

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** increased to **5.4 %** in July 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 161.15**
- ⇒ **Brent crude oil** increased to: **US\$ 77.72** per bbl
- ⇒ **Credit to private sector** decreased by **14.94 %** in June 2018
- ⇒ **Tourist arrivals** up by **13.7 %** in July 2018

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WEEK IN REVIEW

Domestic Economy

The GDP grew by 3.2 per cent in real terms in first quarter 2018, mainly due to the moderate expansion of Agriculture sector and service sector. However industry sector contracted in first quarter 2018.

The total outstanding market liquidity decreased to a surplus of Rs. 33.14 bn by end of 31 August 2018, compared to a surplus of Rs. 34.49 bn by the end of 24 August 2018.

All Share Price Index (ASPI) increased by 0.46% to 6,080 points and the S&P SL 20 Index increased by 0.51 % to 3,229 points, compared to the previous week.

NCPI increased to 3.4 % in July 2018.

International Developments-

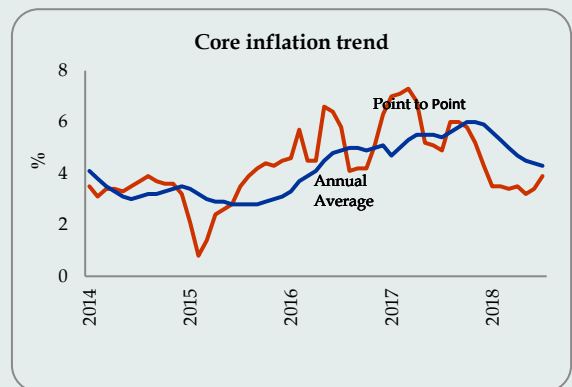
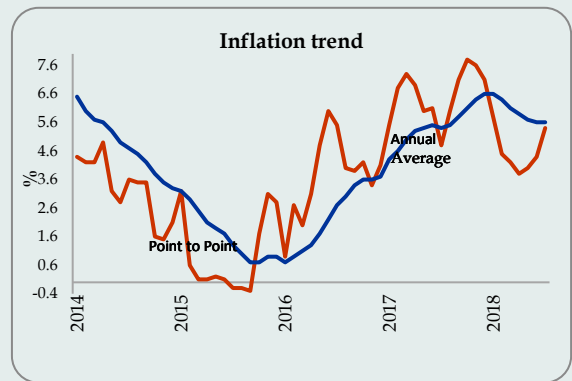
Global growth is projected to stabilize at 3.2 percent in both 2018 and 2019.

China's growth is expected to reach at 6.5 percent in 2018 and 6.3 in 2019.

The growth forecast for the United States 2.7 percent in 2018 and 2.5 percent in 2019.

Developing Economies estimated to growth by 4.8 percent in both 2018 and 2019.

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
Sep	4.2	3.9	3.7	4.8	0.2	4.7
Oct	4.1	4.0	3.8	4.6	4.0	5.0
Nov	4.0	4.0	4.8	4.5	4.0	4.1
Dec	4.5	4.0	5.8	4.4	4.0	4.2
Jan-17	5.5	4.3	7.0	4.7	1.1	6.5
Feb	6.8	4.6	7.1	5.0	0.5	8.2
Mar	7.3	5.0	7.3	5.3	-0.3	8.6
Apr	6.9	5.3	6.8	5.5	1.3	8.4
May	6.0	5.4	5.2	5.5	0.7	7.1
June	6.1	5.5	5.1	5.5	1.3	6.3
July	4.8	5.4	4.9	5.4	-0.8	6.3
Aug	6.0	5.5	6.0	5.6	-0.1	7.9
Sep	7.1	5.8	6.0	5.8	0.8	8.6
Oct	7.8	6.1	5.8	6.0	1.2	8.8
Nov	7.6	6.4	5.2	6.0	1.3	8.4
Dec	7.1	6.6	4.3	5.9	0.2	7.3
Jan-18	5.8	6.6	3.5	5.6	-0.6	5.4
Feb	4.5	6.4	3.5	5.3	-1.7	3.2
Mar	4.2	6.1	3.4	5.0	-0.7	2.8
Apr	3.8	5.9	3.5	4.7	0.1	1.6
May	4.0	5.7	3.2	4.5	1.1	2.1
June	4.4	5.6	3.4	4.4	1.8	2.5
July	5.4	5.6	3.9	4.3	0.1	3.4



Source: Department of Census and Statistics

The point to point inflation of CCPI increased to 5.4 per cent in July 2018. The annual average of CCPI is 5.6 per cent in July 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 3.9 per cent, on point to point basis, while annual average core inflation decreased to 4.3 per cent, in July 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 3.4 per cent in July 2018, on year on year basis.

Contribution of Food Items to CCPI from June 2018 to July 2018

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

Commodity	Value Change Rs.	Change %
Food	195.77	0.26
Rice	-38.72	-0.05
Chicken	4.96	0.01
Sea Fish	114.98	0.15
Canned Fish	9.84	0.01
Potatoes	26.45	0.03
Vegetables	81.55	0.11
Green chilies	71.29	0.09
Big onions	22.72	0.03
Coconut	-149.91	-0.2
Banana	39.99	0.05
Eggs	21.18	0.03
Limes	-31.27	-0.04
Papaw	19.56	0.03

