

PART I

ECONOMIC PERFORMANCE, PROBLEMS AND POLICIES IN 1987

BASIC ECONOMIC INDICATORS

		1986	1987			1986	1987
Population				Trade			
Mid-year estimate Mn.		16.1	16.4	Imports	Rs. Mn.	54,559	60,517
Growth rate %		1.8	1.5		SDR Mn.	1,658	1,588
National Income				Exports	Rs. Mn.	34,072	41,133
Rate of growth of GDP%	(in real terms)	4.3	1.5		SDR Mn.	1,036	1,080
Rate of Growth of GNP%	(in real terms)	4.5	1.6	Tea	"	281	280
Per Capita GNP				Rubber	"	80	77
(current prices) Rs.		9,918	10,598	Coconut	"	73	56
US\$		354	360	Garments and			
				Textiles	"	293	339
				Petroleum			
				Products	"	72	68
				Other Industrial			
				Exports	"	118	118
Sectoral Growth Rates (%)				Balance of Payments (SDR Mn.)			
Agriculture, Forestry and				Trade Balance		-649	-531
Fishing		2.6	-5.8	Services Account		-109	-114
Mining and Quarrying		5.2	19.0	Private Transfers		242	240
Manufacturing		8.4	6.8	Official Transfers		153	139
Construction		1.5	1.8	Current Account Balance		-363	-266
Services		4.3	2.7	Overall Balance		-74	-72
Investment and Savings				Overall Debt Service			
As a percentage of Gross Domestic				Ratio %		26.4	28.5
Product (at current market prices)				Government Finance			
Investment		23.7	23.3	As a percentage of Gross Domestic Products			
Government		5.3	5.7	Government Expenditure		33.0	32.1
Domestic Savings		12.0	12.8	Government Revenue		20.8	21.4
National Savings		14.5	15.3	Current Account Surplus		1.8	1.7
Prices				Budget Deficit			
Colombo Consumers' Price Index				(before grants)		12.2	10.6
%Change Dec. - Dec.		9.1	10.2	Budget Deficit			
Average Annual % Change		8.0	7.7	(after grants)		10.1	8.3
% Change in Implicit GDP		5.5	6.8	Money and Credit			
Deflator				% Change M ₁		12.9	18.4
Exchange Rates (Average)				% Change M ₂		5.1	14.7
Rs./US\$		28.02	29.44	% Change in Domestic			
Rs./SDR		32.90	38.10	Credit		8.2	17.9
				% Change in External			
				Banking Assets (net)		-4.5	-5.0