



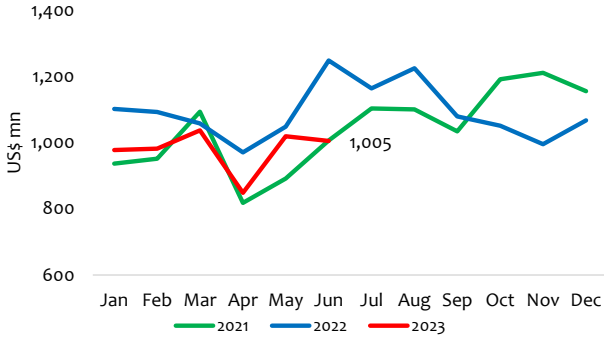
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

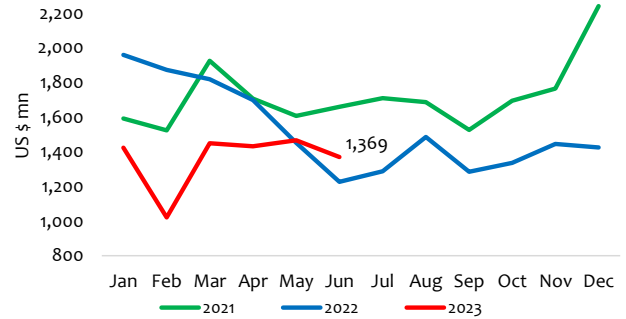
June 2023
VOLUME 05 ISSUE 06

Highlights

Monthly Export Performance



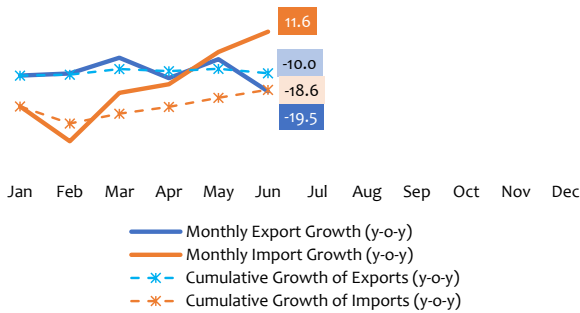
Monthly Import Performance



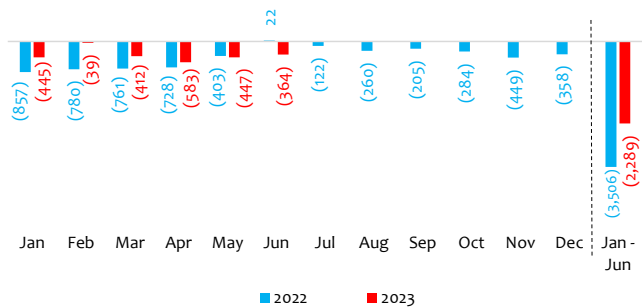
Earnings from merchandise exports declined by 19.5 per cent (year-on-year) to US dollars 1,005 million in June 2023.

Expenditure on merchandise imports increased by 11.6 per cent (year-on-year) to US dollars 1,369 million in June 2023.

Export and Import Growth Rates (%)



Trade Balance (US\$ Mn)



Export earnings and import expenditure declined (year-on-year) by 10.0 per cent and 18.6 per cent, respectively, during the first half of 2023.

The merchandise trade account in June 2023 recorded a deficit of US dollars 364 million, compared to the surplus of US dollars 22 million recorded in June 2022.

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

Exports (US\$ mn)

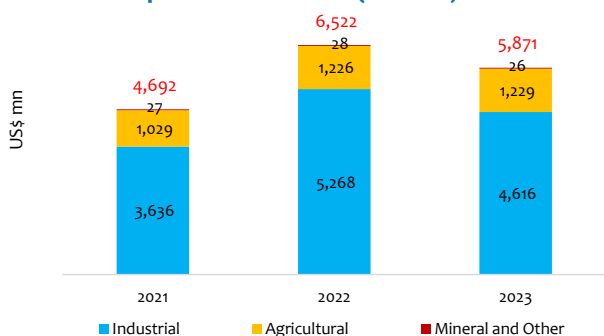
Textiles and garments	2,460.6
Tea	635.5
Rubber products	432.6
Machinery and mechanical appliances	317.6
Gems, diamonds and jewellery	268.8
Food beverages and tobacco	248.9
Petroleum products	247.2
Spices	176.0
Coconut	161.0
Seafood	132.4

