

# 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 **5.8%** in January 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 156.67**
- ⇒ **Brent crude oil** increased to: **US\$ 65.69** per bbl
- ⇒ **Credit to private sector** decreased by **14.7%** in December 2017
- ⇒ **Tourist arrivals** up by **12.6%** in January 2018

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## WEEK IN REVIEW

### **Domestic Economy**

*The GDP grew by 3.3 per cent in real terms in the third quarter of 2017, mainly due to the expansion of construction and financial activities coupled with the contraction of Agriculture sector.*

*The total outstanding market liquidity decreased to a surplus of Rs. 41.36 bn by end of 16 February 2018, compared to Rs. 49.86 bn by the end of 09 February 2018.*

*All Share Price Index (ASPI) declined by 0.13% to 6,564 points and the S&P SL20 Index declined by 0.67% to 3,705 points, compared to the previous week.*

*NCPI increased to 7.3% in December 2017.*

### **International Developments**

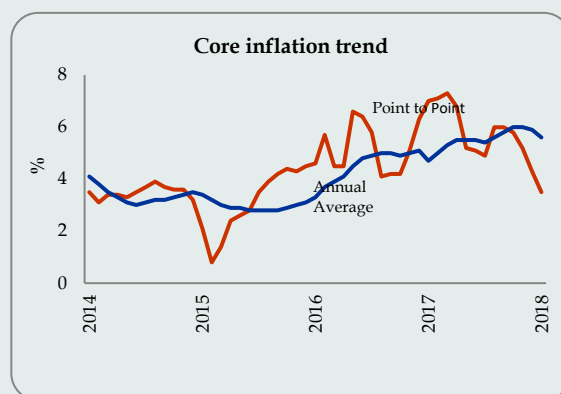
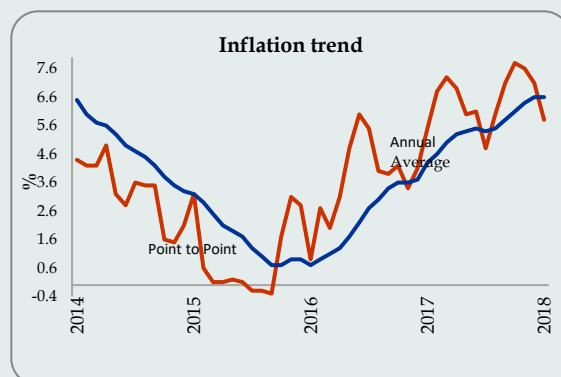
*Global output is projected to grow by 3.5 percent in 2017 and 3.6 percent in 2018.*

*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
Mar-16	2.6	2.2	3.7	5.0	-0.7	2.2
Apr	3.4	2.4	3.5	4.9	1.5	4.3
May	4.8	2.7	5.6	5.0	1.9	5.3
Jun	5.5	3.0	5.4	5.1	2.1	6.4
Jul	5.8	3.4	5.0	5.1	-0.8	5.8
Aug	4.4	3.7	3.8	4.9	-1.6	4.5
Sep	4.2	3.9	3.7	4.8	0.2	4.7
Oct	4.1	4.0	3.8	4.6	4.0	5.0
Nov	4.0	4.0	4.8	4.5	4.0	4.1
Dec	4.5	4.0	5.8	4.4	4.0	4.2
Jan-17	5.5	4.3	7.0	4.7	1.1	6.5
Feb	6.8	4.6	7.1	5.0	0.5	8.2
Mar	7.3	5.0	7.3	5.3	-0.3	8.6
Apr	6.9	5.3	6.8	5.5	1.3	8.4
May	6.0	5.4	5.2	5.5	0.7	7.1
June	6.1	5.5	5.1	5.5	1.3	6.3
July	4.8	5.4	4.9	5.4	-0.8	6.3
Aug	6.0	5.5	6.0	5.6	-0.1	7.9
Sep	7.1	5.8	6.0	5.8	0.8	8.6
Oct	7.8	6.1	5.8	6.0	1.2	8.8
Nov	7.6	6.4	5.2	6.0	1.3	8.4
Dec	7.1	6.6	4.3	5.9	0.2	7.3
Jan-18	5.8	6.6	3.5	5.6	-	-



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

The point to point inflation of CCPI decreased to 5.8 per cent in January 2018. The annual average of CCPI remain unchanged 6.6 per cent in January 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, decreased to 3.5 per cent, on point to point basis, while annual average core inflation decreased to 5.6 per cent, in January 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 7.3 percent in December 2017, on year on year basis.

Contribution of Food Items to CCPI from December 2017 to January 2018

Commodity	Value Change Rs.	Change %
Food	-448.74	-0.61
Rice	-6.92	-0.01
Chicken	10.56	0.01
Dried Fish	-29.58	-0.04
Coconut	-229.54	-0.31
Sugar	-8.08	-0.01
Vegetables	-129.49	-0.17
Red Onions	-23.63	-0.03
Dhal	-17.24	-0.02
Green chilies	-97.37	-0.13
Limes	-18.15	-0.02
Banana	11.47	0.02
Papaw	22.35	0.03
Mangoes	5.12	0.01

