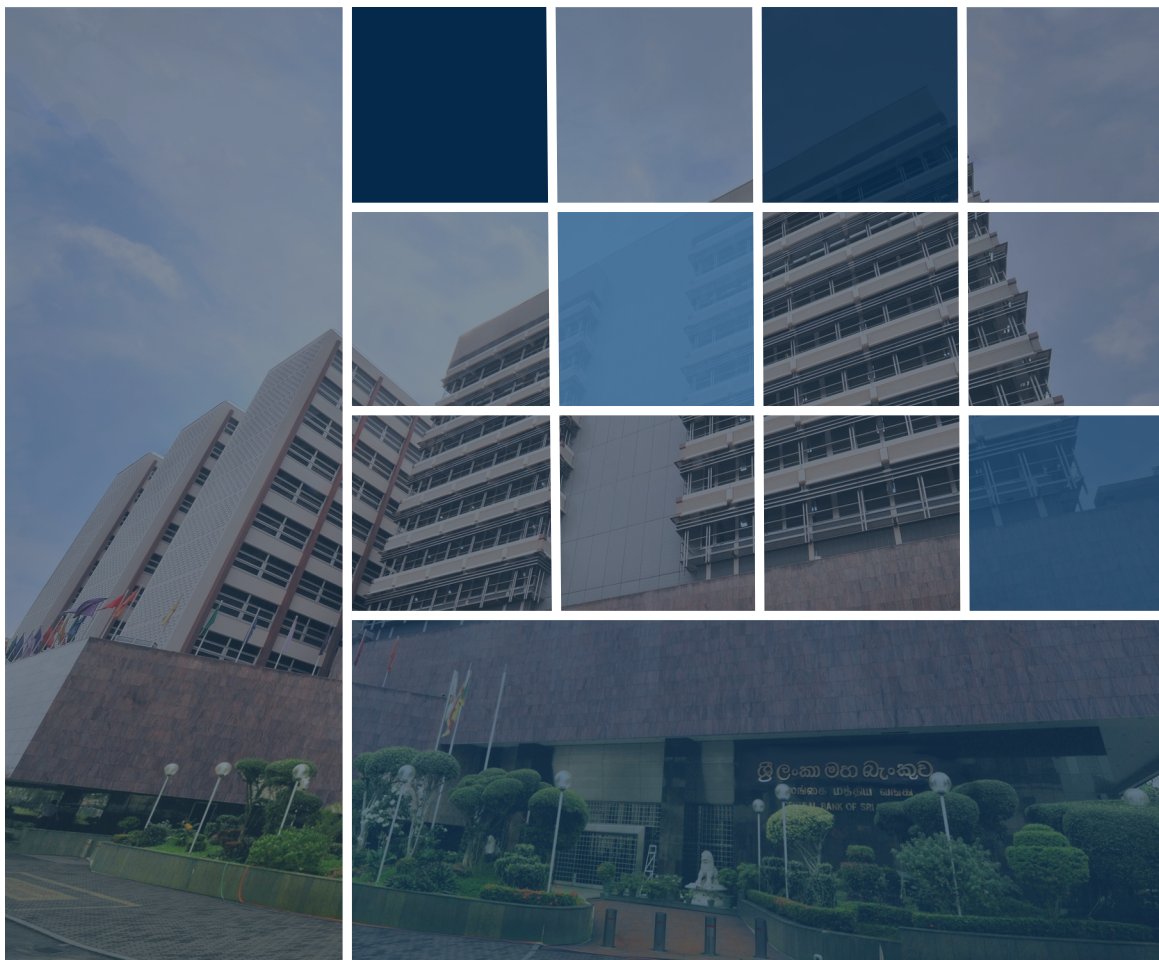


Weekly Economic Indicators

08th September 2017



Statistics Department
Central Bank of Sri Lanka

Highlights

Inflation, as measured by the change in the Colombo Consumer Price Index (CCPI) (2013=100), increased in August 2017.

Inflation, as measured by the change in the Colombo Consumer Price Index (CCPI) (2013=100), which is compiled by the Department of Census and Statistics, increased to 6.0 per cent in August 2017 from 4.8 per cent in July 2017, on year-on-year basis. When monthly change is considered, the CCPI declined by 0.6 index points to 118.8 index points in August from 119.4 index points in July 2017. This monthly decline was mainly due to the decrease in prices of the items in the Food category, amid a monthly increase in Non-food category. CCPI Core inflation, which reflects the underlying inflation in the economy increased to 6.0 per cent in August 2017 from 4.9 per cent in July 2017. The increase in year-on-year core inflation is due to both the base effect and the monthly increase in Core CCPI in August 2017. Annual average CCPI Core inflation increased to 5.6 per cent in August 2017 from 5.4 per cent in July 2017.

Inflation, as measured by the change in the National Consumer Price Index (NCPI) (2013=100), which is compiled by the Department of Census and Statistics (DCS), remained unchanged from the previous month at 6.3 per cent in July 2017, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in July 2017. The change in the NCPI measured on an annual average basis increased marginally from 6.1 per cent in June 2017 to 6.2 per cent in July 2017. When the monthly change is considered, the NCPI decreased from 123.4 index points in June 2017 to 122.4 index points in July 2017. This monthly decrease was mainly due to the decrease in prices of the items in the Food category. The NCPI Core inflation, which reflects the underlying inflation in the economy increased to 4.2 per cent in July 2017 from 4.1 per cent in June 2017 on year-on-year basis. Annual average NCPI Core inflation declined from 6.1 per cent in June 2017 to 5.9 per cent in July 2017.

GDP grew at moderate pace during the first quarter of 2017.

The GDP grew by 3.8 per cent in real terms in the first quarter of 2017, mainly attributable to 6.3 per cent growth in Industry activities and 3.5 per cent growth in Services activities while Agriculture activities contracted by 3.2 per cent, in value added terms.

During the first seven month of 2017, due to the increasing trend of tea prices the domestic tea production increased marginally and production of rubber decreased due to the slowdown of tapping activities. Meanwhile, the coconut production also declined during the similar period.

During the week, crude oil spot prices showed a mixed performance.

At the beginning of the week, crude oil prices fell due to the downturn in crude oil demand as the storm Harvey shut refineries along the U.S. Gulf coast. Subsequently, prices rose as the gradual restart of refineries which raised the demand for crude oil. However, price increase was limited due to the threat of hurricane Irma. Further, the increase in U.S. crude stocks by 4.6 million barrels last week due to the storm Harvey also supported curbing the price increase of crude oil. Overall, both Brent and WTI prices rose by US\$ 1.2 and US\$ 1.8 per barrel, respectively, within the week.

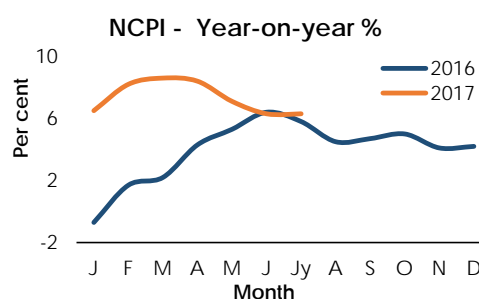
IIP showed a marginal increase on year-on-year basis in May 2017.

The IIP in May 2017 has increased by 0.1 per cent in comparison with the corresponding month of 2016. Among the major sub divisions of the manufacturing industries; volume of products of 'Coke and refined petroleum products' (12.0%); 'Rubber and plastic products' (10.2%) and 'Other non-metallic mineral products' (6.9%) have shown remarkable increase in production during the month of May, 2017 compared to that of May, 2016 and 'Chemicals & chemical products' and 'Beverages' decreased by 21.1% and 5.7% respectively during this period.

