

Money, Credit and Interest Rate Developments

April 2023

Economic Research Department

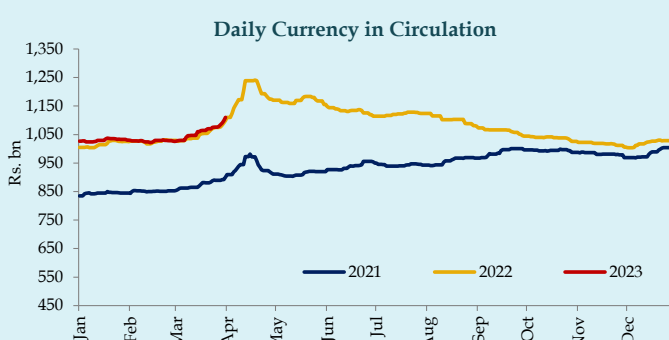
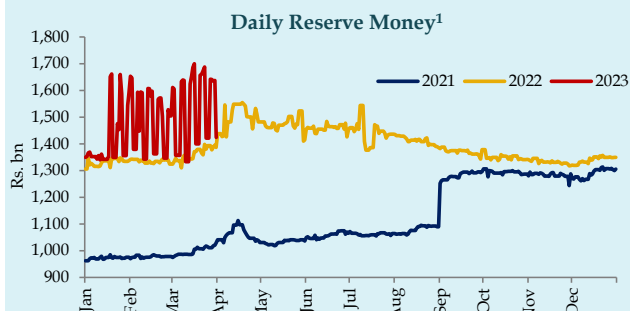
Central Bank of Sri Lanka

Volume 04 Issue 04



Money and Credit Aggregates*

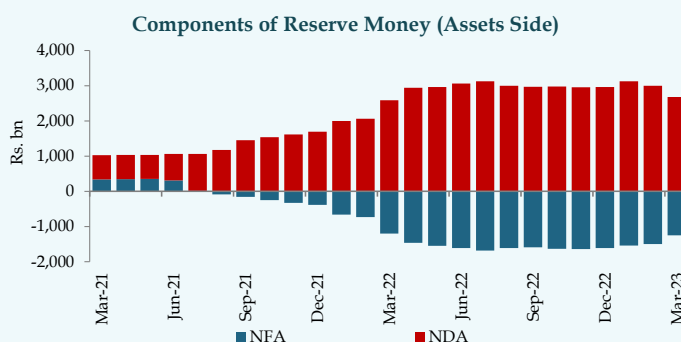
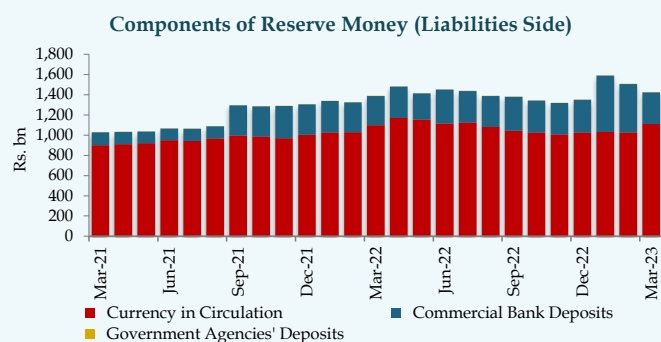
Reserve Money**



¹ Increased volatility in daily Reserve Money since Jan 2023 reflects the impact of measures implemented to restrict access to standing facilities of the Central Bank by LCBs

