

## KEY ECONOMIC INDICATORS

	2000	2005	2006	2007	2008	2009	2010 (a)
<b>DEMOGRAPHY</b>							
Mid-year population ('000 persons) (b)	19,102	19,668	19,886	20,010	20,217	20,450	20,653
Growth of population (per cent) (b)	1.3	1.0	1.1	1.1	1.0	1.1	1.0
Population density (persons per sq.km.) (b)	305	314	317	319	322	326	329
Labour force ('000 persons)	6,827	7,312 (c)(d)	7,599 (d)	7,489 (d)	8,082 (e)	8,074 (e)	8,108 (e)
Labour force participation rate (per cent)	50.3	49.3 (c)(d)	51.2 (d)	49.8 (d)	49.5 (e)	48.7 (e)	48.1 (e)
Unemployment rate (per cent of labour force)	7.6	7.2 (c)(d)	6.5 (d)	6.0 (d)	5.4 (e)	5.8 (e)	4.9 (e)
<b>OUTPUT (f)</b>							
GDP at current market prices (Rs. billion)	1,258	2,453	2,939	3,579	4,411	4,835	5,602
GNP at current market prices (Rs. billion)	1,233	2,423	2,898	3,540	4,306	4,779	5,530
Per capita GDP at market prices (Rs.)	68,102	124,709	147,776	178,845	218,167	236,445	271,259
Per capita GNP at market prices (Rs.)	66,790	123,181	145,744	176,893	212,972	233,716	267,780
Per capita GDP at market prices (US\$)	899	1,241	1,421	1,617	2,014	2,057	2,399
Per capita GNP at market prices (US\$)	881	1,226	1,402	1,599	1,966	2,033	2,368
<b>REAL OUTPUT (percentage change) (f)</b>							
GNP	5.8	6.0	7.5	7.1	4.6	4.8	7.9
GDP	6.0	6.2	7.7	6.8	6.0	3.5	8.0
Sectoral classification of GDP							
Agriculture	1.8	1.8	6.3	3.4	7.5	3.2	7.0
Industry	7.5	8.0	8.1	7.6	5.9	4.2	8.4
Services	7.0	6.4	7.7	7.1	5.6	3.3	8.0
<b>AGGREGATE DEMAND AND SAVINGS (per cent of GDP) (f)</b>							
Consumption	82.6	82.1	83.0	82.4	86.1	82.1	81.3
Private	72.1	69.0	67.7	67.2	70.0	64.4	65.8
Government	10.5	13.1	15.4	15.3	16.2	17.6	15.6
Investment	28.0	26.8	28.0	28.0	27.6	24.4	27.8
Private	24.8	22.4	23.9	22.6	21.1	17.9	21.6
Government	3.3	4.4	4.1	5.4	6.5	6.6	6.2
Net exports of goods & services	-10.6	-8.9	-11.0	-11.3	-14.7	-7.4	-10.5
Exports of goods & services	39.0	32.3	30.1	23.6	19.9	16.8	16.7
Imports of goods & services	49.6	41.3	41.1	34.9	34.6	24.3	27.2
Domestic savings	17.4	17.9	17.0	17.6	13.9	17.9	18.7
Net factor income from abroad (g)	4.0	5.9	5.4	5.8	3.9	5.8	6.0
National savings	21.5	23.8	22.3	23.3	17.8	23.7	24.7
<b>PRICES AND WAGES (percentage change)</b>							
Colombo Consumers' Price Index (1952 = 100) - Annual Average (h)	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	5.9
Colombo Consumers' Price Index (2002 = 100) - Year-on-Year - end period	-	7.4	13.5	18.8	14.4	4.8	6.9
Wholesale Price Index (1974 = 100) - Annual Average	1.7	11.5	11.7	24.4	24.9	-4.2	11.2
GNP deflator (f)	6.7	10.4	11.3	14.0	16.3	5.9	7.3
GDP deflator (f)	6.7	10.4	11.3	14.0	16.3	5.9	7.3
Nominal wage rate index for workers in all wages boards	2.3	7.8	2.1	21.4	25.6	4.9	32.0
Nominal wage rate index for central government employees	8.3	29.1	30.3	21.5	7.5	9.4	3.3
<b>EXTERNAL TRADE</b>							
Trade balance (US\$ million)	-1,798	-2,516	-3,370	-3,657	-5,981	-3,122	-5,205
Exports (i)	5,522	6,347	6,883	7,640	8,111	7,085	8,307
Imports (i)	7,320	8,863	10,253	11,296	14,091	10,207	13,512
Terms of trade (percentage change)	-6.1	-4.2	-3.5	-1.0	-11.8	24.0	-5.3
Export unit value index (1997 = 100) (percentage change)	1.5	3.3	4.2	4.8	5.8	-0.4	10.9
Import unit value index (1997 = 100) (percentage change)	8.1	7.8	8.0	5.9	20.0	-19.7	17.2
Export volume index (1997=100) (percentage change)	18.3	6.7	4.1	7.3	0.4	-12.3	5.7
Import volume index (1997=100) (percentage change)	12.9	2.7	7.1	4.1	4.0	-9.8	13.0
<b>EXTERNAL FINANCE (US\$ million)</b>							
Services and income account (net)	-266	38	-132	-56	-571	-97	126
Current private transfers (net)	974	1,736	1,904	2,214	2,565	2,927	3,608
Current official transfers (net)	24	93	101	97	101	77	52
Current account balance	-1,066	-650	-1,499	-1,402	-3,886	-214	-1,418
Overall balance	-522	501	204	531	-1,385	2,725	921

