

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 **5.9 %** in August 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 168.72**
- ⇒ **Brent crude oil** increased to: **US\$ 78.70** per bbl
- ⇒ **Credit to private sector** decreased by **14.66 %** in July 2018
- ⇒ **Tourist arrivals** up by **12.5 %** in August 2018

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WEEK IN REVIEW

Domestic Economy

The GDP grew by 3.7 per cent in real terms in second quarter 2018, mainly due to the moderate expansion of Agriculture sector and service sector. However industry sector contracted in second quarter 2018.

The total outstanding market liquidity decreased to a deficit of Rs. 88.29 bn by end of 21 September 2018, compared to a deficit of Rs. 19.17 bn by the end of 14 September 2018.

All Share Price Index (ASPI) declined by 2.1 % to 5,905 points and the S&P SL 20 Index decreased by 3.9 % to 3,017 points, compared to the previous week.

NCPI increased to 2.5 % in August 2018.

International Developments-

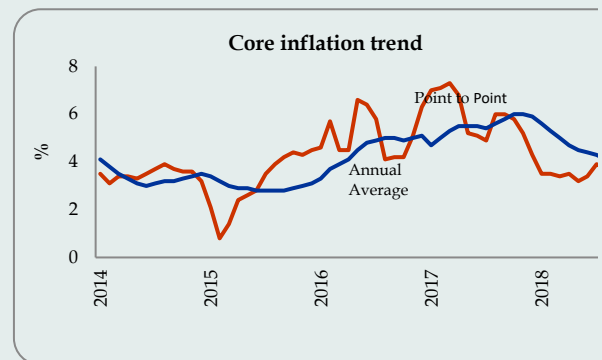
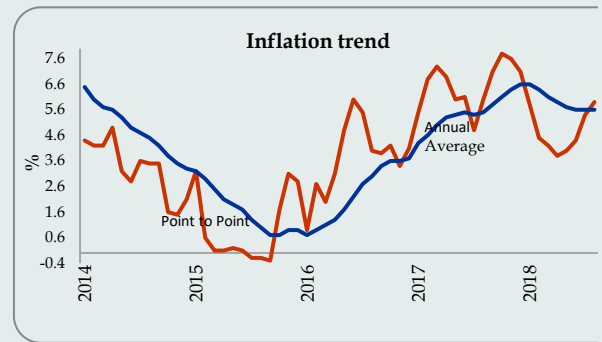
Global growth is projected to stabilize at 3.2 percent in both 2018 and 2019.

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
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
Aug	5.9	5.6	3.7	4.1	-0.9	2.5



Source: Department of Census and Statistics

The point to point inflation of CCPI increased to 5.9 per cent in August 2018. The annual average of CCPI is 5.6 per cent in August 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, decreased to 3.7 per cent, on point to point basis, while annual average core inflation decreased to 4.1 per cent, in August 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 2.5 percent in August 2018, on year on year basis.

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

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

Commodity	Value Change Rs.	Change %
Food	-181.88	-0.24
Rice	-5.56	-0.01
Chicken	4.19	0.01
Sea Fish	-6.49	-0.01
Canned Fish	10.29	0.01
Potatoes	5.20	0.01
Vegetables	-165.62	-0.22
Green chilies	23.86	0.03
Mangoes	5.03	0.01
Coconut	-135.92	-0.18
Banana	21.69	0.03
Eggs	20.42	0.03
Limes	-18.79	-0.02
Papaw	57.79	0.08

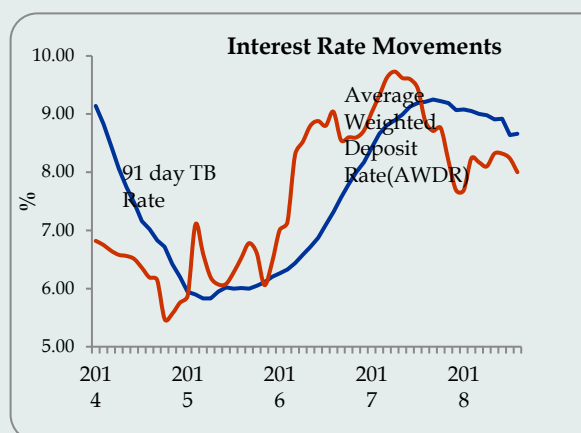
Source: Department of Census and Statistics

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Feb-17	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
Aug	-0.8	7.5	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)
Feb-17	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
Aug	125.8	5.9	5.6	8.00	2.10	2.40

