



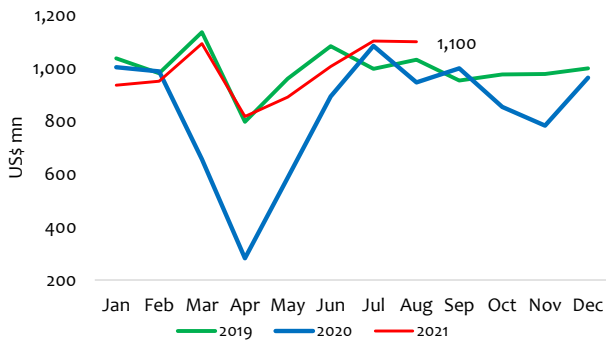
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

August 2021
VOLUME 03 ISSUE 08

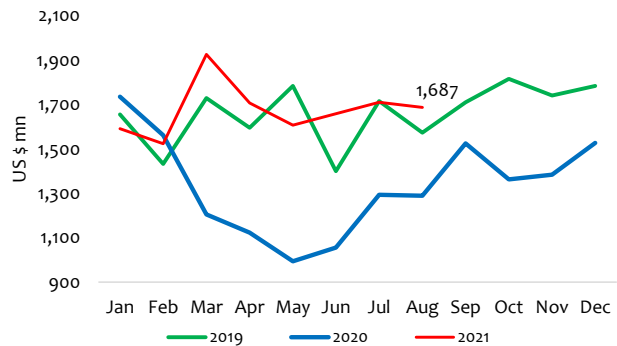
Highlights

Monthly Export Performance



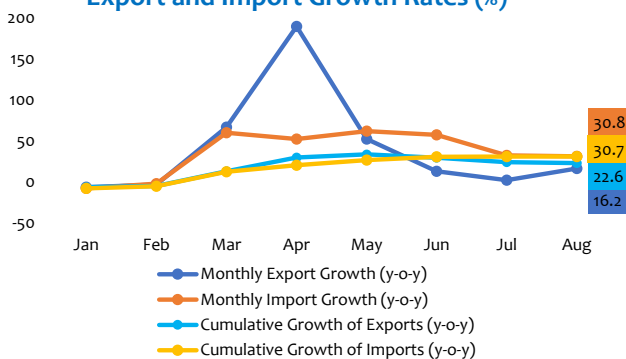
Earnings from merchandise exports increased by 16.2 per cent (year-on-year) to US dollars 1,100 million in August 2021.

Monthly Import Performance



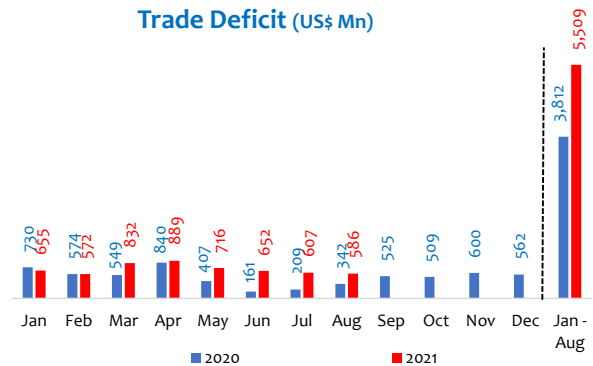
Expenditure on merchandise imports increased by 30.8 per cent (year-on-year) to US dollars 1,687 million in August 2021.

Export and Import Growth Rates (%)



During the eight months ending August 2021, export earnings and import expenditure increased, year-on-year, by 22.6 per cent by 30.7 per cent, respectively.

Trade Deficit (US\$ Mn)



The deficit in the trade account widened in August 2021 to US dollars 586 million in comparison to US dollars 342 million recorded in August 2020.

