



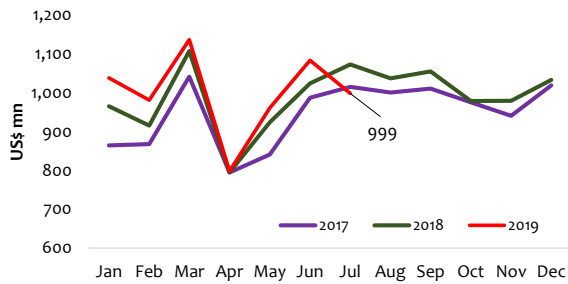
# MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT  
CENTRAL BANK OF SRI LANKA

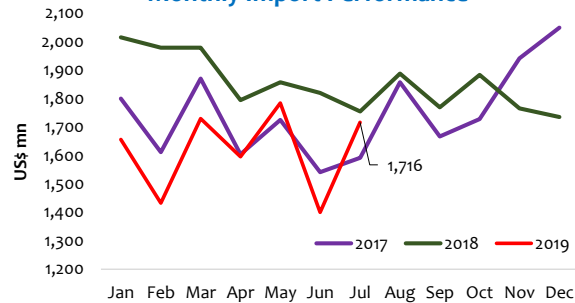
July 2019  
VOLUME 01 ISSUE 03

## Highlights

### Monthly Export Performance



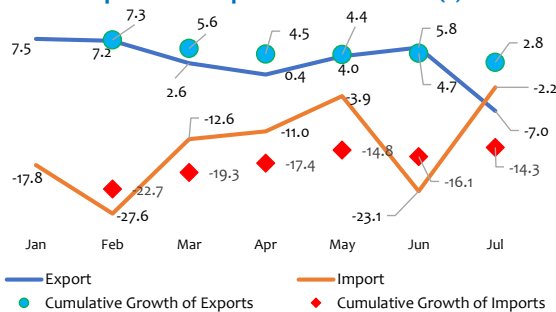
### Monthly Import Performance



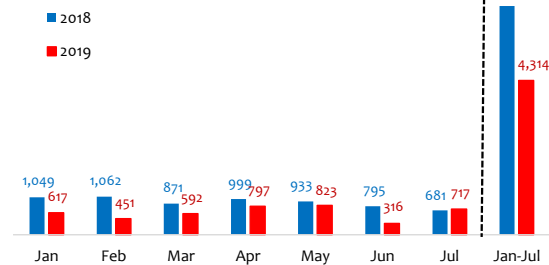
Earnings from merchandise exports decreased by 7.0 per cent (year-on-year) to US dollars 999 million in July 2019.

Expenditure on merchandise imports decreased by 2.2 per cent (year-on-year) to US dollars 1,716 million in July 2019.

### Export and Import Growth Rates (%)



### Trade Deficit (US\$ Mn)

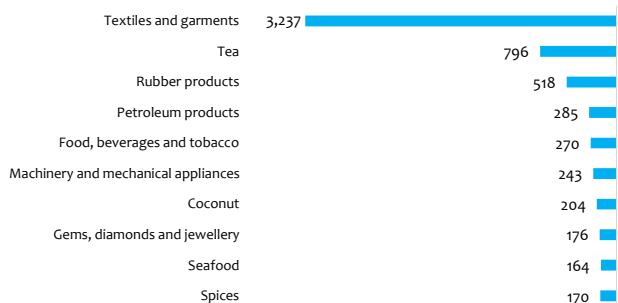


Export earnings increased by 2.8 per cent (year-on-year) during the first seven months of 2019 while import expenditure declined significantly by 14.3 per cent.

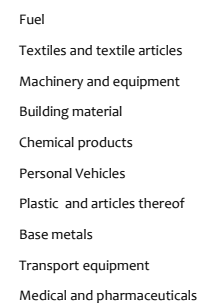
The deficit in the trade account expanded in July 2019 in comparison to July 2018. However, trade deficit during the first seven months of 2019 contracted significantly by US dollars 2,076 million when compared with the corresponding period of 2018.

