



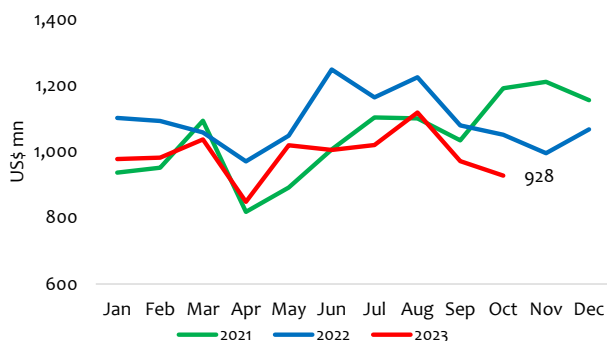
MONTHLY TRADE BULLETIN

ECONOMIC RESEARCH DEPARTMENT
CENTRAL BANK OF SRI LANKA

OCTOBER 2023
VOLUME 05 ISSUE 10

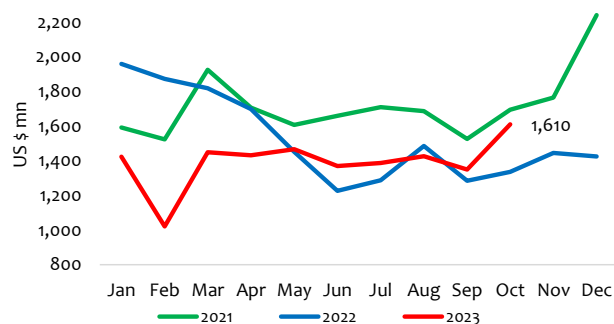
Highlights

Monthly Export Performance



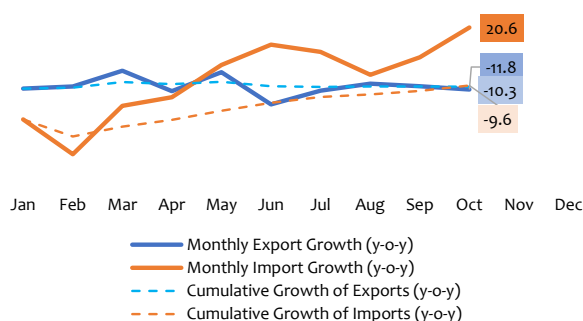
Earnings from merchandise exports declined by 11.8 per cent (year-on-year) to US dollars 928 million in October 2023.

Monthly Import Performance



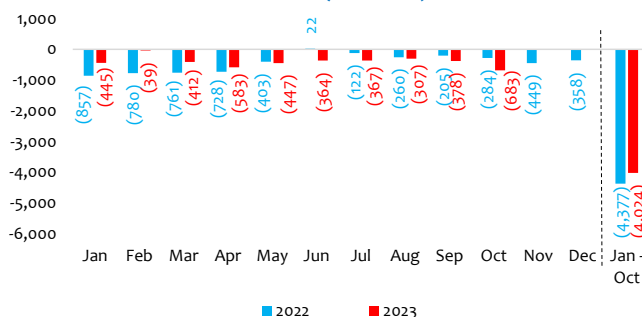
Expenditure on merchandise imports increased by 20.6 per cent (year-on-year) to US dollars 1,610 million in October 2023.

Export and Import Growth Rates (%)



Export earnings declined by 10.3 per cent (year-on-year) during the ten months ending October 2023 while import expenditure also declined by 9.6 per cent.

Trade Balance (US\$ Mn)



The deficit in the merchandise trade account widened in October 2023 to US dollars 683 million in comparison to US dollars 284 million recorded in October 2022.

Major Export and Import Categories (Jan-Oct 2023)

Exports (US\$ mn)

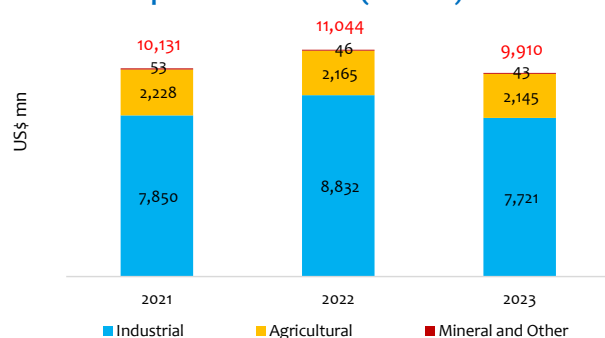
Textiles and garments	4,042.8
Tea	1,085.9
Rubber products	746.8
Machinery and mechanical appliances	512.5
Food beverages and tobacco	444.7
Gems, diamonds and jewellery	439.6
Petroleum products	422.9
Spices	330.7
Coconut	284.9
Seafood	213.2