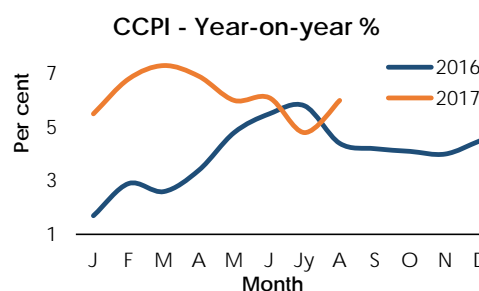
Real Sector

1.1 Prices Indices

Item (2013=100)	July 2017	Month Ago	Year Ago
National Consumer Price Index (NCPI)	122.4	123.4	115.2
Monthly Change %	-0.8	1.3	-0.8
Annual Average Change %	6.2	6.1	3.4
Year - on - Year Change %	6.3	6.3	5.8
Core Inflation - (NCPI)	122.9	123.1	117.9
Annual Average Change %	5.9	6.1	5.5
Year - on - Year Change %	4.2	4.1	6.8



Item (2013=100)	Aug 2017	Month Ago	Year Ago
Colombo Consumer Price Index (CCPI)	118.8	119.4	112.1
Monthly Change %	-0.5	-0.6	-1.6
Annual Average Change %	5.5	5.4	3.7
Year - on - Year Change %	6.0	4.8	4.4
Core Inflation - (CCPI)	123.0	122.5	116.0
Annual Average Change %	5.6	5.4	4.9
Year - on - Year Change %	6.0	4.9	3.8

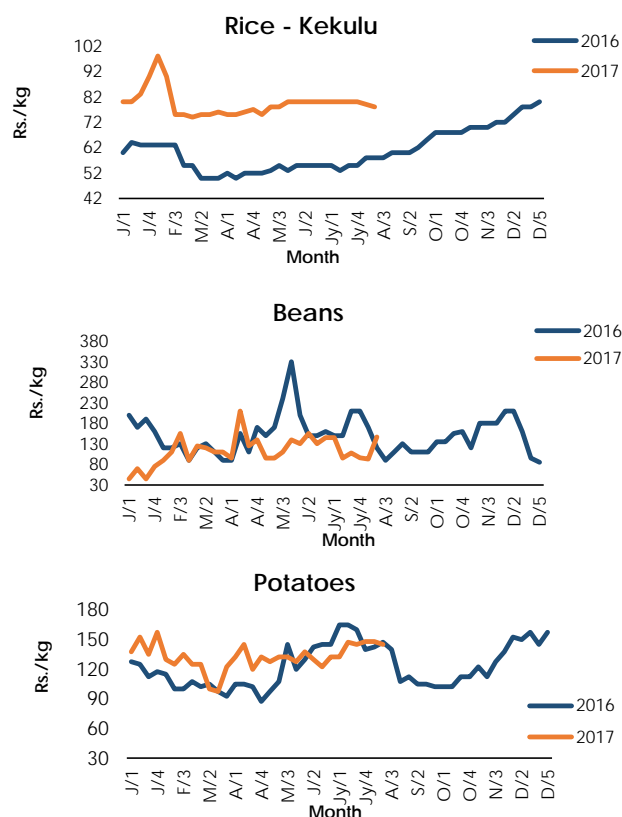


1.2 Pettah Market

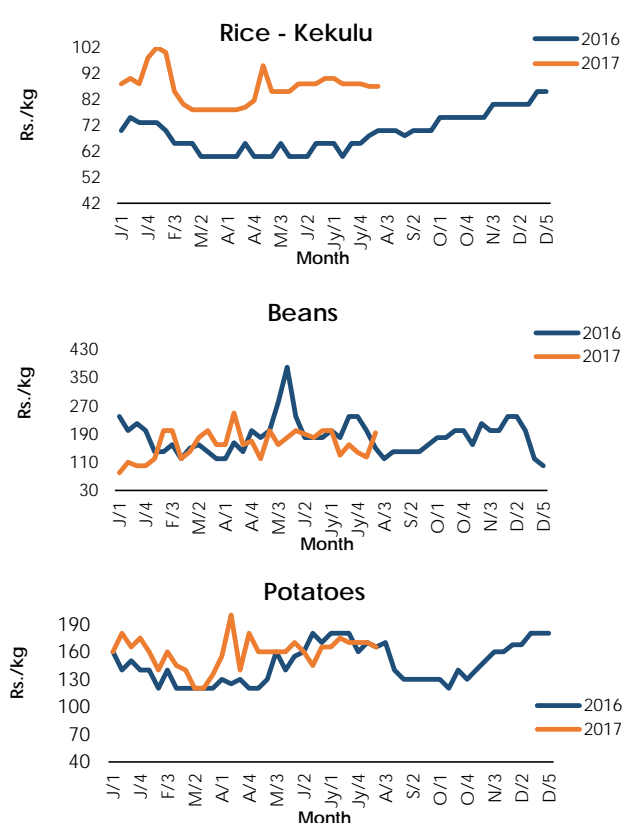
Food Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 08 th Sep 2017	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 08 th Sep 2017	Week Ago	Month Ago	Year Ago Annual Avg
Rs / Kg								
Rice								
Samba	93.00	94.00	92.20	80.97	98.00	98.00	98.00	90.39
Kekulu (Red)	78.00	78.00	77.80	60.29	85.00	87.00	86.20	68.73
Vegetables								
Beans	107.00	86.00	110.40	147.16	133.00	122.00	147.40	179.12
Cabbage	43.00	48.00	54.40	76.62	77.00	86.00	95.40	115.10
Carrots	80.00	88.00	107.00	121.42	113.00	120.00	146.40	158.24
Tomatoes	123.00	103.00	111.50	75.00	157.00	144.00	141.60	107.06
Pumpkins	37.00	41.00	49.60	60.29	63.00	76.00	80.40	83.33
Snake Gourd	77.00	72.00	95.60	76.18	117.00	115.00	133.20	112.94
Brinjals	147.00	125.00	112.40	66.57	200.00	170.00	155.80	103.92
Ash-Plantains	85.00	70.00	77.60	67.65	115.00	120.00	117.40	95.69
Other Foods								
Red-Onions (Local)	240.00	193.00	168.40	92.66	275.00	233.00	202.60	131.74
Big-Onions (Local)	132.50	n.a.	n.a.	74.50	150.00	n.a.	n.a.	96.47
Potatoes (N'Elia)	140.00	135.00	139.20	122.58	160.00	165.00	165.00	146.23
Dried Chillies (Imported)	190.00	185.00	182.00	293.68	220.00	225.00	220.00	350.78
Dhal (Indian)	133.00	132.00	131.00	160.16	150.00	148.00	148.60	171.41
Eggs	12.50	12.25	11.65	14.30	13.50	13.00	12.55	14.79
Coconut (Each)	62.50	63.00	61.00	34.69	75.00	73.00	74.20	47.60
Fish*								
Kelawalla	650.00	650.00	535.00	508.20	900.00	980.00	830.00	682.00
Balaya	250.00	350.00	292.50	327.29	350.00	450.00	392.50	424.79
Salaya	140.00	120.00	105.00	141.43	220.00	180.00	180.00	197.14
Paraw (Small)	650.00	700.00	583.33	540.36	750.00	800.00	683.33	638.54

* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market-Wholesale Prices



Pettah Market-Retail Prices



1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 07 th Sep 2017	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	94.00	98.00
Kekulu (Red)	76.50	81.25
Vegetables		
Beans	84.38	104.38
Carrot	100.00	120.00
Tomatoes	85.00	105.00
Pumpkins	25.25	45.25
Snake Gourd	57.50	77.50
Ash-Plantains	64.38	84.38
Other Foods		
Red-Onions (Local)	196.25	210.00
Big-Onions (Local)	103.75	115.00
Potatoes (N'Eliya)	128.13	140.00
Dried Chillies(Imported)	172.50	185.00
Coconut (Each)	55.00	63.75

1.5 Marandagahamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 08 th Sep 2017	Week Ago	Month Ago	Year Ago
Samba	91.13	92.38	91.93	77.58
Sudu Kekulu	83.75	83.13	82.86	62.91
Raw Red	81.75	81.13	81.14	59.59
Nadu	90.00	90.00	88.82	66.62