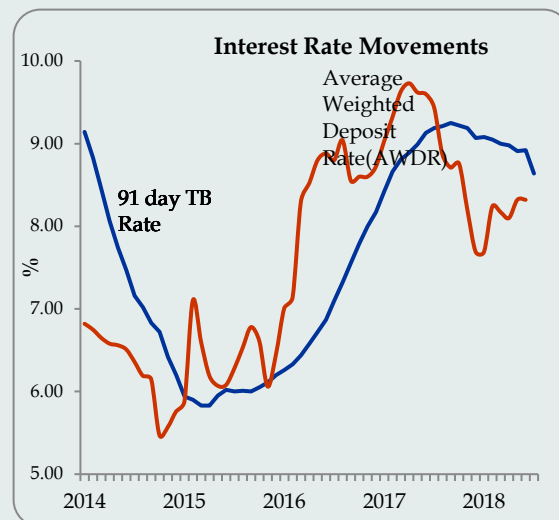
Source: Department of Census and Statistics

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Jan-17	1.6	4.5	6.4
Feb	1.2	7.7	6.9
Mar	-0.7	9.2	7.4
Apr	1.7	8.6	7.5
May	2.3	9.3	7.6
Jun	4.8	9.1	7.6
Jul	-1.7	4.8	7.0
Aug	-2.5	6.9	6.9
Sep	1.6	10.4	7.1
Oct	2.6	12.6	7.6
Nov	1.7	13.8	8.4
Dec	1.3	14.4	9.3
Jan-18	-1.9	10.5	9.8
Feb	-2.9	6.0	9.6
Mar	-1.5	5.1	9.2
Apr	-0.4	3.0	8.8
May	2.6	3.3	8.3
June	4.4	2.9	7.7
July	0.9	5.6	7.8

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)
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	6.4	7.6	8.20	0.60	1.80
Dec	122.9	7.1	6.6	7.69	0.59	1.09
Jan-18	122.8	5.8	6.6	7.69	1.89	1.09
Feb	121.9	4.5	6.4	8.24	3.74	1.84
Mar	121.4	4.2	6.1	8.17	3.97	2.07
Apr	121.5	3.8	5.9	8.10	4.30	2.20
May	122.9	4.0	5.7	8.34	4.34	2.64
June	125.4	4.4	5.6	8.25	3.85	2.65
July	125.8	5.4	5.6	8.17	2.77	2.57

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



Interest Rate Movements

Category	Week Ending 31 st Aug 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	7.25	7.25	7.25	7.25
Standing Lending Facility	8.50	8.50	8.50	8.75
Call Money Weekly Average	7.84	7.80	7.89	8.32
Treasury Bill (Yield rate)				
91 Days	8.03	8.09	8.24	-
182 Days	-	8.60	8.74	9.30
364 Days	8.99	9.00	9.27	9.67
Prime Lending Rate	11.67	11.91	11.42	11.37
	Aug-18		Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.66		8.64	9.21

Source : Central Bank of Sri Lanka

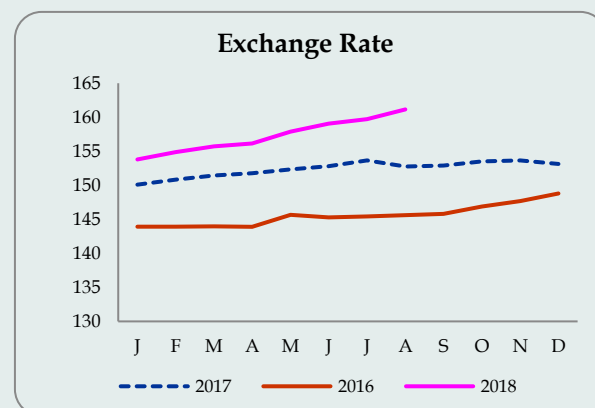
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.50 percent, respectively during this week.

The Prime Lending rate is 11.67 per cent by week ending 31st August 2018 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of August 2018 was 8.66 percent.

Exchange Rates

Currency	Week Ending 31 st August 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	161.15	160.52	152.74	5.2
Sterling Pound	209.76	205.73	197.32	5.9
Euro	188.01	185.43	181.44	3.5
Japanese Yen	1.45	1.44	1.38	4.8
Indian Rupee	2.28	2.29	2.39	-4.8

Source : Central Bank of Sri Lanka



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

Item	Jun 2018	May 2018	Apr 2018	June 2017	May 2017	Apr 2017	Growth 2017 Jun/2018 Jun (%)
M ₁ (RsBn)	804.51	790.97	812.55	753.89	741.68	765.20	6.7
M ₂ (RsBn)	6,120.85	6,047.72	6,043.71	5,281.42	5,214.38	5,146.80	15.9
M _{2b} (RsBn)	6,747.65	6,670.95	6,691.73	5,872.51	5,803.17	5,730.77	14.9

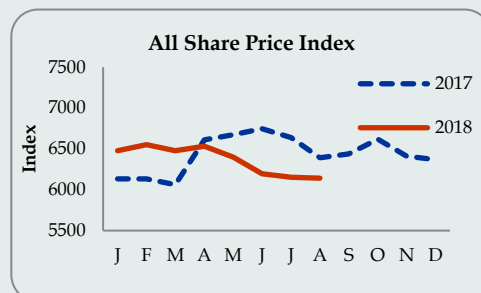
Source: Central Bank of Sri Lanka

Item	June 2018	Month Ago	Year Ago	Growth 2017/2018 June (%)
Credit to Private Sector (Rs.bn)	5,155.88	5,073.26	4,485.55	15.0
DBUs	4,801.96	4,721.95	4,167.07	15.2
OBU's	353.92	351.31	318.48	11.1

Share Market

Indicator	Week Ending 31 st Aug 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,080.3	6,052.7	6,390.7
S & P Sri Lanka 20 Index (S & P SL20)	3,229.2	3,212.9	3,686.0
Average Daily Turnover (Rs.Mn)	545.1	483.0	770.6
Market Capitalization (Rs.Bn.)	2,848.5	2,835.6	2,897.7

Source: Colombo Stock Exchange



All Share Price Index (ASPI) increased by 27.6 index points and closed at 6,080.3 points compared to the fourth week of August 2018. The S & P Sri Lanka 20 Index (S & P SL20) increased by 16.3 to 3,229.2 index points. The Average Daily Turnover increased by Rs.62.1 million and stationed at Rs.545.1 million. Market capitalization reached Rs.2,848.5 billion in the fifth week of August 2018.

