

## KEY ECONOMIC INDICATORS

	1990	2000	2005	2006	2007	2008	2009 (a)
<b>DEMOGRAPHY</b>							
Mid-year population ('000 persons) (b)	17,015	19,102	19,668	19,886	20,010	20,217	20,450
Growth of population (per cent) (b)	1.5	1.3	1.0	1.1	1.1	1.0	1.1
Population density (persons per sq.km.) (b)	271	305	314	317	319	322	326
Labour force ('000 persons)	6,001	6,827	7,312 (c) (d)	7,599 (d)	7,489 (d)	8,082 (e)	8,074 (e)
Labour force participation rate (per cent)	51.9	50.3	49.3 (c) (d)	51.2 (d)	49.8 (d)	49.5 (e)	48.7 (e)
Unemployment rate (per cent of labour force)	15.9	7.6	7.2 (c) (d)	6.5 (d)	6.0 (d)	5.4 (e)	5.8 (e)
<b>OUTPUT (f)</b>							
GDP at current market prices (Rs. billion)	322	1,258	2,453	2,939	3,579	4,411	4,825
GNP at current market prices (Rs. billion)	319	1,233	2,423	2,898	3,540	4,306	4,769
Per capita GDP at market prices (Rs.)	18,934	68,102	124,709	147,776	178,845	218,167	235,945
Per capita GNP at market prices (Rs.)	18,791	66,790	123,181	145,744	176,893	212,972	233,216
Per capita GDP at market prices (US\$)	473	899	1,241	1,421	1,634	2,014	2,053
Per capita GNP at market prices (US\$)	469	881	1,226	1,402	1,616	1,966	2,029
<b>REAL OUTPUT (percentage change) (f)</b>							
GNP	6.2	5.8	6.0	7.5	7.1	4.6	4.8
GDP	6.4	6.0	6.2	7.7	6.8	6.0	3.5
Sectoral classification of GDP							
Agriculture	8.5	1.8	1.8	6.3	3.4	7.5	3.2
Industry	7.8	7.5	8.0	8.1	7.6	5.9	4.2
Services	4.2	7.0	6.4	7.7	7.1	5.6	3.3
<b>AGGREGATE DEMAND AND SAVINGS (per cent of GDP) (f)</b>							
Consumption	85.3	82.6	82.1	83.0	82.4	86.1	82.0
Private	75.9	72.1	69.0	67.7	67.2	70.0	64.3
Government	9.4	10.5	13.1	15.4	15.3	16.2	17.6
Investment	22.2	28.0	26.8	28.0	28.0	27.6	24.5
Private	18.0	24.8	22.4	23.9	22.6	21.1	17.9
Government	4.2	3.3	4.4	4.1	5.4	6.5	6.6
Net exports of goods & services	-10.0	-10.6	-8.9	-11.0	-10.4	-13.7	-6.5
Exports of goods & services	31.3	39.0	32.3	30.1	29.1	24.8	21.4
Imports of goods & services	41.3	49.6	41.3	41.1	39.5	38.5	27.9
Domestic savings	14.3	17.4	17.9	17.0	17.6	13.9	18.0
Net factor income (g)	2.5	4.0	5.9	5.4	5.8	3.9	5.8
National savings	16.8	21.5	23.8	22.3	23.3	17.8	23.9
<b>PRICES AND WAGES (percentage change)</b>							
Colombo Consumers' Price Index (1952 = 100) - Annual Average (h)	21.5	6.2	11.6	13.7	17.5	-	-
Colombo Consumers' Price Index (2002 = 100) - Annual Average	-	-	11.0	10.0	15.8	22.6	3.4
Colombo Consumers' Price Index (2002 = 100) - Point-to-Point - end period	-	-	7.4	13.5	18.8	14.4	4.8
Wholesale Price Index (1974 = 100) - Annual Average	22.2	1.7	11.5	11.7	24.4	24.9	-4.2
GNP deflator (f)	20.0	6.7	10.4	11.3	14.0	16.3	5.7
GDP deflator (f)	20.0	6.7	10.4	11.3	14.0	16.3	5.7
Nominal wage rate index for workers in all wages boards	16.9	2.3	7.8	2.1	21.4	25.6	4.9
Nominal wage rate index for central government employees	13.0	8.3	29.1	30.3	21.5	7.5	9.4
<b>EXTERNAL TRADE</b>							
Trade balance (US\$ million)	-703	-1,798	-2,516	-3,370	-3,657	-5,981	-3,122
Exports (i)	1,984	5,522	6,347	6,883	7,640	8,111	7,085
Imports (i)	2,686	7,320	8,863	10,253	11,296	14,091	10,207
Terms of trade (percentage change)	-12.5	-6.1	-4.2	-3.5	-1.0	-11.8	24.0
Export unit value index (1997 = 100)	9.1	1.5	3.3	4.2	4.8	5.8	-0.4
Import unit value index (1997 = 100)	24.7	8.1	7.8	8.0	5.9	20.0	-19.7
Export volume index (1997 = 100) (percentage change)	29.7	18.3	6.7	4.1	7.3	0.4	-12.3
Import volume index (1997 = 100) (percentage change)	7.6	12.9	2.7	7.1	4.1	4.0	-9.8
<b>EXTERNAL FINANCE (US\$ million)</b>							
Services and income account (net)	-98	-266	38	-132	-56	-571	-97
Current private transfers (net)	362	974	1,736	1,904	2,214	2,565	2,927
Current official transfers (net)	62	24	93	101	97	101	77
Current account balance	-377	-1,066	-650	-1,499	-1,402	-3,886	-214
Overall balance	119	-522	501	204	531	-1,385	2,725

