

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** decreased to **3.1 %** in October 2018
- ⇒ **Exchange rate** depreciated to **US\$1=Rs. 173.88**
- ⇒ **Brent crude oil** decreased to: **US\$ 62.60** per bbl
- ⇒ **Credit to private sector** decreased by **14.33 %** in August 2018
- ⇒ **Tourist arrivals** up by **10.6 %** in October 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. 109.087 bn by end of the 23 November 2018, compared to a deficit of Rs. 108.265 bn by the end of 16 November 2018.

All Share Price Index (ASPI) decreased by 0.43% to 5,930.0 points and the S&P SL 20 Index decreased by 0.20% to 3,103.3 points, compared to the previous week.

NCPI decreased to 0.1 % in October 2018.

International Developments-

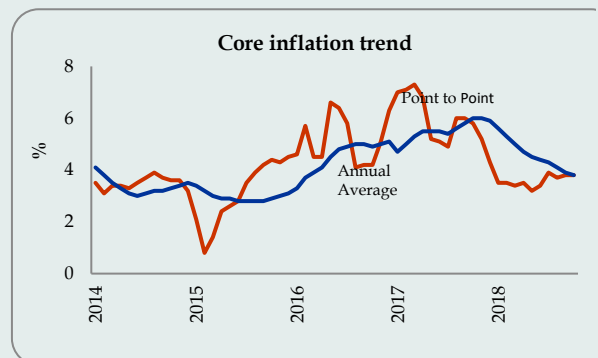
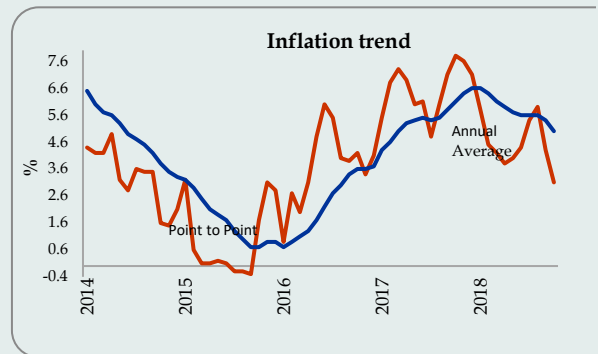
Global growth is projected to stabilize at 3.2 percent in both 2018 and 2019.

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
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
Sep	4.3	5.4	3.8	3.9	-0.8	0.9
Oct	3.1	5.0	3.8	3.8	0.4	0.1



Source: Department of Census and Statistics

The point to point inflation of CCPI decreased to 3.1 per cent in October 2018. The annual average of CCPI is 5.0 per cent in October 2018. Core inflation that measures the price movements of the items in the CCPI basket excluding fresh food, energy, transport, rice and coconut, increased to 3.8 per cent, on point to point basis, while annual average core inflation decreased to 3.8 per cent, in October 2018. The National Consumer Price Index (NCPI) covering price movements in all provinces of the country decreased to 0.1 percent in October 2018, on year on year basis.

Contribution of Food Items to CCPI from September 2018 to October 2018

Commodity	Value Change Rs.	Change %
Food	-443.77	-0.59
Rice	-4.17	-0.01
Chicken	-22.60	-0.03
Sea Fish	-273.52	-0.36
Limes	64.67	0.09
Potatoes	-35.95	-0.05
Vegetables	-140.57	-0.19
Green chilies	-18.70	-0.02
Mangoes	6.75	0.01
Coconut	-29.51	-0.04
Banana	40.45	0.05
Eggs	-34.77	-0.05
Dhal	-9.45	-0.01
Papaw	14.60	0.02

Source: Department of Census and Statistics

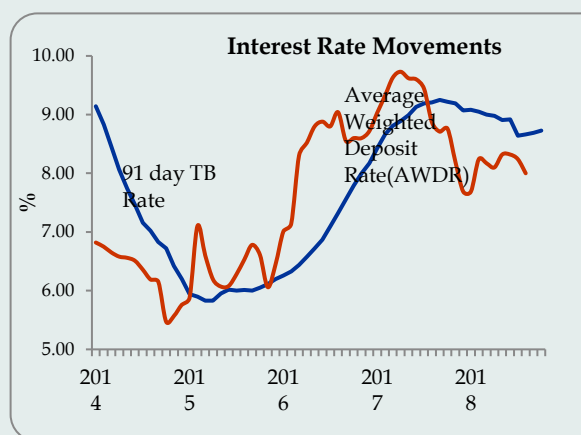
Movements of the CCPI in Food Item (2013=100)

Month	% Change Month to Month	Inflation	
		Point to Point	Annual Average
Apr-17	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
Sep	-3.4	2.3	7.1
Oct	-0.2	-2.3	5.9