Imports (US\$ mn)

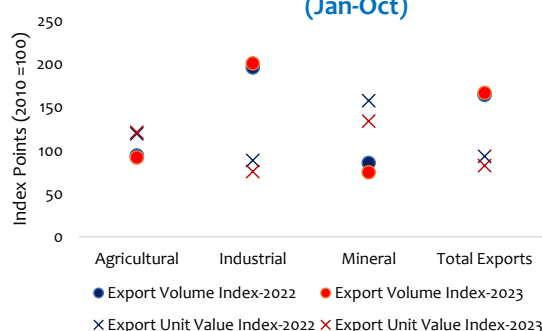
Fuel	3,971.6
Textiles and textile articles	1,984.8
Machinery and equipment	1,524.4
Chemical products	668.1
Building material	629.2
Medical and pharmaceuticals	563.6
Plastics and articles thereof	386.8
Sugar and confectionery	359.1
Paper and paperboard and articles...	337.1
Vegetables	297.2

Export Performance

Export Performance (Jan-Oct)



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

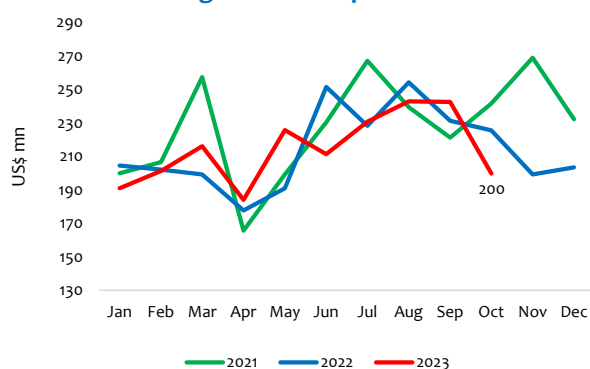


Earnings from exports declined during the ten months ending October 2023, on a year-on-year basis, due to the decline in all major export categories, including industrial, agricultural and mineral products.

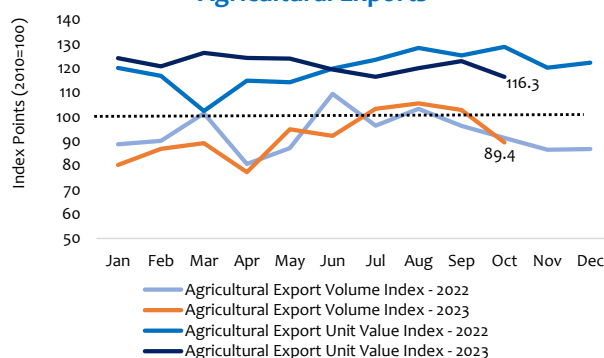
The export volume index improved by 1.6 per cent while the unit value index declined by 11.7 per cent, on a year-on-year basis, during the ten months ending October 2023.

