



MONTHLY TRADE BULLETIN

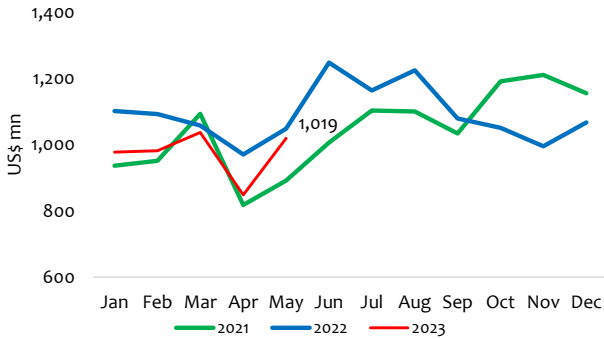
ECONOMIC RESEARCH DEPARTMENT

CENTRAL BANK OF SRI LANKA

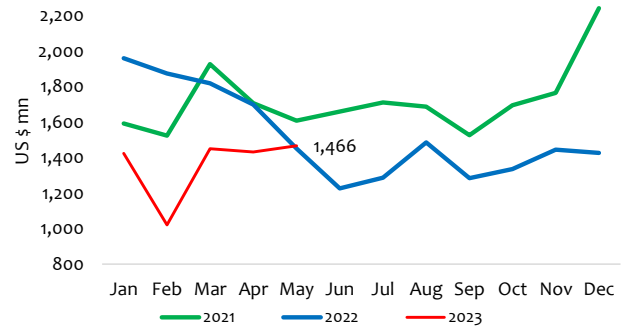
May 2023
VOLUME 05 ISSUE 05

Highlights

Monthly Export Performance



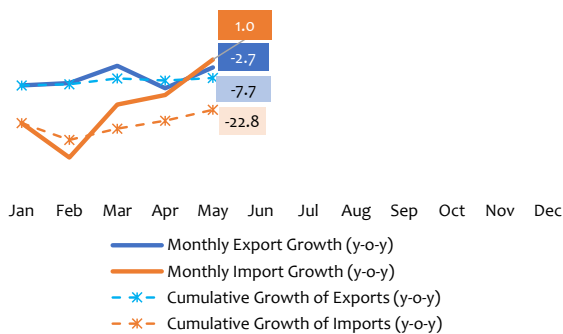
Monthly Import Performance



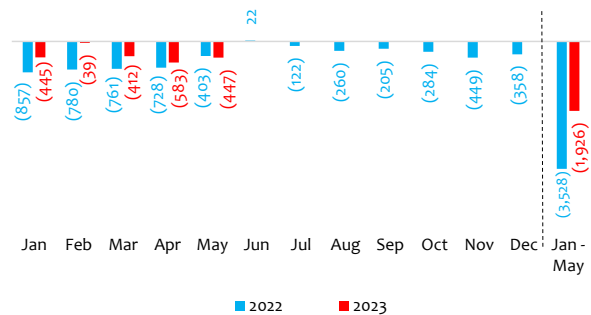
Earnings from merchandise exports decreased by 2.7 per cent (year-on-year) to US dollars 1,019 million in May 2023.

Expenditure on merchandise imports increased marginally by 1.0 per cent (year-on-year) to US dollars 1,466 million in May 2023.

Export and Import Growth Rates (%)