1.4 Narahenpita Economic Centre

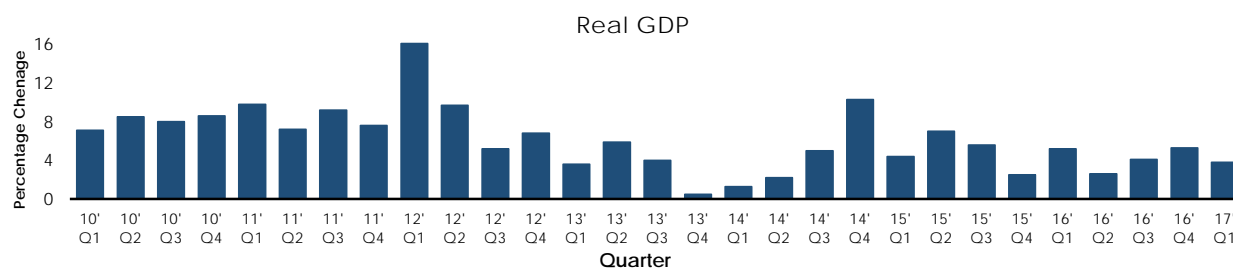
Item (Rs / Kg)	Average Retail Prices	
	08 th Sep 2017	Week Ago
Rice		
Samba	95.00	97.00
Kekulu (Red)	85.00	86.00
Vegetables		
Beans	140.00	140.00
Cabbage	100.00	120.00
Carrots	120.00	160.00
Tomatoes	180.00	160.00
Pumpkins	90.00	100.00
Snake Gourd	140.00	140.00
Brinjals	160.00	140.00
Ash-Plantains	120.00	120.00
Other Foods		
Red-Onions (Imported)	n.a.	n.a.
Big-Onions (Imported)	120.00	85.00
Potatoes (Imported)	90.00	90.00
Dried Chillies (Imported)	200.00	220.00
Dhal (Indian)	140.00	150.00
Eggs (Red)(Each)	13.00	13.00
Coconut (Each)	65.00	65.00
Fish		
Kelawalla	1,100.00	980.00
Balaya	460.00	380.00
Salaya	220.00	200.00
Paraw (Small)	860.00	860.00

1.6 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

Item	2015 Annual (a)(b)	2016 Annual (a)	2016 1 st Qtr (a)(b)	2017 1 st Qtr (a)
Agriculture	4.8	-4.2	-0.2	-3.2
Industry	2.1	6.7	9.1	6.3
Services	5.7	4.2	3.7	3.5
Taxes less subsidies on products	7.5	6.2	5.9	2.9
GDP	4.8	4.4	5.1	3.8

(a) Provisional (b) Revised

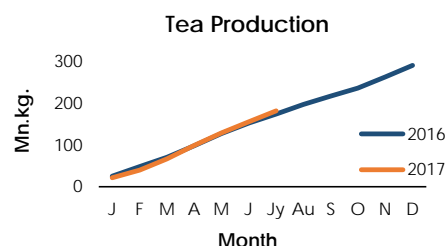
Source: Department of Census and Statistics



1.7 Agriculture Production

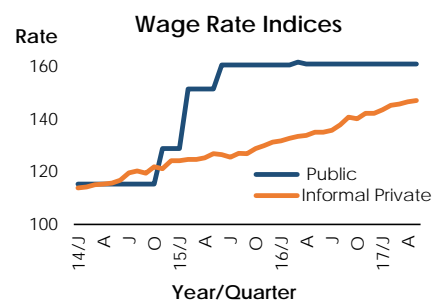
Item	Unit	2017(a) Jan - Jul	2016 Jan - Jul	% Change
Tea	(Mn Kg)	181.10	175.80	3.00
Rubber	(Mn Kg)	51.30	53.10	-3.30
Coconut	(Mn Kg)	1,496.30	1,740.50	-14.00

(a) Provisional



1.8 Wages rate Indices

Item	2017 June	2016 June	% Change
Public Sector Employees (2012 = 100)	160.8	160.8	0.0
Informal Private Sector Employees (2012 = 100)	148.0	134.9	9.7
Agriculture	148.3	134.5	10.3
Industry	152.6	139.3	9.5
Services	143.5	130.8	9.7



1.9 Employment (a)

Item	2016 1 st Qtr	2017 (b) 1 st Qtr	2016 (b) Annual
Labour Force Participation rate	54.1	54.7	53.8
Unemployment rate	4.2	4.1	4.4

Employed Persons by Sectors (c) (as a % of total employment)

Agriculture	28.5	27	27.1
Industry	26	28	26.4
Services	45.5	45	46.5

(a) The working age population aged 15 and above

(b) Provisional (c) Based on the International Standard Industrial Classification (ISIC) - Revision 4



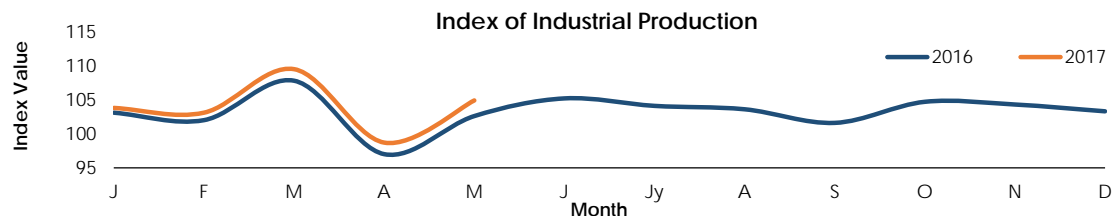
1.10 Index of Industrial Production (IIP) (2015 = 100) (a)

Item	Index of Industrial Production (IIP)		
	2017 May (b)	2016 May (b)	% Change
Index of Industrial Production	104.9	102.6	2.3
Food products	102.9	102.8	0.1
Wearing apparel	112.1	109.0	2.8
Other non-metallic mineral products	109.6	102.5	6.9
Coke and refined petroleum products	101.5	90.6	12.0
Rubber and plastic products	115.0	104.3	10.2
Chemicals and chemical products	80.6	101.9	-21.0
Beveragesproducts	88.1	93.4	-5.7

(a) Major 8 sub divisions.

Source: Department of Census and Statistics

(b) Provisional (c) Revised



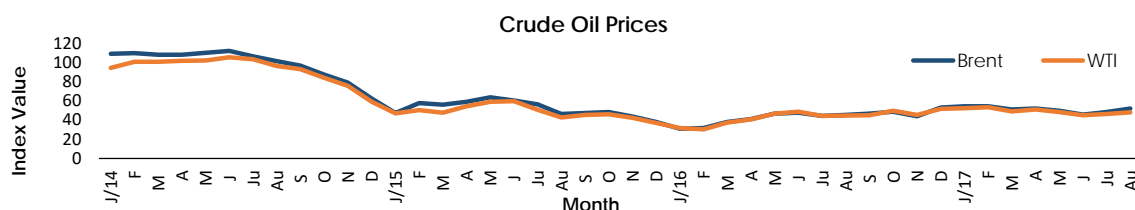
1.11 Average Crude Oil Prices

Month	2016			2017		
	Spot Prices (US \$/bbl)		CPC Import Prices (CIF) (US\$/bbl)(*)	Spot Prices (US \$/bbl)		CPC Import Prices (CIF) (US\$/bbl)(*)
	Brent (Benchmark price)	WTI (Benchmark price)		Brent (Benchmark price)	WTI (Benchmark price)	
January	31.10	31.96	31.87	54.41	52.50	57.39
February	31.93	30.32	35.36	54.50	53.41	58.65
March	38.06	37.55	36.85	51.33	49.33	-
April	41.25	40.75	44.05	52.25	51.17	56.48
May	47.00	46.69	48.84	49.81	48.48	51.66
June	47.82	48.76	50.95	45.87	45.18	48.47
July	44.54	44.65	46.10	48.52	46.63	49.75
August	45.50	44.72	46.71	52.04	48.04	
September	46.80	45.20	46.99			
October	49.01	49.70	52.70			
November	44.01	45.66	47.66			
December	53.07	51.96	55.69			
	2016			2017		
31 August	46.21	44.68		53.49	47.26	
01 September	44.65	43.17		53.95	47.32	
02 September	45.56	44.39		-	-	
03 September	-	-		-	-	
04 September	-	-		53.10	-	
05 September	46.67	-		54.18	48.63	
06 September	46.31	44.85		55.03	49.13	
07 September	47.10	45.47		54.71	49.10	

Sources: Reuters

Ceylon Petroleum Corporation

(*) CPC import prices are not directly comparable with spot prices of WTI and Brent as CPC is import prices include freight charges and the price is weighted for average prices of different types of crude oil. Also Part of the imports of CPC are on a term contract basis.