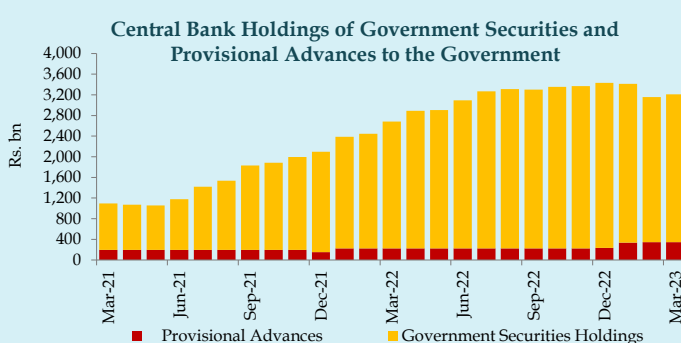
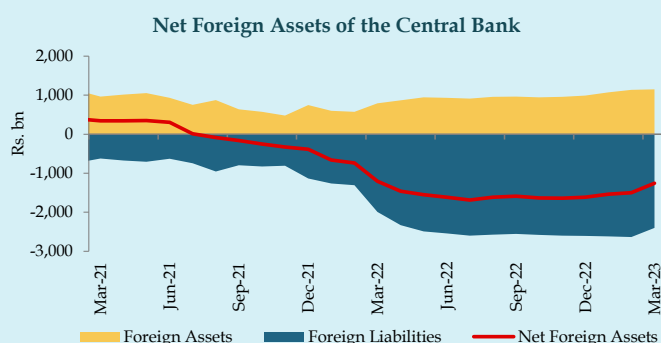
Reserve Money	Mar-23	Feb-23
Year-on-Year growth (%):	2.7	13.6
Monthly Change (Rs. bn):	(80.5)	(85.0)

Currency in Circulation	Mar-23	Feb-23
Year-on-Year growth (%):	1.0	(0.3)
Monthly Change (Rs. bn):	83.8	(3.9)



Commercial Bank Deposits	Mar-23	Feb-23
Year-on-Year growth (%):	9.3	62.4
Monthly Change (Rs. bn):	(164.3)	(81.1)

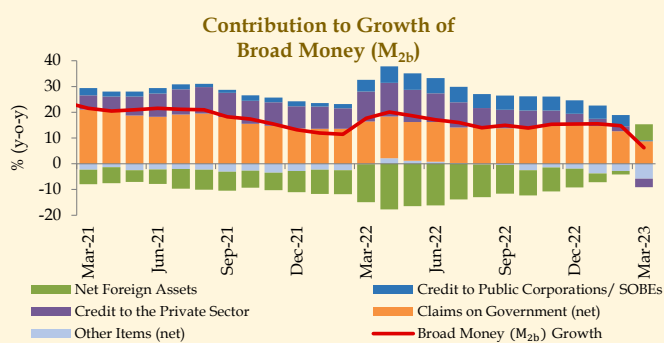
Net Domestic Assets (NDA)	Mar-23	Feb-23
Year-on-Year growth (%):	3.4	45.8
Monthly Change (Rs. bn):	(322.5)	(128.7)



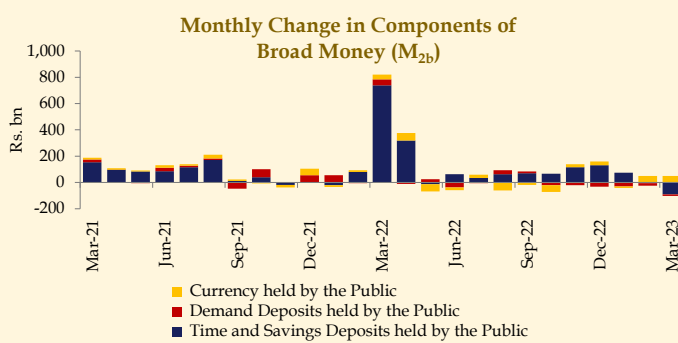
Net Foreign Assets (NFA)	Mar-23	Feb-23
Year-on-Year growth (%):	(4.2)	(103.7)
Monthly Change (Rs. bn):	242.0	43.7

Net Claims on Government	Mar-23	Feb-23
Year-on-Year growth (%):	19.6	29.2
Monthly Change (Rs. bn):	54.2	(254.4)

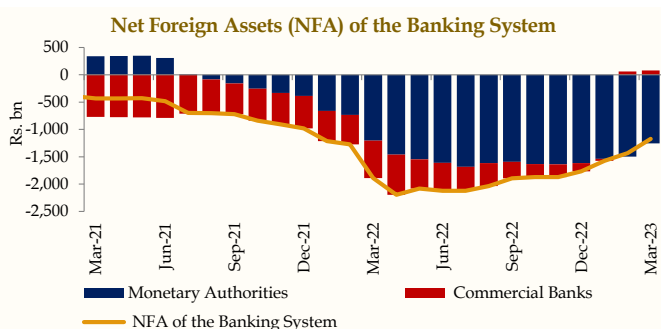
Broad Money M_{2b} - (Monetary Survey)**