(a) Provisional

(b) As reported by the Registrar General's Department

(c) QLFS was conducted as a one-off survey in August 2005

(d) Data excluding both Northern and Eastern Provinces

(e) Data excluding Northern Province

(f) From 2003, data are based on GDP estimates compiled by the Department of Census and Statistics.

(g) Includes workers' remittances

(h) Discontinued from May 2008

(i) Excludes re-exports and re-imports from 2007 onwards.

## KEY ECONOMIC INDICATORS (contd.)

	1990	2000	2005	2006	2007	2008	2009 (a)
Current account balance (per cent of GDP) (f)	-4.7	-6.4	-2.7	-5.3	-4.3	-9.5	-0.5
Total external assets (months of same year imports) (j)	3.7	3.5	5.7	4.7	5.3	3.1	8.3
Official external assets (months of same year imports) (j)	1.9	1.7	3.7	3.3	3.7	2.0	6.3
Overall debt service ratio							
As a percentage of export of goods and services	17.8	14.7	7.9	12.7	13.1	15.1	19.0
As a percentage of current receipts	15.3	12.2	6.3	9.8	10.0	11.7	13.7
Total external debt and liabilities (per cent of GDP) (f)	72.7 (k)	61.0	53.3	49.4	51.0	43.7	49.8
<b>EXCHANGE RATES</b>							
Annual average							
Rs/US\$	40.06	75.78	100.50	103.96	110.62	108.33	114.94
Rs/SDR (l)	54.42	99.90	148.45	153.00	169.37	171.24	177.22
NEER (2006 = 100) (24- currency basket)	-	-	104.06	100.00	89.23	90.20	89.52
REER (2006 = 100) (24- currency basket) (m)	-	-	97.43	100.00	100.27	118.41	120.85
Year end							
Rs/US\$	42.58	80.06	102.12	107.71	108.72	113.14	114.38
Rs/SDR (l)	57.25	104.31	145.95	162.03	171.57	174.27	178.67
<b>GOVERNMENT FINANCE (per cent of GDP) (f)</b>							
Revenue and grants	23.2	17.2	16.8	17.3	16.6	15.6	15.1
Revenue	21.1	16.8	15.5	16.3	15.8	14.9	14.6
o/w Tax revenue	19.0	14.5	13.7	14.6	14.2	13.3	12.8
Grants	2.1	0.4	1.3	1.0	0.9	0.7	0.5
Expenditure and net lending	31.0	26.7	23.8	24.3	23.5	22.6	24.9
Current expenditure	22.3	20.2	18.1	18.6	17.4	16.9	18.2
Capital expenditure and net lending	8.7	6.5	5.8	5.6	6.1	5.7	6.7
Current account deficit(-)/surplus(+)	-1.2	-3.4	-2.6	-2.4	-1.6	-2.0	-3.7
Primary deficit(-)/surplus(+)	-1.4	-3.8	-2.1	-1.9	-1.8	-2.2	-3.4
Overall deficit(-)/surplus(+)(n)	-7.8	-9.5	-7.0	-7.0	-6.9	-7.0	-9.8
Deficit financing	7.8	9.5	7.0	7.0	6.9	7.0	9.8
Foreign	3.6	0.1	1.9	1.4	2.8	-0.1	4.8
Domestic	4.2	9.4	5.1	5.6	4.1	7.1	5.0
Government debt	96.6	96.9	90.6	87.8	85.0	81.4	86.2
Foreign	55.0	43.1	39.0	37.5	37.1	32.8	36.5
Domestic	41.6	53.8	51.6	50.3	47.9	48.5	49.8
<b>MONETARY AGGREGATES (year - on - year percentage change)</b>							
Reserve money	17.9	4.7	15.8	21.2	10.2	1.5	13.1
Narrow money (M <sub>1</sub> ) (o)	12.8	9.1	22.4	12.6	2.7	4.0	21.4
Broad money (M <sub>2b</sub> ) (o)	20.1	12.9	19.1	17.8	16.6	8.5	18.6
Net foreign assets of the banking system (p)	115.7	-31.9	20.3	-15.0	33.2	-65.9	417.2
Net domestic assets of the banking system (p)	13.4	26.9	18.7	25.9	13.8	22.9	-2.8
