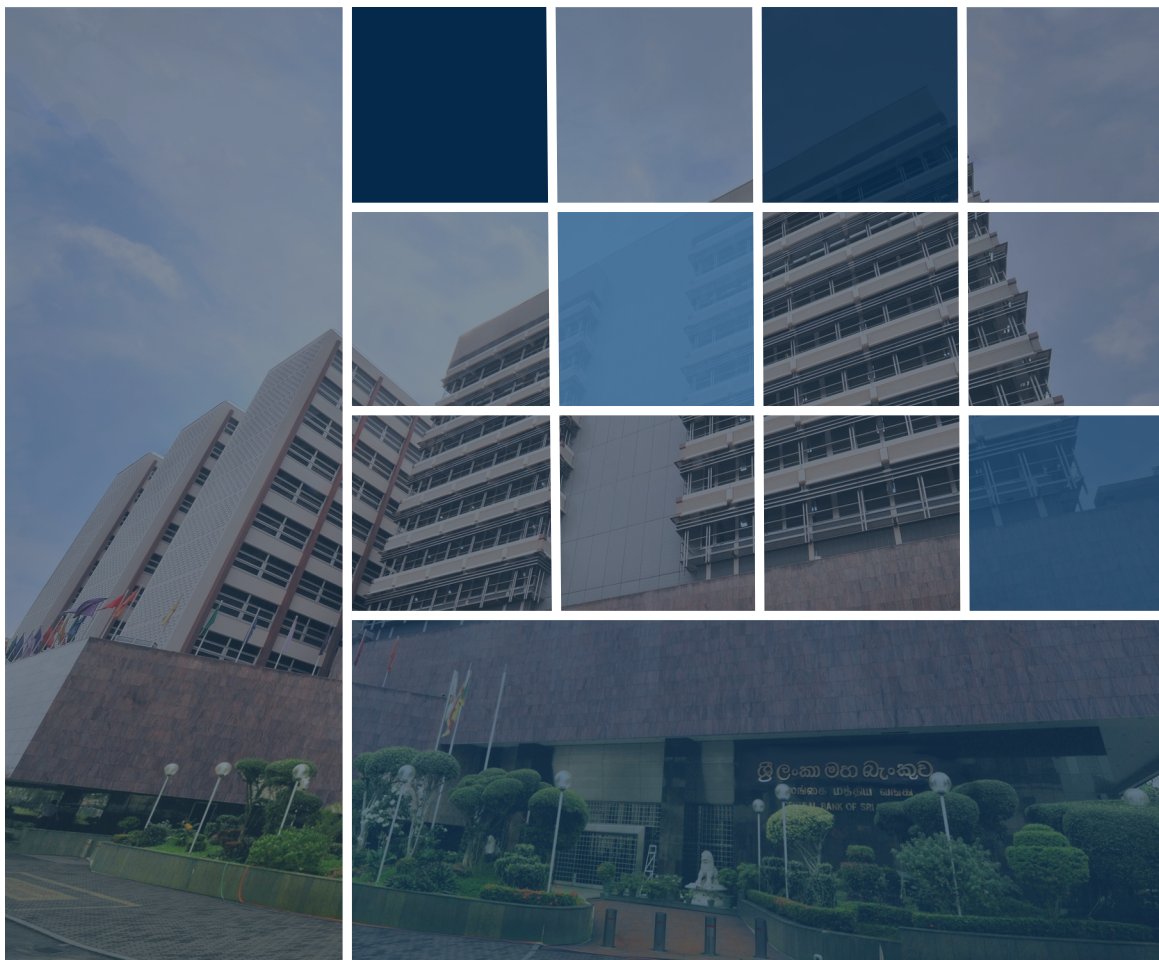


Weekly Economic Indicators

22nd September 2017



Statistics Department
Central Bank of Sri Lanka

Inflation, as measured by the change in the National Consumer Price Index (NCPI) (2013=100) and the Colombo Consumer Price Index (CCPI) (2013=100), increased in August 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), increased to 7.9 per cent in August 2017 from 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 August 2017. The change in the NCPI measured on an annual average basis increased from 6.2 per cent in July 2017 to 6.5 per cent in August 2017. When the monthly change is considered, the NCPI decreased from 122.4 index points in July 2017 to 122.3 index points in August 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 4.8 per cent in August 2017 from 4.2 per cent in July 2017 on year-on-year basis. Annual average NCPI Core inflation declined from 5.9 per cent in July 2017 to 5.8 per cent 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.

GDP continue to grow at a moderate pace during the second quarter of 2017.

The GDP grew by 4.0 per cent in real terms in the second quarter of 2017, mainly attributable to 4.5 per cent growth in Services activities and 5.2 per cent growth in Industry activities while Agriculture activities contracted by 2.9 per cent, in value added terms.

During the first seven month of 2017, 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 same period.

During the week, crude oil spot prices followed an increasing trend.

At the beginning of the week, crude oil prices fell due to an expected rise in the U.S. shale output for the 10th consecutive month in October and expectations on rising U.S. crude oil stocks. However, prices rose subsequently ahead of a meeting between key oil producers on the outlook for further supply cuts. Overall, both Brent and WTI prices rose by US\$ 1.5 and US\$ 0.7 per barrel, respectively, within the week.

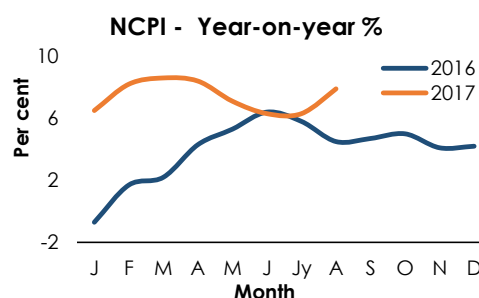
IIP showed a increase on year-on-year basis in July 2017.

The IIP in July 2017 has increased by 0.8 per cent in comparison with the corresponding month of 2016. Among the major sub divisions of the manufacturing industries; volume of products of 'Other non-metallic mineral products' (6.6%); 'Wearing Apparels' (3.1%) and 'Rubber and plastic products' (2.6%) have contributed to the overall increase in production during the month of July, 2017 compared to that of July, 2016 and 'Coke and refined petroleum products' and 'Beverages' decreased by 22.0% and 10.7% respectively during this period.

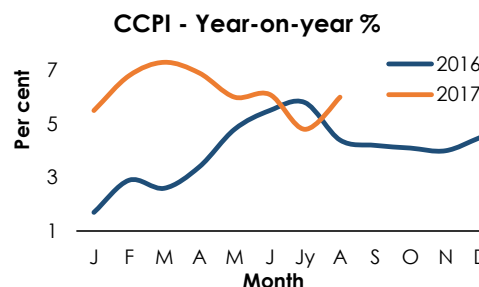
Real Sector

1.1 Prices Indices

| Item (2013=100) | Aug 2017 | Month Ago | Year Ago |
|--------------------------------------|-------------|--------------|-------------|
| National Consumer Price Index (NCPI) | 122.3 | 122.4 | 113.3 |
| Monthly Change % | -0.1 | -0.8 | -1.6 |
| Annual Average Change % | 6.5 | 6.2 | 3.6 |
| Year - on - Year Change % | 7.9 | 6.3 | 4.5 |
| Core Inflation - (NCPI) | 123.0 | 122.9 | 117.4 |
| Annual Average Change % | 5.8 | 5.9 | 5.6 |
| Year - on - Year Change % | 4.8 | 4.2 | 6.0 |