Source: Department of Census and Statistics

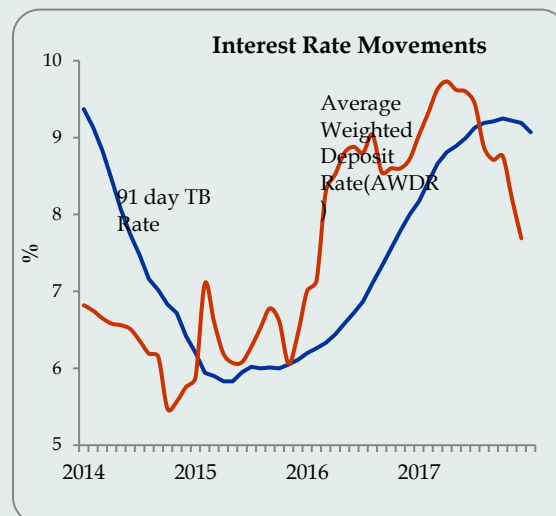
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Jul-16	2.3	11.7	5.0
Aug	-4.5	8.3	5.5
Sep	-1.6	7.5	5.9
Oct	0.6	6.9	6.2
Nov	0.6	4.3	6.1
Dec	0.8	4.1	6.1
Jan-17	1.6	4.5	6.4
Feb	1.2	7.7	6.9
Mar	-0.7	9.2	7.4
Apr	1.7	8.6	7.5
May	2.3	9.3	7.6
Jun	4.8	9.1	7.6
Jul	-1.7	4.8	7.0
Aug	-2.5	6.9	6.9
Sep	1.6	10.4	7.1
Oct	2.6	12.6	7.6
Nov	1.7	13.8	8.4
Dec	1.3	14.4	9.3
Jan-18	-1.9	10.5	9.8

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)
Jul-16	113.9	5.8	3.4	8.80	3.00	5.40
Aug	112.1	4.4	3.7	9.04	4.64	5.34
Sep	111.8	4.2	3.9	8.55	4.35	4.65
Oct	112.1	4.1	4.0	8.60	4.50	4.60
Nov	113.6	4.0	4.0	8.60	4.60	4.60
Dec	114.7	4.5	4.0	8.72	4.22	4.72
Jan-17	116.1	5.5	4.3	9.03	3.53	4.73
Feb	116.7	6.8	4.6	9.32	2.52	4.73
Mar	116.5	7.3	5.0	9.63	2.33	4.63
Apr	117.1	6.9	5.3	9.73	2.83	4.43
May	118.2	6.0	5.4	9.62	3.62	4.22
June	120.1	6.1	5.5	9.60	3.50	4.10
July	119.4	4.8	5.4	9.44	4.64	4.04
Aug	118.8	6.0	5.5	8.87	2.87	3.37
Sep	119.7	7.1	5.8	8.71	1.61	2.91
Oct	120.8	7.8	6.1	8.76	0.96	2.66
Nov	122.2	7.6	6.4	8.20	0.60	1.80
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

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



## Interest Rate Movements

Category	Week Ending 16 <sup>th</sup> Feb 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.00	7.00
Standing Lending Facility	8.75	8.75	8.00	8.50
Call Money Weekly Average	8.14	8.14	8.50	8.43
Treasury Bill (Yield rate)				
91 Days	8.02	7.75	-	9.22
182 Days	8.29	7.99	9.39	10.12
364 Days	9.28	8.94	10.11	10.55
Prime Lending Rate	11.25	11.16	11.98	11.11
				.54
	<b>Jan-18</b>		<b>Month Ago</b>	<b>Year Ago</b>
Commercial Bank Average Weighted Deposit Rate (AWDR)	9.08		9.07	8.42

Source : Central Bank of Sri Lanka

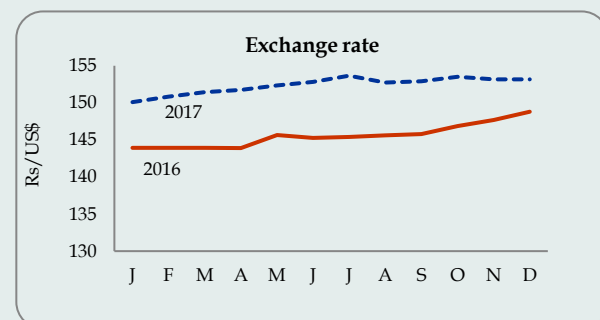
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.75 percent, respectively during this week.

The Prime Lending rate decreased to 11.25 per cent by week ending 16<sup>th</sup> February 2018 compared to last week and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of January 2018 was 9.08 percent.

## Exchange Rates

Currency	Week Ending 16 <sup>th</sup> Feb 2018	Week Ago	Year Ago	% Change 2016/17
US Dollar	154.78	154.31	150.59	2.8
Sterling Pound	218.53	215.13	187.78	16.4
Euro	193.80	189.10	159.91	21.2
Japanese Yen	1.46	1.42	1.32	10.6
Indian Rupee	2.43	2.40	2.25	8.0

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

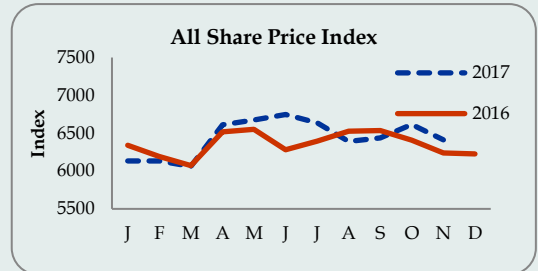
Item	Dec 2017	Nov 2017	Oct 2017	Dec 2016	Nov 2016	Oct 2016	Growth 2016 Dec/2017 Dec (%)
M <sub>1</sub> (Rs Bn)	793.30	751.29	743.19	776.62	720.20	727.63	2.15
M <sub>2</sub> (Rs Bn)	5,665.31	5,549.95	5,532.51	4,823.56	4,683.23	4,616.76	17.45
M <sub>2b</sub> (Rs Bn)	6,308.06	6,183.94	6,159.24	5,405.60	5,246.72	5,165.73	16.70