Equity Trading Statistics

Indicator	July 2018	July 2017	Jan-July 2018	Jan-July 2017
Turnover -Equity (Rs. Mn.)	8,649.3	14,530.7	118,043.9	125,061.9
Domestic (Rs. Mn.)	4,996.0	8,137.0	64,553.0	66,808.3
Foreign (Rs. Mn.)	3,653.3	6,393.7	53,490.9	58,253.6
Market Days	21	21	138	140
Daily Turnover Avg. Equity (Rs. Mn.)	411.9	691.9	855.4	893.3
Trade Equity	66,773	101,594	545,765	559,710
Domestic	62,898	95,770	516,564	527,568
Foreign	3,875	5,824	29,201	32,142
Shares Traded_Equity	430.2	769.8	3,803.4	5,172.6
Domestic (Rs. Mn.)	381.1	653.9	3,095.3	3,952.7
Foreign (Rs. Mn.)	49.1	115.9	708.1	1,219.9
Companies Traded	275	277	279	278
Companies Listed	297	295	297	295

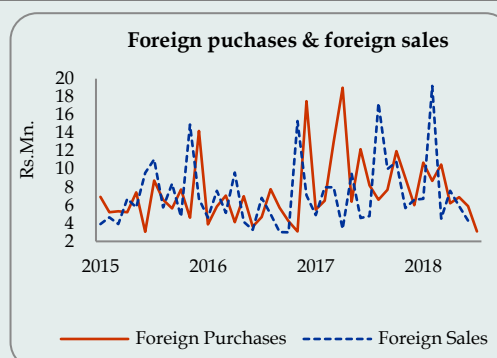
Price Indices	July 2018	June 2018
ASPI	6,147.27	6,194.63
S&P SL 20	3,333.42	3,388.88
Total Return Indicators		
ASTRI	8,185.72	8,245.71
S&P SL20 (TRI)	4,937.65	5,010.88
Market PER	9.79	10.39
Dividend Yield	3.34	3.12
Market Capitalization (Rs.Bn.)	2,878.59	2,893.76

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	July 2018	Jan-July 2018
Purchases by Foreigners (Rs. Mn)	3,051.2	52,081.9
Sales by Foreigners (Rs. Mn)	4,255.5	54,908.9
Net Foreign Purchases (Rs. Mn)	1,204.5	-2,827

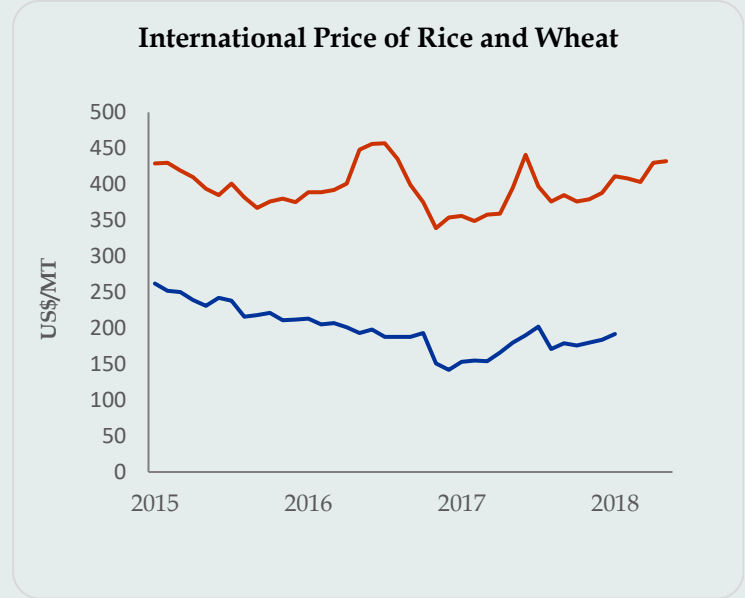
Source: Colombo Stock Exchange



COMMODITY PRICES

International Commodity Prices

Month	Rice Thai,100%US\$/ MT	Wheat (HRW) US\$/MT
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
Jan-2018	411	192
Feb	408	-
Mar	403	-
Apr	430	214
May	432	-



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

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	Mar	Apr	May
		2015	2016	2017	2018	2018	2018
Non Energy, Agriculture, Beverages							
Cocoa	\$/kg	3.14	2.89	2.03	2.50	2.62	2.66
Coffee, Arabica	\$/kg	3.53	3.61	3.32	2.98	2.96	2.99
Tea, auctions (3) average	\$/kg	2.71	2.64	3.10	2.77	2.90	2.98
Tea, Colombo auctions	\$/kg	2.96	3.24	4.07	3.94	3.89	3.76
Food, Fats & Oils							
Coconut Oil	\$/mt	1,110	1,475	1,603	1,124	1,135	1,029
Copra	\$/mt	735	982	1,065	745	756	692
Palm Oil	\$/mt	623	700	715	681	664	660
Grains							
Barley	\$/mt	121.3	103.9	97.6	130.9	130.9	130.9
Maize	\$/mt	169.8	159.2	154.5	172.0	175.6	179.1
Wheat, US HRW	\$/mt	204.4	166.6	174.2	213.8
Other Food							
Meat, Beef	\$/kg	4.42	3.93	4.22	4.27	4.21	4.15
Meat, Chicken	\$/kg	1.99	1.85	2.12	2.17	2.35	2.62
Sugar, World	\$/kg	0.30	0.40	0.35	0.28	0.27	0.27
Raw Materials, Timber							
Plywood	¢/sheets	451.2	503.3	486.9	514.9	507.5	497.8
Wood pulp	\$/mt	875.0	875.0	875.0	875.0	875.0	875.0
Other Raw Materials							
Rubber RSS3, US	\$/kg	1.57	1.61	2.00	1.76	1.73	1.70
Fertilizers							
Phosphate Rock	\$/mt	130.8	125.8	97.2	95.0	103.0	103.0
TSP	\$/mt	377.7	291.1	283.3	324.0	325.0	326.0
Urea	\$/mt	273.1	197.9	221.4	235.9	224.0	217.7
Metals and Minerals							
Aluminum	\$/mt	1,665	1,604	1,968	2,069	2,255	2,300
Gold	\$/toz	1,161	1,249	1,258	1,325	1,335	1,303
Iron ore	\$/dmt	55.9	58.4	71.8	70.4	65.8	66.1