Imports (US\$ mn)

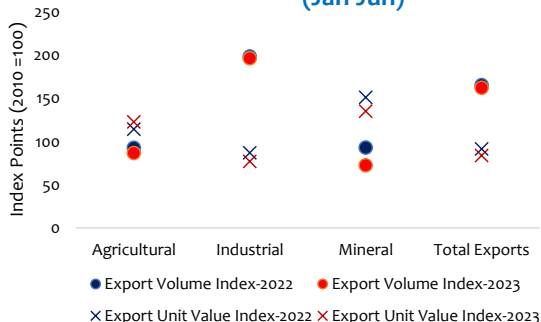
Fuel	2,354.8
Textiles and textile articles	1,194.0
Machinery and equipment	822.4
Chemical products	384.9
Medical and pharmaceuticals	364.4
Building material	350.0
Sugar and confectionery	250.9
Plastics and articles thereof	217.0
Paper and paperboard and articles...	205.4
Wheat and maize	188.0

Export Performance

Export Performance (Jan-Jun)



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

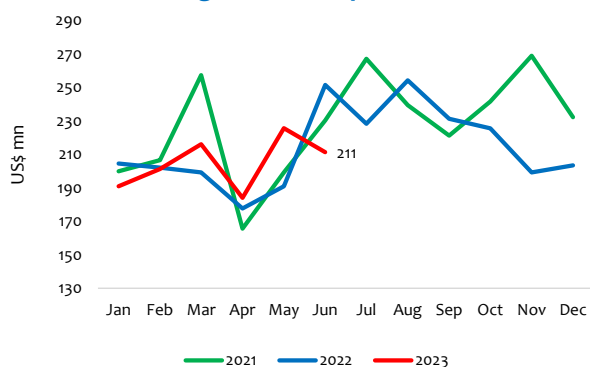


Earnings from exports declined during the first half of 2023, on a year-on-year basis, due to the decrease in industrial and mineral exports. However, a marginal increase was recorded in agricultural exports.

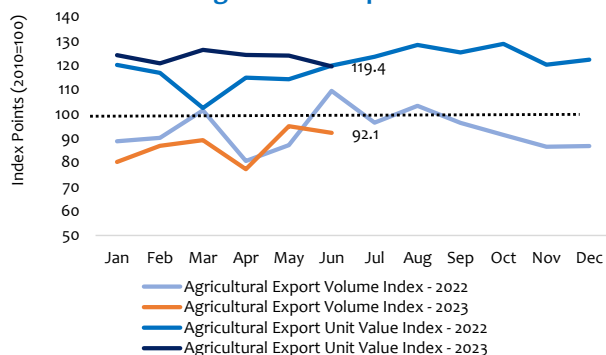
The export volume index and unit value index declined by 1.9 per cent and 8.3 per cent, on a year-on-year basis, respectively, during the first half of 2023.

Agricultural Exports

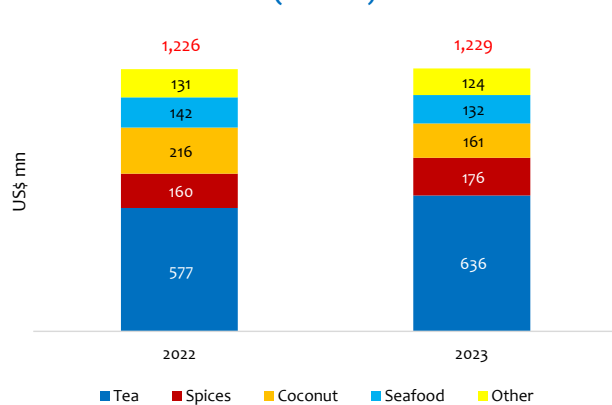
Agricultural Exports



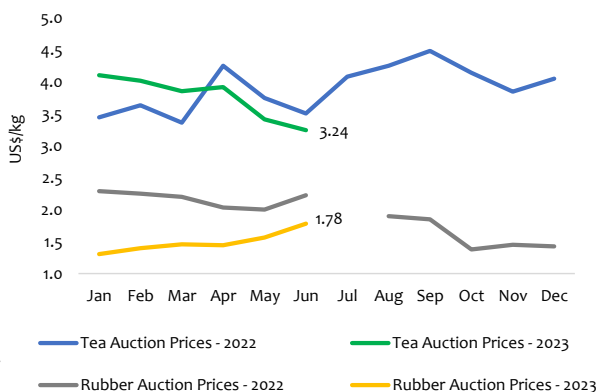
Volume and Unit Value Indices of Agricultural Exports