Item	Dec 2017	Month Ago	Year Ago	Growth 2016 Dec /2017 Dec (%)
<b>Credit to Private Sector (Rs.bn)</b>	<b>4,821.84</b>	<b>4,761.96</b>	<b>4,204.43</b>	<b>14.7</b>
DBUs	4,494.59	4,438.00	3,891.85	15.5
OBU	327.25	323.95	312.58	4.7

Source: Central Bank of Sri Lanka

## Share Market

Indicator	Week Ending 16 <sup>th</sup> Feb 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,564	6,572	6,174
S & P Sri Lanka 20 Index (S & P SL20)	3,705	3,730	3,548
Average Daily Turnover (Rs.Mn)	716	901	711
Market Capitalization (Rs.Bn.)	3,005	3,009	2,722



Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 8 index points and closed at 6,564 points compared to the second week of February 2018. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 25 to 3,705 index points. The Average Daily Turnover decreased by Rs. 185 million and stationed at Rs. 716 million. Market capitalization reached Rs. 3,005 billion in the third week of February 2018.

## Equity Trading Statistics

Indicator	Jan 2018	Jan 2017	Jan-Jan 2018	Jan- Jan 2017
<b>Turnover -Equity (Rs. Mn.)</b>	<b>17,458.1</b>	<b>13,608.5</b>	<b>17,458.1</b>	<b>13,608.5</b>
Domestic (Rs. Mn.)	8,776.8	7,272.4	8,776.8	7,272.4
Foreign (Rs. Mn.)	8,681.3	6,336.1	8,681.3	6,336.1
Market Days	20	21	20	21
Daily Turnover Avg. Equity (Rs. Mn.)	872.9	648.0	872.9	648.0
<b>Trade Equity</b>	<b>60,946</b>	<b>50,722</b>	<b>60,946</b>	<b>50,722</b>
Domestic	57,442	47,360	57,442	47,360
Foreign	3,504	3,362	3,504	3,362
<b>Shares Traded -Equity</b>	<b>427.2</b>	<b>669.6</b>	<b>427.2</b>	<b>669.6</b>
Domestic (Rs. Mn.)	360.6	269.1	360.6	269.1
Foreign (Rs. Mn.)	66.6	400.4	66.6	400.4
Companies Traded	275	271	275	271
Companies Listed	298	295	298	295

## Market Indicators

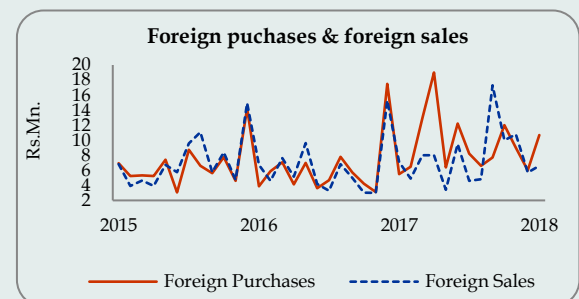
Price Indices	Jan 2018	Dec 2017
ASPI	6,476.41	6,369.26
S&P SL 20	3,747.30	3,671.72
<b>Total Return Indicators</b>		
ASTRI	8,600.79	8,457.09
S&P SL20 (TRI)	5,379.47	5,259.85
Market PER	10.69	10.60
Dividend Yield	3.07	3.19
Market Capitalization (Rs.Bn.)	2,961.47	2,899.29

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

Indicator	January 2018	Jan-Jan 2018
Purchases by Foreigners (Rs. Mn)	10,701.9	10,701.9
Sales by Foreigners (Rs. Mn)	6,661.1	6,661.1
Net Foreign Purchases (Rs. Mn)	4,040.8	4,040.8

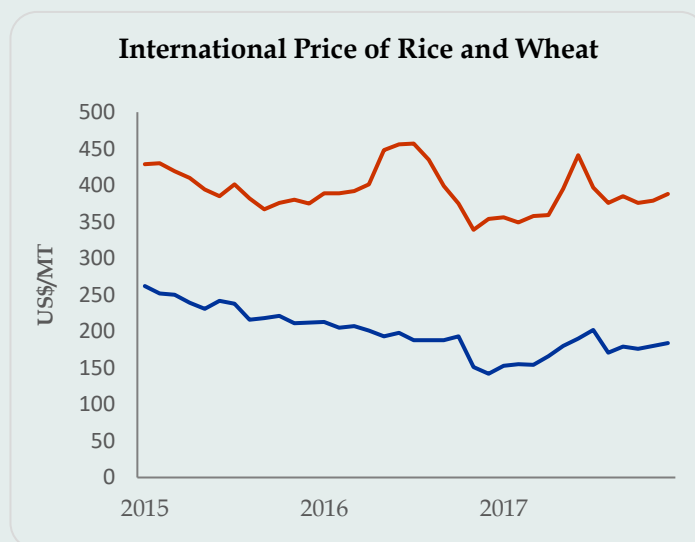
Source: Colombo Stock Exchange



# 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](http://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
<b>Non Energy, Agriculture, Beverages</b>							
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
<b>Food, Fats &amp; Oils</b>							
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
<b>Grains</b>							
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
<b>Other Food</b>							
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
<b>Raw Materials, Timber</b>							
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
<b>Other Raw Materials</b>							
Rubber RSS3, US	\$/kg	1.57	1.61	2.00	1.64	1.57	1.65
<b>Fertilizers</b>							
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
<b>Metals and Minerals</b>							
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](http://worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTDECPROJECTS)

