

Money, Credit and Interest Rate Developments

August 2021

Economic Research Department

Central Bank of Sri Lanka

Volume 02 Issue 08

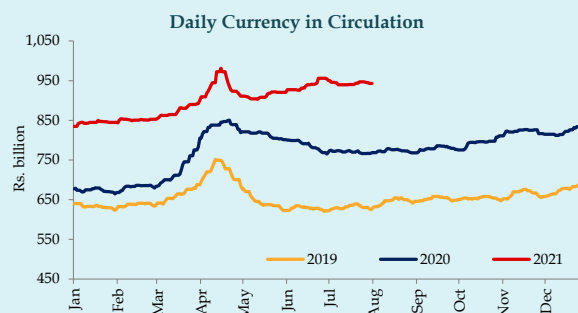


Money and Credit Aggregates*

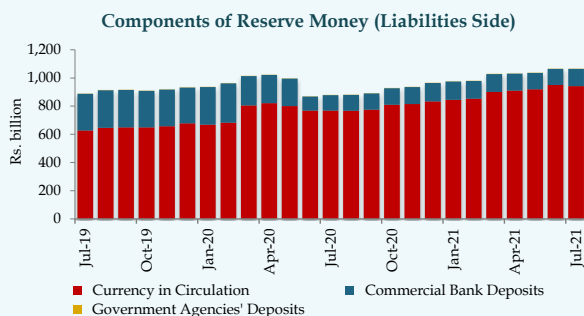
Reserve Money



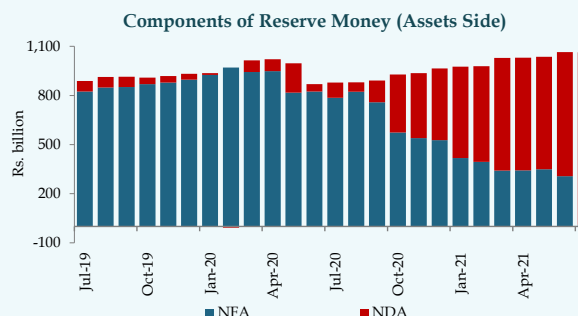
Reserve Money	Jul-21	Jun-21
Year-on-Year growth (%):	21.1	22.6
Monthly Change (Rs. bn):	(1.2)	29.1



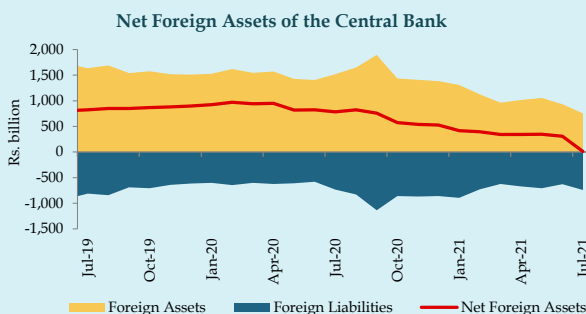
Currency in Circulation	Jul-21	Jun-21
Year-on-Year growth (%):	22.7	23.6
Monthly Change (Rs. bn):	(7.3)	29.7



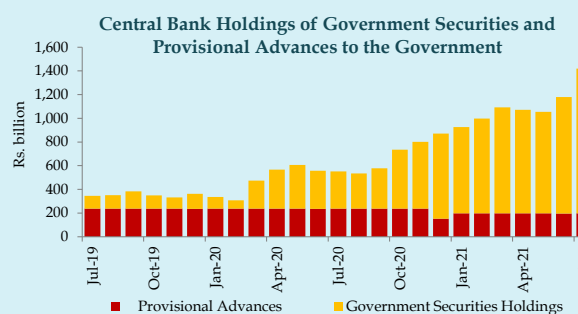
Commercial Bank Deposits	Jul-21	Jun-21
Year-on-Year growth (%):	9.7	15.1
Monthly Change (Rs. bn):	6.1	(0.7)



