

Weekly Economic Indicators

17 March 2017



Statistics Department
Central Bank of Sri Lanka

Real Sector

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, increased to 6.5 per cent in January 2017 from 4.2 per cent in December 2016, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in January 2017. The change in the NCPI measured on an annual average basis increased to 4.6 per cent in January 2017 from 4.0 per cent in December 2016. When the monthly change is considered, the NCPI increased from 118.0 index points to 119.3 index points from December 2016 to January 2017. This monthly increase was mainly due to the increase in prices of the items in the Food category. NCPI Core inflation, which reflects the underlying inflation in the economy increased to 7.1 per cent in January 2017 from 6.7 per cent in December 2016. Annual average NCPI Core inflation increased to 6.2 per cent in January 2017 from 5.9 per cent in December 2016.

Inflation, as measured by the change in the Colombo Consumer's Price Index (CCPI) (2013=100), which is compiled by the Department of Census and Statistics, increased to 6.8 per cent from 5.5 per cent in January 2017, on year-on-year basis. Annual average inflation increased to 4.6 per cent in February 2017 from 4.3 per cent in January 2017. The monthly increase in CCPI was 0.5 per cent. CCPI Core inflation, which reflects the underlying inflation in the economy increased to 7.1 per cent in February 2017 from 7.0 per cent in January 2017. Annual average CCPI Core inflation increased to 5.0 per cent in February 2017 from 4.7 per cent in January 2017.

The GDP grew by 4.4 per cent in real terms in 2016, mainly attributable to 4.2 per cent growth in Services activities and 6.7 per cent growth in Industry activities while Agriculture activities contracted by 4.2 per cent, in value added terms.

During the months of January 2017 production of tea declined due to dry weather conditions and while production of rubber declined due to the slowdown of tapping activities. Meanwhile, the coconut production also marginally declined during the similar period.

The FIPI increased by 8.5 per cent on a year-on-year basis in January 2017. This increase was mainly due to increased production of beverages, wearing apparel, chemicals and chemical products, rubber and plastic products and other non-metallic mineral products sub-sectors. This was mainly attributed to increased domestic and international demand.

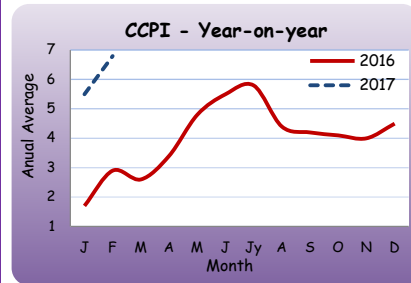
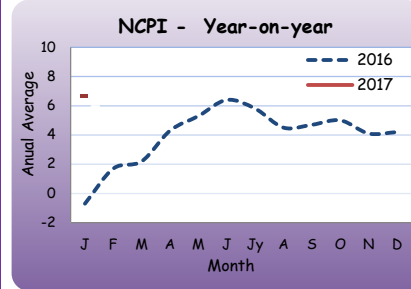
During the week, crude oil prices largely followed a declining trend. At the beginning of the week, prices fell to their lowest levels since end November 2016 as U.S. drillers kept adding oil drilling rigs for an eighth consecutive week, despite OPEC efforts to curb crude output. Subsequently, prices rose due to first weekly decline of U.S. crude inventories by 237,000 barrels last week after ninth straight weekly increases as reported by Energy Information Administration. Further, the International Energy Agency suggested that the OPEC cuts could create a crude deficit in the first half of 2017. Towards the end of the week, crude oil prices fell as U.S. crude inventories which remains at near record high levels, raised concerns whether OPEC-led output cuts were enough to drain the global glut. Market intelligence firm Genscape showed a build of more than 2 million barrels at the Cushing, Oklahoma delivery point for U.S. crude futures.