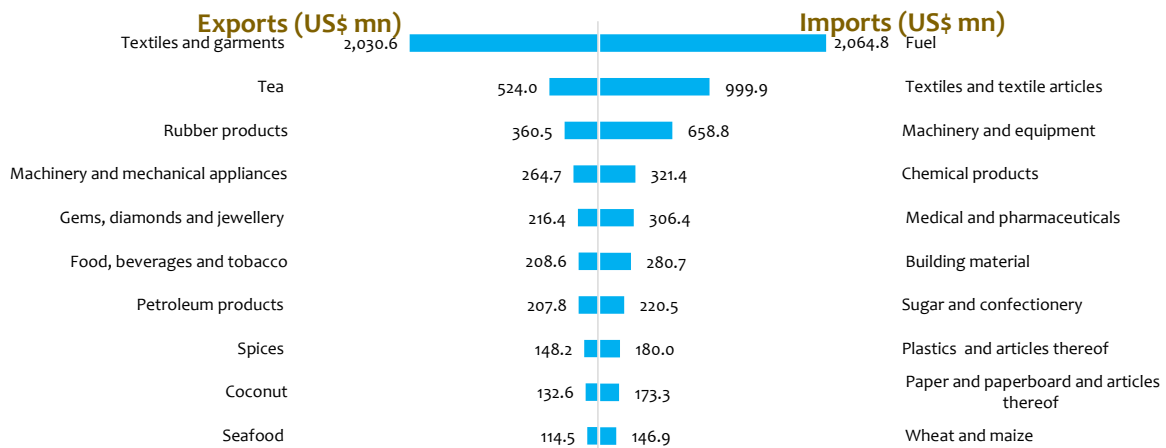
Trade Balance (US\$ Mn)



Export earnings and import expenditure decreased (year-on-year) by 7.7 per cent and 22.8 per cent, respectively during the five months ending May 2023.

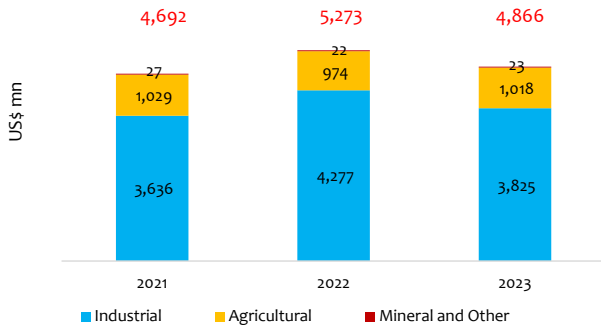
The deficit of merchandise trade account widened to US dollars 447 million in May 2023 from US dollars 403 million recorded in May 2022.

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

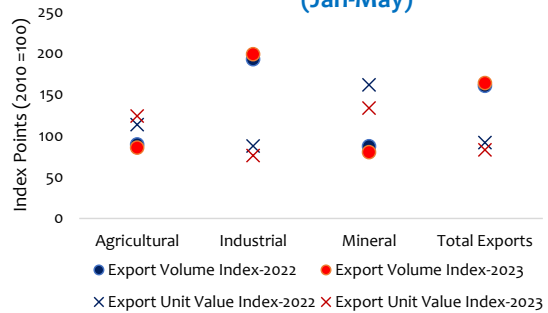


Export Performance

Export Performance (Jan-May)



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

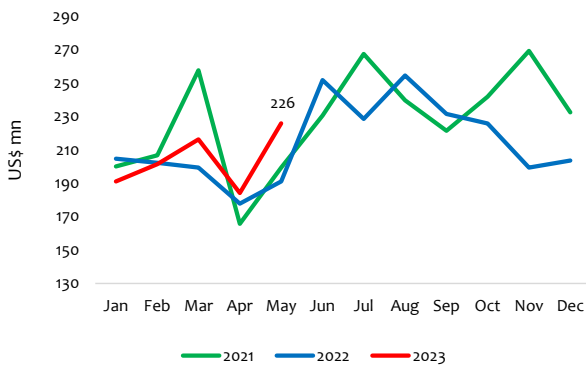


Earnings from exports declined during the five months ending May 2023, on a year-on-year basis, mainly due to the decrease in exports of industrial and mineral products. In contrast, the increase was recorded in agricultural exports.

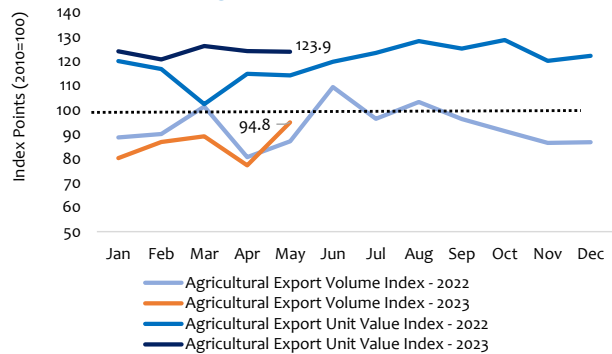
The export volume index increased by 2.1 per cent while export unit value index decreased by 9.6 per cent, on a year-on-year basis, during the five months ending May 2023.

