



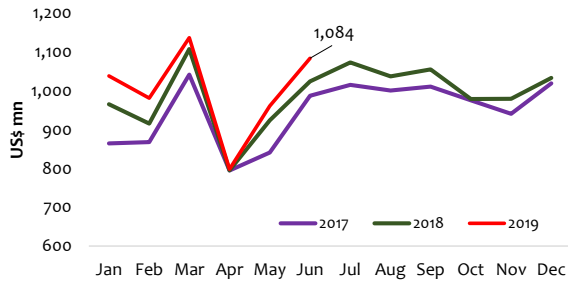
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

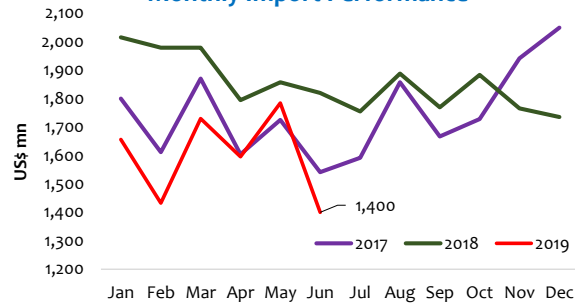
June 2019
VOLUME 01 ISSUE 02

Highlights

Monthly Export Performance



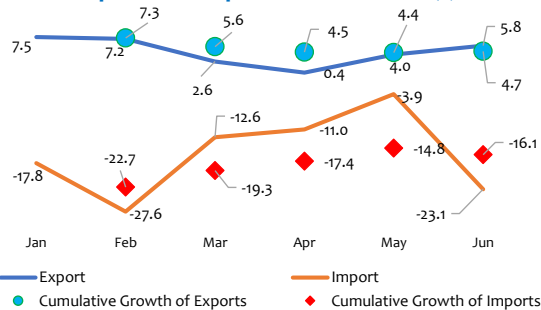
Monthly Import Performance



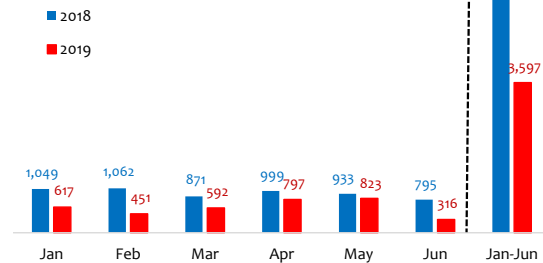
Earnings from merchandise exports increased by 5.8 per cent (year-on-year) to US dollars 1,084 million in June 2019.

Expenditure on merchandise imports decreased by 23.1 per cent (year-on-year) to US dollars 1,400 million in June 2019.

Export and Import Growth Rates (%)



Trade Deficit (US\$ Mn)

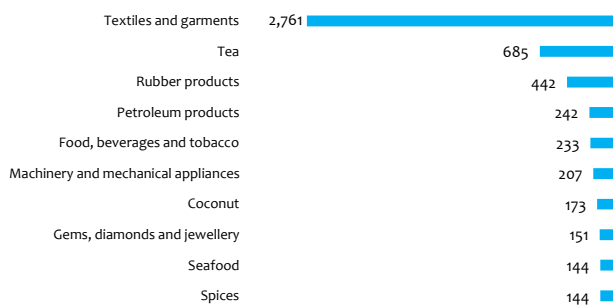


Export earnings increased by 4.7 per cent (year-on-year) during the first half of 2019 while import expenditure declined significantly by 16.1 per cent.