Highlights

Weekly AWPR for the week ending 08 September 2017 declined by 03 bps to 11.34% compared to the previous week.

Broad money (M2b) expanded by 21.2 %, on a year-on-year basis, in June 2017.

Net Credit to the Government from the banking system showed an decrease of Rs. 5.1 bn in June 2017.

Credit to public corporations recorded an decrease of Rs. 10.6 bn in June 2017.

Credit extended to the private sector increased by Rs. 80.3 bn in June 2017.

The reserve money increased compared to the previous week mainly due to increase in currency in circulation and deposits held by the commercial banks.

The total outstanding market liquidity decreased to a surplus of Rs. 35.51 bn by end of the week, compared to Rs. 46.00 bn by the end of last week.

By 08 September 2017, the All Share Price Index (ASPI) declined by 0.23% to 6,376 points and the S&P SL20 Index declined by 0.31% to 3,675 points, compared to the previous week.

Monetary Sector

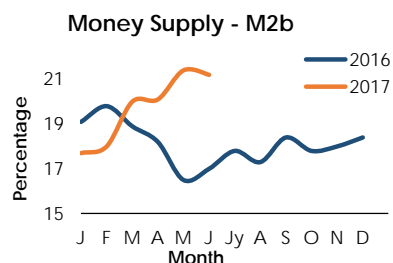
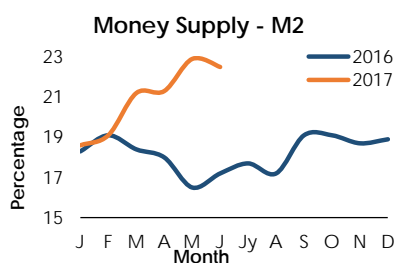
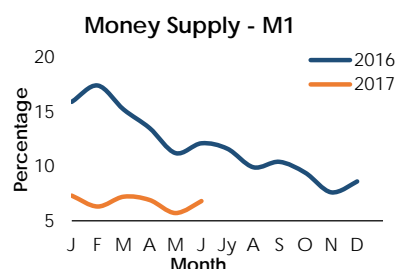
2.1 Interest Rates

Item	Week Ending 08 Sep 2017	Week Ago	Year Ago		
Policy Interest Rates					
Standing Deposit Facility Rate	7.25	7.25	7.00		
Standing Lending Facility Rate	8.75	8.75	8.50		
Average Weighted Call Money Rate (AWCMR) (Weekly Average)	8.10	8.33	8.40		
Sri Lanka Inter Bank Offered Rate (SLIBOR)					
1-day	8.25	8.44	8.41		
7-day	9.11	9.25	9.50		
1-Month	9.71	9.99	10.45		
3-Month	10.58	10.59	11.00		
6-Month	12.00	12.00	11.51		
12-Month	12.41	12.41	12.00		
Treasury Bill Yields (Excluding 10% withholding tax)					
91-day	-	-	8.75		
182-day	9.23	9.30	9.71		
364-day	9.58	9.67	10.39		
Licensed Commercial Banks					
Average Weighted Prime Lending Rate (AWPR)	11.34	11.37	12.03		
	July 2017	Month Ago	Year Ago		
Savings Deposits	0.50-09.50	0.50-09.00	0.50-9.00		
One Year Fixed Deposits	4.89-15.00	4.89-15.00	4.50-15.00		
	Aug 2017	Month Ago	Year Ago		
Average Weighted Deposit Rate (AWDR)	9.21	9.19	7.32		
Average Weighted Fixed Deposit Rate (AWFDR)	11.78	11.78	9.31		
	July 2017	Month Ago	Year Ago		
Average Weighted Lending Rate (AWLR)	13.83	13.73	12.35		
National Savings Bank (NSB)					
	July 2017	Month Ago	Year Ago		
Savings Deposits	4.00	4.00	4.50		
One Year Fixed Deposits	11.00	11.00	10.00		
Treasury Bond Auction		02 Years & 00 Months		07 Years & 11 Months	
		30/8/2017		30/8/2017	
Coupon rate		10.60		11.00	
Weighted Average Yield (Excluding 10% withholding tax)		9.83		10.54	
Bankwise- AWPR	Week ending 08 Sep 2017	Week Ago	Bankwise- AWPR	Week ending 08 Sep 2017	Week Ago
Bank of Ceylon	12.21	12.69	HSBC	8.76	8.82
People's Bank	12.32	13.15	Standard Chartered Bank	11.35	11.73
Hatton National Bank	12.79	12.40	Citi Bank	10.50	11.19
Commercial Bank of Ceylon	11.83	12.32	Deutsche Bank	10.26	10.03
Sampath Bank	12.26	12.64	Habib Bank	11.67	11.88
Seylan Bank	12.45	12.84	Indian Bank	13.17	13.38
Union Bank of Colombo	14.99	14.36	Indian Overseas Bank	13.67	13.88
Pan Asia Banking Corporation	14.28	13.23	MCB Bank	12.42	12.88
Nations Trust Bank	12.05	12.42	State Bank of India	12.69	12.73
DFCC Bank	13.16	14.00	Public Bank	13.30	13.13
NDB Bank	15.50	15.50	ICICI Bank	11.58	11.58
Amana Bank	13.14	13.59	Axis Bank	11.30	11.50
Cargills Bank	14.64	13.43			

2.2 Money Supply

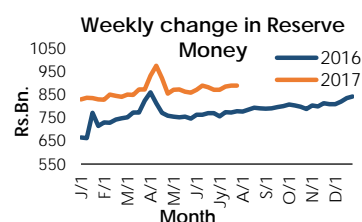
Item	Rs. bn			Annual Change (%)			
	2017 Jun (a)	Month Ago	Year Ago	2017 Jun (a)	Month Ago	Year Ago	
Reserve Money	891.6	859.8	757.2	17.8	17.3	24.5	
M1	753.9	741.8	705.6	6.8	5.7	12.1	
M2	5,281.4	5,214.4	4,310.5	22.5	22.9	17.2	
M2b	5,872.5	5,803.2	4,843.7	21.2	21.4	17.0	
Net Foreign Assets of the Banking System (b)	-246.0	-318.5	-492.0	50.0	31.9	-139.4	
Monetary Authorities	598.1	544.0	413.5	44.6	28.7	-23.2	
Commercial Banks	-844.1	-862.5	-905.5	6.8	3.1	-21.7	
Domestic Banking Units (DBUs)	-309.7	-317.0	-331.9	6.7	4.1	-33.2	
Offshore Banking Units (OBUs)	-534.4	-545.5	-573.6	6.8	2.5	-15.9	
Net Domestic Assets of the Banking System (b)	6,118.5	6,121.7	5,335.7	14.7	16.6	22.8	
Net Credit to the Government	2,234.6	2,239.7	2,005.4	11.4	13.9	19.8	
Monetary Authorities	410.9	414.7	456.1	-9.9	1.8	144.2	
Commercial Banks	1,823.8	1,825.1	1,549.3	17.7	17.1	4.2	
DBUs	1,454.7	1,453.5	1,157.6	25.7	25.2	-4.2	
OBUs	369.0	371.6	391.7	-5.8	-6.6	40.8	
Credit to Public Corporations	551.1	561.7	484.9	13.7	14.7	0.5	
DBUs	313.9	312.0	261.3	20.1	18.7	29.1	
OBUs	237.2	249.8	223.6	6.1	10.0	-20.2	
Credit to the Private Sector	4,505.3	4,425.0	3,798.1	18.6	18.9	28.2	
DBUs	4,186.8	4,119.4	3,523.3	18.8	19.4	29.4	
OBUs	318.5	305.6	274.8	15.9	12.5	14	
Other Items (Net)	-1,172.5	-1,104.8	-952.7	-23.1	-18.9	-23.2	