Agricultural Exports

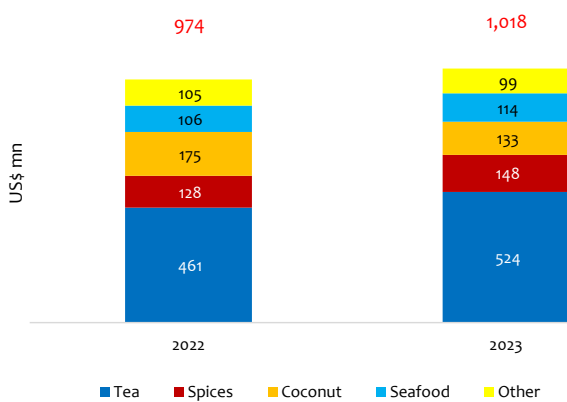
Agricultural Exports



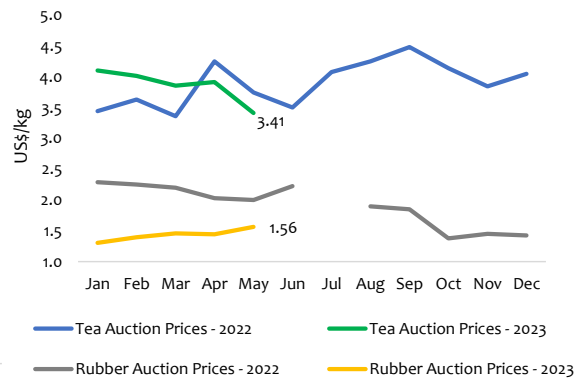
Volume and Unit Value Indices of Agricultural Exports



Performance of Agricultural Exports (Jan-May)



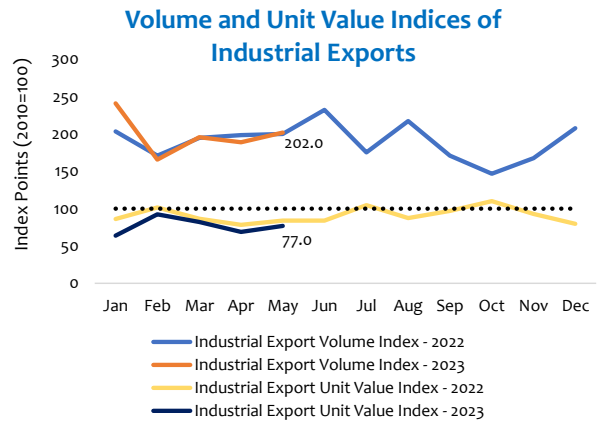
Tea and Rubber Prices *



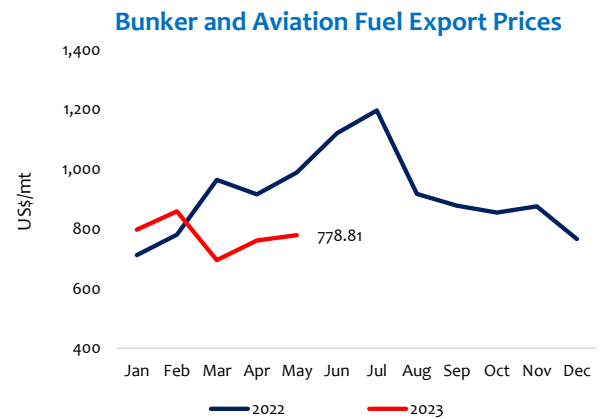
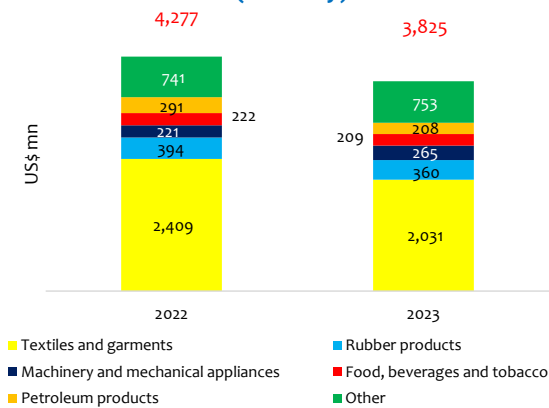
*Rubber (RSS) prices for July 2022 were not determined at the auction

