



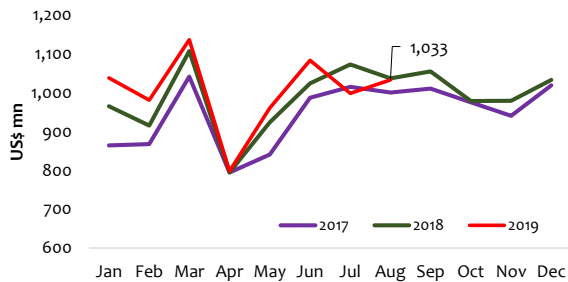
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

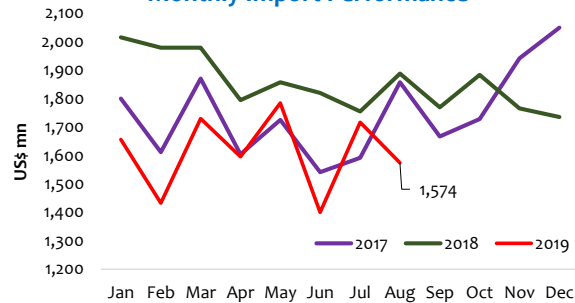
August 2019
VOLUME 01 ISSUE 04

Highlights

Monthly Export Performance



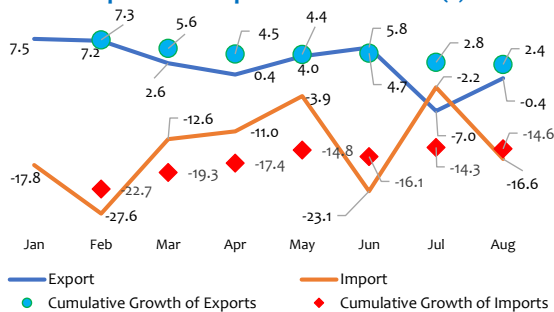
Monthly Import Performance



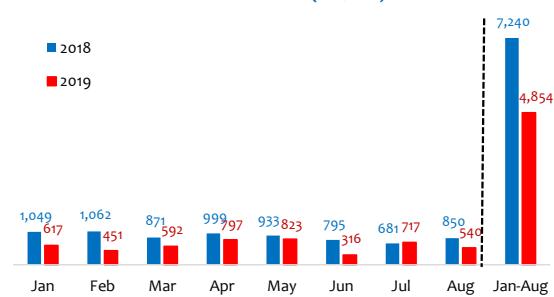
Earnings from merchandise exports decreased marginally by 0.4 per cent (year-on-year) to US dollars 1,033 million in August 2019.

Expenditure on merchandise imports decreased by 16.6 per cent (year-on-year) to US dollars 1,574 million in August 2019.

Export and Import Growth Rates (%)



Trade Deficit (US\$ Mn)

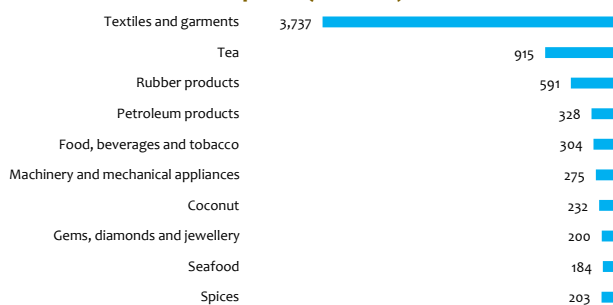


Export earnings increased by 2.4 per cent (year-on-year) during the first eight months of 2019 while import expenditure declined significantly by 14.6 per cent.

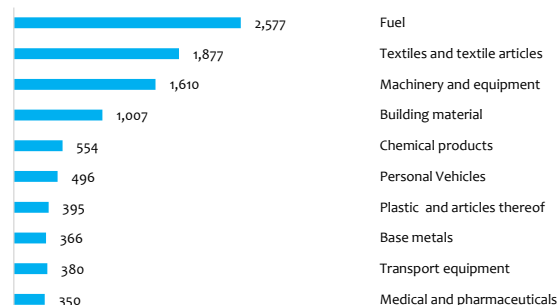
The deficit in the trade account contracted in August 2019 in comparison to August 2018. Meanwhile, trade deficit during the first eight months of 2019 contracted significantly by US dollars 2,386 million when compared with the corresponding period of 2018.

