



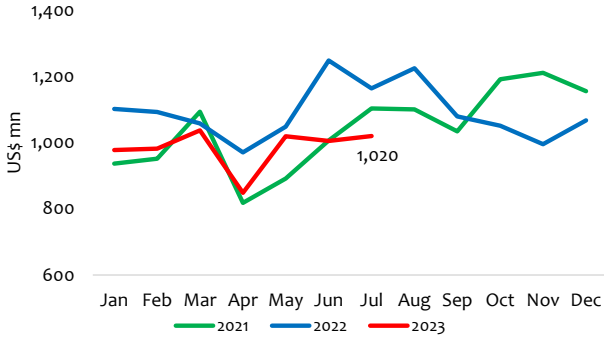
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

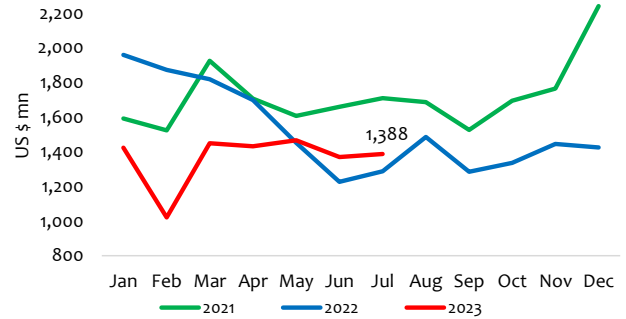
July 2023
VOLUME 05 ISSUE 07

Highlights

Monthly Export Performance



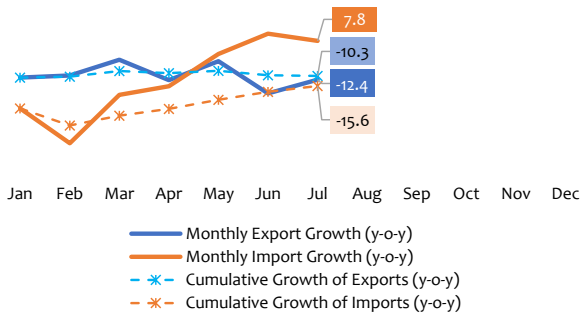
Monthly Import Performance



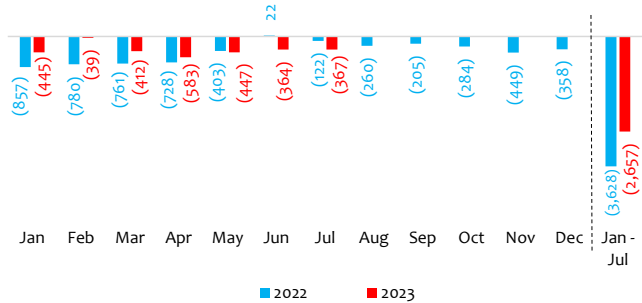
Earnings from merchandise exports declined by 12.4 per cent (year-on-year) to US dollars 1,020 million in July 2023.

Expenditure on merchandise imports increased by 7.8 per cent (year-on-year) to US dollars 1,388 million in July 2023.

Export and Import Growth Rates (%)



Trade Balance (US\$ Mn)

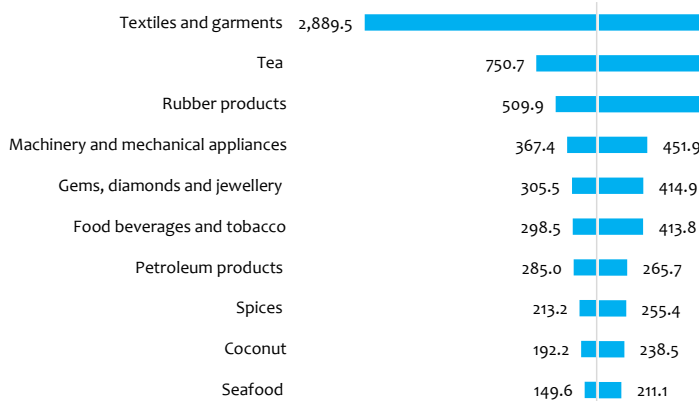


Export earnings and import expenditure declined (year-on-year) by 10.3 per cent and 15.6 per cent, respectively, during the seven months ending July 2023.

