

Money, Credit and Interest Rate Developments

August 2023

Economic Research Department

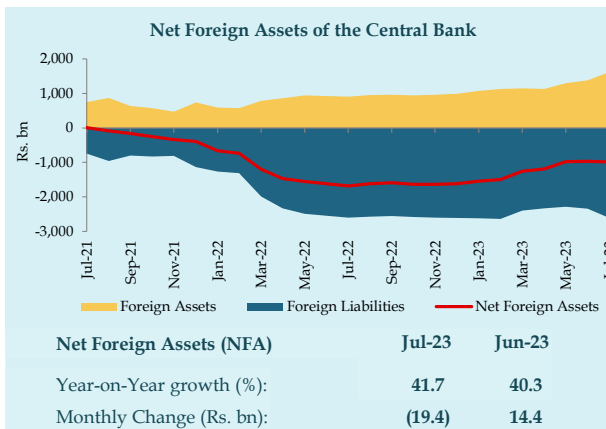
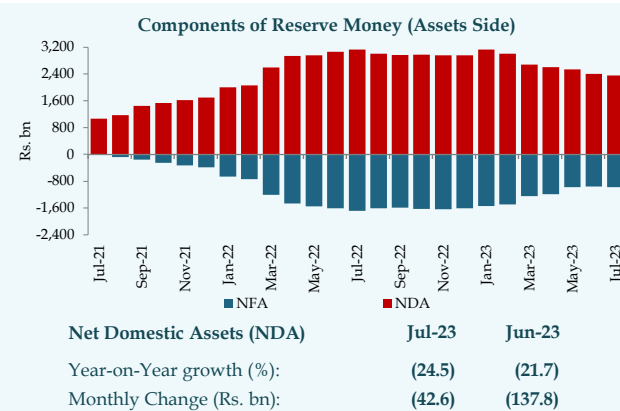
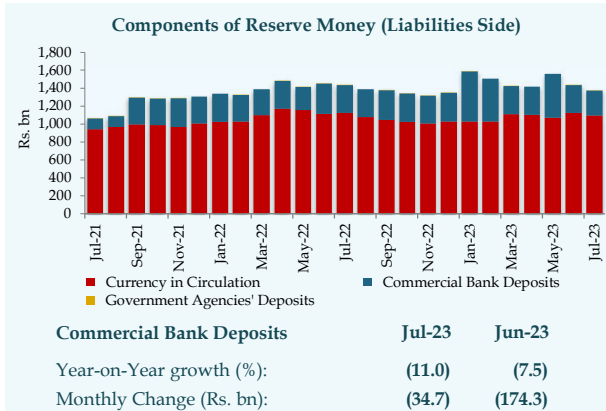
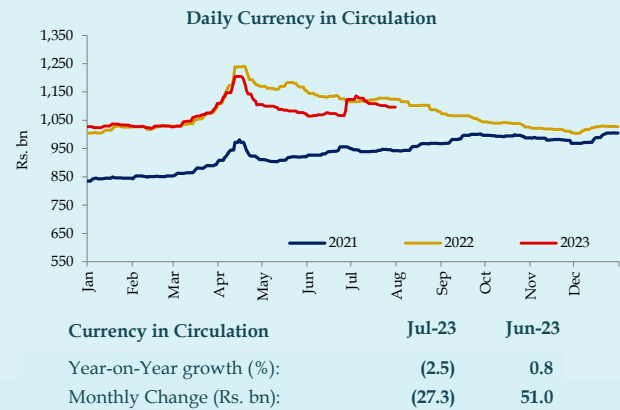
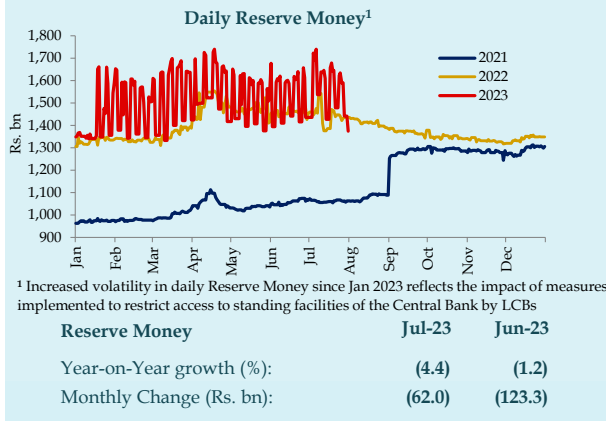
Central Bank of Sri Lanka

