



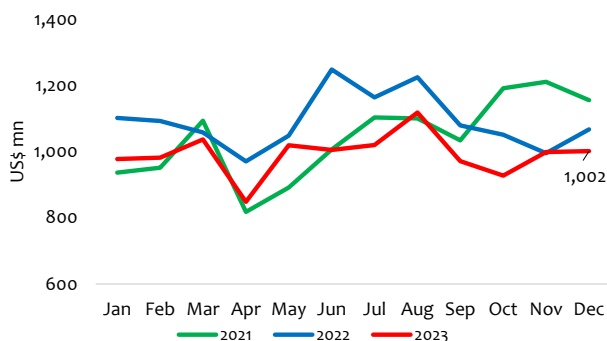
# MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT  
CENTRAL BANK OF SRI LANKA

December 2023  
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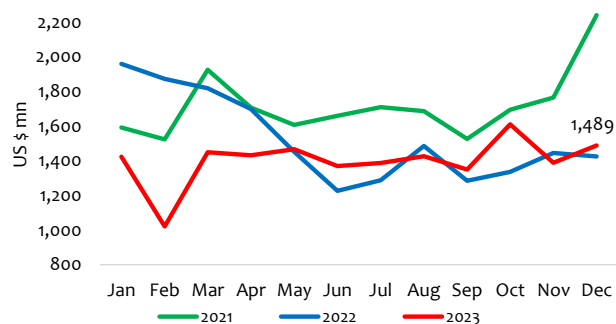
## Highlights

### Monthly Export Performance



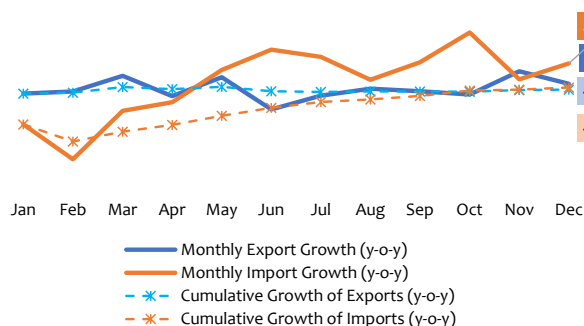
Earnings from merchandise exports declined by 6.2 per cent (year-on-year) to US dollars 1,002 million in December 2023.

### Monthly Import Performance



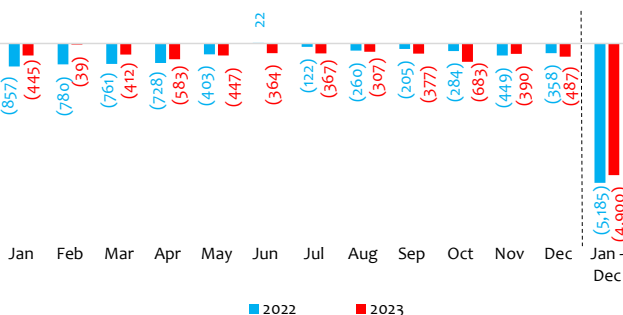
Expenditure on merchandise imports increased by 4.4 per cent (year-on-year) to US dollars 1,489 million in December 2023.

### Export and Import Growth Rates (%)



Export earnings registered a year-on-year decline of 9.1 percent in 2023. Similarly, import expenditure also recorded a decline of 8.1 percent during the same period.

### Trade Balance (US\$ Mn)



The deficit in the merchandise trade account widened in December 2023 to US dollars 487 million in comparison to US dollars 358 million recorded in December 2022.

