

Money, Credit and Interest Rate Developments

September 2023

Economic Research Department

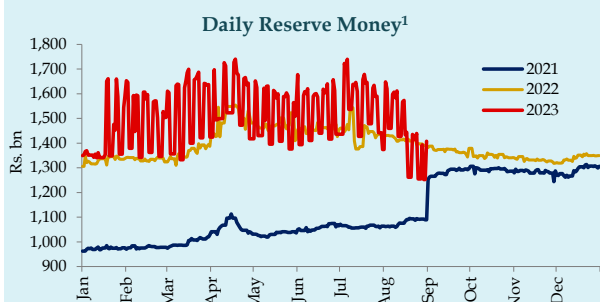
Central Bank of Sri Lanka

Volume 04 Issue 09



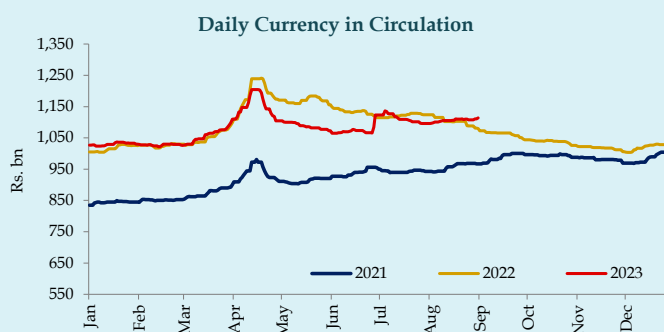
Money and Credit Aggregates*

Reserve Money

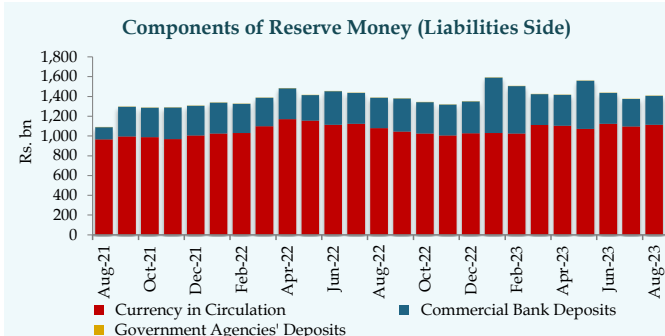


¹ Increased volatility in daily Reserve Money since Jan 2023 reflects the impact of measures implemented to restrict access to standing facilities of the Central Bank by LCBs

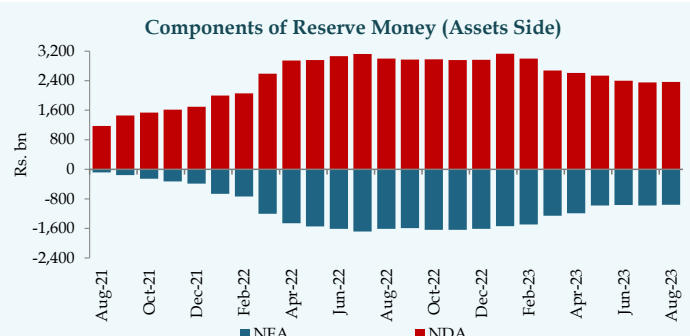
Reserve Money	Aug-23	Jul-23
Year-on-Year growth (%):	1.5	(4.4)
Monthly Change (Rs. bn):	33.5	(62.0)



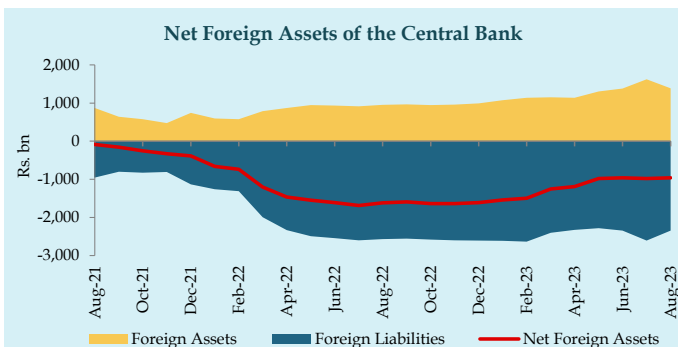
Currency in Circulation	Aug-23	Jul-23
Year-on-Year growth (%):	3.2	(2.5)
Monthly Change (Rs. bn):	17.7	(27.3)