Major Export and Import Categories - (Jan-Aug 2021)

Exports (US\$ mn)

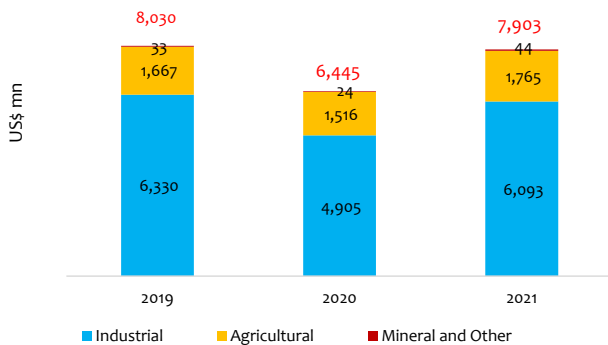
| | |
|-------------------------------------|---------|
| Textiles and garments | 3,434.8 |
| Tea | 882.4 |
| Rubber products | 681.7 |
| Food beverages and tobacco | 354.0 |
| Machinery and mechanical appliances | 329.1 |
| Petroleum products | 294.9 |
| Spices | 282.4 |
| Coconut | 276.9 |
| Gems, diamonds and jewellery | 178.0 |
| Seafood | 165.5 |

Imports (US\$ mn)

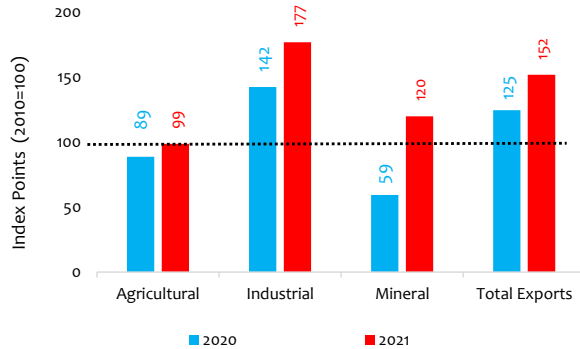
| | |
|-----------------------------------|---------|
| Fuel | 2,395.9 |
| Textiles and textile articles | 1,943.7 |
| Machinery and equipment | 1,822.5 |
| Building material | 803.9 |
| Chemical products | 732.6 |
| Medical and pharmaceuticals | 532.0 |
| Plastics and articles thereof | 518.6 |
| Base metals | 499.2 |
| Paper and paperboard and articles | 319.4 |
| Telecommunication devices | 283.1 |

Export Performance

Export Performance - (Jan-Aug)



Export Volume Index - (Jan-Aug)

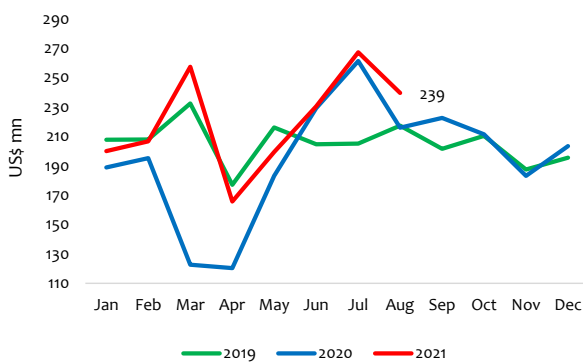


Earnings from exports increased during the eight months ending August 2021 in comparison to the same period in 2020, due to the increase in earnings from all major categories of exports.

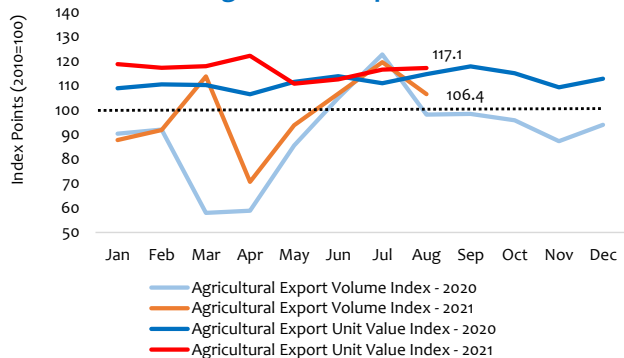
Export volume index increased during the eight months ending August 2021 due to the increase in export volumes of all major categories.