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



Interest Rate Movements

Category	Week Ending 21 st Sep 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	8.01	7.94	7.89	8.04
Treasury Bill (Yield rate)				
91 Days	-	8.07	-	-
182 Days	-	-	-	8.94
364 Days	-	9.05	9.27	9.10
Prime Lending Rate	11.83	11.79	11.42	11.40
	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

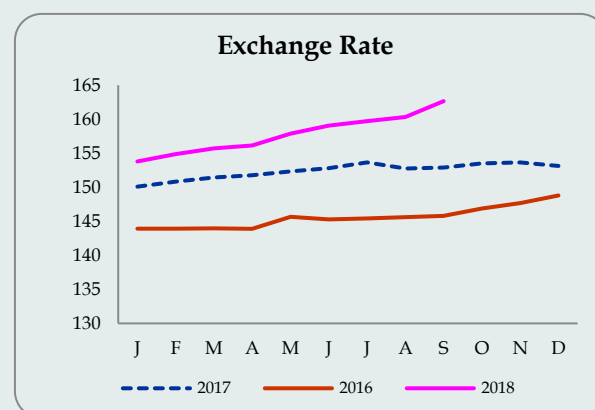
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 7.25 percent and 8.50 percent, respectively during this week.

The Prime Lending rate is 11.83 per cent by week ending 21st September 2018 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of August 2018 was 8.66 percent.

Exchange Rates

Currency	Week Ending 21 st September 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	168.72	162.66	152.87	10.4
Sterling Pound	223.98	213.41	201.96	10.9
Euro	198.79	190.25	181.60	9.5
Japanese Yen	1.5	1.46	1.38	8.7
Indian Rupee	2.33	2.26	2.39	-2.5

Source : Central Bank of Sri Lanka



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

Money Supply and Credit Growth

Item	July 2018	June 2018	May 2018	July 2017	June 2017	May 2017	Growth 2017 July/2018 July (%)
M ₁ (RsBn)	791.77	804.51	790.97	768.43	753.89	741.68	3.0
M ₂ (RsBn)	6,160.77	6,120.85	6,047.72	5,367.00	5,281.42	5,214.38	14.8
M _{2b} (RsBn)	6,795.38	6,747.65	6,670.95	5,986.62	5,872.51	5,803.17	13.5

Source: Central Bank of Sri Lanka

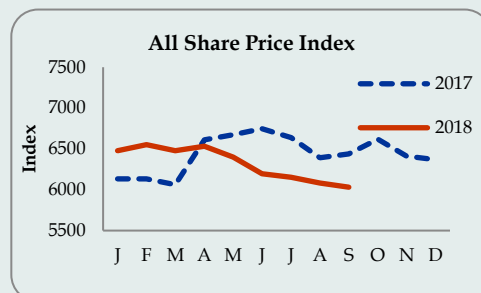
Item	July 2018	Month Ago	Year Ago	Growth 2017/2018 July (%)
Credit to Private Sector (Rs.bn)	5,202.4	5,155.88	4,537.43	14.7
DBUs	4,833.94	4,801.96	4,211.67	14.8
OBU's	368.45	353.92	325.75	13.1

Share Market

Indicator	Week Ending 21 st Sep 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	5,904.9	6,031.3	6,451.6
S & P Sri Lanka 20 Index (S & P SL20)	3,016.8	3,139.8	3,713.2
Average Daily Turnover (Rs.Mn)	700.8	879.6	3,133.6
Market Capitalization (Rs.Bn.)	2,773.0	2,832.3	2,925.7

Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 126.4 index points and closed at 5,904.9 points compared to the second week of September 2018. The S & P Sri Lanka 20 Index (S & P SL20) decreased by 123 to 3,016.8 index points. The Average Daily Turnover decreased by Rs.178.8 million and stationed at Rs.700.8 million. Market capitalization reached Rs.2,773 billion in the third week of September 2018.



Equity Trading Statistics

Indicator	Aug 2018	Aug 2017	Jan-Aug 2018	Jan-Aug 2017
Turnover -Equity (Rs. Mn.)	12,027.0	13,938.8	130,071.0	139,000.7
Domestic (Rs. Mn.)	6,358.8	8,172.6	70,911.8	74,980.9
Foreign (Rs. Mn.)	5,668.2	5,766.1	59,159.2	64,019.7
Market Days	22	22	160	162
Daily Turnover Avg. Equity (Rs. Mn.)	546.7	633.6	812.9	858.0
Trade Equity	64,747	71,791	610,512	631,501
Domestic	60,510	67,552	577,074	595,120
Foreign	4,237	4,239	33,438	36,381
Shares Traded -Equity	349.9	774.8	4,153.2	5,947.4
Domestic (Rs. Mn.)	283.1	697.2	3,378.4	4,649.9
Foreign (Rs. Mn.)	66.8	77.6	774.9	1,297.5
Companies Traded	275	276	279	278
Companies Listed	297	295	297	295