Highlights

REAL SECTOR

1.1 Price Indices

Item	January 2017	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	119.3	118.0	112.0
Monthly Change %	1.1	1.2	-1.1
Annual Average Change %	4.6	4.0	2.9
Year - on - Year Change %	6.5	4.2	-0.7
Core Inflation - (NCPI)	121.4	120.5	113.4
Annual Average Change %	6.2	5.9	4.3
Year - on - Year Change %	7.1	6.7	3.0
Item	February 2017	Month Ago	Year Ago
(2013 = 100)			
Colombo Consumers' Price Index (CCPI)	116.7	116.1	109.3
Annual Average Change %	4.6	4.3	2.1
Year - on - Year Change %	6.8	5.5	2.9
Core Inflation - (CCPI)	121.6	121.3	113.5
Annual Average Change %	5.0	4.7	5.0
Year - on - Year Change %	7.1	7.0	4.4

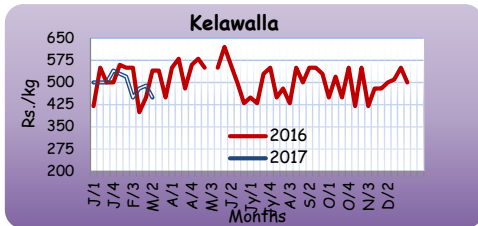
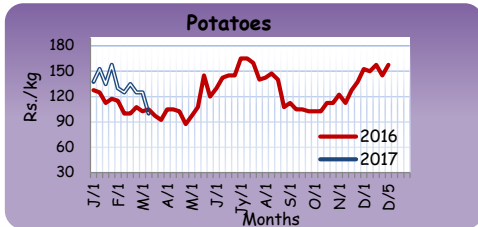
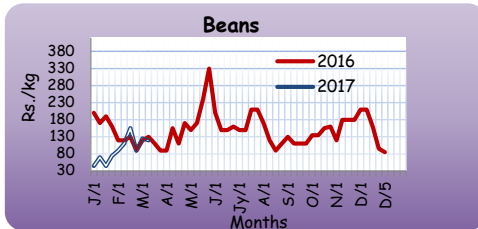
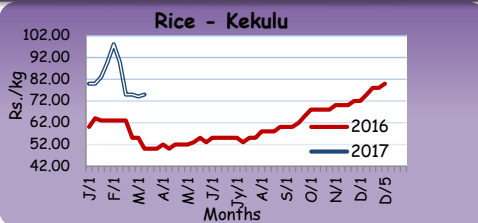


