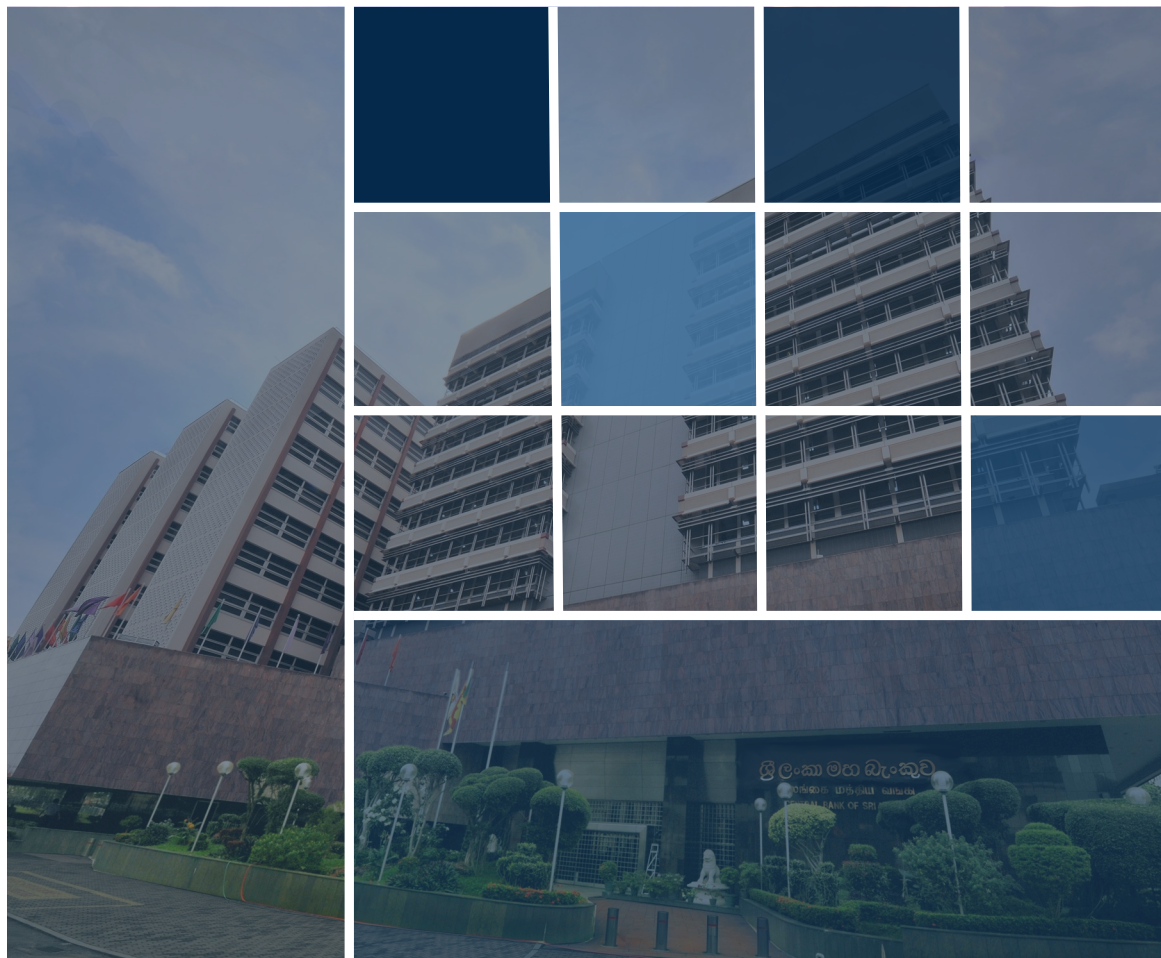


Weekly Economic Indicators

01st June 2018



Highlights of the Week

Real Sector

The year-on-year CCPI headline inflation increased to 4.0 per cent in May 2018 from 3.8 per cent in April 2018. The change in the CCPI measured on an annual average basis decreased from 5.9 per cent in April 2018 to 5.7 per cent in May 2018. When monthly change is considered, the CCPI increased from 121.5 index points in April 2018 to 122.9 index points in May 2018 mainly due to the increase in prices of the items in the Food category. The CCPI Core inflation decreased to 3.2 per cent in May 2018 from 3.5 per cent in April 2018 on year-on-year basis.

During the period, crude oil prices showed mixed performance. At the beginning of the week prices rose, but subsequently fell due to expectations that Saudi Arabia and Russia would raise oil production to counter potential supply shortfalls from Venezuela and Iran. However, prices rose subsequently on news that OPEC and non-OPEC allies aim to stick to the global pact on cutting oil supplies until the end of 2018 but are ready to make gradual adjustments to offset any supply shortage. Further, OPEC oil output fell to a 13 month low in May. Overall, Brent and WTI prices rose by US\$ 2.8 per barrel and US\$ 1.1 per barrel, respectively, within the period.

Monetary Sector

Weekly AWPR for the week ending 01 June 2018 increased by 23 bps to 11.42% compared to the previous week.

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

The total outstanding market liquidity increased to a deficit of Rs. 17.98 bn by end of the week, compared to a surplus of Rs. 1.44 bn by the end of last week.

By 1 June 2018, the All Share Price Index (ASPI) decreased by 1.03% to 6,401 points and the S&P SL 20 Index decreased by 1.09% to 3,581 points, compared to the previous week.

External Sector

During the year up to 1 June 2018 the Sri Lanka rupee depreciated against the US dollar (3.3 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the pound sterling (2.1 per cent), euro (1.3 per cent) and Japanese yen (6.5 per cent) while appreciated against the Indian rupee (1.7 per cent) during this period.