(a) Provisional (b) In relation to M2b



2.3 Weekly change in Reserve Money

Item	07 Sep 2017	Week Ago	Change
Reserve Money (Rs.Mn.)	935,050.47	911,369.90	23,680.57



2.4 Money Market Activity(Overnight)

Item	04.09.2017	06.09.2017	07.09.2017	08.09.2017
Call Money Market				
Weighted Average Rate (% p.a.)	8.11	8.10	8.12	8.06
Gross Volume (Rs. Mn)	6,245	7,115	11,295	15,130
Repo Market				
Weighted Average Rate (% p.a.)	8.13	8.12	8.14	8.11
Gross Volume (Rs. Mn)	1,969	2,872	2,168	3,157

2.5 CBSL Securites Portfolio

Item	04.09.2017	06.09.2017	07.09.2017	08.09.2017
CBSL Treasury Bill Holdings -Face Value (Rs. Mn)	108,301.43	104,551.43	104,551.43	101,451.43
CBSL Treasury Bill Holdings -Book Value (Rs. Mn)	106,736.03	103,098.37	103,122.35	100,093.25

2.6 Open Market Operations

Item	04.09.2017	06.09.2017	07.09.2017	08.09.2017
Short-Term Auction				
Repo Amount Offered (Rs. bn)	29.00	24.00	26.00	27.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00
Tenure (No. of Days)	1	1	1	1
Bids Received (Rs. bn)	7.08	14.07	12.48	20.45
Amount Accepted (Rs. bn)	7.08	14.07	12.48	20.45
Minimum Accepted Rate (% p.a)	7.27	7.25	7.25	7.27
Maximum Accepted Rate (% p.a)	7.30	7.30	7.28	7.25
Weighted Average Yield Rate (% p.a.)	7.29	7.27	7.27	7.29
Outright Auctions				
Outright Sales Amount Offered (Rs. bn)	10.00	10.00	0.00	5.00
Outright Purchase Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00
Settlement Date	06.09.2017	06.09.2017	-	08.09.2017
Maturity Date	13.10.2017	20.10.2017	-	13.10.2017
Tenure (No. of Days)	37	44	0	35
Bids Received (Rs. bn)	3.75	1.00	0.00	1.80
Amount Accepted (Rs. bn)	3.75	0.00	0.00	1.80
Minimum Accepted Rate (% p.a)	8.50	0.00	0.00	8.47
Maximum Accepted Rate (% p.a)	8.60	0.00	0.00	8.55
Weighted Average Yield Rate (% p.a.)	8.53	0.00	0.00	8.50
Long Term Auction				
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00
Settlement Date	-	-	-	-
Maturity Date	-	-	-	-
Tenure (No. of Days)	0	0	0	0
Bids Received (Rs. bn)	0.00	0.00	0.00	0.00
Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00
Minimum Accepted Rate (% p.a)	0.00	0.00	0.00	0.00
Maximum Accepted Rate (% p.a)	0.00	0.00	0.00	0.00
Weighted Average Yield Rate (% p.a.)	0.00	0.00	0.00	0.00
Standing Facility				
Standing Deposit Facility (Rs. bn)	27.321	13.861	12.344	13.596
Standing Lending Facility (Rs. bn)	0.000	0.600	0.028	1.545
Total Outstanding Market Liquidity (Rs. bn)	34.396	27.331	24.793	32.505

2.7 Credit Cards (a)

Item	2017 End Jul (b)	2017 End Jun	2016 End Dec
Total Number of Active Cards	1,390,819	1,374,538	1,309,248
Local (accepted only locally)	28,192	28,293	29,109
Global (accepted globally)	1,362,627	1,346,245	1,280,139
Outstanding balance (Rs.mn)	80,415	79,406	74,892
Local (accepted only locally)	755	722	839
Global (accepted globally)	79,660	78,684	74,053

(a) Issued by Licensed Commercial Banks (LCBs) (b) Provisional

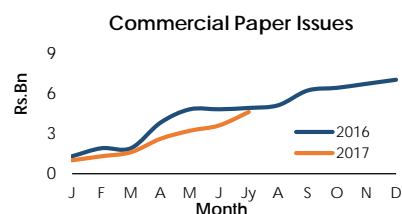
2.7 Commerical Paper Issues (a)

Item (Rs. bn.)	2017 End Jul (b)	2017 End Jun	2016 End Dec
Total Issues - Cumulative (c)	4.6	3.6	7.0
Outstanding (as at end of the period)	2.3	2.3	2.2

(a) Based on the information provided by LCBs and Licensed Specialised Banks (LSBs)

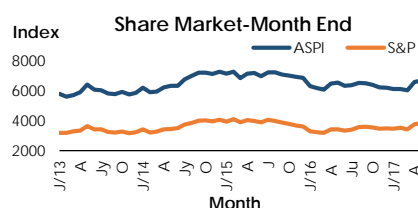
(b) Provisional

(c) During the year



2.8 Share Market

Item	Week Ending 08 Sep 2017	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,375.86	6,390.74	6,501.89
S&P Sri Lanka 20 Index (2004 = 1,000) (S&P SL20)	3,674.58	3,685.96	3,579.28
Average Daily Turnover (Rs. mn)	935.10	810.10	674.70
Market Capitalisation (Rs.bn)	2,891.40	2,897.75	2,771.58



Highlights

Government revenue increased in the first quarter of 2017.

Government revenue increased to 3.4 per cent of GDP in the first quarter of 2017 from 2.8 per cent in the first quarter of 2016 as a result of continued efforts taken by the government to enhance revenue collection. Tax revenue as a per cent of GDP in the first quarter of 2017 increased to 3.2 per cent as recorded in the first quarter of 2016. Non tax revenue as a per cent of GDP remained unchanged. During the first quarter of 2017 total revenue in nominal terms increased by 26.2 per cent to Rs. 436.0 billion from Rs. 345.6 billion in the first quarter of 2016, reflecting increases in tax revenue.

Total expenditure & net lending also increased in the first quarter of 2017.

Total expenditure and net lending as a percentage of GDP also increased to 4.9 per cent in the first quarter 2017 from 4.3 per cent in the first quarter of 2016 due to the increase in both recurrent expenditure, and capital expenditure and net lending. Accordingly, in nominal terms, total expenditure and net lending increased by 20.9 per cent to Rs. 636.3 billion in the first quarter of 2017 from Rs. 526.3 billion in the first quarter of 2016. Public investment, which amounted to 1.2 per cent of GDP in the first quarter of 2017, was significantly higher than 0.8 per cent of GDP recorded in the first quarter of 2016.

Budget deficit mainly financed through domestic sources.

In the first quarter of 2017, the overall budget deficit of Rs. 199.7 billion was mainly financed through domestic sources. Accordingly, foreign financing was a net repayment of Rs. 50.7 billion compared to the net repayment of Rs. 85.7 in the corresponding period of previous year, while the overall deficit was financed through domestic sources. Consequently, net domestic financing in the first quarter of 2017 amounted to Rs. 250.3 billion compared to Rs. 266.5 billion in the the first quarter of previous year.

Outstanding central government debt increased.

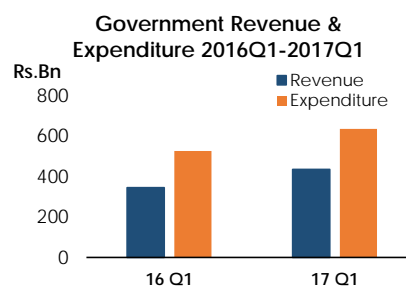
As at end March 2017, central government debt increased by 3.4 per cent to Rs. 9,702.8 billion from Rs. 9,387.3 billion recorded at the end of 2016. The domestic debt increased by Rs. 284.7 billion to Rs. 5,626.2 billion as at end March 2017 from Rs. 5,341.5 billion recorded as at end 2016, while the foreign debt increased to Rs. 4,076.7 billion by end March 2017 from Rs. 4,045.8 billion in end 2016.