## Major Export and Import Categories (Jan-Dec 2023)

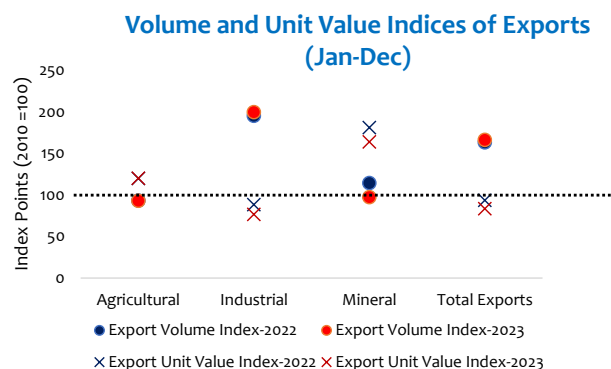
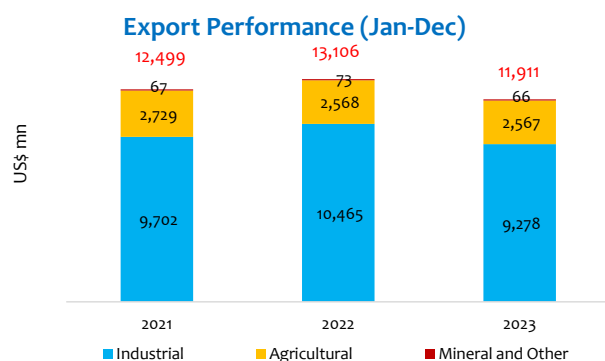
### Exports (US\$ mn)

Textiles and garments	4,878.9
Tea	1,309.9
Rubber products	902.2
Machinery and mechanical appliances	598.2
Petroleum products	539.4
Food beverages and tobacco	539.3
Gems, diamonds and jewellery	500.0
Spices	392.9
Coconut	336.8
Seafood	262.2

### Imports (US\$ mn)

Fuel	4,702.6
Textiles and textile articles	2,371.2
Machinery and equipment	1,867.6
Chemical products	814.7
Building material	775.1
Medical and pharmaceuticals	667.0
Plastics and articles thereof	474.6
Sugar and confectionery	435.5
Paper and paperboard and...	412.4
Vegetables	358.6

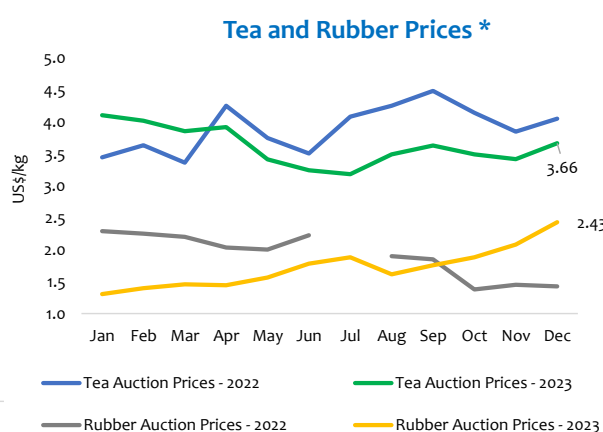
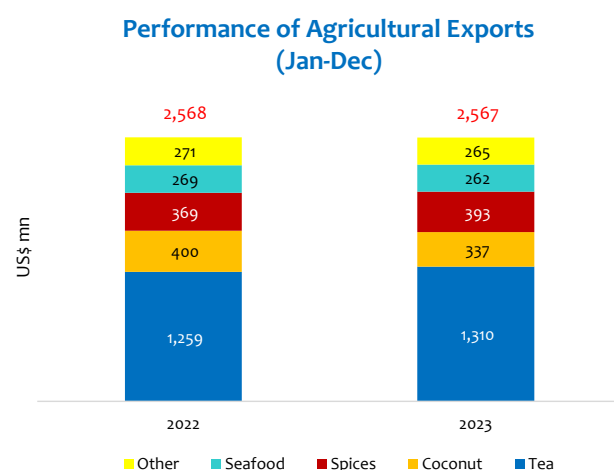
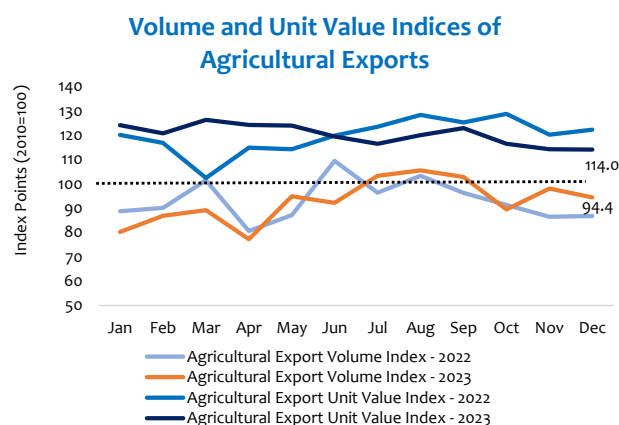
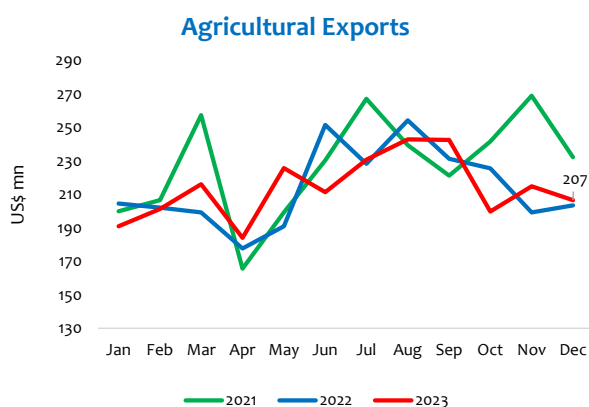
## Export Performance