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)
Apr -17	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
Sep	124.9	4.3	5.4	8.00	2.10	2.40
Oct	124.6	3.1	5.0	9.48	6.38	4.48

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



Interest Rate Movements

Category	Week Ending 23 rd Nov 2018	Week Ago	Month Ago	Year Ago
Standing Deposit Facility	8.00	8.00	7.25	7.25
Standing Lending Facility	9.00	9.00	8.50	8.75
Call Money Weekly Average	8.97	8.77	8.46	8.14
Treasury Bill (Yield rate)				
91 Days	10.01	10.07	9.48	8.40
182 Days	-	-	9.75	8.90
364 Days	11.21	11.25	10.39	9.46
Prime Lending Rate	12.20	12.28	11.74	11.29
	Oct-18		Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	8.73		8.69	9.22

Source : Central Bank of Sri Lanka

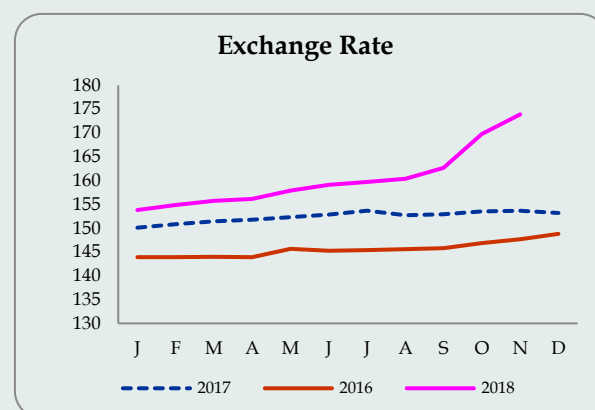
Central Bank Standing Deposit Facility rate (SDF) and Standing Lending Facility rate (SLF) remain unchanged at 8.00 percent and 9.00 percent, respectively during this week.

The Prime Lending rate is 12.20 per cent by week ending 23rd November 2018 and Commercial Bank Average Weighted Deposit Rate (AWDR) for the month of October 2018 was 8.69 percent.

Exchange Rates

Currency	Week Ending 23 rd Nov 2018	Week Ago	Year Ago	% Change 2017/18
US Dollar	178.69	176.17	153.60	16.6
Sterling Pound	230.19	225.37	204.75	12.4
Euro	203.89	199.76	181.59	12.3
Japanese Yen	1.58	1.56	1.38	14.5
Indian Rupee	2.52	2.45	2.37	6.3

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	Sep 2018	Aug 2018	July 2018	Sep 2017	Aug 2017	July 2017	Growth 2017 Sep/2018 Sep (%)
M ₁ (RsBn)	809.00	791.55	791.77	754.60	759.14	768.43	7.20
M ₂ (RsBn)	6,284.50	6,243.72	6,160.77	5,503.10	5,423.04	5,367.00	14.20
M _{2b} (RsBn)	6,993.40	6,866.41	6,795.38	6,132.10	6,050.58	5,986.62	13.10

Item	Sep 2018	Month Ago	Year Ago	Growth 2017Sep/2018 Sep (%)
Credit to Private Sector (Rs.bn)	5,355.70	5,248.40	4,640.50	15.40
DBUs	4,961.90	4,874.60	4,316.70	14.90
OBUs	393.80	373.80	323.70	21.60

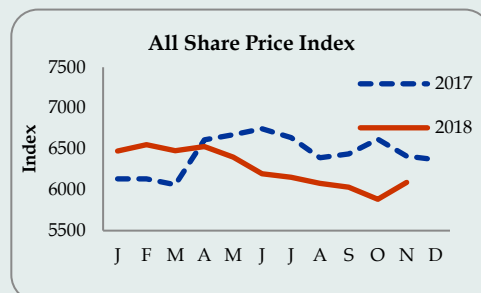
Source: Central Bank of Sri Lanka

Share Market

Indicator	Week Ending 23 rd Nov 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	5,930.0	5,955.4	6,456.1
S & P Sri Lanka 20 Index (S & P SL20)	3,103.3	3,109.5	3,752.4
Average Daily Turnover (Rs.Mn)	491.5	1,663.7	963.2
Market Capitalization (Rs.Bn.)	2,782.0	2,794.0	2,942.8

Source: Colombo Stock Exchange

All Share Price Index (ASPI) decreased by 25.4 index points and closed at 5,930 points compared to the third week of November 2018. The S & P Sri Lanka 20 Index (S & P SL 20) decreased by 6.2 to 3,103.3 index points. The Average Daily Turnover decreased by Rs.1172.2 million and stationed at Rs.491.5 million. Market capitalization reached Rs.2,782 billion in the fourth week of November 2018.