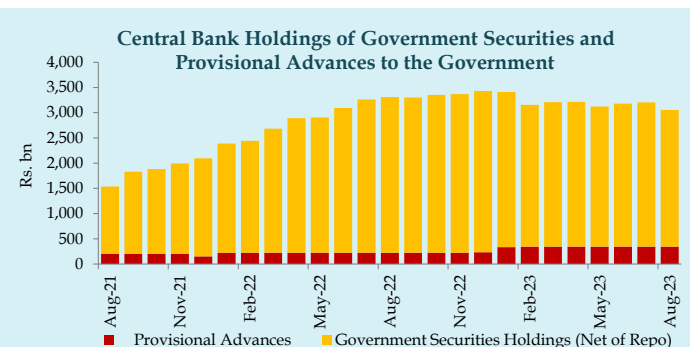
Commercial Bank Deposits	Aug-23	Jul-23
Year-on-Year growth (%):	(4.2)	(11.0)
Monthly Change (Rs. bn):	15.8	(34.7)



Net Domestic Assets (NDA)	Aug-23	Jul-23
Year-on-Year growth (%):	(21.2)	(24.5)
Monthly Change (Rs. bn):	8.8	(42.6)

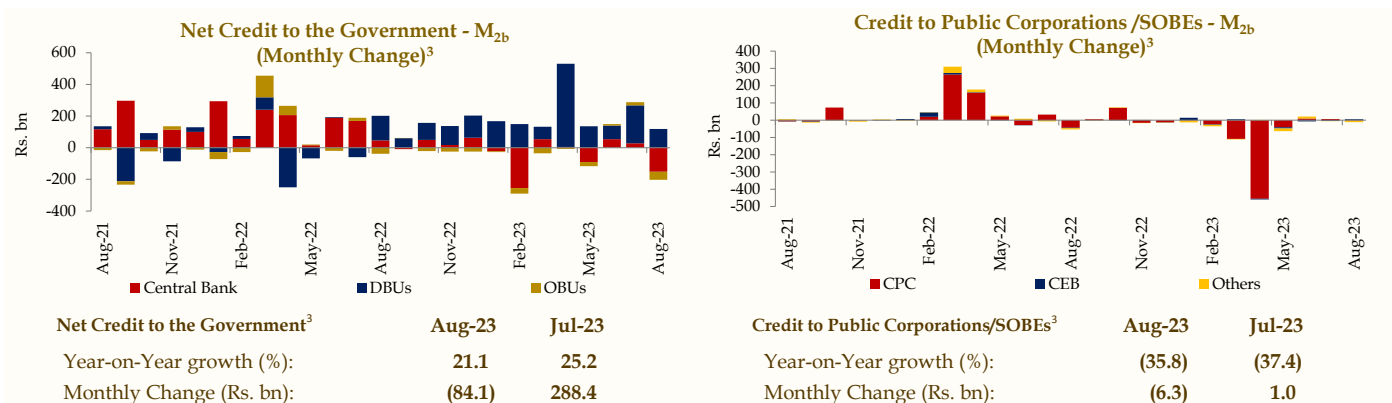
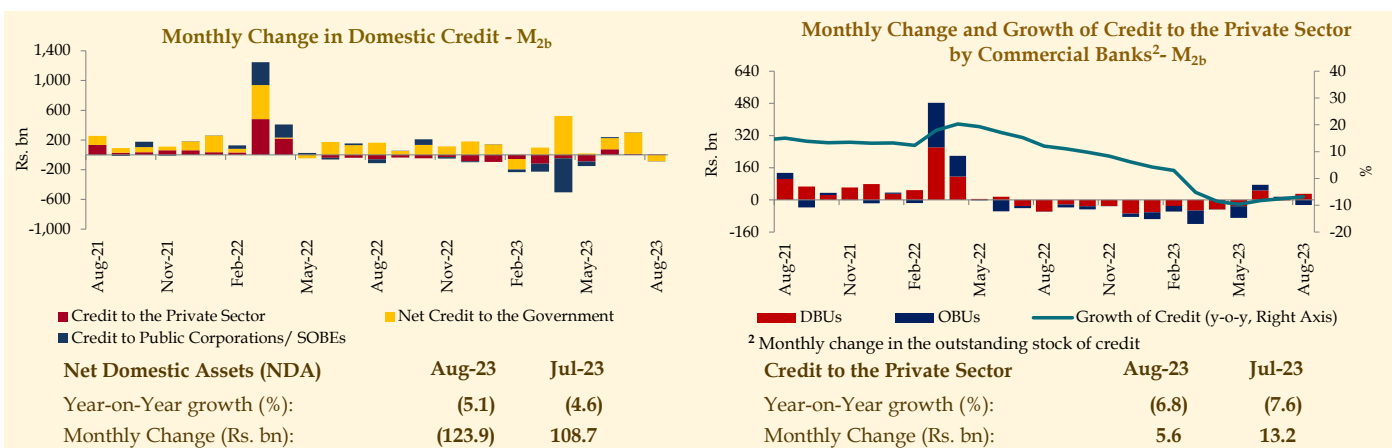
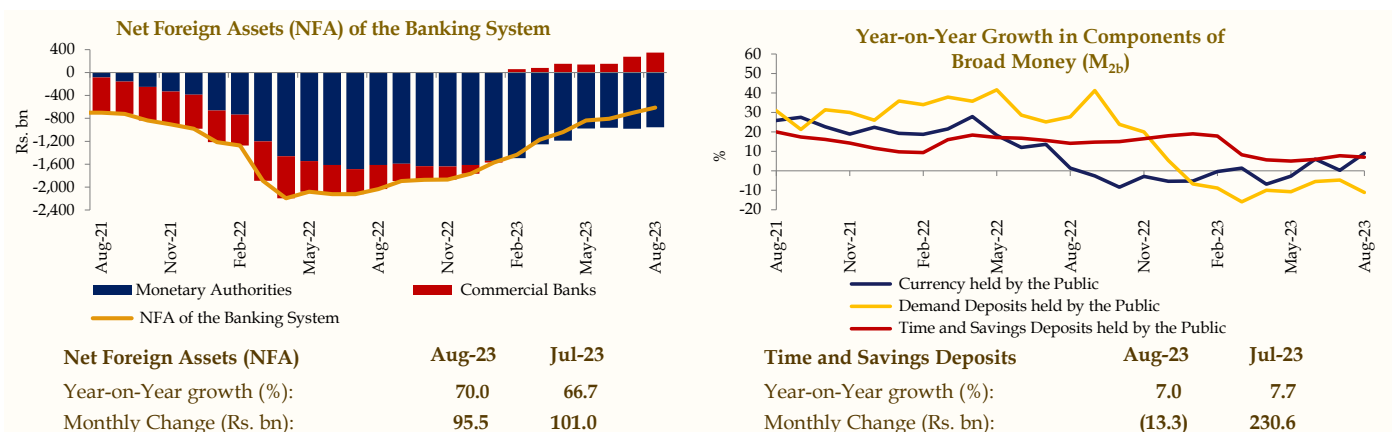
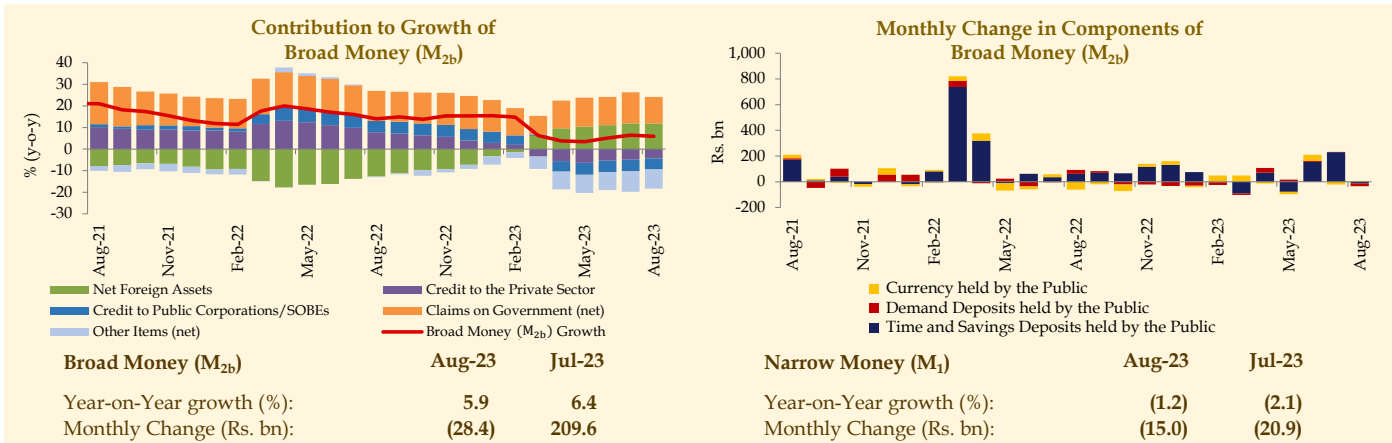