## Major Export and Import Categories (Jan - Jul 2019)

### Exports (US\$ mn)

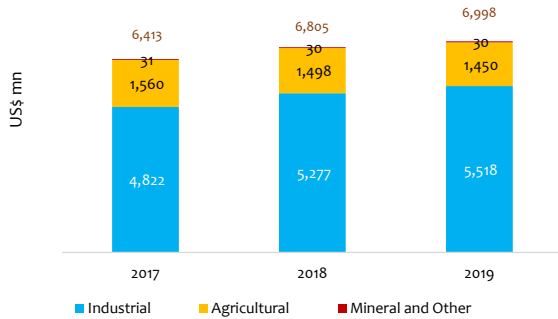


### Imports (US\$ mn)

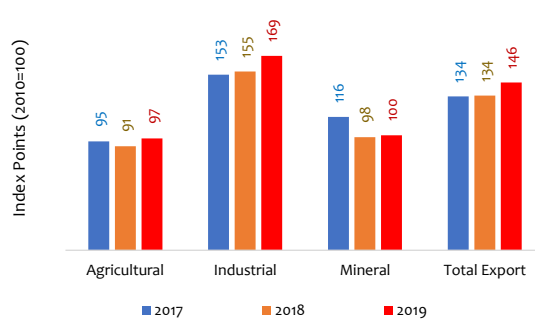


## Export Performance

Export Performance



Export Volume Index (Jan-Jul)

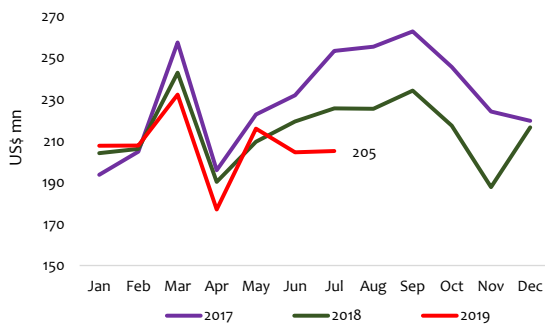


Earnings from exports increased during the first seven months of 2019 mainly due to the higher performance in industrial exports despite a decline registered in agricultural exports.

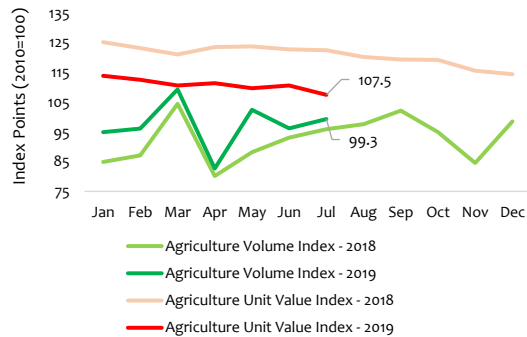
Export volume index increased during the first seven months of 2019 supported by all three major sectors.

## Agricultural Exports

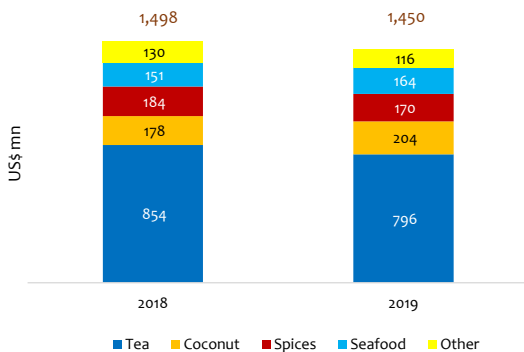
Agricultural Exports



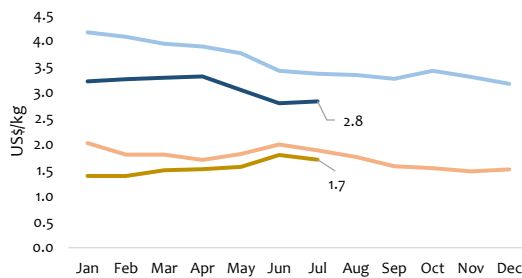
Agriculture Volume and Unit Value Indices