Performance of Agricultural Exports (Jan-Jun)



Tea and Rubber Prices *

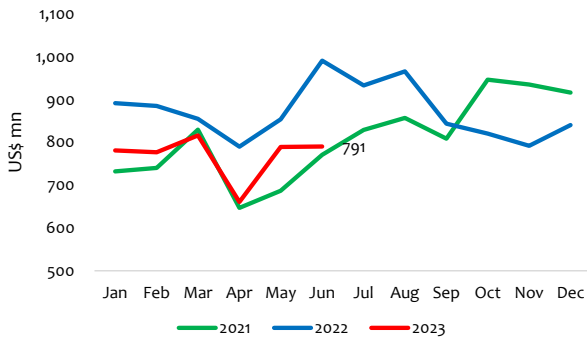


*Rubber (RSS) prices for July 2022 were not determined at the auction

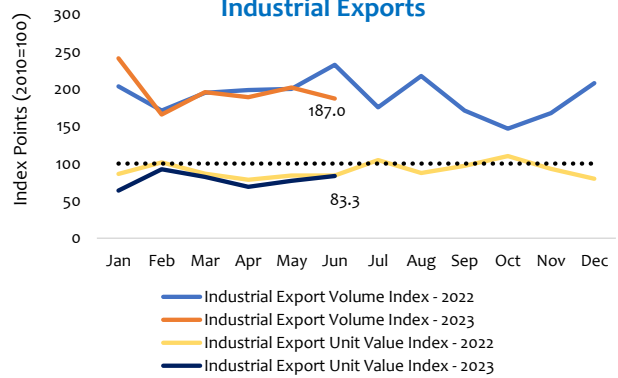
Earnings from agricultural exports increased marginally during the first half of 2023, on a year-on-year basis, driven by higher export volumes of tea and spices. However, lower export earnings were recorded from coconut related products, seafood, natural rubber, and minor agricultural products during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

Industrial Exports

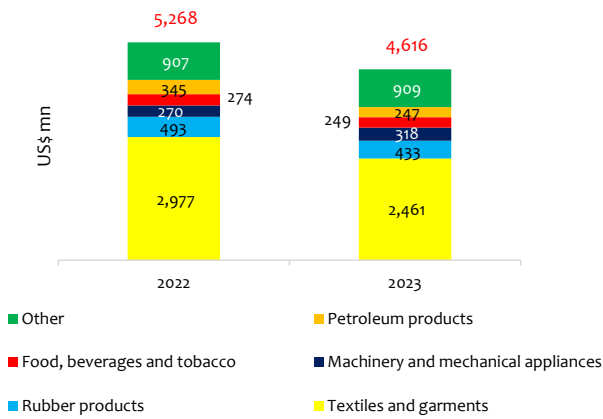
Industrial Exports



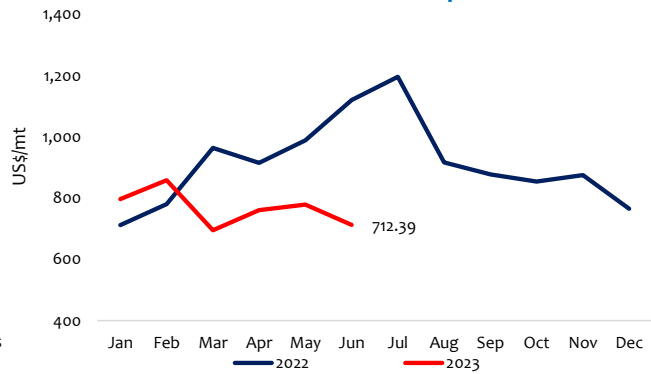
Volume and Unit Value Indices of Industrial Exports



Performance of Industrial Exports (Jan-Jun)