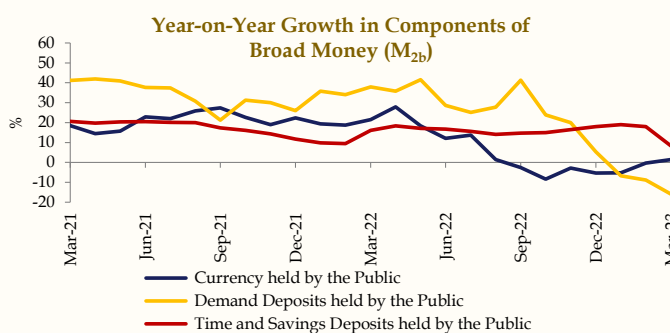
Broad Money (M_{2b})	Mar-23	Feb-23
Year-on-Year growth (%):	6.2	14.8
Monthly Change (Rs. bn):	(52.5)	23.3



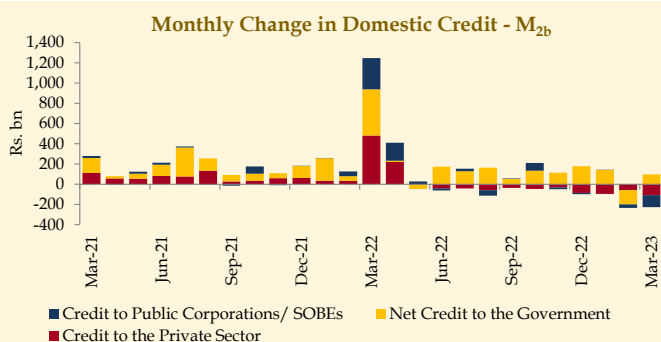
Narrow Money (M_1)	Mar-23	Feb-23
Year-on-Year growth (%):	(7.0)	(4.5)
Monthly Change (Rs. bn):	38.6	28.0



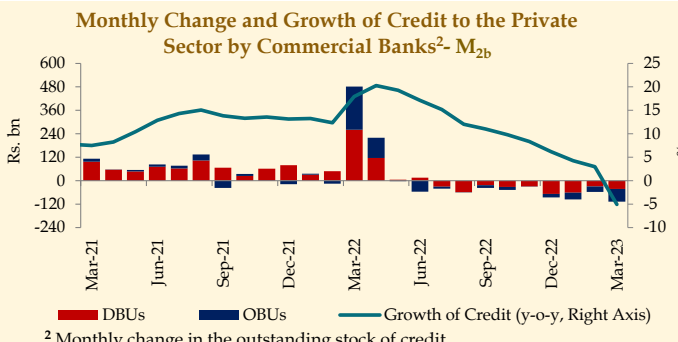
Net Foreign Assets (NFA)	Mar-23	Feb-23
Year-on-Year growth (%):	37.9	(12.5)
Monthly Change (Rs. bn):	260.7	138.3



Time and Savings Deposits	Mar-23	Feb-23
Year-on-Year growth (%):	8.3	17.9
Monthly Change (Rs. bn):	(91.1)	(4.6)

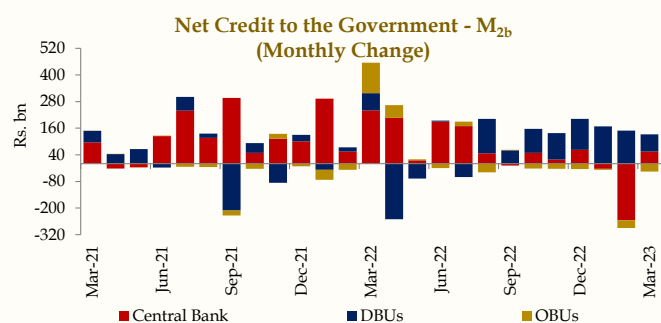


Net Domestic Assets (NDA)	Mar-23	Feb-23
Year-on-Year growth (%):	0.0	14.5
Monthly Change (Rs. bn):	(313.2)	(114.9)