1.2 Pettah Market

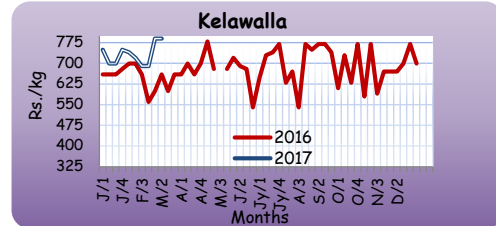
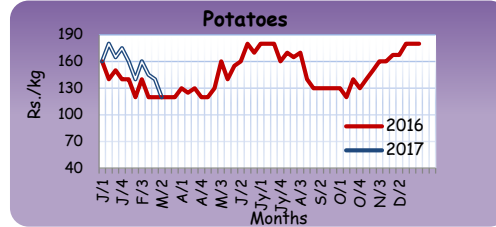
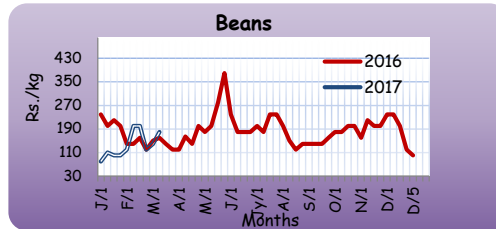
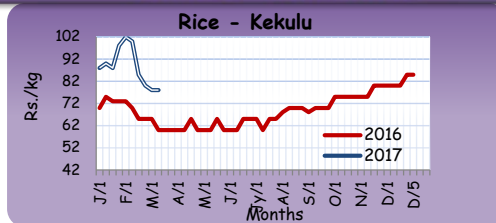
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 16 th Mar 2017	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 16 th Mar 2017	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	85.00	85.00	91.60	80.97	90.00	90.00	95.75	90.39
Kekulu (Red)	75.00	75.00	85.60	60.29	78.00	78.00	91.75	68.73
Vegetables								
Beans	120.00	110.00	111.25	147.16	180.00	200.00	160.00	179.12
Cabbage	30.00	25.00	20.00	76.62	50.00	60.00	53.75	115.10
Carrots	35.00	55.00	48.75	121.42	60.00	80.00	83.75	158.24
Tomatoes	85.00	65.00	42.50	75.00	100.00	80.00	77.50	107.06
Pumpkins	55.00	50.00	46.25	60.29	80.00	80.00	73.75	83.33
Snake Gourd	70.00	100.00	76.25	76.18	140.00	120.00	98.75	112.94
Brinjals	15.00	45.00	44.38	66.57	60.00	80.00	75.00	103.92
Ash-Plantains	60.00	80.00	63.75	67.65	100.00	100.00	86.25	95.69
Other Foods								
Red-Onions (Local)	90.00	136.00	116.25	92.66	150.00	155.00	155.00	131.74
Big-Onions (Local)	n.a.	n.a.	n.a.	74.50	n.a.	n.a.	n.a.	96.47
Potatoes (N' Eliya)	100.00	107.50	128.00	122.58	120.00	140.00	151.25	146.23
Dried Chillies (Imported)	180.00	195.00	217.50	293.68	240.00	240.00	267.50	350.78
Dhal (Indian)	138.00	140.00	142.50	160.16	155.00	157.00	155.75	171.41
The Eggs	12.80	12.75	12.69	14.30	13.00	13.00	13.25	14.79
Coconut (Each)	59.00	54.50	55.13	34.69	70.00	70.00	65.00	47.60
Fish*								
Kelawalla	450.00	440.00	495.00	508.20	790.00	690.00	710.00	682.00
Balaya	260.00	320.00	310.00	327.29	360.00	420.00	405.00	424.79
Salaya	80.00	90.00	90.00	141.43	140.00	160.00	145.00	197.14
Paraw (Small)	480.00	500.00	565.00	540.36	580.00	600.00	720.00	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 16 th Mar 2017	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	85.00	89.00
Kekulu (Red)	76.13	79.38
Vegetables		
Beans	111.88	132.50
Carrot	38.75	57.50
Tomatoes	48.75	70.00
Pumpkins	48.75	70.00
Snake Gourd	60.63	79.38
Ash-Plantains	47.50	66.88
Other Foods		
Red-Onions (Local)	100.00	118.13
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	90.83	105.00
Dried Chilies(Imported)	198.13	215.83
Coconut (Each)	48.75	58.38

1.4 Narahenpita Economic Centre

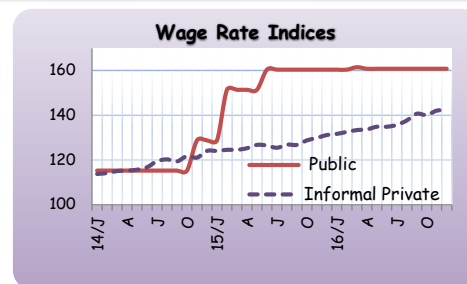
Item (Rs / Kg)	Average Retail Prices	
	17 th Mar 2017	Week Ago
Rice		
Samba	90.00	90.00
Kekulu (Red)	77.00	78.00
Vegetables		
Beans	176.67	236.67
Cabbage	116.67	116.67
Carrots	88.33	80.00
Tomatoes	116.67	98.33
Pumpkins	96.67	96.67
Snake Gourd	136.67	116.67
Brinjals	78.33	78.33
Ash-Plantains	116.67	136.67
Other Foods		
Red-Onions (Imported)	n.a.	136.67
Big-Onions (Imported)	80.00	78.33
Potatoes (Imported)	88.33	86.67
Dried Chilies (Imported)	216.67	216.67
Dhal (Indian)	147.00	157.00
Eggs (Red)(Each)	13.67	13.67
Coconut (Each)	48.33	53.33
Fish		
Kelawalla	783.33	786.67
Balaya	276.67	336.67
Salaya	136.67	116.67
Paraw (Small)	916.67	876.67

1.5 Maradaghamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 17 th Mar	Week Ago	Month Ago	Year Ago
Samba	84.50	86.10	88.97	77.58
Sudu Kekulu	74.10	73.50	83.81	62.91
Raw Red	73.70	74.10	84.50	59.59
Nadu	76.10	76.10	86.81	66.62