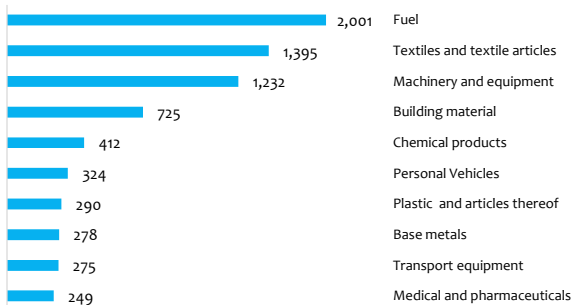
The deficit in the trade account contracted significantly in June 2019 in comparison to June 2018. Trade deficit during the first half of 2019 contracted significantly by US dollars 2,112 million when compared with the corresponding period of 2018.

Major Export and Import Categories (Jan - Jun 2019)

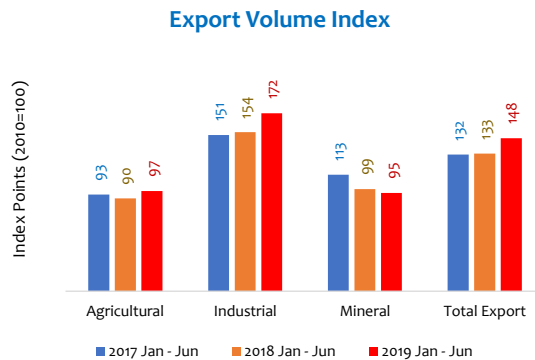
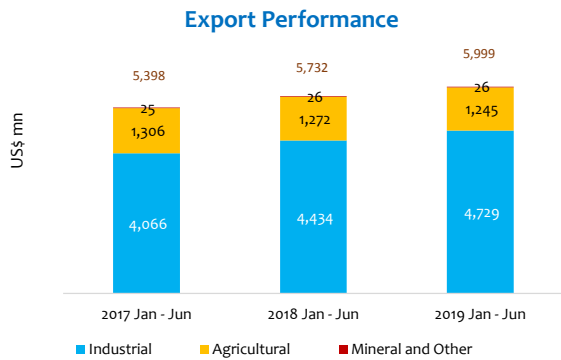
Exports (US\$ mn)



Imports (US\$ mn)

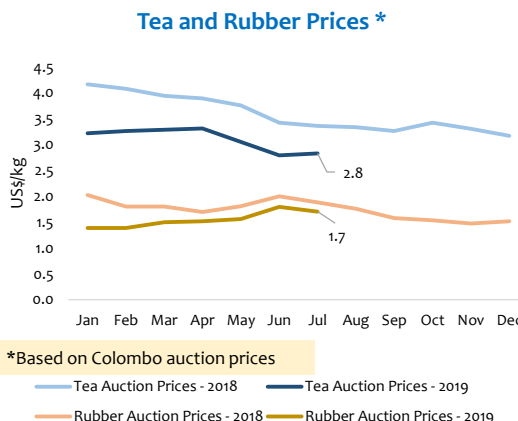
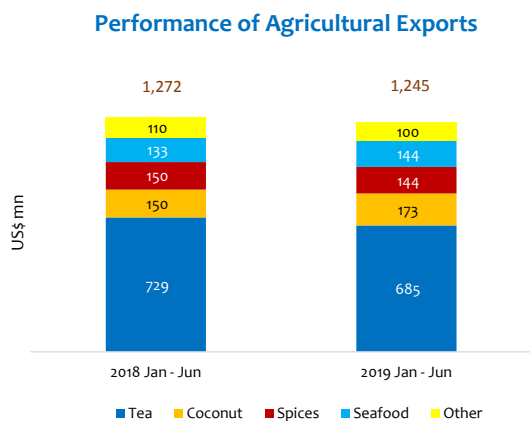
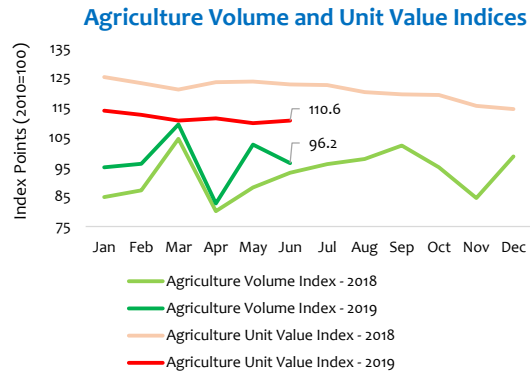
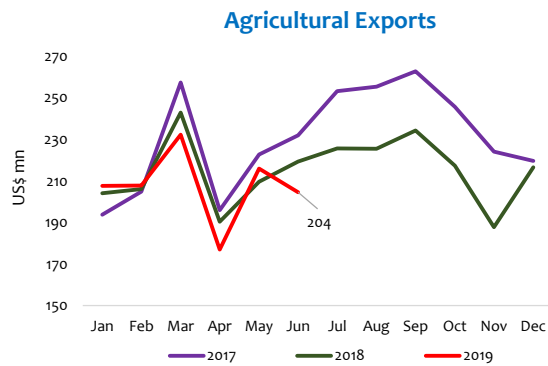