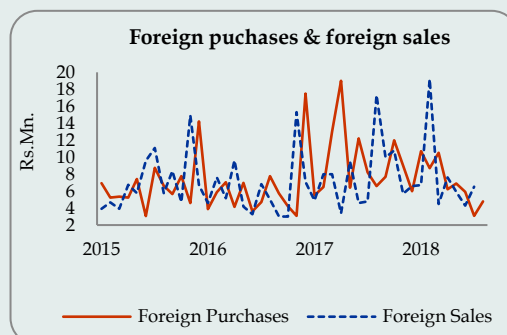
Price Indices	Aug 2018	July 2018
ASPI	6,080.26	6,147.27
S&P SL 20	3,229.21	3,333.42
Total Return Indicators		
ASTRI	8,098.56	8,185.72
S&P SL20 (TRI)	4,789.19	4,937.65
Market PER	9.46	9.79
Dividend Yield	3.22	3.34
Market Capitalization (Rs.Bn.)	2,848.52	2,878.59

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	Aug 2018	Jan-Aug 2018
Purchases by Foreigners (Rs. Mn)	4,839.3	56,921.2
Sales by Foreigners (Rs. Mn)	6,497.1	61,406.1
Net Foreign Purchases (Rs. Mn)	(1,657.8)	(4,484.9)

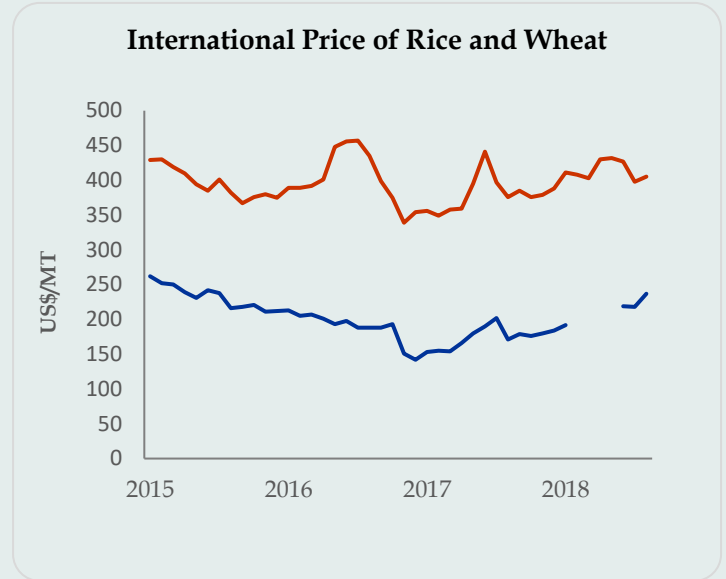
Source: Colombo Stock Exchange



COMMODITY PRICES

International Commodity Prices

Month	Rice Thai,100%US\$/ MT	Wheat (HRW) US\$/MT
Feb-2017	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	-
Jun	427	219
Jul	398	218
Aug	405	237



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

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	June	July	Aug
		2015	2016	2017	2018	2018	2018
Non Energy, Agriculture, Beverages							
Cocoa	\$/kg	3.14	2.89	2.03	2.41	2.36	2.17
Coffee, Arabica	\$/kg	3.53	3.61	3.32	2.95	2.88	2.76
Tea, auctions (3) average	\$/kg	2.79	2.70	3.15	2.90	2.89	2.81
Tea, Colombo auctions	\$/kg	2.98	3.30	4.05	3.39	3.41	3.41
Food, Fats & Oils							
Coconut Oil	\$/mt	1,113	1,468	1,651	934	903	903
Soybean Oil	\$/mt	683	734	758	685	665	654
Palm Oil	\$/mt	559	639	649	580	545	534
Grains							
Barley	\$/mt	121.3	103.9	97.6	130.9	130.9	127.7
Maize	\$/mt	169.8	159.2	154.5	165.1	156.5	162.4
Wheat, US HRW	\$/mt	204.4	166.6	174.2	219.4	218.3	236.6
Other Food							
Meat, Beef	\$/kg	4.42	3.93	4.22	4.09	4.03	3.97
Meat, Chicken	\$/kg	1.99	1.85	2.12	2.73	2.55	2.25
Sugar, World	\$/kg	0.30	0.40	0.35	0.28	0.26	0.24
Raw Materials, Timber							
Plywood	¢/sheets	451.2	503.3	486.9	496.3	489.8	491.8
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	1.56	1.47	1.47
Fertilizers							
Phosphate Rock	\$/mt	120.3	110.5	89.7	86.8	86.9	87.5
TSP	\$/mt	377.7	291.1	283.3	335.0	344.0	358.0
Urea	\$/mt	277.9	194.1	213.9	224.0	252.5	260.0
Metals and Minerals							
Aluminum	\$/mt	1,665	1,604	1,968	2,238	2,082	2,052
Gold	\$/toz	1,161	1,249	1,258	1,282	1,238	1,202
Iron ore	\$/dmt	55.9	58.4	71.8	65.0	64.6	67.2