Agricultural Exports

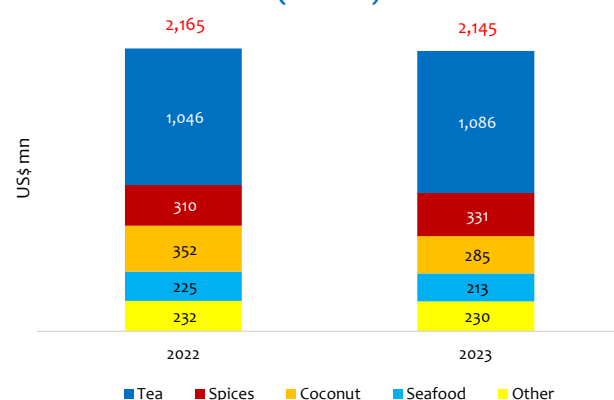
Agricultural Exports



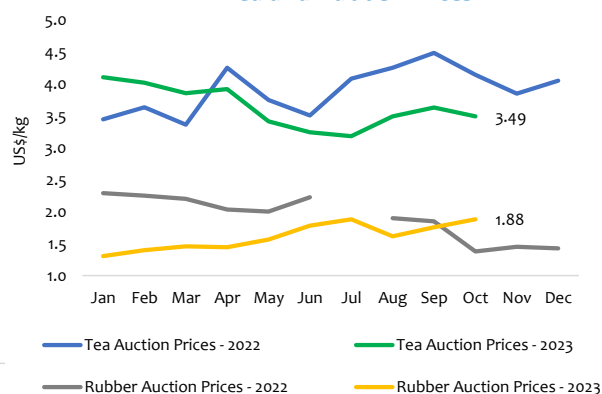
Volume and Unit Value Indices of Agricultural Exports



Performance of Agricultural Exports (Jan-Oct)



Tea and Rubber Prices *

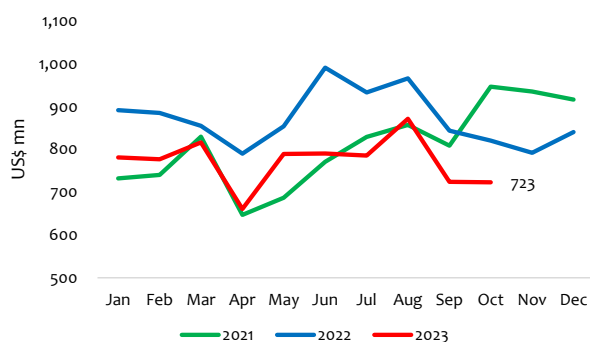


*Rubber (RSS) prices for July 2022 were not determined at the auction

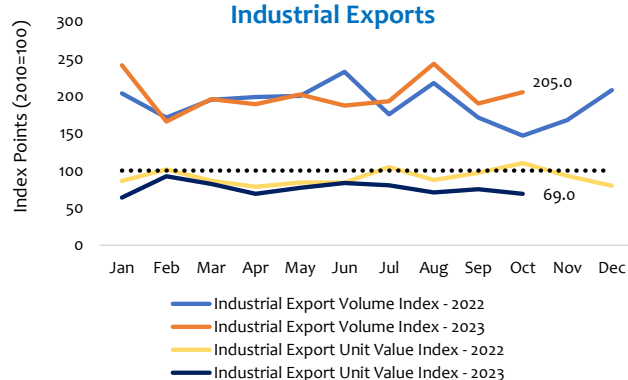
Earnings from agricultural exports declined during the ten months ending October 2023, on a year-on-year basis, driven by lower earnings from coconut related products, seafood, and natural rubber exports. In contrast, export earnings from tea, spices and minor agricultural products increased during this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

Industrial Exports

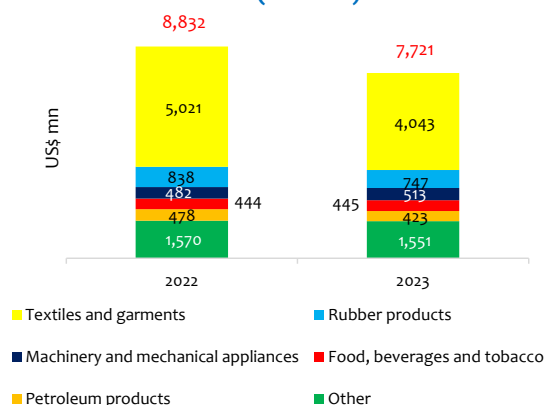
Industrial Exports



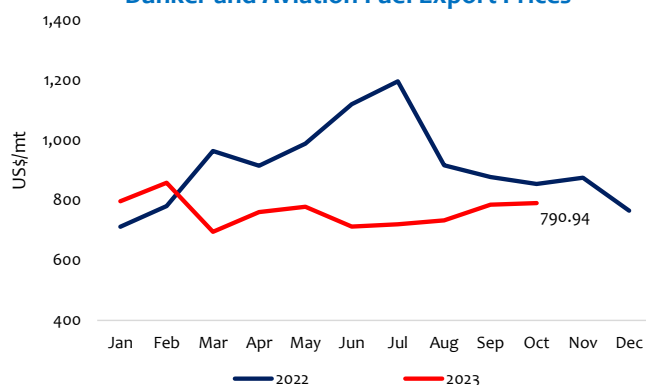
Volume and Unit Value Indices of Industrial Exports