Export Performance



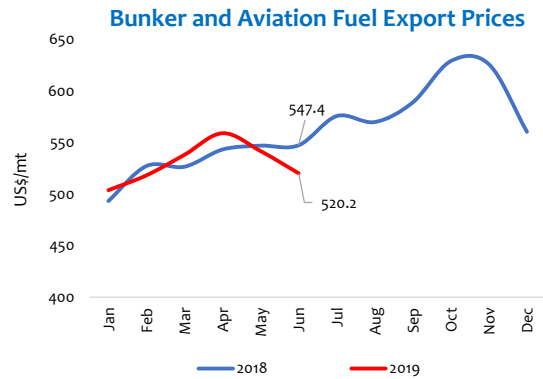
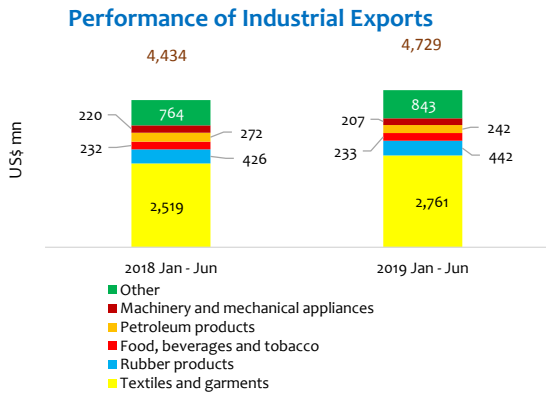
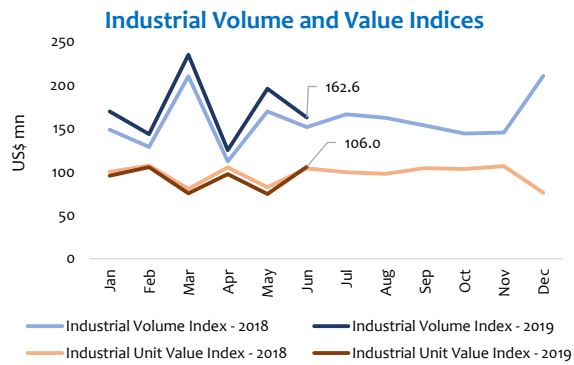
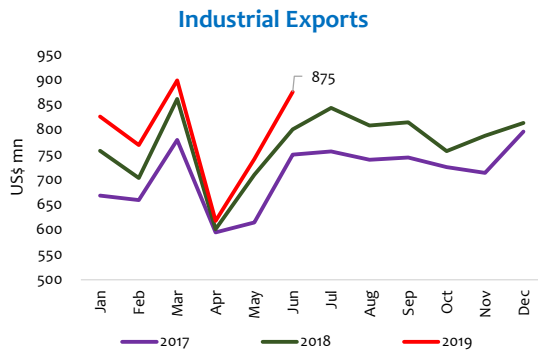
Earnings from exports increased during the first half of 2019 mainly due to the higher performance in industrial exports despite a decline registered in agricultural exports.

