Sri Lanka: Macroeconomic Developments in Charts

First Quarter 2021
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Central Bank of Sri Lanka
Economic Research Department
Real Sector and Inflation
Real GDP Growth

Annual Real GDP Growth

Quarterly Real GDP Growth

Source: Department of Census and Statistics

Note: Data from 2011 are based on the base year 2010 GDP estimates of the Department of Census and Statistics. Data are based on latest GDP estimates made available on 09 July 2021 by the Department of Census and Statistics.
Sectoral GDP Growth

Agriculture

<table>
<thead>
<tr>
<th></th>
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<th>2018</th>
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<tbody>
<tr>
<td>Q1</td>
<td>-4.5</td>
<td>-6.5</td>
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<td>6.3</td>
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Industry

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<th>2021</th>
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<tbody>
<tr>
<td>Q1</td>
<td>3.9</td>
<td>1.6</td>
<td>3.9</td>
<td>3.9</td>
<td>3.9</td>
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<tr>
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<td>-23.1</td>
<td>-23.1</td>
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<td>-7.9</td>
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<td>5.5</td>
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<td>4.3</td>
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<td>1.3</td>
<td>1.3</td>
<td>4.3</td>
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Services

<table>
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<tr>
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<th>2018</th>
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<th>2020</th>
<th>2021</th>
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<td>4.4</td>
<td>5.1</td>
<td>4.0</td>
<td>2.9</td>
<td>3.0</td>
</tr>
<tr>
<td>Q2</td>
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<td>0.7</td>
<td>3.9</td>
<td>4.6</td>
<td>3.4</td>
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<tr>
<td>Q3</td>
<td>2.8</td>
<td>4.4</td>
<td>2.8</td>
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<td>2.8</td>
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<tr>
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<td>2.1</td>
<td>1.8</td>
<td>2.1</td>
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<td>2.1</td>
</tr>
</tbody>
</table>

Source: Department of Census and Statistics

Note: Data are based on the base year 2010 GDP estimates of the Department of Census and Statistics. Data are based on latest GDP estimates made available on 09 July 2021 by the Department of Census and Statistics.
Per Capita GDP

Sources: Department of Census and Statistics
Central Bank of Sri Lanka

Note: Data from 2011 are based on the base year 2010 GDP estimates of the Department of Census and Statistics and updated with latest population data.

Data are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.
Index of Industrial Production (IIP)*

Source: Department of Census and Statistics

*Based on the Index of Industrial Production (IIP, 2015=100)
Unemployment

Source: Department of Census and Statistics
Poverty

Poverty Headcount Ratio

- 28.8% in 1995/1996
- 22.7% in 2002
- 15.2% in 2006/2007
- 8.9% in 2009/2010
- 6.7% in 2012/2013
- 4.1% in 2016

Source: Department of Census and Statistics
CCPI-based Inflation*

CCPI based Headline Inflation

CCPI based Core Inflation**

*Based on the Colombo Consumer Price Index (CCPI, 2013=100)

**Core Inflation is calculated by excluding volatile food, energy and transport categories from the CCPI
NCPI based Inflation*

NCPI based Headline Inflation

NCPI based Core Inflation**

Source: Department of Census and Statistics

*Based on the National Consumer Price Index (2013=100)

**Core Inflation is calculated by excluding volatile food, energy and transport categories from the NCPI
Producer's Price Index (PPI)*

Source: Department of Census and Statistics

*Based on the Producer's Price Index (PPI, 2013 Q4=100)
External Sector
Earnings from Merchandise Exports

Merchandise Exports - Annual

- 2000: 5.5
- 2001: 4.8
- 2002: 5.1
- 2003: 5.8
- 2004: 6.3
- 2005: 6.9
- 2006: 7.1
- 2007: 7.6
- 2008: 8.1
- 2009: 8.6
- 2010: 10.6
- 2011: 9.8
- 2012: 10.4
- 2013: 10.1
- 2014: 10.5
- 2015: 10.3
- 2016: 10.4
- 2017: 11.4
- 2018: 10.1
- 2019: 11.9
- 2020: 11.9
- 2021: 3.0

Merchandise Exports - Monthly

Sources: Central Bank of Sri Lanka and Sri Lanka Customs
Expenditure on Merchandise Imports

Merchandise Imports - Annual

Merchandise Imports - Monthly

Sources: Central Bank of Sri Lanka and Sri Lanka Customs

Central Bank of Sri Lanka
Economic Research Department
Trade Balance

Source: Central Bank of Sri Lanka
Tourism

Arrivals and Earnings

Monthly Arrivals

Sources: Central Bank of Sri Lanka and Sri Lanka Tourist Development Authority (SLTDA)