Performance of Industrial Exports (Jan-Oct)



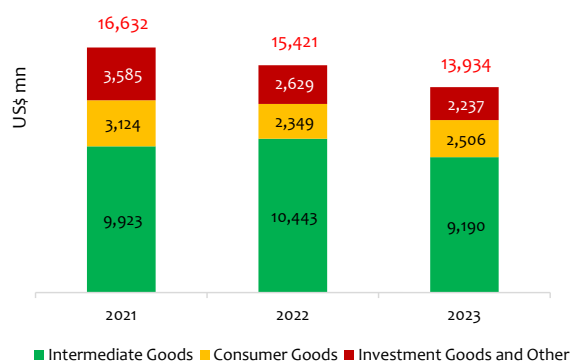
Bunker and Aviation Fuel Export Prices



Earnings from industrial exports declined during the ten months ending October 2023, with a significant share of the decline being contributed by garments. Further, notable declines were recorded in the exports of rubber products, petroleum products, chemical products, and wood and paper products. However, there was an increase in export earnings from gems, diamonds and jewellery, machinery and mechanical appliances, and transport equipment during this period.

Import Performance

Import Performance (Jan-Oct)

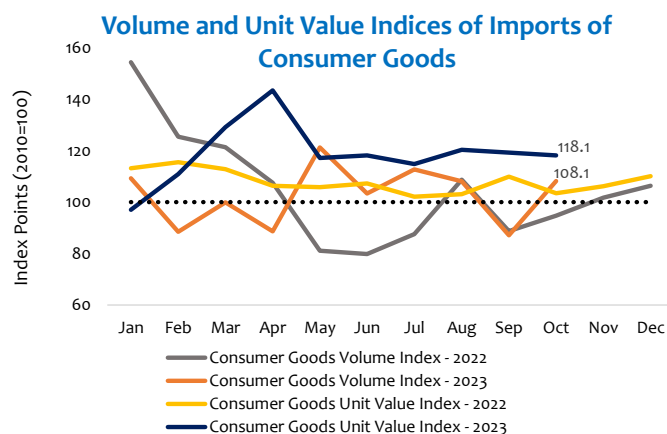
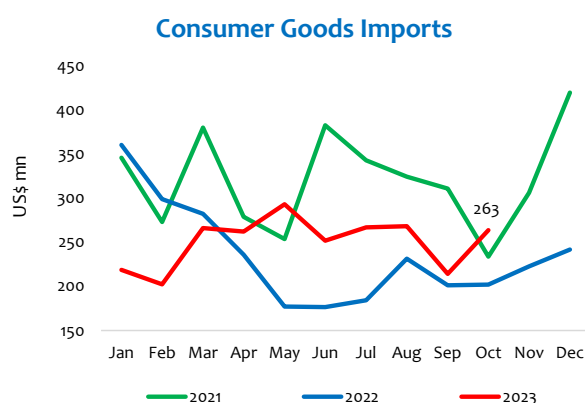


Volume and Unit Value Indices of Imports (Jan-Oct)

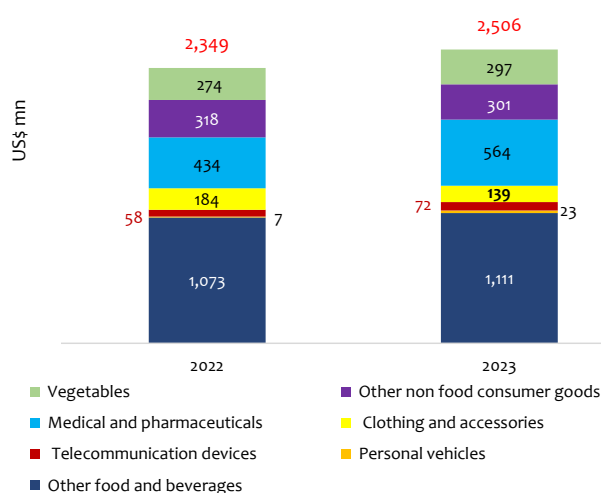


Expenditure on merchandise imports declined during the ten months ending October 2023, on a year-on-year basis, due to lower expenditure incurred on intermediate and investment goods, despite an increase in expenditure on consumer goods. Meanwhile, the import volume index increased by 1.3 per cent while unit value index declined 10.8 per cent during the period concerned.