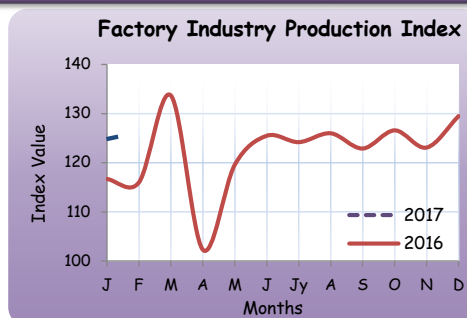
1.6 Wage rate Indices

Item	2017 January	2016 January	% Change
Public Sector Employees (2012 = 100)	160.8	160.4	0.2
Informal Private Sector Employees (2012 = 100)	143.5	131.7	9.0
Agriculture	144.5	135.1	7.0
Industry	148.7	134.1	10.9
Services	138.1	128.1	7.8



1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

Item	2017 (b) January	2016 January	% Change
Factory Industry- Production Index	126.6	117.0	8.2
Food products	100.8	102.6	-1.8
Beverages	111.3	106.6	4.4
Tobacco products	61.5	88.1	-30.3
Wearing apparel	187.7	165.6	13.3
Chemicals and chemical products	89.8	38.5	133.1
Rubber and plastic products	148.0	132.9	11.4
Other non-metallic mineral products	143.9	132.6	8.5

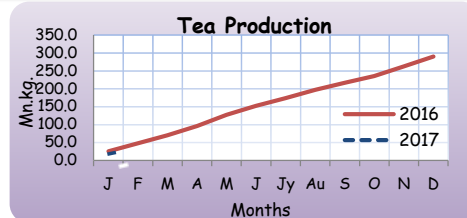


(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

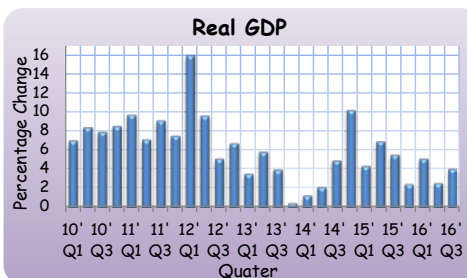
Item	Unit	2017(a) Jan	2016 Jan	% Change
Tea	(Mn Kg)	21.3	25.1	-15.3
Rubber	(Mn Kg)	6.5	9.5	-31.8
Coconuts	(Mn Nuts)	240.5	242.6	-0.9



(a) Provisional

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

Item	2015 4th Qtr (a)(b)	2016 4th Qtr (a)	2015 Annual (a)(b)	2016 Annual (a)
Agriculture	0.5	-8.4	4.8	-4.2
Industry	1.1	9.2	2.1	6.7
Services	3.2	4.6	5.7	4.2
Taxes less subsidies on products	5.5	8.0	7.5	6.2
GDP	2.8	5.3	4.8	4.4



(a) Provisional (b) Revised

Source: Department of Census and Statistics

1.10 Employment (a)(b)

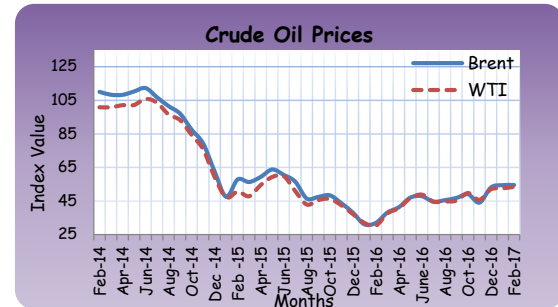
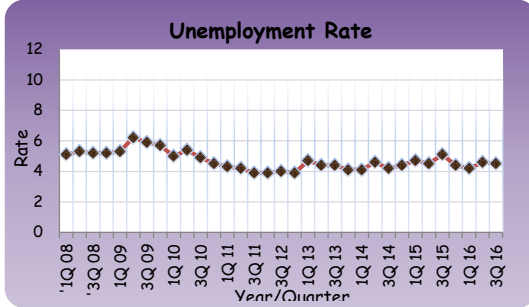
Item	2015 (c)(d) 3 rd Quarter	2016 (c) 3 rd Quarter	2015 Annual
Labour Force Participation rate	53.8	53.8	53.8
Unemployment rate	5.1	4.5	4.7
Employed Persons by Sectors (e) (as a % of total employment)			
Agriculture	27.8	27.1	28.7
Industry	27.0	26.8	25.8
Services	45.3	46.1	45.6

