

# WEEKLY ECONOMIC REPORT

February 24, 2017

Department of Fiscal Policy



**CCPI** increased to **5.5%** in January 2017



**NCPI** increased to **6.5 %** in January 2017



**Trade deficit** increased to **3.7%** during Jan-October 2016



**GDP** grew by **4.0 %** in the first nine months of 2016



**Exchange rate** depreciated to **US\$1=Rs. 152.27**



**Credit to private sector** increased by **21.9%** in December 2016



**Brent crude oil** decreased to: **US\$ 55.98** per bbl



**Government revenue** enhanced by **22.9 %** in Jan-Sep 2016



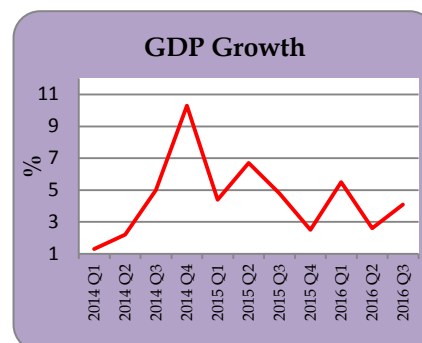
**Tourist arrivals** up by **12.9%** in January 2017



**Unemployment** rate was **4.5%** in the 3<sup>rd</sup> Quarter 2016



**Worker's Remittance** grew by **1.4%** in January 2017



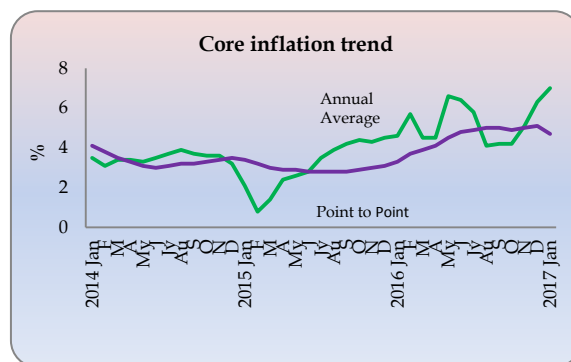
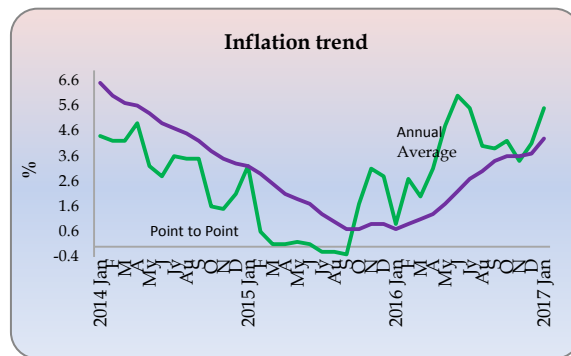
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| Month  | CCPI (%)       |                | Core Inflation (%) |                | NCPI (%)       |                |
|--------|----------------|----------------|--------------------|----------------|----------------|----------------|
|        | (2013=100)     |                | (2013=100)         |                | (2013=100)     |                |
|        | Point to Point | Annual Average | Point to Point     | Annual Average | Monthly Change | Point to Point |
| Mar-15 | 1.5            | 2.5*           | 3.7                | 3.0*           | -1.2           | 4.3            |
| Apr    | 1.4            | 2.1*           | 4.4                | 2.9*           | -0.6           | 2.8            |
| May    | 1.5            | 1.9*           | 4.5                | 2.9*           | 0.9            | 3.0            |
| Jun    | 1.5            | 1.7*           | 4.7                | 2.8*           | 1.0            | 2.7            |
| Jul    | 1.1            | 1.3*           | 5.0                | 2.8*           | -0.2           | 1.8            |
| 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            |

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

The point to point inflation of CCPI increased to 5.5 per cent in January 2017. The annual average of CCPI increased to 4.3 per cent in January 2017. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 7.0 per cent, on point to point basis, while annual average core inflation increased to 4.7 per cent, in January 2017. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country increased to 6.5 percent in January 2016, on year on year basis.



Contribution of Food Items to CCPI from December 2016 to January 2017

| Commodity   | Value Change Rs. | Change %    |
|-------------|------------------|-------------|
| <b>Food</b> | <b>317.03</b>    | <b>0.46</b> |
| Rice        | 139.65           | 0.20        |
| Chicken     | -9.80            | -0.01       |
| Fresh Fish  | 81.42            | 0.12        |
| Dried Fish  | 28.91            | 0.04        |
| Coconut     | 119.68           | 0.17        |
| Coconut Oil | 21.29            | 0.03        |
| Vegetables  | -32.42           | -0.05       |
| Big Onion   | -4.61            | -0.01       |
| Red Onions  | 3.85             | 0.01        |
| Potatoes    | 8.18             | 0.01        |
| Dhal-Masoor | -6.74            | -0.01       |
| Sugar       | 11.12            | 0.02        |
| Limes       | -58.56           | -0.08       |

Source: Department of Census and Statistics

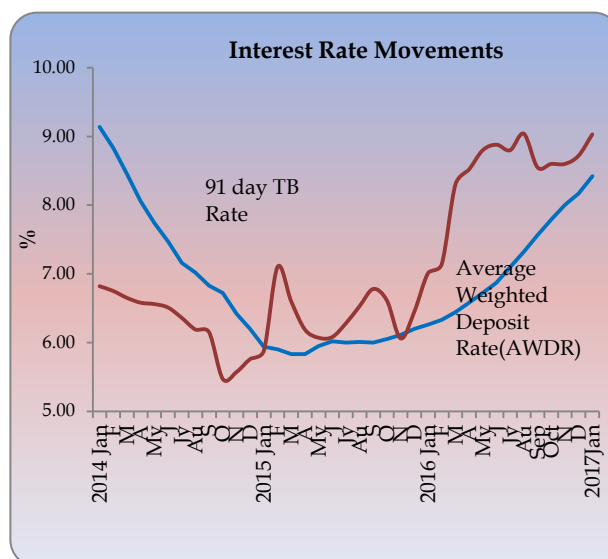
Movements of the CCPI in Food Item (2013=100)

| Month  | % Change Month to Month | Inflation      |                |
|--------|-------------------------|----------------|----------------|
|        |                         | Point to Point | Annual Average |
| Jul-15 | 0.5                     | 2.4            | 5.7            |
| Aug    | -1.5                    | 2.3            | 5.5            |
| Sep    | -0.8                    | 2.1            | 5.3            |
| Oct    | 1.1                     | 3.2            | 5.1            |
| Nov    | 3.2                     | 5.7            | 5.1            |
| Dec    | 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            |