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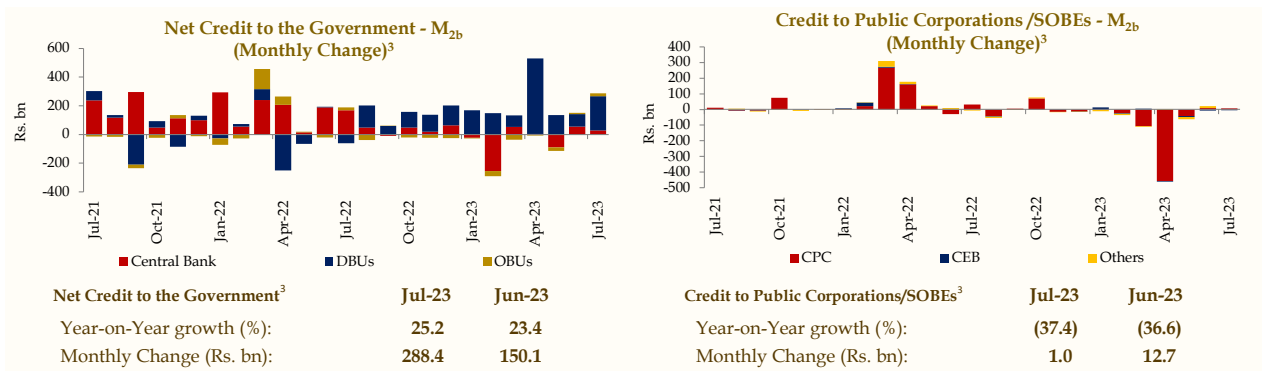