Major Export and Import Categories (Jan - Aug 2019)

Exports (US\$ mn)

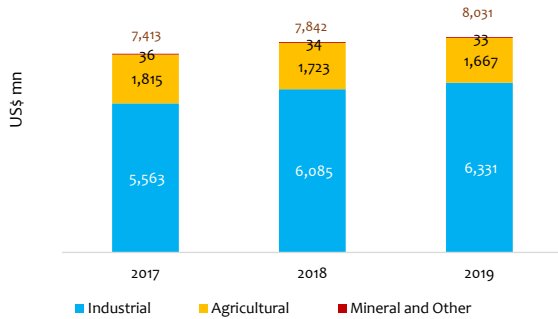


Imports (US\$ mn)

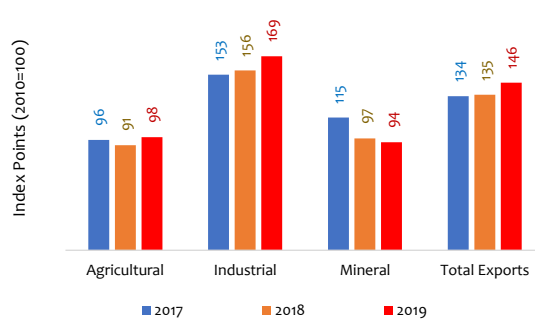


Export Performance

Export Performance (Jan-Aug)



Export Volume Index (Jan-Aug)

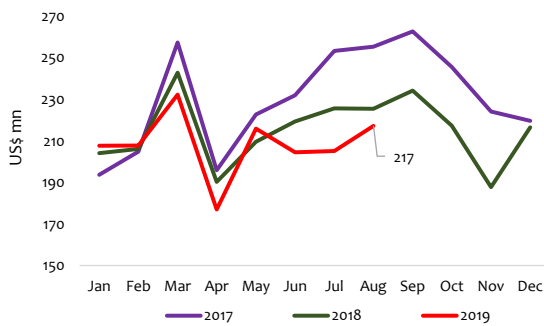


Earnings from exports increased during the first eight months of 2019 mainly due to the higher performance in industrial exports despite a decline registered in agricultural exports.

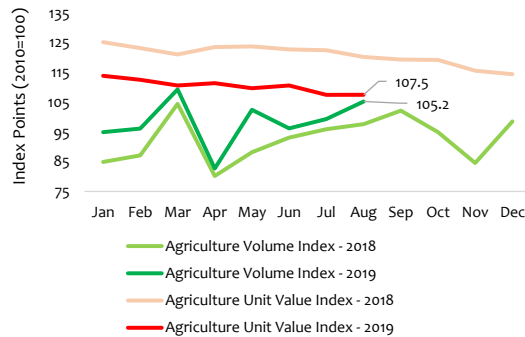
Export volume index increased during the first eight months of 2019 supported by industrial and agricultural exports.

Agricultural Exports

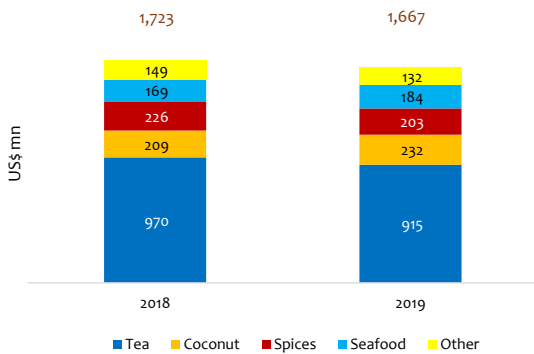
Agricultural Exports



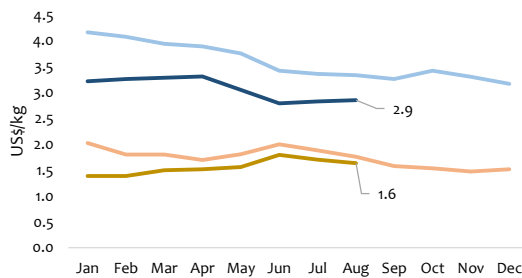
Agriculture Volume and Unit Value Indices



Performance of Agricultural Exports (Jan-Aug)