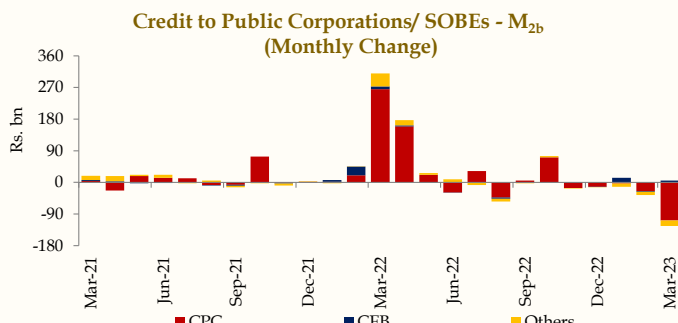


² Monthly change in the outstanding stock of credit

Credit to the Private Sector	Mar-23	Feb-23
Year-on-Year growth (%):	(5.1)	3.0
Monthly Change (Rs. bn):	(107.6)	(57.6)

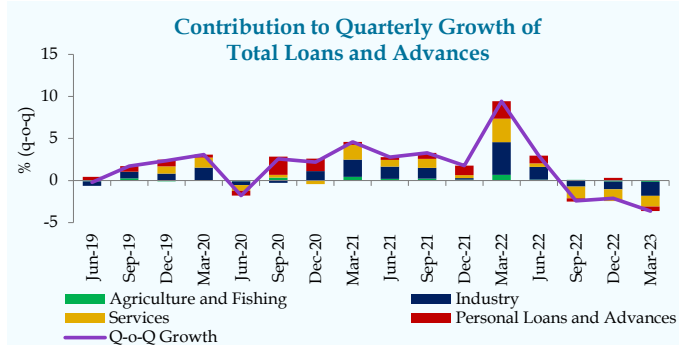
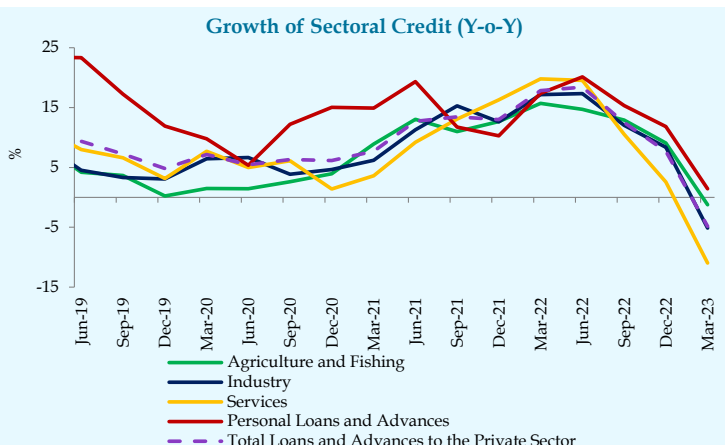
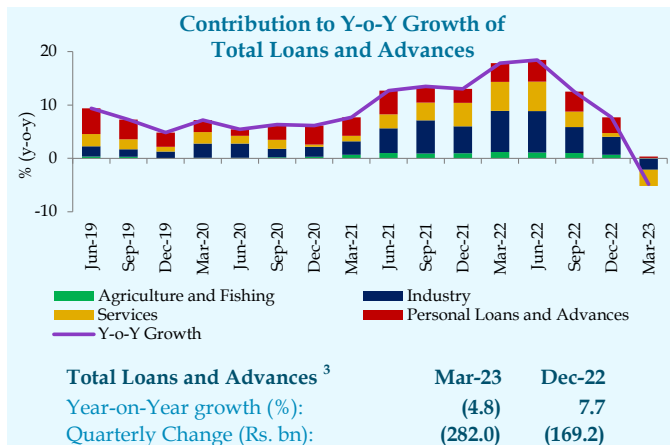


Net Credit to the Government	Mar-23	Feb-23
Year-on-Year growth (%):	15.4	22.5
Monthly Change (Rs. bn):	97.2	(140.7)