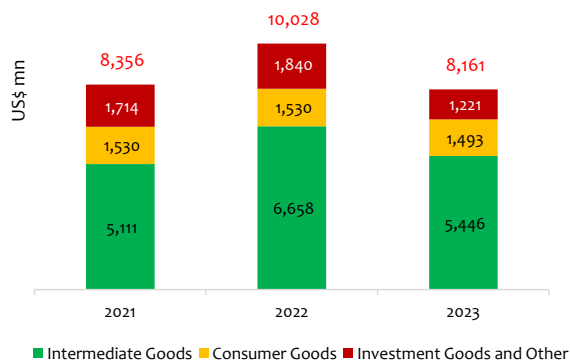
Bunker and Aviation Fuel Export Prices



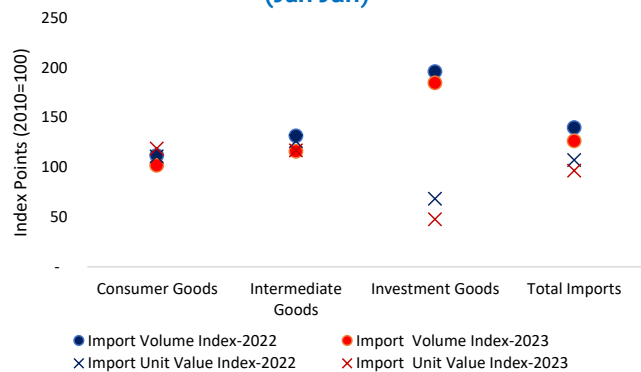
Earnings from industrial exports declined during the first half of 2023, on a year-on-year basis, due to a broad-based decline in earnings from most of the industrial products led mainly by garments. However, earnings from exports of gems, diamonds and jewellery, machinery and mechanical appliances,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

Import Performance

Import Performance (Jan-Jun)

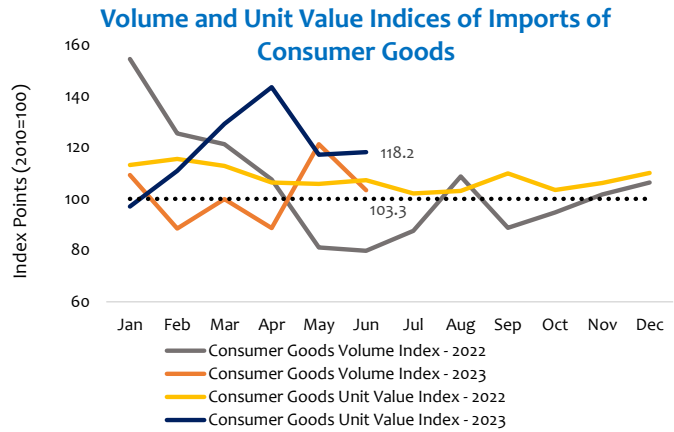
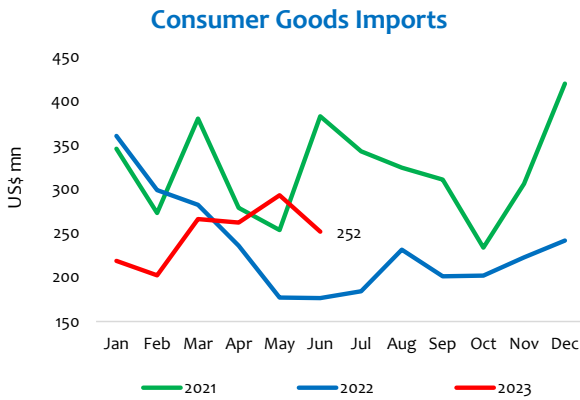


Volume and Unit Value Indices of Imports (Jan-Jun)