| 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 |

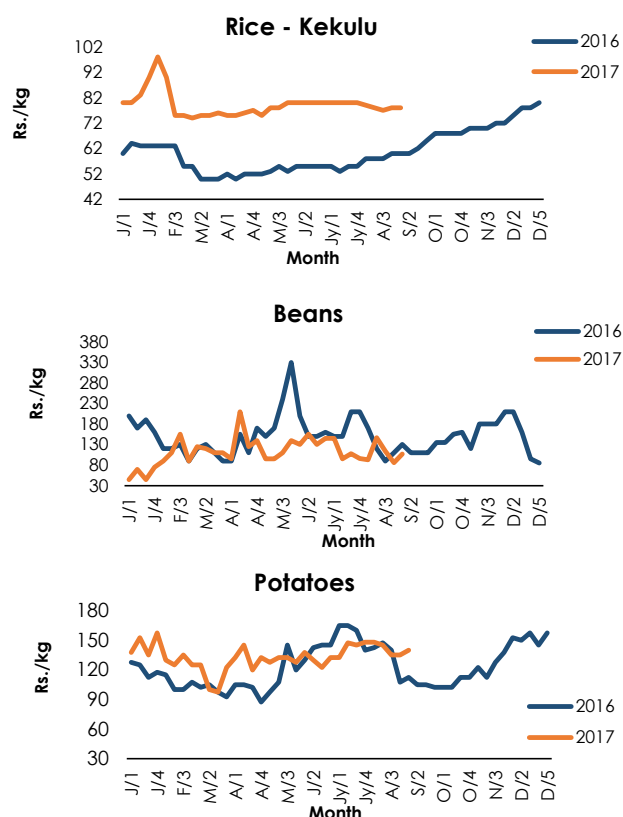


1.2 Pettah Market

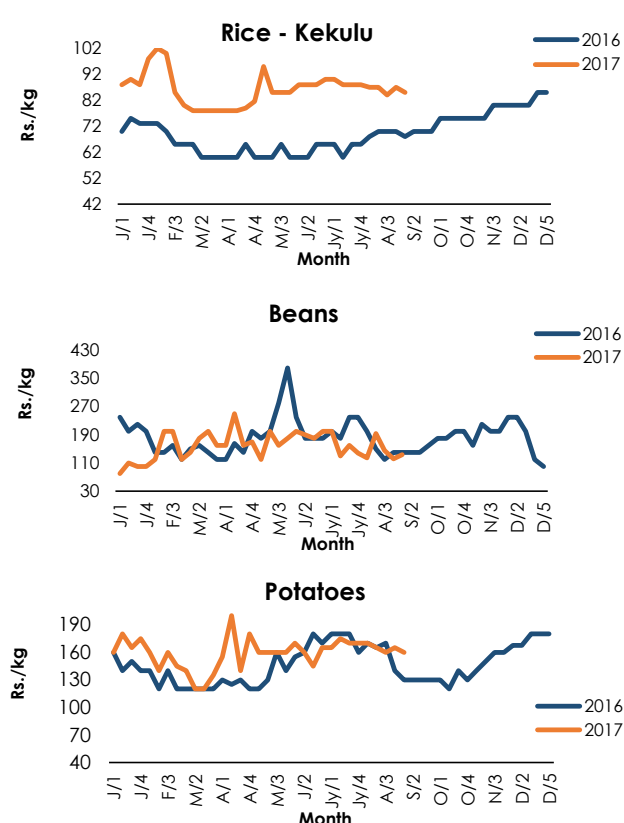
| Food Item | Average Wholesale Prices | | | | Average Retail Prices | | | |
|---------------------------|--|-------------|--------------|------------------------------|--|-------------|--------------|------------------------------|
| | Week Ending 22 nd Sep 2017 | Week Ago | Month Ago | Year Ago Annual Avg | Week Ending 22 nd Sep 2017 | Week Ago | Month Ago | Year Ago Annual Avg |
| Rs / Kg | | | | | | | | |
| Rice | | | | | | | | |
| Samba | 102.00 | 100.00 | 92.20 | 80.97 | 107.00 | 105.00 | 98.00 | 90.39 |
| Kekulu (Red) | 83.00 | 81.00 | 77.80 | 60.29 | 89.00 | 87.00 | 86.20 | 68.73 |
| Vegetables | | | | | | | | |
| Beans | 113.00 | 108.00 | 110.40 | 147.16 | 147.00 | 144.00 | 147.40 | 179.12 |
| Cabbage | 45.00 | 40.00 | 54.40 | 76.62 | 77.00 | 68.00 | 95.40 | 115.10 |
| Carrots | 85.00 | 80.00 | 107.00 | 121.42 | 113.00 | 118.00 | 146.40 | 158.24 |
| Tomatoes | 103.00 | 150.00 | 111.50 | 75.00 | 150.00 | 175.00 | 141.60 | 107.06 |
| Pumpkins | 41.00 | 33.00 | 49.60 | 60.29 | 67.00 | 50.00 | 80.40 | 83.33 |
| Snake Gourd | 80.00 | 86.00 | 95.60 | 76.18 | 120.00 | 125.00 | 133.20 | 112.94 |
| Brinjals | 123.00 | 122.00 | 112.40 | 66.57 | 150.00 | 158.00 | 155.80 | 103.92 |
| Ash-Plantains | 80.00 | 83.00 | 77.60 | 67.65 | 120.00 | 107.00 | 117.40 | 95.69 |
| Other Foods | | | | | | | | |
| Red-Onions (Local) | 267.00 | 293.00 | 168.40 | 92.66 | 313.00 | 367.00 | 202.60 | 131.74 |
| Big-Onions (Local) | 68.00 | 100.00 | n.a. | 74.50 | 100.00 | 125.00 | n.a. | 96.47 |
| Potatoes (N'Eliya) | 105.00 | 130.00 | 139.20 | 122.58 | 140.00 | 157.00 | 165.00 | 146.23 |
| Dried Chillies (Imported) | 190.00 | 188.00 | 182.00 | 293.68 | 225.00 | 230.00 | 220.00 | 350.78 |
| Dhal (Indian) | 133.00 | 135.00 | 131.00 | 160.16 | 148.00 | 150.00 | 148.60 | 171.41 |
| Eggs | 12.00 | 11.75 | 11.65 | 14.30 | 12.75 | 12.50 | 12.55 | 14.79 |
| Coconut (Each) | 67.00 | 68.00 | 61.00 | 34.69 | 78.00 | 78.00 | 74.20 | 47.60 |
| Fish* | | | | | | | | |
| Kelawalla | 520.00 | 650.00 | 535.00 | 508.20 | 680.00 | 980.00 | 830.00 | 682.00 |
| Balaya | 220.00 | 260.00 | 292.50 | 327.29 | 320.00 | 360.00 | 392.50 | 424.79 |
| Salaya | 130.00 | 100.00 | 105.00 | 141.43 | 200.00 | 180.00 | 180.00 | 197.14 |
| Paraw (Small) | 570.00 | n.a. | 583.33 | 540.36 | 680.00 | n.a. | 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 21 st Sep 2017 | |
|--------------------------|---------------------------------------|------------------|
| | Wholesale (Average) | Retail (Average) |
| Rice | | |
| Samba | 95.80 | 101.80 |
| Kekulu (Red) | 80.60 | 84.60 |
| Vegetables | | |
| Beans | 143.00 | 163.00 |
| Carrot | 97.00 | 117.00 |
| Tomatoes | 89.00 | 109.00 |
| Pumpkins | 38.50 | 58.50 |
| Snake Gourd | 63.50 | 84.00 |
| Ash-Plantains | 71.00 | 91.00 |
| Other Foods | | |
| Red-Onions (Local) | 273.00 | 294.50 |
| Big-Onions (Local) | 71.00 | 81.50 |
| Potatoes (N'Eliya) | 113.00 | 126.50 |
| Dried Chillies(Imported) | 173.00 | 187.50 |
| Coconut (Each) | 64.80 | 74.20 |