Equity Trading Statistics

Indicator	Oct 2018	Oct 2017	Jan-Oct 2018	Jan-Oct 2017
Turnover -Equity (Rs. Mn.)	17,608.4	23,828.9	158,595.6	189,402.7
Domestic (Rs. Mn.)	7,963.5	12,728.1	85,123.4	101,757.2
Foreign (Rs. Mn.)	9,644.8	11,100.8	73,472.2	87,645.5
Market Days	22	20	201	201
Daily Turnover Avg. Equity (Rs. Mn.)	800.4	1,191.4	789.0	942.3
Trade Equity	70,099	129,101	745,895	856,165
Domestic	67,003	123,475	705,194	809,805
Foreign	3,096	5,626	40,701	46,360
Shares Traded_Equity	433.7	752.4	4,923.5	7,550.0
Domestic (Rs. Mn.)	310.2	611.9	3,963.3	5,898.8
Foreign (Rs. Mn.)	123.5	140.4	960.1	1,651.2
Companies Traded	272	274	279	278
Companies Listed	297	295	297	295

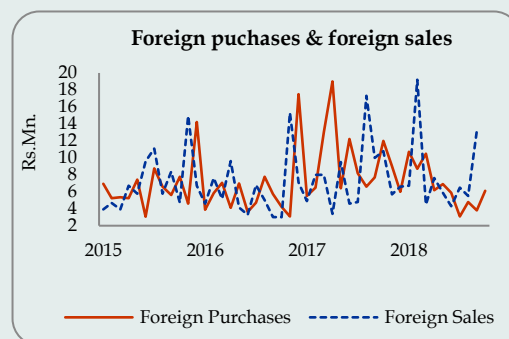
Price Indices	Oct 2018	Sep 2018
ASPI	5,953.47	5,862.18
S&P SL 20	3,084.08	3,002.00
Total Return Indicators		
ASTRI	7,930.91	7,808.80
S&P SL20 (TRI)	4,581.3	4,453.71
Market PER	9.36	9.18
Dividend Yield	3.29	3.34
Market Capitalization (Rs.Bn.)	2,793.05	2,752.86

Source: Colombo Stock Exchange

Stock Market - Foreign Purchases and Foreign Sales

Indicator	Oct 2018	Jan-Oct 2018
Purchases by Foreigners (Rs. Mn)	6,157.9	66,916.6
Sales by Foreigners (Rs. Mn)	13,134.6	80,039.5
Net Foreign Purchases (Rs. Mn)	(6,976.7)	(13,122.9)

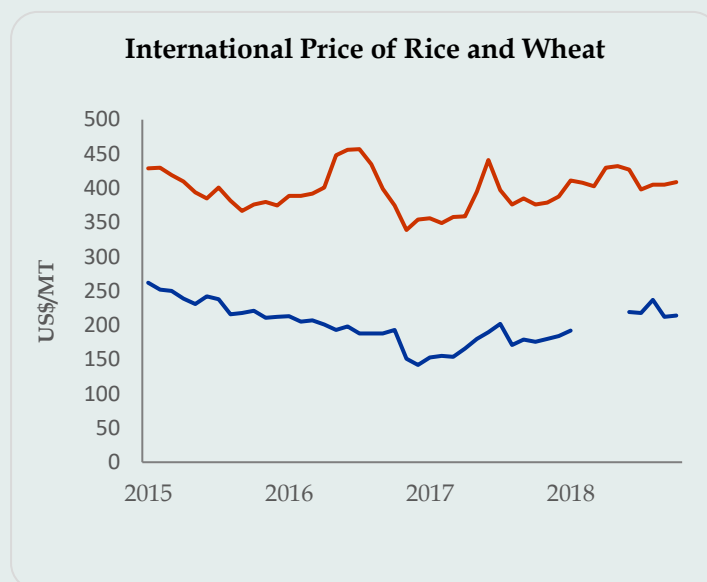
Source: Colombo Stock Exchange



COMMODITY PRICES

International Commodity Prices

Month	Rice Thai,100%US\$/ MT	Wheat (HRW) US\$/MT
Apr-2017	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
Sep	405	212
Oct	409	214