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

¢= US cent

\$= US dollar

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

Item	Aug 27	Aug 28	Aug 29	Aug 30	Aug 31	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices)(US \$/bbl.)	75.71	76.37	75.91	77.21	77.72	74.98	74.88	50.76
WTI (US\$/bbl.)	68.61	68.95	68.54	69.70	70.24	68.09	70.12	45.90
Petrol	83.80	84.45	83.55	85.65	86.10	83.65	82.75	67.15
Diesel	88.21	89.27	88.54	90.08	89.83	88.22	85.28	62.17
Kerosene	88.61	89.82	89.26	90.48	90.37	88.82	88.20	64.50

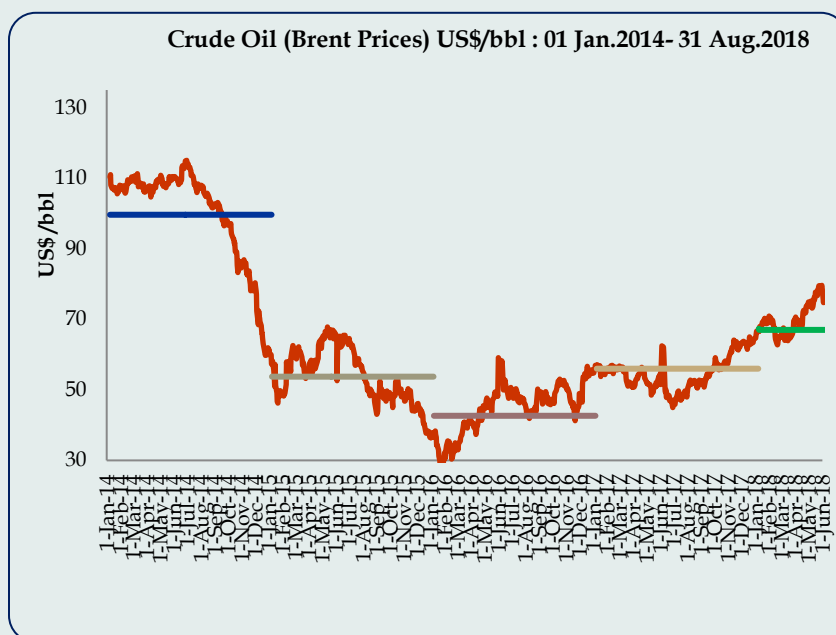
Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Dec	54.74	52.04
Jan-17	52.83	55.67
Feb	53.41	55.99
Mar	49.92	52.76
Apr	51.27	53.98
May	51.59	48.77
Jun	47.71	45.34
July	49.02	46.93
Aug	51.87	48.18
Sep	49.76	55.44
Oct	54.04	60.83
Nov	56.68	62.80
Dec	63.92	57.82
Jan-18	63.55	69.02
Feb	62.26	65.80
Mar	66.69	62.80
Apr	66.21	71.55
May	76.88	69.92
June	66.93	75.70
July	70.87	75.17
Aug*	67.85	73.80

Source: Central Bank of Sri Lanka

*up to 31st Aug 2018

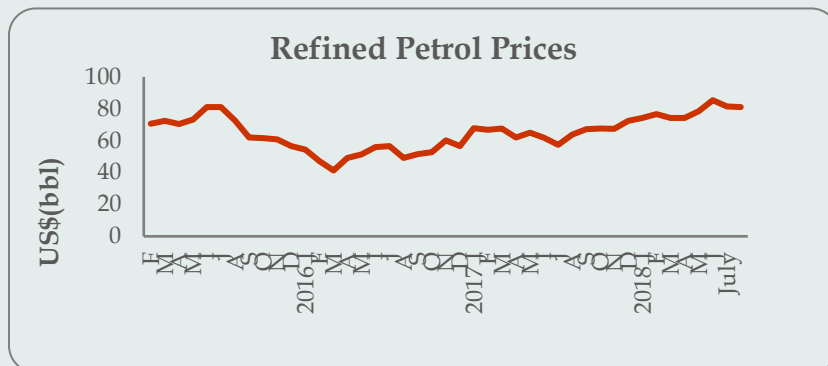


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
Dec	67.80	66.34	64.87
Jan-17	66.75	64.70	65.13
Feb	67.55	66.31	66.25
Mar	61.93	62.43	61.85
Apr	64.83	63.92	63.92
May	61.60	60.45	60.84
Jun	57.38	56.81	57.12
July	59.10	59.76	59.87
Aug	64.73	62.02	61.11
Sep	67.66	66.53	67.97
Oct	70.15	69.68	71.33
Nov	73.05	71.80	74.06
Dec	73.45	74.49	75.61
Jan-18	76.65	80.05	80.91
Feb	74.17	76.52	79.98
Mar	74.24	76.74	79.03
Apr	78.36	82.58	85.14
May	85.37	88.26	90.16
June	81.50	84.80	86.95
July	81.08	84.12	87.33
Aug*	82.44	85.89	87.31