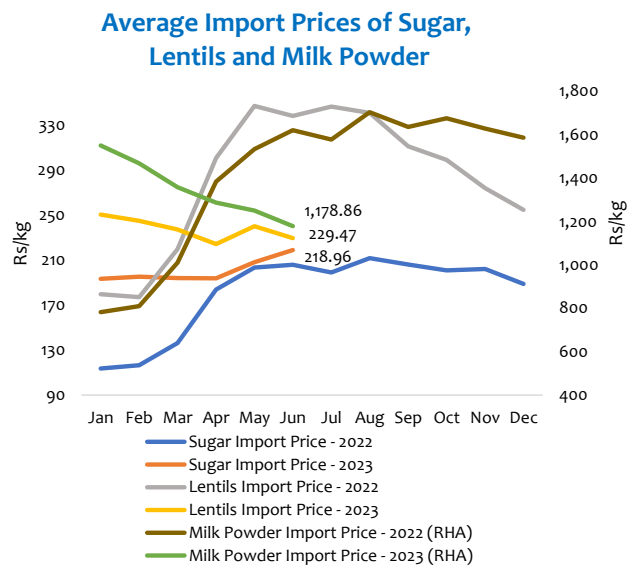
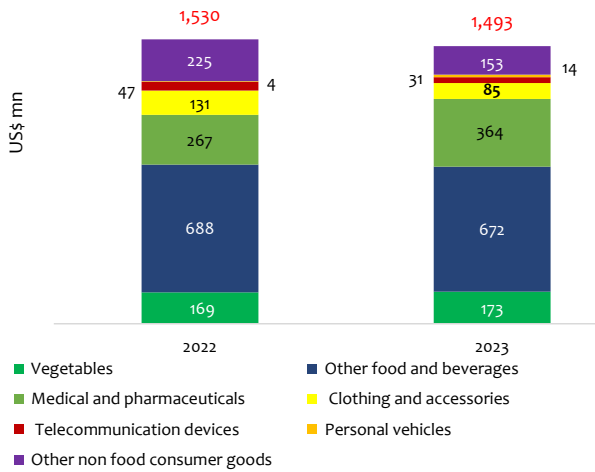


Expenditure on merchandise imports declined during the first half of 2023, on a year-on-year basis, due to the declines in all major categories of imports, namely intermediate, investment and consumer goods. Meanwhile, the import volume index and unit value index also declined (year-on-year) by 9.6 per cent and 10.0 per cent, respectively.

Consumer Goods Imports

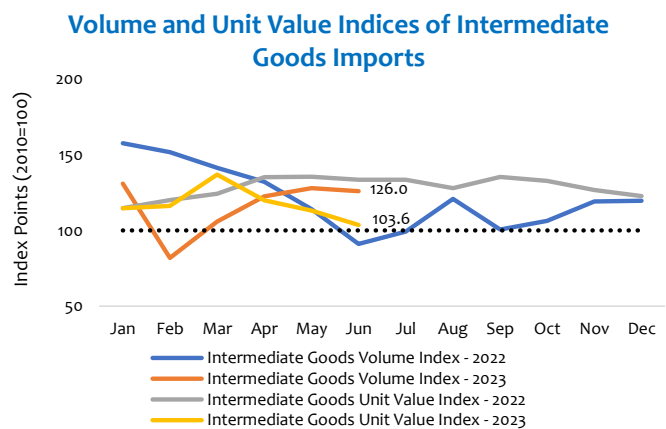
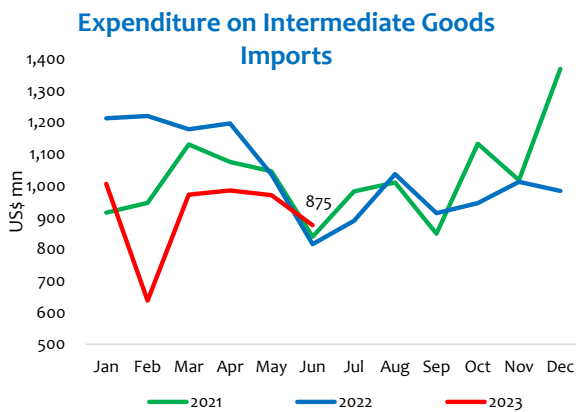


Performance of Consumer Goods Imports (Jan-Jun)

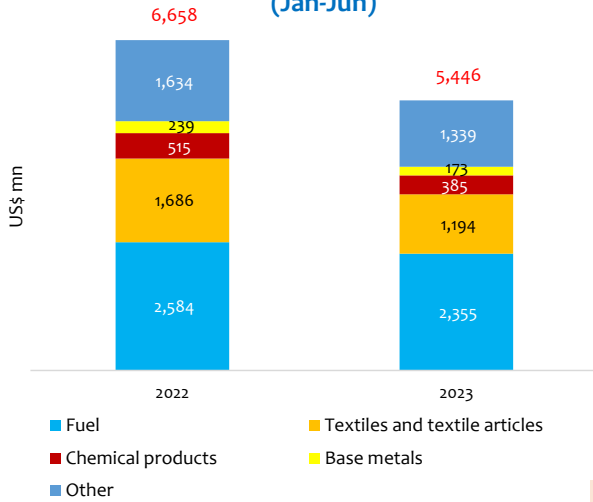


Import expenditure on consumer goods declined (year-on-year) during the first half of 2023, driven by the declines in expenditure on both food (mainly, rice) and non-food consumer goods (mainly, clothing and accessories). However, an increase in imports of sugar, which was categorised under food and beverages, and medical and pharmaceuticals, which was categorised under non-food consumer goods, was notable during the first half of 2023.