Exports recorded a decline in earnings in 2023, on a year-on-year basis, due to the decline in all major export categories, including industrial, agricultural and mineral products.

The export volume index improved by 1.9 per cent while the unit value index declined by 10.8 per cent, on a year-on-year basis, during the year 2023.

## Agricultural Exports

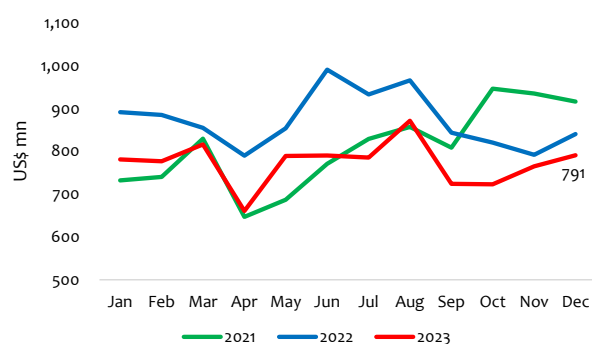


\*Rubber (RSS) prices for July 2022 were not determined at the auction

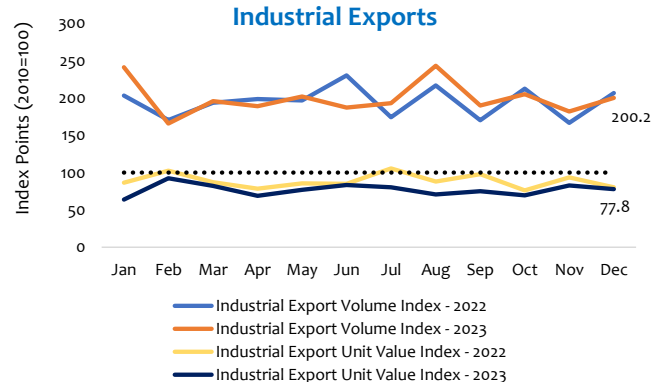
Earnings from agricultural exports marginally declined during the year 2023, on a year-on-year basis, driven by lower earnings from coconut related products, natural rubber and seafood exports. In contrast, export earnings from tea, spices and unmanufactured tobacco increased during this period.