Agricultural Exports

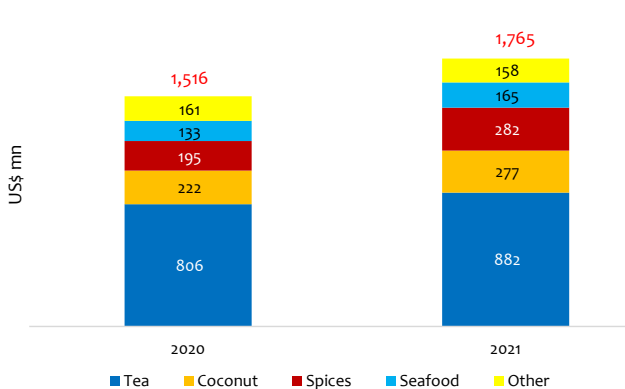
Agricultural Exports



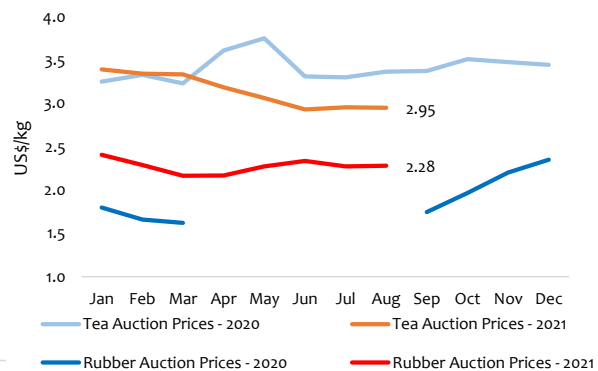
Volume and Unit Value Indices of Agricultural Exports



Performance of Agricultural Exports (Jan-Aug)



Tea and Rubber Prices *

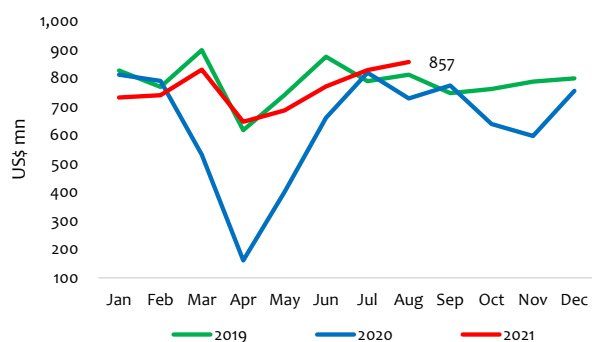


*Based on Colombo auction prices. Rubber auction prices are not available for the period between April to August 2020

Export earnings from agricultural exports improved during the eight months ending August 2021, on a year-on-year basis, mainly due to higher earnings from tea, spices, coconut and seafood exports. However, export earnings from minor agricultural products and vegetables declined during this period.