Net Foreign Assets (NFA)	Aug-23	Jul-23
Year-on-Year growth (%):	40.7	41.7
Monthly Change (Rs. bn):	24.7	(19.4)



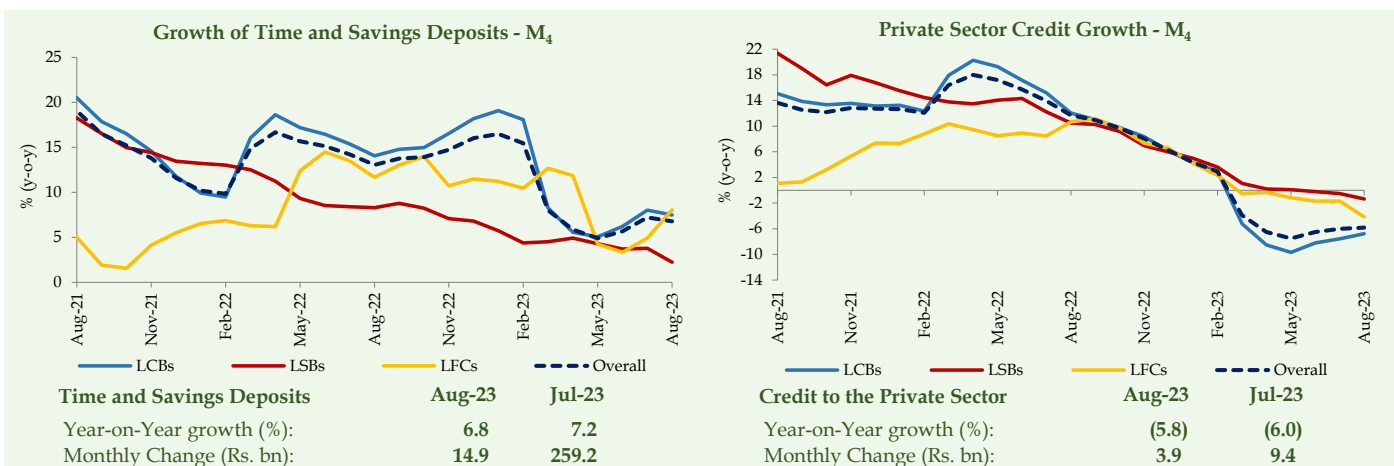
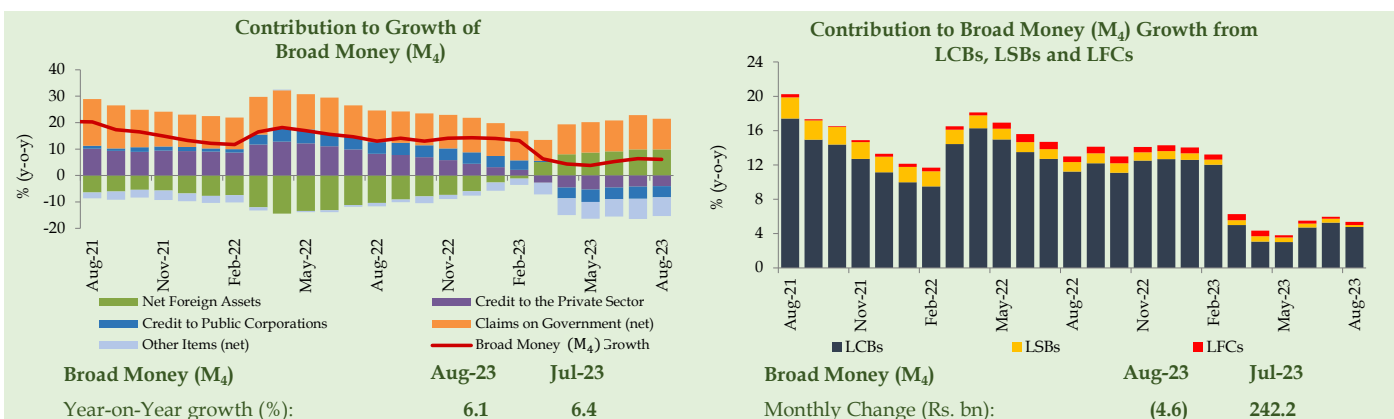
Net Claims on Government	Aug-23	Jul-23
Year-on-Year growth (%):	(7.7)	(1.8)
Monthly Change (Rs. bn):	(151.7)	27.9

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



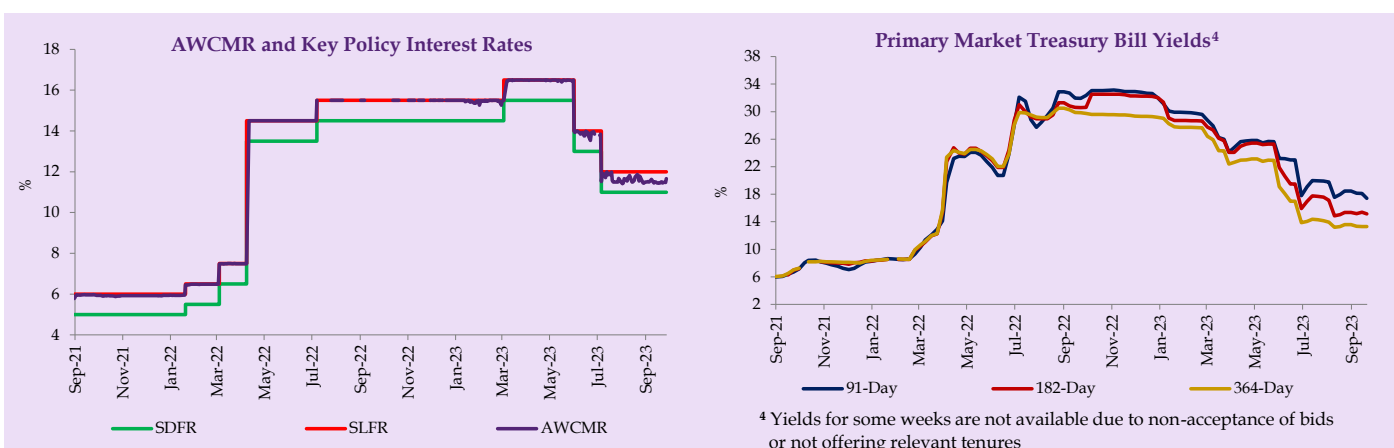
³ With the approval of the Cabinet of Ministers at its meeting held on 30 January 2023, the outstanding foreign currency guaranteed debt of the Ceylon Petroleum Corporation (CPC) was absorbed into central government debt with effect from December 2022, in line with the actions agreed under the IMF-EFF 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 September 2023