Agricultural Exports



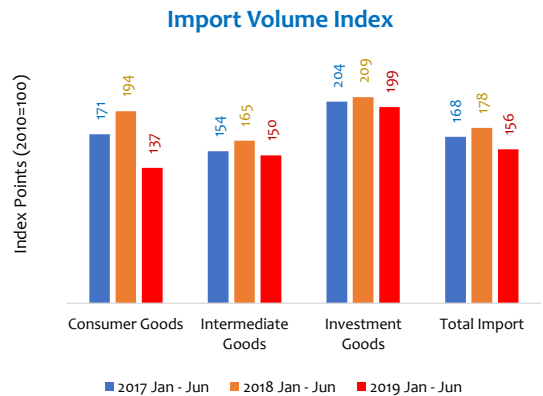
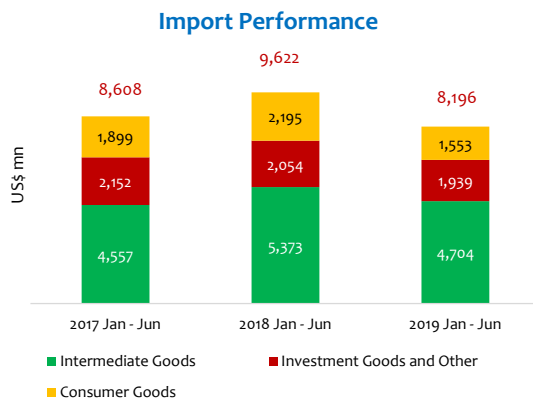
Export earnings from agricultural exports declined during the first half of 2019 due to poor performance observed in tea, rubber, spices and minor agricultural products exports. However, export earnings from coconut, vegetables and seafood increased during this period. Relatively lower prices in agricultural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

Industrial Exports



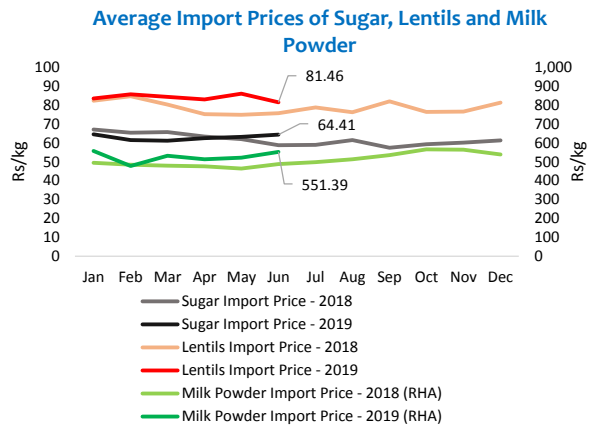
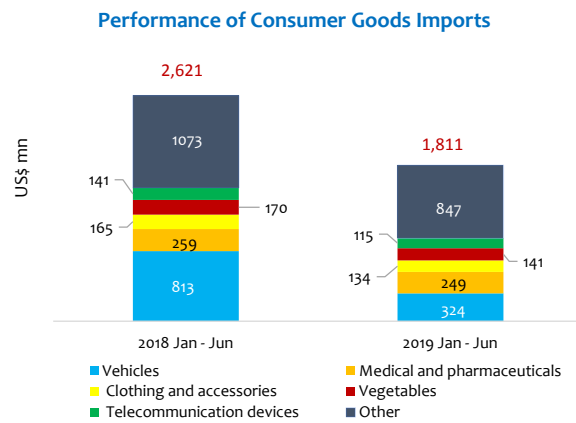
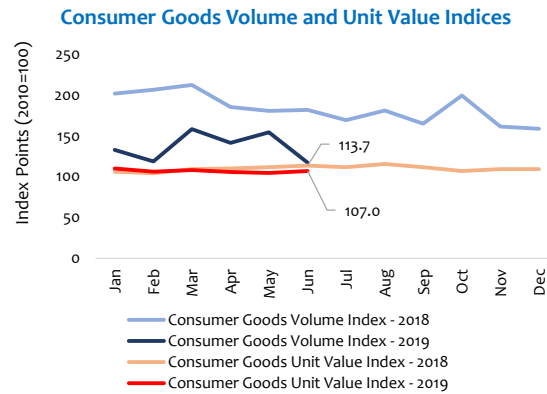
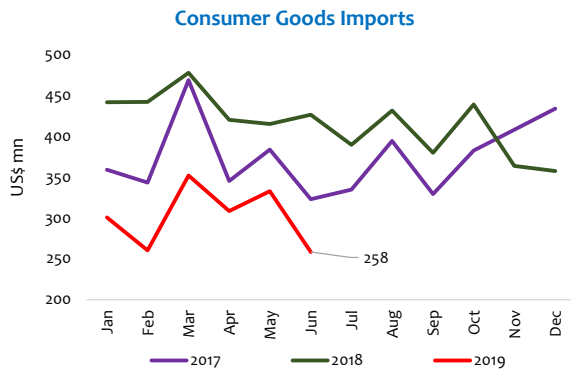
Export earnings from industrial exports increased during the first half of 2019 due to higher performance in textiles and garments, transport equipment and rubber product exports. However, export earnings from petroleum products decreased during this period due to lower demand with the competition from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