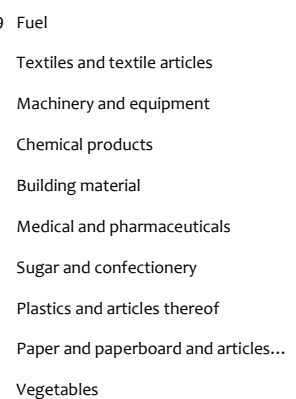
The merchandise trade account in July 2023 recorded a deficit of US dollars 367 million, compared to the deficit of US dollars 122 million recorded in July 2022.

Major Export and Import Categories - (Jan-Jul 2023)

Exports (US\$ mn)

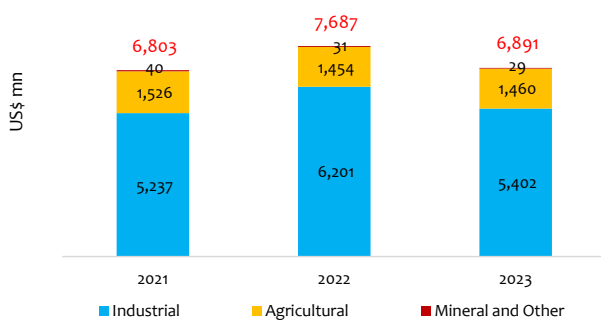


Imports (US\$ mn)

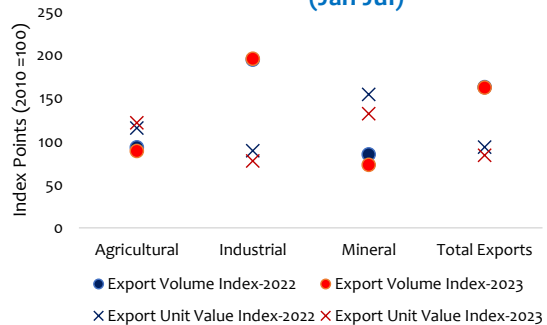


Export Performance

Export Performance (Jan-Jul)



Volume and Unit Value Indices of Exports (Jan-Jul)

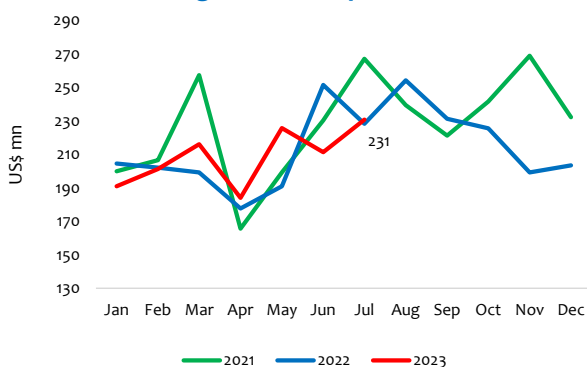


Earnings from exports declined during the seven months ending July 2023, on a year-on-year basis, due to the decrease in industrial and mineral exports. However, a marginal increase was recorded in agricultural exports.

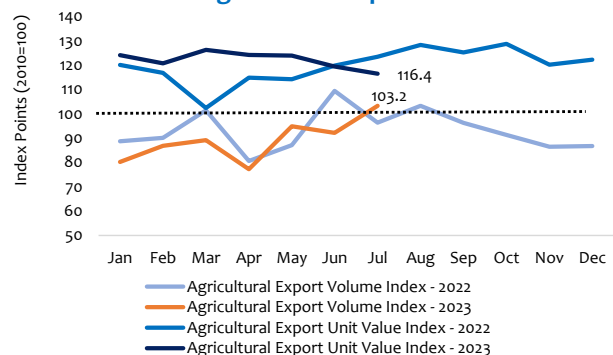
The export volume index and unit value index declined by 0.3 per cent and 10.1 per cent, on a year-on-year basis, respectively, during the seven months ending July 2023.