AWCMR 11.66 %

Change compared to end of the previous month

0.16 pp



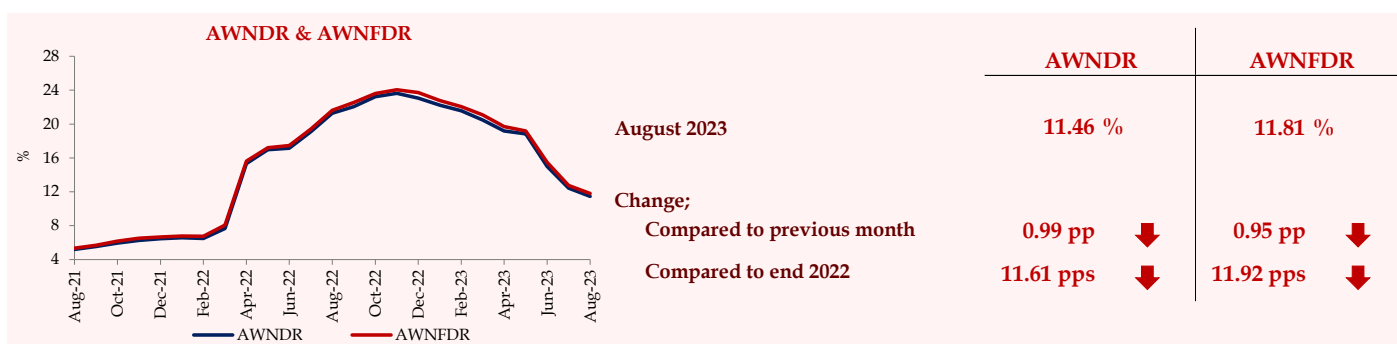
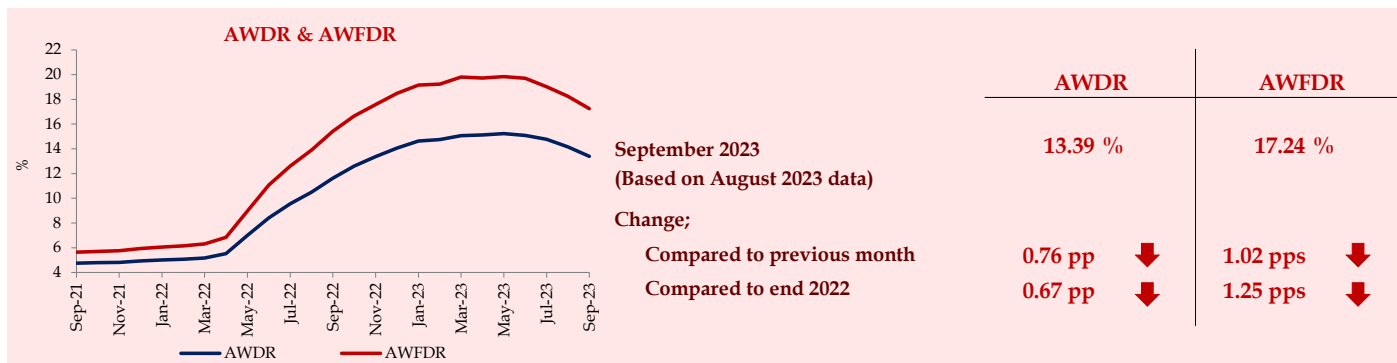
Change compared to end 2022

