

APPENDIX III

CHARTS

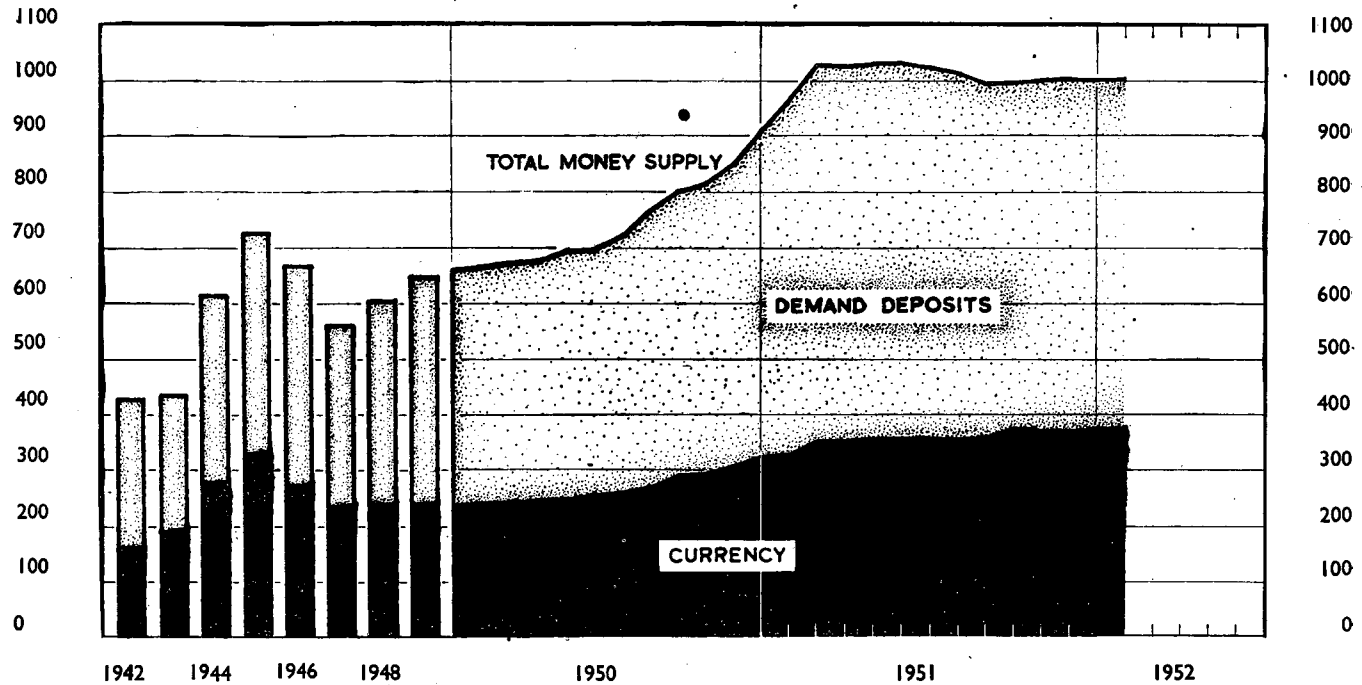
**CHART I.**

# MONEY SUPPLY

MILLIONS OF RUPEES

End of year 1942-1949 ; End of month January, 1950—

MILLIONS OF RUPEES



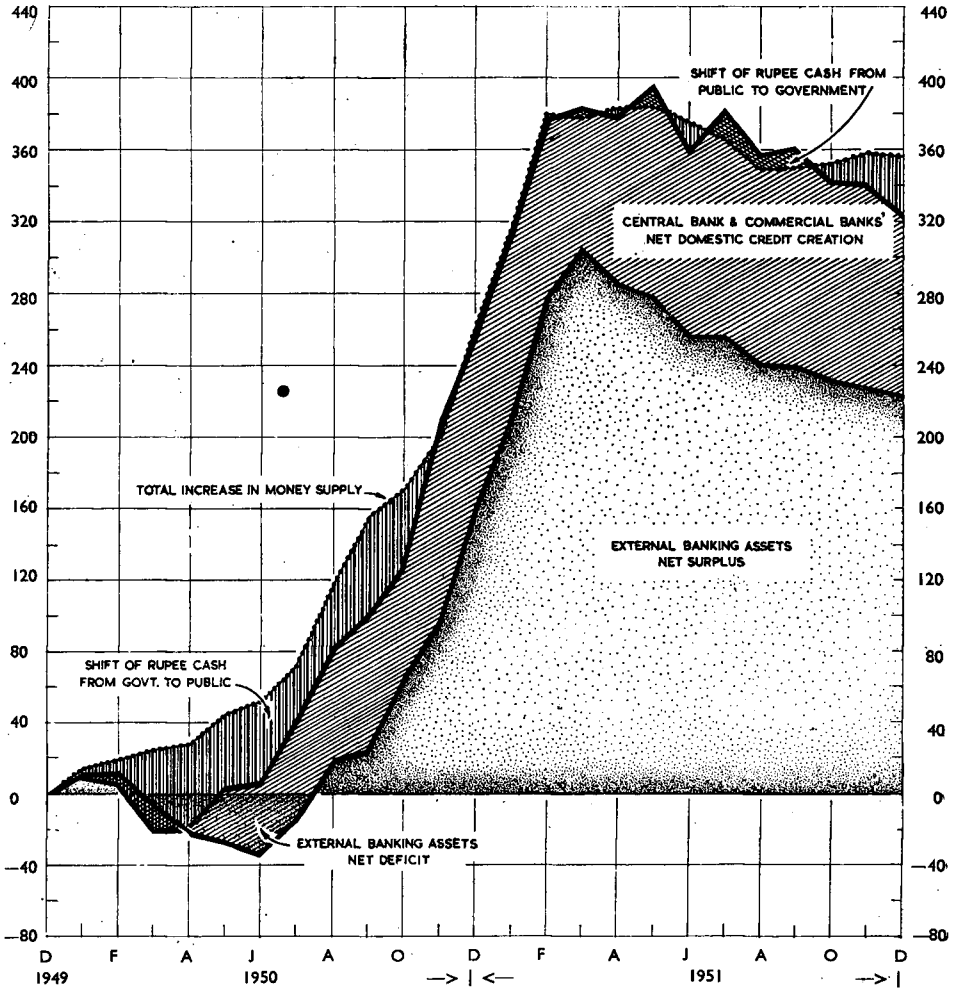
**CHART 2**

**FACTORS AFFECTING MONEY SUPPLY**

MILLIONS OF RUPEES

MILLIONS OF RUPEES

Cumulative changes, monthly from end of December, 1949.