(a) The working age population aged 15 and above

Source: Department of Census and Statistics

(b) In July 2016, the Department of Census and Statistics published a re-weighted and revised labour force data series for 2011 onwards

(c) Provisional (d) Revised (e) Based on the International Standard Industrial Classification (ISIC) - Revision 4



1.11 Average Crude Oil Prices

Month	2016			2017		
	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (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	56.64
February	31.93	30.32	35.36	54.50	53.41	
March	38.06	37.55	36.85			
April	41.25	40.75	44.05			
May	47.00	46.69	48.84			
June	47.82	48.76	50.95			
July	44.54	44.65	46.10			
August	45.50	44.72	46.71			
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		
10 March	38.58	37.77		50.43	48.05	
13 March	-	-		49.40	47.95	
14 March	37.96	37.20		48.90	47.24	
15 March	37.39	36.32		49.98	48.34	
16 March	38.08	38.43		49.91	48.30	

Sources: Reuters

Ceylon Petroleum Corporation

(*) CPC import prices are not directly comparable with spot prices of WTI and Brent as CPC 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

Weekly AWPR for the week ending 17 March 2017 declined by 32 bps to 11.40% compared to the previous week.

Broad money (M_{2b}) expanded by 18.4%, on a year-on-year basis, in December 2016.

Net Credit to the Government from the banking system showed an increase of Rs. 11.9 bn in December 2016.

Credit to public corporations recorded an increase of Rs. 26.1 bn in December 2016.

Credit extended to the private sector increased by Rs. 78.7 bn in December 2016.

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

The total outstanding market liquidity decreased to a short position of Rs. 17.68 bn by end of the week, compared to Rs. 17.57 bn by the end of last week.

By 17 March 2017, the All Share Price Index (ASPI) declined by 0.61% to 6,048 points and the S&P SL20 Index declined by 1.28% to 3,452 points, compared to the previous week.

MONETARY SECTOR

2.1 Interest Rates

Item	Week Ending 2017 Mar 17	Week Ago	Year Ago
Policy Interest Rates			
Standing Deposit Facility Rate	7.00	7.00	6.50
Standing Lending Facility Rate	8.50	8.50	8.00
Average Weighted Call Money Rate (AWCMR)(Weekly Average)	8.50	8.50	7.84
Sri Lanka Inter Bank Offered Rate (SLIBOR)			
1-day	8.50	8.50	7.90
7-day	9.56	9.50	8.19
1-Month	10.60	10.57	8.76
3-Month	11.03	11.00	9.11
6-Month	11.53	11.52	9.42
12-Month	12.01	12.01	9.91
Treasury Bill Yields (Excluding 10% withholding tax)			
91-day	-	9.47	-
182-day	-	10.39	-
364-day	-	10.74	-
Licensed Commercial Banks			
Average Weighted Prime Lending Rate (AWPR)	11.40	11.72	8.57
	Jan 2017	Month Ago	Year Ago
Savings Deposits (a)	0.50-9.00	0.50-9.00	0.50-8.50
One Year Fixed Deposits	4.89-15.00	4.50-15.00	3.95-15.00
	Feb 2017	Month Ago	Year Ago
Average Weighted Deposit Rate (AWDR)	8.66	8.42	6.33
Average Weighted Fixed Deposit Rate (AWFDR)	11.15	10.84	7.75
	Jan 2017	Month Ago	Year Ago
Average Weighted Lending Rate (AWLR)	13.28	13.20	11.15
National Savings Bank (NSB)			
	Jan 2017	Month Ago	Year Ago
Savings Deposits	4.25	4.25	4.50
One Year Fixed Deposits	11.00	11.00	8.25
Treasury Bond Auction		01 Y & 10 Months	07 Y & 05 Months
		13/03/2017	13/03/2017
Coupon rate		10.75	11.00
Weighted Average Yield (Excluding 10% withholding tax)		12.30	13.14