Tea and Rubber Prices *

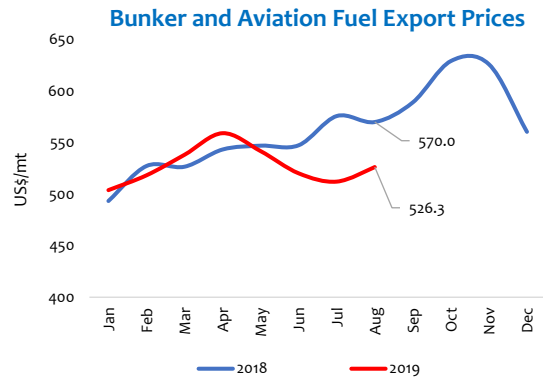
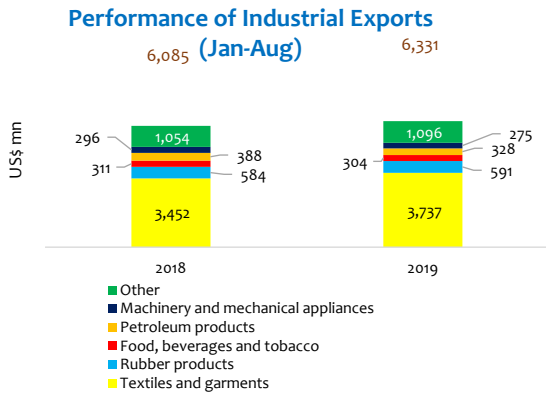
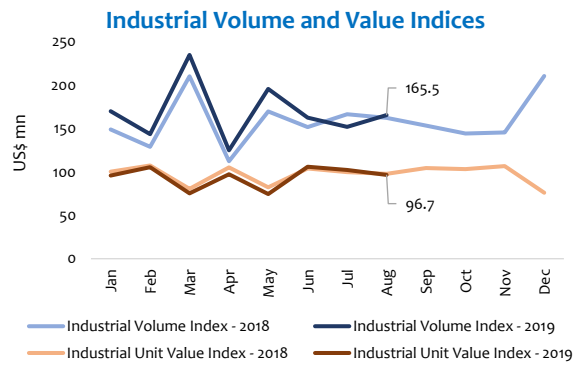


*Based on Colombo auction prices

— Tea Auction Prices - 2018 — Tea Auction Prices - 2019
— Rubber Auction Prices - 2018 — Rubber Auction Prices - 2019

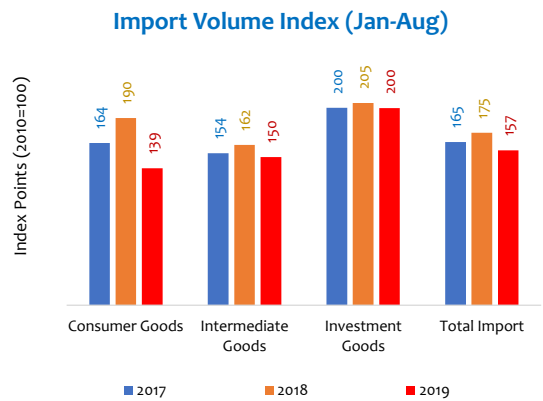
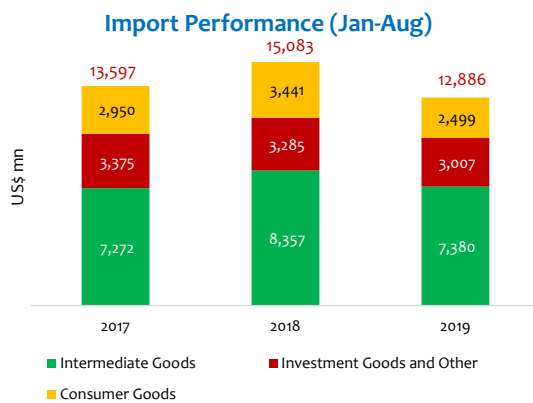
Export earnings from agricultural exports declined during the first eight months of 2019 due to poor performance observed in tea, rubber, spices and minor agricultural products exports. However, export earnings from coconut, vegetables and seafood increased during this period. Relatively lower prices of agricultural commodities in the international market, particularly tea, mainly contributed to the decline.