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-15 | 107.7            | 1.1                        | 1.3                        | 6.28                | 5.18                        | 4.98                            |
| Aug    | 107.4            | 1.0                        | 1.0                        | 6.53                | 5.53                        | 5.53                            |
| Sep    | 107.3            | 1.1                        | 0.7                        | 6.78                | 5.68                        | 6.08                            |
| Oct    | 107.7            | 2.9                        | 0.7                        | 6.61                | 3.71                        | 5.91                            |
| Nov    | 109.2            | 4.4                        | 0.9                        | 6.06                | 1.66                        | 5.16                            |
| Dec    | 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                            |

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



## Interest Rate Movements

| Category   | Week Ending 23 <sup>rd</sup> Feb 2017 | Week Ago | Month Ago        | Year Ago        |
|--|---------------------------------------|----------|------------------|-----------------|
| Standing Deposit Facility                            | 7.00                                  | 7.00     | 7.00             | 6.00            |
| Standing Lending Facility                            | 8.50                                  | 8.50     | 8.50             | 8.00            |
| Call Money Weekly Average                            | 8.49                                  | 8.45     | 8.40             | 7.13            |
| Treasury Bill (Yield rate)                           |                                       |          |                  |                 |
| 91 Days  | 9.32                                  | 9.22     | 8.55             | 7.14            |
| 182 Days   | 10.19                                 | 10.12    | 9.39             | -               |
| 364 Days   | 10.58                                 | 10.55    | 10.11            | -               |
| Prime Lending Rate                                   | 11.36                                 | 11.61    | 11.98            | 8.35            |
|  | <b>Jan-17</b>                         |          | <b>Month Ago</b> | <b>Year Ago</b> |
| Commercial Bank Average Weighted Deposit Rate (AWDR) | 8.42                                  |          | 8.00             | 6.26            |

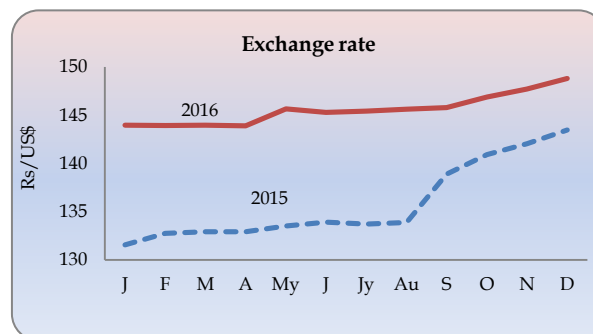
Source : Central Bank of Sri Lanka

Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remained at 7.00 percent and 8.50 percent, respectively during this week. The Prime Lending rate increased to 11.36 per cent by week ending 23<sup>rd</sup> February 2017 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of January 2017 was 8.42 percent.

## Exchange Rates

| Currency       | Week Ending 23 <sup>rd</sup> Feb 2017 | Week Ago | Month Ago | Year Ago | % Change 2015/16 |
|----------------|---------------------------------------|----------|-----------|----------|------------------|
| US Dollar      | 152.27                                | 150.71   | 146.62    | 144.29   | 5.5              |
| Sterling Pound | 189.49                                | 188.54   | 188.55    | 203.91   | -7.1             |
| Euro           | 160.70                                | 160.85   | 163.20    | 159.20   | 1.0              |
| Japanese Yen   | 1.35                                  | 1.33     | 1.42      | 1.29     | 4.6              |
| Indian Rupee   | 2.26                                  | 2.25     | 2.20      | 2.10     | 7.6              |

Source : Central Bank of Sri Lanka



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

# MONEY SUPPLY & CAPITAL MARKET

## Money Supply and Credit Growth

| Item                    | Dec 2016 | Nov 2016 | Oct 2016 | Dec 2015 | Nov 2015 | Oct 2015 | Growth 2015 Dec/2016 Dec (%) |
|-------------------------|----------|----------|----------|----------|----------|----------|------------------------------|
| M <sub>1</sub> (Rs Bn)  | 776.6    | 720.2    | 727.6    | 715.0    | 669.4    | 665.1    | 8.6                          |
| M <sub>2</sub> (Rs Bn)  | 4,823.6  | 4,683.2  | 4,616.8  | 4,057.2  | 3,945.7  | 3,877.7  | 18.9                         |
| M <sub>2b</sub> (Rs Bn) | 5,405.6  | 5,246.7  | 5,165.7  | 4,565.9  | 4,447.6  | 4,384.8  | 18.4                         |

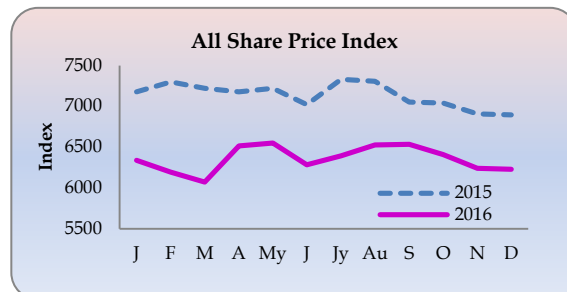
| Item                                    | Dec 2016       | Month Ago      | Year Ago       | Growth 2015 Dec/2016 Dec (%) |
|---|----------------|----------------|----------------|------------------------------|
| <b>Credit to Private Sector (Rs.bn)</b> | <b>4,204.4</b> | <b>4,125.7</b> | <b>3,449.6</b> | <b>21.9</b>                  |
| DBUs                                    | 3,891.9        | 3,826.6        | 3,186.1        | 22.2                         |
| OBU's                                   | 312.6          | 299.1          | 263.5          | 18.6                         |

Source: Central Bank of Sri Lanka

## Share Market

| Indicator                                 | Week ending 23 <sup>rd</sup> Feb 17 | Week Ago | Year Ago |
|---|-------------------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,138                               | 6,174    | 6,229    |
| S & P Sri Lanka 20 Index (S & P SL20)     | 3,553                               | 3,548    | 3,262    |
| Average Daily Turnover (Rs.Mn)            | 467                                 | 711      | 899      |
| Market Capitalization (Rs.Bn.)            | 2,700                               | 2,722    | 2,662    |

Source: Colombo Stock Exchange



All Share Price Index (ASPI) decreased by 36 index points and closed at 6,138 points compared to the third week of February 2017. The S & P Sri Lanka 20 Index (S & P SL20) increased by 5 to 3,553 index points. The Average Daily Turnover decreased by Rs. 244 million and stationed at Rs.467 million. Market capitalization reached Rs. 2,700 billion in the fourth week of February 2017.