# THE DETERMINANTS OF THE MONEY SUPPLY

MONTHLY

Millions of Rupees  
Ratio Scale

1949

1950

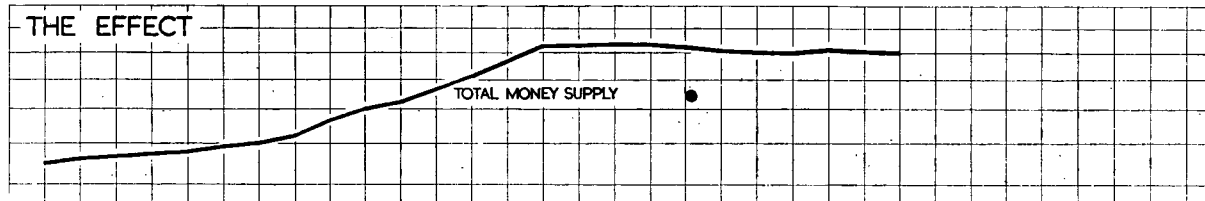
1951

1952

Millions of Rupees  
Ratio Scale

1200  
1100  
1000  
900  
800  
700  
600

1200  
1100  
1000  
900  
800  
700  
600



A. TOTAL MONEY SUPPLY  
B. CHANGES IN TOTAL MONEY SUPPLY (ITEMS BELOW)

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B. CHANGES IN TOTAL MONEY SUPPLY (ITEMS BELOW)

A. TOTAL MONEY SUPPLY	64.94	66.31	66.80	67.39	67.61	69.41	69.97	72.08	76.68	80.53	82.00	85.56	91.08	96.53	102.97	102.77	103.38	103.35	102.53	105.00	99.66	99.77	100.14	100.76	100.62
B. CHANGES IN TOTAL MONEY SUPPLY (ITEMS BELOW)	13.7	4.9	5.9	2.3	18.0	5.7	21.0	45.9	38.5	14.7	29.9	61.1	54.4	64.4	-2.0	5.1	0.7	-8.2	-10.3	-16.4	1.1	1.7	6.2	-1.3	

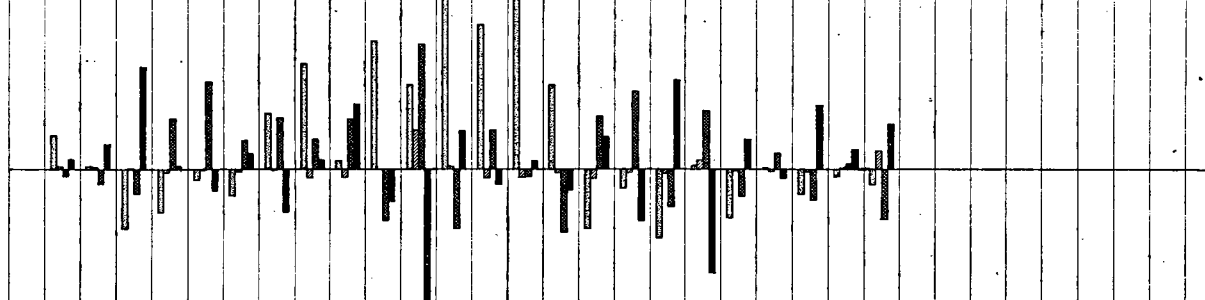
Millions of Rupees  
Arithmetic Scale

## THE CAUSES MONTH BY MONTH

Millions of Rupees  
Arithmetic Scale

60  
40  
20  
0  
-20  
-40

60  
40  
20  
0  
-20  
-40



CHANGES MONTH BY MONTH, IN:

CHANGES MONTH BY MONTH, IN:

1. EXTERNAL ASSETS  
CENTRAL BANK PLUS  
COMMERCIAL BANKS  
2. DOMESTIC CREDIT  
CREATION BY CENTRAL  
BANK  
3. DOMESTIC ASSETS OF  
COMMERCIAL BANKS  
4. SHIFT OF GOVERNMENT  
RUPEE CASH TO PUBLIC  
5. SUM OF 1, 2, 3, 4 = CHANGES  
IN TOTAL MONEY SUPPLY  
(ITEM 'B' ABOVE)

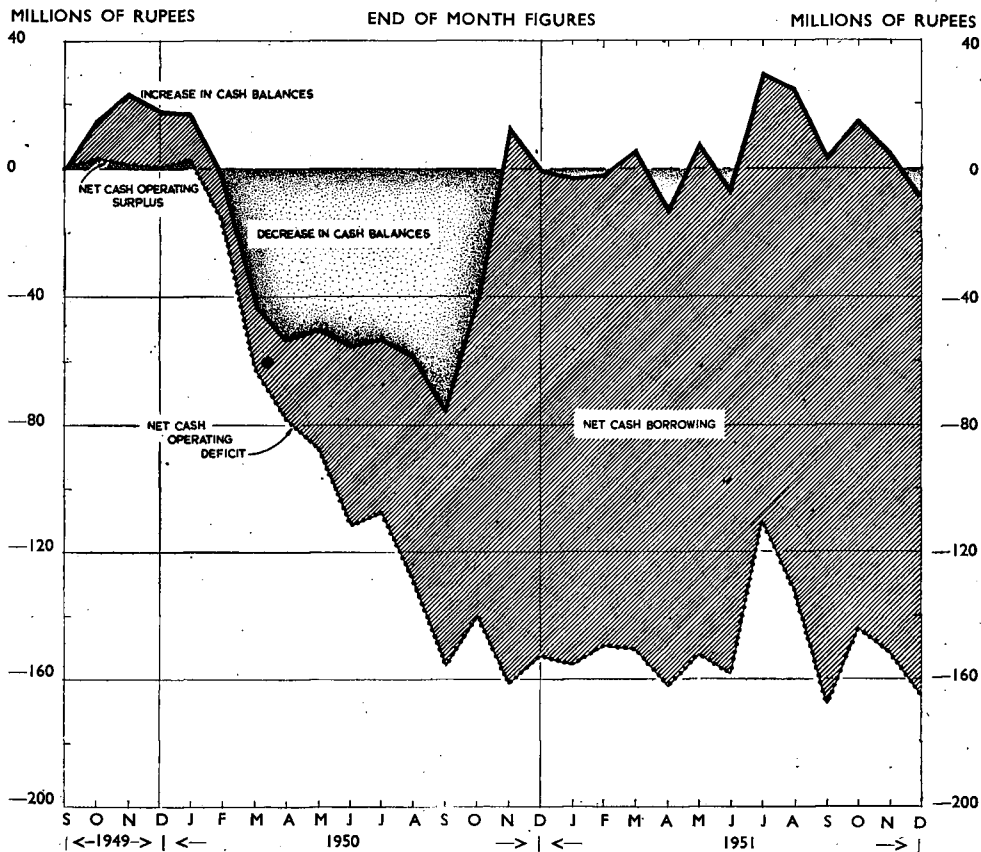
1. EXTERNAL ASSETS  
CENTRAL BANK PLUS  
COMMERCIAL BANKS  
2. DOMESTIC CREDIT  
CREATION BY CENTRAL  
BANK  
3. DOMESTIC ASSETS OF  
COMMERCIAL BANKS  
4. SHIFT OF GOVERNMENT  
RUPEE CASH TO PUBLIC  
5. SUM OF 1, 2, 3, 4 = CHANGES  
IN TOTAL MONEY SUPPLY  
(ITEM 'B' ABOVE)