Performance of Agricultural Exports



Tea and Rubber Prices \*



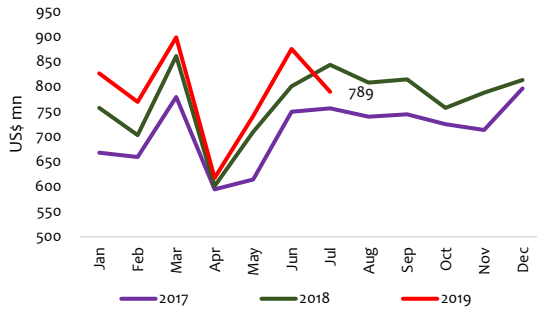
\*Based on Colombo auction prices

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

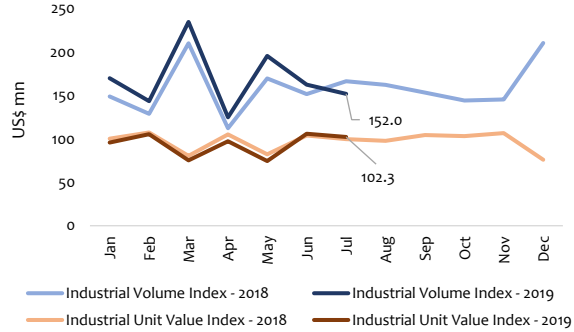
Export earnings from agricultural exports declined during the first seven months of 2019 due to poor performance observed in tea, rubber, spices and minor agricultural products exports. However, export earnings from coconut, vegetables and seafood increased during this period. Relatively lower prices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