Credit to Public Corporations/SOBEs	Mar-23	Feb-23
Year-on-Year growth (%):	2.9	38.3
Monthly Change (Rs. bn):	(118.9)	(35.9)

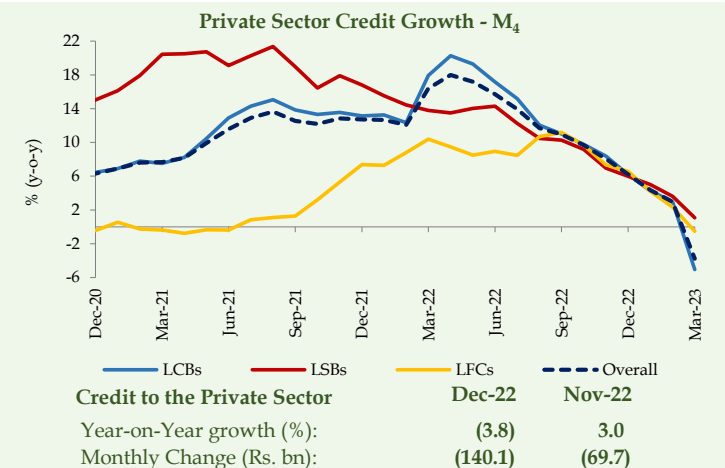
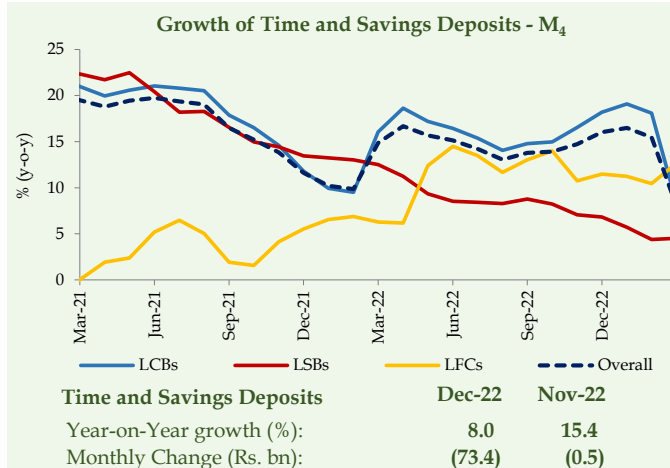
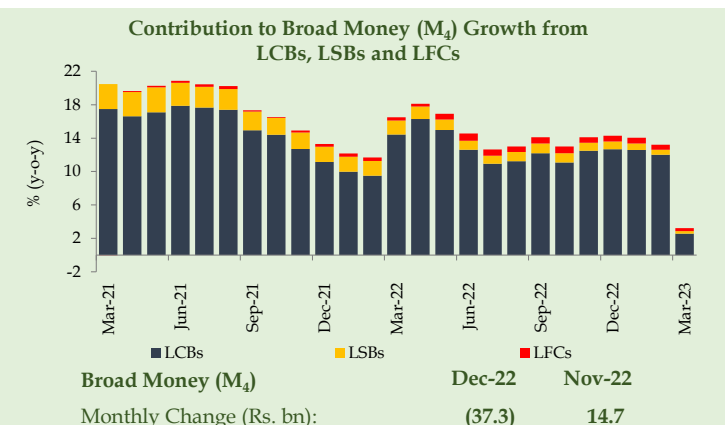
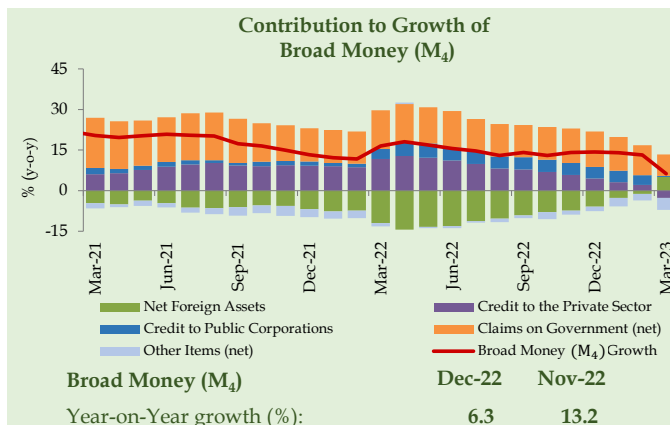
Sectoral Distribution of Loans and Advances - (Quarterly Survey)**