1. EXTERNAL ASSETS CENTRAL BANK PLUS COMMERCIAL BANKS	11.5	0.9	-20.0	-14.5	-3.9	9.1	18.7	35.7	2.7	43.3	28.4	67.1	48.9	67.8	28.1	-20.2	-6.5	-23.6	1.4	-16.5	0.3	-8.6	-2.5	-5.5
2. DOMESTIC CREDIT CREATION BY CENTRAL BANK	1.0	0.7	0.1	-1.3	-0.1	-0.8	-0.3	-3.1	-2.8	-	13.2	0.9	-3.4	-3.3	-1.3	-3.3	-1.3	-11.8	3.2	-0.3	-1.1	-0.9	0.2	6.2
3. DOMESTIC ASSETS OF COMMERCIAL BANKS	-2.4	-5.1	-8.4	16.7	29.5	9.8	17.0	10.0	16.7	-17.6	42.3	-20.1	14.4	-2.8	-21.6	17.7	26.3	-12.7	19.9	-9.6	5.6	-10.5	2.0	-17.1
4. SHIFT OF GOVERNMENT RUPEE CASH TO PUBLIC	3.5	8.4	34.3	1.4	-7.5	5.8	-14.5	3.4	21.9	-11.0	-54.1	13.1	-5.5	2.8	-7.2	11.0	-17.8	30.0	-35.0	10.0	-3.7	21.6	6.5	15.1
5. SUM OF 1, 2, 3, 4 = CHANGES IN TOTAL MONEY SUPPLY (ITEM 'B' ABOVE)	13.7	4.9	5.9	2.3	18.0	5.7	21.0	45.9	38.5	14.7	29.9	61.1	54.4	64.4	-2.0	5.1	0.7	-8.2	-10.3	-16.4	1.1	1.7	6.2	-1.3

D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S  
1949 1950 1951 1952

**CHART 4**

**GOVERNMENT NET CASH OPERATING SURPLUS AND DEFICIT**  
 Cumulative since end of September, 1949.



NOTE: CASH BALANCES INCLUDE READILY MARKETABLE STERLING AND INDIAN RUPEE INVESTMENTS

DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON

SOURCE: CENTRAL BANK OF CEYLON

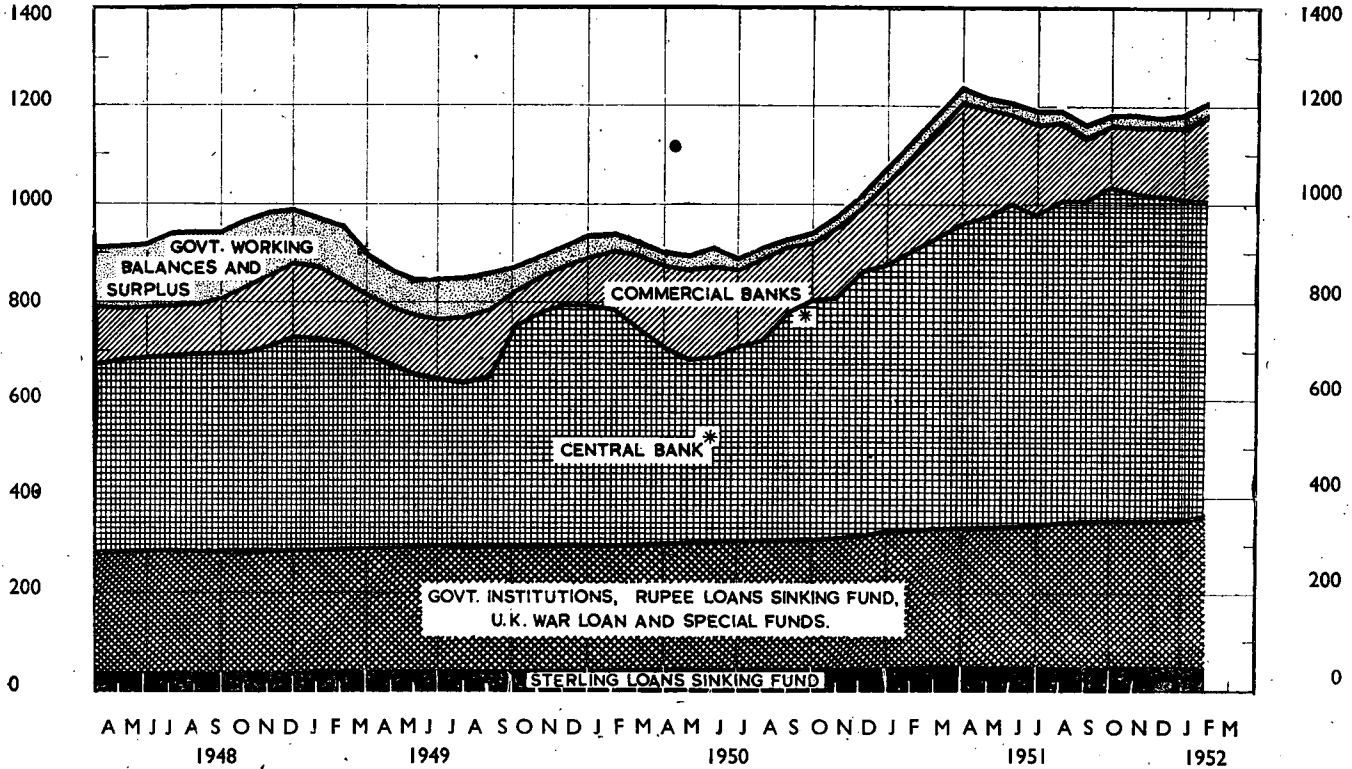
CHART 5

# EXTERNAL ASSETS OF CEYLON

MILLIONS OF RUPEES

End of Month Figures.

