hectares ('000)                | 659            | 429       | 1,088 | 667            | 344       | 1,011 |
| Acres ('000)                   | 1,629          | 1,060     | 2,689 | 1,649          | 849       | 2,498 |
| <b>Average Yield kg per ha</b> | 4,364          | 4,527     | 4,429 | 4,349          | 4,417     | 8,766 |

Source: Department of Census & Statistics

(a) provisional

The paddy production in 2016 Yala season decreased by 20.1 percent to around 1.6 million mt. compared to the 1.9 million mt recorded in 2015.

| Category                      | 2016 Jan-May    | 2017 Jan-May    | % Change |
|-------------------------------|-----------------|-----------------|----------|
| <b>Production</b>             |                 |                 |          |
| Tea (Mn. Kg)                  | 128.6           | 128.4           | -0.1     |
| Rubber (Mn. Kg)               | 42.5            | 38.4            | -9.5     |
| Coconut (Mn. Nuts)            | 1,224.0         | 1,068.9         | -12.7    |
| <b>Exports (US\$ Mn)</b>      |                 |                 |          |
|                               | <b>2016 Apr</b> | <b>2017 Apr</b> |          |
| Tea                           | 93.2            | 109.1           | 17.1     |
| Rubber                        | 2.7             | 2.6             | -5.6     |
| Coconut                       | 27.0            | 24.8            | -8.3     |
| <b>Colombo Auction Prices</b> |                 |                 |          |
|                               | <b>2016 Feb</b> | <b>2017 Feb</b> |          |
| Tea (Rs./ Kg)                 | 402.2           | 597.9           | 48.7     |
| Rubber (Rs./ Kg)              | 194.0           | 338.7           | 74.6     |
| Coconut (Rs/nut)              | -               | -               | -        |

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

### Factory Industrial Production Index (2010=100)

| Item  | 2016 Apr (b) | 2017 Apr (b) | Growth %    |
|---|--------------|--------------|-------------|
| Manufacture of Food Products                        | 88.2         | 90.5         | 2.5         |
| Manufacture of Beverages                            | 111.5        | 88.9         | -20.3       |
| Manufacture of Tobacco Products                     | 85.7         | 85.8         | 0.2         |
| Manufacture of Textiles                             | 107.4        | 105.7        | -1.6        |
| Manufacture of Wearing Apparel                      | 147.7        | 115.4        | -21.9       |
| Manufacture of Leather and Related Products         | 63.7         | 61.0         | -4.2        |
| Manufacture of Wood products ,except Furniture      | 104.4        | 104.4        | 0.0         |
| Manufacture of Paper and Paper Products             | 127.3        | 127.3        | 0.0         |
| Printing and Reproduction of Recorded Media         | 112.2        | 112.2        | 0.0         |
| Manufacture of Coke and Refined Petroleum Products  | 64.3         | 69.0         | 7.3         |
| Manufacture of Chemicals and Chemical Products      | 64.0         | 63.8         | -0.3        |
| Manufacture of Pharmaceuticals, Medicinal Chemicals | 137.7        | 137.7        | 0.0         |
| Manufacture of Rubber and Plastic Products          | 94.3         | 98.2         | 4.2         |
| Manufacture of Other Non-Metallic Mineral Products  | 108.5        | 111.5        | 2.7         |
| Manufacture of Basic Metals                         | 134.1        | 119.7        | -10.8       |
| Manufacture of Fabricated Metal Products            | 46.3         | 46.3         | 0.1         |
| Manufacture of Electrical Equipment                 | 77.5         | 76.7         | -1.1        |
| Manufacture of machinery and equipment n.e.c        | 81.3         | 78.2         | -3.9        |
| <b>Factory Industry Production Index</b>            | <b>102.6</b> | <b>94.4</b>  | <b>-8.0</b> |

Source: Central Bank of Sri Lanka

(a) FIPI based on ISIC Revision 4 Classification

(b) Provisional