Industrial Exports

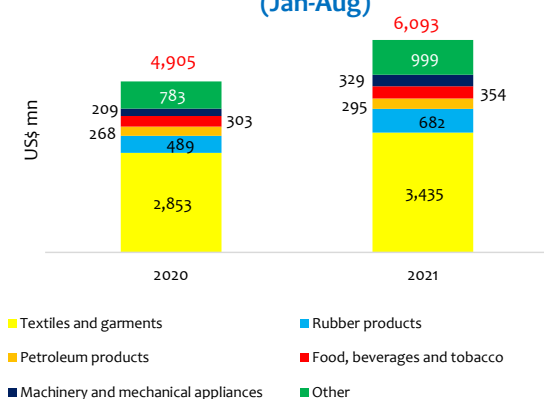
Industrial Exports



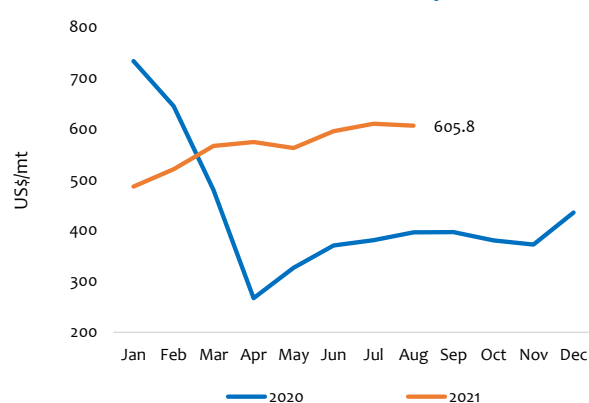
Volume and Unit Value Indices of Industrial Exports



Performance of Industrial Exports (Jan-Aug)



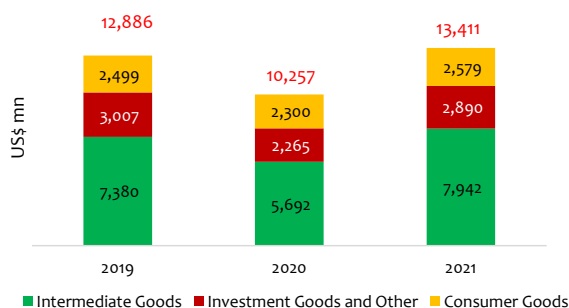
Bunker and Aviation Fuel Export Prices



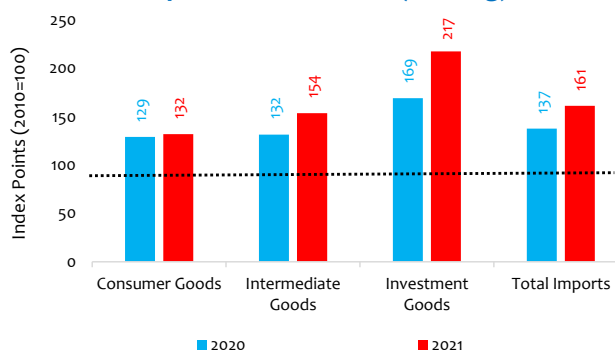
Earnings from industrial exports increased during the eight months ending August 2021, on a year-on-year basis, mainly due to higher earnings from textiles and garments, rubber products, food, beverages and tobacco and machinery and mechanical appliances exports. However, earnings from leather, travel goods and footwear and plastics and articles exports decreased during this period.

Import Performance

Import Performance - (Jan-Aug)



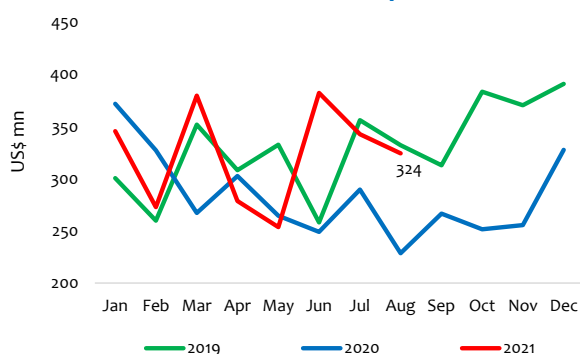
Import Volume Index - (Jan-Aug)



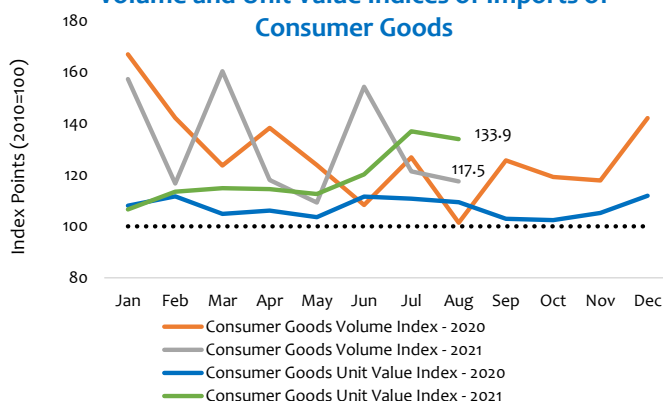
Expenditure on imports increased significantly during the eight months ending August 2021, on a year-on-year basis, due to higher expenditure incurred on all major categories of imports. Meanwhile, the import volume index also increased with higher volumes in all major categories of imports during the period under consideration.