MILLIONS OF RUPEES

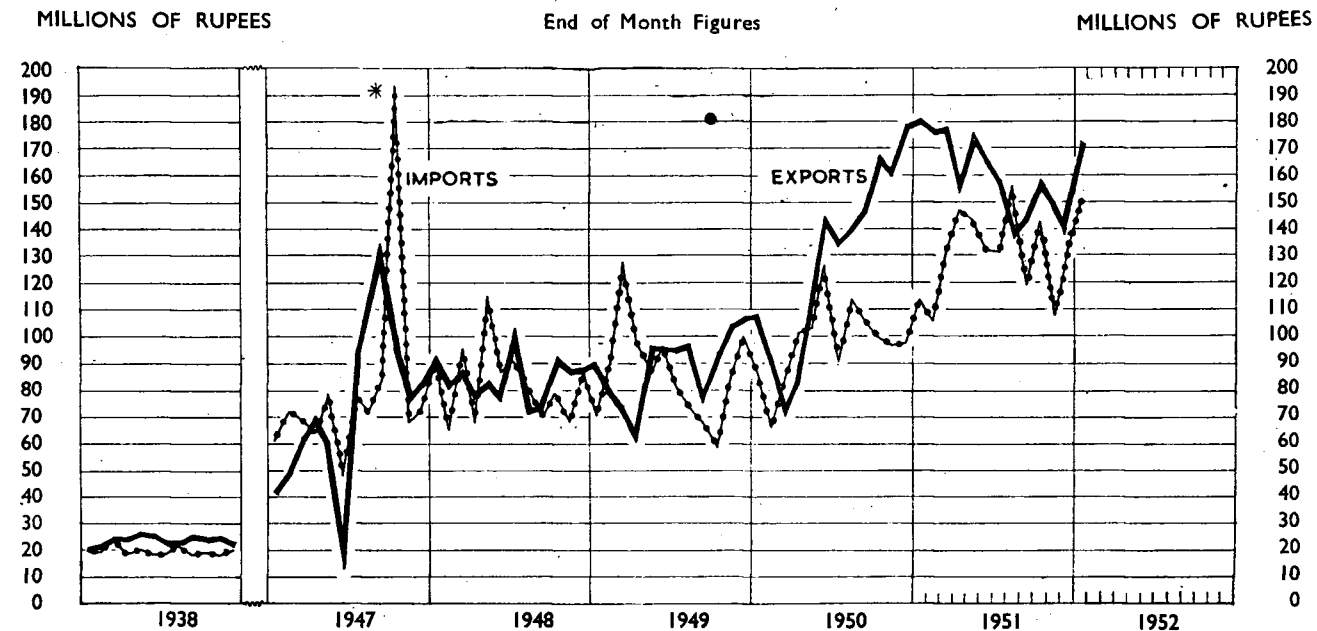


\* Currency Board prior to 28-8-1950

Note: Private external assets other than banking assets not included

CHART 6

### MERCHANDISE EXPORTS & IMPORTS



DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: CEYLON CUSTOMS RETURNS.

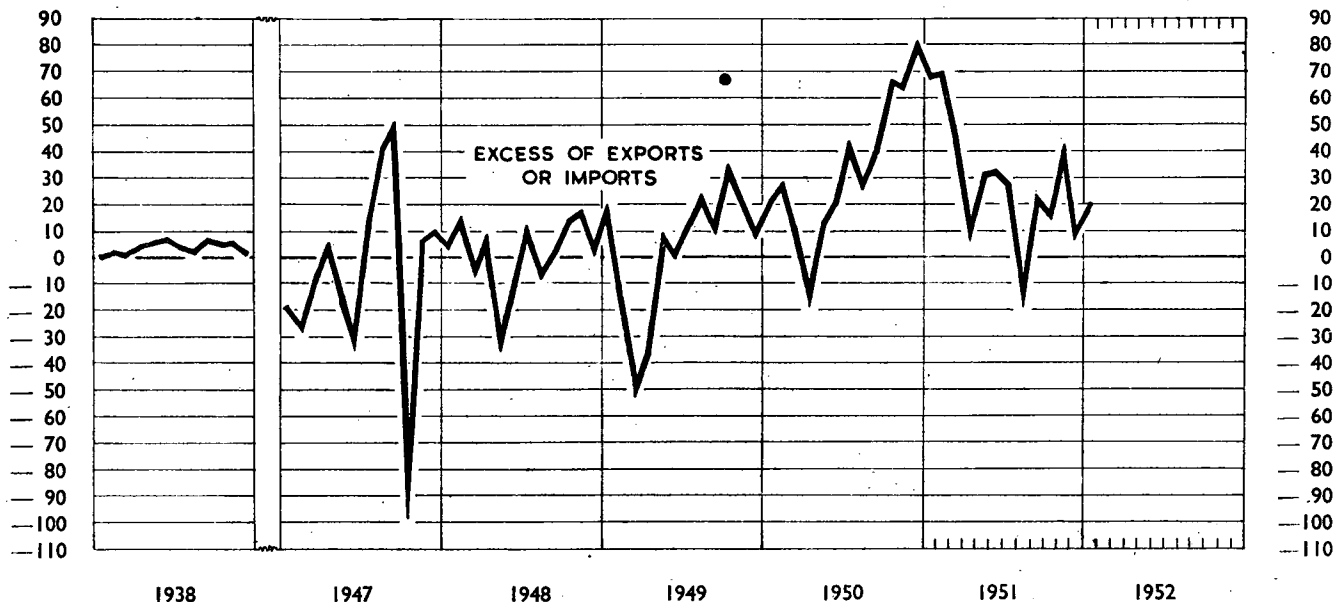
\*INCLUDES Rs. 106 MILLION OF FOOD SUPPLIES SHORT ENTERED IN PREVIOUS MONTHS.

CHART 7

EXCESS OF EXPORTS OR IMPORTS

MILLIONS OF RUPEES

MILLIONS OF RUPEES



DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: CEYLON CUSTOMS RETURNS.