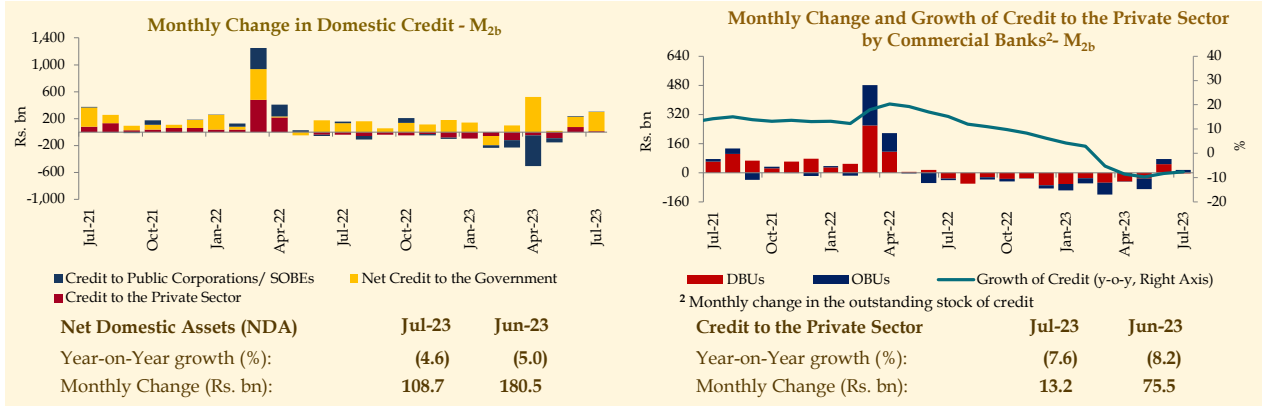
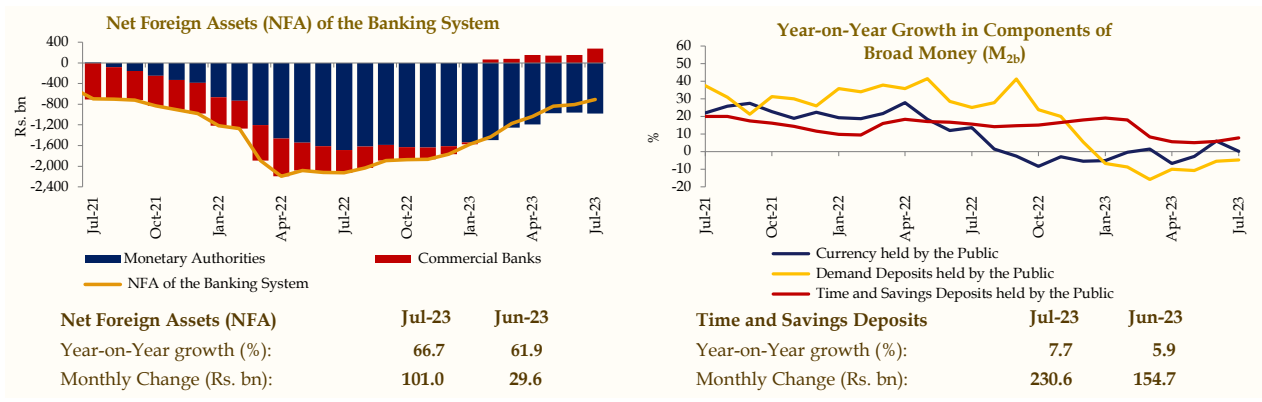
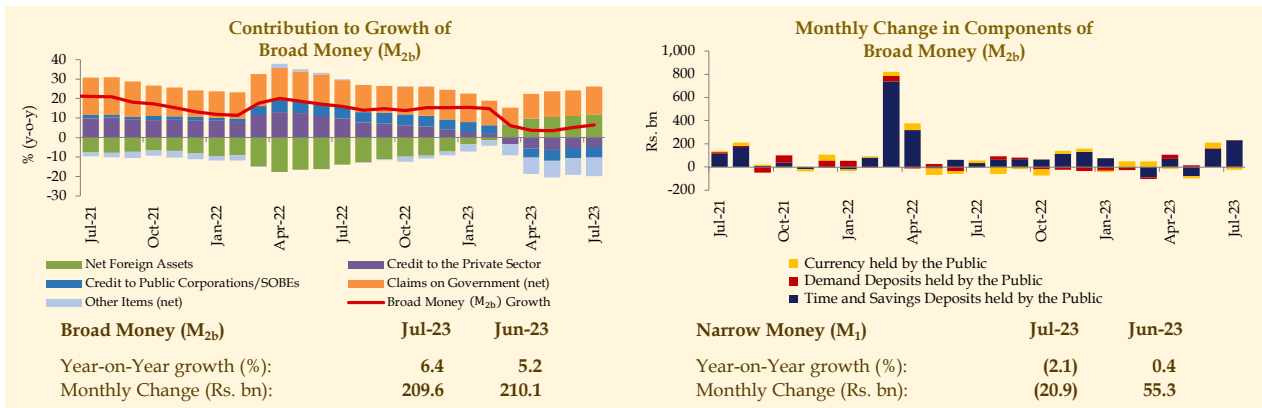