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	Sep 17	Sep 18	Sep 19	Sep 20	Sep 21	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices)(US \$/bbl.)	78.06	77.70	78.83	79.57	78.70	78.38	72.16	56.13
WTI (US\$/bbl.)	68.91	68.66	69.69	71.63	70.23	68.83	66.63	50.67
Petrol	87.10	86.40	87.65	88.00	87.50	87.05	81.70	66.60
Diesel	89.25	88.34	90.19	91.30	91.07	89.41	84.72	66.83
Kerosene	90.48	89.87	91.24	92.04	91.64	90.53	85.91	68.72

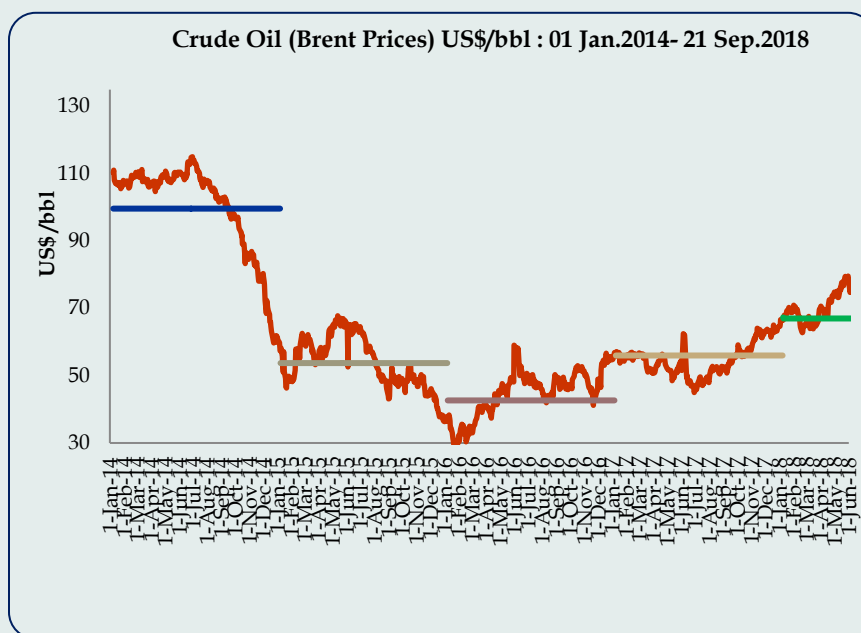
Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
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
Sep*	69.29	78.13

Source: Central Bank of Sri Lanka

*up to 21st Sep 2018

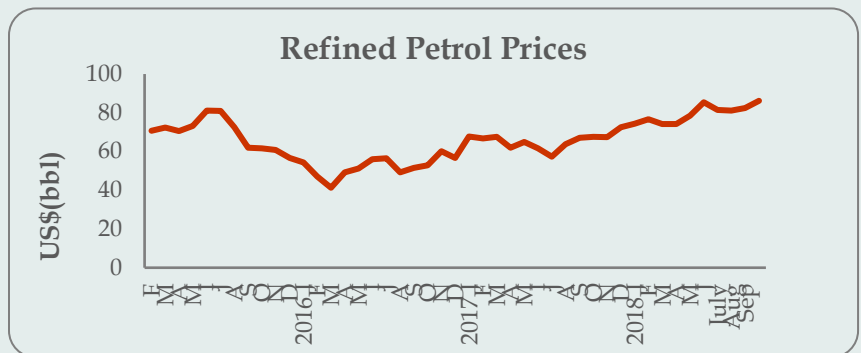


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
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
Sep*	86.82	90.15	90.96

Source: Central Bank of Sri Lanka

*up to 21st Sep 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	123.00
Petrol (Octane 92)	1 liter	117.00	117.00	117.00	149.00
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