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

Commodity	Unit	Annual Averages			Monthly Averages		
		Jan-Dec	Jan-Dec	Jan-Dec	Aug	Sep	Oct
		2015	2016	2017	2018	2018	2018
Non Energy, Agriculture, Beverages							
Cocoa	\$/kg	3.14	2.89	2.03	2.17	2.19	2.13
Coffee, Arabica	\$/kg	3.53	3.61	3.32	2.76	2.67	3.03
Tea, auctions (3) average	\$/kg	2.78	2.68	3.15	2.77	2.70	3.25
Tea, Colombo auctions	\$/kg	2.98	3.30	4.05	3.34	3.25	3.25
Food, Fats & Oils							
Coconut Oil	\$/mt	1,113	1,468	1,651	903	907	850
Soybean Oil	\$/mt	683	734	758	654	651	681
Palm Oil	\$/mt	559	639	649	534	524	499
Grains							
Barley	\$/mt	121.3	103.9	97.6	127.7	119.4	119.4
Maize	\$/mt	169.8	159.2	154.5	162.4	154.8	160.3
Wheat, US HRW	\$/mt	204.4	166.6	174.2	236.6	212.4	213.5
Other Food							
Meat, Beef	\$/kg	4.42	3.93	4.22	3.97	3.92	3.69
Meat, Chicken	\$/kg	1.99	1.85	2.12	2.25	2.03	2.03
Sugar, World	\$/kg	0.30	0.40	0.35	0.24	0.25	0.29
Raw Materials, Timber							
Plywood	¢/sheets	451.2	503.3	486.9	491.8	487.6	484.0
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	1.47	1.44	1.43
Fertilizers							
Phosphate Rock	\$/mt	120.3	110.5	89.7	87.5	87.5	91.3
TSP	\$/mt	377.7	291.1	283.3	358.0	376.0	385.0
Urea	\$/mt	277.9	194.1	213.9	260.0	267.5	270.0
Metals and Minerals							
Aluminum	\$/mt	1,665	1,604	1,968	2,052	2,026	2,030
Gold	\$/toz	1,161	1,249	1,258	1,202	1,198	1,215
Iron ore	\$/dmt	55.9	58.4	71.8	67.2	68.4	73.4

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	Nov 19	Nov 20	Nov 21	Nov 22	Nov 23	Week Ago	Month Ago	Year Ago
Brent (New York Closing Prices)(US \$/bbl.)	67.53	66.59	63.38	62.60	62.60	66.84	79.76	63.18
WTI (US\$/bbl.)	57.28	57.24	54.18	53.84	53.96	56.64	69.37	57.95
Petrol	68.35	67.95	65.00	63.90	62.30	67.90	81.70	67.60
Diesel	81.18	80.22	76.84	75.88	74.37	81.83	92.59	67.37
Kerosene	84.14	83.14	80.10	78.93	78.04	84.89	94.57	68.82

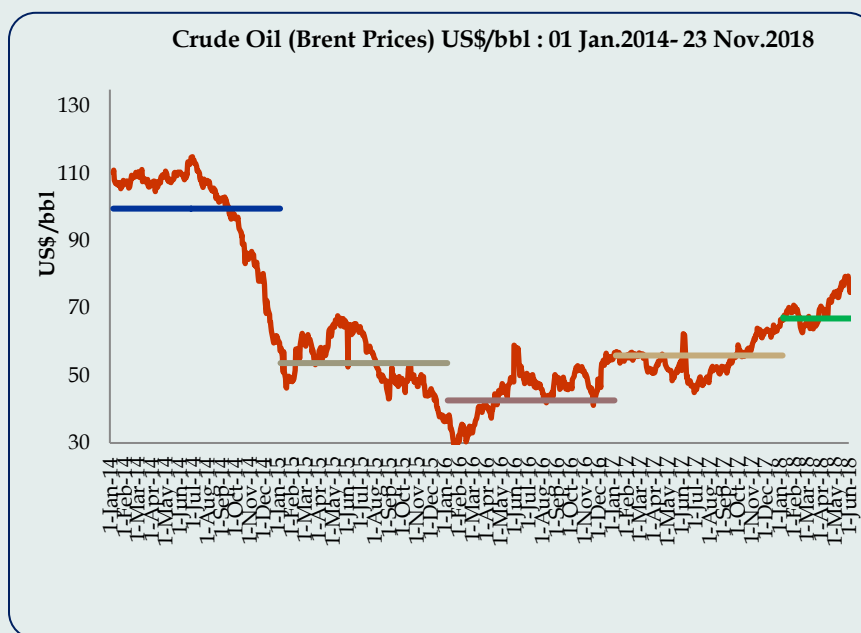
Source: Central Bank of Sri Lanka

Crude Oil Prices (Monthly Average)

Month	WTI European Market (US\$/bbl)	Brent (US\$/bbl)
Mar-17	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	70.02	79.02
Oct	71.10	80.93
Nov	60.46	70.41

Source: Central Bank of Sri Lanka

*up to 23rd Nov 2018

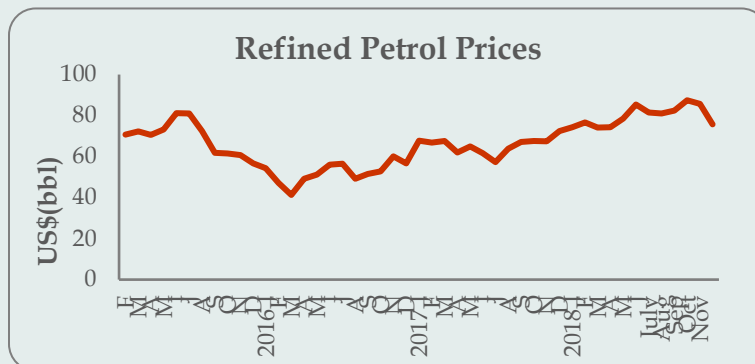


Monthly Average Refined Product Prices -Singapore Plattes Prices (US\$/bbl)