## Equity Trading Statistics

| Indicator                            | Jan 2017        | Jan 2016        | Jan 2017        | Jan 2016        |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Turnover -Equity (Rs. Mn.)</b>    | <b>13,608.5</b> | <b>14,216.4</b> | <b>13,608.5</b> | <b>14,216.4</b> |
| Domestic (Rs. Mn.)                   | 7,272.4         | 8,920.7         | 7,272.4         | 8,920.7         |
| Foreign (Rs. Mn.)                    | 6,336.1         | 5,295.7         | 6,336.1         | 5,295.7         |
| Market Days                          | 21              | 19              | 21              | 19              |
| Daily Turnover Avg. Equity (Rs. Mn.) | 648.0           | 748.2           | 648.0           | 748.2           |
| <b>Trade Equity</b>                  | <b>50,722</b>   | <b>88,074</b>   | <b>50,722</b>   | <b>88,074</b>   |
| Domestic                             | 47,356          | 82,955          | 47,356          | 82,955          |
| Foreign                              |                 |                 |                 |                 |
| <b>Shares Traded _Equity</b>         | <b>669.5</b>    | <b>591.7</b>    | <b>669.5</b>    | <b>591.7</b>    |
| Domestic (Rs. Mn.)                   | 269.1           | 440.2           | 269.1           | 440.2           |
| Foreign (Rs. Mn.)                    | 400.4           | 151.5           | 400.4           | 151.5           |
| Companies Traded                     | 271             | 272             | 271             | 272             |
| Companies Listed                     | 295             | 295             | 295             | 295             |

## Market Indicators

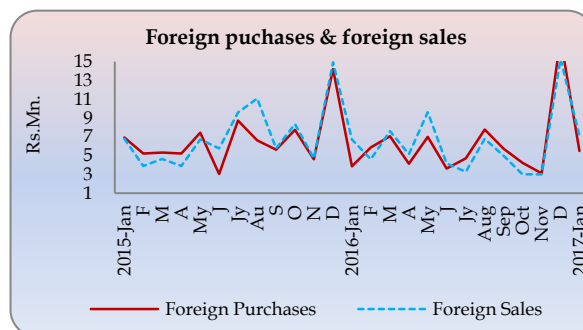
| Price Indices                  | Dec 2016 | Jan 2017 |
|--------------------------------|----------|----------|
| ASPI                           | 6,228.26 | 6,132.68 |
| S&P SL 20                      | 3,496.44 | 3,489.61 |
| <b>Total Return Indicators</b> |          |          |
| ASTRI                          | 8,232.66 | 8,108.18 |
| S&P SL20 (TRI)                 | 4,843.17 | 4,837.20 |
| Market PER                     | 12.37    | 12.07    |
| Dividend Yield                 | 2.75     | 2.95     |
| Market Capitalization (Rs.Bn.) | 2,745.41 | 2,701.60 |

Source: Colombo Stock Exchange

## Stock Market - Foreign Purchases and Foreign Sales

| Indicator                        | Jan 2017 | Jan 2017 |
|----------------------------------|----------|----------|
| Purchases by Foreigners (Rs. Mn) | 5,507.7  | 5,507.7  |
| Sales by Foreigners (Rs. Mn)     | 7,164.6  | 7,164.6  |
| Net Foreign Purchases (Rs. Mn)   | (1656.8) | (1656.8) |

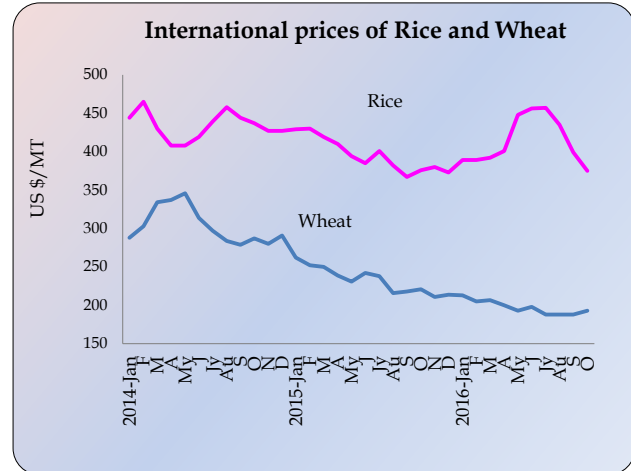
Source: Colombo Stock Exchange



# COMMODITY PRICES

## International 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

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

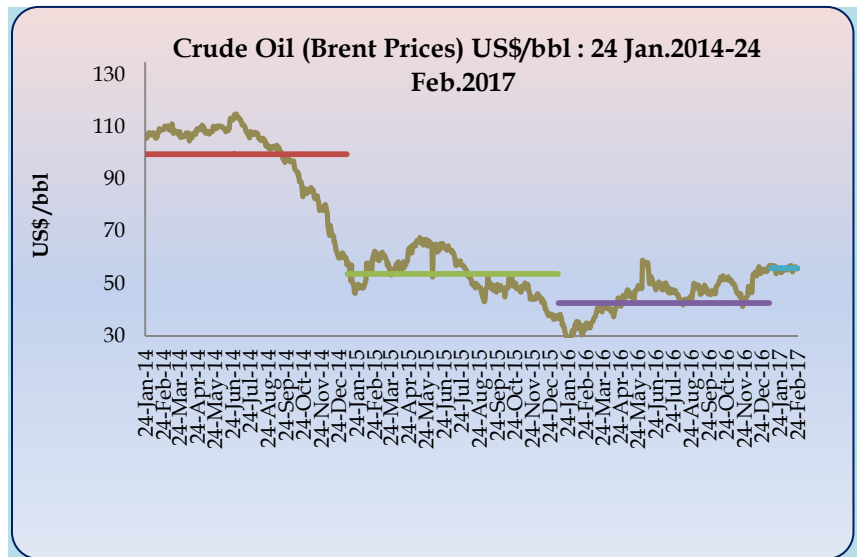
| Item   | Feb 20 | Feb 21 | Feb 22 | Feb 23 | Feb 24 | Week Ago | Month Ago | Year Ago |
|--|--------|--------|--------|--------|--------|----------|-----------|----------|
| Brent (New York Closing Prices) (US \$/bbl.) | 55.73  | 56.16  | 56.76  | 56.27  | 55.99  | 55.74    | 55.52     | 33.03    |
| WTI (US\$/bbl.)                              | 53.37  | 53.61  | 54.42  | 54.02  | 53.99  | 53.45    | 53.01     | 37.42    |
| Petrol                                       | 67.25  | 67.40  | 65.40  | 66.50  | 66.50  | 68.60    | 67.30     | 40.00    |
| Diesel                                       | 66.78  | 66.95  | 67.07  | 67.01  | 67.06  | 66.09    | 64.81     | 37.85    |
| Kerosene                                     | 66.50  | 66.69  | 66.84  | 66.88  | 66.60  | 66.05    | 65.09     | 40.26    |