Earnings from agricultural exports increased during the five months ending May 2023 on a year-on-year basis, led mainly by tea, spices, seafood and vegetables. However, lower export earnings were recorded mainly from coconut, minor agricultural products and natural rubber during this period.

Industrial Exports

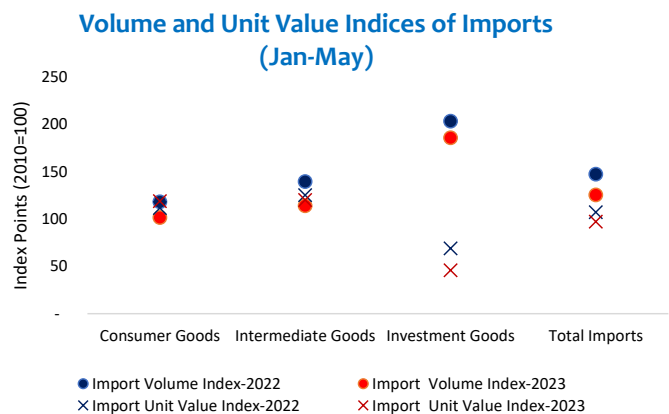
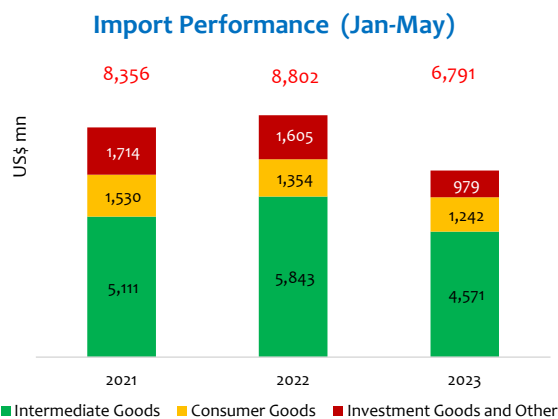


Performance of Industrial Exports (Jan-May)



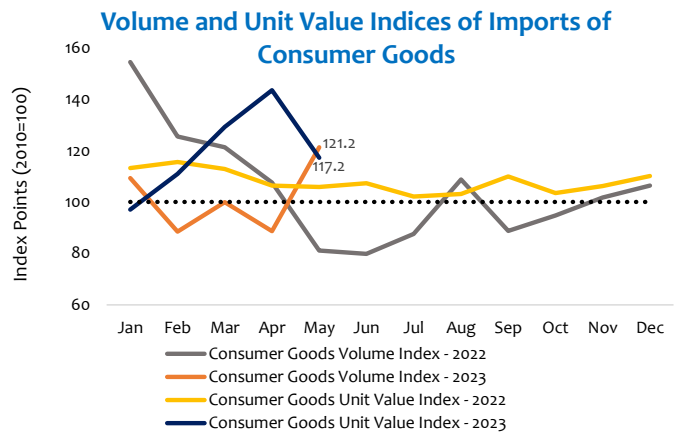
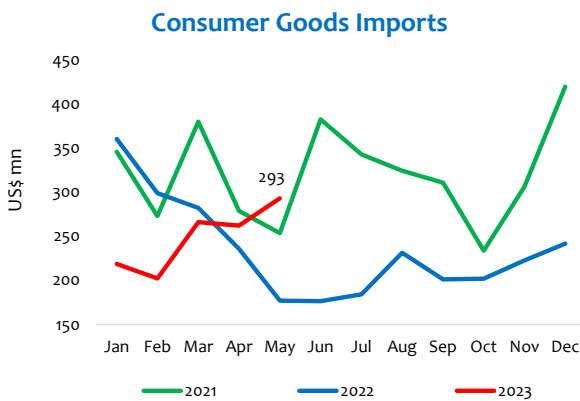
Earnings from industrial exports declined during the five months ending May 2023, on a year-on-year basis, mainly due to the decrease in earnings from exports of textiles and garments, petroleum products, rubber products and food, beverages and tobacco. However, earnings from exports of gems, diamonds and jewellery, machinery and mechanical appliances, animal fodder and printing industry products increased.