Money and Credit Aggregates*

Reserve Money **

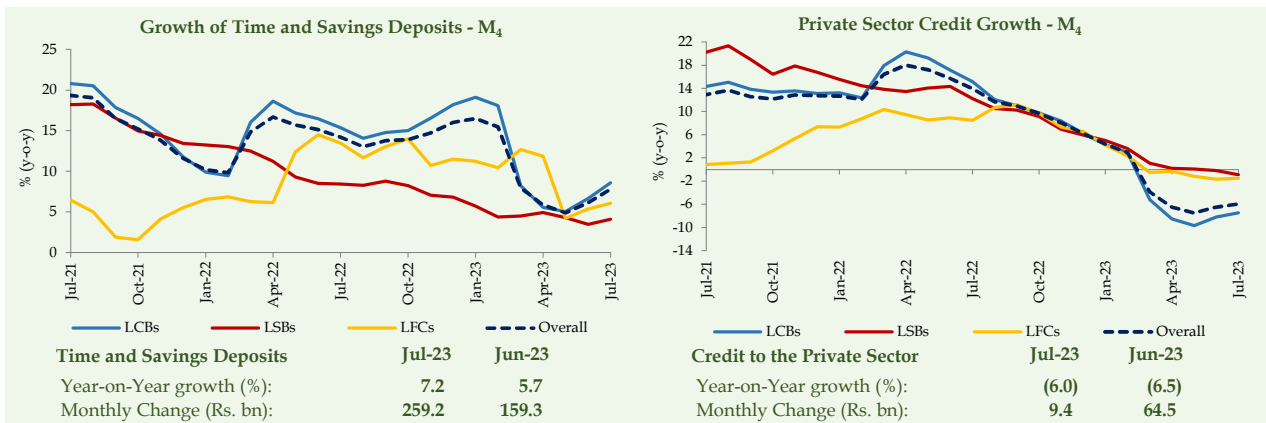
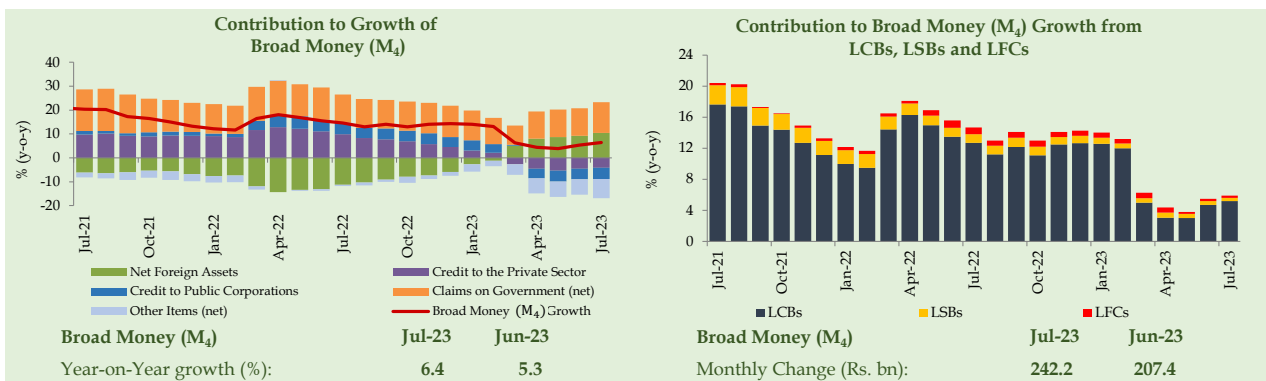