## Industrial Exports

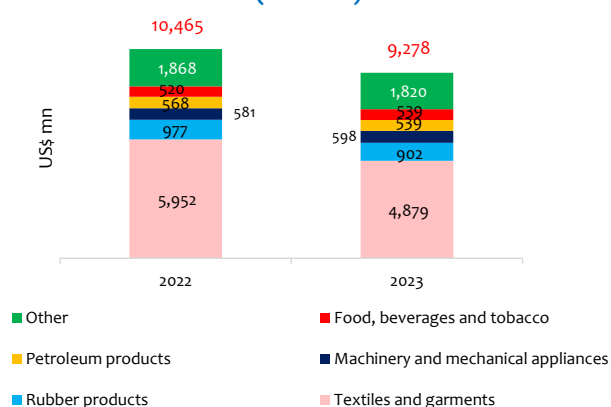
### Industrial Exports



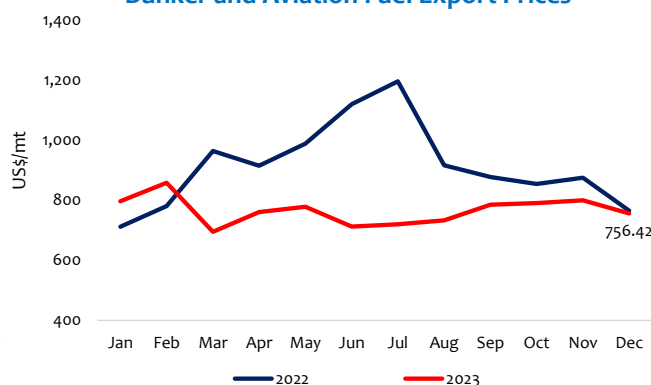
### Volume and Unit Value Indices of Industrial Exports



### Performance of Industrial Exports (Jan-Dec)



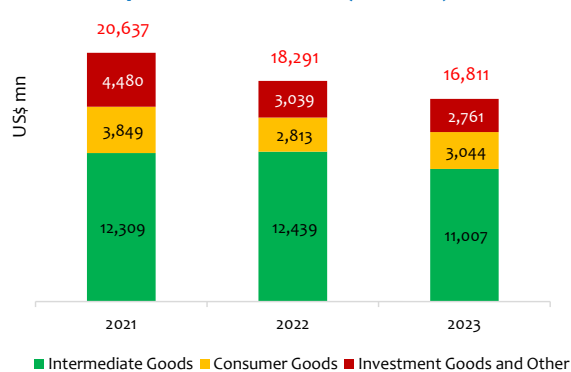
### Bunker and Aviation Fuel Export Prices



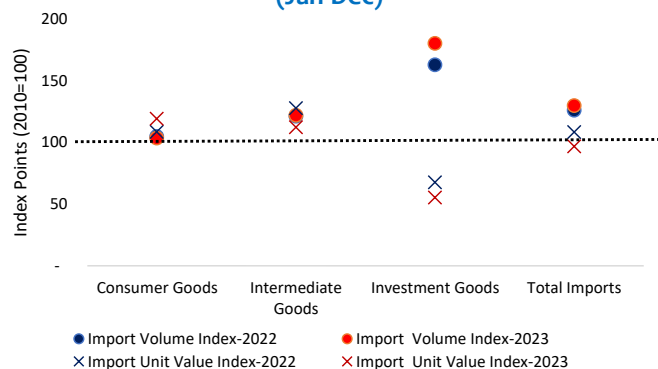
Earnings from industrial exports declined during the year 2023, with a significant share of the decline being contributed by garments. Further, notable declines were recorded in the exports of rubber products, chemical products, petroleum products and animal fodder. However, there was an increase in export earnings from gems, diamonds and jewellery, transport equipment and food beverages and tobacco during the year.

## Import Performance

### Import Performance (Jan-Dec)

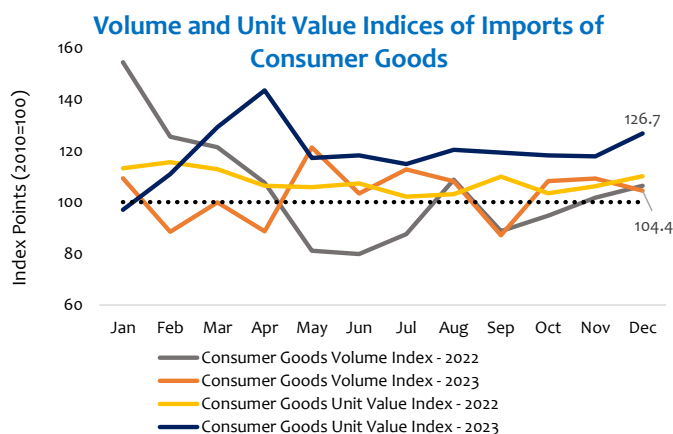
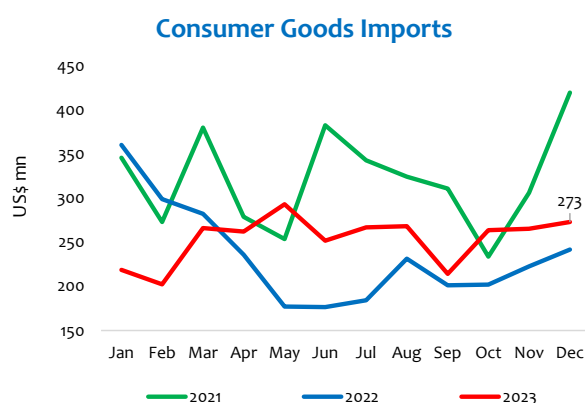