Import Performance

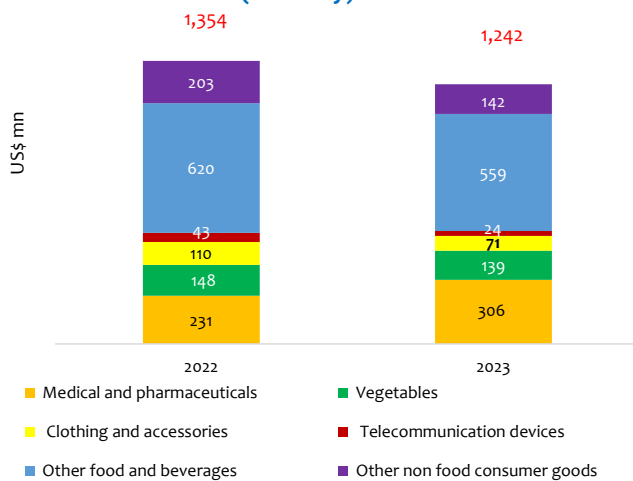


Expenditure on merchandise imports declined during the five months ending May 2023, on a year-on-year basis, due to reduced expenditure incurred on all major categories of imports, namely intermediate, investment and consumer goods. Meanwhile, the import volume index and the import unit value index also decreased (year-on-year) by 14.9 per cent and 9.3 per cent, respectively.

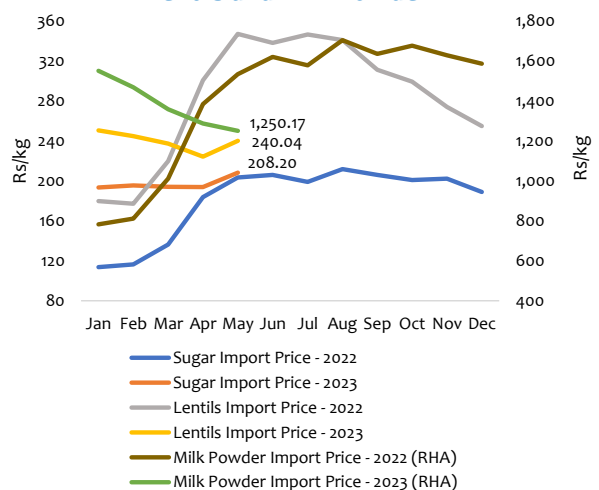
Consumer Goods Imports



Performance of Consumer Goods Imports (Jan-May)

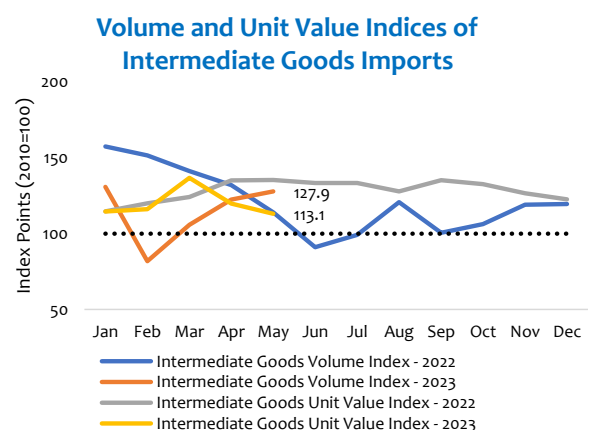
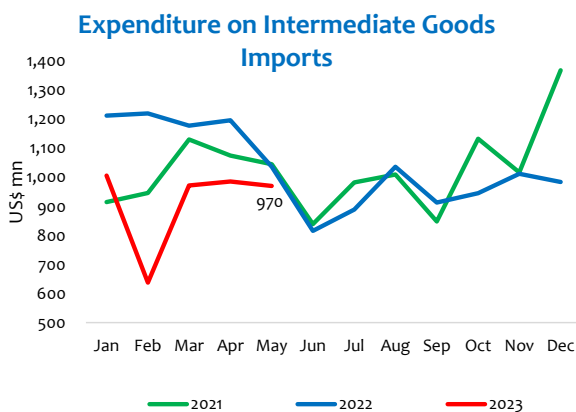