Fiscal Sector

3.1 Government Finance (Rs.bn)

Item	2016 Q1	2017 Q1(a)
Revenue and Grants	345.6	436.7
Revenue	345.6	436.0
Tax	325.4	415.1
Non tax	20.2	20.9
Grants	0.0	0.7
Expenditure & Lending Minus Repayments	526.3	636.3
Recurrent	426.5	484.2
Capital & Lending Minus Repayments	99.8	152.1

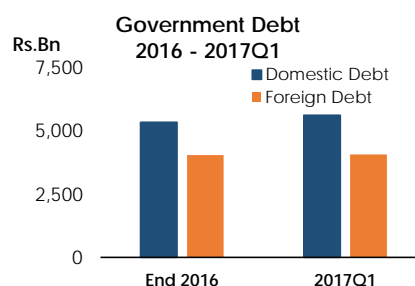
(a) Provisional



3.2 Outstanding Central Government Debt (Rs.bn)

Item	End 2016	2017 Q1(a)
Total domestic debt	5,341.5	5,625.8
of which		
Treasury bills	779.6	781.2
Treasury bonds	3,714.8	3,802.2
Rupee loans	24.1	24.1
Total foreign debt	4,045.8	4,076.6
Total outstanding govt. debt	9,387.3	9,702.5

(a) Provisional



3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 06th September 2017

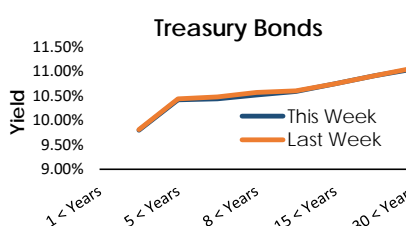
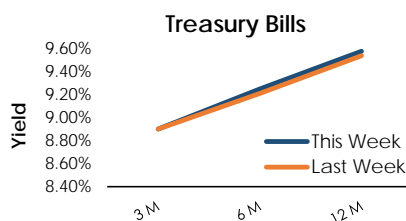
Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week
				Buying	Selling	Average	Average
Treasury Bills	3 Months	-	-	8.98%	8.82%	8.90%	8.90%
	6 Months	9.23%	9.30%	9.32%	9.18%	9.25%	9.21%
	12 Months	9.58%	9.67%	9.66%	9.50%	9.58%	9.54%
Treasury Bonds(b)	< 2 Years	-	9.83%	9.87%	9.73%	9.80%	9.81%
	< 5 Years	-	-	10.50%	10.35%	10.42%	10.44%
	< 6 Years	-	-	10.50%	10.39%	10.44%	10.48%
	< 8 Years	-	10.54%	10.60%	10.45%	10.52%	10.57%
	< 10 Years	-	-	10.64%	10.54%	10.59%	10.60%
	< 15 Years	-	-	10.80%	10.70%	10.75%	10.75%
	< 20 Years	-	-	10.94%	10.87%	10.91%	10.91%
	< 30 Years	-	-	11.12%	10.97%	11.05%	11.07%

(a) Primary market transactions during the week ending 06/09/2017

(b) Weighted Average Yield Rate is calculated, if there are two or more yield rates within same maturity Period

The secondary market yield rates of T-Bills have increased while T-Bonds have decreased during the reporting week compared to the previous week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	3.64%	3.73%
	27-Jul-21	6.250%	3.95%	4.05%
	18-Jan-22	5.750%	4.12%	4.24%
	25-Jul-22	5.875%	4.28%	4.39%
	14-Jan-19	6.000%	2.99%	3.13%
	11-Apr-19	5.125%	3.14%	3.26%
	3-Jun-25	6.125%	5.12%	5.24%
	3-Nov-25	6.850%	5.20%	5.32%
	18-Jul-26	6.825%	5.31%	5.42%
	11-May-27	6.200%	5.42%	5.51%



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 06th September 2017)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	799,158.43	806,898.43
Treasury Bonds (a)	4,045,179.19	4,020,179.19
Total	4,844,337.62	4,827,077.62
T-bills and T-bonds held by Foreigners	267,181.85	267,558.51
Sri Lanka Development Bonds (SLDB)	636,417.06	637,482.88

The outstanding stock of T-bills and T-bonds held by foreigners was decreased by 0.14 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	18,000.00	18,000.00
Total Bids Received	63,878.00	50,130.00
Total Bids Accepted	18,000.00	18,000.00
Treasury Bonds		
Amount Offered	-	25,000.00
Total Bids Received	-	69,973.00
Total Bids Accepted	-	25,000.00

The weekly T-bill auction was over subscribed by 3.5 times during the reporting week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	15,138.54	15,828.32
Repo Transaction (Sales / Purchases)	115,589.92	203,210.04
Treasury Bonds		
Outright Transaction (Sales / Purchases)	38,169.87	75,418.87
Repo Transaction (Sales / Purchases)	354,233.09	501,220.39

The total secondary market transactions of T bills and T bonds decreased by 34.25 percent in the reporting week compared to the previous week.

(a) Excludes Treasury bonds amounting to Rs. 69,787 million issued to settle dues of CPC and to capitalize Sri Lankan Airlines.

3.5 Two way Quotes (Treasury Bills) - 08/09/2017

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.83	8.71	99.84	8.54	0.00
1 Month	99.28	8.80	99.29	8.64	0.01
2 Month	98.54	8.88	98.57	8.73	0.03
3 Month	97.79	8.95	97.83	8.80	0.04
4 Month	97.02	9.07	97.06	8.94	0.04
5 Month	96.24	9.16	96.30	9.01	0.06
6 Month	95.42	9.28	95.48	9.16	0.06
7 Month	94.64	9.32	94.70	9.21	0.06
8 Month	93.85	9.36	93.92	9.24	0.08
9 Month	93.05	9.40	93.14	9.28	0.09
10 Month	92.24	9.44	92.34	9.33	0.10
11 Month	91.41	9.50	91.52	9.38	0.11
12 Month	90.52	9.61	90.67	9.46	0.15