¢= US cent

\$= US dollar

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

Item	Feb 12	Feb 13	Feb 14	Feb 15	Feb 16	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices) (US \$/bbl.)	63.17	62.72	62.85	64.67	64.55	64.40	70.26	55.69
WTI (US\$/bbl.)	59.66	59.19	59.24	61.07	61.45	60.60	64.47	53.04
Petrol	72.30	70.75	70.10	72.75	-	73.30	77.20	68.60
Diesel	72.90	73.06	72.15	74.22	-	75.28	80.32	66.23
Kerosene	76.09	76.24	75.40	77.58	-	77.64	81.72	66.27

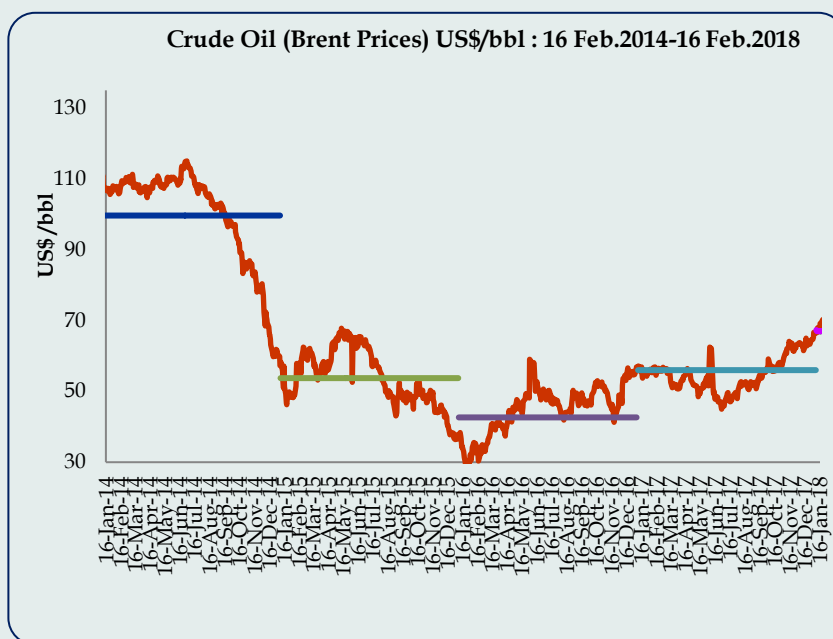
Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Jun-16	48.83	49.82
Jul	45.32	46.88
Aug	44.61	46.82
Sep	44.26	46.52
Oct	49.91	51.38
Nov	45.85	45.96
Dec	54.74	52.04
Jan-17	52.83	55.67
Feb	53.41	55.99
Mar	49.92	52.76
Apr	51.27	53.98
May	51.59	48.77
Jun	47.71	45.34
July	49.02	46.93
Aug	51.87	48.18
Sep	49.76	55.44
Oct	54.04	60.83
Nov	56.68	62.80
Dec	63.92	57.82
Jan-18	63.55	69.02
Feb*	62.10	65.69

Source: Central Bank of Sri Lanka

\*up to 16<sup>th</sup> Feb 2018

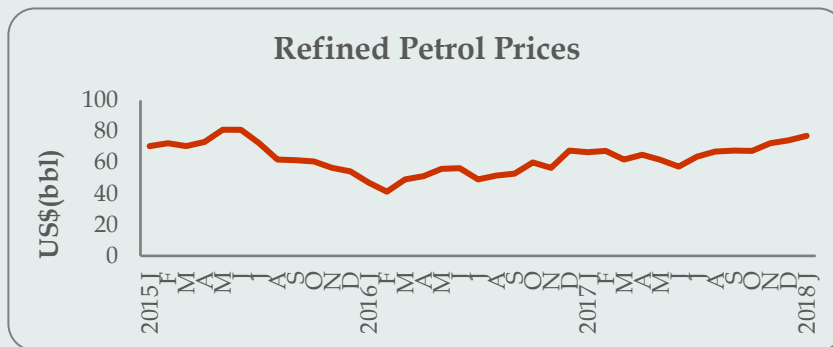


## Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
Jun-16	56.48	57.97	58.14
Jul	49.24	54.12	54.49
Aug	51.60	53.09	53.53
Sep	52.81	54.25	55.18
Oct	60.15	60.63	60.98
Nov	56.63	56.03	56.62
Dec	67.80	66.34	64.87
Jan-17	66.75	64.70	65.13
Feb	67.55	66.31	66.25
Mar	61.93	62.43	61.85
Apr	64.83	63.92	63.92
May	61.60	60.45	60.84
Jun	57.38	56.81	57.12
July	59.10	59.76	59.87
Aug	64.73	62.02	61.11
Sep	67.66	66.53	67.97
Oct	70.15	69.68	71.33
Nov	73.05	71.80	74.06
Dec	73.45	74.49	75.61
Jan-18	76.65	80.05	80.91
Feb*	74.60	76.78	79.48

Source: Central Bank of Sri Lanka

\*up to 16<sup>th</sup> Feb 2018



## Local Market Prices of Petroleum Products

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

Wholesale Prices  
Week Ending 16<sup>th</sup> February 2018(Rs /Kg)