### Volume and Unit Value Indices of Imports (Jan-Dec)

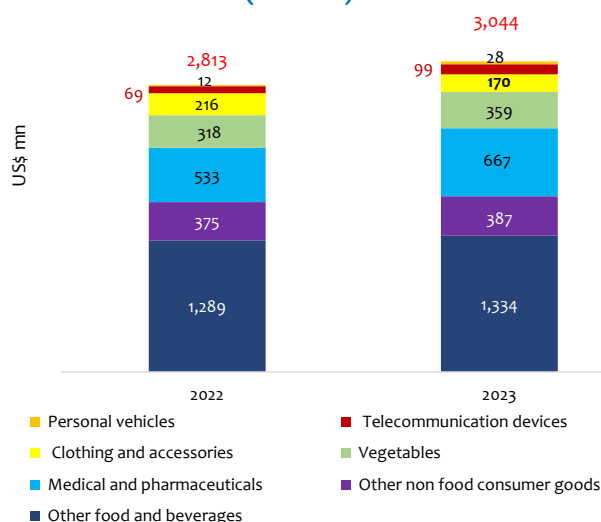


Expenditure on merchandise imports declined during the year 2023, on a year-on-year basis, due to lower expenditure incurred on intermediate and investment goods, despite an increase in expenditure on consumer goods. Meanwhile, the import volume index increased by 3.0 per cent while the unit value index declined 10.8 per cent in 2023.