Average Import Prices of Sugar, Lentils and Milk Powder

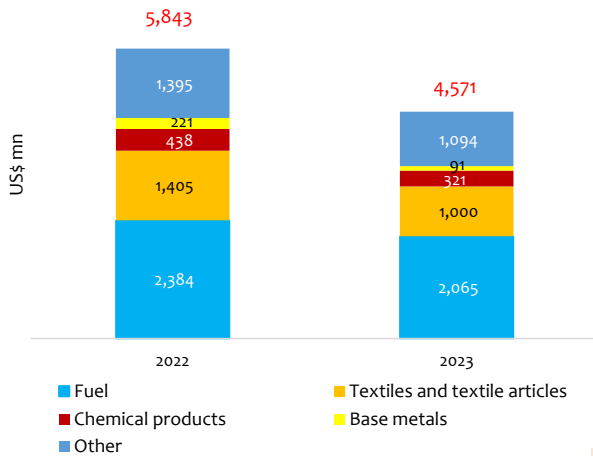


Import expenditure on consumer goods declined (year-on-year) during the five months ending May 2023, mainly due to the decline in both food and non-food consumer goods imports, driven by cereals and milling industry products (mainly, rice), clothing and accessories, home appliances and dairy products. However, import expenditure on sugar and confectionery; medical and pharmaceuticals; oil and fats; personal vehicles; beverages; and printed materials and stationary increased.

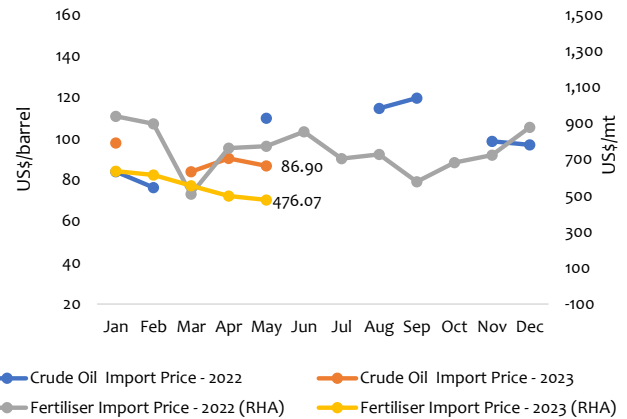
Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-May)



Crude Oil and Fertiliser Import Prices (Monthly Averages)

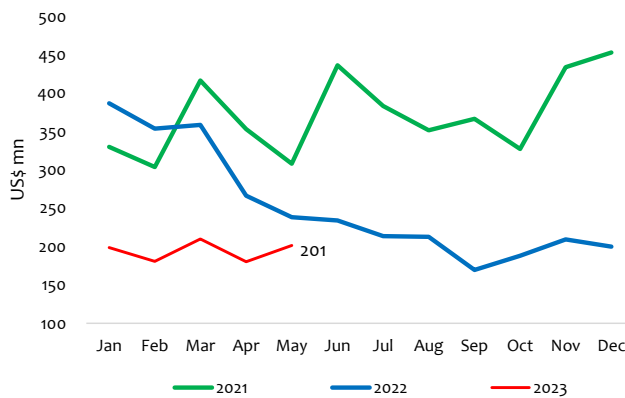


*Crude oil was not imported in March, April, June, July, October 2022 and February 2023.