Consumer Goods Imports

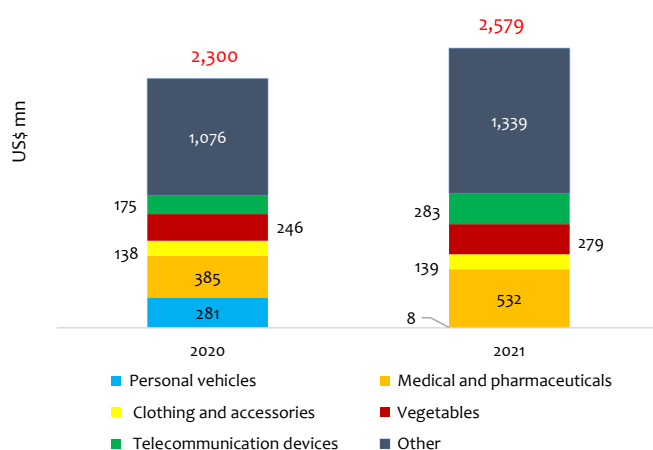
Consumer Goods Imports



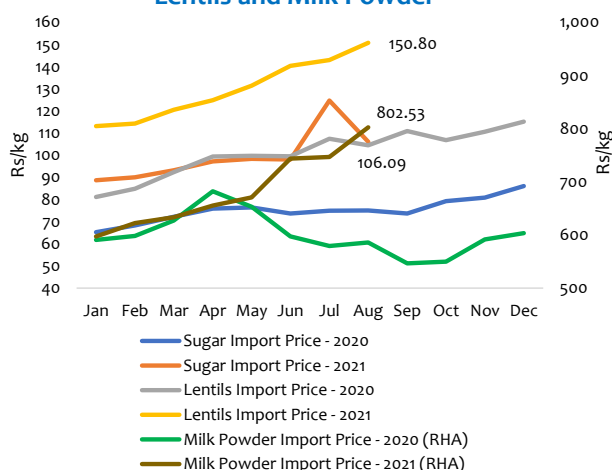
Volume and Unit Value Indices of Imports of Consumer Goods



Performance of Consumer Goods Imports (Jan-Aug)



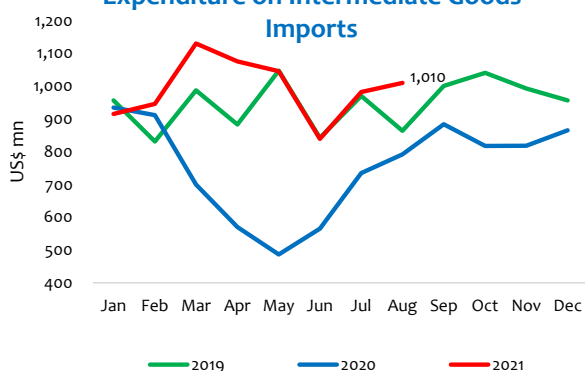
Average Import Prices of Sugar, Lentils and Milk Powder