## Industrial Exports

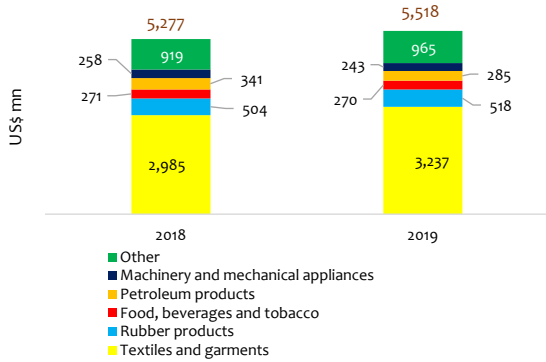
Industrial Exports



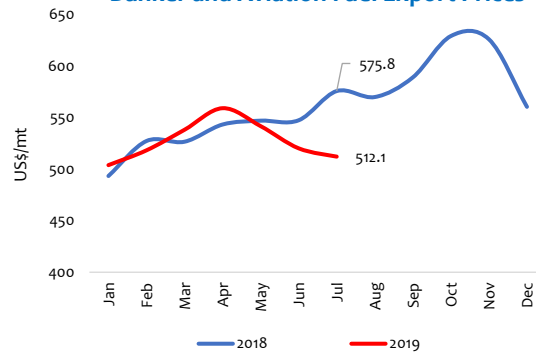
Industrial Volume and Value Indices



Performance of Industrial Exports



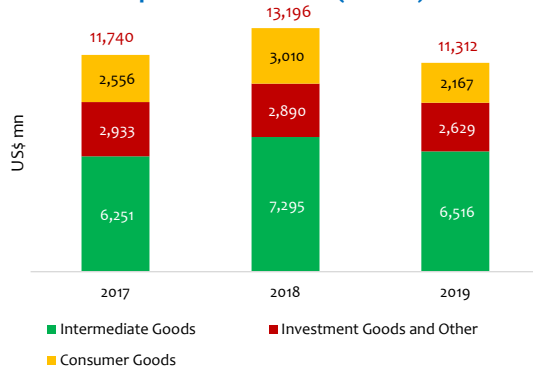
Bunker and Aviation Fuel Export Prices



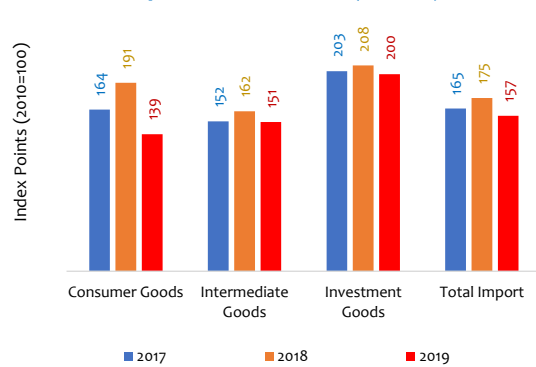
Export earnings from industrial exports increased during the first seven months of 2019 due to higher performance in textiles and garments, transport equipment, coconut and rubber product exports. However, export earnings from petroleum products decreased during this period due to lower demand with the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

## Import Performance

Import Performance (Jan-Jul)

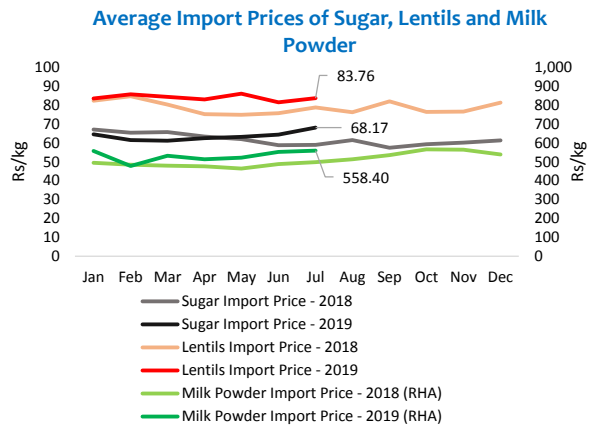
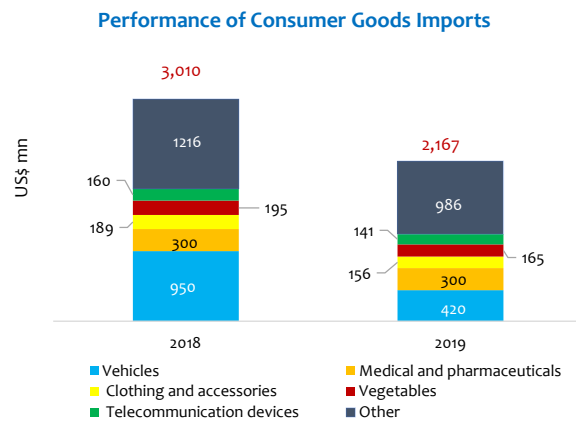
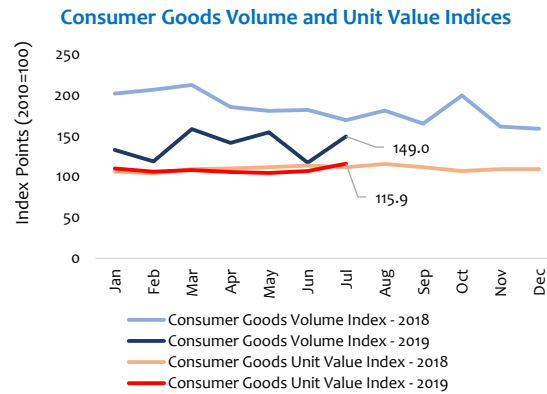
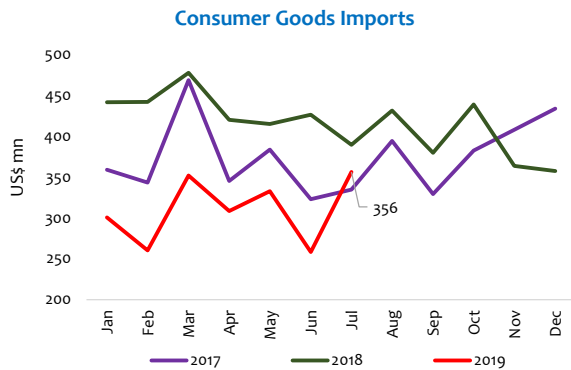