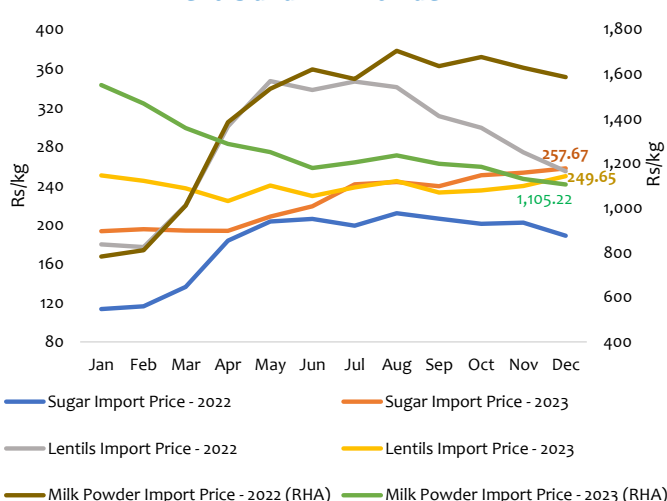
## Consumer Goods Imports



### Performance of Consumer Goods Imports (Jan-Dec)

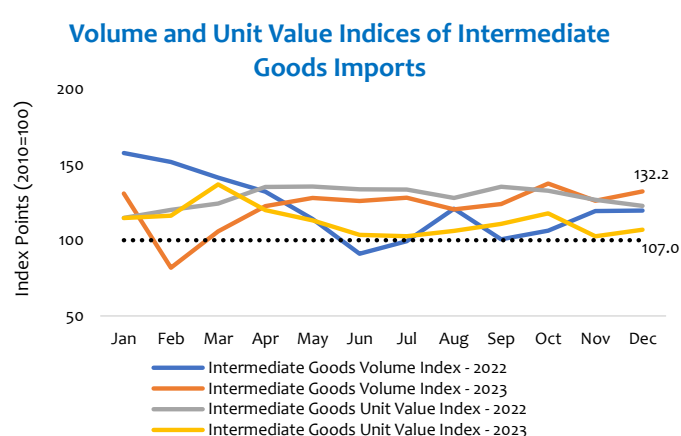
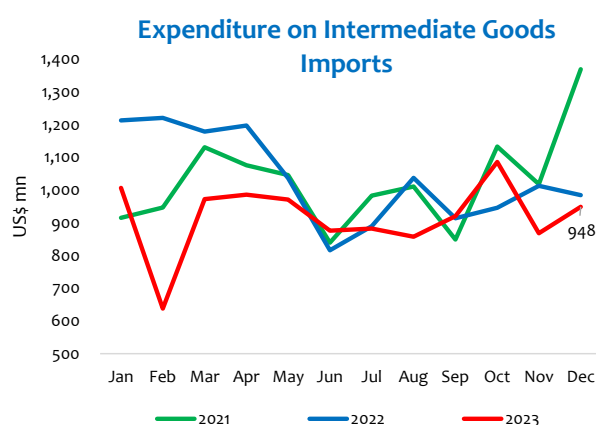


### Average Import Prices of Sugar, Lentils and Milk Powder

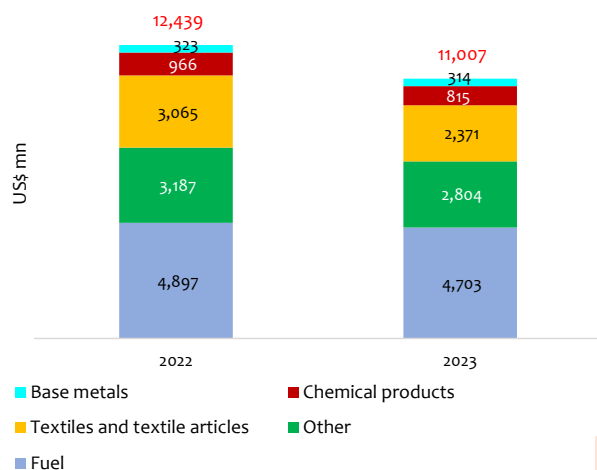


Import expenditure on consumer goods increased during the year 2023 on a year-on-year basis, mainly due to increased imports of non-food consumer goods driven by medical and pharmaceuticals. Expenditure on food and beverages also increased with higher expenditure on the importation of sugar, and oils and fats, although expenditure on cereals and milling industry products (rice), clothing and accessories and home appliances declined during the year 2023.

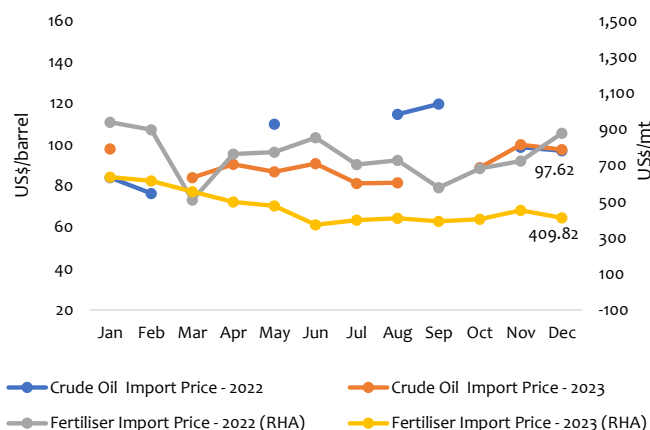
## Intermediate Goods Imports



### Performance of Intermediate Goods Imports (Jan-Dec)



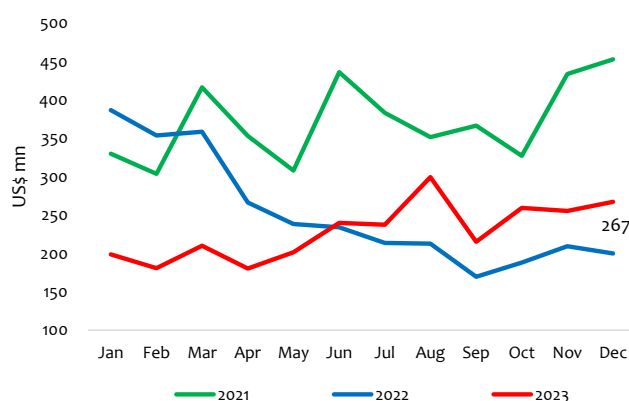
### Crude Oil and Fertiliser Import Prices (Monthly Averages)