Wholesale Prices
Week Ending 21st September 2018(Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 21/09/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	103.00	106.00	-2.8	94.82
Kekulu (Red)	68.00	68.00	0.0	80.30
Vegetable				
Beans	70.00	75.00	-6.7	118.56
Cabbage	80.00	93.00	-14.0	75.37
Carrots	140.00	197.00	-28.9	120.95
Tomatoes	23.00	27.00	-14.8	93.73
Pumpkins	53.00	57.00	-7.0	61.84
Snake Gourd	60.00	67.00	-10.4	96.74
Brinjals	80.00	97.00	-17.5	94.90
Ash Plantains	70.00	75.00	-6.7	73.41
Other Foods				
Red-Onions (Local)	100.00	97.00	3.1	250.84
Big Onions (Local)	75.00	88.00	-14.8	110.80
Potatoes (N'Eliya)	100.00	104.00	-3.8	127.34
Dried Chilies (Imported)	250.00	245.00	2.0	189.80
Dhal (Indian)	96.00	96.00	0.0	135.31
Eggs (Red) (Each)	15.20	15.20	0.0	11.96
Coconut (Each)	51.00	57.00	-10.5	61.72
Fish (Rs/Kg)				
Kelawalla	600.00	620.00	-3.2	540.63
Balaya	250.00	250.00	0.0	301.46
Salaya	150.00	n.a.	n.a.	116.88
Paraw (Small)	n.a.	n.a.	n.a.	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	103.00
Kekulu (Red)	71.00
Vegetables	
Pumpkins	31.40
Snake Gourd	39.50
Ash Plantains	69.00
Beans	76.00
Carrots	165.00
Tomatoes	13.40
Other Foods	
Potatoes (N'Eliya)	86.25
Dried Chilies (Imported)	242.50
Big-Onions (Local)	78.30
Red-Onions (Local)	82.80
Coconut (Each)	41.60

Source: Central Bank of Sri Lanka

Marandagahamula Average Price of Rice
(Rs /Kg)

Item	Week Ending 21/09/2018	Week Ago	Month Ago	Year Ago
Samba	95.40	94.50	99.95	92.96
Sudu Kekulu	72.50	72.30	72.39	83.16
Raw Red	66.50	66.50	66.91	80.21
Nadu	74.50	73.50	74.93	87.93

Source: Central Bank of Sri Lanka

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	112.39	111.84	0.5	101.93
No. 1	1 kg	117.21	115.69	1.3	106.52
No. 2	1kg	107.56	108.00	-0.4	97.34
Nadu Red	1kg	96.81	95.00	1.9	97.27
Raw Red (Avg)	1kg	80.46	78.08	3.0	88.27
No. 1	1kg	84.38	82.50	2.3	91.80
No. 2	1kg	76.54	73.67	3.9	84.73
Wheat Flour	1 kg	95.23	90.31	5.5	89.05
Bread	450g	59.11	59.11	0.0	58.18
Sugar	1 kg	105.83	104.11	1.7	110.35
Lakspray	400g	345.00	345.00	0.0	325.00
Potatoes (Import)	1 kg	112.62	107.24	5.0	120.07
Potatoes (Local)	1kg	175.16	222.00	-21.1	169.29
Red Dhal(Avg)	1kg	149.57	146.16	2.3	179.38
Cowpea (Avg)	1kg	278.83	280.53	-0.6	327.25
Green Gram(Avg)	1kg	259.43	255.71	1.5	255.01
Kadalai (Avg)	1kg	270.22	265.94	1.6	343.52
Meat					
Beef	1kg	970.00	988.42	-1.9	941.14
Chicken					
Fresh	1kg	595.33	619.00	-3.8	522.55
Broiler	1kg	440.00	420.00	4.8	420.00
Fresh Fish					
Paraw	1 kg	1,120.00	1,108.57	1.0	1,090.89
Balaya	1 kg	650.00	736.82	-11.8	620.87
Kelawalla	1 kg	1,059.05	941.18	12.5	1,012.45
Salaya	1 kg	261.05	298.00	-12.4	187.73
Dried Fish					
Sprats	1 kg	766.96	777.42	-1.3	760.54
Eggs	Each	18.15	19.23	-5.6	14.01
Coconut	Each	58.18	66.06	-11.9	69.25
Coconut Oil	750ml	278.52	282.67	-1.5	288.41
Red Onions	1 kg	161.75	178.28	-9.3	303.17
B- Onions (Import)	1 kg	111.67	112.68	-0.9	143.37
Brinjal	1kg	172.00	154.05	11.6	188.52
Beans Green	1 kg	152.27	272.00	-44.0	188.50
Bandakka	1 kg	142.07	164.15	-13.5	136.15
Leeks	1 kg	142.00	187.37	-24.2	154.20
Beet Root	1kg	139.78	231.00	-39.5	139.28
Carrot	1kg	300.80	291.79	3.1	151.90
Tomatoes	1kg	83.72	181.45	-53.9	211.55
Raddish	1kg	119.55	147.37	-18.9	120.33
Vetakolu	1kg	144.91	189.14	-23.4	169.53
Bitter Gourd	1kg	154.67	187.50	-17.5	205.40
Drumstick	1kg	159.26	192.22	-17.1	126.31
Kolikuttu	1kg	189.92	183.90	3.3	216.93
Papaw	1kg	147.74	133.57	10.6	109.91
Pineapple	1kg	156.57	147.24	6.3	179.67