Agricultural Exports

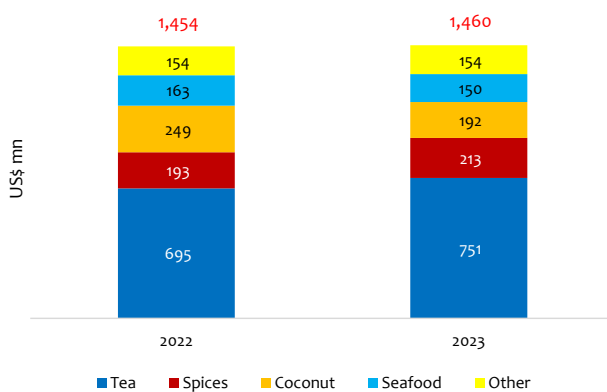
Agricultural Exports



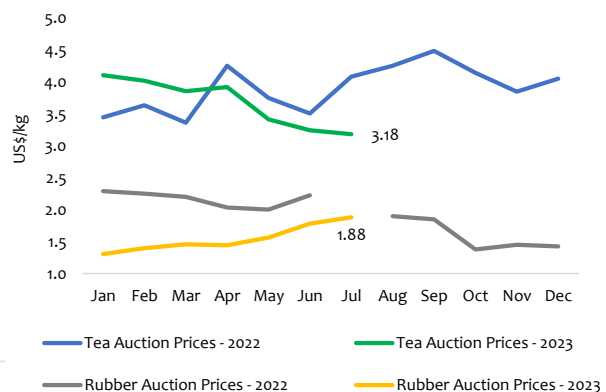
Volume and Unit Value Indices of Agricultural Exports



Performance of Agricultural Exports (Jan-Jul)



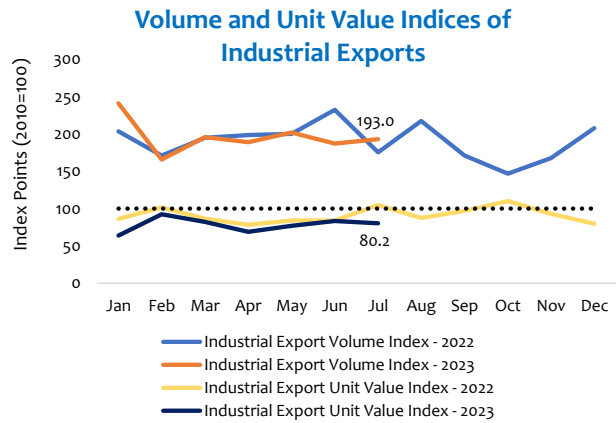
Tea and Rubber Prices *



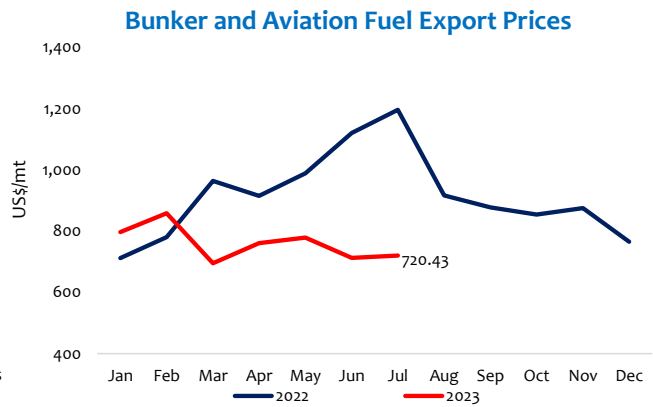
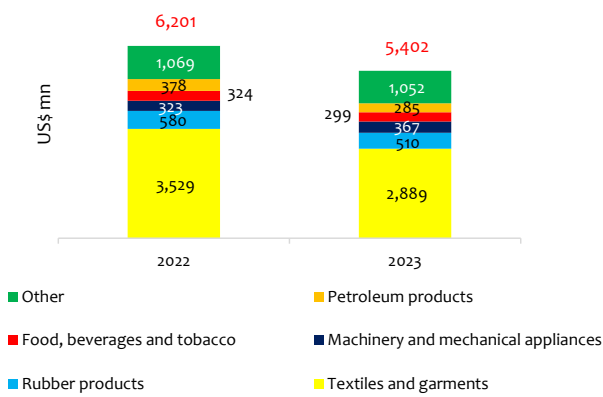
*Rubber (RSS) prices for July 2022 were not determined at the auction

Earnings from agricultural exports increased marginally during the seven months ending July 2023, on a year-on-year basis, driven by higher export volumes of tea and spices. However, lower export earnings were recorded from coconut related products, seafood and natural rubber during this period.