Import Performance



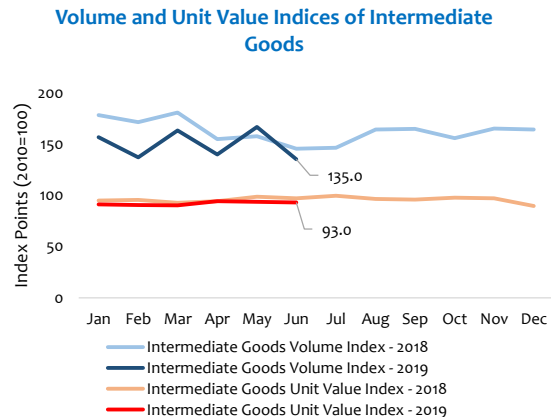
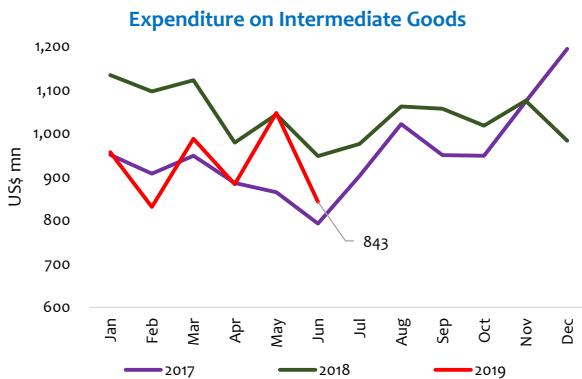
Expenditure on imports declined during the first half of 2019 due to the lower expenses incurred on all major categories of imports.

Consumer Goods Imports

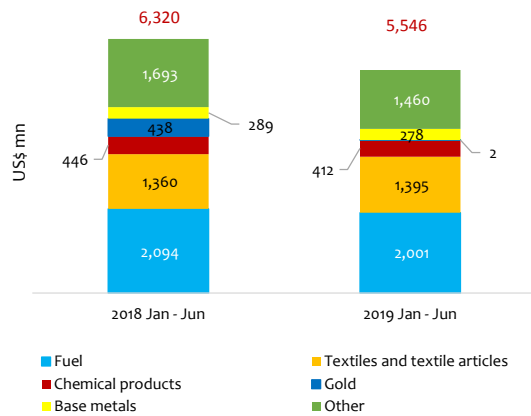


Import expenditure on consumer goods declined during the first half of 2019 due to lower imports of most of the categories particularly vehicles and food items such as vegetables, sugar, dairy products and vegetables (In this chart rice, sugar and dairy products are included in other category). In addition,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