Source: Central Bank of Sri Lanka

*up to 31st Aug 2018



Local Market Prices of Petroleum Products

Item	Unit	End 2015	End 2016	End 2017	Current Price 2018
Auto Diesel	1 liter	95.00	95.00	95.00	118.00
Petrol (Octane 92)	1 liter	117.00	117.00	117.00	145.00
Kerosene oil	1 liter	49.00	49.00	44.00	70.00
L P Gas	12.5 kg	1,346.00	1,321.00	1,321.00	1,676.00

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 31/08/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	103.00	103.00	0.0	94.82
Kekulu (Red)	68.00	68.00	0.0	80.30
Vegetable				
Beans	67.00	84.00	-20.2	118.56
Cabbage	123.00	113.00	8.8	75.37
Carrots	303.00	330.00	-8.2	120.95
Tomatoes	35.00	50.00	-30.0	93.73
Pumpkins	58.00	69.00	-15.9	61.84
Snake Gourd	67.00	60.00	11.7	96.74
Brinjals	117.00	135.00	-13.3	94.90
Ash Plantains	73.00	90.00	-18.9	73.41
Other Foods				
Red-Onions (Local)	120.00	110.00	9.1	250.84
Big Onions (Local)	n.a.	n.a.	n.a.	110.80
Potatoes (N'Eliya)	120.00	122.00	-1.6	127.34
Dried Chilies (Imported)	250.00	248.00	0.8	189.80
Dhal (Indian)	98.00	97.00	1.0	135.31
Eggs (Red) (Each)	16.20	16.50	-1.8	11.96
Coconut (Each)	48.00	46.00	4.3	61.72
Fish (Rs/Kg)				
Kelawalla	680.00	680.00	0.0	540.63
Balaya	380.00	380.00	0.0	301.46
Salaya	140.00	160.00	-12.5	116.88
Paraw (Small)	650.00	650.00	0.0	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	107.80
Kekulu (Red)	67.40
Vegetables	
Pumpkins	49.00
Snake Gourd	36.50
Ash Plantains	65.00
Beans	116.50
Carrots	317.00
Tomatoes	19.90
Other Foods	
Potatoes (N'Eliya)	100.25
Dried Chilies (Imported)	244.50
Big-Onions (Local)	81.70
Red-Onions (Local)	86.00
Coconut (Each)	38.20

Source: Central Bank of Sri Lanka

Marandagahamula Average Price of Rice (Rs/Kg)

Item	Week Ending 31/08/2018	Week Ago	Month Ago	Year Ago
Samba	99.50	99.63	101.33	92.96
Sudu Kekulu	72.50	72.50	73.71	83.16
Raw Red	66.80	67.00	69.86	80.21
Nadu	76.70	75.25	74.76	87.93

Source: Central Bank of Sri Lanka

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	112.32	112.67	-0.3	98.53
No. 1	1 kg	116.03	116.33	-0.3	102.57
No. 2	1kg	108.60	109.00	-0.4	94.48
Nadu Red	1kg	95.60	95.40	0.2	97.81
Raw Red (Avg)	1kg	78.19	78.85	-0.8	86.59
No. 1	1kg	82.89	83.75	-1.0	90.62
No. 2	1kg	73.48	73.96	-0.6	82.56
Wheat Flour	1 kg	90.14	90.36	-0.2	88.68
Bread	450g	59.11	59.11	0.0	58.18
Sugar	1 kg	104.31	104.57	-0.3	106.96
Lakspray	400g	345.00	345.00	0.0	325.00
Potatoes (Import)	1 kg	109.05	109.86	-0.7	116.39
Potatoes (Local)	1kg	222.57	222.40	0.1	178.05
Red Dhal(Avg)	1kg	146.64	146.25	0.3	180.77
Cowpea (Avg)	1kg	282.51	283.82	-0.5	320.49
Green Gram(Avg)	1kg	255.05	257.21	-0.8	254.32
Kadalai (Avg)	1kg	266.64	266.15	0.2	325.07
Meat					
Beef	1kg	985.56	981.76	0.4	933.77
Chicken					
Fresh	1kg	612.67	613.33	-0.1	551.83
Broiler	1kg	420.00	420.00	0.0	420.00
Fresh Fish					
Paraw	1 kg	1,134.00	1,140.00	-0.5	1,028.83
Balaya	1 kg	739.50	752.50	-1.7	599.08
Kelawalla	1 kg	972.31	981.43	-0.9	978.10
Salaya	1 kg	298.95	300.00	-0.4	197.34
Dried Fish					
Sprats	1 kg	768.97	767.86	0.1	774.42
Eggs	Each	19.27	19.41	-0.7	13.83
Coconut	Each	65.94	66.33	-0.6	61.66
Coconut Oil	750ml	283.67	284.64	-0.3	287.87
Red Onions	1 kg	179.06	179.11	0.0	202.10
B- Onions (Import)	1 kg	113.25	114.00	-0.7	123.81
Brinjal	1kg	157.30	159.44	-1.3	175.93
Beans Green	1 kg	276.00	288.57	-4.4	169.84
Bandakka	1 kg	168.36	173.49	-3.0	135.07
Leeks	1 kg	192.67	195.09	-1.2	133.45
Beet Root	1kg	232.82	235.90	-1.3	137.59
Carrot	1kg	289.47	294.05	-1.6	183.28
Tomatoes	1kg	185.59	182.51	1.7	189.11
Raddish	1kg	151.58	152.43	-0.6	126.33
Vetakolu	1kg	191.92	192.95	-0.5	175.50
Bitter Gourd	1kg	194.67	196.25	-0.8	195.13
Drumstick	1kg	192.78	196.11	-1.7	190.16
Anamalu	1kg	172.40	174.17	-1.0	175.49
Papaw	1kg	133.75	133.20	0.4	99.74
Pineapple	1kg	144.62	146.67	-1.4	180.94