Industrial Exports

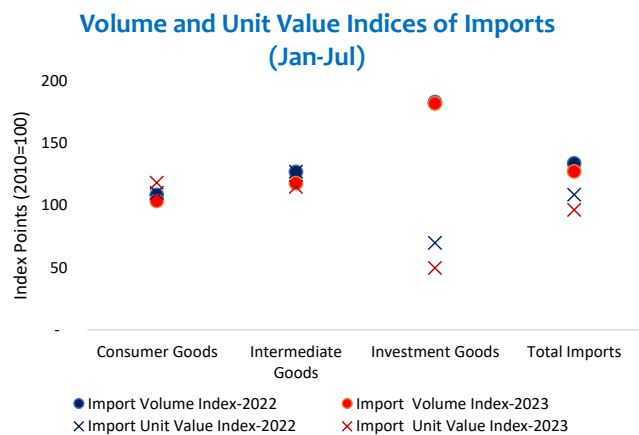
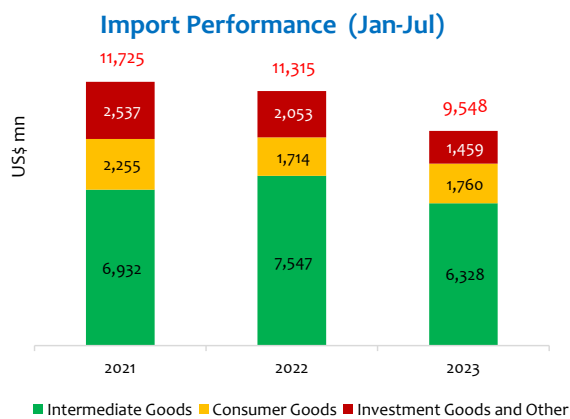


Performance of Industrial Exports (Jan-Jul)



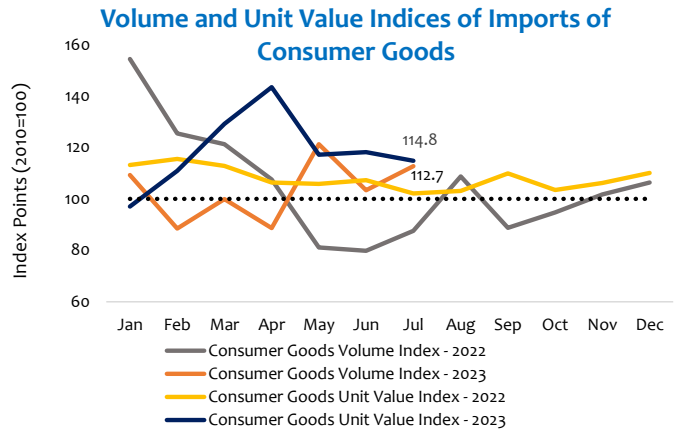
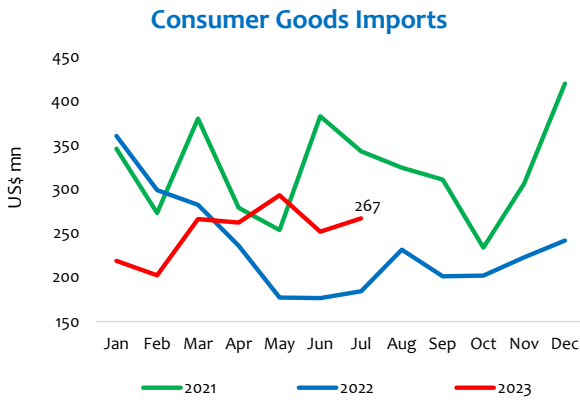
Earnings from industrial exports declined during the seven months ending July 2023, on a year-on-year basis, due to a broad-based decline in earnings from most of the industrial products led mainly by garments. However, earnings from exports of gems, diamonds and jewellery, machinery and mechanical appliances, animal fodder and printing industry products increased during this period.