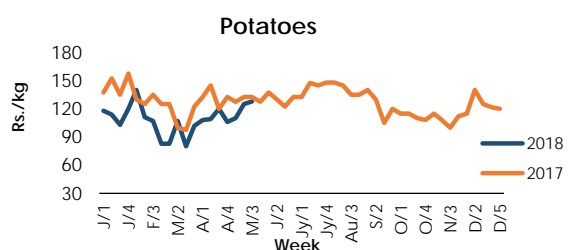
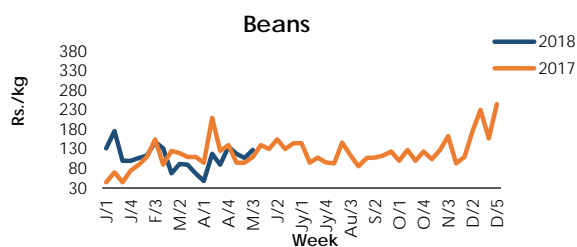
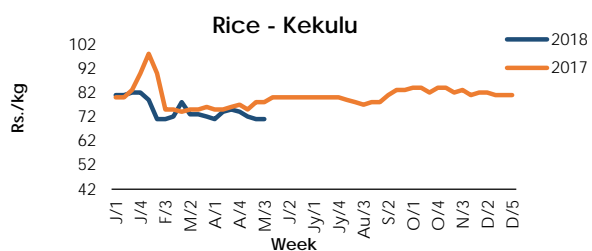
Earnings from exports grew by 7.7 per cent (year-on-year) to US dollars 2,989 million during first three months of 2018 mainly due to increased export earnings from textiles and garments, food, beverages and tobacco, petroleum products and rubber products. Import expenditure increased by 13.1 per cent (year-on-year) to US dollars 5,971 million during first three months of 2018 largely due to higher imports of gold, fuel, vehicles, fertiliser, wheat and maize and textiles and textile articles. The trade deficit during this period expanded to US dollars 2,982 million from US dollars 2,505 million in the corresponding period of 2017.

The export unit value index increased by 4.7 per cent (year-on-year) in March 2018 driven by price increases recorded in all major export categories. The import unit value index in March 2018 increased by 2.1 per cent (year-on-year) reflecting price increases in intermediate goods and consumer goods. Accordingly, the terms of trade improved by 2.6 per cent (year-on-year) to 91.7 index points in March 2018.

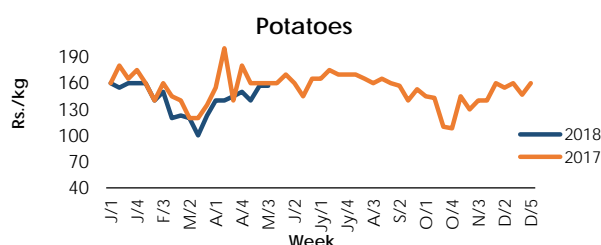
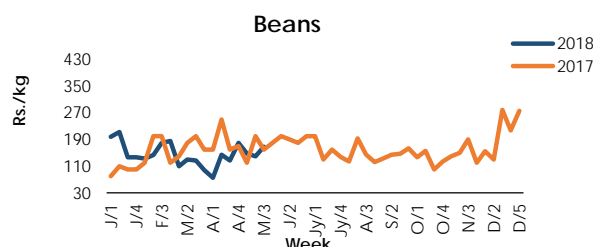
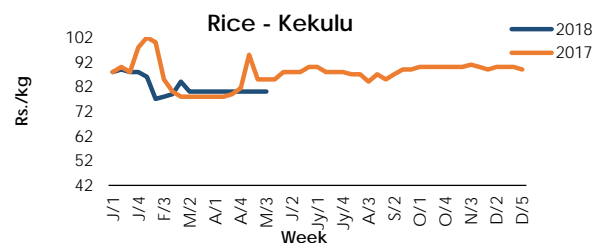
The average price of tea (in the Colombo auction) decreased to US dollars 3.94 per kg in March 2018 from US dollars 4.22 per kg in March 2017. The import prices of rice and wheat increased in March 2018 (year-on-year) while import price of sugar declined.

The gross official reserves were estimated at US dollars 9,935.8 million as at 27th April 2018.

Pettah Market-Wholesale Prices



Pettah Market-Retail Prices



1.2.2 Dambulla Market

Item (Rs / Kg)	Week Ending 31 st May 2018	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	113.00	118.00
Kekulu (Red)	73.50	78.50
Vegetables		
Beans	271.67	291.67
Carrot	198.33	218.33
Tomatoes	82.50	102.50
Pumpkins	15.33	35.33
Snake Gourd	101.67	121.67
Ash-Plantains	51.67	71.67
Other Foods		
Red-Onions (Local)	133.33	144.17
Big-Onions (Local)	n.a	n.a
Potatoes (N'Eliya)	124.17	134.17
Dried Chillies(Imported)	247.50	257.50
Coconut (Each)	67.67	73.00

1.2.4 Marandagahamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 01 st Jun 2018	Week Ago	Month Ago	Year Ago
Samba	101.00	100.60	98.98	92.96
Sudu Kekulu	78.50	78.50	78.21	83.16
Raw Red	74.63	74.50	75.40	80.21
Nadu	82.25	81.50	80.88	87.93

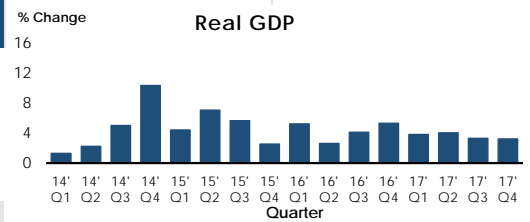
1.2.3 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	31 st May 2018	Week Ago
Rice		
Samba	109.00	107.00
Kekulu (Red)	81.00	78.00
Vegetables		
Beans	398.00	237.00
Cabbage	148.00	117.00
Carrots	278.00	237.00
Tomatoes	199.00	177.00
Pumpkins	59.00	77.00
Snake Gourd	159.00	117.00
Brinjals	138.00	117.00
Ash-Plantains	139.00	117.00
Other Foods		
Red-Onions (Imported)	197.00	198.00
Big-Onions (Imported)	78.00	78.00
Potatoes (Imported)	88.00	77.00
Dried Chillies (Imported)	278.00	277.00
Dhal (Indian)	119.00	123.00
Eggs (Red)(Each)	12.00	11.50
Coconut (Each)	73.00	73.00
Fish		
Kelawalla	797.00	853.00
Balaya	478.00	457.00
Salaya	277.00	198.00
Paraw (Small)	897.00	997.00

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

Item	2016 Annual (a)(b)	2017 Annual (a)	2016 4 th Qtr (a)(b)	2017 4 th Qtr (a)
Agriculture	-3.8	-0.8	-6.2	7.1
Industry	5.8	3.9	5.6	2.7
Services	4.7	3.2	6.2	3.2
Taxes less subsidies on products	6.3	3.2	8.0	2.3
GDP	4.5	3.1	5.4	3.2

(a) Provisional (b) Revised

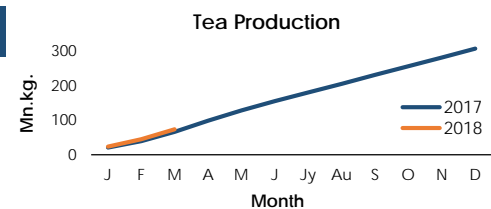


Source: Department of Census and Statistics

1.4 Agriculture Production

Item	Unit	2018 Jan-Mar(a)	2017 Jan-Mar	% Change
Tea	(Mn Kg)	73.83	66.58	10.88
Rubber	(Mn Kg)	20.12	23.35	-13.81
Coconut	(Mn Kg)	581.45	683.16	-14.89