**Pettah Market**

Average Wholesale Prices	Week Ending 16/02/2018	Week Ago	% Change	Year Ago Annual Avg.
<b>Rice (Rs/Kg)</b>				
Samba	103.00	102.00	1.0	94.82
Kekulu (Red)	71.00	71.00	0.0	80.30
<b>Vegetable</b>				
Beans	148.00	113.00	31.0	118.56
Cabbage	30.00	30.00	0.0	75.37
Carrots	74.00	75.00	-1.3	120.95
Tomatoes	30.00	33.00	-9.1	93.73
Pumpkins	54.00	40.00	35.0	61.84
Snake Gourd	50.00	53.00	-5.7	96.74
Brinjals	47.00	47.00	0.0	94.90
Ash Plantains	77.00	80.00	-3.7	73.41
<b>Other Foods</b>				
Red-Onions (Local)	105.00	n.a	-	250.84
Big Onions (Local)	n.a	n.a	-	110.80
Potatoes (N'Eliya)	107.00	110.00	-2.7	127.34
Dried Chilies (Imported)	225.00	220.00	2.3	189.80
Dhal (Indian)	108.00	110.00	-1.8	135.31
Eggs (Red) (Each)	12.00	12.00	0.0	11.96
Coconut (Each)	76.00	75.00	1.3	61.72
<b>Fish (Rs/Kg)</b>				
Kelawalla	480.00	520.00	-7.7	540.63
Balaya	280.00	280.00	0.0	301.46
Salaya	120.00	120.00	0.0	116.88
Paraw (Small)	480.00	500.00	-4.0	538.02

Source: Central Bank of Sri Lanka

**Dambulla Market**

Food Item	Wholesale (Average)
<b>Rice (Rs/Kg)</b>	
Samba	109.00
Kekulu (Red)	71.00
<b>Vegetables</b>	
Pumpkins	52.50
Snake Gourd	41.25
Ash Plantains	63.75
Beans	141.25
Carrots	90.83
Tomatoes	32.50
<b>Other Foods</b>	
Potatoes (N'Eliya)	92.50
Dried Chilies (Imported)	217.50
Big-Onions (Local)	n.a
Red-Onions (Local)	111.67
Coconut (Each)	68.38

Source: Central Bank of Sri Lanka

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

Item	Week Ending 16/02/2018	Week Ago	Month Ago	Year Ago
Samba	82.00	86.13	100.02	92.96
Sudu Kekulu	72.75	75.00	84.83	83.16
Raw Red	75.75	72.88	79.81	80.21
Nadu	72.63	76.88	90.14	87.93

Source: Central Bank of Sri Lanka

Rs.

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	104.76	106.36	8.6	96.48
No. 1	1 kg	113.52	114.51	13.4	100.11
No. 2	1kg	96.00	98.20	3.4	92.85
Nadu Red	1kg	105.04	101.95	11.5	94.23
Raw Red (Avg)	1kg	90.72	91.22	-0.5	91.15
No. 1	1kg	95.00	95.27	-2.4	97.36
No. 2	1kg	86.44	87.17	1.8	84.95
Wheat Flour	1 kg	91.46	89.81	2.6	89.12
Bread	450g	58.95	58.95	0.0	58.15
Sugar	1 kg	109.41	109.68	7.6	101.66
Lakspray	400g	325.00	325.00	0.0	325.00
Potatoes (Import)	1 kg	84.22	79.63	-22.5	108.73
Potatoes (Local)	1kg	162.19	150.00	-5.8	172.13
Red Dhal(Avg)	1kg	147.22	151.20	-23.6	192.71
Cowpea (Avg)	1kg	298.64	299.62	7.3	278.23
Green Gram(Avg)	1kg	247.59	253.08	2.8	240.82
Kadalai (Avg)	1kg	365.03	374.88	18.1	308.96
Meat					
Beef	1kg	951.25	948.42	11.6	852.72
Chicken					
Fresh	1kg	543.57	536.32	13.9	477.28
Broiler	1kg	420.00	420.00	0.0	410.00
Fresh Fish					
Paraw	1 kg	1,095.24	1,048.95	18.8	921.63
Balaya	1 kg	650.00	620.00	8.8	597.24
Kelawalla	1 kg	981.03	955.29	10.4	888.41
Salaya	1 kg	171.43	152.94	11.4	153.87
Dried Fish					
Sprats	1 kg	715.94	699.14	5.3	679.73
Eggs	Each	14.24	13.53	-3.8	14.80
Coconut	Each	78.31	75.38	35.6	57.74
Coconut Oil	750ml	292.58	290.00	8.2	270.28
Red Onions	1 kg	226.74	347.80	54.8	146.48
B- Onions (Import)	1 kg	124.18	149.87	27.8	97.14
Brinjal	1kg	142.56	146.70	45.2	98.21
Beans Green	1 kg	191.83	188.65	20.0	159.87
Cabbage	1 kg	131.05	134.59	42.8	91.80
Leeks	1 kg	233.53	259.14	98.7	117.52
Beet Root	1kg	147.00	184.80	16.1	126.57
Carrot	1kg	156.32	159.16	-1.8	129.71
Tomatoes	1kg	105.56	104.81	-11.4	119.09
Radish	1kg	114.05	129.09	-11.6	97.87
Vetakolu	1kg	205.89	199.31	3.3	176.51
Snake Gourd	1kg	157.71	169.77	-7.1	134.50
Bandakka	1kg	169.73	160.57	5.7	137.59
Kolikuttu	1kg	201.88	205.00	-1.5	236.71
Papaw	1kg	98.79	116.92	-15.5	120.47
Pineapple	1kg	159.78	144.60	10.5	178.25