Net Domestic Assets (NDA)	Jul-21	Jun-21
Year-on-Year growth (%):	1,025.3	1,611.6
Monthly Change (Rs. bn):	295.1	71.6



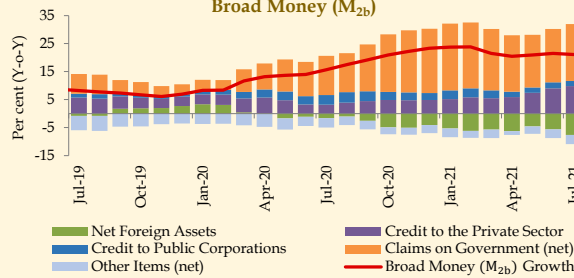
Net Foreign Assets (NFA)	Jul-21	Jun-21
Year-on-Year growth (%):	(98.7)	(62.8)
Monthly Change (Rs. bn):	(296.3)	(42.5)



Net Claims on Government	Jul-21	Jun-21
Year-on-Year growth (%):	157.8	111.8
Monthly Change (Rs. bn):	239.1	124.2

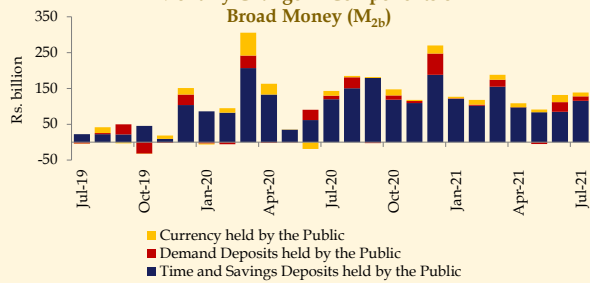
Broad Money M_{2b} - (Monetary Survey)

Contribution to Growth of Broad Money (M_{2b})



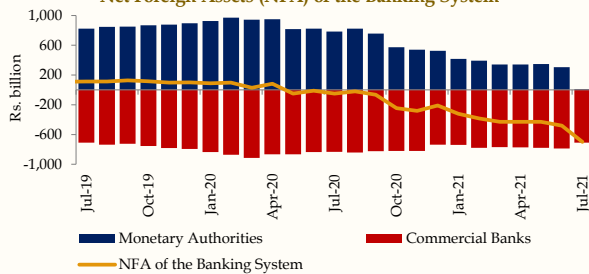
Broad Money (M _{2b})	Jul-21	Jun-21
Year-on-Year growth (%):	21.1	21.5
Monthly Change (Rs. bn):	138.8	131.8

Monthly Change in Components of Broad Money (M_{2b})



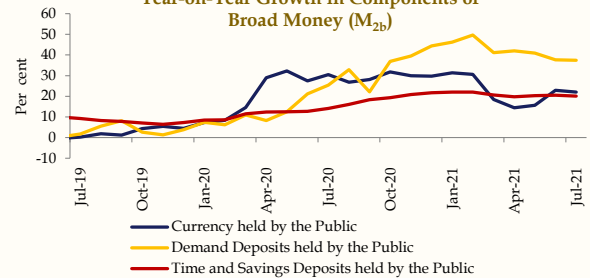
Narrow Money (M ₁)	Jul-21	Jun-21
Year-on-Year growth (%):	28.5	29.1
Monthly Change (Rs. bn):	23.6	46.8

Net Foreign Assets (NFA) of the Banking System



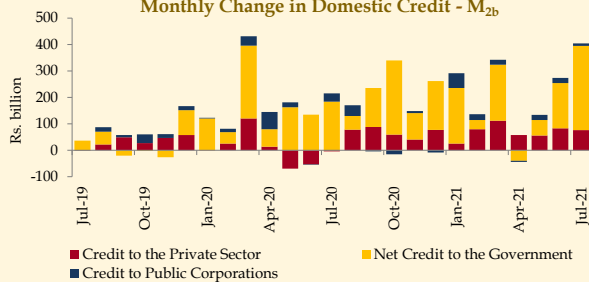
Net Foreign Assets (NFA)	Jul-21	Jun-21
Year-on-Year growth (%):	(1,330.2)	(4,012.3)
Monthly Change (Rs. bn):	(218.0)	(52.5)