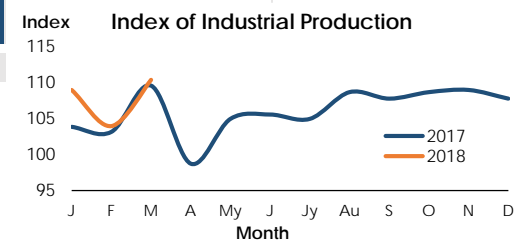
(a) Provisional



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

Item	2017 Mar (b)	2018 Mar (c)	% Change
Index of Industrial Production (IIP)	110.1	110.3	0.1
Food products	109.3	112.9	3.2
Wearing apparel	112.6	121.2	7.6
Other non-metallic mineral products	124.3	124.7	0.3
Coke and refined petroleum products	93.8	36.2	-61.4
Rubber and plastic products	112.0	117.3	4.7
Chemicals and chemical products	107.2	115.9	8.1
Beverages	99.1	115.6	16.6

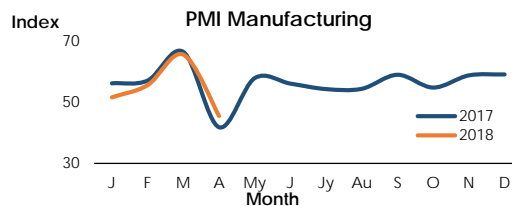
(a) Major 7 sub divisions (b) Revised (c) Provisional



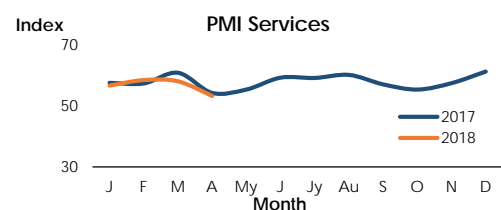
Source: Department of Census and Statistics

1.6 Purchasing Managers' Index (PMI)

Month/Year	PMI Manufacturing			
	Apr. 2018	Mar. 2018	Apr. 2017	Mar. 2017
Index	45.5	65.6	41.8	66.5



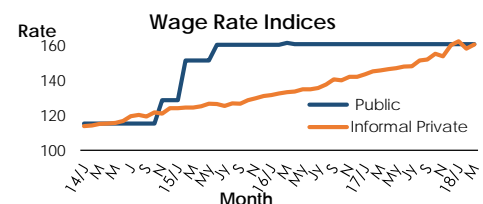
Month/Year	PMI Services			
	Apr. 2018	Mar. 2018	Apr. 2017	Mar. 2017
Index	53.2	58.0	54.2	60.8



1.7 Wages and Employment

1.7.1 Wage Rate Indices

Item	2018 March	2017 March	% Change
Public Sector Employees (2012 = 100)	160.8	160.8	0.0
Informal Private Sector Employees (2012 = 100)	160.7	145.7	10.3
Agriculture	160.1	144.7	10.7
Industry	168.5	151.3	11.4
Services	152.1	140.9	7.9



1.7.2 Employment (a)

Item	2016 4 th Qtr	2017 (b) 4 th Qtr	2017 (b)
Labour Force Participation rate	54.0	54.1	54.1
Unemployment rate	4.2	4.0	4.2

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

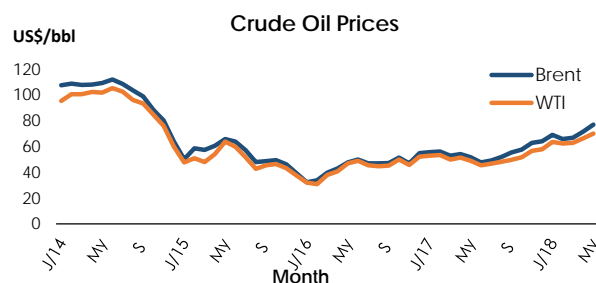
Agriculture	27.6	27.0	26.1
Industry	25.7	28.3	28.4
Services	46.7	44.7	45.5

(a) The working age population aged 15 and above

Source: Department of Census and Statistics

(b) Provisional

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



1.8 Average Crude Oil Prices (a)

Month	2017			2018		
	Futures Prices (US\$/bbl)		CPC Import Prices (CIF) (US\$/bbl)(*)	Futures Prices (US\$/bbl)		CPC Import Prices (CIF) (US\$/bbl)(*)
	Brent (Benchmark price)	WTI (Benchmark price)		Brent (Benchmark price)	WTI (Benchmark price)	
January	55.67	52.83	57.39	69.02	63.55	72.04
February	55.99	53.41	58.65	65.80	62.26	-
March	52.76	49.92	-	66.69	62.80	67.97
April	53.98	51.27	56.48	71.55	66.21	74.31
May	51.59	48.77	51.66	76.88	69.92	-
June	47.71	45.34	48.47	-	-	-
July	49.02	46.56	49.75	-	-	-
August	51.87	48.18	53.07	-	-	-
September	55.31	49.65	57.06	-	-	-
October	57.52	51.56	59.53	-	-	-
November	62.79	56.68	65.62	-	-	-
December	63.92	57.82	66.82	-	-	-
	2017			2018		
26 May	51.52	48.89	-	-	-	-
27 May	-	-	-	-	-	-
28 May	-	-	-	74.76	65.85	-
29 May	52.09	49.72	-	75.39	66.73	-
30 May	52.20	49.92	-	74.96	66.46	-
31 May	51.72	49.46	-	77.10	68.05	-
01 Jun	51.21	48.80	-	77.52	66.94	-

Sources: Bloomberg
Ceylon Petroleum Corporation

(a) Please note that crude oil prices are based on futures prices instead of spot prices, that have been published up to end 2017.

(*) CPC import prices are not directly comparable with futures prices of WTI and Brent as CPC's 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.