Import Volume Index (Jan-Jul)



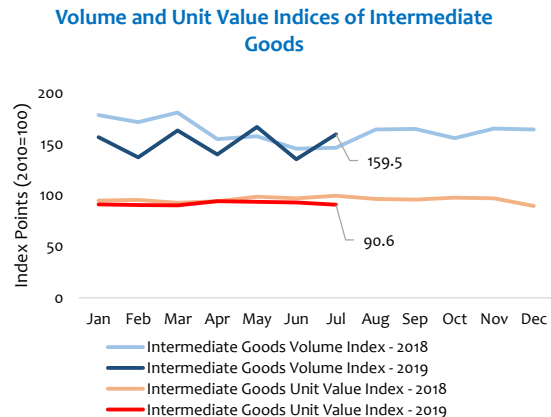
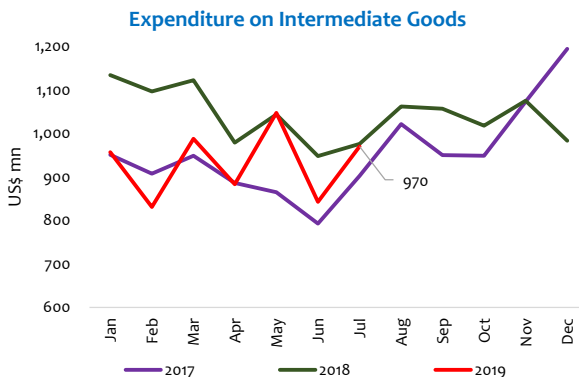
Expenditure on imports declined during the first seven months of 2019 due to the lower expenses incurred on all major categories of imports.

## Consumer Goods Imports

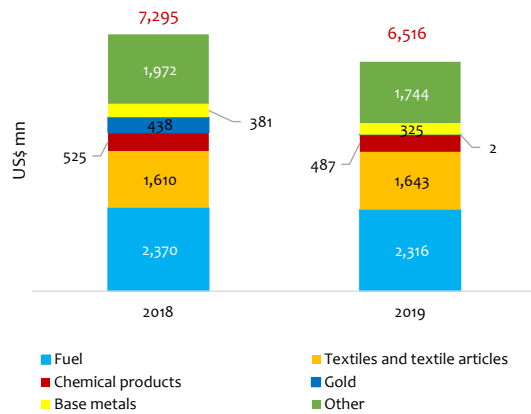


Import expenditure on consumer goods declined during the first seven months of 2019 due to lower imports of most of the categories particularly personal vehicles and food items such as vegetables, sugar, rice and dairy products. (In this chart rice, sugar and dairy products are included in other category).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

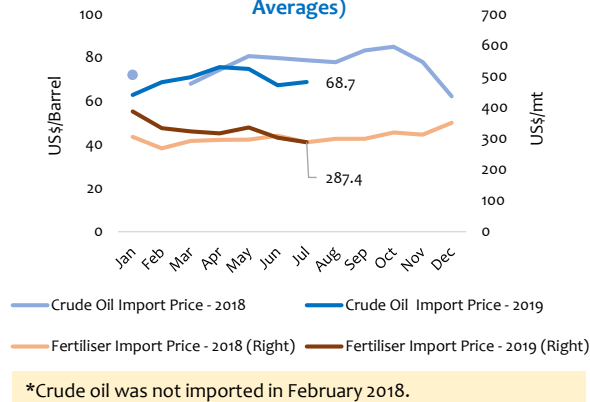
## Intermediate Goods Imports



Performance of Intermediate Goods Imports



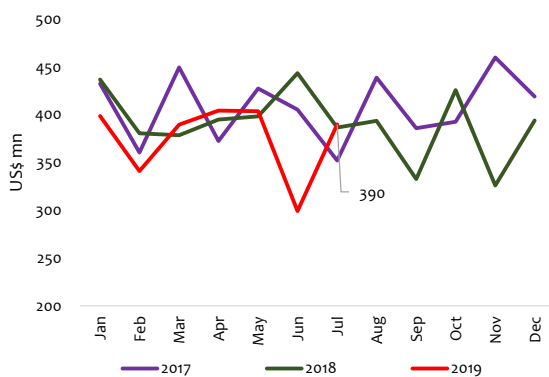
Crude Oil and Fertiliser Import Prices (Monthly Averages)