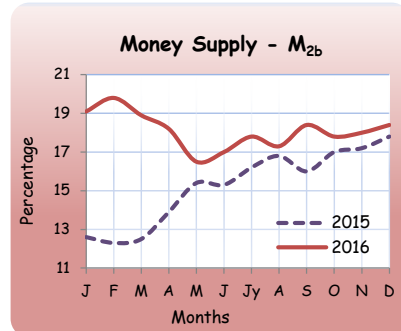
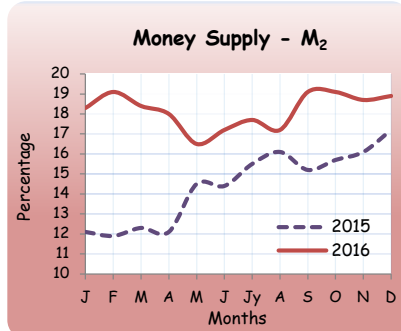
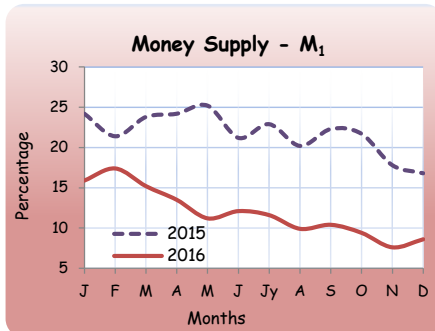
(a) Revised

Bankwise- AWPR	Week ending 2017 Mar 17	Week Ago	Bankwise- AWPR	Week ending 2017 Mar 17	Week Ago
Bank of Ceylon	12.26	12.17	HSBC	9.49	9.50
People's Bank	12.67	13.69	Standard Chartered Bank	11.05	11.21
Hatton National Bank	13.38	12.10	Citi Bank	9.29	10.64
Commercial Bank of Ceylon	13.06	12.50	Deutsche Bank	9.70	9.76
Sampath Bank	13.43	13.41	Habib Bank	10.84	10.78
Seylan Bank	13.08	12.71	Indian Bank	13.00	13.00
Union Bank of Colombo	14.20	13.66	Indian Overseas Bank	13.55	13.55
Pan Asia Banking Corporation	15.49	12.90	MCB Bank	12.30	12.93
Nations Trust Bank	13.05	12.61	State Bank of India	12.73	12.73
DFCC Bank	13.10	13.96	Public Bank	12.00	11.50
NDB Bank	15.08	15.08	ICICI Bank	12.26	12.26
Amana Bank	12.30	12.30	Axis Bank	11.05	11.78
Cargills Bank	13.99	14.26			