3.84 pps

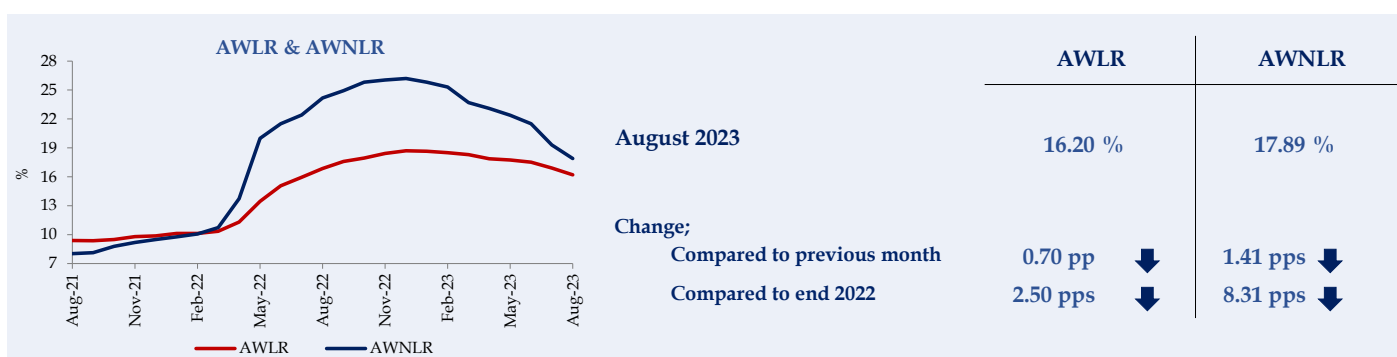
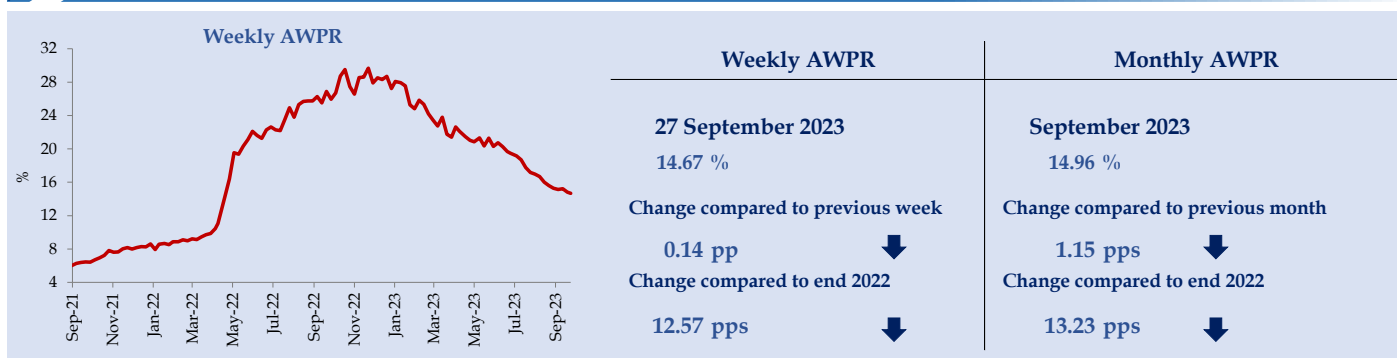


	26 Sep 2023 (%)	Change (Compared to previous month) in pps	Change (Compared to end 2022) in pps
91-Day	17.42	-1.06	-15.22
182-Day	15.13	-0.23	-17.07
364-Day	13.30	-0.28	-15.97

Deposit Rates**



Lending Rates**



* Provisional

** Acronyms

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

AWNDR Average Weighted New Deposit Rate
 AWNFR Average Weighted New Fixed Deposit Rate
 AWPR Average Weighted Prime Lending Rate
 AWLR Average Weighted Lending Rate
 AWNLR Average Weighted New Lending Rate
 pps Percentage points