Source: Department of Census and Statistics

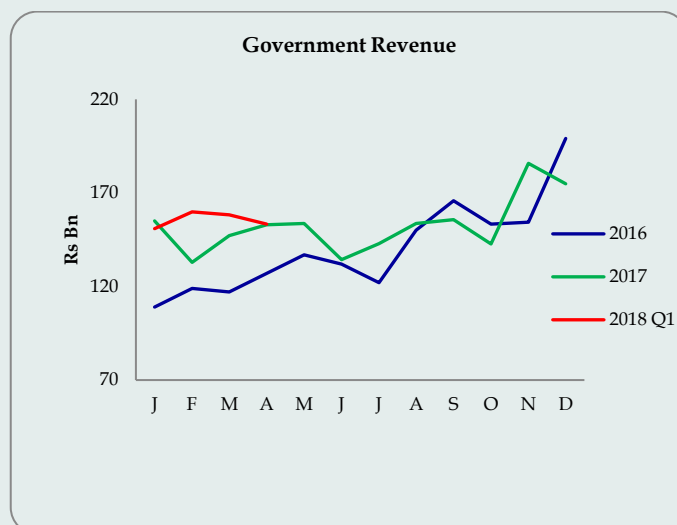
FISCAL SECTOR AND GOVERNMENT DEBT

Summary of Government Revenue

Item	2016	2017(a)	2018 (a)(Jan-Apr)
Tax Revenue	1,463,689	1,670,178	570,472
Income Tax	258,857	274,562	95,128
VAT	283,470	443,739	159,249
Excise Duty	454,952	469,500	170,838
Nation Building Tax	57,424	69,035	24,713
PAL	88,823	102,360	36,080
Customs Duty	156,487	136,501	29,340
SCL	55,825	71,402	23,961
Cess	61,730	59,554	17,220
License Fee and Other	46,121	43,525	13,943
Non Tax Revenue	222,372	161,353	51,907
Total Revenue	1,686,061	1,831,531	622,379

Source: Department of Fiscal Policy

(a) provisional



Government Debt

Government Debt (Rs.bn)	End 2017	2018 Q1(a)
Total Domestic Debt	5,594.4	5,770.9
Total Foreign Debt	4,718.6	4,883.2
Total Government Debt	10,313.0	10,654.1

Source: Central Bank of Sri Lanka

(a) provisional

Key Fiscal Indicators 2016-2017-2018(Jan-Apr)

Indicator	Unit	2016	2017(a)	2018(a) (Jan-Apr)
Budget Deficit	RsMn	-640,326	-733,494	-250,638
	% of GDP	-5.4	-5.5	
Total Revenue	RsMn	1,686,061	1,831,531	622,379
	% of GDP	14.2	13.8	
Tax Revenue	RsMn	1,463,689	1,670,178	570,471
	% of GDP	12.3	12.6	
Non Tax Revenue	RsMn	222,372	161,353	51,908
	% of GDP	1.9	1.2	
Recurrent Expenditure	RsMn	1,757,782	1,927,692	685,966
	% of GDP	14.8	14.5	
Public Investment	RsMn	594,012	657,386	181,998
	% of GDP	5.0	4.9	
Government Debt	RsMn	9,387,303	10,313,046	243,403
	% of GDP	78.8	77.6	

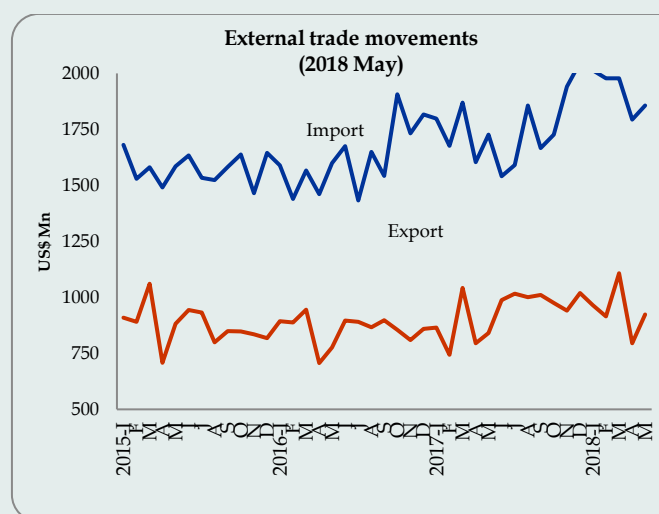
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	May 2017 (US\$ Mn)	May 2018 (US\$ Mn)	Growth Rate (%)	Jan- May 2017 (US\$ Mn)	Jan- May 2018 (US\$ Mn)	Growth Rate (%)
Exports	841.2	923.8	9.8	4,410.2	4,707.5	6.7
Agricultural	222.7	209.6	-5.9	1,074.4	1,052.9	-2.0
Tea	131.6	121.2	-7.9	589.8	599.3	1.6
Other	91.1	88.4	-2.9	484.6	453.6	-6.4
Industrial	614.5	709.7	15.5	3,316.0	3,632.9	9.6
Rubber Products	67.0	68.6	2.4	315.5	349.1	10.7
Textiles and Garments	359.2	398.3	10.9	1,985.5	2,065.5	4.0
Food, Beverage and Tobacco	30.5	38.5	26.2	131.9	193.6	46.7
Other	157.8	204.3	29.5	883.1	1,024.7	16.0
Mineral	2.7	3.2	19.5	12.6	13.5	7.3
Unclassified	1.4	1.3	-4.0	7.3	8.1	10.8
Imports	1,724.7	1,857.0	7.7	8,608.1	9,621.6	11.8
Consumer Goods	383.5	414.8	8.1	1,899.1	2,194.8	15.6
Food and Beverages	162.9	128.6	-21.1	792.1	781.2	-1.4
Other Consumer Goods	220.6	286.2	29.7	1,107.0	1,413.6	27.7
Intermediate Goods	864.7	1,042.7	20.6	4,556.9	5,372.5	17.9
Petroleum	36.2	115.7	220.0	243.8	319	31.0
Textiles & Textile Articles	227.3	246.8	8.6	1,087.9	1,129.5	3.8
Other Intermediate Goods	601.2	680.2	13.1	3,225.2	3,924.0	21.7
Investment Goods	427.3	398.2	-6.8	2,041.9	1,988.9	-2.6
Machinery and Equipment	226.9	201.4	-11.2	1,098.8	1,068.3	-2.8
Transport Equipment	62.9	54.2	-13.9	278.1	275.6	-0.9
Building Material	137.0	142.3	3.8	661.1	642.0	-2.9
Other Investment Goods	0.4	0.3	-29.9	3.9	3.0	-21.8
Unclassified	49.2	1.2	-97.5	110.1	65.3	40.7
Trade Balance	-883.5	-933.2	5.6	-4,197.9	-4,914.1	17.1