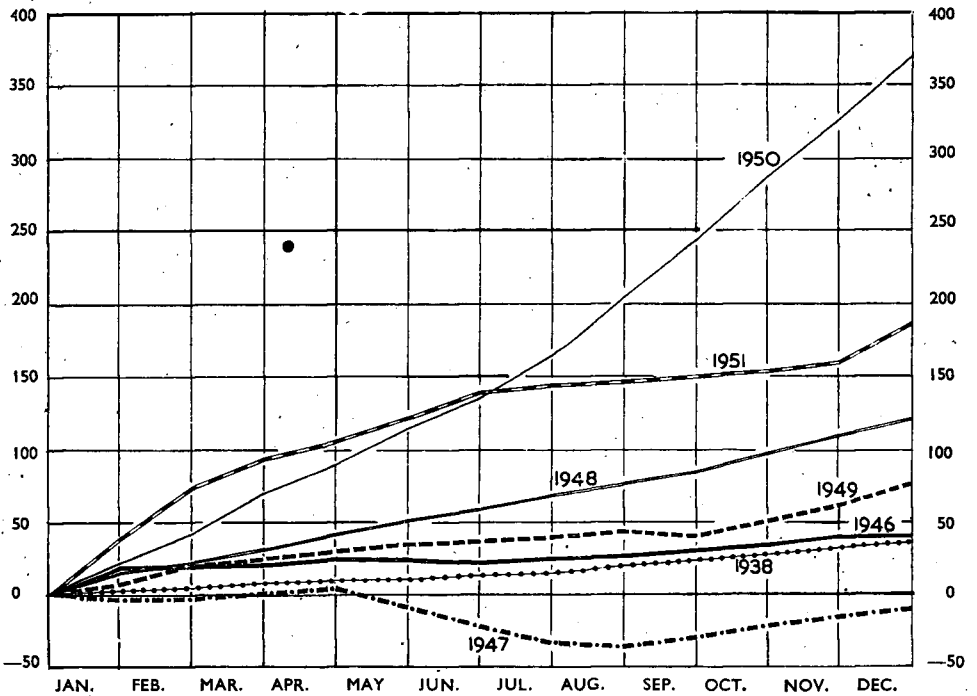
**CHART 8**

**BALANCE OF TRADE WITH UNITED STATES AND CANADA**

MILLIONS OF RUPEES

MILLIONS OF RUPEES

Cumulative—Monthly; Beginning of Year Equals Zero

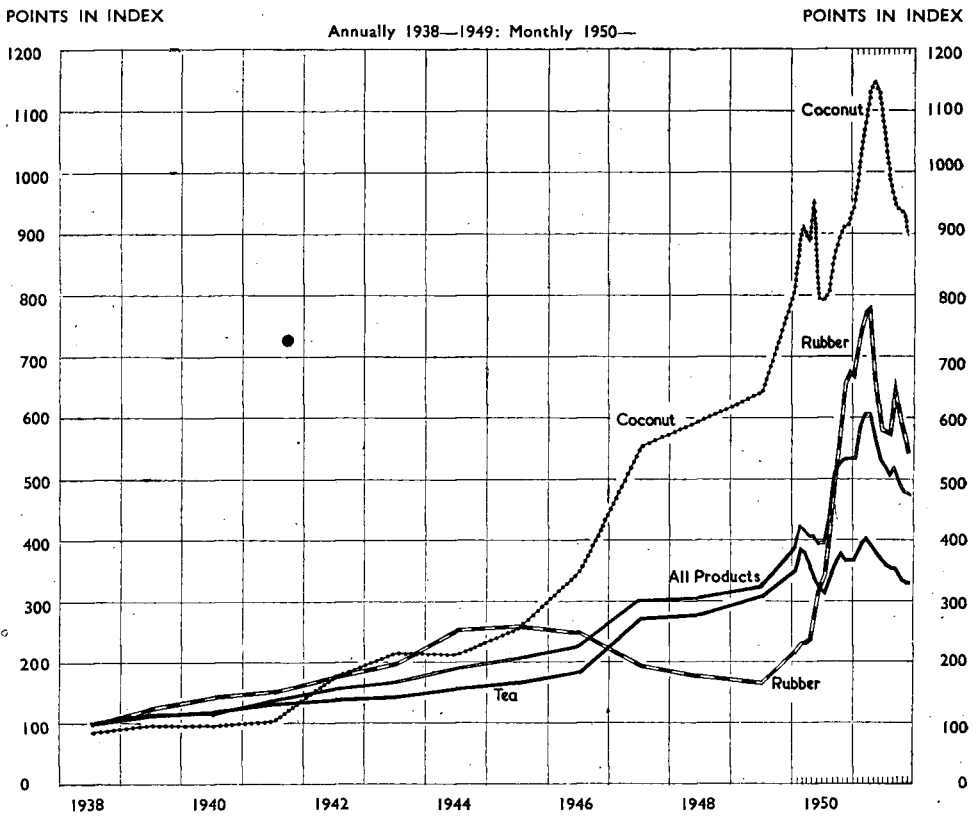


DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DATA SUMMARIZED FROM CEYLON CUSTOMS RETURNS.

CHART 9

EXPORT PRICE INDEX  
1934 — 1938 = 100



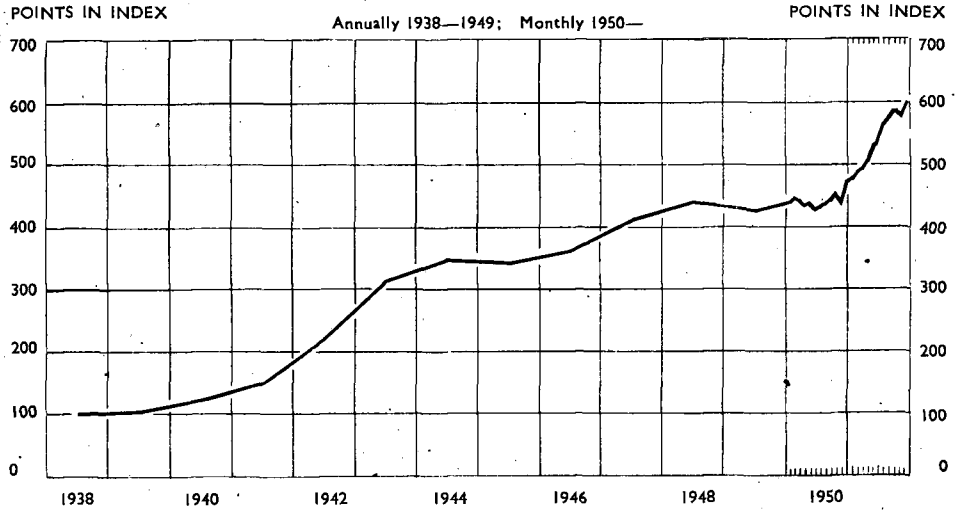
DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON

SOURCES: DEPT. OF CENSUS & STATISTICS;  
CENTRAL BANK OF CEYLON

**CHART 10**

**IMPORT PRICE INDEX**

1934—1938=100



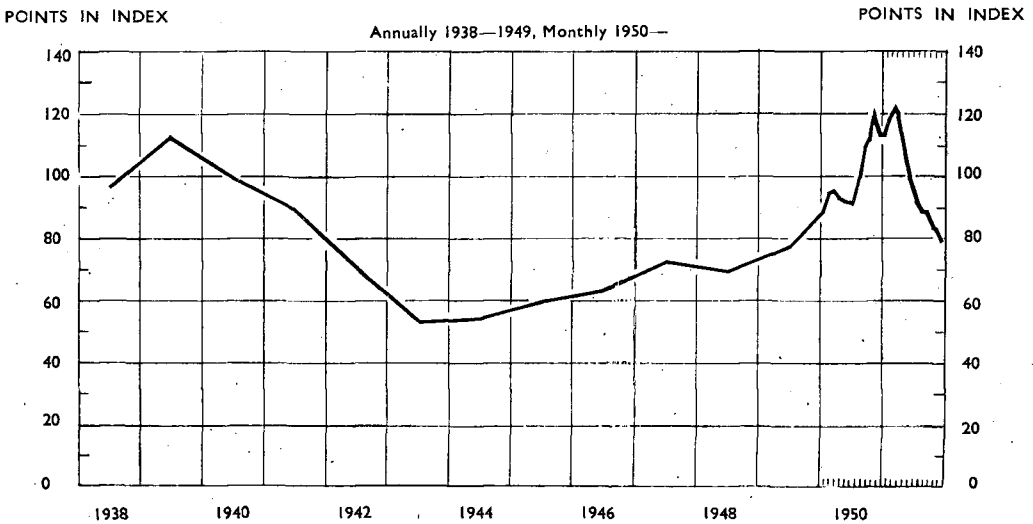
DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCES: DEPT. OF CENSUS & STATISTICS,  
CENTRAL BANK OF CEYLON.