Broad Money M_{2b} - (Monetary Survey)**



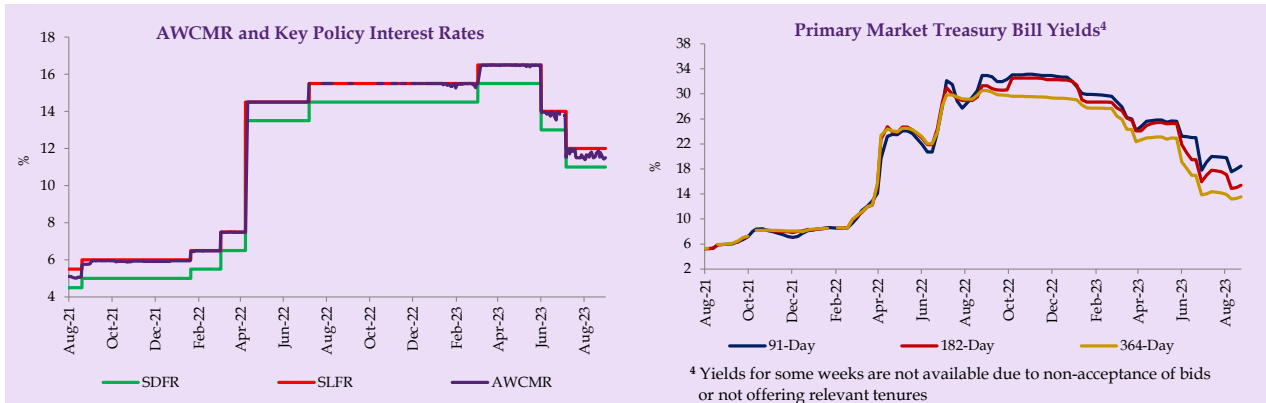
³ With the approval of the Cabinet of Ministers at its meeting held on 30 January 2023, the outstanding foreign currency guaranteed debt of the Ceylon Petroleum Corporation (CPC) was absorbed into central government debt with effect from December 2022, in line with the actions agreed under the IMF-EFF arrangement to restructure the balance sheets of selected State Owned Business Enterprises (SOBEs). Accordingly, a part of this adjustment was effected in April 2023, hence, was reflected in the balance sheet of the particular state-owned commercial bank, which caused a reduction in credit to public corporations/ SOBEs and an expansion in net credit to the government (NCG).

Broad Money M₄ - (Financial Survey)**



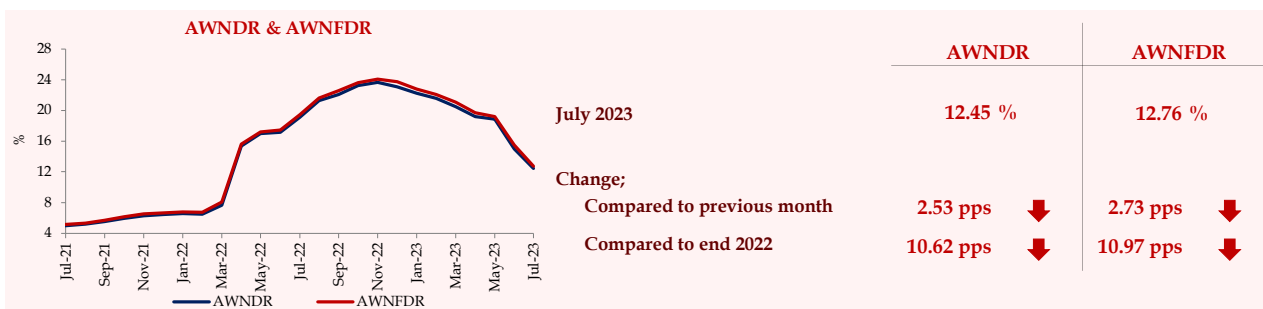
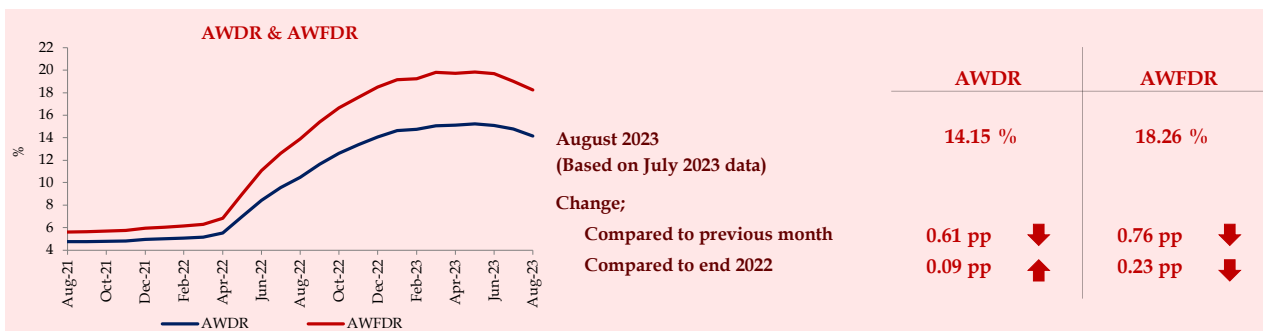
Interest Rates