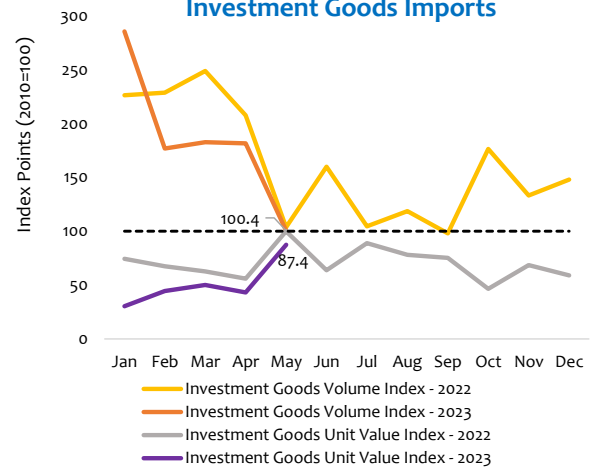
Import expenditure on intermediate goods declined (year-on-year) during the five months ending May 2023, primarily due to the lower expenses incurred on imports of textiles and textile articles; fuel; plastics and articles thereof and base metals. In contrast, import expenditure on diamonds and precious stones and metals; wheat and maize; fertiliser; and agricultural inputs increased during the considering period.

Investment Goods Imports

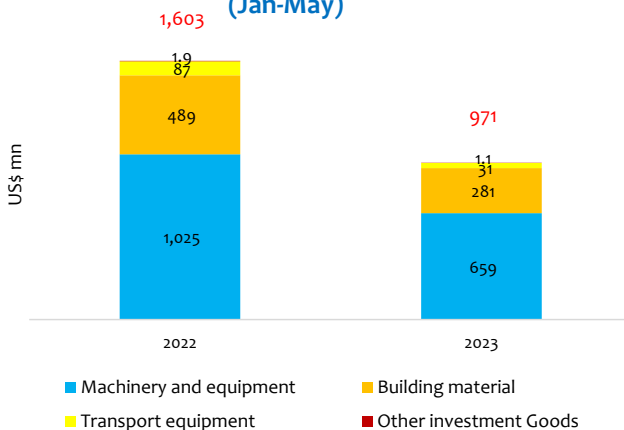
Expenditure on Imports of Investment Goods



Volume and Unit Value Indices of Investment Goods Imports



Performance of Investment Goods Imports (Jan-May)



Import expenditure on investment goods declined significantly during the five months ending May 2023, due to the lower import expenditure across all major categories of investment goods, namely, machinery and equipment, building materials, and transport equipment.

Summary of External Trade Statistics (a)

Export Performance (US\$ mn)

| Item | | May 2022 | May 2023 | Y-O-Y Change (%) | Jan-May 2022 | Jan-May 2023 | Y-O-Y Change (%) |
|----------------------------------|-------------------------------------|----------------|----------------|---------------------|-----------------|-----------------|---------------------|
| Agricultural Exports | | 190.9 | 225.7 | 18.2 | 974.5 | 1,017.9 | 4.5 |
| o/w | Tea | 93.7 | 116.3 | 24.2 | 460.9 | 524.0 | 13.7 |
| | Coconut | 36.5 | 31.4 | -14.0 | 175.3 | 132.6 | -24.4 |
| | Spices | 21.1 | 27.0 | 28.0 | 127.8 | 148.2 | 16.0 |
| | Seafood | 16.8 | 23.0 | 36.6 | 105.8 | 114.5 | 8.2 |
| Industrial Exports | | 854.2 | 789.7 | -7.5 | 4,277.0 | 3,825.2 | -10.6 |
| o/w | Textiles and garments | 483.9 | 413.9 | -14.5 | 2,408.5 | 2,030.6 | -15.7 |
| | Rubber products | 74.0 | 74.4 | 0.5 | 393.8 | 360.5 | -8.5 |
| | Petroleum products | 53.0 | 39.1 | -26.2 | 291.1 | 207.8 | -28.6 |
| | Food, beverages and tobacco | 42.3 | 47.8 | 12.9 | 222.1 | 208.6 | -6.1 |
| | Machinery and mechanical appliances | 46.0 | 55.9 | 21.4 | 220.5 | 264.7 | 20.1 |
| | Gems, diamonds and jewellery | 39.0 | 43.9 | 12.5 | 164.2 | 216.4 | 31.9 |
| | Leather, travel goods and footwear | 5.8 | 6.2 | 6.2 | 30.4 | 27.9 | -8.5 |
| Mineral and Other Exports | | 3.2 | 4.2 | 29.5 | 21.9 | 22.5 | 2.9 |
| Total Exports | | 1,048.3 | 1,019.5 | -2.7 | 5,273.4 | 4,865.7 | -7.7 |