Industrial Exports



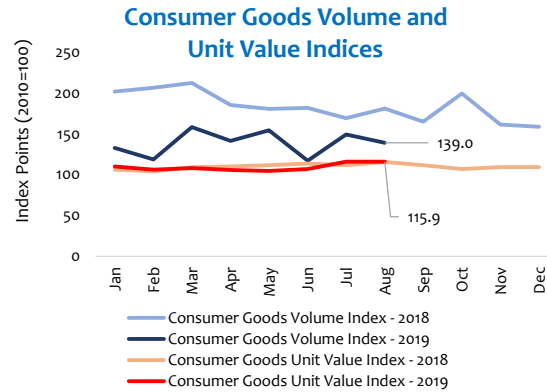
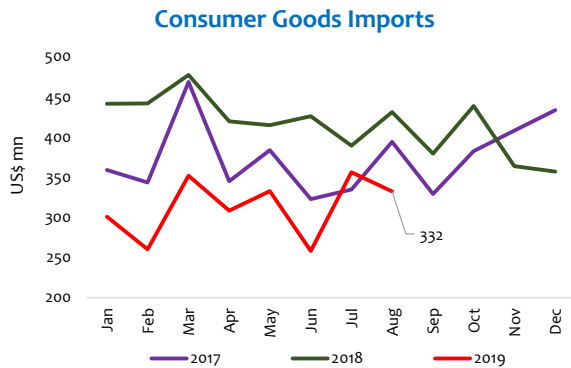
Export earnings from industrial exports increased during the first eight months of 2019 due to higher performance in textiles and garments, transport equipment and rubber product exports. However, export earnings from petroleum products decreased during this period due to lower demand with the competition from other regional peers. Export volumes of industrial exports increased during this period in comparison to the first eight months of 2018.

Import Performance

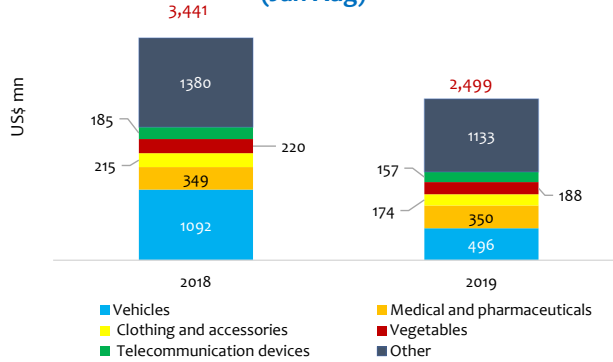


Expenditure on imports declined during the first eight months of 2019 due to the lower expenses incurred on all major categories of imports.

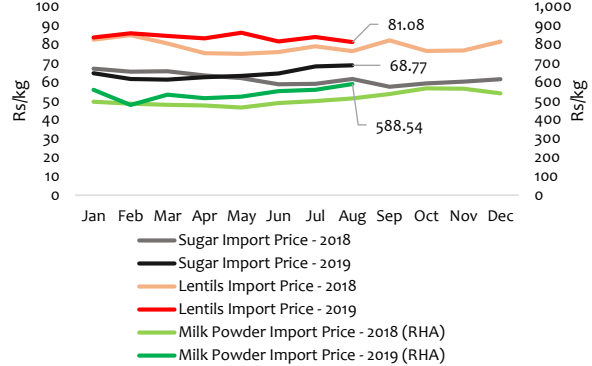
Consumer Goods Imports



Performance of Consumer Goods Imports (Jan-Aug)

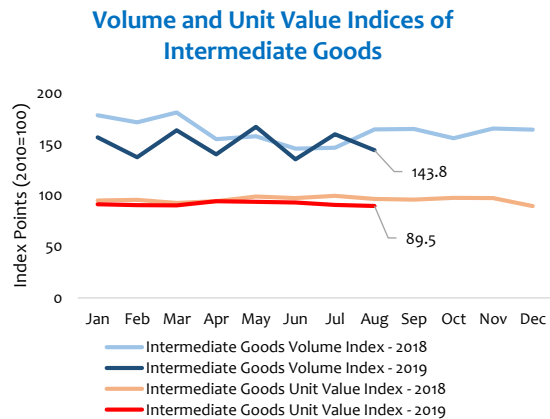
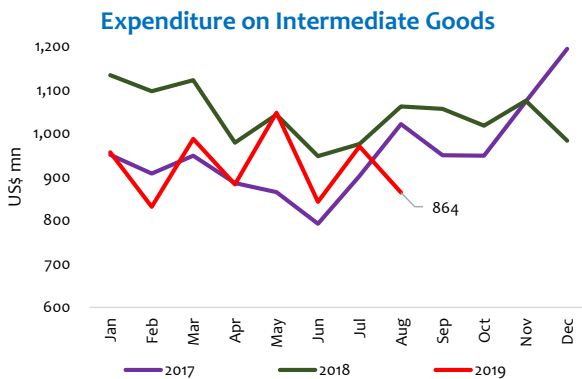