1.5 Marandagamula Market

| Average wholesale price of Rice | | | | |
|---------------------------------|---------------------------------------|----------|-----------|----------|
| Item (Rs / Kg) | Week Ending 22 nd Sep 2017 | Week Ago | Month Ago | Year Ago |
| Samba | 97.10 | 94.50 | 91.93 | 77.58 |
| Sudu Kekulu | 85.60 | 84.50 | 82.86 | 62.91 |
| Raw Red | 81.20 | 80.90 | 81.14 | 59.59 |
| Nadu | 91.50 | 89.80 | 88.82 | 66.62 |

1.4 Narahenpita Economic Centre

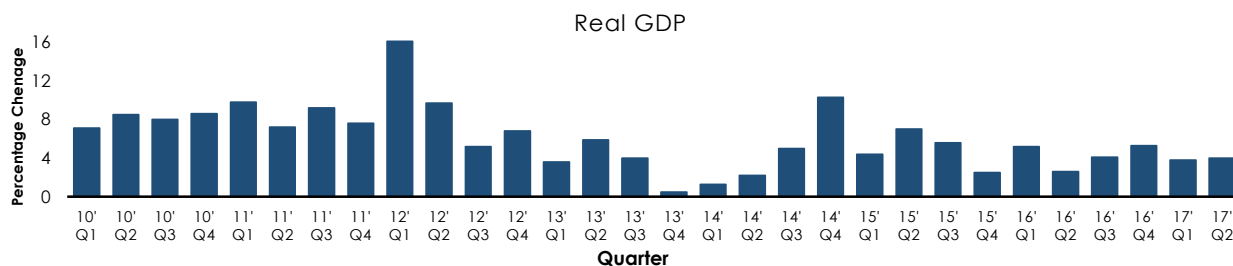
| Item (Rs / Kg) | Average Retail Prices | |
|---------------------------|---------------------------|----------|
| | 21 st Sep 2017 | Week Ago |
| Rice | | |
| Samba | 100.00 | 95.00 |
| Kekulu (Red) | 85.00 | 80.00 |
| Vegetables | | |
| Beans | 200.00 | 160.00 |
| Cabbage | 100.00 | 120.00 |
| Carrots | 140.00 | 140.00 |
| Tomatoes | 240.00 | 200.00 |
| Pumpkins | 100.00 | 80.00 |
| Snake Gourd | 140.00 | 160.00 |
| Brinjals | 160.00 | 180.00 |
| Ash-Plantains | 140.00 | 140.00 |
| Other Foods | | |
| Red-Onions (Imported) | n.a. | n.a. |
| Big-Onions (Imported) | 120.00 | 120.00 |
| Potatoes (Imported) | 110.00 | 90.00 |
| Dried Chillies (Imported) | 220.00 | 200.00 |
| Dhal (Indian) | 150.00 | 140.00 |
| Eggs (Red)(Each) | 14.00 | 13.00 |
| Coconut (Each) | 80.00 | 68.00 |
| Fish | | |
| Kelawalla | 1,050.00 | 1,100.00 |
| Balaya | 450.00 | 460.00 |
| Salaya | 230.00 | 240.00 |
| Paraw (Small) | 850.00 | 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 2 nd Qtr (a)(b) | 2017 2 nd Qtr (a) |
|----------------------------------|-----------------------|--------------------|------------------------------------|---------------------------------|
| Agriculture | 4.8 | -4.2 | -5.7 | -2.9 |
| Industry | 2.1 | 6.7 | 2.0 | 5.2 |
| Services | 5.7 | 4.2 | 3.6 | 4.5 |
| Taxes less subsidies on products | 7.5 | 6.2 | 3.1 | 3.1 |
| GDP | 4.8 | 4.4 | 2.4 | 4.0 |

(a) Provisional (b) Revised

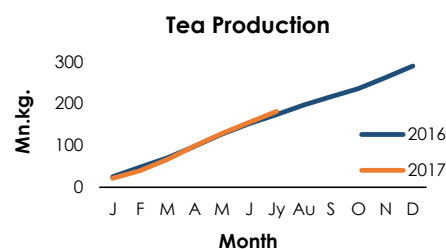
Source: Department of Census and Statistics



1.7 Agriculture Production

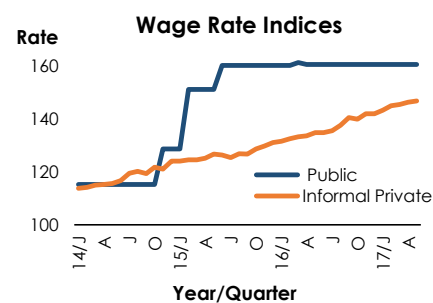
| Item | Unit | 2017(a) Jan - Jul | 2016 Jan - Jul | % Change |
|---------|---------|----------------------|-------------------|-------------|
| Tea | (Mn Kg) | 181.10 | 175.80 | 3.00 |
| Rubber | (Mn Kg) | 51.30 | 53.10 | -3.30 |
| Coconut | (Mn Kg) | 1,496.30 | 1,740.50 | -14.00 |

(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)

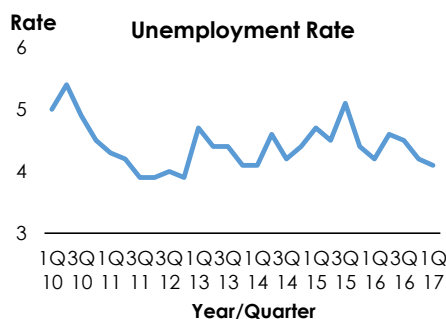
| Item | 2016 1 st Qtr | 2017 (b) 1 st Qtr | 2016 (b) Annual |
|---------------------------------|-----------------------------|---------------------------------|--------------------|
| Labour Force Participation rate | 54.1 | 54.7 | 53.8 |
| Unemployment rate | 4.2 | 4.1 | 4.4 |

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



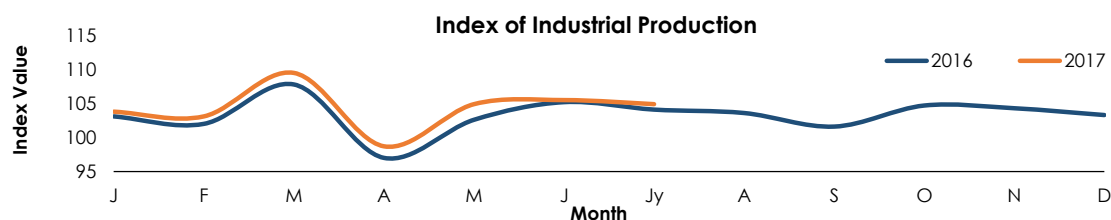
1.10 Index of Industrial Production (IIP) (2015 = 100) (a)

| Item | Index of Industrial Production (IIP) | | |
|---------------------------------------|--------------------------------------|---------------|------------|
| | 2017 July (b) | 2016 July (b) | % Change |
| Index of Industrial Production | 104.9 | 104.1 | 0.8 |
| Food products | 104.2 | 101.8 | 2.3 |
| Wearing apparel | 109.4 | 106.1 | 3.1 |
| Other non-metallic mineral products | 109.2 | 102.5 | 6.6 |
| Coke and refined petroleum products | 83.2 | 106.7 | -22.0 |
| Rubber and plastic products | 108.0 | 105.2 | 2.6 |
| Chemicals and chemical products | 97.4 | 105.3 | -7.5 |
| Beverages | 91.8 | 102.8 | -10.7 |

(a) Major 7 sub divisions.