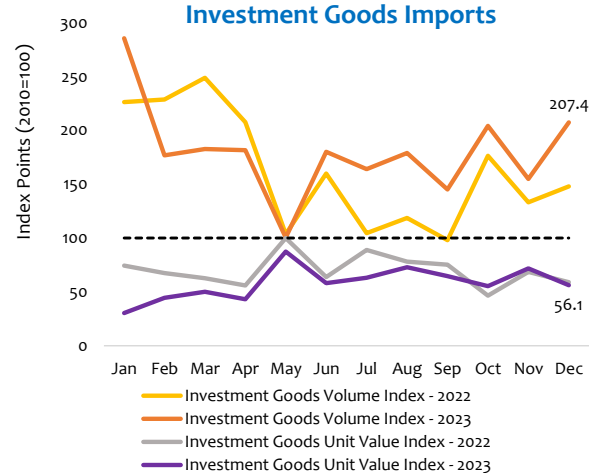
Import expenditure on intermediate goods declined (year-on-year) during the year 2023, primarily due to lower imports of textiles and textile articles, fuel, plastics and articles thereof and chemical products. Expenditure on fuel imports declined due to lower refined petroleum imports. In contrast, import expenditure on diamonds and precious stones and metals, wheat and agricultural inputs increased during the year 2023.

### Investment Goods Imports

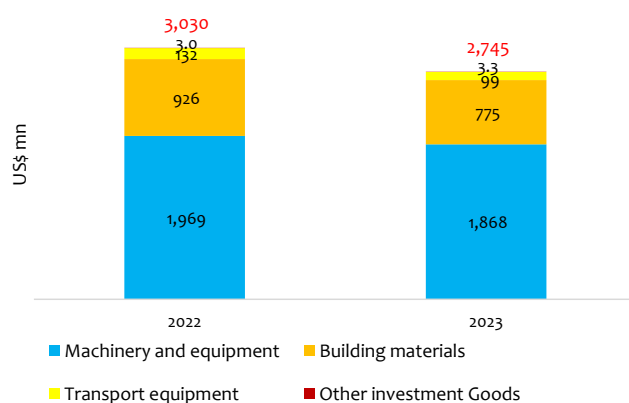
#### Expenditure on Imports of Investment Goods



#### Volume and Unit Value Indices of Investment Goods Imports



### Performance of Investment Goods Imports (Jan-Dec)



Import expenditure on investment goods declined during the year 2023 due to lower import expenditure in all main investment good categories, namely, building materials, machinery and equipment and transport equipment.

## Summary of External Trade Statistics (a)

## Export Performance (US\$ mn)

Item		Dec 2022	Dec 2023	Y-O-Y Change (%)	Jan-Dec 2022	Jan-Dec 2023	Y-O-Y Change (%)
<b>Agricultural Exports</b>		<b>203.4</b>	<b>206.6</b>	<b>1.6</b>	<b>2,568.0</b>	<b>2,566.5</b>	<b>-0.1</b>
o/w	Tea	107.3	111.1	3.6	1,258.8	1,309.9	4.1
	Coconut	24.8	23.2	-6.6	400.3	336.8	-15.9
	Spices	31.3	31.3	-0.2	368.7	392.9	6.5
	Seafood	21.3	23.8	11.6	269.0	262.2	-2.5
<b>Industrial Exports</b>		<b>840.9</b>	<b>790.9</b>	<b>-5.9</b>	<b>10,465.3</b>	<b>9,277.7</b>	<b>-11.3</b>
o/w	Textiles and garments	481.5	439.9	-8.6	5,952.0	4,878.9	-18.0
	Rubber products	71.2	78.1	9.7	977.0	902.2	-7.7
	Petroleum products	49.4	61.1	23.6	568.0	539.4	-5.0
	Food, beverages and tobacco	36.7	44.3	20.6	519.5	539.3	3.8
	Machinery and mechanical appliances	50.5	43.1	-14.8	580.9	598.2	3.0
	Gems, diamonds and jewellery	35.3	24.5	-30.6	450.6	500.0	11.0
	Leather, travel goods and footwear	7.4	4.8	-35.0	85.8	71.2	-17.0
<b>Mineral and Other Exports</b>		<b>23.3</b>	<b>4.3</b>	<b>-81.8</b>	<b>73.2</b>	<b>66.4</b>	<b>-9.2</b>
<b>Total Exports</b>		<b>1,067.6</b>	<b>1,001.8</b>	<b>-6.2</b>	<b>13,106.4</b>	<b>11,910.7</b>	<b>-9.1</b>