Domestic credit from the banking system to							
Government (net) (p) (q)	0.7	56.8	11.9	43.1	4.7	55.8	9.7
Public corporations	12.8	193.2	-59.5	89.3	55.8	-4.4	55.8
Private sector (p)	24.3	11.8	21.5	24.0	19.3	7.0	-5.7
Money multiplier for M <sub>2b</sub> (end year)	2.87	4.60	5.16	5.02	5.31	5.67	5.95
Velocity of M <sub>2b</sub> (f) (average for the year)	3.55	2.79	2.61	2.65	2.73	3.01	2.90
<b>INTEREST RATES (per cent per annum at end year)</b>							
Repurchase rate (overnight)	-	17.00	8.75	10.00	10.50	10.50	7.50
Reverse Repurchase rate (overnight)	-	20.00	10.25	11.50	12.00	12.00	9.75
Treasury bill yield rate							
91 days	17.41	17.77	10.10	12.76	21.30	17.33	7.73
364 days	18.36	18.22	10.37	12.96	19.96	19.12	9.33
Deposit rates							
Commercial banks' Average Weighted Deposit Rate (AWDR)	12.93	9.89	6.24	7.60	10.31	11.63	8.01
Commercial banks' 12 month fixed deposit (max.)	21.00	15.00	11.50	14.00	20.00	20.25	19.00
NSB savings	16.20	8.40	5.00	5.00	5.00	5.00	5.00
NSB 12 month fixed deposit	18.50	15.00	9.00	11.00	15.00	15.00	9.50
Lending rates							
Commercial banks' Average Weighted Prime Lending Rate (AWPR)	18.50	21.46	12.24	15.19	17.95	18.50	10.91
Bills purchased & discounted	14.50-30.00	11.00-25.00	7.00 - 31.00	7.10-20.50	7.10-25.50	6.00-26.50	4.58-24.00
<b>CAPITAL MARKET</b>							
All Share Price Index (1985 = 100)	384.4	447.6	1,922.2	2,722.4	2,541.0	1,503.0	3,385.6
Sensitive Price Index (1985 = 100)/Milanka Price Index (1998 Dec =1,000)	680.3	698.5	2,451.1	3,711.8	3,291.9	1,631.3	3,849.4
Value of shares traded (Rs.million)	1,563	10,624	114,599	105,154	104,985	110,454	142,463
Net purchases by non nationals (Rs.million)	391	-3,365	6,145	5,377	11,254	13,951	-789.0
Market capitalisation (Rs.billion)	36.9	88.8	584.0	834.8	820.7	488.8	1,092.1

(j) Including ACU receipts.

(k) Excluding external liabilities of commercial banks.

(l) Special Drawing Rights (SDR), the unit of account of the International Monetary Fund

(m) CCPI is used for computation of REER. The REER is computed by adjusting the NEER for inflation differentials with the countries whose currencies are included in the basket.

(n) Grants are classified as a revenue item

(o) Includes assets/ liabilities of National Development Bank which, merged with NDB Bank Ltd. with effect from August 2005. However, figures for the National Development Bank have not been included when calculating the point to point growth for 2005

(p) Revised

(q) Restructuring bonds worth Rs.19,392.6 million, which were issued by the government to the two state banks, have been converted to Treasury bonds upon their maturity in October 2006. This amount, which previously appeared under other assets has been included in net credit to government since October 2006.