Import Performance (US\$ mn)

| Item | | May 2022 | May 2023 | Y-O-Y Change (%) | Jan-May 2022 | Jan-May 2023 | Y-O-Y Change (%) |
|-----------------------------------|-------------------------------|----------------|----------------|---------------------|-----------------|-----------------|---------------------|
| Consumer goods | | 177.1 | 292.9 | 65.4 | 1,353.7 | 1,241.7 | -8.3 |
| Food and beverages | | 107.3 | 198.7 | 85.2 | 767.8 | 698.7 | -9.0 |
| o/w | Vegetables (b) | 24.7 | 39.2 | 58.6 | 147.5 | 139.3 | -5.6 |
| | Rice | 13.7 | 1.8 | -86.8 | 154.6 | 7.6 | -95.1 |
| Non-food consumer goods | | 69.8 | 94.2 | 35.0 | 585.8 | 543.1 | -7.3 |
| o/w | Medical and Pharmaceuticals | 31.5 | 47.9 | 52.2 | 230.7 | 306.4 | 32.9 |
| Intermediate goods | | 1,036.1 | 970.5 | -6.3 | 5,842.7 | 4,571.1 | -21.8 |
| o/w | Fuel | 461.4 | 429.8 | -6.9 | 2,383.8 | 2,064.8 | -13.4 |
| | Textiles and textile articles | 243.0 | 212.7 | -12.5 | 1,404.7 | 999.9 | -28.8 |
| | Fertiliser | 2.4 | 11.5 | 378.4 | 44.5 | 61.6 | 38.5 |
| | Wheat and maize | 21.4 | 32.6 | 52.6 | 124.1 | 146.9 | 18.4 |
| Investment goods and other | | 238.3 | 202.9 | -14.8 | 1,605.3 | 978.6 | -39.0 |
| o/w | Machinery and equipment | 150.1 | 132.0 | -12.1 | 1,024.9 | 658.8 | -35.7 |
| Total Imports | | 1,451.5 | 1,466.3 | 1.0 | 8,801.7 | 6,791.4 | -22.8 |

Trade Balance (US\$ mn)

| Item | May 2022 | May 2023 | Y-O-Y Change (%) | Jan-May 2022 | Jan-May 2023 | Y-O-Y Change (%) |
|----------------------|-------------|-------------|---------------------|-----------------|-----------------|---------------------|
| Trade Balance | -403.2 | -446.8 | | -3,528.3 | -1,925.7 | |

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

| Item | May 2022 | May 2023 | Y-O-Y Change (%) | Jan-May 2022 | Jan-May 2023 | Y-O-Y Change (%) |
|-----------------------|-------------|-------------|---------------------|-----------------|-----------------|---------------------|
| Export | | | | | | |
| Value index | 145.9 | 141.9 | -2.7 | 146.8 | 135.4 | -7.7 |
| Volume index | 162.5 | 168.4 | 3.6 | 160.2 | 163.6 | 2.1 |
| Unit value index | 89.8 | 84.3 | -6.1 | 91.6 | 82.8 | -9.6 |
| Import | | | | | | |
| Value index | 129.9 | 131.2 | 1.0 | 157.5 | 121.6 | -22.8 |
| Volume index | 104.8 | 119.8 | 14.3 | 147.1 | 125.1 | -14.9 |
| Unit value index | 124.0 | 109.6 | -11.6 | 107.1 | 97.1 | -9.3 |
| Terms of Trade | 72.4 | 76.9 | 6.2 | 85.6 | 85.2 | -0.4 |

(a) Provisional

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

(c) In US\$ terms