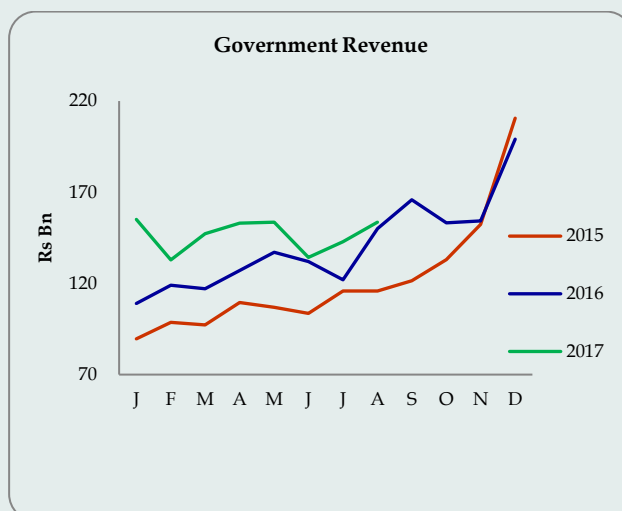
Source: Department of Census and Statistics



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

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



Source: Department of Fiscal Policy

(a) provisional

## Government Debt

Government Debt (Rs.bn)	End 2016	Jan-Sep 2017(a)
Total Domestic Debt	5,341.5	5,630.9
Total Foreign Debt	4,045.8	4,638.3
<b>Total Government Debt</b>	<b>9,387.3</b>	<b>10,269.1</b>

Source: Central Bank of Sri Lanka

(a) provisional

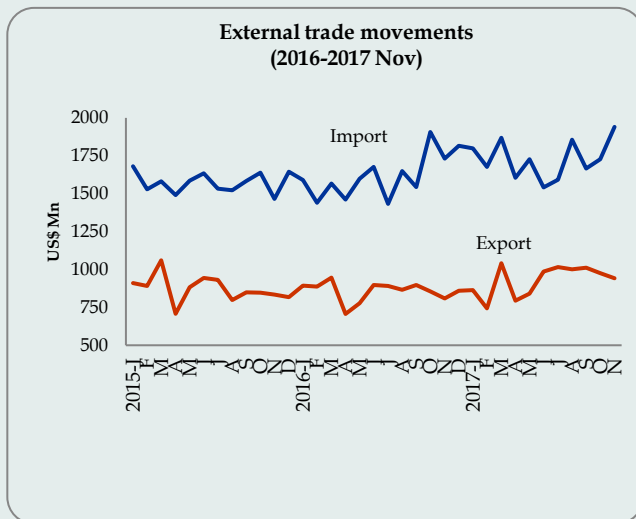
## Key Fiscal Indicators 2015-2016-2017

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

Category	Nov 2016 (US\$ Mn)	Nov 2017 (US\$ Mn)	Growth Rate (%)	Jan-Nov 2016 (US\$ Mn)	Jan-Nov 2017 (US\$ Mn)	Growth Rate (%)
<b>Exports</b>	<b>809.7</b>	<b>940.9</b>	<b>16.2</b>	<b>9,450.7</b>	<b>10,340.6</b>	<b>9.4</b>
<b>Agricultural</b>	<b>182.9</b>	<b>224.1</b>	<b>22.6</b>	<b>2,125.2</b>	<b>2,547.5</b>	<b>19.9</b>
Tea	101.3	127.0	25.4	1,159.2	1,402.9	21.0
Other	81.6	97.1	19.0	966.0	1,144.6	18.5
<b>Industrial</b>	<b>623.8</b>	<b>713.5</b>	<b>14.4</b>	<b>7,285.2</b>	<b>7,745.3</b>	<b>6.3</b>
Rubber Products	61.2	67.3	10.0	705.5	760.8	7.8
Textiles and Garments	383.1	424.3	10.8	4,490.5	4,562.0	1.6
Food, Beverage and Tobacco	23.2	28.4	22.8	300.0	359.8	20.0
Other	156.3	193.5	23.8	1,789.2	2,062.7	15.3
<b>Mineral</b>	<b>1.8</b>	<b>1.8</b>	<b>-2.3</b>	<b>26.8</b>	<b>32.2</b>	<b>20.1</b>
<b>Unclassified</b>	<b>1.2</b>	<b>1.5</b>	<b>26.6</b>	<b>13.5</b>	<b>15.7</b>	<b>15.6</b>
<b>Imports</b>	<b>1,732.1</b>	<b>1,940.4</b>	<b>12.0</b>	<b>17,366.7</b>	<b>18,931.3</b>	<b>9.0</b>
<b>Consumer Goods</b>	<b>387.9</b>	<b>407.7</b>	<b>5.1</b>	<b>3,964.8</b>	<b>4,069.0</b>	<b>2.6</b>
Food and Beverages	141.1	174.9	23.9	1,484.9	1,659.5	11.8
Other Consumer Goods	246.8	232.8	-5.7	2,479.9	2,409.4	-2.8
<b>Intermediate Goods</b>	<b>882.9</b>	<b>1,072.5</b>	<b>21.5</b>	<b>8,866.5</b>	<b>10,242.0</b>	<b>15.5</b>
Petroleum	221.9	306.4	38.1	2,152.8	2,994.6	39.1
Textiles & Textile Articles	258.3	251.1	-2.8	2,477.0	2,491.7	0.6
Other Intermediate Goods	402.7	515.0	27.9	4,236.7	4,755.7	12.2
<b>Investment Goods</b>	<b>460.5</b>	<b>459.7</b>	<b>-0.2</b>	<b>4,523.6</b>	<b>4,475.9</b>	<b>-1.1</b>
Machinery and Equipment	243.9	243.6	-0.1	2,489.6	2,391.0	-4.0
Transport Equipment	66.2	57.9	-12.5	607.5	617.0	1.6
Building Material	149.5	157.6	5.5	1,420.6	1,460.5	2.8
Other Investment Goods	0.9	0.5	-37.8	5.9	7.4	25.8
<b>Unclassified</b>	<b>0.8</b>	<b>0.5</b>	<b>-39.7</b>	<b>11.9</b>	<b>144.4</b>	<b>1,110.3</b>
<b>Trade Balance</b>	<b>(922.4)</b>	<b>(999.5)</b>	<b>8.4</b>	<b>(7,916.0)</b>	<b>(8,590.7)</b>	<b>8.5</b>