3.6 Two way Qoutes (Treasury Bonds) - 08/09/2017

Treasury Bond By Series	Maturity Period (Years)	Maturity Date (DD/MM/YY)	Days to Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
08.50%2018A	15	1-Feb-18	146	99.64	9.35	99.68	9.25	0.04
08.50%2018C	5	1-Apr-18	205	99.52	9.37	99.60	9.22	0.08
08.50%2018D	5	1-Jun-18	266	99.32	9.45	99.41	9.33	0.08
08.50%2018B	15	15-Jul-18	310	99.19	9.48	99.27	9.38	0.08
07.50%2018A	15	15-Aug-18	341	98.18	9.58	98.25	9.49	0.08
08.75%2018A	4	15-Oct-18	402	99.12	9.59	99.21	9.51	0.08
08.00%2018A	6	15-Nov-18	433	98.15	9.67	98.28	9.55	0.14
05.65%2019A	8	15-Jan-19	494	94.95	9.72	95.11	9.59	0.16
10.75%2019A	2	15-Jan-19	494	101.21	9.75	101.38	9.61	0.17
08.50%2019A	10	1-May-19	600	98.06	9.79	98.27	9.65	0.21
10.60%2019A	5	1-Jul-19	661	101.18	9.86	101.44	9.70	0.26
10.60%2019B	5	15-Sep-19	737	101.22	9.92	101.48	9.77	0.26
08.00%2019A	8	1-Nov-19	784	96.36	9.92	96.60	9.78	0.25
09.25%2020A	5	1-May-20	966	98.23	10.02	98.49	9.90	0.26
08.00%2020A	8	1-Jun-20	997	95.16	10.06	95.42	9.95	0.26
06.20%2020A	10	1-Aug-20	1,058	90.42	10.09	90.75	9.95	0.32
09.50%2020A	5	15-Dec-20	1,194	98.29	10.12	98.65	9.98	0.37
10.75%2021A	5	1-Mar-21	1,270	101.45	10.24	101.70	10.16	0.25
09.00%2021A	8	1-May-21	1,331	96.10	10.30	96.37	10.21	0.27
11.00%2021A	7	1-Aug-21	1,423	101.94	10.37	102.21	10.29	0.26
09.45%2021A	7	15-Oct-21	1,498	97.19	10.30	97.49	10.21	0.29
11.50%2021A	5	15-Dec-21	1,559	103.95	10.32	104.31	10.22	0.36
08.00%2022A	10	1-Jan-22	1,576	91.93	10.36	92.22	10.27	0.29
11.20%2022A	9	1-Jul-22	1,757	102.88	10.41	103.33	10.30	0.45
10.00%2022A	8	1-Oct-22	1,849	98.01	10.51	98.68	10.34	0.66
11.50%2023A	6	15-May-23	2,075	104.22	10.49	104.68	10.38	0.46
09.00%2023A	10	1-Sep-23	2,184	93.62	10.46	94.08	10.35	0.45
11.20%2023A	9	1-Sep-23	2,184	102.88	10.54	103.37	10.43	0.48
07.00%2023A	20	1-Oct-23	2,214	84.71	10.47	85.14	10.36	0.43
11.40%2024A	10	1-Jan-24	2,306	103.83	10.55	104.33	10.44	0.50
11.00%2024A	8	1-Aug-24	2,519	101.95	10.59	102.61	10.45	0.67
06.00%2024A	10	1-Dec-24	2,641	77.48	10.52	77.96	10.41	0.48
10.25%2025A	10	15-Mar-25	2,745	97.79	10.68	98.70	10.50	0.91
09.00%2025A	12	1-May-25	2,792	92.04	10.54	92.57	10.43	0.52
11.00%2025A	10	1-Aug-25	2,884	101.72	10.67	102.65	10.49	0.93
09.00%2026A	13	1-Feb-26	3,068	91.31	10.58	91.76	10.50	0.45
05.35%2026A	15	1-Mar-26	3,096	71.19	10.58	71.53	10.50	0.34
11.00%2026A	11	1-Jun-26	3,188	102.31	10.58	102.76	10.50	0.46
11.50%2026A	10	1-Aug-26	3,249	104.39	10.72	105.29	10.56	0.90
11.75%2027A	10	15-Jun-27	3,567	105.91	10.75	106.75	10.62	0.84
09.00%2028B	15	1-May-28	3,888	89.25	10.71	90.04	10.58	0.80
09.00%2028A	15	1-Jul-28	3,949	88.90	10.76	89.80	10.60	0.91
11.50%2028A	13	1-Sep-28	4,011	104.30	10.82	105.16	10.69	0.85
13.00%2029A	15	1-Jan-29	4,133	114.49	10.75	115.49	10.61	1.00
13.00%2029B	15	1-May-29	4,253	114.47	10.78	115.27	10.67	0.80
11.00%2030A	15	15-May-30	4,632	100.30	10.95	101.19	10.82	0.89
08.00%2032A	20	1-Jan-32	5,228	79.71	10.82	79.89	10.79	0.18
09.00%2032A	20	1-Oct-32	5,502	86.47	10.84	86.57	10.83	0.10
09.00%2033A	20	1-Jun-33	5,745	86.02	10.87	86.19	10.85	0.17
13.25%2033A	20	1-Jul-33	5,775	117.49	10.90	117.88	10.86	0.38
09.00%2033B	20	1-Nov-33	5,898	85.65	10.91	86.02	10.85	0.37
13.25%2034A	20	1-Jan-34	5,959	117.49	10.93	117.96	10.87	0.47
11.50%2035A	20	15-Mar-35	6,397	103.39	11.06	104.70	10.89	1.31
12.00%2041A	25	1-Jan-41	8,516	108.13	11.02	109.20	10.90	1.08
09.00%2043A	30	1-Jun-43	9,397	82.44	11.07	83.45	10.93	1.02
13.50%2044A	30	1-Jan-44	9,611	120.32	11.10	121.68	10.97	1.36
13.50%2044B	30	1-Jun-44	9,763	120.02	11.14	121.54	10.99	1.52
12.50%2045A	30	1-Mar-45	10,036	110.63	11.24	112.84	11.01	2.21

Highlights

During the year up to 08 September 2017 the Sri Lanka rupee depreciated against the US dollar (1.9 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the pound sterling (8.2 per cent), euro (14.2 per cent), Japanese yen (8.8 per cent) and Indian rupee (7.5 per cent) during this period.

Earnings from exports grew by 5.2 per cent (year-on-year) to US dollars 5,398 million during the first half of 2017, as a result of high income received from exports of tea, transport equipment and petroleum products. Expenditure on import at US dollars 10,151 million during the first half of 2017 increased by 8.9 per cent (year-on-year) largely due to higher imports of fuel, gold and rice. Accordingly, the cumulative trade deficit during the first half of 2017 increased to US dollars 4,753 million from US dollars 4,191 million in the corresponding period of 2016.

The export unit value index increased by 2.2 per cent (year-on-year) in June 2017 owing to price increases in agricultural exports. The import unit value index in June 2017 decreased by 1.3 per cent (year-on-year) reflecting price decreases in all major categories. The terms of trade improved by 3.5 per cent (year-on-year) to 114.7 index points in June 2017.

The average price of tea (in the Colombo auction) increased to US dollars 3.91 per kg in June 2017 from US dollars 2.98 per kg in June 2016.

The import price of rice, sugar and wheat increased in June 2017 (year-on-year) while import price of crude oil declined.

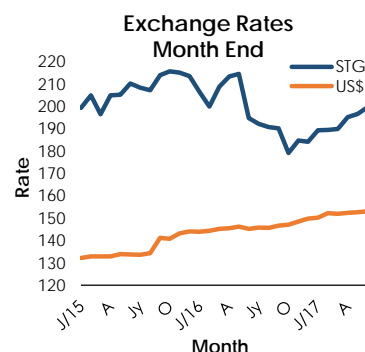
India, China, UK, Germany and France were the top five sources of tourist arrivals, accounting for 51.7 per cent of total tourist arrivals upto the month of August 2017.

The gross official reserves were estimated at US dollars 7,706.67 million as at 31 August 2017.

External Sector

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 08 Sep 2017			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	150.72	154.52	152.62	152.74	145.26
STG	196.99	203.68	200.34	197.32	193.15
Yen	1.39	1.44	1.41	1.38	1.43
Euro	180.54	187.30	183.92	181.44	163.45
INR(1)			2.39	2.39	2.19
SDR (As at 07 Sep 2017)			217.29	216.65	204.08
Central Bank purchases and sales(b) (US\$ Mn.)			Aug 2017	Month Ago	Year Ago
Purchases			200.00	344.75	190.77
Sales			-	-	57.58



Item	Week Ending 08 Sep 2017	Week Ago	Year Ago
------	----------------------------	----------	----------

Average Daily Interbank Volume (US\$ Mn.) 35.77 36.10 29.16

(spot, tom and cash transactions among commercial banks)

Forward Transactions

Forward Rates (US\$) (2)

1 Month	153.28	153.64	146.30
3 Months	155.07	155.55	-

Average Daily Interbank Forward Volume (US\$ mn)

25.06 25.61 23.78

Outstanding Forward Volume (US\$ mn) (As at 07 Sep 2017) 1,399.83 1,445.63 1,087.21

(a) Commercial Bank Avg. Middle Rate (prevailing at 9.30a.m.)