Import Performance

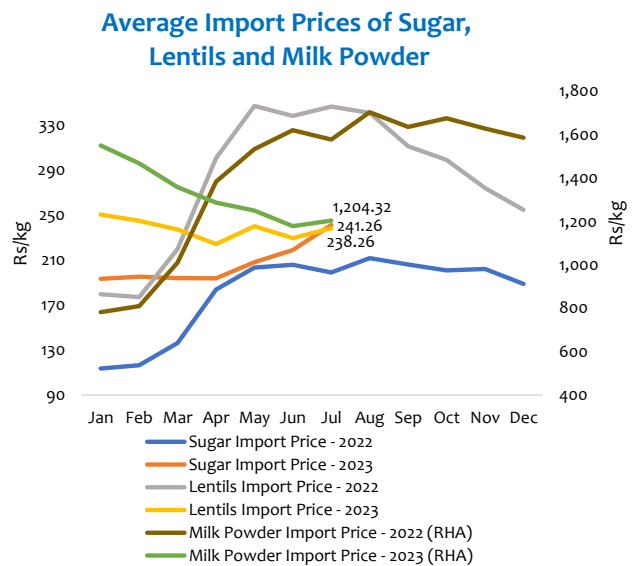
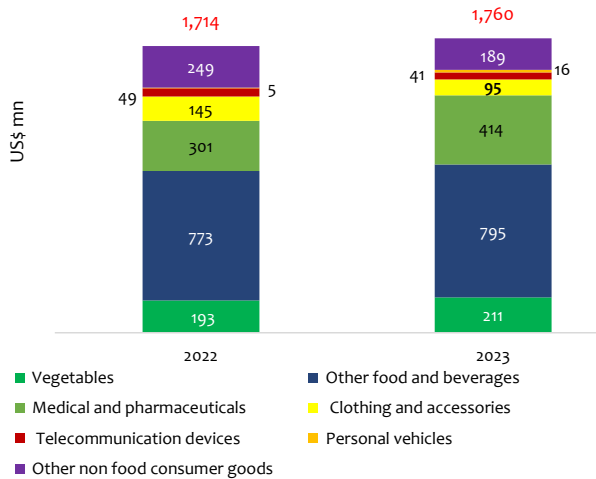


Expenditure on merchandise imports declined during the seven months ending July 2023, on a year-on-year basis, due to the declines in imports categories of intermediate and investment goods. Meanwhile, the import volume index and unit value index also declined (year-on-year) by 5.0 per cent and 11.2 per cent, respectively.

Consumer Goods Imports

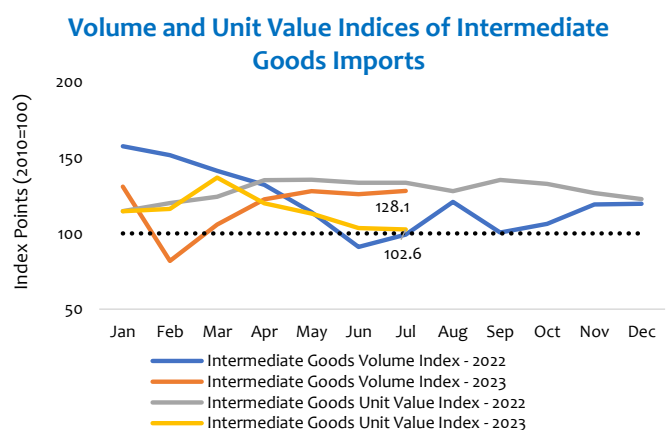
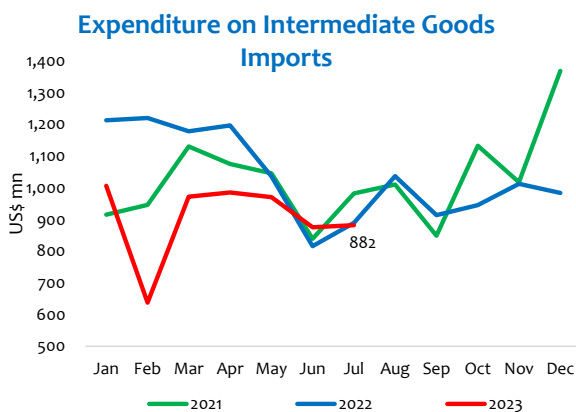


Performance of Consumer Goods Imports (Jan-Jul)

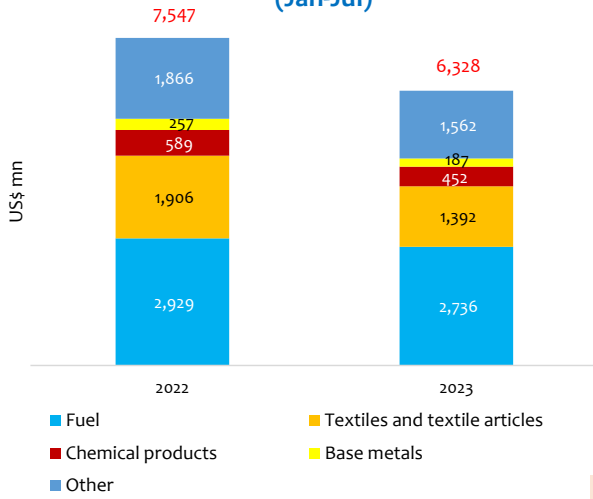


Import expenditure on consumer goods increased (year-on-year) during the seven months ending July 2023, driven by the increases in imports of sugar, coconut oil and vegetables which were categorised under food and beverages, and medical and pharmaceuticals, that categorised under non-food consumer goods. However, decline in expenditure on rice categorised under cereals and milling industry products and clothing and accessories was notable during the seven months ending July 2023.