Source: Central Bank of Sri Lanka

## Crude Oil Prices (Monthly Average)

| Month  | WTI European Market (US\$/bbl) | Brent (US\$/bbl) |
|--------|--------------------------------|------------------|
| Jun-15 | 63.85                          | 60.16            |
| Jul    | 51.52                          | 57.11            |
| Aug    | 42.64                          | 7.92             |
| Sep    | 45.60                          | 48.87            |
| Oct    | 46.35                          | 49.34            |
| Nov    | 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*   | 53.34                          | 55.98            |

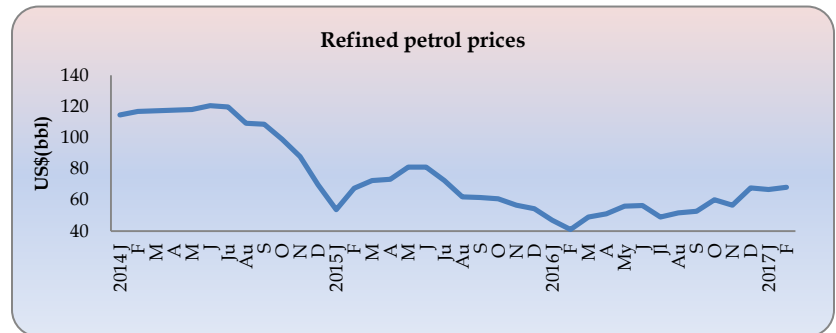
Source: Central Bank of Sri Lanka  
\*upto 24<sup>th</sup> Feb2017



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

| Month  | Petrol | Diesel | Kerosene |
|--------|--------|--------|----------|
| Jun-15 | 80.99  | 74.32  | 71.36    |
| Jul    | 72.52  | 64.50  | 65.91    |
| Aug    | 61.90  | 56.30  | 57.25    |
| Sep    | 61.59  | 58.72  | 58.61    |
| Oct    | 60.75  | 58.34  | 59.32    |
| Nov    | 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*   | 67.69  | 66.24  | 66.21    |

Source: Central Bank of Sri Lanka  
\*upto 24<sup>th</sup> Feb2017



## 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           |

**Pettah Market**

**Dambulla Market**

| Average Wholesale Prices | Week Ending 22/02/2017 | Week Ago | % Change | Year Ago Annual Avg. |
|--------------------------|------------------------|----------|----------|----------------------|
| <b>Rice (Rs/Kg)</b>      |                        |          |          |                      |
| Samba                    | 85.00                  | 88.00    | -3.4     | 80.97                |
| Kekulu (Red)             | 75.00                  | 75.00    | 0.0      | 60.29                |
| <b>Vegetable</b>         |                        |          |          |                      |
| Beans                    | 90.00                  | 155.00   | -41.9    | 147.16               |
| Cabbage                  | 25.00                  | 17.50    | 42.9     | 76.62                |
| Carrots                  | 45.00                  | 55.00    | -18.2    | 121.42               |
| Tomatoes                 | 35.00                  | 45.00    | -22.2    | 75.00                |
| Pumpkins                 | 50.00                  | 47.50    | 5.3      | 60.29                |
| Snake Gourd              | 95.00                  | 100.00   | -5.0     | 76.18                |
| Brinjals                 | 55.00                  | 60.00    | -8.3     | 66.57                |
| Ash Plantains            | 65.00                  | 80.00    | -18.7    | 67.65                |
| <b>Other Foods</b>       |                        |          |          |                      |
| Red-Onions (Local)       | 125.00                 | 110.00   | 13.6     | 92.66                |
| Big Onions (Local)       | n.a.                   | n.a.     | -        | 74.50                |
| Potatoes (N'Eliya)       | 125.00                 | 135.00   | -7.4     | 122.58               |
| Dried Chilies (Imported) | 200.00                 | 200.00   | 0.0      | 293.68               |
| Dhal (Indian)            | 140.00                 | 140.00   | 0.0      | 160.16               |
| Eggs (Red) (Each)        | 12.75                  | 12.50    | 2.0      | 14.30                |
| Coconut (Each)           | 54.50                  | 56.50    | -3.5     | 34.69                |
| <b>Fish (Rs/Kg)</b>      |                        |          |          |                      |
| Kelawalla                | 480.00                 | 450.00   | 6.7      | 508.20               |
| Balaya                   | 300.00                 | 280.00   | 7.1      | 327.29               |
| Salaya                   | 70.00                  | 80.00    | -12.5    | 141.43               |
| Paraw (Small)            | 580.00                 | 600.00   | -3.3     | 540.36               |

Source: Central Bank of Sri Lanka

| Food Item                | Wholesale (Average) |
|--------------------------|---------------------|
| <b>Rice (Rs/Kg)</b>      |                     |
| Samba                    | 90.25               |
| Kekulu (Red)             | 87.00               |
| <b>Vegetables</b>        |                     |
| Pumpkins                 | 50.00               |
| Snake Gourd              | 72.50               |
| Ash Plantains            | 58.75               |
| Beans                    | 81.25               |
| Carrots                  | 55.00               |
| Tomatoes                 | 24.38               |
| <b>Other Foods</b>       |                     |
| Potatoes (N'Eliya)       | 116.25              |
| Dried Chilies (Imported) | 192.50              |
| Big-Onions (Local)       | n.a.                |
| Red-Onions (Local)       | 76.88               |
| Coconut (Each)           | 47.25               |

Source: Central Bank of Sri Lanka

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

| Item        | Week Ending 23/02/2017 | Week Ago | Month Ago | Year Ago |
|-------------|------------------------|----------|-----------|----------|
| Samba       | 86.88                  | 90.10    | 87.63     | 77.58    |
| Sudu Kekulu | 73.50                  | 88.60    | 87.05     | 62.91    |
| Raw Red     | 73.38                  | 90.90    | 81.18     | 59.59    |
| Nadu        | 76.50                  | 91.10    | 89.95     | 66.62    |

Source: Central Bank of Sri Lanka

Wholesale prices of some of the rice varieties, some of vegetable varieties and fish varieties decreased and other foods such as red onions and eggs increased during the week.