Source: Department of Census and Statistics

(b) Provisional (c) Revised



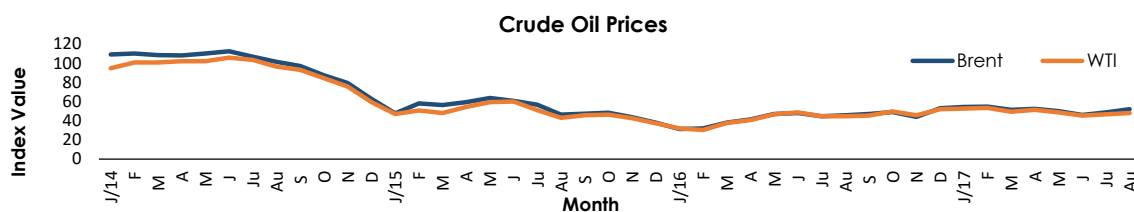
1.11 Average Crude Oil Prices

| 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 | | |
| 15 September | 46.13 | 43.85 | - | 57.28 | 49.90 | - |
| 16 September | 45.56 | 43.04 | - | - | - | - |
| 17 September | - | - | - | - | - | - |
| 18 September | - | - | - | 56.25 | 49.88 | - |
| 19 September | 46.34 | 43.34 | - | 57.63 | 49.54 | - |
| 20 September | 45.64 | 43.85 | - | 58.25 | 50.29 | - |
| 21 September | 46.39 | 45.33 | - | 58.78 | 50.58 | - |

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 22 September 2017 decreased by 3 bps to 11.37% 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 decreased compared to the previous week mainly due to decrease in currency in circulation.

The total outstanding market liquidity decreased to a surplus of Rs. 18.46 bn by end of the week, compared to Rs. 34.77 bn by the end of last week.

By 22 September 2017, the All Share Price Index (ASPI) increased by 0.39% to 6,427 points and the S&P SL20 Index increased by 0.27% to 3,692 points, compared to the previous week.

Monetary Sector

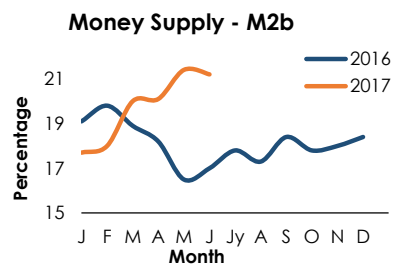
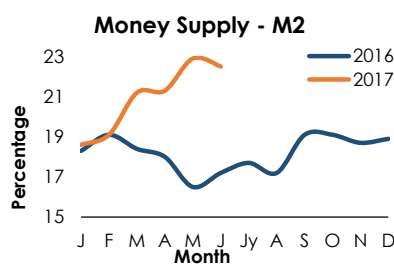
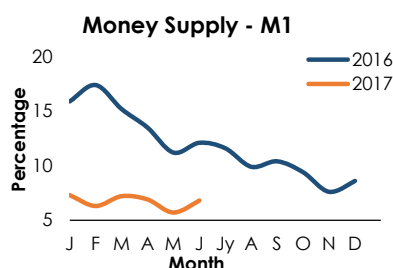
2.1 Interest Rates

| Item | Week Ending 22 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) | 8.05 | 7.98 | 8.41 | | |
| Sri Lanka Inter Bank Offered Rate (SLIBOR) | | | | | |
| 1-day | 8.09 | 8.09 | 8.43 | | |
| 7-day | 8.61 | 8.82 | 9.50 | | |
| 1-Month | 9.29 | 9.44 | 10.42 | | |
| 3-Month | 10.22 | 10.49 | 11.00 | | |
| 6-Month | 11.62 | 12.00 | 11.49 | | |
| 12-Month | 12.08 | 12.42 | 11.99 | | |
| Treasury Bill Yields (Excluding 10% withholding tax) | | | | | |
| 91-day | - | - | 8.71 | | |
| 182-day | 8.94 | 9.05 | 9.69 | | |
| 364-day | 9.10 | 9.20 | 10.38 | | |
| Licensed Commercial Banks | | | | | |
| Average Weighted Prime Lending Rate (AWPR) | 11.37 | 11.40 | 12.57 | | |
| | Aug-17 | Month Ago | Year Ago | | |
| Savings Deposits | 0.50-09.50 | 0.50-09.50 | 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 22 Sep 2017 | Week Ago | Bankwise- AWPR | Week ending 22 Sep 2017 | Week Ago |
| Bank of Ceylon | 12.28 | 12.21 | HSBC | 8.93 | 9.02 |
| People's Bank | 11.83 | 12.32 | Standard Chartered Bank | 11.39 | 11.33 |
| Hatton National Bank | 11.80 | 11.90 | Citi Bank | 9.13 | 10.50 |
| Commercial Bank of Ceylon | 11.86 | 11.81 | Deutsche Bank | 9.95 | 10.42 |
| Sampath Bank | 12.86 | 13.20 | Habib Bank | 11.67 | 11.67 |
| Seylan Bank | 12.80 | 12.58 | Indian Bank | 13.17 | 13.17 |
| Union Bank of Colombo | 14.30 | 13.74 | Indian Overseas Bank | 13.67 | 13.67 |
| Pan Asia Banking Corporation | 14.07 | 13.47 | MCB Bank | 12.42 | 13.00 |
| Nations Trust Bank | 12.30 | 11.93 | State Bank of India | 12.69 | 12.69 |
| DFCC Bank | 13.55 | 13.08 | Public Bank | 13.00 | 13.00 |
| NDB Bank | 12.77 | 13.75 | ICICI Bank | 9.62 | 9.62 |
| Amana Bank | 13.04 | 13.13 | Axis Bank | 12.63 | 12.63 |
| Cargills Bank | 14.20 | 14.50 | | | |

2.2 Money Supply

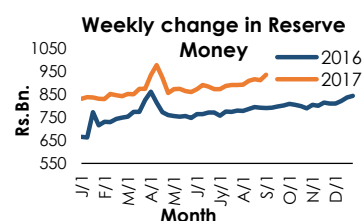
| Item | Rs. bn | | | Annual Change (%) | | |
|---|-----------------|-----------|----------|-------------------|-----------|----------|
| | 2017 Jun (a) | Month Ago | Year Ago | 2017 Jun (a) | Month Ago | Year Ago |
| Reserve Money | 891.6 | 859.8 | 757.2 | 17.8 | 17.3 | 24.5 |
| M1 | 753.9 | 741.8 | 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 | 21 Sep 2017 | Week Ago | Change |
|------------------------|-------------|------------|-----------|
| Reserve Money (Rs.Mn.) | 918,208.96 | 923,353.47 | -5,144.51 |



2.4 Money Market Activity(Overnight)

| Item | 18.09.2017 | 19.09.2017 | 20.09.2017 | 21.09.2017 | 22.09.2017 |
|--------------------------------|------------|------------|------------|------------|------------|
| Call Money Market | | | | | |
| Weighted Average Rate (% p.a.) | 8.03 | 8.05 | 8.04 | 8.05 | 8.06 |
| Gross Volume (Rs. Mn) | 13,980 | 13,470 | 11,900 | 6,554 | 12,505 |
| Repo Market | | | | | |
| Weighted Average Rate (% p.a.) | 7.95 | 7.95 | 8.00 | 7.98 | 7.97 |
| Gross Volume (Rs. Mn) | 11,253 | 10,746 | 9,123 | 12,098 | 14,149 |