**CHART 11**

**\*TERMS OF TRADE**

1934—1938=100



\* EXPORT PRICE INDEX  $\times$  100  
IMPORT PRICE INDEX

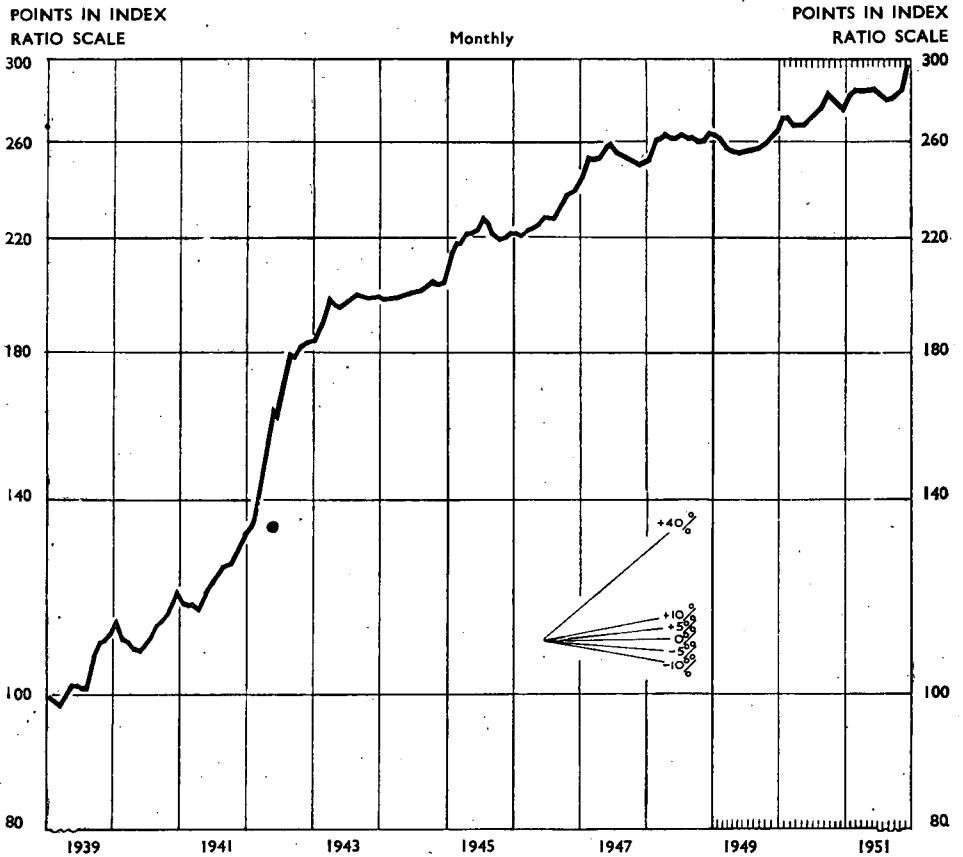
DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCES: DEPT. OF CENSUS & STATISTICS  
(DATA CONVERTED TO BASE 1934—38=100)

**CHART 12**

**COST OF LIVING INDEX — LOWER INCOME GROUP, COLOMBO TOWN\***

Average Price, November, 1938 to April, 1939 = 100



DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DEPT. OF CENSUS & STATISTICS AND CENTRAL BANK OF CEYLON.

\* Previous charts of the cost of living were plotted on an arithmetic vertical scale, in which equal amounts of change were given equal space. This is plotted on a ratio or logarithmic, vertical scale, in which equal percentages of change are given equal space.

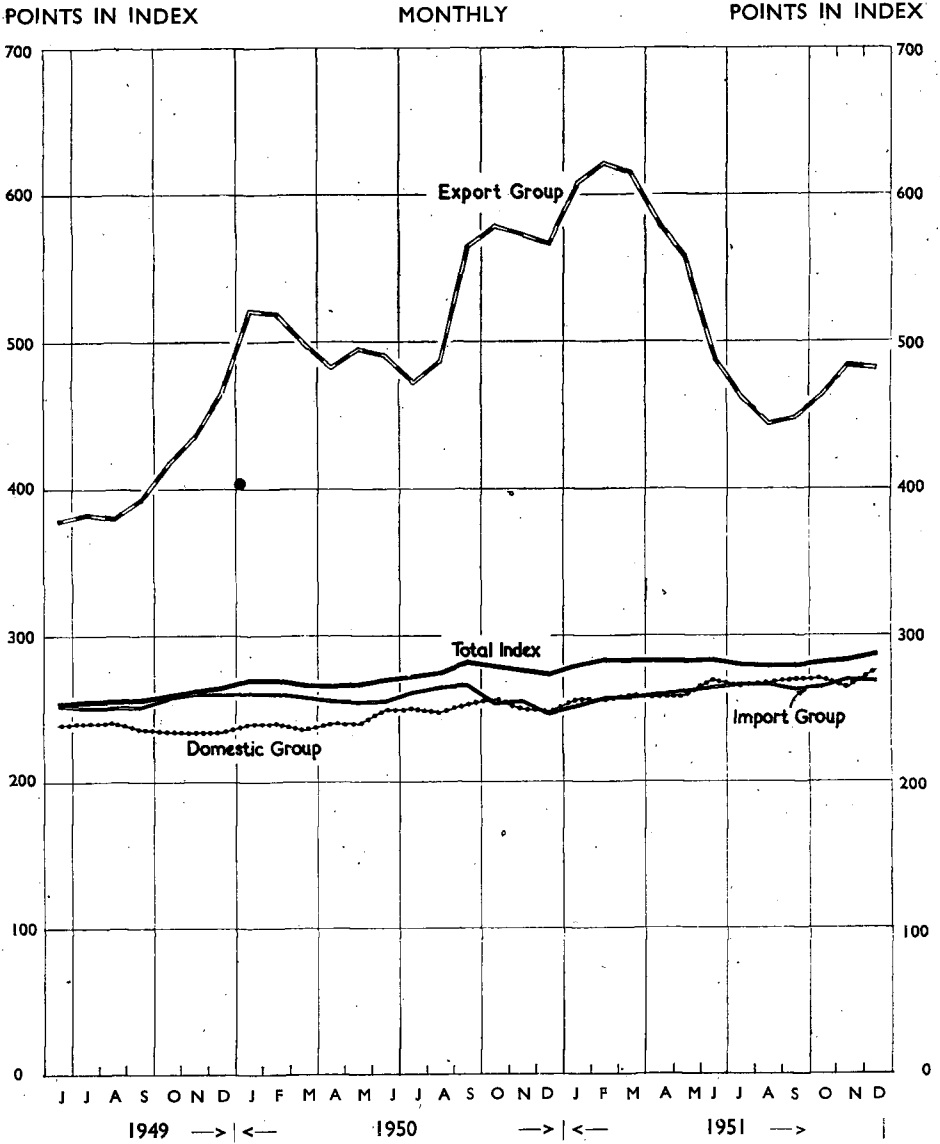
The new scale implies an assumption: that Ceylon is primarily interested in percentage changes in the cost of living, not in amounts of change. Hence it gives a truer impression of what has taken place in the movements of this index.