Source: SLTDA
Workers’ Remittances

Source: Central Bank of Sri Lanka
Current Account Balance

Source: Central Bank of Sri Lanka

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Central Bank of Sri Lanka
Economic Research Department
Foreign Direct Investment Inflows

Sources: Central Bank of Sri Lanka, Board of Investment and Colombo Stock Exchange
Balance of Payments

Overall Balance

Source: Central Bank of Sri Lanka
Gross Official Reserves

Gross Official Reserves and Months of Imports

Source: Central Bank of Sri Lanka
Exchange Rate Movements

Source: Central Bank of Sri Lanka
Government Revenue

Source: Ministry of Finance

Note: Information from 2010 are based on rebased (2010 prices) estimates of GDP published by the Department of Census and Statistics. Data (2018 and 2019) are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.

(a) According to the Ministry of Finance, the fiscal sector statistics of 2019 have been restated as announced in the Budget Speech for 2020

(b) Provisional
Government Expenditure

Recurrent Expenditure

Capital and Net Lending

Source: Ministry of Finance

Note: Information from 2010 are based on rebased (2010 prices) estimates of GDP published by the Department of Census and Statistics. Data (2018 and 2019) are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.

(a) According to the Ministry of Finance, the fiscal sector statistics of 2019 have been restated as announced in the Budget Speech for 2020.

(b) Provisional
Public Investment

Note: Information from 2010 are based on rebased (2010 prices) estimates of GDP published by the Department of Census and Statistics. Data (2018 and 2019) are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.

(a) According to the Ministry of Finance, the fiscal sector statistics of 2019 have been restated as announced in the Budget Speech for 2020
(b) Provisional

Source: Ministry of Finance
Budget Deficit

Note: Information from 2010 are based on rebased (2010 prices) estimates of GDP published by the Department of Census and Statistics. Data (2018 and 2019) are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.

(a) According to the Ministry of Finance, the fiscal sector statistics of 2019 have been restated as announced in the Budget Speech for 2020.

(b) Provisional

Source: Ministry of Finance

Central Bank of Sri Lanka
Economic Research Department
Central Government Debt

Note: Information from 2010 are based on rebased (2010 prices) estimates of GDP published by the Department of Census and Statistics. Data (2018 and 2019) are based on latest GDP estimates made available on 16 March 2021 by the Department of Census and Statistics.

(a) Provisional
(b) As per the guidelines of compiling government debt statistics in the Manual of Government Finance Statistics published by the IMF in 2014, non resident holdings of outstanding SLDBs and ISBs of the Sri Lankan Government have been classified under foreign debt and resident holdings of outstanding SLDBs and ISBs of the Sri Lankan Government have been classified under domestic debt.
Monetary Sector
Reserve Money Growth and Money Multiplier

Reserve Money Growth (Y-O-Y)

Money Multiplier

Source: Central Bank of Sri Lanka
Broad Money Growth

Source: Central Bank of Sri Lanka
Credit to the Private Sector

Source: Central Bank of Sri Lanka
Net Credit to the Government

Source: Central Bank of Sri Lanka
Credit to Public Corporations

Source: Central Bank of Sri Lanka
Net Foreign Assets (NFA)

Source: Central Bank of Sri Lanka
Policy Interest Rates and Overnight Money Market Rates

Source: Central Bank of Sri Lanka

*Previously known as the Repo Rate
**Previously known as the Reverse Repo Rate
Treasury Bill Yields and the Yield Curve

Treasury Bill Yields (Primary Market)*

Secondary Market Yield Curve

*Yield rates for some weeks are not available due to non-acceptance of bids or not offering of relevant tenors

Source: Central Bank of Sri Lanka
Market Interest Rates

Source: Central Bank of Sri Lanka
Financial Sector
Banking Sector Indicators (i)

Assets and Liabilities of the Banking Sector

Non-Performing Loans of the Banking Sector

Source: Central Bank of Sri Lanka

IIS: Interest In Suspense
Banking Sector Indicators (ii)

**Profitability Indicators**

- **Return on Equity (after tax)**
  - 2013: 1.3
  - 2014: 1.4
  - 2015: 1.3
  - 2016: 1.4
  - 2017: 1.2
  - 2018: 1.4
  - 2019: 1.3
  - 2020: 1.0
  - Q1 2021: 1.4