Weekly Retail Commodity Prices - 2<sup>nd</sup> Week of February 2017

Rs.

| Item               | Unit  | This Week | Week Ago | % Change | Year Ago |
|--------------------|-------|-----------|----------|----------|----------|
| Rice               |       |           |          |          |          |
| Samba(Avg.)        | 1 kg  | 97.61     | 96.70    | 0.9      | 96.97    |
| No. 1              | 1 kg  | 101.90    | 101.30   | 0.6      | 99.59    |
| No. 2              | 1kg   | 93.33     | 92.10    | 1.3      | 94.35    |
| Nadu Red           | 1kg   | 96.92     | 97.36    | -0.5     | 85.70    |
| Raw Red (Avg)      | 1kg   | 96.00     | 94.54    | 1.5      | 71.75    |
| No. 1              | 1kg   | 102.39    | 99.72    | 2.7      | 74.49    |
| No. 2              | 1kg   | 89.60     | 89.36    | 0.3      | 69.01    |
| Wheat Flour        | 1 kg  | 89.13     | 89.42    | -0.3     | 87.16    |
| Bread              | 450g  | 58.15     | 58.15    | 0.0      | 52.47    |
| Sugar              | 1 kg  | 101.79    | 101.06   | 0.7      | 97.05    |
| Lakspray           | 400g  | 325.00    | 325.00   | 0.0      | 325.00   |
| Potatoes (Import)  | 1 kg  | 110.31    | 108.09   | 2.1      | 74.29    |
| Potatoes (Local)   | 1kg   | 177.64    | 184.40   | -3.7     | 132.35   |
| Red Dhal(Avg)      | 1kg   | 195.69    | 195.36   | 0.2      | 182.83   |
| Cowpea (Avg)       | 1kg   | 275.98    | 265.08   | 4.1      | 267.15   |
| Green Gram(Avg)    | 1kg   | 236.65    | 243.85   | -3.0     | 256.05   |
| Kadalai (Avg)      | 1kg   | 304.83    | 308.32   | -1.1     | 176.55   |
| Meat               |       |           |          |          |          |
| Beef               | 1kg   | 852.63    | 854.17   | -0.2     | 729.22   |
| Chicken            |       |           |          |          |          |
| Fresh              | 1kg   | 488.00    | 475.00   | 2.7      | 486.37   |
| Broiler            | 1kg   | 410.00    | 410.00   | 0.0      | 380.00   |
| Fresh Fish         |       |           |          |          |          |
| Paraw              | 1 kg  | 895.60    | 935.79   | -4.3     | 904.44   |
| Balaya             | 1 kg  | 580.77    | 608.18   | -4.5     | 519.47   |
| Kelawalla          | 1 kg  | 901.67    | 911.43   | -1.1     | 819.34   |
| Salaya             | 1 kg  | 154.12    | 147.60   | 4.4      | 161.73   |
| Dried Fish         |       |           |          |          |          |
| Sprats             | 1 kg  | 691.76    | 700.74   | -1.3     | 609.91   |
| Eggs               | Each  | 14.85     | 14.86    | -0.1     | 16.90    |
| Coconut            | Each  | 57.57     | 56.11    | 2.6      | 47.81    |
| Coconut Oil        | 750ml | 268.18    | 262.24   | 2.3      | 206.56   |
| Red Onions         | 1 kg  | 143.28    | 142.22   | 0.7      | 170.18   |
| B- Onions (Import) | 1 kg  | 96.71     | 96.21    | 0.5      | 77.13    |
| Brinjal            | 1kg   | 96.36     | 101.54   | -5.1     | 116.70   |
| Beans Green        | 1 kg  | 172.80    | 111.76   | 54.6     | 188.50   |
| Cabbage            | 1 kg  | 93.71     | 86.15    | 8.8      | 159.42   |
| Leeks              | 1 kg  | 119.33    | 117.06   | 1.9      | 163.30   |
| Beet Root          | 1kg   | 126.11    | 124.32   | 1.4      | 160.81   |
| Carrot             | 1kg   | 131.20    | 125.56   | 4.5      | 233.12   |
| Tomatoes           | 1kg   | 125.00    | 132.57   | -5.7     | 137.94   |
| Radish             | 1kg   | 99.33     | 95.29    | 4.2      | 107.70   |
| Vetakolu           | 1kg   | 175.38    | 168.00   | 4.4      | 167.92   |
| Snake Gourd        | 1kg   | 134.50    | 126.06   | 6.7      | 140.67   |
| Bandakka           | 1kg   | 136.84    | 127.65   | 7.2      | 159.96   |
| Kolikuttu          | 1kg   | 242.33    | 244.07   | -0.7     | 196.38   |
| Papaw              | 1kg   | 118.42    | 111.32   | 6.4      | 92.11    |
| Pineapple          | 1kg   | 182.35    | 178.00   | 2.4      | 121.36   |

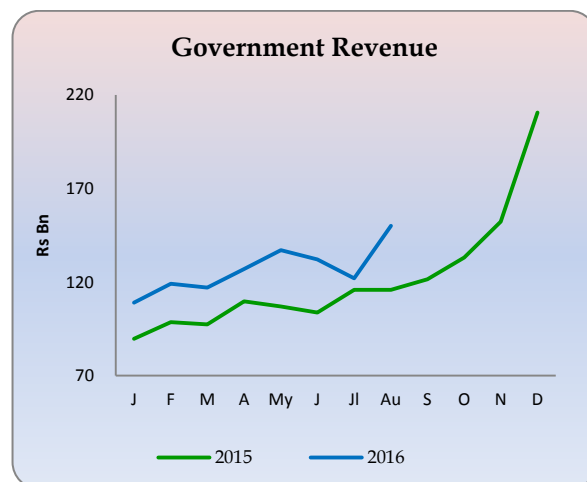
Source: Department of Census and Statistics



# FISCAL SECTOR AND GOVERNMENT DEBT

## Summary of Government Revenue

| Item                   | 2015             | 2016 Jan-Sep (a) |
|------------------------|------------------|------------------|
| <b>Tax Revenue</b>     | <b>1,355,779</b> | <b>1,067,317</b> |
| Income Tax             | 262,583          | 196,034          |
| VAT                    | 219,700          | 194,777          |
| Excise Duty            | 497,623          | 336,433          |
| Nation Building Tax    | 45,004           | 39,445           |
| PAL                    | 58,644           | 63,622           |
| Customs Duty           | 132,189          | 114,668          |
| SCL                    | 52,276           | 43,390           |
| Cess                   | 46,289           | 44,183           |
| License Fee and Other  | 41,471           | 34,765           |
| <b>Non Tax Revenue</b> | <b>99,099</b>    | <b>112,021</b>   |
| <b>Total Revenue</b>   | <b>1,454,878</b> | <b>1,179,338</b> |