(a) Provisional

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

(c) Quarterly Labour Force Survey (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 (DCS).

(g) Includes workers' remittances.

(h) Discontinued from May 2008.

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

## KEY ECONOMIC INDICATORS (Contd.)

	2000	2005	2006	2007	2008	2009	2010 (a)
Current account balance (per cent of GDP) (f)	-6.4	-2.7	-5.3	-4.3	-9.5	-0.5	-2.9
Total external assets (months of same year imports) (i)	3.5	5.7	4.7	5.3	3.1	8.3	7.7
Official external assets (months of same year imports) (i)	1.7	3.7	3.3	3.7	2.0	6.3	6.4
Overall debt service ratio							
As a percentage of export of goods and services	14.7	7.9	12.7	13.1	15.1	19.0	15.2
As a percentage of current receipts	12.2	6.3	9.8	10.0	11.7	13.7	10.7
Total external debt and liabilities (per cent of GDP) (f)	61.0	53.3	49.4	51.0	43.7	49.7	50.1
<b>EXCHANGE RATES</b>							
Annual average							
Rs/US\$	75.78	100.50	103.96	110.62	108.33	114.94	113.06
Rs/SDR (k)	99.90	148.45	153.00	169.37	171.24	177.22	172.50
NEER (2010 = 100) (24 - currency basket) (l)	-	115.11	100.94	98.96	100.06	99.85	100.00
REER (2010 = 100) (24 - currency basket) (l) (m)	-	79.00	81.02	81.03	95.64	97.75	100.00
Year end							
Rs/US\$	80.06	102.12	107.71	108.72	113.14	114.38	110.95
Rs/SDR (k)	104.31	145.95	162.03	171.57	174.27	178.67	170.84
<b>GOVERNMENT FINANCE (per cent of GDP) (f)</b>							
Revenue and grants	17.2	16.8	17.3	16.6	15.6	15.0	14.9
Revenue	16.8	15.5	16.3	15.8	14.9	14.5	14.6
o/w Tax revenue	14.5	13.7	14.6	14.2	13.3	12.8	13.0
Grants	0.4	1.3	1.0	0.9	0.7	0.5	0.3
Expenditure and net lending	26.7	23.8	24.3	23.5	22.6	24.9	22.9
Current expenditure	20.2	18.1	18.6	17.4	16.9	18.2	16.7
Capital expenditure and net lending	6.5	5.8	5.6	6.1	5.7	6.7	6.1
Current account deficit (-) / surplus (+)	-3.4	-2.6	-2.4	-1.6	-2.0	-3.7	-2.1
Primary deficit (-) / surplus (+)	-3.8	-2.1	-1.9	-1.8	-2.2	-3.5	-1.7
Overall deficit (-) / surplus (+) (n)	-9.5	-7.0	-7.0	-6.9	-7.0	-9.9	-7.9
Deficit financing	9.5	7.0	7.0	6.9	7.0	9.9	7.9
Foreign	0.1	1.9	1.4	2.8	-0.1	4.8	4.4
Domestic	9.4	5.1	5.6	4.1	7.1	5.1	3.6
Government debt	96.9	90.6	87.8	85.0	81.4	86.2	81.9
Foreign	43.1	39.0	37.5	37.1	32.8	36.5	36.1
Domestic	53.8	51.6	50.3	47.9	48.5	49.8	45.8
<b>MONETARY AGGREGATES (year-on-year percentage change)</b>							
Reserve money	4.7	15.8	21.2	10.2	1.5	13.1	18.8
Narrow money (M <sub>1</sub> ) (o)	9.1	22.4	12.6	2.7	4.0	21.4	20.9
Broad money (M <sub>2b</sub> ) (o)	12.9	19.1	17.8	16.6	8.5	18.6	15.8