Monetary Sector

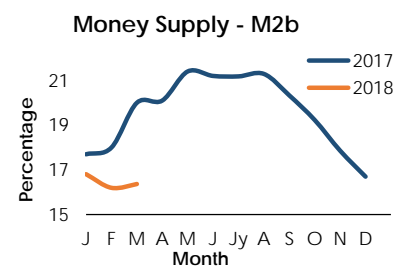
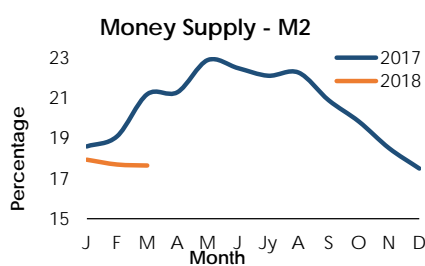
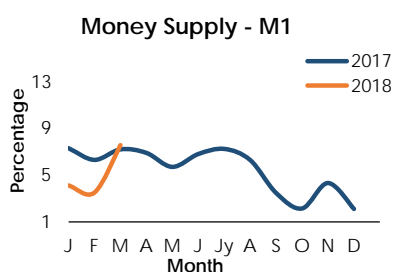
2.1 Interest Rates

Item	Week Ending 01 Jun 2018	Week Ago	Year Ago		
Policy Interest Rates					
Standing Deposit Facility Rate	7.25	7.25	7.25		
Standing Lending Facility Rate	8.50	8.50	8.75		
Average Weighted Call Money Rate (AWCMR) (Weekly Average)	7.92	7.93	8.73		
Sri Lanka Inter Bank Offered Rate (SLIBOR)					
1-day	7.95	7.95	8.75		
7-day	8.26	8.28	9.52		
1-Month	8.78	8.80	10.69		
3-Month	10.01	10.01	11.19		
6-Month	10.60	10.60	12.00		
12-Month	11.34	11.36	12.48		
Treasury Bill Yields					
91-day	8.34	8.37	9.61		
182-day	8.93	8.94	10.35		
364-day	9.62	9.73	10.71		
Licensed Commercial Banks					
Average Weighted Prime Lending Rate (AWPR)	11.42	11.19	11.34		
	Apr-2018	Month Ago	Year Ago		
Savings Deposits	0.50-09.50	0.50-09.50	0.50-9.00		
One Year Fixed Deposits	4.53-15.00	4.53-15.00	4.89-15.00		
	May-2018	Month Ago	Year Ago		
Average Weighted Deposit Rate (AWDR)	8.91	8.98	8.99		
Average Weighted Fixed Deposit Rate (AWFDR)	11.23	11.38	11.52		
	Apr-2018	Month Ago	Year Ago		
Average Weighted Lending Rate (AWLR)	14.13	14.04	13.52		
National Savings Bank (NSB)					
	Apr-2018	Month Ago	Year Ago		
Savings Deposits	4.00	4.00	4.25		
One Year Fixed Deposits	10.50	10.50	11.00		
Treasury Bond Auction		04 Y & 09 Months	09 Y & 09 Months		
		28/05/2018	28/05/2018		
Coupon rate	10.00		10.75		
Weighted Average Yield	10.51		10.72		
Bankwise- AWPR	Week ending 01 Jun 2018	Week Ago	Bankwise- AWPR	Week ending 01 Jun 2018	Week Ago
Bank of Ceylon	12.17	12.14	HSBC	9.39	9.23
People's Bank	11.68	11.56	Standard Chartered Bank	11.16	11.31
Hatton National Bank	11.38	11.51	Citi Bank	10.91	10.91
Commercial Bank of Ceylon	11.21	11.43	Deutsche Bank	9.42	9.30
Sampath Bank	12.18	11.75	Habib Bank	11.77	11.77
Seylan Bank	12.90	12.13	Indian Bank	12.77	12.77
Union Bank of Colombo	14.00	14.22	Indian Overseas Bank	13.27	13.27
Pan Asia Banking Corporation	15.50	15.00	MCB Bank	11.76	12.02
Nations Trust Bank	11.62	12.00	State Bank of India	10.76	10.76
DFCC Bank	12.89	13.59	Public Bank	13.25	13.00
NDB Bank	12.12	12.94	ICICI Bank	10.31	11.06
Amana Bank	12.56	12.57	Axis Bank	12.13	11.25
Cargills Bank	13.34	14.31			

2.2 Money Supply

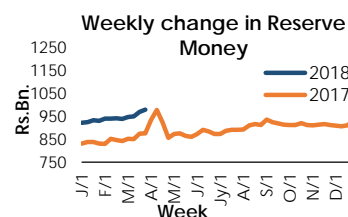
Item	Rs. bn			Annual Change (%)		
	2018 Mar(a)	Month Ago	Year Ago	2018 Mar(a)	Month Ago	Year Ago
Reserve Money	997.25	938.13	892.16	11.78	10.68	12.70
M1	841.18	770.85	782.02	7.56	3.53	7.18
M2	5,995.49	5,826.70	5,096.20	17.65	17.68	21.15
M2b	6,606.65	6,450.50	5,677.40	16.37	16.18	19.99
Net Foreign Assets of the Banking System (b)	106.18	115.96	-371.47	128.59	131.35	15.56
Monetary Authorities	858.70	869.19	536.73	59.99	78.64	13.25
Commercial Banks	-752.52	-753.23	-908.20	17.14	12.05	0.62
Domestic Banking Units (DBUs)	-337.23	-326.36	-320.37	-5.26	-1.94	1.25
Offshore Banking Units (OBUs)	-415.28	-426.87	-587.83	29.35	20.40	0.27
Net Domestic Assets of the Banking System (b)	6,500.46	6,334.54	6,048.87	7.47	6.97	16.96
Net Credit to the Government	2,278.46	2,245.72	2,214.55	2.89	2.45	13.33
Monetary Authorities	261.92	225.58	466.77	-43.89	-50.52	14.81
Commercial Banks	2,016.54	2,020.14	1,747.78	15.38	16.36	12.94
DBUs	1,650.65	1,653.63	1,352.98	22.00	19.78	18.55
OBUs	365.90	366.51	394.80	-7.32	3.06	-2.82
Credit to Public Corporations	535.14	523.91	553.42	-3.30	-2.03	7.49
DBUs	337.54	334.23	304.44	10.87	10.80	19.95
OBUs	197.60	189.68	248.98	-20.63	-18.64	-4.63
Credit to the Private Sector	5,043.95	4,921.62	4,375.20	15.29	14.64	20.38
DBUs	4,686.93	4,567.50	4,065.75	15.28	15.17	20.69
OBUs	357.02	354.12	309.44	15.38	8.18	16.40
Other Items (Net)	-1,357.09	-1,356.71	-1,094.29	-24.01	-23.53	-17.42

(a) Provisional (b) In relation to M2b



2.3 Weekly change in Reserve Money

Item	31 May 2018	Week Ago	Change
Reserve Money (Rs.Mn.)	973,369.65	972,728.43	641.22



2.4 Money Market Activity(Overnight)

Item	28.05.2018	30.05.2018	31.05.2018	01.06.2018
Call Money Market				
Weighted Average Rate (% p.a.)	7.93	7.91	7.93	7.92
Gross Volume (Rs. Mn)	11,620	12,650	17,685	21,395
Repo Market				
Weighted Average Rate (% p.a.)	7.88	7.86	7.92	7.97
Gross Volume (Rs. Mn)	14,538	15,200	11,290	10,850