	Mar-23	Dec-22
Agriculture and Fishing		
Year-on-Year growth (%):	(1.2)	9.1
Quarterly Change (Rs. bn):	(10.9)	(12.2)
Industry		
Year-on-Year growth (%):	(5.1)	8.4
Quarterly Change (Rs. bn):	(131.3)	(85.5)
Services		
Year-on-Year growth (%):	(11.0)	2.6
Quarterly Change (Rs. bn):	(97.2)	(101.3)
Personal Loans and Advances		
Year-on-Year growth (%):	1.4	11.8
Quarterly Change (Rs. bn):	(42.6)	29.8

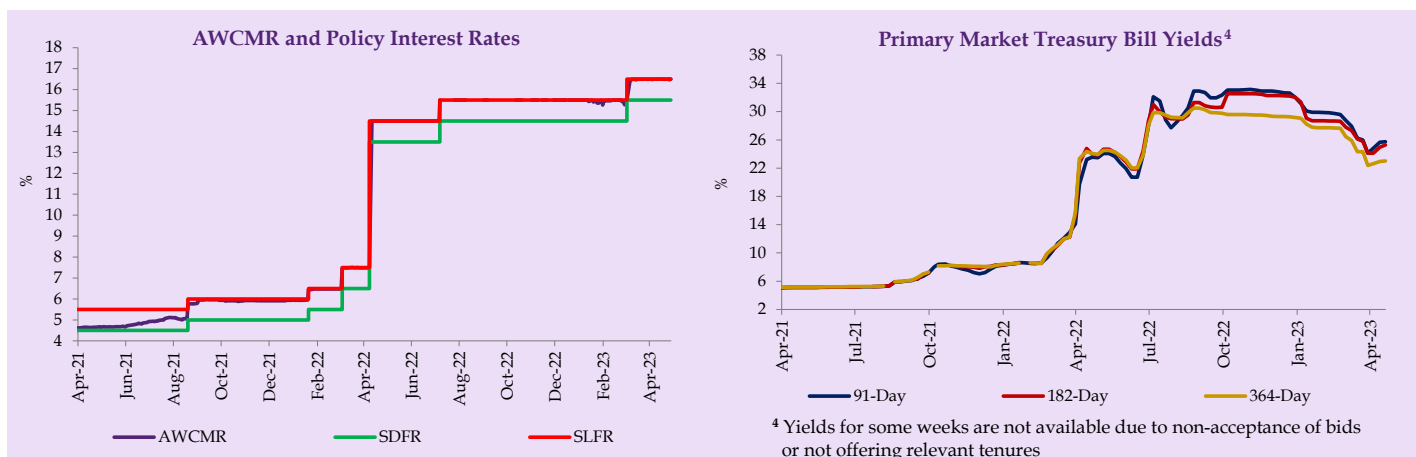
³ Total credit to the private sector as per the Quarterly Survey differs from that in the monthly Monetary Survey due to differences in the compilation methodologies.