Source: Department of Census and Statistics

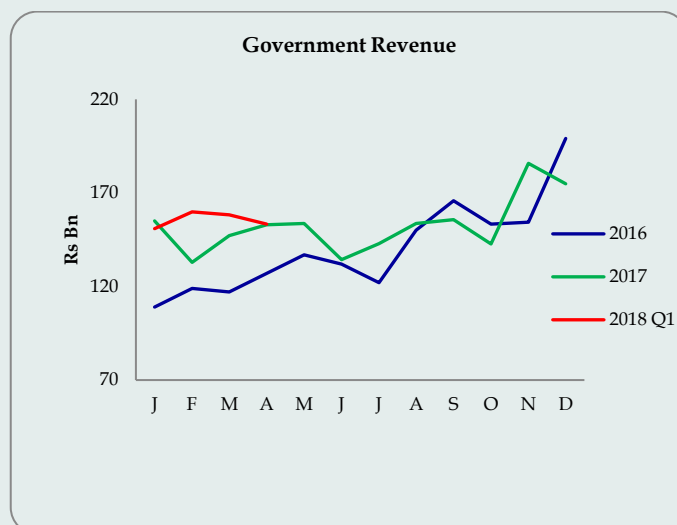
FISCAL SECTOR AND GOVERNMENT DEBT

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	

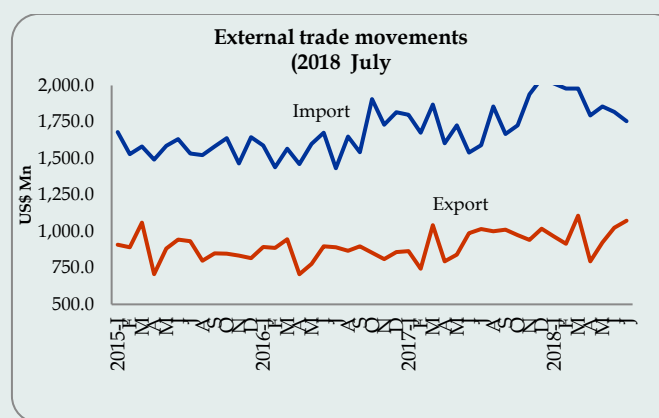
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	July 2017 (US\$ Mn)	July 2018 (US\$ Mn)	Growth Rate (%)	Jan- July 2017 (US\$ Mn)	Jan- July 2018 (US\$ Mn)	Growth Rate (%)
Exports	1,015.2	1,073.2	5.7	6,412.7	6,805.0	6.1
Agricultural	253.3	225.7	-10.9	1,559.7	1,498.0	-4.0
Tea	143.0	125.2	-12.4	871.4	854.2	-2.0
Other	110.3	100.5	-8.9	688.3	643.8	-6.5
Industrial	756.6	843.6	11.5	4,822.4	5,277.3	9.4
Rubber Products	78.5	77.4	-1.5	467.1	503.8	7.9
Textiles and Garments	466.6	465.6	-0.2	2,850.2	2,984.6	4.7
Food, Beverage and Tobacco	33.5	38.8	15.7	224.3	271.1	20.8
Other	178.0	261.8	47.1	1,280.8	1,517.8	18.5
Mineral	3.8	2.8	-27.3	20.7	19.4	-6.3
Unclassified	1.5	1.1	-22.6	9.9	10.3	4.2
Imports	1,591.1	1,754.5	10.3	11,740.1	13,195.5	12.4
Consumer Goods	334.5	389.4	16.4	2,556.3	3,010.1	17.8
Food and Beverages	133.1	112.5	-15.5	1,056.6	1,019.5	-3.5
Other Consumer Goods	201.4	276.9	37.5	1,499.7	1,990.6	32.7
Intermediate Goods	901.8	975.3	8.1	6,250.9	7,295.2	16.7
Petroleum	215.9	276.6	28.1	1,840.4	2,370.2	28.8
Textiles & Textile Articles	236.9	249.6	5.3	1,543.9	1,610.1	4.3
Other Intermediate Goods	449.0	449.1	0.0	2,866.6	3,314.9	15.6
Investment Goods	351.9	386.3	9.8	2,799.0	2,818.7	0.7
Machinery and Equipment	195.0	216.4	11.0	1,514.0	1,480.3	-2.2
Transport Equipment	45.1	50.0	10.8	378.9	455.9	20.3
Building Material	111.3	119.6	7.5	900.9	878.8	-2.5
Other Investment Goods	0.5	0.4	-31.9	5.3	3.7	-29.6
Unclassified	3.0	3.5	18.1	133.9	71.5	-46.6
Trade Balance	(575.9)	(681.3)	(18.3)	(5,327.4)	(6,390.5)	(19.9)