At every point in the chart the angles given to the right indicate the same per cent. per year changes.

**CHART 13**

**COST OF LIVING INDEX—LOWER INCOME GROUP—COLOMBO TOWN,  
BY COMMODITY GROUPS**

Average price, Nov. 1938—Apr. 1939= 100



**CHART 14**

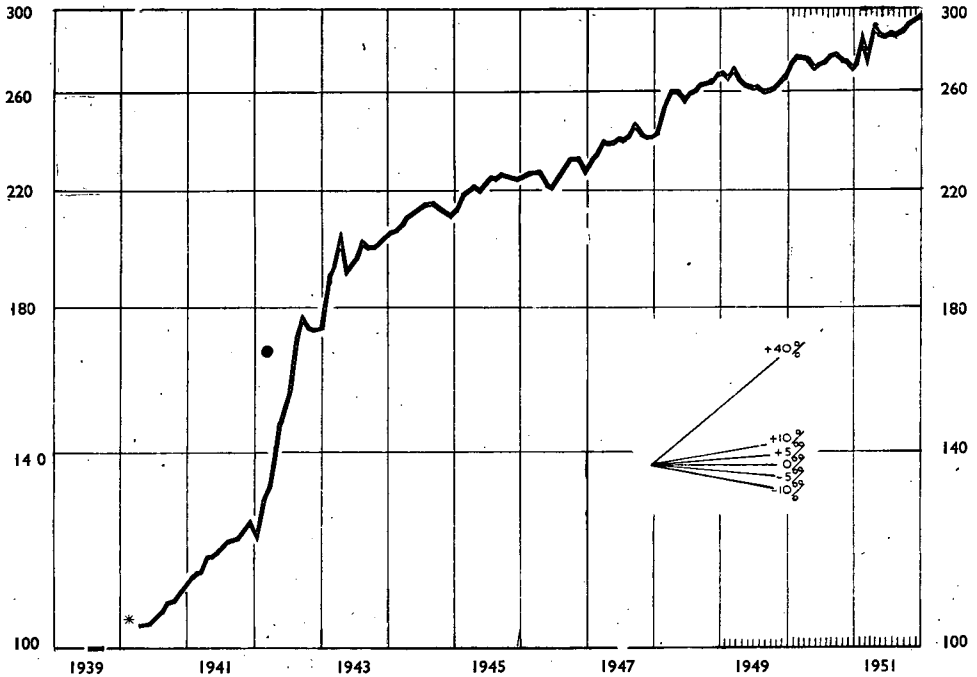
**COST OF LIVING INDEX — ESTATE LABOUR †**

July — Sept., 1939 = 100

POINTS IN INDEX  
RATIO SCALE

POINTS IN INDEX  
RATIO SCALE

MONTHLY



\*Data Unavailable

DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DEPT. OF LABOUR.

† Previous charts of the cost of living index for estate labour were plotted on an arithmetic vertical scale, in which equal amounts of change were given equal space. This is plotted on a ratio or logarithmic, vertical scale, in which equal percentages of change are given equal space.

The new scale implies an assumption: that Ceylon is primarily interested in percentage changes in the cost of living, not in amounts of change. Hence it gives a truer impression of what has taken place in the movements of this index.

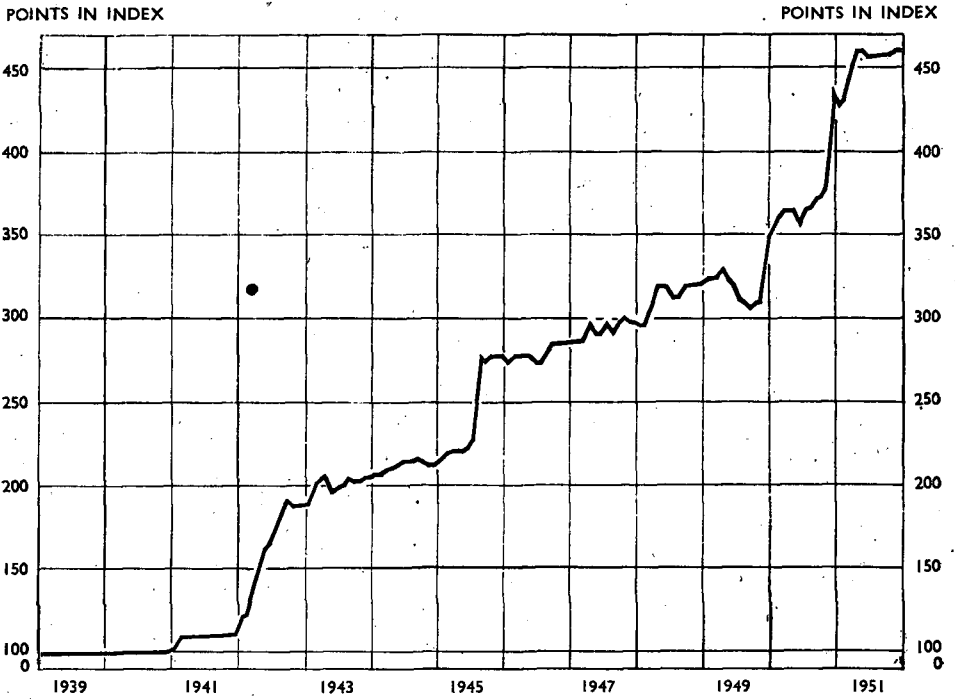
At every point in the chart the angles given to the right indicate the same per cent. per year changes.

CHART 15

### MINIMUM WAGE RATE INDEX

Tea and Rubber Estate Labour

Average Wages 1939 = 100



DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DEPT. OF LABOUR.