Source: Central Bank of Sri Lanka

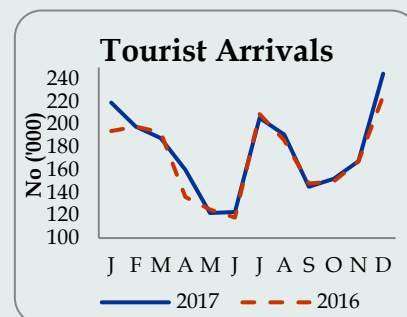


- Export earnings during January to November 2017 increased by 9.4 percent mainly due to the expansion of earnings from agriculture, industry and mineral exports. The earnings for the month of November 2017 increased by 16.2 percent, compared to the respective period of 2016.
- On a cumulative basis, expenditure on imports increased by 9.0 percent for the period during January to November 2017. Expenditure on imports for the month of November 2017 increased by 12.0 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit widened to US\$ 999.5 Mn in November 2017 over the same period of 2016.

## Tourist Arrivals

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			339.0	339.0		
Mar	192,841	188,076			330.8	322.7		
Apr	136,367	160,249			226.0	274.9		
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		
<b>Total</b>	<b>2,050,832</b>	<b>1,871,871</b>	<b>246,972</b>	<b>12.6</b>	<b>3,518.5</b>	<b>3,631.0</b>	<b>423.7</b>	<b>12.6</b>

Source: Sri Lanka Tourism Development Authority



## Tourism

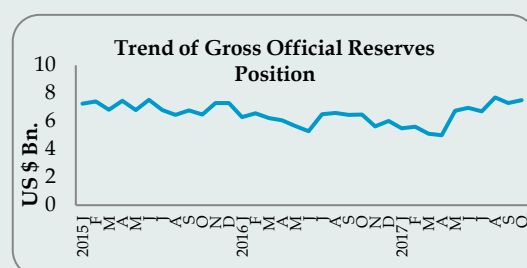
Earnings from tourism increased to US \$ 423.7 in January 2018 with an increase of 12.6 per cent over the same period of 2017.

The number of tourist arrivals increased to 246,972 in January 2018.

## External Assets

External Assets (US\$ Mn)	Nov 2017	Oct 2017	Sep 2017
Total Reserves	9,659.26	9,771.61	9,607.83
Gross Official Reserves	7,335.12	7,500.79	7,279.84

Source: Central Bank of Sri Lanka



## Official reserves

The total reserves and gross official reserves were US\$ 9.7 Bn and US\$ 7.3 Bn, respectively by end November 2017. Total foreign reserves were sufficient to 5.7 months of imports and the gross official reserves were equivalent to 4.4 months of imports. Workers' remittances decreased by -0.9 per cent in dollar terms to US \$ 562.19 Mn. in November 2017.

## Private Remittances

Category		2016 Nov	2017 Nov(a)	2016 Jan-Nov	2017 Jan-Nov(a)	% Change
Inflow	US\$ Mn	567.38	562.19	6,556.93	6,080.38	-7.27
	Rs. Bn	83.84	86.39	952.56	926.48	-2.74