2.5 CBSL Securites Portfolio

Item	28.05.2018	30.05.2018	31.05.2018	01.06.2018
CBSL Treasury Bill Holdings -Face Value (Rs. Mn)	50,521.53	50,521.53	35,191.00	35,191.00
CBSL Treasury Bill Holdings -Book Value (Rs. Mn)	49,163.55	49,210.33	34,224.10	34,234.28

2.6 Open Market Operations

Item	28.05.2018	30.05.2018	31.05.2018	01.06.2018
Short-Term Auction				
Repo Amount Offered (Rs. bn)	5.00	11.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	12.00	12.00
Tenure (No. of Days)	1	1	1	1
Bids Received (Rs. bn)	5.10	11.69	33.83	30.25
Amount Accepted (Rs. bn)	5.00	11.00	12.00	12.00
Minimum Accepted Rate (% p.a)	7.35	7.39	8.00	8.30
Maximum Accepted Rate (% p.a)	7.40	7.40	8.45	8.45
Weighted Average Yield Rate (% p.a.)	7.40	7.40	8.08	8.32
Outright Auctions				
Outright Sales Amount Offered (Rs. bn)				
Outright Purchase Amount Offered (Rs. bn)				
Settlement Date				
Maturity Date				
Tenure (No. of Days)				
Bids Received (Rs. bn)				
Amount Accepted (Rs. bn)				
Minimum Accepted Rate (% p.a)				
Maximum Accepted Rate (% p.a)				
Weighted Average Yield Rate (% p.a.)				
Long Term Auction				
Repo Amount Accepted (Rs. bn)				
Reverse Repo Amount Accepted (Rs. bn)				
Settlement Date				
Maturity Date				
Tenure (No. of Days)				
Bids Received (Rs. bn)				
Amount Accepted (Rs. bn)				
Minimum Accepted Rate (% p.a)				
Maximum Accepted Rate (% p.a)				
Weighted Average Yield Rate (% p.a.)				
Standing Facility				
Standing Deposit Facility (Rs. bn)	6.377	6.442	17.961	14.196
Standing Lending Facility (Rs. bn)	5.336	6.243	20.696	20.176
Total Outstanding Market Liquidity (Rs. bn)	6.041	11.199	-14.735	-17.980

2.7 Credit Cards (a)

Item	2018 End Mar (b)	2018 End Feb	2017 End Dec (c)
Total Number of Active Cards	1,502,710	1,488,341	1,459,883
Local (accepted only locally)	23,826	23,985	24,258
Global (accepted globally)	1,478,884	1,464,356	1,435,625
Outstanding balance (Rs.mn)	89,375	88,927	88,487
Local (accepted only locally)	692	701	725
Global (accepted globally)	88,683	88,226	87,762

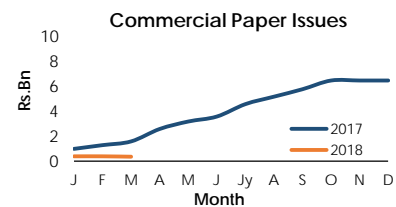
(a) Issued by Licensed Commercial Banks (LCBs) (b) Provisional

2.8 Commercial Paper Issues (a)

Item (Rs. bn.)	2018 End Mar (b)	2018 End Feb (b)	2017 End Dec
Total Issues - Cumulative (c)	0.4	0.4	6.5
Outstanding (as at end of the period)	1.1	1.1	1.7

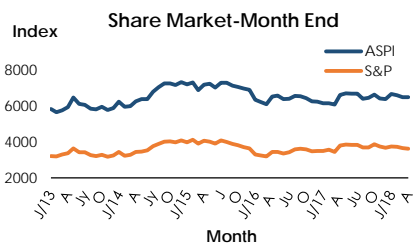
(a) Based on the information provided by LCBs and Licensed Specialised Banks (LSBs)

(b) Provisional (c) During the year



2.9 Share Market

Item	Week Ending 01 Jun 2018	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,401.0	6,467.8	6,693.7
S&P Sri Lanka 20 Index (2004 = 1,000) (S&P SL20)	3,581.2	3,620.7	3,833.3
Average Daily Turnover (Rs. mn)	1,303.8	711.4	769.7
Market Capitalisation (Rs.bn)	2,989.2	3,020.8	2,961.1
Foreign Purchases (Rs. mn)	591.6	935.0	347.9
Foreign Sales (Rs. mn)	357.0	366.5	287.9
Net Foreign Purchases (Rs. mn)	234.6	568.5	60.0

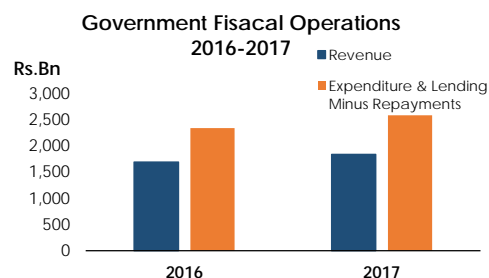


Fiscal Sector

3.1 Government Finance (Rs.bn)

Item	2016	2017 (a)
Revenue and Grants	1,693.6	1,839.6
Revenue	1,686.1	1,831.5
Tax	1,463.7	1,670.2
Non tax	222.4	161.4
Grants	7.5	8.0
Expenditure & Lending Minus Repayments	2,333.9	2,573.1
Recurrent	1,757.8	1,927.7
Capital & Lending Minus Repayments	576.1	645.4

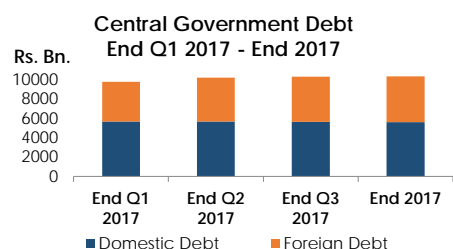
(a) Provisional



3.2 Outstanding Central Government Debt (Rs.bn)

Item	End 2016	2017 (a)
Total domestic debt	5,341.5	5,594.4
of which		
Treasury bills	779.6	697.2
Treasury bonds	3,714.8	3,822.6
Rupee loans	24.1	24.1
Total foreign debt	4,045.8	4,718.6
Total outstanding govt. debt	9,387.3	10,313.0

