

PRESS RELEASE

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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

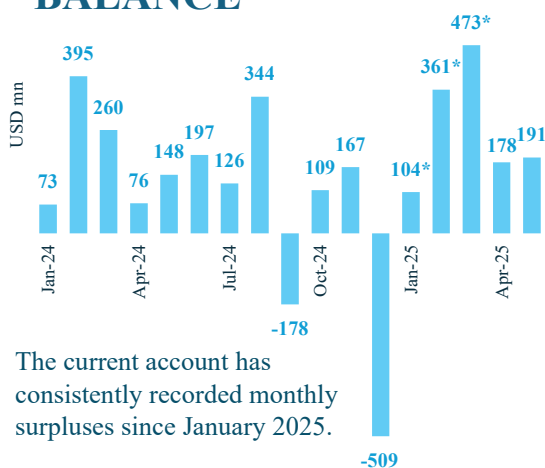
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External Sector Performance – May 2025

The external sector of Sri Lanka strengthened further in May 2025, with a continued monthly surplus in the current account. Healthy inflows of workers' remittances were observed, offsetting a widening trade deficit.

CURRENT ACCOUNT BALANCE



The current account has consistently recorded monthly surpluses since January 2025.

* Revised

MERCHANDISE TRADE

Trade Deficit

May 2025: USD 473 mn

May 2024: USD 393 mn



EXPORTS

USD 1,035 mn

2.3% growth (y-o-y) in May 2025

IMPORTS

USD 1,507 mn

7.3% growth (y-o-y) in May 2025

SERVICES (net)



May 2025: USD 227 mn

May 2024: USD 242 mn

6.4% contraction (y-o-y) in May 2025

TOURIST ARRIVALS

132,919

18.5% growth (y-o-y) in May 2025

112,128

in May 2024



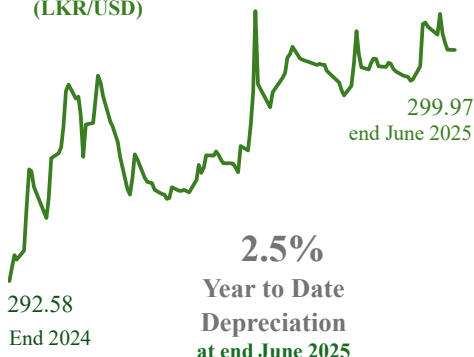
WORKERS' REMITTANCES

USD 642 mn

17.9% growth (y-o-y) in May 2025



EXCHANGE RATE (LKR/USD)



GROSS OFFICIAL RESERVES **

USD 6.3 bn at end May 2025



Import Coverage **3.8 Months**

** Including the swap facility with the People's Bank of China

GOVERNMENT SECURITIES & CSE FLOWS

May 2025

Govt. Securities (net)

USD 1.4 mn

Inflows: USD 11.4 mn
Outflows: USD 10.0 mn

CSE (net) ***

USD 0.7 mn

Inflows: USD 21.3 mn
Outflows: USD 20.6 mn

*** Including primary and secondary markets

EXTERNAL SECTOR PERFORMANCE SUMMARY

May 2025

- ❖ The monthly current account recorded surpluses in all months in 2025 up to May, reflecting robust performance of the external sector.
- ❖ The merchandise trade deficit widened in May 2025 compared to May 2024, reflecting a larger y-o-y growth in imports relative to merchandise exports. However, the trade deficit narrowed compared to April 2025.
- ❖ Vehicle imports including both personal and commercial vehicles amounted to US dollars 118 million in May 2025, bringing the total for the period from January to May 2025 to US dollars 312 million.
- ❖ The terms of trade deteriorated during the month, as the increase in import prices exceeded the increase in export prices.
- ❖ In terms of direction of trade, the United States, India, and the United Kingdom remained the top export destinations, while China, India, and the United Arab Emirates continued to be the leading sources of imports in May 2025 as well as during the January–May 2025 period.
- ❖ In May 2025, the services sector net inflows recorded a slight decline relative to its performance in May 2024. However, the services sector net inflows recorded a 6.8 per cent growth during the first five months of 2025, reaching US dollars 1.8 billion.
- ❖ Earnings from tourism in May 2025 were estimated at US dollars 164 million, recording cumulative earnings of US dollars 1.5 billion during January–May 2025.
- ❖ Workers’ remittances recorded a growth of 17.9 per cent (y-o-y) in May 2025, contributing to cumulative remittances of US dollars 3.1 billion during the period from January–May 2025.
- ❖ Foreign investments in the government securities market recorded a turnaround from a net outflow in the previous month to a marginal net inflow in May, while the foreign investments in the Colombo Stock Exchange (CSE) (considering both primary and secondary markets) also recorded a marginal net inflow.
- ❖ Gross official reserves (GOR) by end May 2025 stood at levels broadly similar to end April 2025 at US dollars 6.3 billion. GOR include the swap facility with the People’s Bank of China (PBOC).
- ❖ As of end June 2025, the year to date depreciation of the Sri Lanka rupee against the US dollar was 2.5 per cent.