CHART 16

INDEXES OF SHARE PRICES

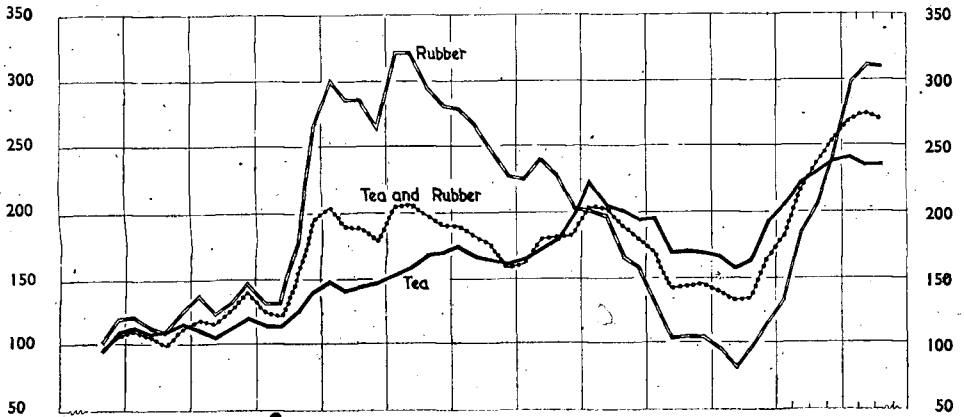
Jan. — June, 1939 = 100

Quarterly

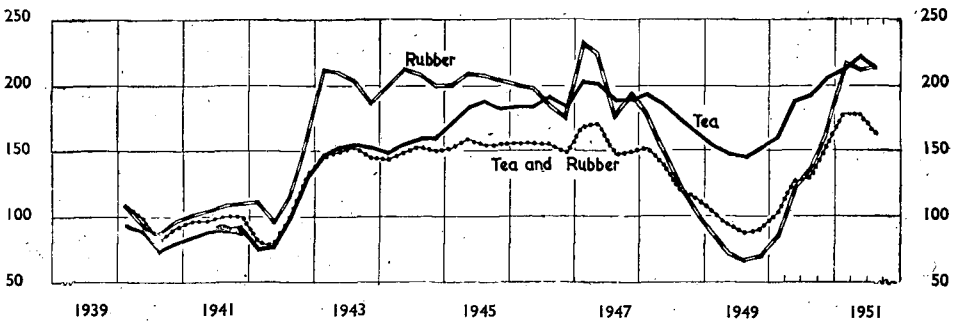
POINTS IN INDEX

POINTS IN INDEX

RUPEE COMPANIES



STERLING COMPANIES



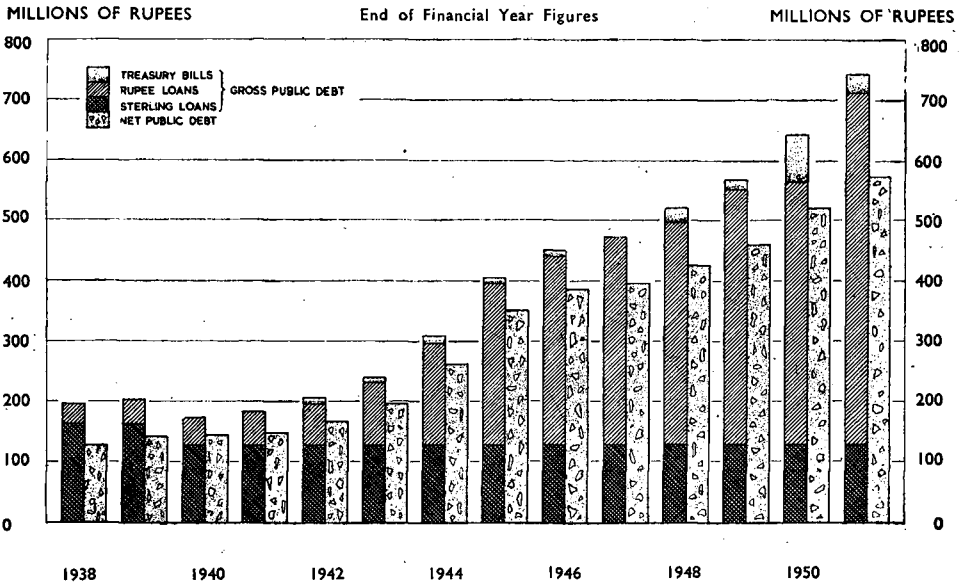
DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DEPT. OF CENSUS & STATISTICS.



**CHART 17**

**PUBLIC DEBT**



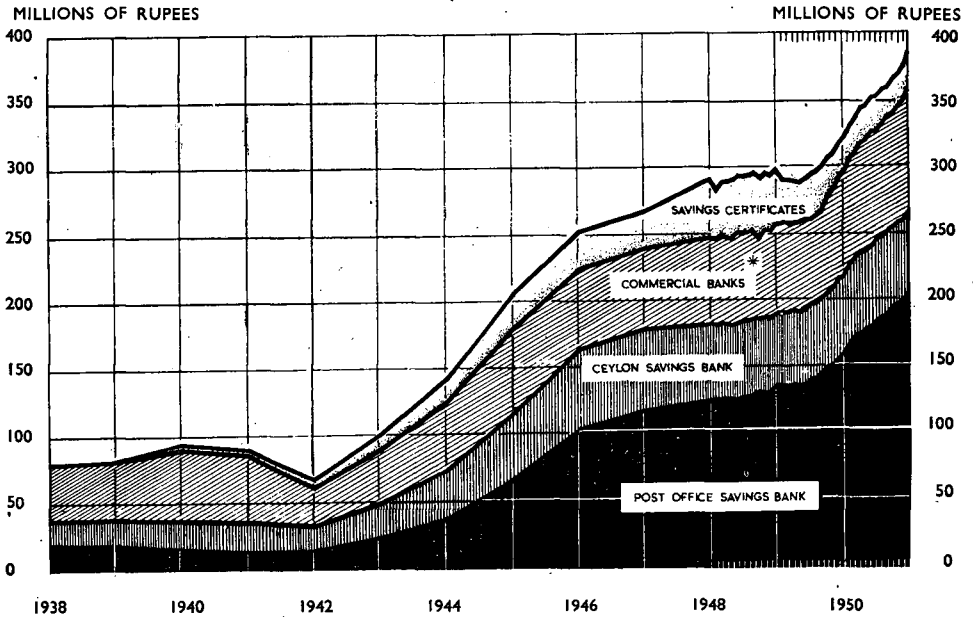
DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: CENTRAL BANK OF CEYLON.

**CHART 18**

**SAVINGS**

End of year 1938 — 1948; End of month Jan., 1949—



\*Includes both Savings and Time Deposits.

DEPT. OF ECONOMIC RESEARCH, CENTRAL BANK OF CEYLON.

SOURCE: DEPT. OF CENSUS & STATISTICS AND CENTRAL BANK OF CEYLON.