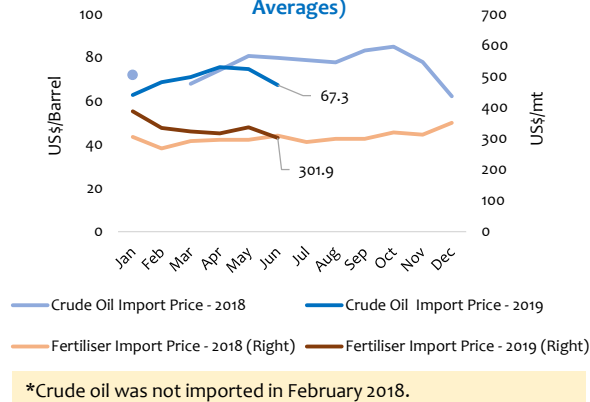
Intermediate Goods Imports



Performance of Intermediate Goods Imports



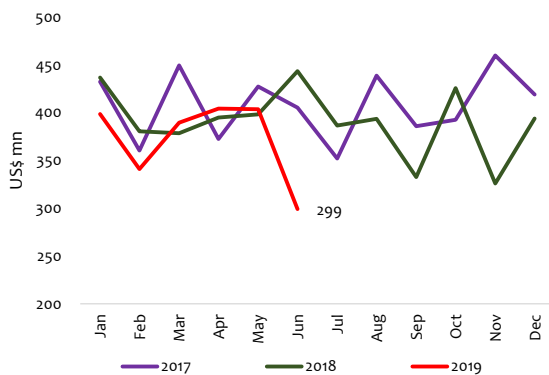
Crude Oil and Fertiliser Import Prices (Monthly Averages)



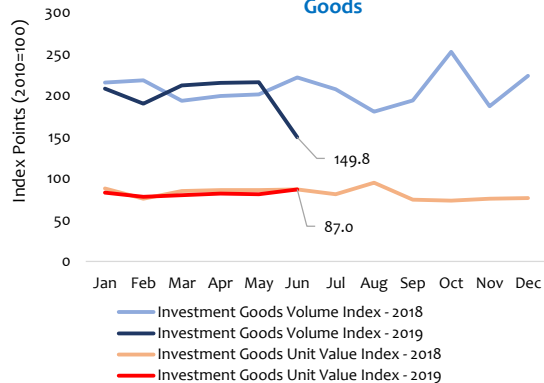
Import expenditure on intermediate goods declined during the first half of 2019 mainly due to the lower imports of gold, fuel, plastic and articles thereof and wheat and maize. This decline was due to lower imported volumes of intermediate goods during the first half of 2019 in comparison to the corresponding period of 2018.

Investment Goods Imports

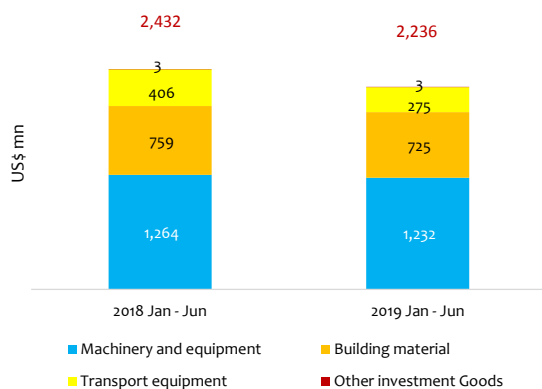
Expenditure on Investment Goods Imports



Volume and Unit Value Indices of Investment Goods



Performance of Investment Goods Imports



Import expenditure on investment goods declined during the first half of 2019 due to lower imports of all 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 2019.