Average Import Prices of Sugar, Lentils and Milk Powder

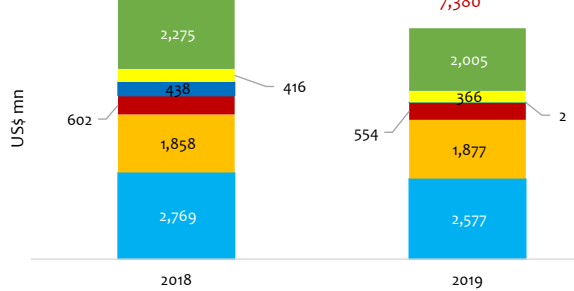


Import expenditure on consumer goods declined during the first eight months of 2019 due to lower imports of most of the categories, particularly personal vehicles and food items such as vegetables, sugar, rice and dairy products. (In this chart rice, sugar and dairy products are included in other category). In addition, telecommunication devices, clothing and accessories and home appliances also declined considerably during the first eight months of 2019.

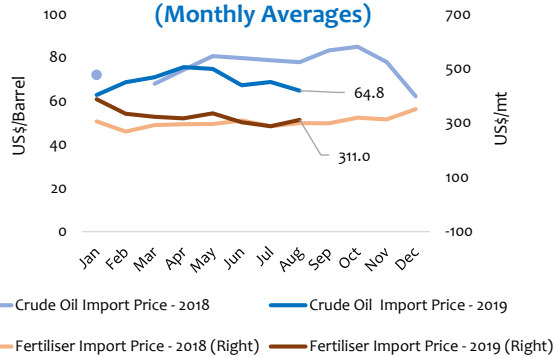
Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-Aug)



Crude Oil and Fertiliser Import Prices (Monthly Averages)



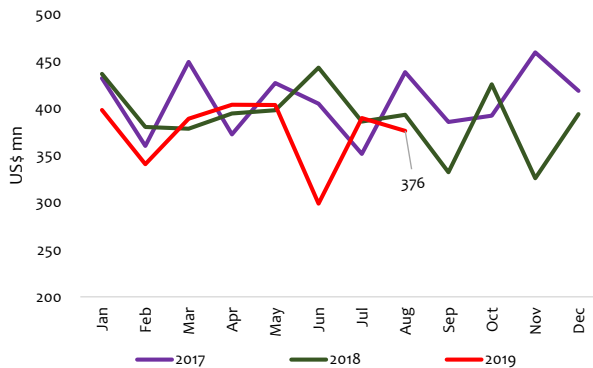
■ Fuel ■ Textiles and textile articles ■ Chemical products ■ Gold ■ Base metals ■ Others

*Crude oil was not imported in February 2018.

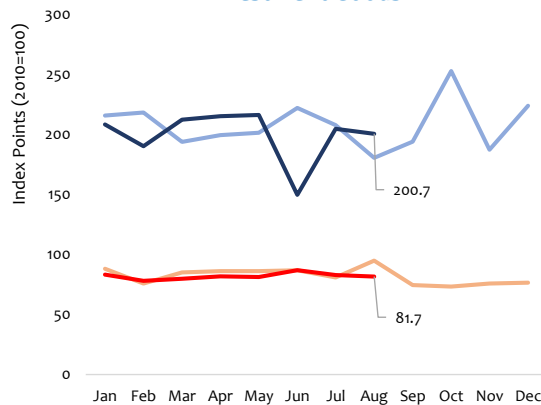
Import expenditure on intermediate goods declined during the first eight months of 2019 mainly due to the lower imports of gold, fuel and plastics and articles thereof. This decline was due to lower import prices and volumes of intermediate goods during the first eight months of 2019 in comparison to the corresponding period of 2018.

Investment Goods Imports

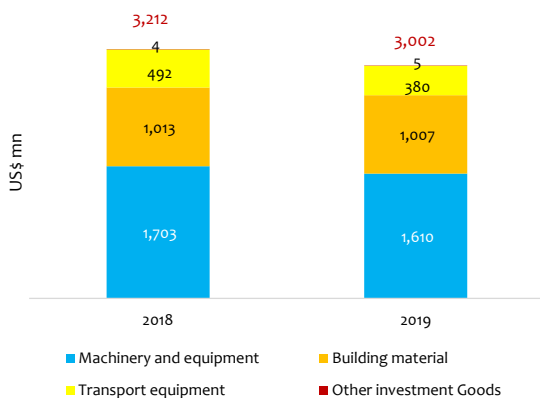
Expenditure on Investment Goods Imports



Volume and Unit Value Indices of Investment Goods



Performance of Investment Goods Imports



Import expenditure on investment goods declined during the first eight months of 2019 due to lower imports of all major categories.