Broad Money M₄ - (Financial Survey)**



Interest Rates

Money Market Rates***

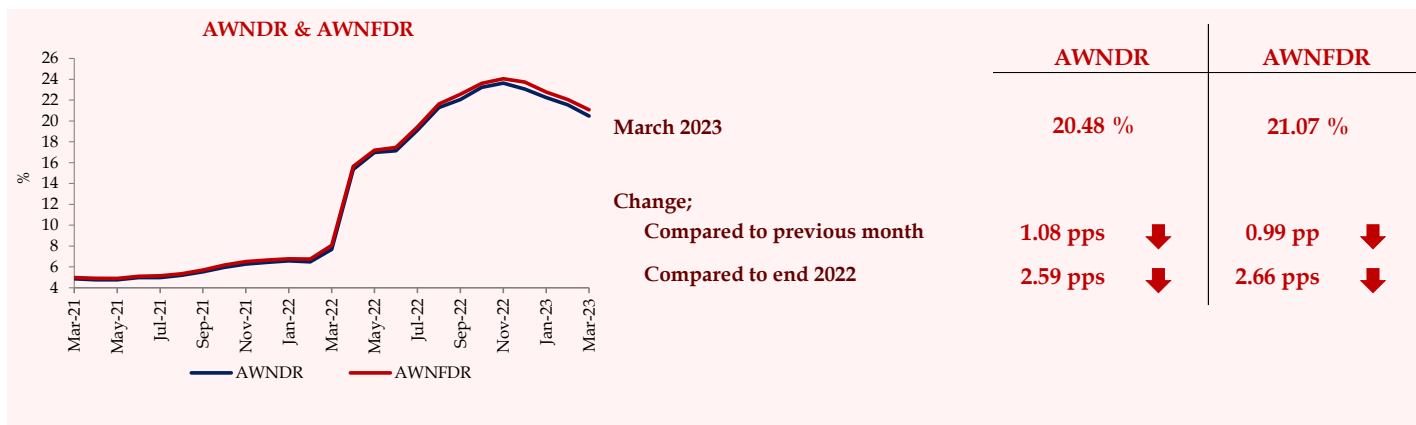
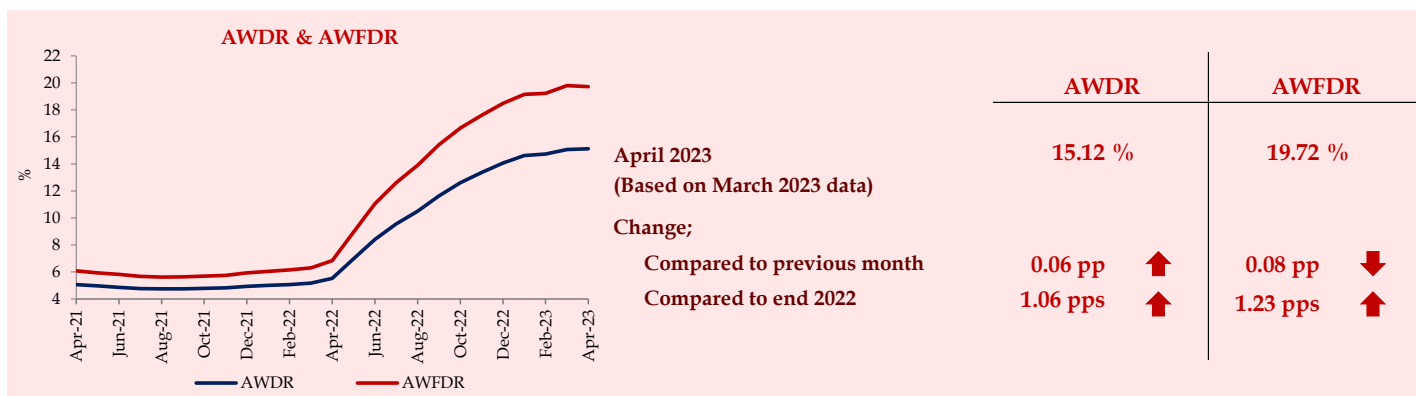