Source: Central Bank of Sri Lanka

(a) Provisional

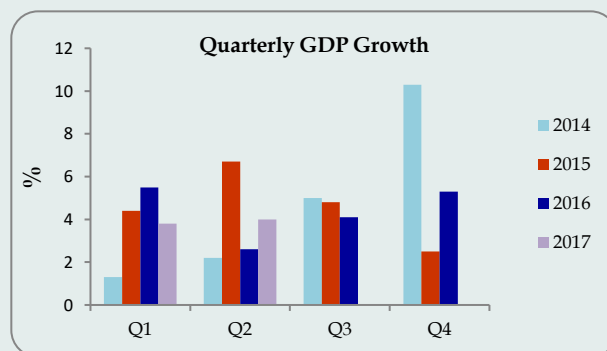
## PRODUCTION

### QUARTERLY GDP GROWTH (%)

	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	Annual
<b>2013</b>	<b>3.6</b>	<b>5.9</b>	<b>4.0</b>	<b>0.5</b>	<b>3.4</b>
Agriculture	2.2	3.9	4.5	2.5	3.2
Industry	6.7	6.0	2.8	0.6	4.1
Service	2.9	7.7	5.5	-0.8	3.8
<b>2014</b>	<b>1.3</b>	<b>2.2</b>	<b>5.0</b>	<b>10.3</b>	<b>4.9</b>
Agriculture	7.3	4.1	3.2	5.0	4.9
Industry	-1.5	-2.8	7.8	11.7	3.5
Service	1.9	4.0	3.0	11.7	5.2
<b>2015</b>	<b>4.4</b>	<b>6.7</b>	<b>4.8</b>	<b>2.5</b>	<b>4.8</b>
Agriculture	5.9	10.4	7.3	-0.5	5.5
Industry	1.4	3.9	4.9	1.9	3.0
Service	5.4	6.9	6.5	2.7	5.3
<b>2016</b>	<b>5.5</b>	<b>2.6</b>	<b>4.1</b>	<b>5.3</b>	<b>4.4</b>
Agriculture	1.9	-5.6	-1.9	-8.4	-4.2
Industry	8.3	2.2	6.8	9.2	6.7
Service	4.9	4.9	4.7	4.6	4.2
<b>2017</b>	<b>3.8</b>	<b>4.0</b>	<b>3.3</b>		
Agriculture	-3.2	-2.9	-3.3		
Industry	6.3	5.2	1.9		
Service	3.5	4.5	4.3		

Source: Department of Census & Statistics

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



### GDP grew by 3.3%

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

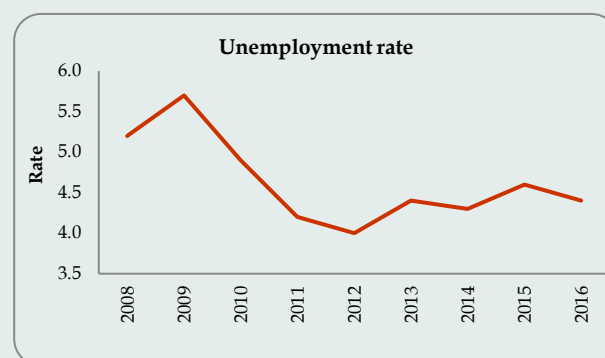
## Labour Force Statistics

Employment	2017 3 <sup>rd</sup> Quarter* (a)	2017 2 <sup>nd</sup> Quarter* (a)	2016 Annual (a)	2015 Annual
Labour Force Participation Rate	53.6	53.9	53.8	53.8
Unemployment Rate	4.2	4.5	4.4	4.7
<b>By Gender</b>				
Male	2.7	3.0	2.9	3.0
Female	6.8	7.1	7.0	7.6
<b>By Age Group</b>				
20-29	14.2	14.6	14.2	14.2
20-24	19.0	18.4	19.9	19.7
25-29	9.8	11.3	9.2	9.4

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



## Paddy Production

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

Source: Department of Census & Statistics

(a)provisional

The paddy production in 2017 Yala season 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	2016 Jan-Dec	2017 Jan-Dec	% Change
<b>Production</b>			<b>5.0</b>
Tea (Mn. Kg)	292.6	307.1	3.4
Rubber (Mn. Kg)	79.1	81.8	-18.6
Coconut (Mn. Nuts)	3,011.3	2,449.6	
<b>Exports (US\$ Mn)</b>	<b>2016 Nov</b>	<b>2017 Nov</b>	
Tea	101.3	127.0	25.4
Rubber	3.3	2.3	-29.6
Coconut	28.9	25.7	-11.0
<b>Colombo Auction Prices</b>	<b>2016 Oct</b>	<b>2017 Oct</b>	
Tea (Rs./ Kg)	553.0	647.66	17.1
Rubber (Rs./ Kg)	237.1	339.0	43.0
Coconut (Rs/nut)	31.1	53.6	72.3

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

## Factory Industrial Production Index (2010=100)

Item (a)	2016 October (b)	2017 October (c)	Growth %
Manufacture of Food Products	100.2	104.7	4.5
Manufacture of Beverages	117.2	99.5	-15.1
Manufacture of Tobacco Products	108.0	119.6	10.7
Manufacture of Textiles	106.7	115.4	8.1
Manufacture of Wearing Apparel	106.2	113.0	6.4
Manufacture of Leather and Related Products	115.0	119.3	3.8
Manufacture of Wood products ,except Furniture	98.2	99.2	1.1
Manufacture of Paper and Paper Products	123.0	121.7	-1.0
Printing and Reproduction of Recorded Media	114.6	110.0	-4.0
Manufacture of Coke and Refined Petroleum Products	98.0	105.4	7.5
Manufacture of Chemicals and Chemical Products	98.5	99.3	0.9
Manufacture of Pharmaceuticals, Medicinal Chemicals	117.2	120.4	2.7
Manufacture of Rubber and Plastic Products	106.0	112.7	6.3
Manufacture of Other Non-Metallic Mineral Products	113.9	110.6	-2.9
Manufacture of Basic Metals	113.7	123.6	8.7
Manufacture of Fabricated Metal Products	104.6	131.9	26.2
Manufacture of Electrical Equipment	96.0	95.8	-0.2
Manufacture of Machinery and Equipment n.e.c	104.3	119.1	14.2
Manufacture of Furniture	121.4	106.6	-12.2
Manufacture of other Manufacturing	100.6	95.1	-5.5
<b>Factory Industry Production Index</b>	<b>104.7</b>	<b>108.6</b>	<b>3.7</b>

Source: Central Bank of Sri Lanka

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

(b) Revised

(c) Provisional