- **Net Interest Margin (RHA)**
  - 2013: 14.9
  - 2014: 14.1
  - 2015: 14.0
  - 2016: 13.9
  - 2017: 13.4
  - 2018: 13.1
  - 2019: 13.7
  - 2020: 13.0
  - Q1 2021: 13.3

- **Return on Assets (after tax) (RHA)**
  - 2013: 3.4
  - 2014: 3.5
  - 2015: 3.6
  - 2016: 3.6
  - 2017: 3.5
  - 2018: 3.6
  - 2019: 3.6
  - 2020: 3.6
  - Q1 2021: 3.6

**Capital Adequacy Ratios**

- **Core CAR (RHA)**
  - 2013: 3.5
  - 2014: 3.5
  - 2015: 3.6
  - 2016: 3.6
  - 2017: 3.6
  - 2018: 3.6
  - 2019: 3.6
  - 2020: 3.6
  - Q1 2021: 3.6

- **Total CAR (RHA)**
  - 2013: 16.4
  - 2014: 16.4
  - 2015: 16.4
  - 2016: 16.4
  - 2017: 16.4
  - 2018: 16.4
  - 2019: 16.4
  - 2020: 16.4
  - Q1 2021: 16.4

- **Risk Weighted Assets**
  - 2013: 17.0
  - 2014: 16.6
  - 2015: 15.4
  - 2016: 15.4
  - 2017: 15.4
  - 2018: 15.4
  - 2019: 15.4
  - 2020: 15.4
  - Q1 2021: 15.4

Source: Central Bank of Sri Lanka
Banking Density by Province*

2009

2021 Q1

*Banking Density by Province is calculated based on the mid-year population estimates published by the Department of Census and Statistics.
Non-Bank Financial Sector Indicators (i)

**Assets of the LFC & SLC Sector**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Assets (Net)</th>
<th>Share of the Financial System (RHA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>684.6</td>
<td>6.9</td>
</tr>
<tr>
<td>2014</td>
<td>814.6</td>
<td>7.0</td>
</tr>
<tr>
<td>2015</td>
<td>996.1</td>
<td>7.2</td>
</tr>
<tr>
<td>2016</td>
<td>1,355.0</td>
<td>8.0</td>
</tr>
<tr>
<td>2017</td>
<td>1,432.7</td>
<td>7.9</td>
</tr>
<tr>
<td>2018</td>
<td>1,401.7</td>
<td>7.6</td>
</tr>
<tr>
<td>2019</td>
<td>1,391.9</td>
<td>5.9</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>1,431.3</td>
<td>7.6</td>
</tr>
</tbody>
</table>

**Total Deposits and Borrowings of the LFC & SLC Sector**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Deposits</th>
<th>Total Borrowings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>337.3</td>
<td>193.1</td>
</tr>
<tr>
<td>2014</td>
<td>414.1</td>
<td>217.4</td>
</tr>
<tr>
<td>2015</td>
<td>480.6</td>
<td>314.3</td>
</tr>
<tr>
<td>2016</td>
<td>530.7</td>
<td>438.7</td>
</tr>
<tr>
<td>2017</td>
<td>686.7</td>
<td>463.8</td>
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<tr>
<td>2018</td>
<td>716.8</td>
<td>405.6</td>
</tr>
<tr>
<td>2019</td>
<td>756.7</td>
<td>403.6</td>
</tr>
<tr>
<td>2020</td>
<td>748.6</td>
<td>328.0</td>
</tr>
<tr>
<td>Q1 2021</td>
<td>757.9</td>
<td>290.3</td>
</tr>
</tbody>
</table>

Source: Central Bank of Sri Lanka

*Deposits are only mobilised by the LFCs
LFC: Licensed Finance Companies
SLC: Specialised Leasing Companies*
Non-Bank Financial Sector Indicators (ii)

Profitability Indicators of the LFC and SLC Sector

Non-Performing Advances

Source: Central Bank of Sri Lanka
Stock Market Performance

Share Price Indices and Market Capitalisation (a)

Net Foreign Inflows to the Secondary Market

(a) The CSE was not functioning during the period from 23 March 2020 to 6 May 2020 due to the prevailed conditions of the country with the spread of COVID-19

Source: Colombo Stock Exchange
The set of graphs above summarises macroeconomic and financial market trends in Sri Lanka. These graphs do not contain source data. An extensive set of data is available on the CBSL website. Information for the First quarter of 2021 is provisional.