Year-on-Year Growth in Components of Broad Money (M_{2b})



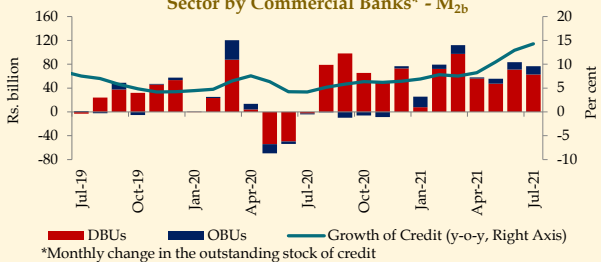
Time and Savings Deposits	Jul-21	Jun-21
Year-on-Year growth (%):	20.1	20.5
Monthly Change (Rs. bn):	115.2	85.0

Monthly Change in Domestic Credit - M_{2b}



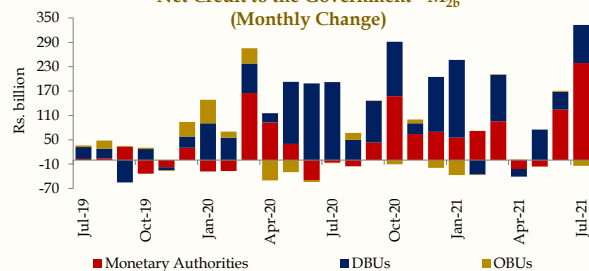
Net Domestic Assets (NDA)	Jul-21	Jun-21
Year-on-Year growth (%):	28.6	27.1
Monthly Change (Rs. bn):	356.9	184.2

Monthly Change and Growth of Credit to the Private Sector by Commercial Banks* - M_{2b}



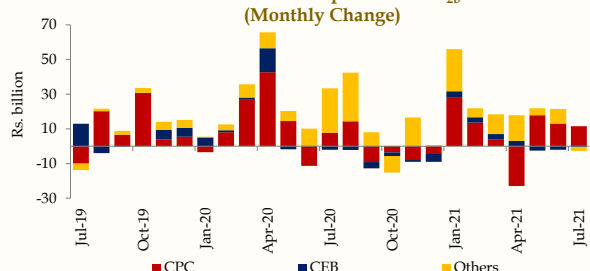
Credit to the Private Sector	Jul-21	Jun-21
Year-on-Year growth (%):	14.3	12.9
Monthly Change (Rs. bn):	76.6	83.4

Net Credit to the Government - M_{2b} (Monthly Change)