Month	Petrol	Diesel	Kerosene
Mar-17	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	78.48	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	87.47	91.01	91.68
Oct	85.68	94.14	95.13
Nov	70.95	85.10	87.31

Source: Central Bank of Sri Lanka

*up to 23rd Nov 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	111.00
Petrol (Octane 92)	1 liter	117.00	117.00	117.00	140.00
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	1,871.00

Wholesale Prices
Week Ending 23rd November 2018 (Rs /Kg)

Pettah Market

Dambulla Market

Average Wholesale Prices	Week Ending 23/11/2018	Week Ago	% Change	Year Ago Annual Avg.
Rice (Rs/Kg)				
Samba	100.00	99.00	1.0	94.82
Kekulu (Red)	69.00	69.00	0.0	80.30
Vegetable				
Beans	193.00	238.00	-18.9	118.56
Cabbage	107.00	100.00	7.0	75.37
Carrots	220.00	238.00	-7.6	120.95
Tomatoes	233.00	213.00	9.4	93.73
Pumpkins	48.00	49.00	-2.0	61.84
Snake Gourd	135.00	123.00	9.8	96.74
Brinjals	113.00	113.00	0.0	94.90
Ash Plantains	73.00	70.00	4.3	73.41
Other Foods				
Red-Onions (Local)	147.00	138.00	6.5	250.84
Big Onions (Local)	n.a.	n.a.		110.80
Potatoes (N'Eliya)	16.00	146.00	-89.0	127.34
Dried Chilies (Imported)	270.00	248.00	8.9	189.80
Dhal (Indian)	104.00	103.00	1.0	135.31
Eggs (Red) (Each)	16.50	16.00	3.1	11.96
Coconut (Each)	44.00	49.00	-10.2	61.72
Fish (Rs/Kg)				
Kelawalla	500.00	450.00	11.1	540.63
Balaya	260.00	280.00	-7.1	301.46
Salaya	120.00	130.00	-7.7	116.88
Paraw (Small)	350.00	n.a.	-	538.02

Source: Central Bank of Sri Lanka

Food Item	Wholesale (Average)
Rice (Rs/Kg)	
Samba	101.00
Kekulu (Red)	76.00
Vegetables	
Pumpkins	62.67
Snake Gourd	95.83
Ash Plantains	65.83
Beans	105.00
Carrots	261.67
Tomatoes	238.33
Other Foods	
Potatoes (N'Eliya)	132.50
Dried Chilies (Imported)	260.82
Big-Onions (Local)	82.50
Red-Onions (Local)	110.83
Coconut (Each)	39.83

Source: Central Bank of Sri Lanka

Marandagahamula Average Price of Rice (Rs /Kg)

Item	Week Ending 23/11/2018	Week Ago	Month Ago	Year Ago
Samba	97.00	97.00	96.13	92.96
Sudu Kekulu	77.00	76.00	73.63	83.16
Raw Red	68.83	69.00	67.76	80.21
Nadu	81.50	78.80	77.17	87.93