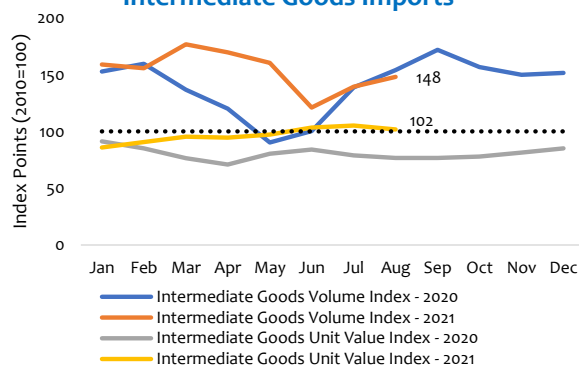
Import expenditure on consumer goods increased during the eight months ending August 2021, on a year-on-year basis, due to increased imports of both food and beverages and non-food consumer goods. This increase in non-food consumer goods category was driven by medical and pharmaceuticals, telecommunication devices and home appliances despite the decline in import expenditure on personal vehicles. Expenditure on food and beverages also increased with higher expenditure on importation of vegetables, dairy products and sugar and confectionery. However, expenditure on sea food imports decreased.

Intermediate Goods Imports

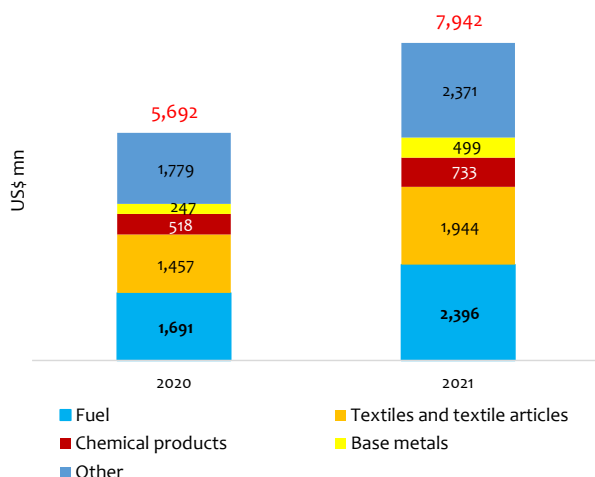
Expenditure on Intermediate Goods Imports



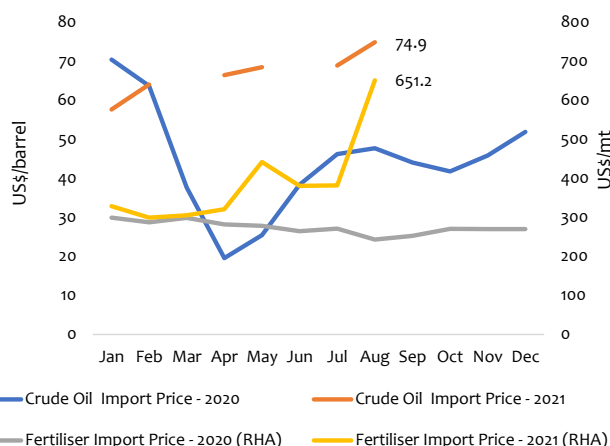
Volume and Unit Value Indices of Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-Aug)



Crude Oil and Fertiliser Import Prices (Monthly Averages)