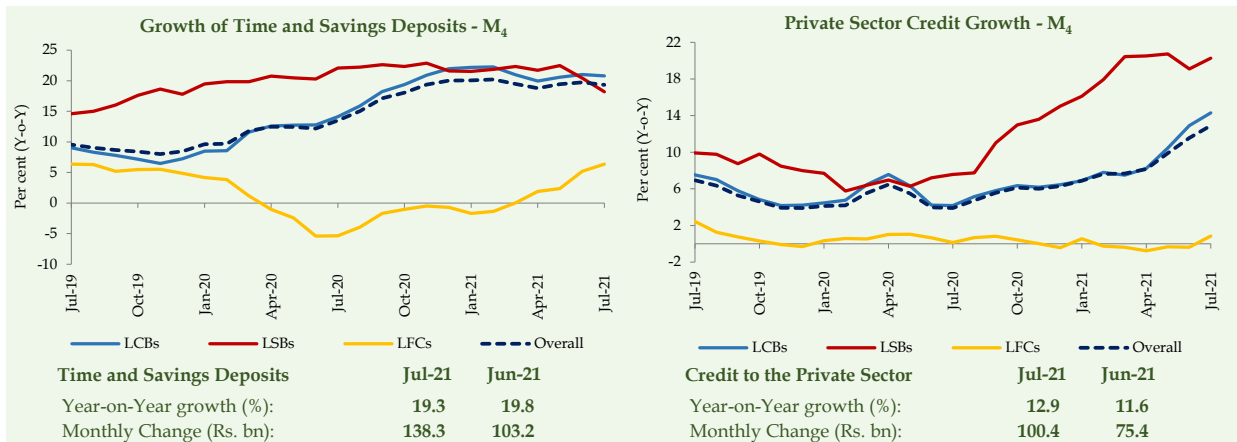
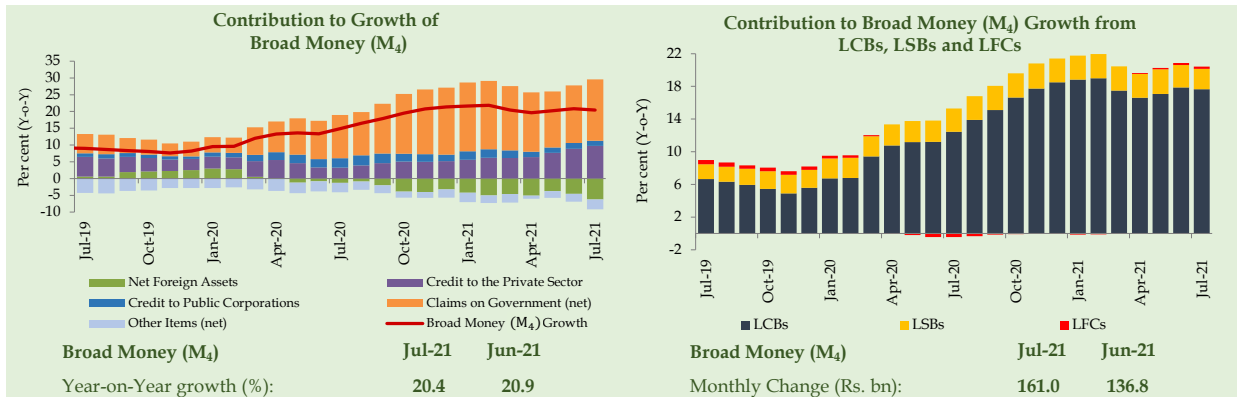
Net Credit to the Government	Jul-21	Jun-21
Year-on-Year growth (%):	45.7	44.3
Monthly Change (Rs. bn):	318.8	170.6

Credit to Public Corporations - M_{2b} (Monthly Change)



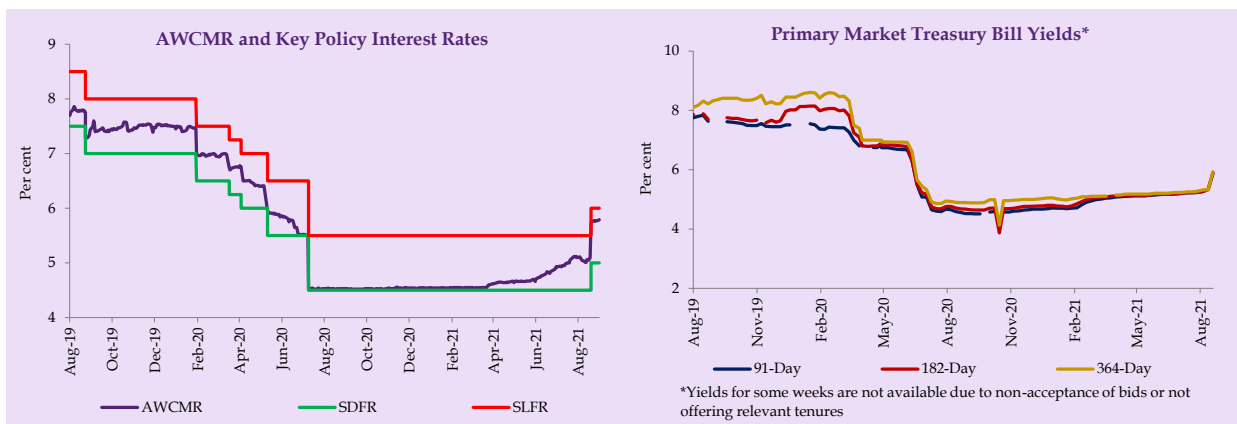
Credit to Public Corporations	Jul-21	Jun-21
Year-on-Year growth (%):	16.1	19.0
Monthly Change (Rs. bn):	8.8	19.4