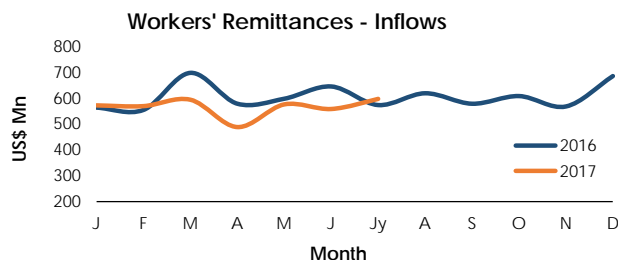
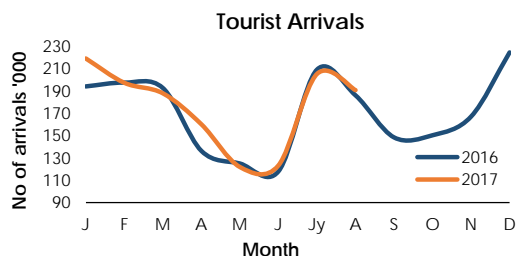
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

Item		2016 Aug (a)(b)	2017 Aug (c)(d)	2016 Jan-Aug (a)(b)	2017 Jan-Aug (c)(d)	% Change
Tourist Arrivals	Number	186,288	190,928	1,359,906	1,406,854	3.5
Earnings from Tourism(d)	US\$ Mn.	319.6	327.6	2,333.1	2,413.7	3.5
	Rs.bn.	46.5	50.2	337.5	366.7	8.7
		2016 July	2017 July (c)	2016 Jan-Jul	2017 Jan-Jul (c)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	572.8	596.6	4,185.9	3,951.2	-5.6
	Rs. bn.	83.3	91.7	605.2	600.0	-0.9

(a) Revised (b) Revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2016 (c) Provisional (d) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2017



4.3 Official Reserve Assets as at 31st August 2017 (a)

Official Reserve Assets (USD Mn)	7,706.67
(1) Foreign Currency Reserves	6,698.72
(2) Reserve position in the IMF	67.64
(3) SDRs	4.70
(4) Gold	934.59
(5) Other Reserve Assets	1.02

(a) Provisional

4.4 International Reserves & foreign Currency Liquidity as at 31st July 2017 (a)

Official Reserve Assets (USD mn)				
Official Reserve Assets				6,710.49
(1) Foreign currency reserves				5,730.39
(a) Securities				2,635.80
(b) Total currency and deposits with				3,094.59
(i)other national central banks, BIS				2,304.48
(ii)banks headquartered inside the reporting country of which located abroad				1.20
(iii)banks headquartered outside the reporting country				788.91
(2) Reserve position in the IMF				67.37
(3) SDRs				4.68
(4) Gold				907.03
(5) Other reserve assets				1.02
Predetermined Short-Term Net Drains on Foreign Currency Assets (b)				
Item	Total	Maturity breakdown (residual maturity)		
		Up to 1 month	More than 1 and up to 3 months	More than 3 months and up to 1 year
1. Foreign currency loans, securities, and deposits				
outflows (-) Principal	-3,636.50	-115.06	-401.67	-3,119.76
Interest	-1,115.41	-17.99	-156.69	-940.73
inflows (+) Principal				
Interest				
2. Aggregate short and long positions in forwards and futures in foreign currencies vis-à-vis the domestic currency (including the forward leg of currency swaps)				
(i) Short positions (-)(c)	-1,900.74	-100.00	-374.81	-1,425.93
(ii) Long positions (+)				
3. Other (specify)				
inflows related to reverse repos (+)				
other accounts payable (-)	-0.06	-0.06		

(a) Provisional

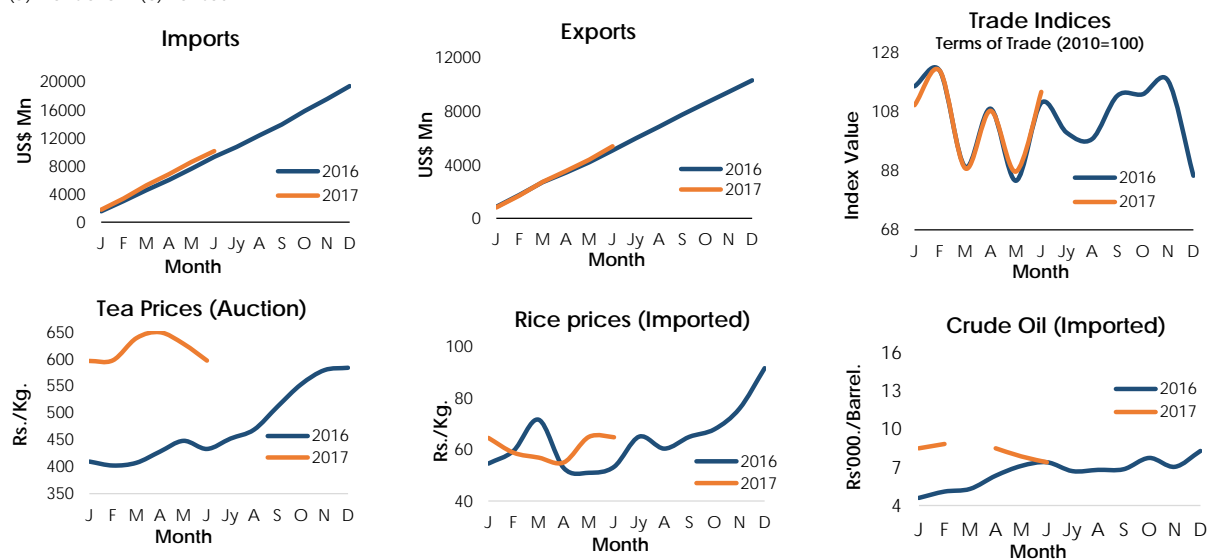
(b) This mainly includes only the predetermined outflows

(c) A major share of SWAP outstanding will be rolled over. This mainly includes SWAP arrangements with state banks which mobilised long-term foreign finance from international bond issuances

4.5 External Trade

Item	US\$ Mn			Rs Mn		
	Jan-Jun 2017 (a)	Jan-Jun 2016	% Change	Jan-Jun 2017 (a)	Jan-Jun 2016	% Change
Exports	5,397.6	5,130.3(b)	5.2	818,068.0	740,977.0(b)	10.4
Agricultural	1,306.4	1,104.7	18.3	198,033.7	159,575.3	24.1
Industrial	4,065.8	4,004.5(b)	1.5	616,186.0	57,8342.6(b)	6.5
Food, Beverages and Tobacco	190.8	174.0(b)	9.7	28,969.6	25,131.3(b)	15.3
Textiles and Garments	2,383.6	2,514.7	-5.2	361,135.8	363,169.3	-0.6
Petroleum Products	176.9	132.2	33.8	26,809.2	19,091.8	40.4
Leather, Rubber products etc.	466.2	453.6	2.8	70,672.6	65,521.0	7.9
Other	848.2	730.0	16.2	128,598.8	105,429.2	22.0
Mineral	16.9	13.7	24.0	2,572.4	1,975.0	30.2
Other	8.4	7.5	12.2	1,276.0	1,084.1	17.7
Imports	10,151.0	9,321.0	8.9	1,538,027.1	1,346,590.5	14.2
Consumer Goods	2,223.9	2,107.7	5.5	336,989.7	304,409.9	10.7
Intermediate Goods	5,349.0	4,780.4	11.9	810,358.8	690,743.4	17.3
Investment Goods	2,447.2	2,426.7	0.8	370,852.2	350,541.0	5.8
Other	130.9	6.2	2014.9	19,826.5	896.2	2,112.2
Trade Balance	-4,753.5	-4,190.7(b)	13.4	-719,959.2	-605,613.5 (b)	18.9

(a) Provisional (b) Revised



4.6 Trade Indices (2000=100) (a)

Item	2017 June (b)	Month Ago (b)	Year Ago
Total Exports			
Value	137.4	117.1	125.3 (c)
Quantity	131.6	138.6	122.7 (c)
Unit Value	104.4	84.5	102.2 (c)
Total Imports			
Value	137.9	154.5	150.0
Quantity	151.6	160.3	162.8
Unit Value	91.0	96.4	92.1
Terms of Trade	114.7	87.7	110.9 (c)

(a) In US\$ Terms (b) Provisional (c) Revised

4.7 Commodity Prices

Item	June 2017	June 2016	% Change	June 2017	June 2016	% Change
	US\$ / Kg			Rs / Kg		
Colombo Tea Auction	3.91	2.98	31.13	597.38	433.08	37.94
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	424.08	366.93	15.57	64,812.50	53,309.19	21.58
Sugar	523.79	506.90	3.33	80,051.46	73,644.20	8.70
Wheat	229.31	204.38	12.20	35,044.99	29,693.06	18.02
	US\$ / Barrel			Rs / Barrel		
Crude Oil	48.47	50.95	-4.86	7,408.24	7,401.97	0.08