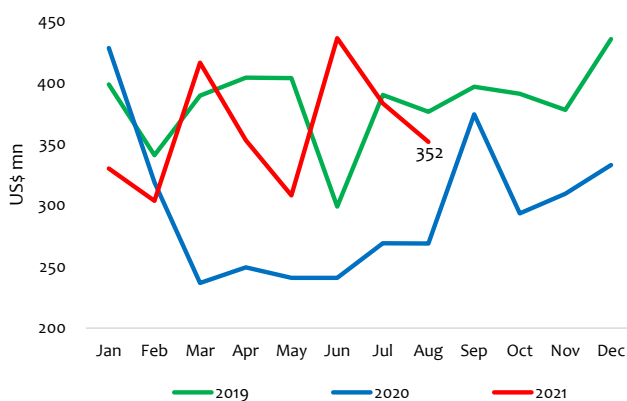


*Crude oil was not imported in March and June 2021

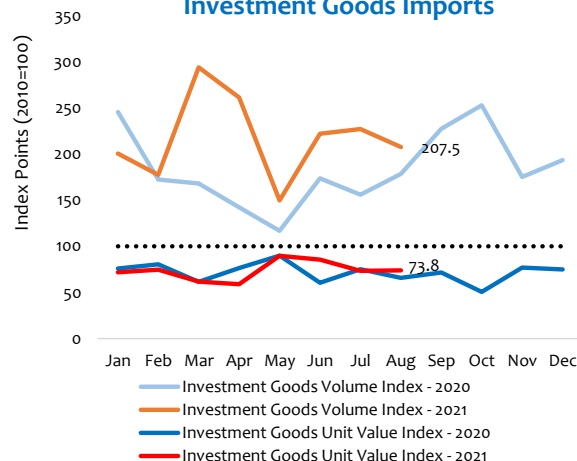
Import expenditure on intermediate goods increased during the eight months ending August 2021, on a year-on-year basis, mainly due to the higher expenses incurred on imports of fuel, textiles and textile articles, chemical products and plastics and articles thereof. However, import expenditure on unmanufactured tobacco, mineral products and fertilisers decreased during the period.

Investment Goods Imports

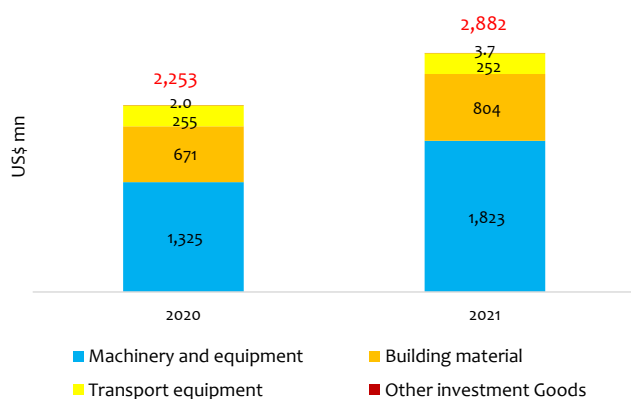
Expenditure on Investment Goods Imports



Volume and Unit Value Indices of Investment Goods Imports



Performance of Investment Goods Imports (Jan-Aug)



Import expenditure on investment goods increased during the eight months ending August 2021, on a year-on-year basis, mainly due to the higher expenditure on machinery and equipment and building material imports.

Summary of External Trade Statistics (a)

Export Performance (US\$ mn)

| Item | Aug 2020 | Aug 2021 | Y-O-Y Change (%) | Jan-Aug 2020 | Jan-Aug 2021 | Y-O-Y Change (%) |
|-------------------------------------|--------------|----------------|------------------|----------------|----------------|------------------|
| Agricultural Exports | 215.9 | 239.4 | 10.9 | 1,516.0 | 1,765.5 | 16.5 |
| o/w Tea | 103.0 | 116.8 | 13.4 | 805.6 | 882.4 | 9.5 |
| Coconut | 33.9 | 40.1 | 18.1 | 221.5 | 276.9 | 25.0 |
| Spices | 39.7 | 39.7 | -0.1 | 194.5 | 282.4 | 45.2 |
| Seafood | 15.6 | 18.6 | 19.6 | 133.2 | 165.5 | 24.3 |
| Industrial Exports | 729.0 | 856.8 | 17.5 | 4,905.4 | 6,093.2 | 24.2 |
| o/w Textiles and garments | 440.0 | 493.3 | 12.1 | 2,853.1 | 3,434.8 | 20.4 |
| Rubber products | 71.0 | 88.6 | 24.8 | 488.9 | 681.7 | 39.4 |
| Petroleum products | 22.0 | 46.3 | 110.7 | 268.1 | 294.9 | 10.0 |
| Food, beverages and tobacco | 40.8 | 57.5 | 41.0 | 302.9 | 354.0 | 16.9 |
| Machinery and mechanical appliances | 31.1 | 41.1 | 32.4 | 209.5 | 329.1 | 57.1 |
| Gems, diamonds and jewellery | 12.2 | 21.7 | 77.8 | 102.6 | 178.0 | 73.4 |
| Leather, travel goods and footwear | 5.7 | 5.8 | 3.1 | 38.2 | 33.8 | -11.4 |
| Mineral and Other Exports | 2.4 | 4.2 | 75.0 | 23.6 | 44.3 | 87.7 |
| Total Exports | 947.2 | 1,100.4 | 16.2 | 6,445.0 | 7,903.0 | 22.6 |