Detailed statistics are available in the Monthly External Sector Bulletin, and in the External Sector Statistics web pages in the CBSL website, which can be accessed through the following web links:

<https://www.cbsl.gov.lk/en/external-sector-bulletin>

<https://www.cbsl.gov.lk/en/statistics/statistical-tables/external-sector>

Summary of External Sector Performance (a)

Category	May 2024 (USD mn)	May 2025 (USD mn)	Change (%)	Jan-May 2024 (USD mn)	Jan-May 2025 (USD mn)	Change (%)
Current Account Balance¹	147.7	190.6	29.0	951.3	1,307.5	37.5
Trade Balance	-393.3	-472.5		-2,170.4	-2,729.6	
Merchandise Exports	1,011.3	1,034.7	2.3	5,067.4	5,350.5	5.6
Merchandise Imports	1,404.6	1,507.2	7.3	7,237.7	8,080.1	11.6
Services Account (net)	242.2	226.6	-6.4	1,698.5	1,814.8	6.8
Services - Inflows	462.5	463.6	0.2	2,882.2	3,101.2	7.6
<i>of which,</i>						
Tourist Earnings (b)	154.0	164.1	6.6	1,405.6	1,543.1	9.8
Sea and Air Transport Services	156.7	137.2	-12.4	693.9	825.7	19.0
Computer and IT/BPO services	65.6	85.4	30.3	326.1	349.1	7.0
Services - Outflows	220.3	236.9	7.5	1,183.7	1,286.4	8.7
<i>of which,</i>						
Travel Abroad	41.8	39.4	-5.7	265.1	291.7	10.1
Sea and Air Transport Services	61.4	91.4	48.9	318.5	436.3	37.0
Primary Income Account (net)	-231.8	-192.8	-16.8	-1,144.4	-814.6	-28.8
Primary Income Account - Inflows	56.2	63.8	13.5	213.4	316.2	48.2
Primary Income Account - Outflows	288.0	256.6	-10.9	1,357.7	1,130.7	-16.7
<i>of which,</i>						
Direct Investment related	72.7	102.7	41.4	311.3	451.6	45.1
Portfolio Investment related	114.9	44.0	-61.7	425.0	219.1	-48.4
Other Investment Interest	98.7	107.6	9.0	613.5	448.3	-26.9
Secondary Income Account (net)	530.7	629.3	18.6	2,567.5	3,036.9	18.3
<i>of which,</i>						
Workers' Remittances - Inflows	544.4	641.7	17.9	2,624.4	3,102.2	18.2
Personal Transfers - Outflows	13.7	13.2	-3.7	59.8	67.3	12.6
Main Flows to the Financial Account						
Net Flows to the CSE (c)	-0.6	0.7	-222.6	22.0	-32.5	-247.7
Net Flows to the G-Sec. Market	-46.4	1.4	-103.0	-159.4	81.7	-151.3
Change in Reserves (d)	-60.4	-41.1	-31.9	914.4	220.4	-75.9

Sources: Central Bank of Sri Lanka (CBSL), Sri Lanka Customs (SLC), Sri Lanka Tourism Development Authority (SLTDA), Colombo Stock Exchange (CSE)

- (a) Provisional
- (b) Based on the survey conducted by the Sri Lanka Tourism Development Authority
- (c) Includes primary and secondary transactions
- (d) Includes valuation changes that impact reserve asset position

¹ Please note that monthly current account data for January, February, and March 2025 have been revised following the finalisation of estimates for the first quarter of 2025. The data for the second quarter will be revised by end September 2025, upon the finalisation of the respective quarterly estimates.