2.5 CBSL Securites Portfolio

| Item | 18.09.2017 | 19.09.2017 | 20.09.2017 | 21.09.2017 | 22.09.2017 |
|--|------------|------------|------------|------------|------------|
| CBSL Treasury Bill Holdings -Face Value (Rs. Mn) | 89,165.00 | 85,165.00 | 85,165.00 | 85,165.00 | 62,965.00 |
| CBSL Treasury Bill Holdings -Book Value (Rs. Mn) | 88,145.16 | 84,210.27 | 84,233.36 | 84,268.11 | 62,173.32 |

2.6 Open Market Operations

| Item | 18.09.2017 | | | 19.09.2017 | | | 20.09.2017 | 21.09.2017 | | | 22.09.2017 | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Short-Term Auction | | | | | | | | | | | | | |
| Repo Amount Offered (Rs. bn) | 39.00 | | | 41.00 | | | 38.00 | 37.00 | | | 17.00 | | |
| Reverse Repo Amount Offered (Rs. bn) | 0.00 | | | 0.00 | | | 0.00 | 0.00 | | | 0.00 | | |
| Tenure (No. of Days) | 1 | | | 1 | | | 1 | 1 | | | 1 | | |
| Bids Received (Rs. bn) | 18.47 | | | 18.16 | | | 17.32 | 24.75 | | | 11.64 | | |
| Amount Accepted (Rs. bn) | 18.47 | | | 18.16 | | | 17.32 | 24.75 | | | 11.64 | | |
| Minimum Aaccepted Rate (% p.a) | 7.25 | | | 7.25 | | | 7.25 | 7.25 | | | 7.25 | | |
| Maximum Aaccepted Rate (% p.a) | 7.29 | | | 7.28 | | | 7.28 | 7.28 | | | 7.25 | | |
| Weighted Average Yield Rate (% p.a.) | 7.27 | | | 7.26 | | | 7.26 | 7.26 | | | 7.28 | | |
| Outright Auctions | | | | | | | | | | | | | |
| Outright Sales Amount Offered (Rs. bn) | 2.00 | 3.00 | 5.00 | 5.00 | 3.00 | 2.00 | 0.00 | 5.00 | 3.00 | 2.00 | 5.00 | 3.00 | 2.00 |
| Outright Purchase Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Settlement Date | 19.09.2017 | 19.09.2017 | 19.09.2017 | 20.09.2017 | 20.09.2017 | 20.09.2017 | - | 22.09.2017 | 22.09.2017 | 22.09.2017 | 25.09.2017 | 25.09.2017 | 25.09.2017 |
| Maturity Date | 27.10.2017 | 03.11.2017 | 10.11.2017 | 10.11.2017 | 17.11.2017 | 24.11.2017 | - | 10.11.2017 | 17.11.2017 | 24.11.2017 | 17.11.2017 | 24.11.2017 | 01.12.2017 |
| Tenure (No. of Days) | 38 | 45 | 52 | 51 | 58 | 65 | 0 | 49 | 56 | 63 | 53 | 60 | 67 |
| Bids Received (Rs. bn) | 2.00 | 2.00 | 0.00 | 2.00 | 1.00 | 2.00 | 0.00 | 5.55 | 2.50 | 2.70 | 5.50 | 0.50 | 1.00 |
| Amount Accepted (Rs. bn) | 2.00 | 2.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.50 | 2.50 | 0.70 | 5.00 | 0.50 | 0.50 |
| Minimum Aaccepted Rate (% p.a) | 8.50 | 8.60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.50 | 8.55 | 8.55 | 8.45 | 8.53 | 8.55 |
| Maximum Aaccepted Rate (% p.a) | 8.50 | 8.60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.50 | 8.55 | 8.55 | 8.55 | 8.53 | 8.55 |
| Weighted Average Yield Rate (% p.a.) | 8.50 | 8.60 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.50 | 8.55 | 8.55 | 8.52 | 8.53 | 8.55 |
| Long Term Auction | | | | | | | | | | | | | |
| Repo Amount Accepted (Rs. bn) | 20.00 | | | 20.00 | 10.00 | | 10.00 | 10.00 | | | 0.00 | | |
| Reverse Repo Amount Accepted (Rs. bn) | 0.00 | | | 0.00 | 0.00 | | 0.00 | 0.00 | | | 0.00 | | |
| Settlement Date | 18.09.2017 | | | 20.09.2017 | 20.09.2017 | | 21.09.2017 | 22.09.2017 | | | - | | |
| Maturity Date | 29.09.2017 | | | 29.09.2017 | 06.10.2017 | | 29.09.2017 | 02.10.2017 | | | - | | |
| Tenure (No. of Days) | 10 | | | 9 | 16 | | 8 | 10 | | | 0 | | |
| Bids Received (Rs. bn) | 10.00 | | | 3.35 | 0.35 | | 3.00 | 4.00 | | | 0.00 | | |
| Amount Accepted (Rs. bn) | 0.00 | | | 0.00 | 0.00 | | 0.00 | 0.00 | | | 0.00 | | |
| Minimum Aaccepted Rate (% p.a) | 0.00 | | | 0.00 | 0.00 | | 0.00 | 0.00 | | | 0.00 | | |
| Maximum Aaccepted Rate (% p.a) | 0.00 | | | 0.00 | 0.00 | | 0.00 | 0.00 | | | 0.00 | | |
| Weighted Average Yield Rate (% p.a.) | 0.00 | | | 0.00 | 0.00 | | 0.00 | 0.00 | | | 0.00 | | |
| Standing Facility | | | | | | | | | | | | | |
| Standing Deposit Facility (Rs. bn) | 21.344 | | | 17.988 | | | 23.693 | 11.909 | | | 7.661 | | |
| Standing Lending Facility (Rs. bn) | 0.000 | | | 0.573 | | | 0.407 | 0.027 | | | 0.849 | | |
| Total Outstanding Market Liquidity (Rs. bn) | 39.809 | | | 35.576 | | | 40.606 | 36.632 | | | 18.455 | | |

2.7 Credit Cards (a)

| Item | 2017 End Aug (b) | 2017 End Jul | 2016 End Dec |
|-------------------------------|---------------------|-----------------|-----------------|
| Total Number of Active Cards | 1,404,264 | 1,390,819 | 1,309,248 |
| Local (accepted only locally) | 27,950 | 28,192 | 29,109 |
| Global (accepted globally) | 1,376,314 | 1,362,627 | 1,280,139 |
| Outstanding balance (Rs.mn) | 81,799 | 80,415 | 74,892 |
| Local (accepted only locally) | 749 | 755 | 839 |
| Global (accepted globally) | 81,050 | 79,660 | 74,053 |

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

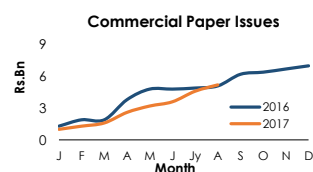
2.7 Commerical Paper Issues (a)

| Item (Rs. bn.) | 2017 End Aug(b) | 2017 End Jul | 2016 End Dec |
|--|--------------------|-----------------|-----------------|
| Total Issues - Cumulative (c) | 5.2 | 4.6 | 7.0 |
| Outstanding (as at end of the period) | 2.5 | 2.3 | 2.2 |

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

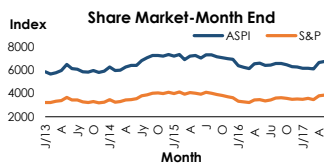
(b) Provisional

(c) During the year



2.8 Share Market

| Item | Week Endina 22 Sep 2017 | Week Ago | Year Ago |
|---|-------------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,427.26 | 6,402.03 | 6,464.94 |
| S&P Sri Lanka 20 Index (2004 = 1,000) (S&P SL20) | 3,692.15 | 3,682.34 | 3,579.21 |
| Average Daily Turnover (Rs. mn) | 887.80 | 2,949.20 | 1,078.20 |
| Market Capitalisation (Rs.bn) | 2,914.71 | 2,903.27 | 2,755.89 |



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.