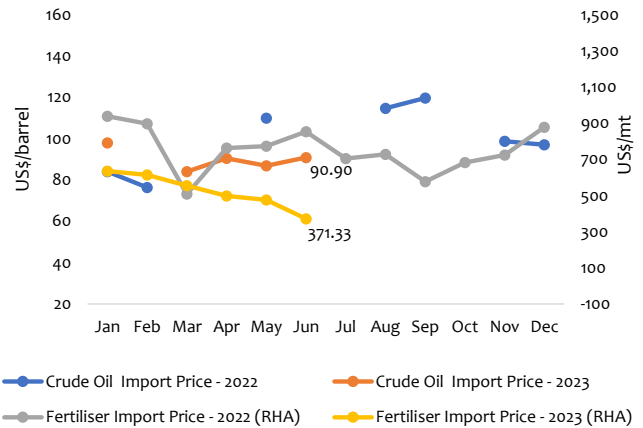
Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-Jun)



Crude Oil and Fertiliser Import Prices (Monthly Averages)

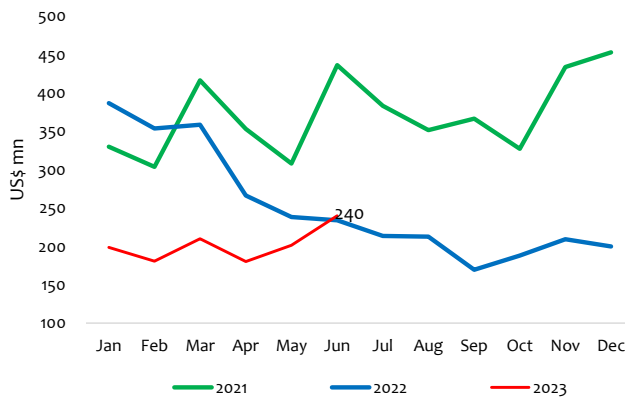


*Crude oil was not imported in March, April, June, July, October 2022 and February 2023.

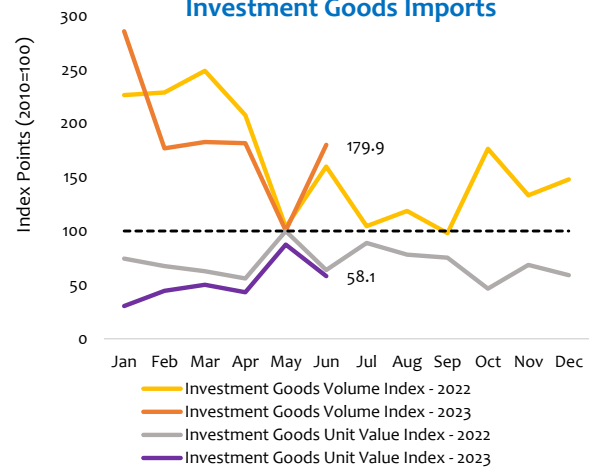
Import expenditure on intermediate goods declined (year-on-year) during the first half of 2023, primarily due to lower imports of textiles and textile articles; fuel; plastics and articles thereof; and chemical products. In contrast, import expenditure on wheat; fertiliser; and diamonds and precious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

Investment Goods Imports

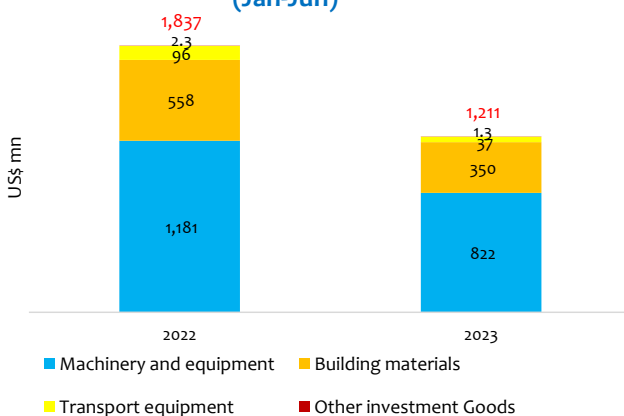
Expenditure on Imports of Investment Goods