Summary of External Trade Statistics

Export Performance (US\$ mn)

Item	Jun-18	Jun-19	Y-O-Y Change (%)	Jan - Jun 2018	Jan - Jun 2019	Y-O-Y Change (%)
Agricultural Export	219.4	204.5	-6.8	1,272.3	1,245.1	-2.1
o/w Tea	129.6	113.2	-12.7	728.9	684.9	-6.0
Coconut	25.0	29.3	17.1	150.1	173.2	15.4
Spices	27.7	24.5	-11.6	149.7	143.6	-4.1
Seafood	18.9	21.4	13.1	133.4	143.6	7.6
Industrial Export	800.7	875.4	9.3	4,433.7	4,728.6	6.7
o/w Textiles and garments	453.5	505.3	11.4	2,519.0	2,761.4	9.6
Rubber products	77.3	79.1	2.3	426.4	442.1	3.7
Petroleum products	52.7	35.6	-32.6	272.0	241.9	-11.1
Food beverages and tobacco	38.7	31.0	-19.9	232.3	233.4	0.5
Machinery and mechanical appliances	45.0	34.4	-23.6	219.9	206.5	-6.1
Gems, diamonds and jewellery	21.7	19.9	-8.3	151.4	151.0	-0.3
Leather, travel goods and footwear	12.5	8.9	-28.6	77.5	58.1	-25.1
Mineral and Other Export	4.2	4.1	-4.3	25.9	25.5	-1.3
Total Export	1,024.4	1,084.0	5.8	5,731.9	5,999.2	4.7

Import Performance (US\$ mn)

Item	Jun-18	Jun-19	Y-O-Y Change (%)	Jan - Jun 2018	Jan - Jun 2019	Y-O-Y Change (%)
Consumer goods	425.9	258.1	-39.4	2,620.7	1,811.0	-30.9
Food and beverages	125.8	97.7	-22.4	907.1	689.9	-23.9
o/w Rice	0.5	0.5	0.6	100.1	5.9	-94.1
Non-food consumer goods	300.1	160.5	-46.5	1,713.7	1,121.1	-34.6
o/w Vehicles	146.8	48.1	-67.2	812.7	324.2	-60.1
Intermediate goods	947.4	842.6	-11.1	6,319.9	5,546.4	-12.2
o/w Fuel	342.7	284.5	-17.0	2,093.6	2,001.0	-4.4
Gold	0.4	0.1	-72.9	437.8	1.6	-99.6
Textiles and textile articles	230.9	226.6	-1.9	1,360.5	1,394.8	2.5
Fertiliser	20.6	8.2	-60.4	121.2	93.4	-22.9
Wheat and Maize	18.1	32.7	80.7	193.0	143.4	-25.7
Investment goods and other	446.2	299.2	-32.9	2,500.4	2,238.6	-10.5
o/w Machinery and equipment	195.6	176.8	-9.6	1,263.9	1,232.4	-2.5
Total Import	1,819.5	1,399.8	-23.1	11,441.1	9,596.0	-16.1

Trade Balance (US\$ mn)

Item	Jun-18	Jun-19	Y-O-Y Change (%)	Jan - Jun 2018	Jan - Jun 2019	Y-O-Y Change (%)
Trade Balance	-795.1	-315.9	-	-5,709.2	-3,596.8	-

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

Item	Jun-18	Jun-19	Y-O-Y Change (%)	Jan - Jun 2018	Jan - Jun 2019	Y-O-Y Change (%)
Export						
Value index	142.6	150.9	5.8	133.0	139.2	4.7
Volume index	132.4	141.0	6.4	133.0	147.8	11.2
Unit value index	107.6	107.0	-0.6	100.0	94.1	-5.9
Import						
Value index	162.8	125.3	-23.1	170.7	143.1	-16.1
Volume index	166.5	133.4	-19.8	177.6	156.0	-12.2
Unit value index	97.8	93.9	-4.0	96.1	91.8	-4.5
Terms of Trade	110.0	114.0	3.6	104.1	102.6	-1.5

(a) In US\$ terms