Broad Money M₄ - (Financial Survey)



Interest Rates

Money Market Rates**



End August 2021

AWCMR 5.79 %

Change compared to end of the previous month

69 bps



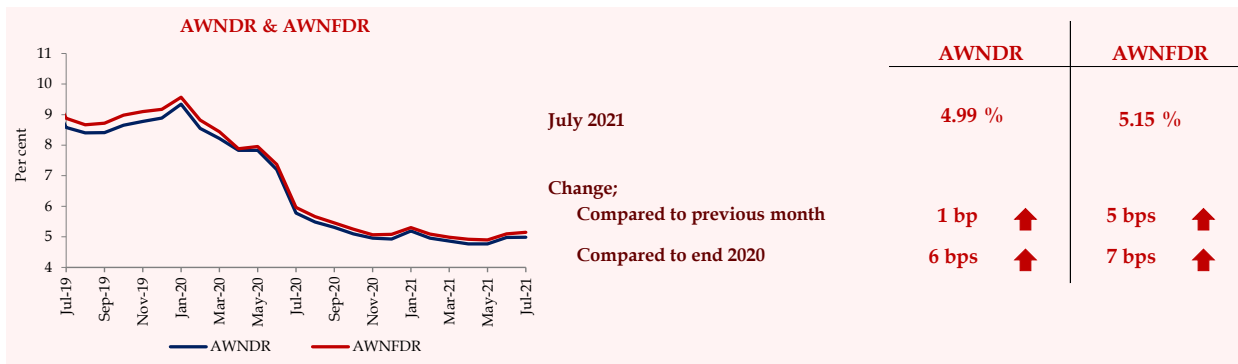
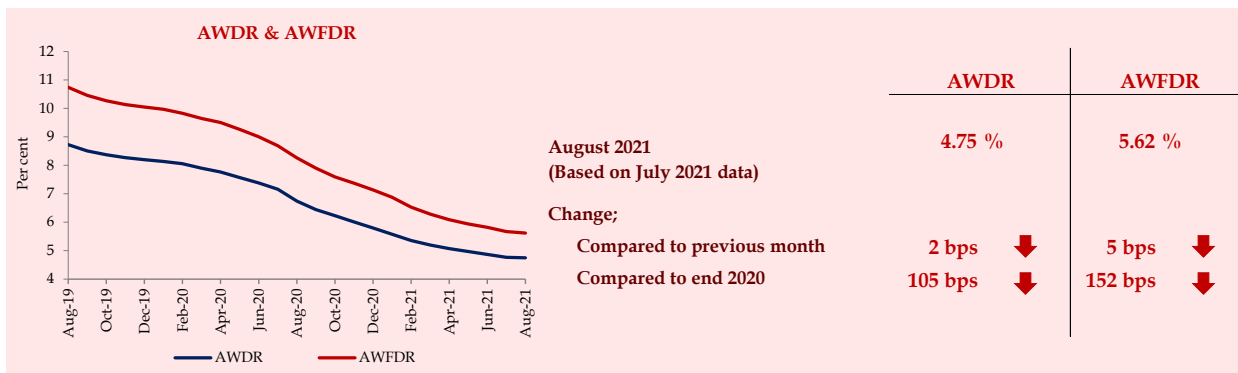
Change compared to end 2020