## Import Performance (US\$ mn)

Item		Dec 2022	Dec 2023	Y-O-Y Change (%)	Jan-Dec 2022	Jan-Dec 2023	Y-O-Y Change (%)
<b>Consumer goods</b>		<b>241.5</b>	<b>272.8</b>	<b>12.9</b>	<b>2,813.0</b>	<b>3,043.9</b>	<b>8.2</b>
<b>Food and beverages</b>		<b>129.9</b>	<b>152.0</b>	<b>17.0</b>	<b>1,607.9</b>	<b>1,693.0</b>	<b>5.3</b>
o/w	Vegetables (b)	21.3	32.1	50.8	318.4	358.6	12.6
	Rice	8.3	1.0	-87.4	292.5	17.1	-94.2
<b>Non-food consumer goods</b>		<b>111.6</b>	<b>120.8</b>	<b>8.2</b>	<b>1,205.1</b>	<b>1,350.9</b>	<b>12.1</b>
o/w	Medical and Pharmaceuticals	57.8	46.7	-19.3	533.4	667.0	25.0
<b>Intermediate goods</b>		<b>983.8</b>	<b>948.3</b>	<b>-3.6</b>	<b>12,438.8</b>	<b>11,006.6</b>	<b>-11.5</b>
o/w	Fuel	383.5	414.2	8.0	4,896.8	4,702.6	-4.0
	Textiles and textile articles	200.9	183.2	-8.8	3,065.2	2,371.2	-22.6
	Fertiliser	115.8	34.5	-70.2	275.9	235.0	-14.8
	Wheat and maize	35.8	19.9	-44.3	303.1	338.2	11.6
<b>Investment goods and other</b>		<b>200.2</b>	<b>267.5</b>	<b>33.6</b>	<b>3,039.2</b>	<b>2,760.6</b>	<b>-9.2</b>
o/w	Machinery and equipment	130.0	174.9	34.6	1,969.0	1,867.6	-5.1
<b>Total Imports</b>		<b>1,425.6</b>	<b>1,488.6</b>	<b>4.4</b>	<b>18,291.0</b>	<b>16,811.1</b>	<b>-8.1</b>

## Trade Balance (US\$ mn)

Item		Dec 2022	Dec 2023	Y-O-Y Change (%)	Jan-Dec 2022	Jan-Dec 2023	Y-O-Y Change (%)
<b>Trade Balance</b>		<b>-358.0</b>	<b>-486.8</b>		<b>-5,184.6</b>	<b>-4,900.4</b>	

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

Item		Dec 2022	Dec 2023	Y-O-Y Change (%)	Jan-Dec 2022	Jan-Dec 2023	Y-O-Y Change (%)
<b>Export</b>							
	Value index	148.6	139.4	-6.2	152.0	138.1	-9.1
	Volume index	170.4	167.0	-2.0	163.0	166.1	1.9
	Unit value index	87.2	83.5	-4.3	93.3	83.2	-10.8
<b>Import</b>							
	Value index	127.6	133.2	4.4	136.4	125.4	-8.1
	Volume index	121.8	141.2	16.0	126.0	129.8	3.0
	Unit value index	104.8	94.3	-10.0	108.3	96.6	-10.8
<b>Terms of Trade</b>		<b>83.2</b>	<b>88.5</b>	<b>6.3</b>	<b>86.1</b>	<b>86.1</b>	<b>-0.1</b>

(a) Provisional

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

(c) In US\$ terms