Source: Central Bank of Sri Lanka

Item	Unit	This Week	Week Ago	% Change	Year Ago
Rice					
Samba(Avg.)	1 kg	110.76	110.95	-0.2	103.61
No. 1	1 kg	116.25	116.03	0.2	108.98
No. 2	1kg	105.26	105.86	-0.6	98.23
Nadu Red	1kg	97.93	96.21	1.8	102.31
Raw Red (Avg)	1kg	80.32	81.17	-1.0	91.03
No. 1	1kg	83.53	85.40	-2.2	94.78
No. 2	1kg	77.12	76.93	0.2	87.28
Wheat Flour	1 kg	93.65	93.81	-0.2	89.98
Bread	450g	62.65	62.65	0.0	58.25
Sugar	1 kg	108.68	107.58	1.0	111.37
Lakspray	400g	345.00	345.00	0.0	325.00
Potatoes (Import)	1 kg	124.76	115.91	7.6	120.73
Potatoes (Local)	1kg	186.14	170.00	9.5	161.68
Red Dhal(Avg)	1kg	145.23	145.15	0.1	179.15
Cowpea (Avg)	1kg	272.41	274.46	-0.7	320.95
Green Gram(Avg)	1kg	258.10	256.92	0.5	255.43
Kadalai (Avg)	1kg	249.61	251.42	-0.7	348.66
Meat					
Beef	1kg	976.32	980.00	-0.4	945.66
Chicken					
Fresh	1kg	527.37	524.71	0.5	504.73
Broiler	1kg	445.00	444.44	0.1	420.00
Fresh Fish					
Paraw	1 kg	979.05	992.00	-1.3	1,063.60
Balaya	1 kg	556.67	563.64	-1.2	570.90
Kelawalla	1 kg	906.07	900.37	0.6	1,002.96
Salaya	1 kg	168.18	166.32	1.1	188.08
Dried Fish					
Sprats	1 kg	700.00	698.57	0.2	718.51
Eggs	Each	16.77	15.30	9.6	11.75
Coconut	Each	60.05	60.61	-0.9	76.82
Coconut Oil	750ml	273.75	277.27	-1.3	286.88
Red Onions	1 kg	204.17	158.67	28.7	349.69
B- Onions (Import)	1 kg	115.81	161.11	-28.1	143.32
Brinjal	1kg	215.25	209.56	2.7	208.12
Beans Green	1 kg	361.58	306.41	18.0	195.19
Bandakka	1 kg	216.71	199.65	8.5	141.51
Leeks	1 kg	234.68	217.33	8.0	194.79
Beet Root	1kg	212.77	199.54	6.6	148.29
Carrot	1kg	348.65	322.19	8.2	184.08
Tomatoes	1kg	377.65	281.94	33.9	205.31
Raddish	1kg	207.14	189.00	9.6	136.62
Vetakolu	1kg	213.10	218.82	-2.6	179.20
Bitter Gourd	1kg	300.79	297.79	1.0	273.19
Drumstick	1kg	368.00	365.00	0.8	247.86
Kolikuttu	1kg	213.46	210.38	1.5	223.65
Papaw	1kg	131.54	125.60	4.7	115.23
Pineapple	1kg	183.92	180.50	1.9	172.04

Source: Department of Census and Statistics

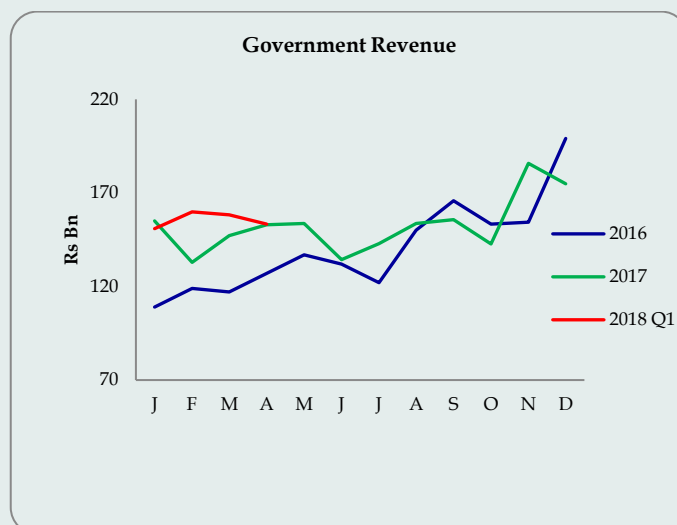
FISCAL SECTOR AND GOVERNMENT DEBT

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	5,791.8
Total Foreign Debt	4,718.6	5,202.6
Total Government Debt	10,313.0	10,994.4