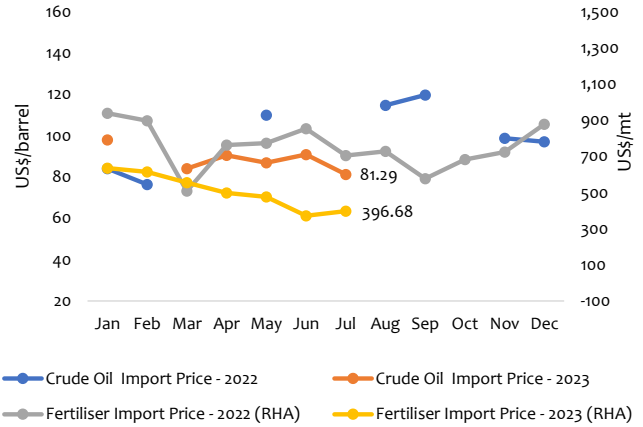
Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-Jul)



Crude Oil and Fertiliser Import Prices (Monthly Averages)

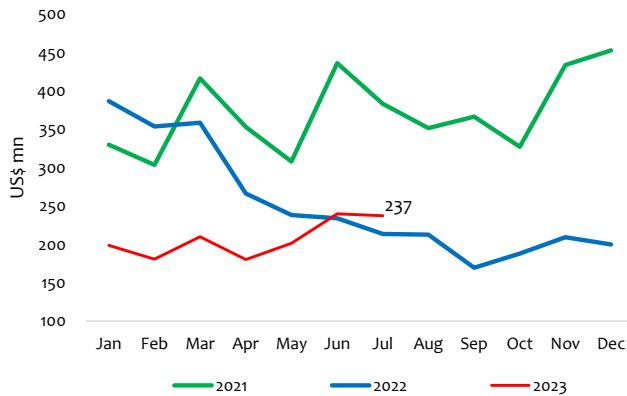


*Crude oil was not imported in March, April, June, July, October 2022 and February 2023.

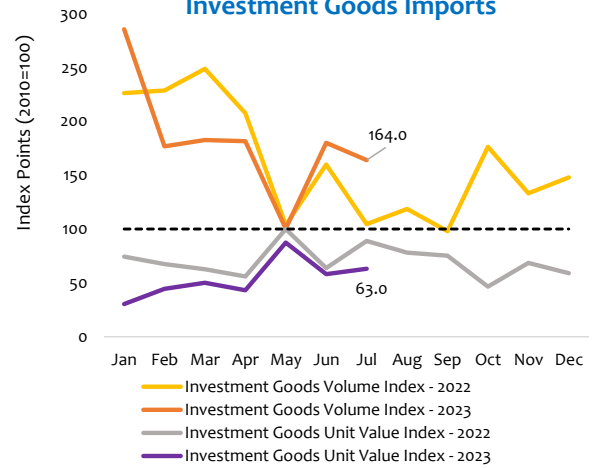
Import expenditure on intermediate goods declined (year-on-year) during the seven months ending July 2023, primarily due to lower imports of textiles and textile articles; fuel; plastics and articles thereof; and chemical products. In contrast, import expenditure on wheat; diamonds and precious stones; fertiliser; and agricultural inputs increased during the corresponding period.

Investment Goods Imports

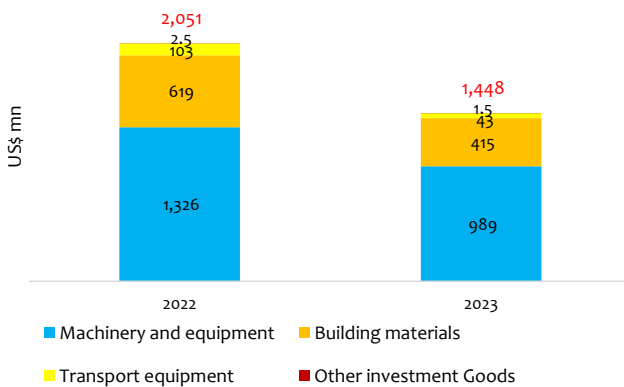
Expenditure on Imports of Investment Goods