Import Performance (US\$ mn)

| Item | Aug 2020 | Aug 2021 | Y-O-Y Change (%) | Jan-Aug 2020 | Jan-Aug 2021 | Y-O-Y Change (%) |
|-----------------------------------|----------------|----------------|------------------|-----------------|-----------------|------------------|
| Consumer goods | 228.6 | 324.3 | 41.8 | 2,300.3 | 2,579.3 | 12.1 |
| Food and beverages | 106.1 | 119.1 | 12.3 | 1,023.7 | 1,151.9 | 12.5 |
| o/w Vegetables (b) | 18.4 | 36.1 | 96.9 | 246.3 | 278.7 | 13.1 |
| Non-food consumer goods | 122.5 | 205.1 | 67.5 | 1,276.7 | 1,427.3 | 11.8 |
| o/w Personal vehicles | 1.3 | 1.1 | -13.6 | 280.8 | 7.8 | -97.2 |
| Intermediate goods | 791.3 | 1,010.0 | 27.6 | 5,692.4 | 7,942.4 | 39.5 |
| o/w Fuel | 247.5 | 352.7 | 42.5 | 1,691.2 | 2,395.9 | 41.7 |
| Textiles and textile articles | 194.4 | 241.3 | 24.1 | 1,457.2 | 1,943.7 | 33.4 |
| Fertiliser | 8.2 | 0.9 | -88.7 | 124.3 | 104.0 | -16.4 |
| Wheat and maize | 46.0 | 55.0 | 19.4 | 229.3 | 265.9 | 15.9 |
| Investment goods and other | 269.1 | 352.4 | 30.9 | 2,264.6 | 2,889.9 | 27.6 |
| o/w Machinery and equipment | 177.6 | 224.0 | 26.1 | 1,324.6 | 1,822.5 | 37.6 |
| Total Imports | 1,289.1 | 1,686.7 | 30.8 | 10,257.4 | 13,411.5 | 30.7 |

Trade Balance (US\$ mn)

| Item | Aug 2020 | Aug 2021 | Y-O-Y Change (%) | Jan-Aug 2020 | Jan-Aug 2021 | Y-O-Y Change (%) |
|----------------------|---------------|---------------|------------------|-----------------|-----------------|------------------|
| Trade Balance | -341.9 | -586.2 | | -3,812.4 | -5,508.5 | |

Trade Indices and Terms of Trade (2010 = 100) (c)

| Item | Aug 2020 | Aug 2021 | Y-O-Y Change (%) | Jan-Aug 2020 | Jan-Aug 2021 | Y-O-Y Change (%) |
|-----------------------|--------------|-------------|------------------|--------------|--------------|------------------|
| Export | | | | | | |
| Value index | 131.8 | 153.2 | 16.2 | 112.1 | 137.5 | 22.6 |
| Volume index | 149.9 | 170.7 | 13.9 | 124.6 | 151.9 | 21.9 |
| Unit value index | 88.0 | 89.7 | 2.0 | 90.0 | 90.5 | 0.6 |
| Import | | | | | | |
| Value index | 115.4 | 151.0 | 30.8 | 114.8 | 150.0 | 30.7 |
| Volume index | 147.8 | 153.1 | 3.6 | 137.5 | 161.3 | 17.3 |
| Unit value index | 78.1 | 98.6 | 26.3 | 83.5 | 93.0 | 11.5 |
| Terms of Trade | 112.7 | 91.0 | -19.2 | 107.8 | 97.3 | -9.8 |

(a) Provisional

(c) In US\$ terms

(b) includes lentils, onion, potatoes, leguminous vegetables and others