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	

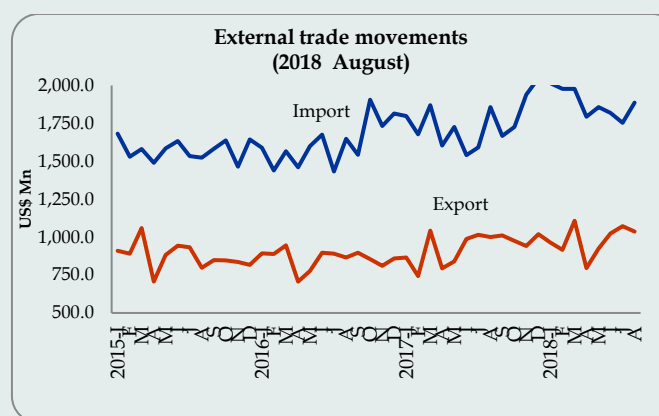
Compiled by Department of Fiscal Policy

EXTERNAL SECTOR

External Trade

Category	Aug 2017 (US\$ Mn)	Aug 2018 (US\$ Mn)	Growth Rate (%)	Jan- Aug 2017 (US\$ Mn)	Jan- Aug 2018 (US\$ Mn)	Growth Rate (%)
Exports	1,000.6	1,037.4	3.7	7,413.4	7,842.4	5.8
Agricultural	255.4	225.4	-11.7	1,815.0	1,723.4	-5.0
Tea	131.3	116.1	-11.6	1,002.7	970.2	-3.2
Other	124.1	109.3	13.5	812.3	753.2	7.8
Industrial	740.1	808.0	9.2	5,562.5	6,085.3	9.4
Rubber Products	71.0	80.5	13.4	538.1	584.4	8.6
Textiles and Garments	433.2	467.1	7.8	3,283.4	3,451.7	5.1
Food, Beverage and Tobacco	34.8	40.1	15.4	259.1	311.1	20.1
Other	201.1	220.3	9.5	1,481.9	1,738.1	17.3
Mineral	3.8	2.8	-26.9	24.5	22.2	-9.4
Unclassified	1.4	1.2	-17.1	11.3	11.5	1.6
Imports	1,856.9	1,887.1	1.6	13,597.0	15,082.7	10.9
Consumer Goods	393.8	431.2	9.5	2,950.1	3,441.3	16.7
Food and Beverages	147.9	128.6	-13.0	1,204.5	1,148.1	-4.7
Other Consumer Goods	245.9	302.6	23.1	1,745.6	2,293.2	31.4
Intermediate Goods	1,020.8	1,061.6	4.0	7,271.7	8,356.8	14.9
Petroleum	232.7	289.6	24.4	1,587.7	2,026.0	27.6
Textiles & Textile Articles	237.4	247.8	4.4	1,781.3	1,857.9	4.3
Other Intermediate Goods	550.7	524.2	-4.8	3,902.7	4,472.9	14.6
Investment Goods	438.7	393.5	-10.3	3,237.7	3,212.2	-0.8
Machinery and Equipment	224.3	222.7	-0.7	1,738.3	1,703.0	-2.0
Transport Equipment	59.7	36.0	-39.7	438.6	492.0	12.2
Building Material	153.9	134.2	-12.8	1,054.8	1,013.0	-4.0
Other Investment Goods	0.8	0.5	-29.5	6.0	4.3	-29.6
Unclassified	3.6	0.8	-77.0	137.5	72.3	47.4
Trade Balance	(856.3)	(849.7)	(0.8)	(6,183.6)	(7,240.3)	(17.1)

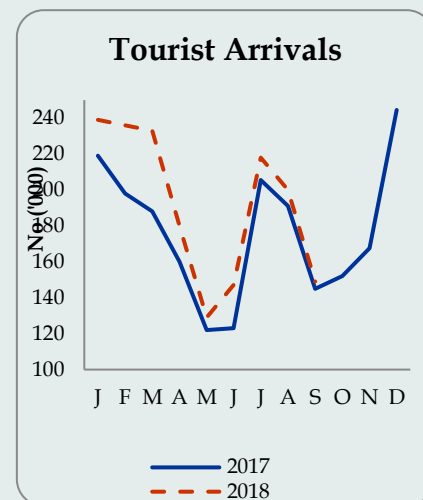
Source: Central Bank of Sri Lanka



- Export earnings during January to August 2018 increased by 5.8 percent mainly due to the expansion of earnings from industry exports. The Industrial export earnings for the month of August 2018 increased by 9.2 percent, compared to the respective period of 2017.
- On a cumulative basis, expenditure on imports increased by 10.9 percent for the period during January to August 2018. Expenditure on imports for the month of August 2018 increased by 1.6 percent reflecting the performance of imports of investment goods and consumer goods.
- Trade deficit increased to US\$ 849.7 Mn in August 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	149,087	2.8	254.8	269.0	276.5	2.8
Oct	150,419	152,429	153,123	0.5	249.3	283.0	284.0	0.6
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	1,885,045	10.6	3,484.9	3,925.4	3,211.8	10.6

Source: Sri Lanka Tourism Development Authority



Tourism

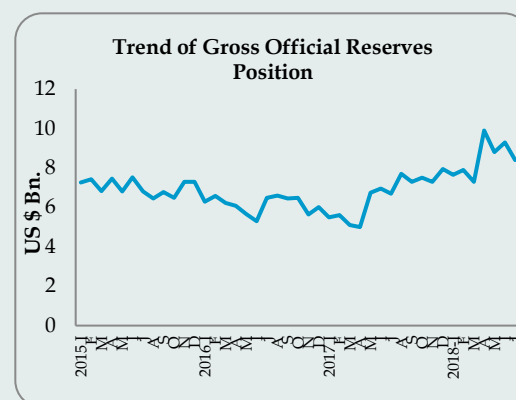
Earnings from tourism decreased to US \$ 284 in October 2018 with an increase of 0.6 per cent over the same period of 2017.

The number of tourist arrivals increased to 153,123 in Oct 2018.