Source: Department of Fiscal Policy

(a) provisional

Note: Not to be quoted

## Government Debt

| Government Debt (Rs.bn)      | End Dec 2015   | End Sep 2016 (a) |
|------------------------------|----------------|------------------|
| Total Domestic Debt          | 4,959.2        | 5,332.3          |
| Total Foreign Debt           | 3,544.0        | 4,069.7          |
| <b>Total Government Debt</b> | <b>8,503.2</b> | <b>9,401.9</b>   |

Source: Central Bank of Sri Lanka

(a) provisional

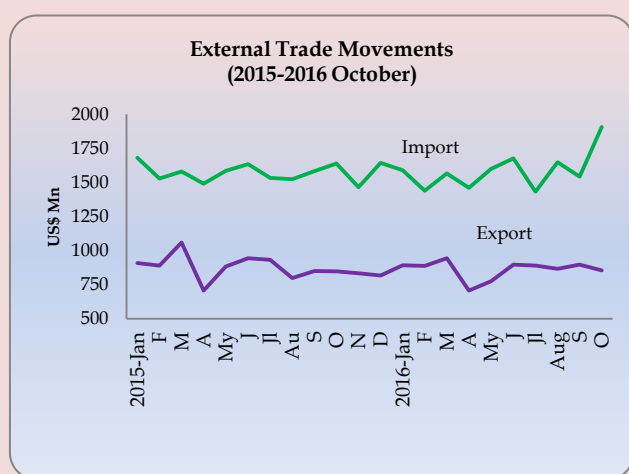
## Key Fiscal Indicators 2015-2016

| Indicator             | Unit     | 2015      | Jan-Sep 2016 |
|-----------------------|----------|-----------|--------------|
| Budget Deficit        | Rs Mn    | 829,502   | 505,971      |
|                       | % of GDP | 7.4       | -            |
| Total Revenue         | Rs Mn    | 1,454,878 | 1,179,338    |
|                       | % of GDP | 13.0      | -            |
| Tax Revenue           | Rs Mn    | 1,355,779 | 1,067,317    |
|                       | % of GDP | 12.1      | -            |
| Non Tax Revenue       | Rs Mn    | 99,099    | 112,021      |
|                       | % of GDP | 0.9       | -            |
| Recurrent Expenditure | Rs Mn    | 1,701,657 | 1,308,347    |
|                       | % of GDP | 15.2      | -            |
| Public Investment     | Rs Mn    | 602,768   | 390,769      |
|                       | % of GDP | 5.4       | -            |
| Government Debt       | Rs Mn    | 8,503,227 | 9,062,212    |
|                       | % of GDP | 76.0      | -            |

Compiled by Department of Fiscal Policy

| Category                    | Oct<br>2015<br>(US\$ Mn) | Oct<br>2016<br>(US\$ Mn) | Growth<br>Rate<br>(%) | Jan- Oct<br>2015<br>(US\$ Mn) | Jan- Oct<br>2016<br>(US\$ Mn) | Growth<br>Rate<br>(%) |
|-----------------------------|--------------------------|--------------------------|-----------------------|-------------------------------|-------------------------------|-----------------------|
| <b>Exports</b>              | <b>847.3</b>             | <b>855.0</b>             | <b>0.9</b>            | <b>8,852.3</b>                | <b>8,618.1</b>                | <b>-2.6</b>           |
| <b>Agricultural</b>         | <b>217.5</b>             | <b>197.8</b>             | <b>-9.1</b>           | <b>2,091.0</b>                | <b>1,942.3</b>                | <b>-7.1</b>           |
| Tea                         | 119.3                    | 108.1                    | -9.4                  | 1,126.8                       | 1,057.9                       | -6.1                  |
| Other                       | 98.2                     | 89.7                     | -8.7                  | 964.2                         | 884.4                         | -8.3                  |
| <b>Industrial</b>           | <b>626.9</b>             | <b>654.0</b>             | <b>4.3</b>            | <b>6,718.3</b>                | <b>6,638.5</b>                | <b>-1.2</b>           |
| Rubber Products             | 63.2                     | 68.3                     | 8.1                   | 646.7                         | 644.3                         | -0.4                  |
| Textiles and Garments       | 386.7                    | 391.6                    | 1.3                   | 4,016.6                       | 4,107.5                       | 2.3                   |
| Food, Beverage and Tobacco  | 23.0                     | 23.7                     | 3.0                   | 218.5                         | 253.9                         | 16.2                  |
| Other                       | 154.0                    | 170.4                    | 10.7                  | 1,836.5                       | 1,632.8                       | -11.1                 |
| <b>Mineral</b>              | <b>1.7</b>               | <b>2.2</b>               | <b>31.4</b>           | <b>25.8</b>                   | <b>24.9</b>                   | <b>-3.2</b>           |
| <b>Unclassified</b>         | <b>1.2</b>               | <b>1.1</b>               | <b>-7.3</b>           | <b>17.3</b>                   | <b>12.4</b>                   | <b>-28.5</b>          |
| <b>Imports</b>              | <b>1,638.3</b>           | <b>1,906.2</b>           | <b>16.4</b>           | <b>15,825.0</b>               | <b>15,851.9</b>               | <b>0.2</b>            |
| <b>Consumer Goods</b>       | <b>403.9</b>             | <b>377.2</b>             | <b>-6.6</b>           | <b>3,938.7</b>                | <b>3,576.8</b>                | <b>-9.2</b>           |
| Food and Beverages          | 110.9                    | 159.8                    | 44.1                  | 1,350.8                       | 1,343.7                       | -0.5                  |
| Other Consumer Goods        | 293.0                    | 217.4                    | -25.8                 | 2,587.9                       | 2,233.1                       | -13.7                 |
| <b>Intermediate Goods</b>   | <b>820.6</b>             | <b>899.0</b>             | <b>9.56</b>           | <b>8,092.2</b>                | <b>7,983.6</b>                | <b>-1.3</b>           |
| Petroleum                   | 228.7                    | 253.7                    | 10.9                  | 2,289.8                       | 1,930.9                       | -15.7                 |
| Textiles & Textile Articles | 171.6                    | 232.4                    | 35.5                  | 1,887.2                       | 2,218.7                       | 17.6                  |
| Other Intermediate Goods    | 420.3                    | 412.9                    | -1.8                  | 3,915.2                       | 3,834.0                       | -2.1                  |
| <b>Investment Goods</b>     | <b>413.1</b>             | <b>628.7</b>             | <b>52.2</b>           | <b>3,780.1</b>                | <b>4,280.3</b>                | <b>13.2</b>           |
| Machinery and Equipment     | 209.5                    | 235.6                    | 12.5                  | 1,859.2                       | 2,245.7                       | 20.8                  |
| Transport Equipment         | 76.6                     | 258.5                    | 237.5                 | 826.0                         | 758.5                         | -8.2                  |
| Building Material           | 126.2                    | 134.1                    | 6.3                   | 1,090.8                       | 1,271.1                       | 16.5                  |
| Other Investment Goods      | 0.8                      | 0.5                      | -41.8                 | 4.2                           | 5.0                           | 19.8                  |
| <b>Unclassified</b>         | <b>0.7</b>               | <b>1.3</b>               | <b>83.7</b>           | <b>14.0</b>                   | <b>11.1</b>                   | <b>-20.6</b>          |
| <b>Trade Balance</b>        | <b>-791.0</b>            | <b>-1,051.2</b>          | <b>32.9</b>           | <b>-6,972.7</b>               | <b>-7,233.8</b>               | <b>3.7</b>            |