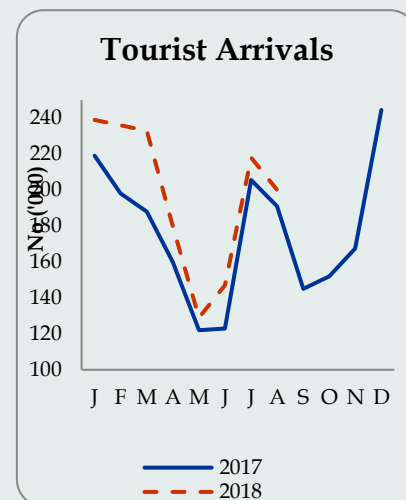
Source: Central Bank of Sri Lanka



- Export earnings during January to July 2018 increased by 6.1 percent mainly due to the expansion of earnings from industry exports. The Industrial export earnings for the month of July 2018 increased by 11.5 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 12.4 percent for the period during January to July 2018. Expenditure on imports for the month of July 2018 increased by 10.3 percent reflecting the performance of imports of investment goods and consumer goods.
- Trade deficit increased to US\$ 681.3 Mn in July 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	238,924	8.9	333.3	407.0	443.0	8.8
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	200,359	4.9	319.6	354.1	371.6	5.1
Sep	148,499	145,077			254.8	269.0		
Oct	150,419	152,429			249.3	283.0		
Nov	167,217	167,511			277.1	311.0		
Dec	224,791	244,536			385.7	453.0		
Total	2,050,832	2,116,407	1,582,835	12.5	3,484.9	3,925.4	2,935.3	12.5

Source: Sri Lanka Tourism Development Authority



Tourism

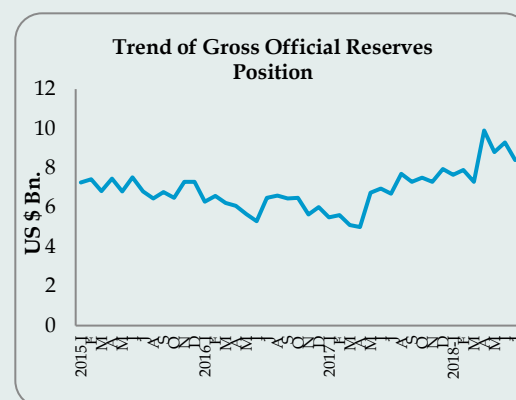
Earnings from tourism decreased to US \$ 371.6 in August 2018 with an increase of 5.1 per cent over the same period of 2017.

The number of tourist arrivals decreased to 200,359 in Aug 2018.

External Assets

External Assets (US\$ Mn)	July 2018	Jun 2018	May 2018
Total Reserves	10,775.15	11,318.23	11,001.55
Gross Official Reserves	8,429.67	9,267.02	8,808.92

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 10.8 Bn and US\$ 8.4 Bn, respectively by end July 2018. Total foreign reserves were sufficient to 5.8 months of imports and the gross official reserves were equivalent to 4.5 months of imports in July 2018. Workers' remittances increased by 0.5 per cent in dollar terms to US \$ 619.3 Mn. in July 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