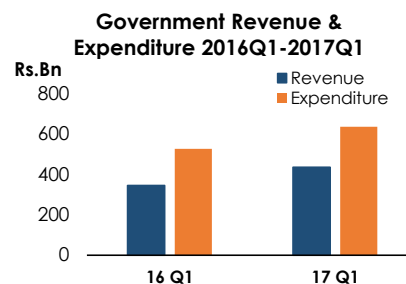
As at end March 2017, central government debt increased by 3.4 per cent to Rs. 9,702.8 billion from Rs. 9,387.3 billion recorded at the end of 2016. The domestic debt increased by Rs. 284.7 billion to Rs. 5,626.2 billion as at end March 2017 from Rs. 5,341.5 billion recorded as at end 2016, while the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

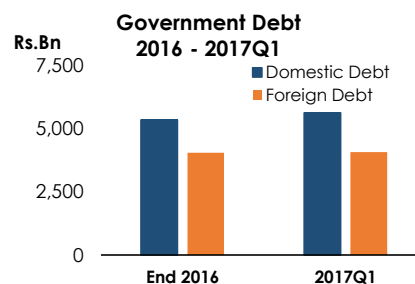
(a) Provisional



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 - 20th September 2017

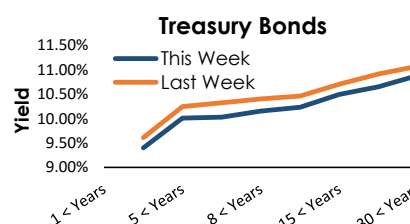
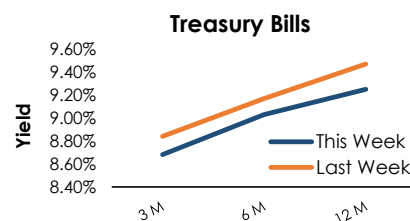
| Security | Maturity | Primary Market(a) | | Secondary Market | | | |
|-------------------|------------|-------------------|-----------|------------------|---------|---------|--------------|
| | | This Week | Last Week | This Week | | | Last Week |
| | | | | Buying | Selling | Average | Week Average |
| Treasury Bills | 3 Months | - | - | 8.77% | 8.59% | 8.68% | 8.84% |
| | 6 Months | 8.94% | 9.05% | 9.10% | 8.95% | 9.03% | 9.17% |
| | 12 Months | 9.10% | 9.20% | 9.35% | 9.15% | 9.25% | 9.47% |
| Treasury Bonds(b) | < 2 Years | - | - | 9.45% | 9.34% | 9.40% | 9.61% |
| | < 5 Years | - | - | 10.08% | 9.95% | 10.01% | 10.24% |
| | < 6 Years | - | - | 10.08% | 9.97% | 10.03% | 10.32% |
| | < 8 Years | - | - | 10.19% | 10.11% | 10.15% | 10.40% |
| | < 10 Years | - | - | 10.28% | 10.18% | 10.23% | 10.46% |
| | < 15 Years | - | - | 10.53% | 10.45% | 10.49% | 10.70% |
| | < 20 Years | - | - | 10.70% | 10.60% | 10.65% | 10.91% |
| | < 30 Years | - | - | 10.96% | 10.80% | 10.88% | 11.07% |

(a) Primary market transactions during the week ending 20/09/2017

(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 and 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% | 3.56% | 3.55% |
| | 27-Jul-21 | 6.250% | 3.80% | 3.81% |
| | 18-Jan-22 | 5.750% | 4.01% | 4.00% |
| | 25-Jul-22 | 5.875% | 4.12% | 4.13% |
| | 14-Jan-19 | 6.000% | 2.89% | 2.91% |
| | 11-Apr-19 | 5.125% | 3.07% | 3.09% |
| | 3-Jun-25 | 6.125% | 4.98% | 5.01% |
| | 3-Nov-25 | 6.850% | 5.08% | 5.10% |
| | 18-Jul-26 | 6.825% | 5.18% | 5.21% |
| | 11-May-27 | 6.200% | 5.28% | 5.28% |



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 20th September 2017)

| Item | Volume in Rs Mn | |
|--|---------------------|---------------------|
| | This Week | Last Week |
| Outstanding Stock of Government Securities | | |
| Treasury Bills | 784,584.00 | 788,538.43 |
| Treasury Bonds (a) | 4,045,179.19 | 4,045,179.19 |
| Total | 4,829,763.19 | 4,833,717.62 |
| T-bills and T-bonds held by Foreigners | 277,857.86 | 269,998.44 |
| Sri Lanka Development Bonds (SLDB) | 639,309.47 | 637,812.14 |

The outstanding stock of T-bills and T-bonds held by foreigners was increased by 2.91 per cent during the reporting week.

| Primary Market Activities | Volume in Rs Mn | |
|---------------------------|-----------------|------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Amount Offered | 23,000.00 | 23,000.00 |
| Total Bids Received | 65,028.00 | 100,532.00 |
| Total Bids Accepted | 22,422.00 | 22,440.00 |
| Treasury Bonds | | |
| Amount Offered | - | - |
| Total Bids Received | - | - |
| Total Bids Accepted | - | - |

The weekly T-bill auction was over subscribed by 2.8 times during the reporting week.

| Secondary Market Activities | Volume in Rs Mn | |
|--|-----------------|------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Outright Transaction (Sales / Purchases) | 30,158.81 | 15,702.57 |
| Repo Transaction (Sales / Purchases) | 255,225.37 | 199,188.82 |
| Treasury Bonds | | |
| Outright Transaction (Sales / Purchases) | 81,365.72 | 56,099.42 |
| Repo Transaction (Sales / Purchases) | 581,058.78 | 550,982.67 |

The total secondary market transactions of T bills and T bonds increased by 15.31 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) - 22/09/2017

| Remaining Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|--------------------|----------------------|---------|-----------------------|---------|-------------------------|
| 1-7 Days | 99.83 | 8.63 | 99.84 | 8.32 | 0.01 |
| 1 Month | 99.30 | 8.57 | 99.31 | 8.41 | 0.01 |
| 2 Month | 98.58 | 8.64 | 98.61 | 8.48 | 0.03 |
| 3 Month | 97.86 | 8.69 | 97.90 | 8.51 | 0.04 |
| 4 Month | 97.10 | 8.82 | 97.16 | 8.64 | 0.06 |
| 5 Month | 96.34 | 8.90 | 96.41 | 8.73 | 0.07 |
| 6 Month | 95.56 | 9.00 | 95.65 | 8.83 | 0.08 |
| 7 Month | 94.79 | 9.06 | 94.87 | 8.91 | 0.08 |
| 8 Month | 94.03 | 9.08 | 94.12 | 8.95 | 0.09 |
| 9 Month | 93.25 | 9.13 | 93.35 | 9.00 | 0.10 |
| 10 Month | 92.47 | 9.16 | 92.59 | 9.01 | 0.12 |
| 11 Month | 91.70 | 9.18 | 91.83 | 9.04 | 0.13 |
| 12 Month | 90.93 | 9.19 | 91.08 | 9.05 | 0.14 |