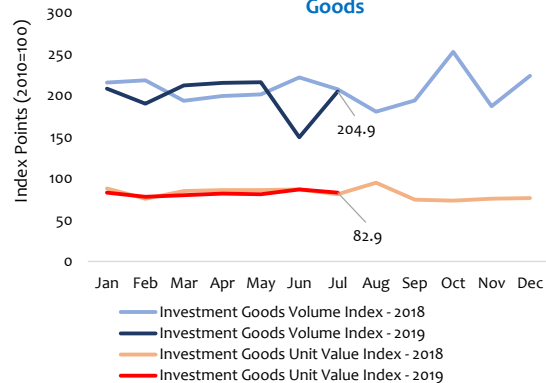
Import expenditure on intermediate goods declined during the first seven months of 2019 mainly due to the lower imports of gold, fuel and base metals. This decline was due to lower import prices of intermediate goods during the first seven months of 2019 in comparison to the corresponding period of 2018.

Investment Goods Imports

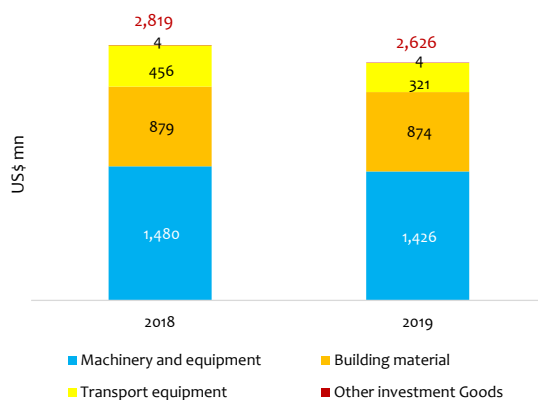
Expenditure on Investment Goods Imports



Volume and Unit Value Indices of Investment Goods



Performance of Investment Goods Imports



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

Considering the favourable developments in the external sector and measures introduced in Budget 2019, the policy measures which were introduced in August through November 2018 regarding vehicle and non-essential consumer good imports were withdrawn in March - April 2019.

## Summary of External Trade Statistics

## Export Performance (US\$ mn)

Item	Jul-18	Jul-19	Y-O-Y Change (%)	Jan - Jul 2018	Jan - Jul 2019	Y-O-Y Change (%)
<b>Agricultural Export</b>	<b>225.7</b>	<b>205.1</b>	<b>-9.1</b>	<b>1,498.0</b>	<b>1,450.2</b>	<b>-3.2</b>
o/w Tea	125.2	111.3	-11.1	854.2	796.3	-6.8
Coconut	28.2	30.9	9.6	178.3	204.1	14.5
Spices	34.3	26.5	-22.8	184.0	170.1	-7.6
Seafood	18.0	20.4	13.1	151.4	164.0	8.3
<b>Industrial Export</b>	<b>843.6</b>	<b>789.5</b>	<b>-6.4</b>	<b>5,277.3</b>	<b>5,518.1</b>	<b>4.6</b>
o/w Textiles and garments	465.6	475.6	2.1	2,984.6	3,237.0	8.5
Rubber products	77.4	76.3	-1.4	503.8	518.4	2.9
Petroleum products	68.8	43.0	-37.5	340.9	285.0	-16.4
Food, beverages and tobacco	38.8	36.7	-5.4	271.1	270.0	-0.4
Machinery and mechanical appliances	38.4	36.0	-6.3	258.3	242.5	-6.1
Gems, diamonds and jewellery	19.4	24.7	26.9	170.9	175.6	2.8
Leather, travel goods and footwear	13.1	6.3	-52.0	90.6	64.4	-29.0
<b>Mineral and Other Export</b>	<b>3.9</b>	<b>4.0</b>	<b>2.5</b>	<b>29.8</b>	<b>29.5</b>	<b>-0.8</b>
<b>Total Export</b>	<b>1,073.2</b>	<b>998.5</b>	<b>-7.0</b>	<b>6,805.0</b>	<b>6,997.7</b>	<b>2.8</b>