Net foreign assets of the banking system	-31.9	20.3	-15.0	33.2	-65.9	417.2	-6.1
Net domestic assets of the banking system	26.9	18.7	25.9	13.8	22.9	-2.8	22.1
Domestic credit from the banking system to							
Government (net) (p)	56.8	11.9	43.2	4.7	55.8	9.9	-2.1
Public corporations	193.2	-59.5	89.3	55.8	-4.4	55.8	93.2
Private sector	11.8	21.5	24.0	19.3	7.0	-5.8	25.1
Money multiplier for M <sub>2b</sub> (end year)	4.60	5.16	5.02	5.31	5.67	5.95	5.80
Velocity of M <sub>2b</sub> (average for the year) (f)	2.80	2.63	2.66	2.73	3.01	2.90	2.92
<b>INTEREST RATES (per cent per annum at year end)</b>							
Repurchase rate (overnight)	17.00	8.75	10.00	10.50	10.50	7.50	7.25
Reverse Repurchase rate (overnight)	20.00	10.25	11.50	12.00	12.00	9.75	9.00
Treasury bill yield rates							
91 days	17.77	10.10	12.76	21.30	17.33	7.73	7.24
364 days	18.22	10.37	12.96	19.96	19.12	9.33	7.55
Deposit rates							
Commercial banks' average weighted deposit rate (AWDR)	9.89	6.24	7.60	10.31	11.63	8.01	6.23
Commercial banks' 12 month fixed deposit rate (max.)	15.00	11.50	14.00	20.00	20.25	19.00	17.00
NSB savings rate	8.40	5.00	5.00	5.00	5.00	5.00	5.00
NSB 12 month fixed deposit rate	15.00	9.00	11.00	15.00	15.00	9.50	8.50
Lending rates							
Commercial banks' average weighted prime lending rate (AWPR)	21.46	12.24	15.19	17.95	18.50	10.91	9.29
Commercial banks' average weighted lending rate (AWLR)	19.30	15.40	16.60	18.10	20.20	17.41	14.80
<b>CAPITAL MARKET</b>							
All share price index (ASPI) (1985 = 100)	447.6	1,922.2	2,722.4	2,541.0	1,503.0	3,385.6	6,635.9
Milanka price index (MPI) (1998 Dec = 1,000)	698.5	2,451.1	3,711.8	3,291.9	1,631.3	3,849.4	7,061.5
Value of shares traded (Rs. million)	10,624	114,599	105,154	104,985	110,454	142,463	570,327
Net purchases by non nationals (Rs. million)	-3,365	6,145	5,377	11,254	13,951	-789	-26,335
Market capitalisation (Rs. billion)	88.8	584.0	834.8	820.7	488.8	1,092.1	2,210.5

(j) Includes Asian Clearing Union receipts

(n) Grants are classified as a revenue item.

(k) Special Drawing Rights (SDR), the unit of account of the International Monetary Fund (IMF).

(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 year-on-year growth for 2005.

(l) The exchange rates have been defined in terms of indices so that the appreciation/depreciation of the rupee relative to other currencies is directly reflected by a rise/fall in the values of the effective exchange rates indices.

(p) Restructuring bonds worth Rs.19.4 billion, 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.

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