3.6 Two way Qoutes (Treasury Bonds) - 22/09/2017

| 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 | 132 | 99.75 | 9.11 | 99.77 | 9.06 | 0.02 |
| 08.50%2018C | 5 | 1-Apr-18 | 191 | 99.69 | 9.11 | 99.74 | 9.01 | 0.05 |
| 08.50%2018D | 5 | 1-Jun-18 | 252 | 99.52 | 9.20 | 99.58 | 9.10 | 0.06 |
| 08.50%2018B | 15 | 15-Jul-18 | 296 | 99.45 | 9.19 | 99.50 | 9.13 | 0.05 |
| 07.50%2018A | 15 | 15-Aug-18 | 327 | 98.59 | 9.16 | 98.66 | 9.08 | 0.07 |
| 08.75%2018A | 4 | 15-Oct-18 | 388 | 99.55 | 9.19 | 99.64 | 9.10 | 0.09 |
| 08.00%2018A | 6 | 15-Nov-18 | 419 | 98.66 | 9.24 | 98.74 | 9.16 | 0.08 |
| 05.65%2019A | 8 | 15-Jan-19 | 480 | 95.52 | 9.35 | 95.60 | 9.28 | 0.08 |
| 10.75%2019A | 2 | 15-Jan-19 | 480 | 101.67 | 9.34 | 101.77 | 9.26 | 0.10 |
| 08.50%2019A | 10 | 1-May-19 | 586 | 98.74 | 9.35 | 98.83 | 9.29 | 0.09 |
| 10.60%2019A | 5 | 1-Jul-19 | 647 | 101.85 | 9.43 | 102.03 | 9.31 | 0.18 |
| 10.60%2019B | 5 | 15-Sep-19 | 723 | 102.00 | 9.47 | 102.18 | 9.36 | 0.19 |
| 08.00%2019A | 8 | 1-Nov-19 | 770 | 97.25 | 9.46 | 97.46 | 9.35 | 0.21 |
| 09.25%2020A | 5 | 1-May-20 | 952 | 99.16 | 9.61 | 99.43 | 9.49 | 0.27 |
| 08.00%2020A | 8 | 1-Jun-20 | 983 | 96.20 | 9.63 | 96.37 | 9.55 | 0.17 |
| 06.20%2020A | 10 | 1-Aug-20 | 1,044 | 91.53 | 9.65 | 91.71 | 9.58 | 0.18 |
| 09.50%2020A | 5 | 15-Dec-20 | 1,180 | 99.50 | 9.68 | 99.78 | 9.57 | 0.29 |
| 10.75%2021A | 5 | 1-Mar-21 | 1,256 | 102.50 | 9.87 | 102.76 | 9.78 | 0.26 |
| 09.00%2021A | 8 | 1-May-21 | 1,317 | 97.43 | 9.86 | 97.66 | 9.78 | 0.22 |
| 11.00%2021A | 7 | 1-Aug-21 | 1,409 | 103.37 | 9.92 | 103.62 | 9.84 | 0.25 |
| 09.45%2021A | 7 | 15-Oct-21 | 1,484 | 98.41 | 9.93 | 98.60 | 9.87 | 0.18 |
| 11.50%2021A | 5 | 15-Dec-21 | 1,545 | 105.37 | 9.90 | 105.67 | 9.82 | 0.29 |
| 08.00%2022A | 10 | 1-Jan-22 | 1,562 | 93.04 | 10.04 | 93.38 | 9.93 | 0.35 |
| 11.20%2022A | 9 | 1-Jul-22 | 1,743 | 104.18 | 10.07 | 104.68 | 9.94 | 0.50 |
| 10.00%2022A | 8 | 1-Oct-22 | 1,835 | 99.72 | 10.07 | 100.24 | 9.94 | 0.52 |
| 11.50%2023A | 6 | 15-May-23 | 2,061 | 106.14 | 10.04 | 106.65 | 9.93 | 0.51 |
| 09.00%2023A | 10 | 1-Sep-23 | 2,170 | 95.33 | 10.06 | 95.79 | 9.95 | 0.46 |
| 11.20%2023A | 9 | 1-Sep-23 | 2,170 | 104.95 | 10.07 | 105.47 | 9.96 | 0.52 |
| 07.00%2023A | 20 | 1-Oct-23 | 2,200 | 86.24 | 10.10 | 86.80 | 9.97 | 0.55 |
| 11.40%2024A | 10 | 1-Jan-24 | 2,292 | 105.76 | 10.13 | 106.23 | 10.03 | 0.47 |
| 11.00%2024A | 8 | 1-Aug-24 | 2,505 | 104.18 | 10.14 | 104.75 | 10.02 | 0.57 |
| 06.00%2024A | 10 | 1-Dec-24 | 2,627 | 79.13 | 10.16 | 79.42 | 10.09 | 0.29 |
| 10.25%2025A | 10 | 15-Mar-25 | 2,731 | 100.21 | 10.21 | 100.62 | 10.13 | 0.41 |
| 09.00%2025A | 12 | 1-May-25 | 2,778 | 93.83 | 10.18 | 94.19 | 10.11 | 0.35 |
| 11.00%2025A | 10 | 1-Aug-25 | 2,870 | 103.97 | 10.25 | 104.55 | 10.14 | 0.58 |
| 09.00%2026A | 13 | 1-Feb-26 | 3,054 | 93.04 | 10.26 | 93.51 | 10.17 | 0.48 |
| 05.35%2026A | 15 | 1-Mar-26 | 3,082 | 72.72 | 10.26 | 73.11 | 10.17 | 0.40 |
| 11.00%2026A | 11 | 1-Jun-26 | 3,174 | 104.11 | 10.27 | 104.71 | 10.17 | 0.60 |
| 11.50%2026A | 10 | 1-Aug-26 | 3,235 | 107.29 | 10.22 | 107.89 | 10.12 | 0.60 |
| 11.75%2027A | 10 | 15-Jun-27 | 3,553 | 108.18 | 10.39 | 109.03 | 10.26 | 0.85 |
| 09.00%2028B | 15 | 1-May-28 | 3,874 | 90.77 | 10.46 | 91.21 | 10.38 | 0.44 |
| 09.00%2028A | 15 | 1-Jul-28 | 3,935 | 90.61 | 10.47 | 91.19 | 10.37 | 0.58 |
| 11.50%2028A | 13 | 1-Sep-28 | 3,997 | 106.59 | 10.47 | 107.15 | 10.39 | 0.56 |
| 13.00%2029A | 15 | 1-Jan-29 | 4,119 | 115.97 | 10.54 | 116.62 | 10.45 | 0.65 |
| 13.00%2029B | 15 | 1-May-29 | 4,239 | 116.15 | 10.55 | 116.84 | 10.46 | 0.69 |
| 11.00%2030A | 15 | 15-May-30 | 4,618 | 102.69 | 10.60 | 103.50 | 10.49 | 0.80 |
| 08.00%2032A | 20 | 1-Jan-32 | 5,214 | 81.31 | 10.56 | 81.53 | 10.53 | 0.22 |
| 09.00%2032A | 20 | 1-Oct-32 | 5,488 | 88.27 | 10.58 | 88.51 | 10.54 | 0.24 |
| 09.00%2033A | 20 | 1-Jun-33 | 5,731 | 87.76 | 10.62 | 88.21 | 10.55 | 0.45 |
| 13.25%2033A | 20 | 1-Jul-33 | 5,761 | 119.62 | 10.65 | 120.14 | 10.59 | 0.52 |
| 09.00%2033B | 20 | 1-Nov-33 | 5,884 | 87.19 | 10.68 | 87.61 | 10.62 | 0.41 |
| 13.25%2034A | 20 | 1-Jan-34 | 5,945 | 119.29 | 10.72 | 119.86 | 10.65 | 0.57 |
| 11.50%2035A | 20 | 15-Mar-35 | 6,383 | 105.45 | 10.80 | 106.92 | 10.62 | 1.48 |
| 12.00%2041A | 25 | 1-Jan-41 | 8,502 | 110.25 | 10.79 | 110.57 | 10.75 | 0.32 |
| 09.00%2043A | 30 | 1-Jun-43 | 9,383 | 83.94 | 10.87 | 84.87 | 10.74 | 0.93 |
| 13.50%2044A | 30 | 1-Jan-44 | 9,597 | 122.19 | 10.92 | 123.22 | 10.82 | 1.04 |
| 13.50%2044B | 30 | 1-Jun-44 | 9,749 | 121.28 | 11.01 | 122.82 | 10.86 | 1.54 |
| 12.50%2045A | 30 | 1-Mar-45 | 10,022 | 110.91 | 11.21 | 114.26 | 10.86 | 3.34 |