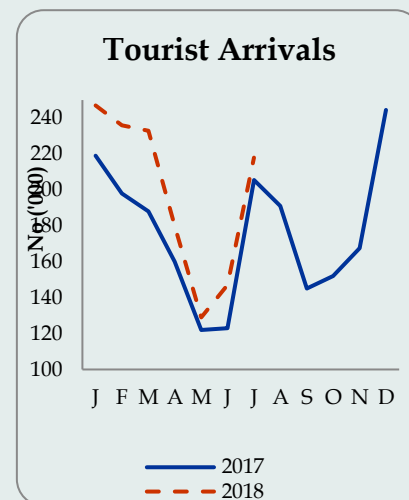
Source: Central Bank of Sri Lanka



- Export earnings during January to May 2018 increased by 6.7 percent mainly due to the expansion of earnings from industry and mineral exports. The Industrial export earnings for the month of May 2018 increased by 15.5 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 11.8 percent for the period during January to May 2018. Expenditure on imports for the month of May 2018 increased by 7.7 percent reflecting the performance of imports of intermediate goods and consumer goods.
- Trade deficit contracted to US\$ 933.2 Mn in May 2018 over the same period of 2017.

Month	Arrivals				Earnings US\$ Mn			
	2016	2017	2018	% change 2017/18	2016	2017	2018	% change 2017/18
Jan	194,280	219,360	246,972	12.6	333.3	376.3	423.7	12.6
Feb	197,697	197,517	235,618	19.3	339.0	366.3	436.9	19.3
Mar	192,841	188,076	233,382	24.1	330.8	348.8	432.8	24.1
Apr	136,367	160,249	180,429	12.6	226.0	297.2	334.6	12.6
May	125,044	121,891	129,466	6.2	214.5	226.1	240.1	6.2
Jun	118,038	123,351	146,828	19.0	195.6	228.8	272.3	19.0
July	209,351	205,482	217,829	6.0	359.2	381.1	404.0	6.0
Aug	186,288	190,928			319.6	327.6		
Sep	148,499	145,077			254.8	248.9		
Oct	150,419	152,429			249.3	261.5		
Nov	167,217	167,511			277.1	287.4		
Dec	224,791	244,536			385.7	419.5		
Total	2,050,832	1,871,871	888,353	16.1	3,518.5	3,631.0	1,647.5	16.1

Source: Sri Lanka Tourism Development Authority



Tourism

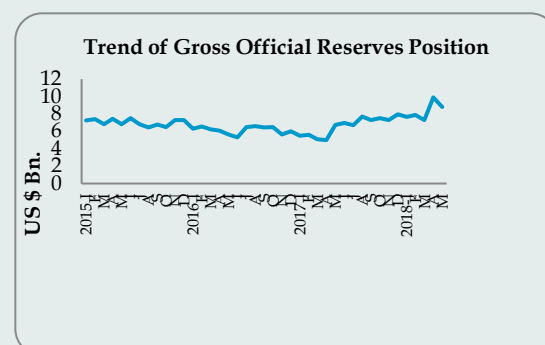
Earnings from tourism increased to US \$ 404.0 in July 2018 with an increase of 6 per cent over the same period of 2017.

The number of tourist arrivals increased to 217,829 in July 2018.

External Assets

External Assets (US\$ Mn)	May 2018	Apr 2018	Mar 2018
Total Reserves	11,001.55	12,312.31	9,575.97
Gross Official Reserves	8,808.92	9,935.77	7,319.75

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 11 Bn and US\$ 8.8 Bn, respectively by end May 2018. Total foreign reserves were sufficient to 6 months of imports and the gross official reserves were equivalent to 4.8 months of imports in May 2018. Workers' remittances increased by 0.9 per cent in dollar terms to US \$ 523.6 Mn. in June 2018.