(a) Provisional



3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 30th May 2018

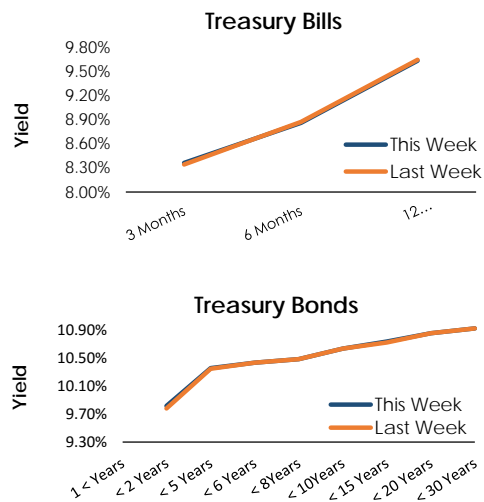
Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	8.34%	8.37%	8.44%	8.27%	8.36%	8.34%
	6 Months	8.93%	8.94%	8.93%	8.78%	8.86%	8.87%
	12 Months	9.62%	9.73%	9.69%	9.57%	9.63%	9.64%
Treasury Bonds(b)	< 2 Years	-	-	9.87%	9.76%	9.82%	9.78%
	< 5 Years	10.51%	-	10.42%	10.30%	10.36%	10.35%
	< 6 Years	-	-	10.50%	10.38%	10.44%	10.44%
	< 8 Years	-	-	10.54%	10.43%	10.49%	10.49%
	< 10 Years	10.72%	-	10.69%	10.59%	10.64%	10.64%
	< 15 Years	-	-	10.78%	10.70%	10.74%	10.73%
	< 20 Years	-	-	10.90%	10.81%	10.86%	10.86%
< 30 Years	-	-	11.05%	10.81%	10.93%	10.93%	

(a) Primary market transactions during the week ending 30/05/2018

(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 shown a mixed behavior and secondary market yield rates of T-Bonds have increased during the reporting week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	5.22%	5.33%
	27-Jul-21	6.250%	5.65%	5.83%
	18-Jan-22	5.750%	5.83%	6.03%
	25-Jul-22	5.875%	5.95%	6.16%
	14-Jan-19	6.000%	4.44%	4.67%
	11-Apr-19	5.125%	4.48%	4.67%
	3-Jun-25	6.125%	6.70%	6.93%
	3-Nov-25	6.850%	6.78%	6.97%
	18-Jul-26	6.825%	6.87%	7.08%
	11-May-27	6.200%	6.86%	7.15%



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 30th May 2018)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	878,599.53	877,818.53
Treasury Bonds (a)	4,177,060.87	4,177,060.87
Total	5,055,660.39	5,054,879.39
T-bills and T-bonds held by Foreigners	307,289.19	308,076.24
Sri Lanka Development Bonds (SLDB)	597,422.73	597,028.35

The outstanding stock of T-bills and T-bonds held by foreigners has decreased by 0.26 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	12,000.00	26,000.00
Total Bids Received	66,297.00	63,225.00
Total Bids Accepted	12,000.00	26,000.00
Treasury Bonds		
Amount Offered	90,000.00	-
Total Bids Received	218,382.00	-
Total Bids Accepted	90,000.00	-

The weekly T-bill auction was over subscribed by 5.5 times and T-bond auction was over subscribed by 2.4 during the reporting week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	24,890.81	23,591.62
Repo Transaction (Sales / Purchases)	173,202.03	193,927.41
Treasury Bonds		
Outright Transaction (Sales / Purchases)	69,765.55	71,945.80
Repo Transaction (Sales / Purchases)	456,725.14	616,015.86

The total secondary market transactions of T bills and T bonds decreased by 19.98 per cent 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) - 01/06/2018

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.85	7.95	99.85	7.76	0.00
1 Month	99.33	8.14	99.35	7.96	0.02
2 Month	98.64	8.30	98.67	8.10	0.03
3 Month	97.92	8.44	97.96	8.28	0.04
4 Month	97.19	8.54	97.24	8.41	0.04
5 Month	96.41	8.73	96.48	8.57	0.06
6 Month	95.60	8.91	95.67	8.79	0.06
7 Month	94.78	9.08	94.86	8.93	0.08
8 Month	93.94	9.22	94.04	9.07	0.10
9 Month	93.12	9.31	93.22	9.17	0.10
10 Month	92.27	9.40	92.37	9.29	0.09
11 Month	91.42	9.49	91.51	9.39	0.09
12 Month	90.53	9.60	90.64	9.49	0.11

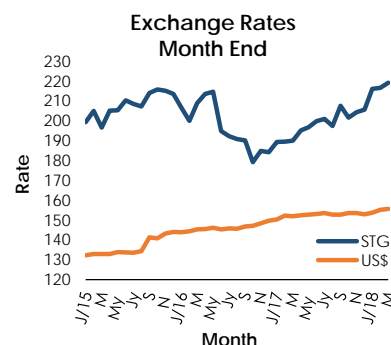
3.6 Two way Quotes (Treasury Bonds) - 01/06/2018