Highlights

During the year up to 22 September 2017 the Sri Lanka rupee depreciated against the US dollar (2.0 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the pound sterling (11.4 per cent), euro (13.6 per cent), Japanese yen (5.8 per cent) and Indian rupee (6.5 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.

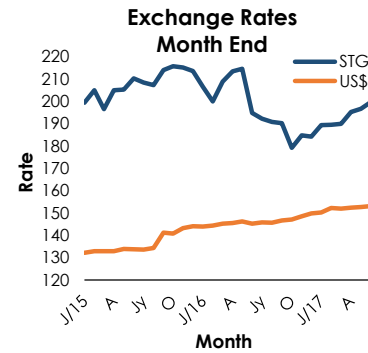
India, China, UK, Germany and France were the top five sources of tourist arrivals, accounting for 51.7 per cent of total tourist arrivals upto the month of August 2017.

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 - 22 Sep 2017 | | | Average Rate | |
|--|---------------------------|--------------|--------------|--------------|----------|
| | Buying Rate | Selling Rate | Average Rate | Week Ago | Year Ago |
| US\$ | 150.78 | 154.58 | 152.68 | 152.84 | 146.21 |
| STG | 204.06 | 210.92 | 207.49 | 204.18 | 190.75 |
| Yen | 1.34 | 1.39 | 1.37 | 1.39 | 1.46 |
| Euro | 179.18 | 185.90 | 182.54 | 181.95 | 163.59 |
| INR(1) | | | 2.36 | 2.39 | 2.18 |
| SDR (As at 21 Sep 2017) | | | 217.16 | 217.05 | 203.35 |
| 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 | Week Ago | Year Ago |
|------|-------------|----------|----------|
| | 15 Sep 2017 | | |

Average Daily Interbank Volume (US\$ Mn.) 42.29 41.00 27.77

(spot, tom and cash transactions among commercial banks)

Forward Transactions

Forward Rates (US\$) (2)

| | | | |
|----------|--------|--------|--------|
| 1 Month | 153.71 | 153.62 | 146.86 |
| 3 Months | 155.13 | 155.13 | 148.28 |

Average Daily Interbank Forward Volume (US\$ mn) 23.98 22.18 24.37

Outstanding Forward Volume (US\$ mn) (As at 21 Sep 2017) 1,552.78 1,477.17 1,127.95

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

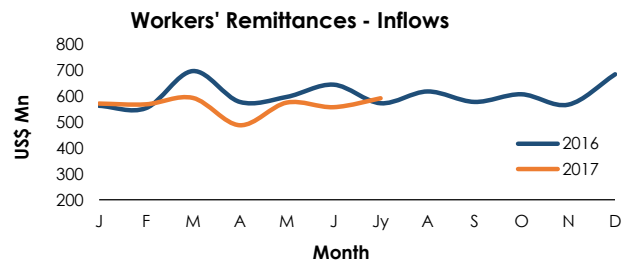
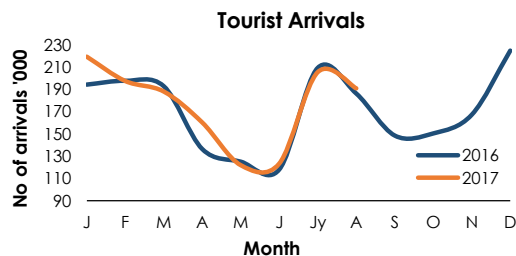
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

(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 (a) | 2016 Jan-Jul | 2017 Jan-Jul (a) | % Change |
| Workers' Remittances (Inflows) | US\$ Mn. | 572.8 | 592.1 | 4,185.9 | 3,946.7 | -5.7 |
| | Rs. bn. | 83.3 | 91.0 | 605.2 | 599.3 | -1.0 |

(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) | -0.06 | -0.06 | | |
| inflows related to reverse repos (+) | | | | |
| other accounts payable (–) | -0.06 | -0.06 | | |

(a) Provisional

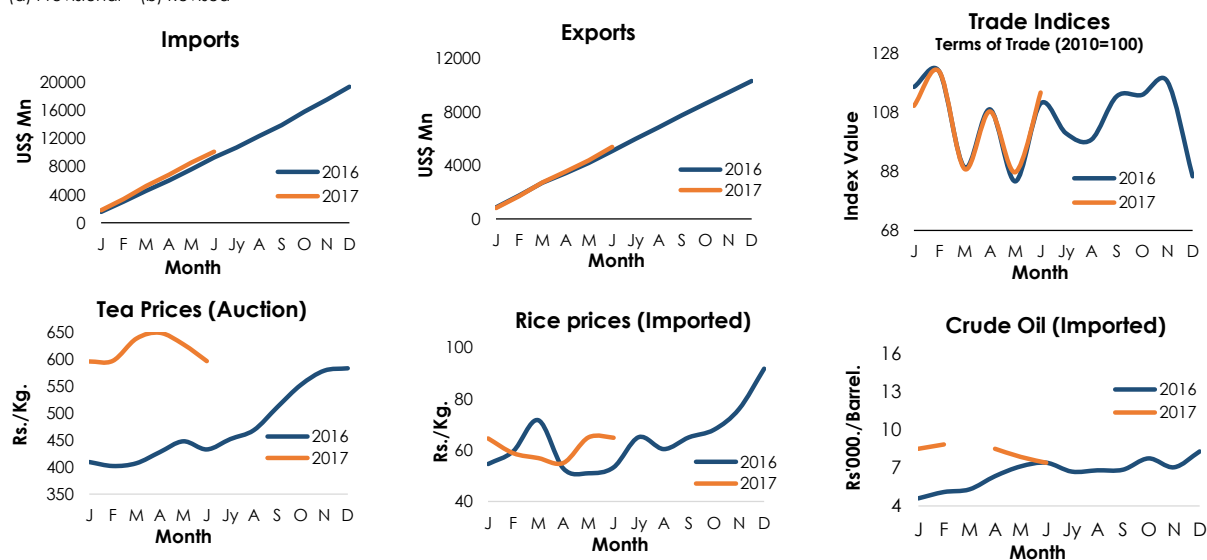
(b) This mainly includes only the predetermined outflows

(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 |
| Crude Oil | US\$ / Barrel | | | Rs / Barrel | | |
| | 48.47 | 50.95 | -4.86 | 7,408.24 | 7,401.97 | 0.08 |