## Import Performance (US\$ mn)

Item	Jul-18	Jul-19	Y-O-Y Change (%)	Jan - Jul 2018	Jan - Jul 2019	Y-O-Y Change (%)
<b>Consumer goods</b>	<b>389.4</b>	<b>356.0</b>	<b>-8.6</b>	<b>3,010.1</b>	<b>2,167.1</b>	<b>-28.0</b>
<b>Food and beverages</b>	<b>112.5</b>	<b>109.3</b>	<b>-2.8</b>	<b>1,019.5</b>	<b>799.2</b>	<b>-21.6</b>
o/w Rice	0.4	1.0	177.9	100.5	7.0	-93.1
<b>Non-food consumer goods</b>	<b>276.9</b>	<b>246.8</b>	<b>-10.9</b>	<b>1,990.6</b>	<b>1,367.9</b>	<b>-31.3</b>
o/w Vehicles	137.0	95.4	-30.4	949.7	419.6	-55.8
<b>Intermediate goods</b>	<b>975.3</b>	<b>969.6</b>	<b>-0.6</b>	<b>7,295.2</b>	<b>6,516.0</b>	<b>-10.7</b>
o/w Fuel	276.6	314.7	13.8	2,370.2	2,315.6	-2.3
Gold	0.1	0.1	2.3	437.9	1.7	-99.6
Textiles and textile articles	249.6	248.6	-0.4	1,610.1	1,643.4	2.1
Fertiliser	17.6	12.0	-31.8	138.7	105.3	-24.1
Wheat and maize	19.0	35.1	84.4	212.1	178.5	-15.8
<b>Investment goods and other</b>	<b>389.8</b>	<b>390.3</b>	<b>0.1</b>	<b>2,890.2</b>	<b>2,628.9</b>	<b>-9.0</b>
o/w Machinery and equipment	216.4	193.5	-10.6	1,480.3	1,425.8	-3.7
<b>Total Import</b>	<b>1,754.5</b>	<b>1,715.9</b>	<b>-2.2</b>	<b>13,195.5</b>	<b>11,311.9</b>	<b>-14.3</b>

## Trade Balance (US\$ mn)

Item	Jul-18	Jul-19	Y-O-Y Change (%)	Jan - Jul 2018	Jan - Jul 2019	Y-O-Y Change (%)
<b>Trade Balance</b>	<b>-681.3</b>	<b>-717.4</b>	<b>-</b>	<b>-6,390.5</b>	<b>-4,314.2</b>	<b>-</b>

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

Item	Jul-18	Jul-19	Y-O-Y Change (%)	Jan - Jul 2018	Jan - Jul 2019	Y-O-Y Change (%)
<b>Export</b>						
Value index	149.4	139.0	-7.0	135.3	139.1	2.8
Volume index	143.7	134.4	-6.4	134.5	145.9	8.5
Unit value index	103.9	103.4	-0.5	100.6	95.3	-5.2
<b>Import</b>						
Value index	157.0	153.6	-2.2	168.7	144.6	-14.3
Volume index	161.8	165.3	2.2	175.3	157.3	-10.3
Unit value index	97.1	92.9	-4.3	96.2	91.9	-4.4
<b>Terms of Trade</b>	<b>107.1</b>	<b>111.3</b>	<b>3.9</b>	<b>104.6</b>	<b>103.7</b>	<b>-0.8</b>

(a) In US\$ terms