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%2018B	15	15-Jul-18	44	99.96	8.58	99.98	8.41	0.02
07.50%2018A	15	15-Aug-18	75	99.72	8.68	99.76	8.51	0.03
08.75%2018A	4	15-Oct-18	136	99.96	8.77	99.99	8.67	0.04
08.00%2018A	6	15-Nov-18	167	99.59	8.92	99.63	8.81	0.05
05.65%2019A	8	15-Jan-19	228	97.77	9.41	97.88	9.21	0.12
10.75%2019A	2	15-Jan-19	228	100.74	9.45	100.90	9.19	0.16
08.50%2019A	10	1-May-19	334	99.13	9.50	99.27	9.33	0.15
10.60%2019A	5	1-Jul-19	395	100.86	9.73	100.96	9.63	0.11
10.60%2019B	5	15-Sep-19	471	101.05	9.69	101.16	9.59	0.12
08.00%2019A	8	1-Nov-19	518	97.72	9.76	97.83	9.67	0.11
09.25%2020A	5	1-May-20	700	98.91	9.88	99.11	9.76	0.20
08.00%2020A	8	1-Jun-20	731	96.79	9.81	96.98	9.70	0.18
06.20%2020A	10	1-Aug-20	792	93.00	9.86	93.19	9.75	0.20
09.50%2020A	5	15-Dec-20	928	99.02	9.94	99.28	9.82	0.27
10.75%2021A	5	1-Mar-21	1,004	101.74	10.00	102.00	9.89	0.26
09.00%2021A	8	1-May-21	1,065	97.52	10.00	97.78	9.89	0.26
11.00%2021A	7	1-Aug-21	1,157	102.76	9.95	103.05	9.85	0.29
09.45%2021A	7	15-Oct-21	1,232	98.38	10.02	98.70	9.91	0.32
11.50%2021A	5	15-Dec-21	1,293	104.20	10.06	104.53	9.95	0.33
08.00%2022A	10	1-Jan-22	1,310	93.96	10.04	94.22	9.95	0.26
11.20%2022A	9	1-Jul-22	1,491	103.16	10.23	103.65	10.08	0.49
10.00%2022A	8	1-Oct-22	1,583	99.11	10.25	99.61	10.11	0.50
10.00%2023A	6	15-Mar-23	1,748	98.53	10.39	98.89	10.29	0.36
11.50%2023A	6	15-May-23	1,809	104.20	10.39	104.49	10.32	0.29
09.00%2023A	10	1-Sep-23	1,918	94.70	10.33	95.06	10.23	0.36
11.20%2023A	9	1-Sep-23	1,918	103.06	10.42	103.63	10.28	0.57
07.00%2023A	20	1-Oct-23	1,948	86.76	10.28	87.06	10.20	0.31
11.40%2024A	10	1-Jan-24	2,040	103.98	10.44	104.46	10.32	0.48
11.00%2024A	8	1-Aug-24	2,253	102.34	10.47	102.78	10.37	0.44
06.00%2024A	10	1-Dec-24	2,375	79.62	10.39	80.15	10.26	0.53
10.25%2025A	10	15-Mar-25	2,479	98.67	10.52	99.26	10.40	0.59
09.00%2025A	12	1-May-25	2,526	92.81	10.48	93.28	10.38	0.46
11.00%2025A	10	1-Aug-25	2,618	102.12	10.56	102.75	10.44	0.63
10.35%2025A	8	15-Oct-25	2,693	99.67	10.41	100.11	10.32	0.44
09.00%2026A	13	1-Feb-26	2,802	92.55	10.43	92.85	10.37	0.30
05.35%2026A	15	1-Mar-26	2,830	73.43	10.43	73.67	10.37	0.25
11.00%2026A	11	1-Jun-26	2,922	102.66	10.50	103.22	10.40	0.56
11.50%2026A	10	1-Aug-26	2,983	104.93	10.58	105.56	10.46	0.63
11.75%2027A	10	15-Jun-27	3,301	106.33	10.64	106.90	10.55	0.56
11.25%2027A	10	15-Dec-27	3,484	104.36	10.51	105.08	10.40	0.72
10.75%2028A	10	15-Mar-28	3,575	100.91	10.59	101.59	10.48	0.68
09.00%2028B	15	1-May-28	3,622	90.30	10.60	90.72	10.53	0.42
09.00%2028A	15	1-Jul-28	3,683	90.36	10.58	90.88	10.49	0.52
11.50%2028A	13	1-Sep-28	3,745	104.59	10.74	105.29	10.63	0.71
13.00%2029A	15	1-Jan-29	3,867	114.27	10.71	114.80	10.63	0.53
13.00%2029B	15	1-May-29	3,987	114.51	10.71	115.26	10.60	0.75
11.00%2030A	15	15-May-30	4,366	101.37	10.79	102.37	10.64	0.99
08.00%2032A	20	1-Jan-32	4,962	81.00	10.68	81.27	10.64	0.28
09.00%2032A	20	1-Oct-32	5,236	87.72	10.69	87.98	10.65	0.26
11.20%2033A	15	15-Jan-33	5,342	102.55	10.84	103.60	10.70	1.04
09.00%2033A	20	1-Jun-33	5,479	87.27	10.73	87.67	10.67	0.40
13.25%2033A	20	1-Jul-33	5,509	118.40	10.76	118.90	10.70	0.51
09.00%2033B	20	1-Nov-33	5,632	86.68	10.79	87.08	10.73	0.40
13.25%2034A	20	1-Jan-34	5,693	118.04	10.83	118.55	10.77	0.51
11.50%2035A	20	15-Mar-35	6,131	104.34	10.93	105.14	10.83	0.79
12.00%2041A	25	1-Jan-41	8,250	108.93	10.93	109.38	10.88	0.45
09.00%2043A	30	1-Jun-43	9,131	83.18	10.99	84.02	10.87	0.84
13.50%2044A	30	1-Jan-44	9,345	120.98	11.03	121.84	10.94	0.86
13.50%2044B	30	1-Jun-44	9,497	120.32	11.10	126.96	10.47	6.64
12.50%2045A	30	1-Mar-45	9,770	111.40	11.15	112.82	11.00	1.42

External Sector

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 01 June 2018			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	156.58	159.62	158.10	157.79	152.70
STG	206.83	213.05	209.94	211.04	196.77
Yen	1.43	1.48	1.45	1.44	1.38
Euro	181.83	187.81	184.82	184.78	171.74
INR(1)			2.35	2.32	2.36
SDR (As at 31 May 2018)			223.96	224.16	211.11
Central Bank purchases and sales(b) (US\$ Mn.)		Apr 2018	Month Ago	Year Ago	
Purchases		77.00	98.50	257.92	
Sales		1.00	-	-	



Item	Week Ending	Week Ago	Year Ago
	01 Jun 2018		

Average Daily Interbank Volume (US\$ Mn.) 38.10 53.88 16.96

(spot, tom and cash transactions among commercial banks)

Forward Transactions

Forward Rates (US\$) (2)

1 Month	158.91	158.74	153.88
3 Months	160.43	160.38	-

Average Daily Interbank Forward Volume (US\$ mn) 41.52 35.98 27.43

Outstanding Forward Volume (US\$ mn) (As at 31 May 2018) 2,242.66 2,100.69 1,335.45

(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		2017	2018	2017	2018	% Change
		Apr	Apr (a)(b)	Jan - Apr	Jan - Apr (a)(b)	
Tourist Arrivals	Number	160,249	180,429	765,202	888,353	16.1
Earnings from Tourism(d)	US\$ Mn.	297.2 (c)	334.6	1,419.1 (c)	1,647.5	16.1
	Rs.bn.	45.1 (c)	52.2	214.2 (c)	255.5	19.3
Workers' Remittances (Inflows)	US\$ Mn.	487.9	541.2	2,399.4	2,519.7	5.0
	Rs. bn.	74.1	84.5	362.2	390.7	7.9