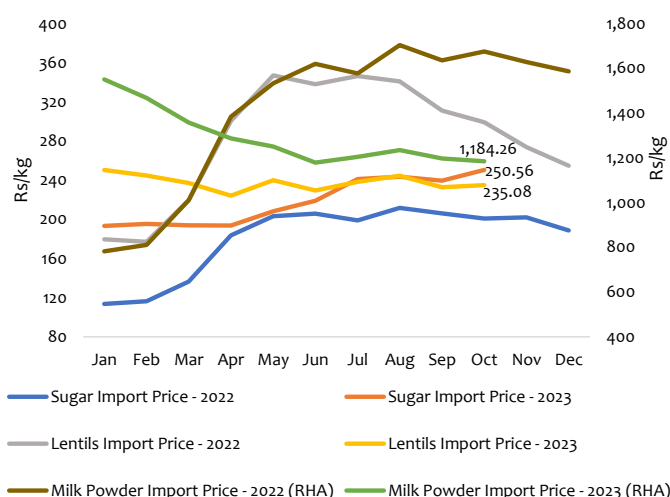
Consumer Goods Imports



Performance of Consumer Goods Imports (Jan-Oct)

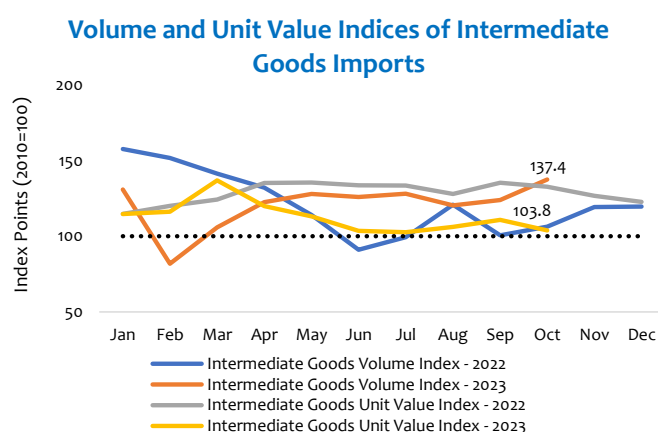
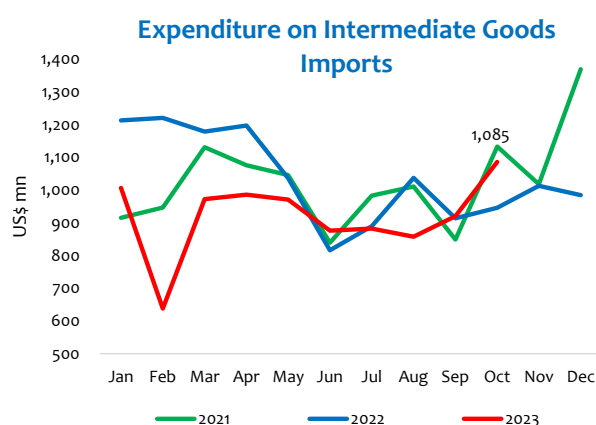


Average Import Prices of Sugar, Lentils and Milk Powder

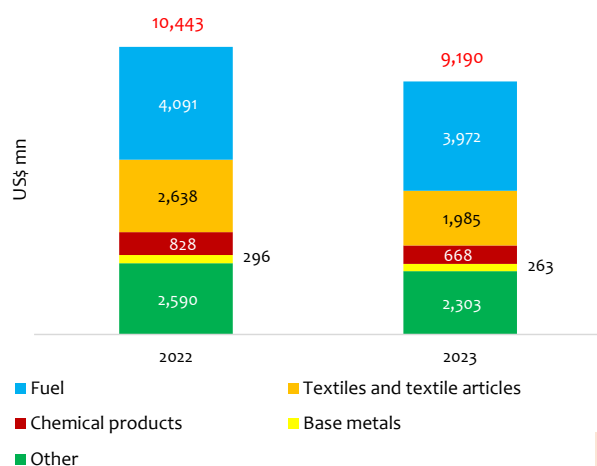


Import expenditure on consumer goods increased during the ten months ending October 2023, on a year-on-year basis, mainly due to increased imports of non-food consumer goods driven by medical and pharmaceuticals. Expenditure on food and beverages also increased with higher expenditure on importation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