Volume and Unit Value Indices of Investment Goods Imports



Performance of Investment Goods Imports (Jan-Jul)



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

Summary of External Trade Statistics (a)

Export Performance (US\$ mn)

Item		Jul 2022	Jul 2023	Y-O-Y Change (%)	Jan-Jul 2022	Jan-Jul 2023	Y-O-Y Change (%)
Agricultural Exports		228.3	230.8	1.1	1,454.3	1,460.0	0.4
o/w	Tea	117.5	115.2	-2.0	694.9	750.7	8.0
	Coconut	33.1	31.2	-5.7	248.9	192.2	-22.8
	Spices	33.8	37.2	10.1	193.4	213.2	10.3
	Seafood	20.6	17.2	-16.5	162.8	149.6	-8.1
Industrial Exports		933.2	785.9	-15.8	6,201.4	5,402.0	-12.9
o/w	Textiles and garments	551.4	428.9	-22.2	3,528.7	2,889.5	-18.1
	Rubber products	86.4	77.3	-10.5	579.7	509.9	-12.0
	Petroleum products	32.2	37.8	17.4	377.6	285.0	-24.5
	Food, beverages and tobacco	49.7	49.6	-0.1	324.1	298.5	-7.9
	Machinery and mechanical appliances	52.4	49.9	-4.9	322.9	367.4	13.8
	Gems, diamonds and jewellery	44.1	36.6	-16.8	244.3	305.5	25.0
	Leather, travel goods and footwear	8.2	6.6	-19.4	45.5	40.8	-10.4
Mineral and Other Exports		3.1	3.7	20.5	31.0	29.5	-5.0
Total Exports		1,164.6	1,020.4	-12.4	7,686.8	6,891.5	-10.3

Import Performance (US\$ mn)

Item		Jul 2022	Jul 2023	Y-O-Y Change (%)	Jan-Jul 2022	Jan-Jul 2023	Y-O-Y Change (%)
Consumer goods		184.3	266.8	44.8	1,714.4	1,760.2	2.7
Food and beverages		109.7	160.3	46.2	966.6	1,005.8	4.1
o/w	Vegetables (b)	24.2	38.1	57.4	193.3	211.1	9.2
	Rice	24.8	1.0	-95.8	195.6	11.1	-94.3
Non-food consumer goods		74.6	106.4	42.7	747.9	754.4	0.9
o/w	Medical and Pharmaceuticals	33.9	49.3	45.5	301.0	413.8	37.5
Intermediate goods		889.0	882.0	-0.8	7,547.5	6,328.4	-16.2
o/w	Fuel	345.4	381.0	10.3	2,929.3	2,735.9	-6.6
	Textiles and textile articles	220.3	197.6	-10.3	1,905.9	1,391.6	-27.0
	Fertiliser	32.3	23.3	-27.7	78.3	110.2	40.8
	Wheat and maize	4.1	10.8	166.1	140.4	198.8	41.6
Investment goods and other		213.5	238.8	11.9	2,053.1	1,459.4	-28.9
o/w	Machinery and equipment	145.0	167.0	15.2	1,326.3	989.5	-25.4
Total Imports		1,286.8	1,387.6	7.8	11,315.0	9,548.1	-15.6

Trade Balance (US\$ mn)

Item	Jul 2022	Jul 2023	Y-O-Y Change (%)	Jan-Jul 2022	Jan-Jul 2023	Y-O-Y Change (%)
Trade Balance	-122.2	-367.1		-3,628.2	-2,656.6	

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

Item	Jul 2022	Jul 2023	Y-O-Y Change (%)	Jan-Jul 2022	Jan-Jul 2023	Y-O-Y Change (%)
Export						
Value index	162.1	142.0	-12.4	152.8	137.0	-10.3
Volume index	149.0	164.3	10.3	163.2	162.7	-0.3
Unit value index	108.8	86.5	-20.5	93.6	84.2	-10.1
Import						
Value index	115.2	124.2	7.8	144.7	122.1	-15.6
Volume index	97.3	131.4	35.1	133.6	127.0	-5.0
Unit value index	118.4	94.5	-20.2	108.3	96.1	-11.2
Terms of Trade	91.9	91.5	-0.4	86.5	87.6	1.3

(a) Provisional

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

(c) In US\$ terms