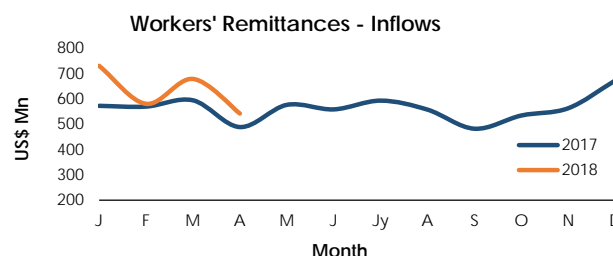
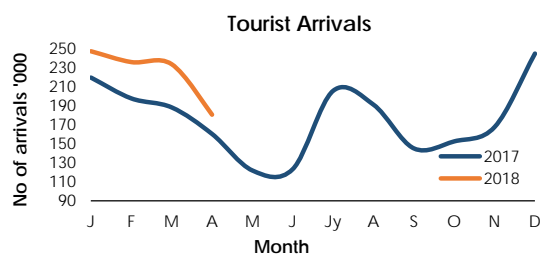
(a) Provisional

(b) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2018

(c) Revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2017

(d) Revised

(e) February 2018 data has been revised based on revised data provided by a LCB



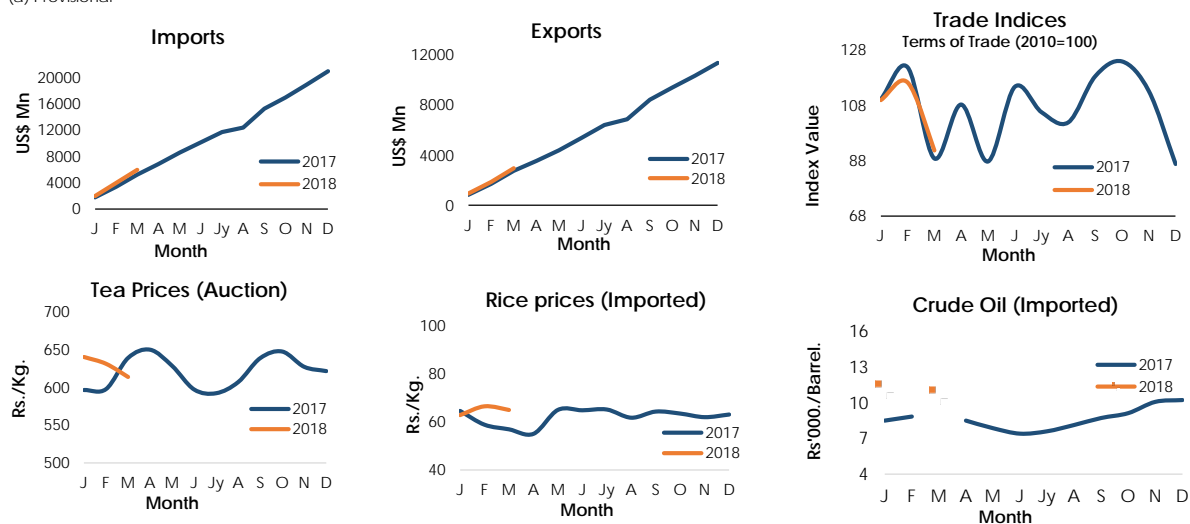
4.3 International Reserves & foreign Currency Liquidity as at 27th April 2018 (a)

Official Reserve Assets (USD mn)					
Official Reserve Assets					9,935.77
(1) Foreign currency reserves					9,018.45
(a) Securities					4,661.86
(b) Total currency and deposits with					4,356.59
(i) other national central banks, BIS					3,542.22
(ii) banks headquartered inside the reporting country of which located abroad					1.25
(iii) banks headquartered outside the reporting country					813.12
(2) Reserve position in the IMF					68.81
(3) SDRs					5.32
(4) Gold					841.49
(5) Other reserve assets					1.70
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	-5,433.81	-414.36	-1,459.98	-3,559.48	
Interest	-1,553.58	-135.11	-262.55	-1,155.92	
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)	-975.24	-30.00	-235.00	-710.24	
(ii) Long positions (+)					
3. Other (specify)					
inflows related to reverse repos (+)					
other accounts payable (-)	-0.13	-0.13			
(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					

4.4 External Trade

Item	US\$ Mn			Rs Mn		
	Jan-Mar 2018(a)	Jan-Mar 2017	% Change	Jan-Mar 2018(a)	Jan-Mar 2017	% Change
Exports	2,988.68	2,774.34	7.73	462,766.23	418,429.68	10.60
Agricultural	653.09	655.89	-0.43	101,131.61	98,937.02	2.22
Industrial	2,321.95	2,106.59	10.22	359,521.98	317,702.99	13.16
Food, Beverages and Tobacco	121.53	76.51	58.84	18,806.62	11,541.99	62.94
Textiles and Garments	1,328.67	1,275.76	4.15	205,720.21	192,375.28	6.94
Petroleum Products	135.51	90.60	49.58	20,962.17	13,663.07	53.42
Leather, Rubber products etc.	266.83	240.41	10.99	41,318.43	36,265.96	13.93
Other	469.41	423.31	10.89	72,714.56	63,856.68	13.87
Mineral	8.42	7.25	16.11	1,304.08	1,094.27	19.17
Other	5.23	4.61	13.41	808.56	695.40	16.27
Imports	5,971.01	5,279.43	13.10	924,252.58	796,069.39	16.10
Consumer Goods	1,360.44	1,170.53	16.22	210,624.61	176,562.12	19.29
Intermediate Goods	3,351.39	2,806.49	19.42	518,768.98	423,159.22	22.59
Investment Goods	1,195.97	1,242.12	-3.72	185,072.91	187,294.88	-1.19
Other	63.21	60.29	4.84	9,786.09	9,053.16	8.10
Trade Balance	-2,982.32	-2,505.08	-	-461,486.35	-377,639.71	-

(a) Provisional



4.5 Trade Indices (2010=100) (a)

Item	2018(b) March	Month Ago (b)	Year Ago
Total Exports			
Value	154.2	127.4	145.0
Quantity	178.0	114.9	175.4
Unit Value	86.6	110.9	82.7
Total Imports			
Value	177.1	177.0	167.3
Quantity	187.4	185.6	180.7
Unit Value	94.5	95.4	92.6
Terms of Trade	91.7	116.3	89.3

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

4.6 Commodity Prices

Item	2018 Mar (a)	2017 Mar	% Change	2018 Mar (a)	2017 Mar	% Change
	US\$ / Kg			Rs / Kg		
Colombo Tea Auction	3.94	4.22	-6.60	614.18	639.17	-3.9
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	417.07	375.82	11.0	64,949.34	56,909.74	14.1
Sugar	421.74	580.89	-27.4	65,676.42	87,962.05	-25.3
Wheat	265.83	233.92	13.6	41,397.51	35,421.20	16.9
Crude Oil	US\$ / Barrel			Rs / Barrel		
	67.97	-	-	10,585.05	-	-

(a) Provisional