Money Market Rates***

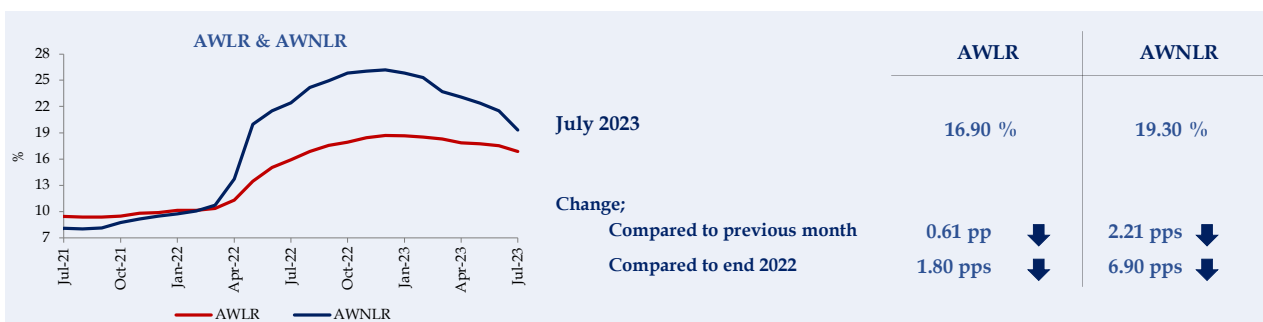
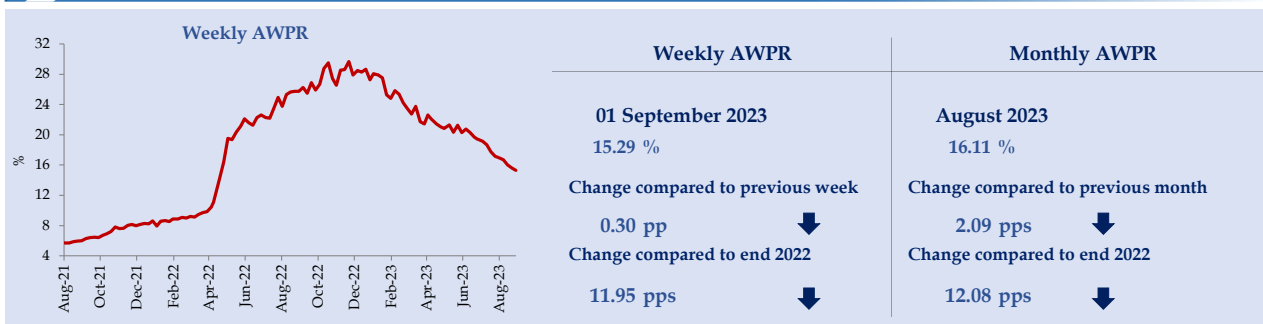


End August 2023	29 Aug 2023 (%)	Change (Compared to previous month) in pps	Change (Compared to end 2022) in pps
AWCMR 11.50 %			
Change compared to end of the previous month 0.00 pps			
Change compared to end 2022 4.00 pps ↓			
	91-Day	182-Day	364-Day
	18.48	15.36	13.58
	-1.48	-2.33	-0.71
	-14.16	-16.84	-15.69

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 & May 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	AWFNDR	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
		pps	Percentage points