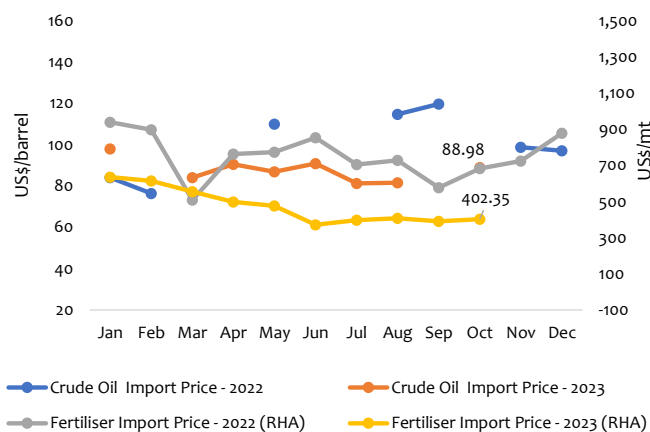
Intermediate Goods Imports



Performance of Intermediate Goods Imports (Jan-Oct)



Crude Oil and Fertiliser Import Prices (Monthly Averages)

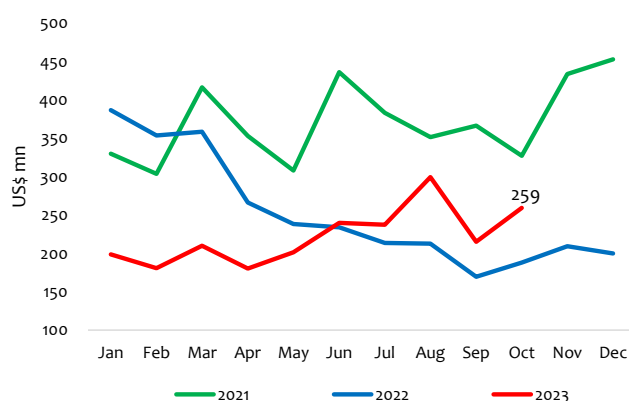


*Crude oil was not imported in March, April, June, July, October 2022 and February and September 2023.

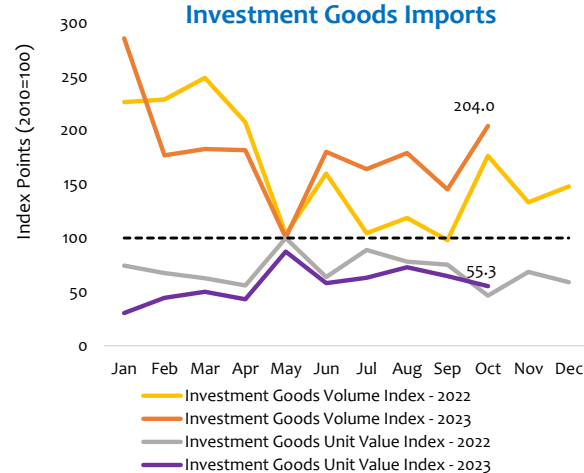
Import expenditure on intermediate goods declined (year-on-year) during the ten months ending October 2023, primarily due to lower imports of textiles and textile articles, plastics and articles thereof, and chemical products. Expenditure on fuel imports declined due to lower refined petroleum imports.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

Investment Goods Imports

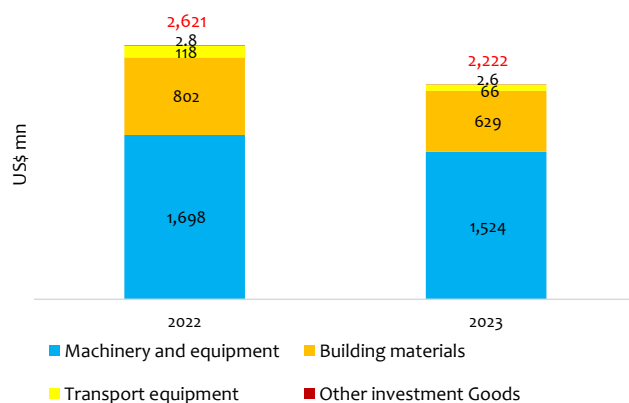
Expenditure on Imports of Investment Goods