124 bps

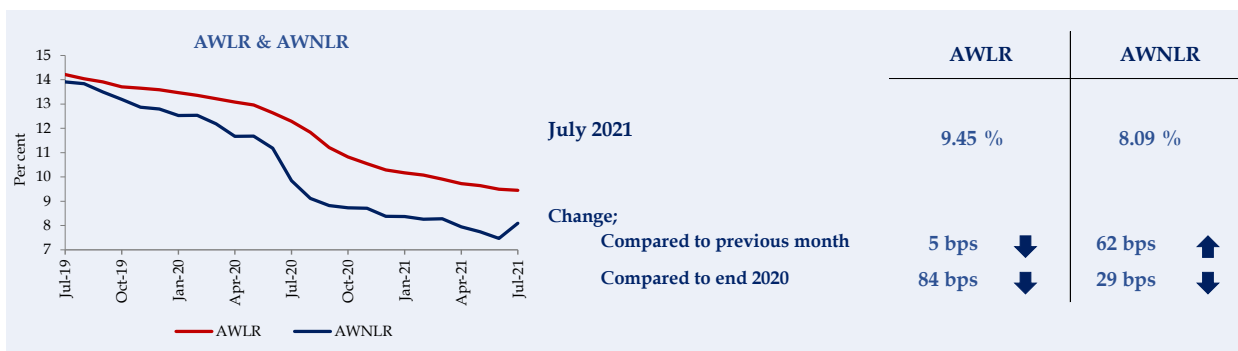
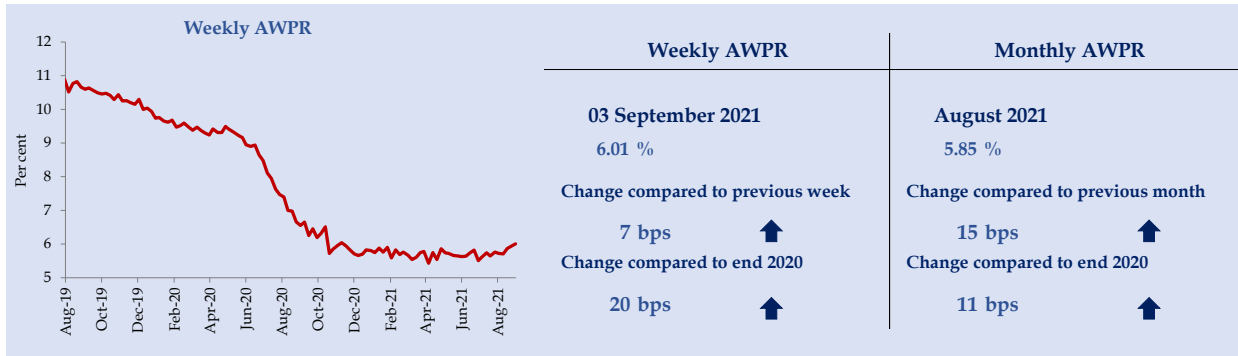


	25 Aug 2021 (%)	Change (Compared to previous month) in bps	Change (Compared to end 2020) in bps
91-Day	5.87	65	118
182-Day	5.90	67	110
364-Day	5.93	68	88

Deposit Rates**



Lending Rates**



* Provisional

** Acronyms

SDFR	Standing Deposit Facility Rate	AWNDR	Average Weighted New Deposit Rate
SLFR	Standing Lending Facility Rate	AWNFDR	Average Weighted New Fixed Deposit Rate
AWCMR	Average Weighted Call Money Rate	AWPR	Average Weighted Prime Lending Rate
AWDR	Average Weighted Deposit Rate	AWLR	Average Weighted Lending Rate
AWFDR	Average Weighted Fixed Deposit Rate	AWNLR	Average Weighted New Lending Rate