Source: Central Bank of Sri Lanka

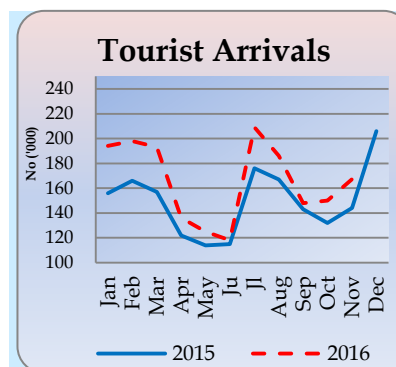


- Export earnings during January to October 2016 declined by 2.6 percent, compared to the respective period of 2015. The earnings for the month of October increased by 0.9 percent on year on year basis, reflecting the positive contribution from industrial and mineral exports.
- On a cumulative basis, expenditure on imports increased by 0.2 percent for the period during January to October 2016. Expenditure on imports for the month of October 2016 recorded 16.4 percent increased over the corresponding month of 2015 reflecting the positive contribution in imports of Investment and intermediate goods.
- Trade deficit was US\$ 7,233.8 Mn during January to October 2016 recording 3.7 expands over the same period of 2015.

| 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            | 322.0          | 363.6        | 12.9             |
| Feb          | 165,541          | 197,697          |                |                  | 274.4            | 327.7          |              |                  |
| Mar          | 157,051          | 192,841          |                |                  | 260.3            | 319.6          |              |                  |
| Apr          | 122,217          | 136,367          |                |                  | 202.6            | 226.0          |              |                  |
| May          | 113,529          | 125,044          |                |                  | 188.2            | 207.2          |              |                  |
| Jun          | 115,467          | 118,038          |                |                  | 191.4            | 195.6          |              |                  |
| 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>219,360</b> | <b>12.9</b>      | <b>2,980.7</b>   | <b>3,399.1</b> | <b>363.6</b> | <b>12.9</b>      |

Source: Sri Lanka Tourism Development Authority

\*Jan-Dec



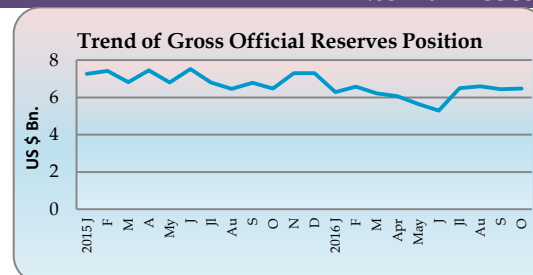
### Tourism

Earnings from tourism increased to US \$ 363.6 Mn. in January 2017 with an increase of 12.9 per cent over the same period of 2016.

The number of tourist arrivals increased to 219,360 in January 2017 with a 12.9 per cent increase compared to same period of 2016.

### External Assets

| External Assets (US\$ Mn) | Oct 2016 | Sep 2016 | Aug 2016 | Oct 2015 | Sep 2015 | Aug 2015 | Growth 2015Sep /2016 Sep (%) |
|---------------------------|----------|----------|----------|----------|----------|----------|------------------------------|
| Total Reserves            | 7,997.0  | 9,074.1  | 9,240.9  | 8,468.9  | 8,438.9  | 8,190.0  | -5.6                         |
| Gross Official Reserves   | 6,480.7  | 6,455.7  | 6,598.9  | 6,053.8  | 6,783.7  | 6,457.7  | 7.1                          |



Source: Central Bank of Sri Lanka

### Official reserves

The gross official reserves and total reserves were US\$ 6.5 Bn and US\$ 7.9 Bn, respectively by end October 2016. Total foreign reserves were sufficient to 5.3 months of imports and the gross official reserves were equivalent to 3.8 months of imports. Workers' remittances increased by 3.7 per cent in dollar terms to US \$ 6,980.3 Mn. in January to December 2016.

### Private Remittances

| Category        | 2015 Jan -Dec | 2016 Jan -Dec(a) | % Change |
|-----------------|---------------|------------------|----------|
| Inflows US\$ Mn | 6,980.3       | 7,241.5          | 3.7      |
| Rs. Bn          | 949.0         | 1,054.5          | 11.1     |

Source: Central Bank of Sri Lanka

(a) Provisional

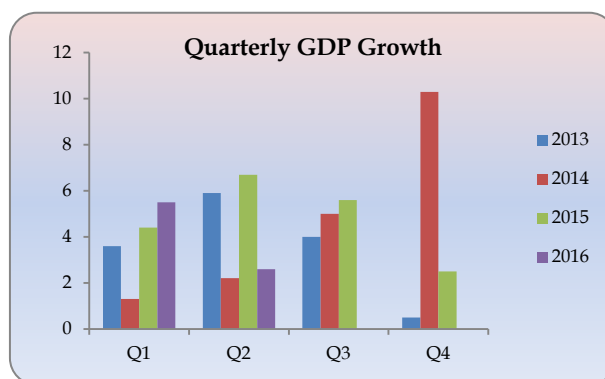
## PRODUCTION

### 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>2012</b> | <b>8.0</b>        | <b>6.4</b>        | <b>5.2</b>        | <b>6.8</b>        | <b>9.1</b> |
| Agriculture | 13.3              | 0.6               | 0.6               | 2.6               | 4.0        |
| Industry    | 21.0              | 10.6              | -2.6              | 8.5               | 9.0        |
| Service     | 14.6              | 11.1              | 10.7              | 8.8               | 11.2       |
| <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>        |                   |            |
| Agriculture | 1.9               | -5.6              | -1.9              |                   |            |
| Industry    | 8.3               | 2.2               | 6.8               |                   |            |
| Service     | 4.9               | 4.9               | 4.7               |                   |            |

Source: Department of Census & Statistics

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



### GDP grew by 4.0%

The Sri Lankan economy grew by 4.0% in the first nine months of 2016 compared to the 5.7% growth recorded in the same period of 2015. The Industry sector mainly supported to this growth with 5.7% contribution while the Service sector contributed to GDP by 4.8% and Agriculture sector negatively contributed to GDP by 2.5%.