End April 2023

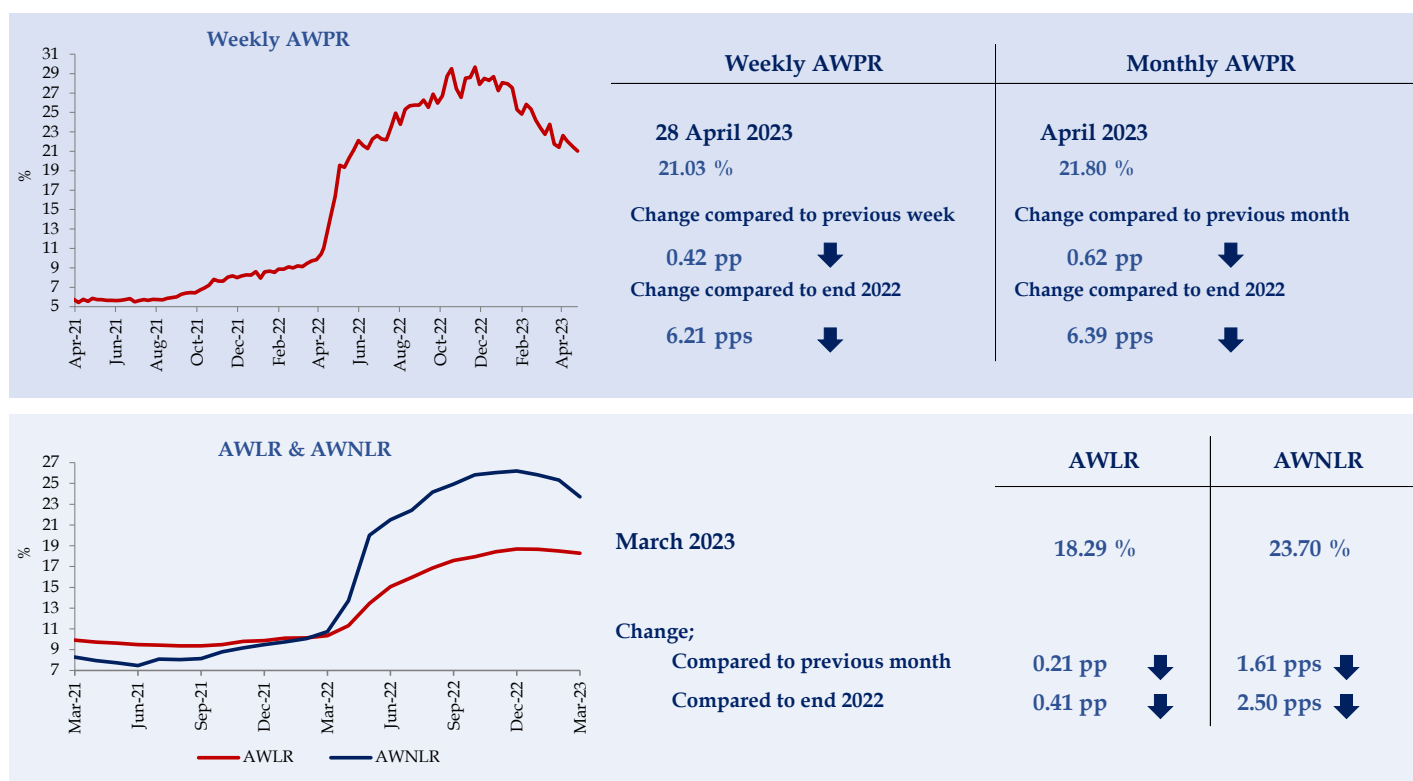
AWCMR 16.50 %
 Change compared to end of the previous month
 0.01 pp ↑
 Change compared to end 2022
 1.00 pp ↑

	26 Apr 2022 (%)	Change (Compared to previous month) in pps	Change (Compared to end 2022) in pps
91-Day	25.74	-0.25	-6.90
182-Day	25.27	-0.52	-6.93
364-Day	23.00	-1.31	-6.27

Deposit Rates***



Lending Rates***



* Provisional

** The significant depreciation of the Sri Lanka rupee against the US dollar during March-May 2022 mainly contributed to the notable expansion of monetary and credit aggregates during that period, while the appreciation of the Sri Lanka rupee against the US dollar during March 2023 mainly contributed to the moderation of monetary and credit aggregates during this period.

*** Acronyms

SDFR	Standing Deposit Facility Rate	AWNDR	Average Weighted New Deposit Rate
SLFR	Standing Lending Facility Rate	AWNDR	Average Weighted New Deposit Rate
AWCMR	Average Weighted Call Money Rate	AWNDR	Average Weighted New Deposit Rate
AWDR	Average Weighted Deposit Rate	AWNDR	Average Weighted New Deposit Rate
AWFDR	Average Weighted Fixed Deposit Rate	AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate
		AWNDR	Average Weighted New Deposit Rate