External Assets

External Assets (US\$ Mn)	Sep 2018	Aug 2018	Jul 2018
Total Reserves	n.a.	10,980.11	10,775.15
Gross Official Reserves	7,164.08	8,584.54	8,429.67

Source: Central Bank of Sri Lanka



Official reserves

The total reserves and gross official reserves were US\$ 11.0 Bn and US\$ 8.6 Bn, respectively by end August 2018. Total foreign reserves were sufficient to 5.1 months of imports and the gross official reserves were equivalent to 3.8 months of imports in September 2018. Workers' remittances decreased by 1.5 per cent in dollar terms to US \$ 498.2 Mn. in September 2018.

Private Remittances

Category	2017 Oct (b)	2018 Oct(a)	2017 Jan- Oct (b)	2018 Jan- Oct (a)	% Change
Inflow US\$ Mn	546.3	599.1	5,904.2	5,875.9	-0.5
Rs. Bn	83.9	102.6	898.7	934.7	4.0

Source: Central Bank of Sri Lanka

(a) Provisional

(b) Revised

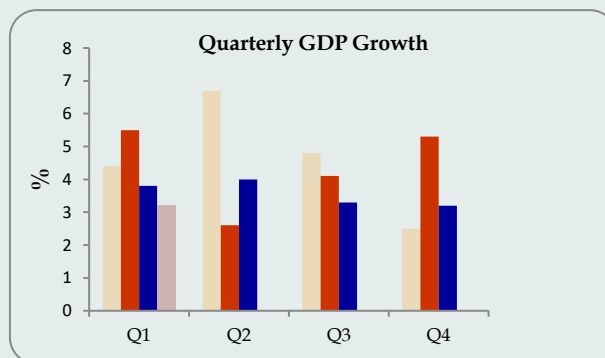
PRODUCTION

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%.

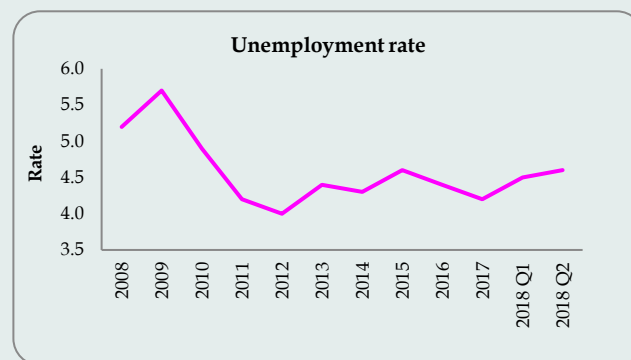
Labour Force Statistics

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-Sep	2018 Jan- Sep	% Change
Production			
Tea (Mn. Kg)	233.10	222.10	-4.7
Rubber (Mn. Kg)	64.70	58.90	-9.0
Coconut (Mn. Nuts)	1,906.81	1,908.51	0.1
Exports (US\$ Mn)			
	2017 July	2018 July	
Tea	143.00	125.2	-12.4
Rubber	2.10	1.60	-25.1
Coconut	32.50	28.20	-13.3
Colombo Auction Prices			
	2017 Aug	2018 Aug	
Tea (Rs./ Kg)	607.19	535.28	-11.84
Rubber (Rs./ Kg)	346.38	281.44	-18.75
Coconut (Rs/nut)	48.84	35.40	-27.52

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

Factory Industrial Production Index (2015=100)

Item (a)	2017 Sep (b)	2018 Sep (c)	Growth %
Manufacture of Food Products	107.6	105.2	-2.2
Manufacture of Beverages	91.0	101.0	11.0
Manufacture of Tobacco Products	117.2	90.2	-23.0
Manufacture of Textiles	110.5	126.6	14.6
Manufacture of Wearing Apparel	107.2	111.1	3.7
Manufacture of Leather and Related Products	120.1	128.9	7.4
Manufacture of Wood products ,except Furniture; Articles of Straw & plaiting materials	93.5	102.9	10.0
Manufacture of Paper and Paper Products	103.7	80.7	-22.2
Printing and Reproduction of Recorded Media	120.1	103.7	-13.6
Manufacture of Coke and Refined Petroleum Products	105.8	114.6	8.4
Manufacture of Chemicals and Chemical Products	102.7	87.6	-14.7
Manufacture of Pharmaceuticals, Medicinal Chemicals	118.9	115.2	-3.1
Manufacture of Rubber and Plastic Products	110.5	100.8	-8.8
Manufacture of Other Non-Metallic Mineral Products	109.0	116.3	6.7
Manufacture of Basic Metals	135.4	127.2	-6.0
Manufacture of Fabricated Metal Products	133.2	134.5	0.9
Manufacture of Electrical Equipment	88.1	73.1	-17.0
Manufacture of Machinery and Equipment(n.e.c)	115.0	96.5	-16.1
Manufacture of Furniture	98.7	86.3	-12.5
Manufacture of other Manufacturing	81.4	98.3	20.8
Factory Industry Production Index	107.7	106.9	-0.7

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