### Labour Force Statistics

| Employment                      | 2016<br>3 <sup>rd</sup><br>Quarter*<br>(a) | 2015<br>3 <sup>rd</sup><br>Quarter<br>(a) | 2015<br>Annual<br>(a) | 2014<br>Annual<br>(a) |
|---------------------------------|--|---|-----------------------|-----------------------|
| Labour Force Participation Rate | 53.8                                       | 53.8                                      | 53.8                  | 53.2                  |
| Unemployment Rate               | 4.5  | 5.1                                       | 4.7                   | 4.3                   |
| <b>By Gender</b>                |  |   |                       |                       |
| Male                            | 2.7  | 3.5                                       | 3.0                   | 3.1                   |
| Female                          | 7.6  | 7.8                                       | 7.6                   | 6.5                   |
| <b>By Age Group</b>             |  |   |                       |                       |
| 20-29                           | 14.3                                       | 15.0                                      | 14.2                  | 13.6                  |
| 20-24                           | 19.8                                       | 21.7                                      | 19.7                  | 19.9                  |
| 25-29                           | 9.7  | 8.9                                       | 9.4                   | 8.2                   |

Source: Department of Census & Statistics

(a) Data cover the entire island

\* Provisional



### Paddy Production

| Category                       | 2015              |              |       | 2016              |              |       |
|--------------------------------|-------------------|--------------|-------|-------------------|--------------|-------|
|                                | 2014/2015<br>Maha | 2015<br>Yala | Total | 2015/2016<br>Maha | 2016<br>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               | 71           | 210   |
| <b>Net Extent Harvested</b>    |                   |              |       |                   |              |       |
| Hectares ('000)                | 659               | 429          | 1,088 | 667               | 391          | 1,058 |
| Acres ('000)                   | 1,629             | 1,060        | 2,689 | 1,649             | -            | -     |
| <b>Average Yield kg per ha</b> | 4,364             | 4,527        | 4,429 | 4,349             | -            | -     |

Source: Department of Census & Statistics

The paddy production in 2016 Yala season decreased by 17.8 percent to around 1.6 million mt. compared to the 1.9 million mt recorded in 2015.

## Tea, Rubber & Coconut Production

| Category                      | 2015 Jan- Dec        | 2016 Jan - Dec       | % Change |
|-------------------------------|----------------------|----------------------|----------|
| <b>Production</b>             |                      |                      |          |
| Tea (Mn. Kg)                  | 329.0                | 289.6                | -12.0    |
| Rubber (Mn. Kg)               | 88.6                 | 79.1                 | -10.7    |
| Coconut (Mn. Nuts)            | 3,055.6              | 3,137.5              | 2.7      |
| <b>Exports (US\$ Mn)</b>      |                      |                      |          |
|                               | <b>2015 Jan -Oct</b> | <b>2016 Jan -Oct</b> |          |
| Tea                           | 1,126.8              | 1,057.9              | -6.1     |
| Rubber                        | 22.0                 | 26.2                 | 18.8     |
| Coconut                       | 304.7                | 308.5                | 1.2      |
| <b>Colombo Auction Prices</b> |                      |                      |          |
|                               | <b>2015 Oct</b>      | <b>2016 Oct</b>      |          |
| Tea (Rs./ Kg)                 | 384.97               | 511.7                | 39.7     |
| Rubber (Rs./ Kg)              | 241.00               | 225.2                | -5.7     |
| Coconut (Rs/nut)              | 0.25                 | 0.24                 | -5.6     |

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

## Factory Industrial Production Index (2010=100)

| Item  | 2015 Dec     | 2016 Dec(b)  | Growth %    |
|---|--------------|--------------|-------------|
| Manufacture of Food Products                        | 114.5        | 101.0        | -11.8       |
| Manufacture of Beverages                            | 117.1        | 114.4        | -2.3        |
| Manufacture of Tobacco Products                     | 69.6         | 61.0         | -12.3       |
| Manufacture of Textiles                             | 135.4        | 137.6        | 1.6         |
| Manufacture of Wearing Apparel                      | 172.2        | 175.0        | 1.6         |
| Manufacture of Leather and Related Products         | 108.0        | 131.7        | 21.9        |
| Manufacture of Wood products ,except Furniture      | 130.6        | 129.8        | -0.6        |
| Manufacture of Paper and Paper Products             | 124.7        | 124.7        | 0.0         |
| Printing and Reproduction of Recorded Media         | 110.8        | 110.8        | 0.0         |
| Manufacture of Coke and Refined Petroleum Products  | 98.1         | 62.7         | -36.1       |
| Manufacture of Chemicals and Chemical Products      | 87.1         | 98.3         | 12.9        |
| Manufacture of Pharmaceuticals, Medicinal Chemicals | 106.3        | 155.5        | 46.3        |
| Manufacture of Rubber and Plastic Products          | 137.2        | 142.7        | 4.0         |
| Manufacture of Other Non Metallic Mineral Products  | 116.2        | 132.7        | 14.2        |
| Manufacture of Basic Metals                         | 132.8        | 137.6        | 3.6         |
| Manufacture of Fabricated Metal Products            | 90.5         | 81.9         | -9.5        |
| Manufacture of Electrical Equipment                 | 125.9        | 144.0        | 14.3        |
| Manufacture of machinery and equipment n.e.c        | 76.4         | 136.3        | 78.2        |
| <b>Factory Industry Production Index</b>            | <b>124.4</b> | <b>123.1</b> | <b>-1.0</b> |

Source: Central Bank of Sri Lanka

(a) FIPI based on ISIC Revision 4 Classification

(b) Provisional