Summary of External Trade Statistics

Export Performance (US\$ mn)

Item	Aug-18	Aug-19	Y-O-Y Change (%)	Jan - Aug 2018	Jan - Aug 2019	Y-O-Y Change (%)
Agricultural Export	225.4	217.3	-3.6	1,723.4	1,667.4	-3.2
o/w Tea	116.1	118.7	2.3	970.2	915.0	-5.7
Coconut	31.1	28.1	-9.7	209.4	232.1	10.9
Spices	41.6	33.3	-19.9	225.6	203.4	-9.8
Seafood	17.9	20.5	14.1	169.4	184.5	8.9
Industrial Export	808.0	813.0	0.6	6,085.3	6,331.0	4.0
o/w Textiles and garments	467.1	499.6	7.0	3,451.7	3,736.6	8.3
Rubber products	80.5	72.8	-9.6	584.4	591.2	1.2
Petroleum products	47.0	43.4	-7.8	387.9	328.4	-15.4
Food, beverages and tobacco	40.1	33.7	-15.9	311.1	303.7	-2.4
Machinery and mechanical appliances	37.4	32.5	-13.1	295.7	275.0	-7.0
Gems, diamonds and jewellery	24.5	24.3	-0.6	195.3	199.9	2.4
Leather, travel goods and footwear	11.2	9.7	-13.7	101.9	74.1	-27.3
Mineral and Other Export	3.9	3.1	-20.7	33.7	32.6	-3.1
Total Export	1,037.4	1,033.3	-0.4	7,842.4	8,031.1	2.4

Import Performance (US\$ mn)

Item	Aug-18	Aug-19	Y-O-Y Change (%)	Jan - Aug 2018	Jan - Aug 2019	Y-O-Y Change (%)
Consumer goods	431.2	332.1	-23.0	3,441.3	2,499.2	-27.4
Food and beverages	128.6	117.9	-8.3	1,148.1	917.1	-20.1
o/w Rice	0.4	0.8	116.2	100.9	7.8	-92.3
Non-food consumer goods	302.6	214.2	-29.2	2,293.2	1,582.0	-31.0
o/w Vehicles	142.7	76.7	-46.2	1,092.4	496.4	-54.6
Intermediate goods	1,061.6	863.8	-18.6	8,356.8	7,379.8	-11.7
o/w Fuel	398.6	261.2	-34.5	2,768.8	2,576.8	-6.9
Gold	0.1	...	-98.2	438.0	1.7	-99.6
Textiles and textile articles	247.8	233.5	-5.8	1,857.9	1,876.9	1.0
Fertiliser	14.5	32.2	121.3	153.3	137.5	-10.3
Wheat and maize	23.9	24.9	4.2	235.9	203.4	-13.8
Investment goods and other	394.3	377.7	-4.2	3,284.6	3,006.6	-8.5
o/w Machinery and equipment	222.7	184.4	-17.2	1,703.0	1,610.2	-5.4
Total Import	1,887.1	1,573.6	-16.6	15,082.7	12,885.5	-14.6

Trade Balance (US\$ mn)

Item	Aug-18	Aug-19	Y-O-Y Change (%)	Jan - Aug 2018	Jan - Aug 2019	Y-O-Y Change (%)
Trade Balance	-849.8	-540.3	-	-7,240.3	-4,854.5	-

Trade Indices and Terms of Trade (2010 = 100) (a)

Item	Aug-18	Aug-19	Y-O-Y Change (%)	Jan - Aug 2018	Jan - Aug 2019	Y-O-Y Change (%)
Export						
Value index	144.4	143.8	-0.4	136.4	139.7	2.4
Volume index	141.3	145.4	2.9	135.3	145.9	7.8
Unit value index	102.2	98.9	-3.2	100.8	95.8	-5.0
Import						
Value index	168.9	140.8	-16.6	168.7	144.2	-14.6
Volume index	169.0	153.2	-9.3	174.6	156.8	-10.2
Unit value index	99.9	91.9	-8.0	96.7	91.9	-4.9
Terms of Trade	102.3	107.6	5.2	104.3	104.2	-0.1

(a) In US\$ terms

... Negligible