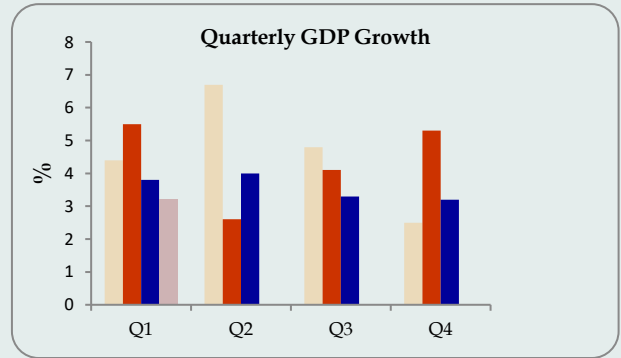
PRODUCTION

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	3.0
Agriculture	-4.4	-3.1	-3.0	7.1	-3.1
Industry	3.7	5.6	5.3	4.1	5.6
Service	4.3	2.7	2.8	3.2	2.7
2018	3.5	3.7			
Agriculture	5.3	4.5			
Industry	1.1	2.3			
Service	4.8	4.8			

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 3.7% in second quarter 2018 compared to 3.0% growth recorded in second quarter 2017. The growth was mainly supported by the expansion of Agriculture sector by 4.5 % and Services sector by 4.8%. However, Industry sector contracted to 2.3%.

Labour Force Statistics

Employment	2018 Q2	2018 Q1	2017 Annual (a)	2016 Annual (a)
Labour Force Participation Rate	51.1	52.0	54.1	53.8
Unemployment Rate	4.6	4.5	4.2	4.4
By Gender				
Male	3.1	2.9	2.9	2.9
Female	7.4	7.4	6.5	7.0
By Age Group				
20-29	15.6	15.7	13.5	14.2
20-24	20.9	21.2	17.8	19.9
25-29	10.8	10.7	9.5	9.2

Source: Department of Census & Statistics

(a) Data cover the entire island

* Provisional



Paddy Production

Category	2017			2018		
	2016/2017 Maha	2017 Yala	Total	2017/2018 Maha	2018 Yala	Total
Production						
Mn.Mt	1.48	0.9	2.38	2.39		2.39
Bushels Mn.	70.6	43.6	114.2	114.8		114.8
Net Extent Harvested						
Hectares ('000)	343	212	555	557		557
Acres ('000)	847	524	1,371	1,376		1,376
Average Yield kg per ha	4,301	4,291	8,592	4,302		4,302

Source: Department of Census & Statistics

(a)provisional

Tea, Rubber & Coconut Production

Category	2017 Jan-July	2018 Jan- July	% Change
Production			
Tea (Mn. Kg)	182.49	181.44	-0.6
Rubber (Mn. Kg)	51.34	45.79	-10.8
Coconut (Mn. Nuts)	1,496.34	1,447.68	-3.2
Exports (US\$ Mn)			
	2017 June	2018 June	
Tea	138.58	129.61	-6.5
Rubber	2.03	2.24	10.4
Coconut	30.13	24.99	-17.1
Colombo Auction Prices			
	2017 Jun	2018 Jun	
Tea (Rs./ Kg)	597.38	544.09	-8.9
Rubber (Rs./ Kg)	343.80	317.50	-7.6
Coconut (Rs/nut)	38.62	47.86	23.9

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

Factory Industrial Production Index (2015=100)

Item (a)	2017 July (b)	2018 July (c)	Growth %
Manufacture of Food Products	103.5	103.6	0.1
Manufacture of Beverages	91.8	84.4	-8.1
Manufacture of Tobacco Products	111.3	94.1	-15.5
Manufacture of Textiles	110.7	125.9	13.7
Manufacture of Wearing Apparel	109.4	110.5	1.0
Manufacture of Leather and Related Products	113.1	109.5	-3.2
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	108.3	93.0	-14.1
Manufacture of Paper and Paper Products	108.5	82.0	-24.4
Printing and Reproduction of Recorded Media	83.2	114.1	37.2
Manufacture of Coke and Refined Petroleum Products	83.2	105.2	26.5
Manufacture of Chemicals and Chemical Products	97.4	86.1	-11.6
Manufacture of Pharmaceuticals, Medicinal Chemicals	132.5	112.7	-14.9
Manufacture of Rubber and Plastic Products	108.0	117.4	8.8
Manufacture of Other Non-Metallic Mineral Products	110.1	111.0	0.8
Manufacture of Basic Metals	123.2	138.7	12.5
Manufacture of Fabricated Metal Products	122.2	131.2	7.4
Manufacture of Electrical Equipment	104.2	76.2	-26.9
Manufacture of Machinery and Equipment n.e.c	117.8	100.6	-14.6
Manufacture of Furniture	113.2	91.6	-19.1
Manufacture of other Manufacturing	103.3	110.3	6.7
Factory Industry Production Index	104.8	105.9	1.1

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