Volume and Unit Value Indices of Investment Goods Imports



Performance of Investment Goods Imports (Jan-Oct)



Import expenditure on investment goods declined during the ten months ending October 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		Oct 2022	Oct 2023	Y-O-Y Change (%)	Jan-Oct 2022	Jan-Oct 2023	Y-O-Y Change (%)
Agricultural Exports		225.6	199.7	-11.5	2,165.3	2,145.1	-0.9
o/w	Tea	108.7	95.6	-12.0	1,045.8	1,085.9	3.8
	Coconut	37.9	28.5	-24.7	351.8	284.9	-19.0
	Spices	36.4	32.2	-11.4	310.4	330.7	6.5
	Seafood	19.6	20.3	3.6	224.9	213.2	-5.2
Industrial Exports		820.9	723.4	-11.9	8,832.4	7,721.3	-12.6
o/w	Textiles and garments	443.5	354.2	-20.1	5,020.7	4,042.8	-19.5
	Rubber products	82.9	78.2	-5.7	838.0	746.8	-10.9
	Petroleum products	37.8	51.6	36.3	477.7	422.9	-11.5
	Food, beverages and tobacco	38.5	47.0	22.0	444.3	444.7	0.1
	Machinery and mechanical appliances	53.9	47.0	-12.8	481.8	512.5	6.4
	Gems, diamonds and jewellery	42.5	45.3	6.6	379.1	439.6	16.0
	Leather, travel goods and footwear	8.3	5.6	-32.7	71.9	60.6	-15.6
Mineral and Other Exports		5.1	4.9	-3.9	45.8	43.4	-5.3
Total Exports		1,051.6	928.0	-11.8	11,043.5	9,909.8	-10.3

Import Performance (US\$ mn)

Item		Oct 2022	Oct 2023	Y-O-Y Change (%)	Jan-Oct 2022	Jan-Oct 2023	Y-O-Y Change (%)
Consumer goods		202.1	263.4	30.4	2,348.8	2,506.0	6.7
Food and beverages		119.2	141.3	18.5	1,347.0	1,407.8	4.5
o/w	Vegetables (b)	24.1	25.9	7.6	273.8	297.2	8.5
	Rice	19.0	0.7	-96.5	273.5	14.8	-94.6
Non-food consumer goods		82.8	122.2	47.5	1,001.8	1,098.2	9.6
o/w	Medical and Pharmaceuticals	42.4	52.3	23.1	434.4	563.6	29.7
Intermediate goods		945.2	1,085.2	14.8	10,442.6	9,190.5	-12.0
o/w	Fuel	396.5	495.3	24.9	4,090.9	3,971.6	-2.9
	Textiles and textile articles	230.6	224.2	-2.8	2,637.8	1,984.8	-24.8
	Fertiliser	18.6	12.8	-31.1	123.1	174.6	41.8
	Wheat and maize	26.5	32.8	24.0	215.0	296.9	38.1
Investment goods and other		188.4	261.9	39.0	2,629.5	2,237.4	-14.9
o/w	Machinery and equipment	127.3	168.7	32.6	1,698.0	1,524.4	-10.2
Total Imports		1,335.7	1,610.5	20.6	15,420.9	13,933.8	-9.6

Trade Balance (US\$ mn)

Item		Oct 2022	Oct 2023	Y-O-Y Change (%)	Jan-Oct 2022	Jan-Oct 2023	Y-O-Y Change (%)
Trade Balance		-284.1	-682.5		-4,377.4	-4,024.0	

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

Item		Oct 2022	Oct 2023	Y-O-Y Change (%)	Jan-Oct 2022	Jan-Oct 2023	Y-O-Y Change (%)
Export							
	Value index	146.4	129.2	-11.8	153.7	137.9	-10.3
	Volume index	174.9	169.1	-3.3	164.5	167.0	1.6
	Unit value index	83.7	76.4	-8.7	93.5	82.6	-11.7
Import							
	Value index	119.5	144.1	20.6	138.0	124.7	-9.6
	Volume index	117.5	144.5	23.0	127.2	128.8	1.3
	Unit value index	101.7	99.8	-1.9	108.5	96.8	-10.8
Terms of Trade		82.3	76.6	-6.9	86.2	85.3	-1.0

(a) Provisional

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

(c) In US\$ terms