Volume and Unit Value Indices of Investment Goods Imports



Performance of Investment Goods Imports (Jan-Jun)



Import expenditure on investment goods declined significantly during the first half of 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		Jun 2022	Jun 2023	Y-O-Y Change (%)	Jan-Jun 2022	Jan-Jun 2023	Y-O-Y Change (%)
Agricultural Exports		251.5	211.3	-16.0	1,226.0	1,229.2	0.3
o/w	Tea	116.5	111.5	-4.3	577.4	635.5	10.1
	Coconut	40.5	28.5	-29.8	215.8	161.0	-25.4
	Spices	31.7	27.8	-12.6	159.6	176.0	10.3
	Seafood	36.4	17.9	-50.8	142.2	132.4	-6.9
Industrial Exports		991.2	790.8	-20.2	5,268.2	4,616.0	-12.4
o/w	Textiles and garments	568.8	430.0	-24.4	2,977.3	2,460.6	-17.4
	Rubber products	99.5	72.1	-27.5	493.3	432.6	-12.3
	Petroleum products	54.2	39.4	-27.4	345.3	247.2	-28.4
	Food, beverages and tobacco	52.3	40.3	-22.9	274.4	248.9	-9.3
	Machinery and mechanical appliances	50.0	52.9	5.8	270.5	317.6	17.4
	Gems, diamonds and jewellery	36.1	52.4	45.1	200.3	268.8	34.2
	Leather, travel goods and footwear	6.8	6.3	-8.4	37.3	34.1	-8.5
Mineral and Other Exports		6.0	3.2	-46.6	27.9	25.7	-7.8
Total Exports		1,248.8	1,005.3	-19.5	6,522.2	5,871.0	-10.0

Import Performance (US\$ mn)

Item		Jun 2022	Jun 2023	Y-O-Y Change (%)	Jan-Jun 2022	Jan-Jun 2023	Y-O-Y Change (%)
Consumer goods		176.5	251.7	42.6	1,530.2	1,493.5	-2.4
Food and beverages		89.0	146.8	64.9	856.9	845.5	-1.3
o/w	Vegetables (b)	21.6	33.7	56.5	169.1	173.0	2.3
	Rice	16.2	2.5	-84.4	170.8	10.1	-94.1
Non-food consumer goods		87.5	104.9	19.9	673.3	648.0	-3.8
o/w	Medical and Pharmaceuticals	36.4	58.0	59.2	267.1	364.4	36.5
Intermediate goods		815.7	875.4	7.3	6,658.4	5,446.5	-18.2
o/w	Fuel	200.1	290.0	44.9	2,583.9	2,354.8	-8.9
	Textiles and textile articles	280.9	194.1	-30.9	1,685.6	1,194.0	-29.2
	Fertiliser	1.5	25.3	1,545.0	46.0	86.9	88.9
	Wheat and maize	12.2	41.1	236.6	136.3	188.0	37.9
Investment goods and other		234.3	242.0	3.3	1,839.6	1,220.6	-33.6
o/w	Machinery and equipment	156.4	163.7	4.7	1,181.3	822.4	-30.4
Total Imports		1,226.5	1,369.1	11.6	10,028.1	8,160.5	-18.6

Trade Balance (US\$ mn)

Item	Jun 2022	Jun 2023	Y-O-Y Change (%)	Jan-Jun 2022	Jan-Jun 2023	Y-O-Y Change (%)
Trade Balance	22.3	-363.7		-3,506.0	-2,289.5	

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

Item	Jun 2022	Jun 2023	Y-O-Y Change (%)	Jan-Jun 2022	Jan-Jun 2023	Y-O-Y Change (%)
Export						
Value index	173.8	139.9	-19.5	151.3	136.2	-10.0
Volume index	192.3	156.9	-18.4	165.6	162.5	-1.9
Unit value index	90.4	89.2	-1.3	91.4	83.8	-8.3
Import						
Value index	109.8	122.5	11.6	149.6	121.7	-18.6
Volume index	102.2	131.7	28.8	139.6	126.2	-9.6
Unit value index	107.4	93.1	-13.3	107.1	96.4	-10.0
Terms of Trade	84.2	95.8	13.8	85.3	86.9	1.9

(a) Provisional

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

(c) In US\$ terms