Private Remittances

Category		2017 July (b)	2018 July (a)	2017 Jan- July (b)	2018 Jan- July (a)	% Change
Inflow	US\$ Mn	629.3	619.3	4,220.3	4,243.1	0.5
	Rs. Bn	96.7	98.7	640.7	664.3	3.7

Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

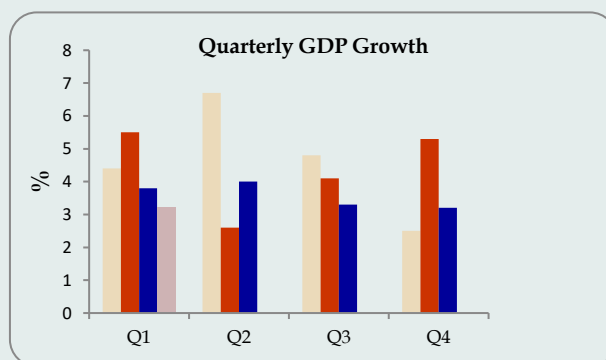
PRODUCTION

QUARTERLY GDP GROWTH (%)

	1 st Q	2 nd Q	3 rd Q	4 th Q	Annual
2014	1.3	2.2	5.0	10.3	5.0
Agriculture	7.3	4.1	3.2	5.0	4.6
Industry	-1.5	-2.8	7.8	11.7	4.7
Service	1.9	4.0	3.0	11.7	4.8
2015	4.4	6.7	4.8	2.5	5.0
Agriculture	5.9	10.4	7.3	-0.5	4.7
Industry	1.4	3.9	4.9	1.9	2.2
Service	5.4	6.9	6.5	2.7	6.0
2016	5.5	2.6	4.1	5.3	4.5
Agriculture	1.9	-5.6	-1.9	-8.4	-3.8
Industry	8.3	2.2	6.8	9.2	5.8
Service	4.9	4.9	4.7	4.6	4.7
2017	3.4	3.0	3.2	3.5	3.3
Agriculture	-4.4	-3.1	-3.0	7.1	-0.8
Industry	3.7	5.6	5.3	4.1	4.6
Service	4.3	2.7	2.8	3.2	3.2
2018	3.2				
Agriculture	4.8				
Industry	0.9				
Service	4.4				

Source: Department of Census & Statistics

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



GDP grew by 3.2%

The Sri Lankan economy grew by 3.2% in first quarter 2018 compared to 3.4% growth recorded in first quarter 2017. The growth was mainly supported by the expansion of Agriculture sector by 4.8 % and Services sector by 4.4%. However, Industry sector contracted by 1.0%.

Labour Force Statistics

Employment	2018 Q1	2017 Annual (a)	2016 Annual (a)	2015 Annual
Labour Force Participation Rate	52.0	54.1	53.8	53.8
Unemployment Rate	4.5	4.2	4.4	4.7
By Gender				
Male	2.9	2.9	2.9	3.0
Female	7.4	6.5	7.0	7.6
By Age Group				
20-29	15.7	13.5	14.2	14.2
20-24	21.2	17.8	19.9	19.7
25-29	10.7	9.5	9.2	9.4

Source: Department of Census & Statistics

(a) Data cover the entire island

* Provisional



Paddy Production

Category	2016			2017		
	2015/2016 Maha	2016 Yala	Total	2016/2017 Maha	2017 Yala	Total
Production						
Mn.Mt	2.90	1.52	4.42	1.48	0.9	2.38
Bushels Mn.	139	73	212	70.6	43.6	114.2
Net Extent Harvested						
Hectares ('000)	667	344	1,011	343	212	555
Acres ('000)	1,649	849	2,498	847	524	1,371
Average Yield kg per ha	4,349	4,417	8,766	4,301	4,291	8,592

Source: Department of Census & Statistics

(a)provisional

The paddy production in 2017 Yala season declined by 40.8 percent to around 0.9 million mt. compared to the 1.52 million mt recorded in 2016. The total paddy production in 2017 declined by 46.1 percent to around 2.38 million mt, compared to the 4.42 million mt recorded in 2016.

Tea, Rubber & Coconut Production

Category	2017 Jan-June	2018 Jan- June	% Change
Production			
Tea (Mn. Kg)	156.78	157.59	0.5
Rubber (Mn. Kg)	45.07	39.28	-12.8
Coconut (Mn. Nuts)	1,220.25	1,288.63	5.6
Exports (US\$ Mn)			
	2017 May	2018 May	
Tea	131.6	121.2	-7.9
Rubber	2.9	2.3	-18.8
Coconut	27.9	24.2	-13.6
Colombo Auction Prices			
	2017 May	2018 May	
Tea (Rs./ Kg)	628.71	593.36	-5.6
Rubber (Rs./ Kg)	340.39	285.83	-16.0
Coconut (Rs./nut)	44.52	57.50	29.2

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

Factory Industrial Production Index (2015=100)

Item (a)	2017 Jun (b)	2018 Jun (c)	Growth %
Manufacture of Food Products	101.9	102.7	0.8
Manufacture of Beverages	96.2	104.6	8.7
Manufacture of Tobacco Products	112.6	93.1	-17.4
Manufacture of Textiles	107.6	124.3	15.6
Manufacture of Wearing Apparel	117.8	113.6	-3.6
Manufacture of Leather and Related Products	114.4	106.7	-6.7
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	109.0	113.2	3.8
Manufacture of Paper and Paper Products	108.8	79.0	-27.4
Printing and Reproduction of Recorded Media	110.2	113.9	3.4
Manufacture of Coke and Refined Petroleum Products	69.4	92.7	33.7
Manufacture of Chemicals and Chemical Products	93.7	91.2	-2.7
Manufacture of Pharmaceuticals, Medicinal Chemicals	119.8	98.1	-18.1
Manufacture of Rubber and Plastic Products	110.6	116.8	5.6
Manufacture of Other Non-Metallic Mineral Products	103.4	101.2	-2.1
Manufacture of Basic Metals	122.2	124.8	2.1
Manufacture of Fabricated Metal Products	106.6	126.9	19.1
Manufacture of Electrical Equipment	104.1	79.2	-24.0
Manufacture of Machinery and Equipment n.e.c	119.0	100.8	-15.2
Manufacture of Furniture	85.2	73.4	-13.8
Manufacture of other Manufacturing	99.2	97.1	-2.1
Factory Industry Production Index	104.4	104.8	0.4

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