2.2 Money Supply

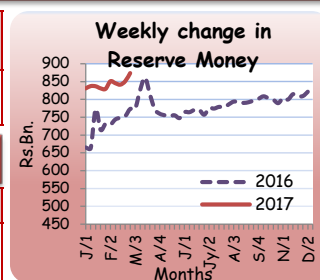
Item	Rs. bn			Annual Change (%)		
	2016 (a) December	Month Ago	Year Ago	2016 (a) December	Month Ago	Year Ago
Reserve Money	856.1	799.0	673.4	27.1	22.7	16.5
M ₁	776.6	720.2	715.0	8.6	7.6	16.8
M ₂	4,823.6	4,683.2	4,057.2	18.9	18.7	17.2
M _{2b}	5,405.6	5,246.7	4,565.9	18.4	18.0	17.8
Net Foreign Assets of the Banking System (b)	-231.2	-286.9	-298.2	22.4	8.5	-2,071.2
Monetary Authorities	558.6	476.3	576.2	-3.1	-15.8	-16.3
Commercial Banks	-789.8	-763.2	-874.3	9.7	13.2	-29.9
Domestic Banking Units (DBUs)	-325.7	-331.8	-295.9	-10.1	-6.8	-33.9
Offshore Banking Units (OBUs)	-464.2	-431.4	-578.5	19.8	24.1	-28.0
Net Domestic Assets of the Banking System (b)	5,636.8	5,533.7	4,864.1	15.9	16.2	26.0
Net Credit to the Government	1,972.1	1,960.3	1,759.5	12.1	15.0	22.5
Monetary Authorities	413.0	417.3	229.9	79.6	55.4	53.6
Commercial Banks	1,559.1	1,543.0	1,529.6	1.9	7.4	18.9
DBUs	1,254.5	1,256.5	1,157.9	8.3	17.7	7.4
OBUs	304.6	286.4	371.7	-18.0	-22.3	78.6
Credit to Public Corporations	495.1	469.1	523.0	-5.3	-10.5	17.2
DBUs	289.7	274.4	254.1	14.0	6.6	32.3
OBUs	205.4	194.7	268.9	-23.6	-27.0	5.9
Credit to the Private Sector	4,204.4	4,125.7	3,449.6	21.9	21.1	25.1
DBUs	3,891.9	3,826.6	3,186.1	22.2	21.8	27.3
OBUs	312.6	299.1	263.5	18.6	12.7	3.4
Other Items (Net)	-1,034.8	-1,021.4	-868.0	-19.2	-16.9	-11.4

(a) Provisional (b) In relation to M_{2b}



2.3 Weekly change in Reserve Money

Item	16 Mar 2017	Week Ago	Change
Reserve Money (Rs.Mn.)	873,918	850,284	23,634



2.4 Money Market Activity (Overnight)

Item	13.03.2017	14.03.2017	15.03.2017	16.03.2017	17.03.2017
Call Money Market					
Weighted Average Rate (% p.a.)	8.50	8.50	8.50	8.50	8.50
Gross Volume (Rs. Mn)	13,165	14,210	11,270	14,060	14,390
Repo Market					
Weighted Average Rate (% p.a.)	8.58	8.57	8.58	8.57	8.56
Gross Volume (Rs. Mn)	24,342	27,233	24,311	29,101	32,388

2.5 CBSL Security Portfolio

Item	13.03.2017	14.03.2017	15.03.2017	16.03.2017	17.03.2017
CBSL Treasury Bill Holdings -Face Value (Rs.mn)	215,695	215,695	215,695	215,695	216,709
CBSL Treasury Bill Holdings -Book Value (Rs.mn)	208,444	208,483	208,544	208,606	209,016

2.6 Open Market Operations

Item	13.03.2017	14.03.2017	15.03.2017	16.03.2017	17.03.2017
Short-Term Auction					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	24.00	22.00	14.00	19.00	14.00
Tenure (No. of Days)	1	1	1	1	1
Bids Received (Rs. bn)	17.63	18.18	16.24	19.97	13.78
Amount Accepted (Rs. bn)	11.13	18.18	14.00	19.00	13.78
Weighted Average Yield Rate (% p.a.)	8.50	8.50	8.50	8.50	8.50
Term Auction					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Standing Facility					
Standing Deposit Facility (Rs. bn)	6.56	11.67	18.07	10.40	8.43
Standing Lending Facility (Rs. bn)	21.00	14.29	18.00	15.30	12.34
Total Outstanding Market Liquidity (Rs. bn)	-25.57	-20.80	-13.93	-23.90	-17.68

2.7 Credit Cards (a)

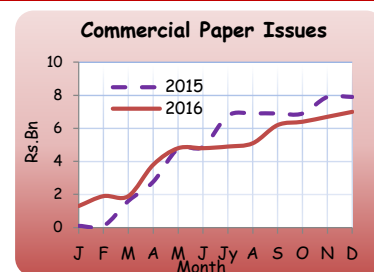
Item	2017	2016	2015
	End Jan (b)	End Dec	End Dec
Total Number of Active Cards	1,509,798	1,309,248	1,142,231
Local (accepted only locally)	28,968	29,109	30,902
Global (accepted globally)	1,480,830	1,280,139	1,111,329
Outstanding balance (Rs.mn)	75,003	74,892	63,010
Local (accepted only locally)	819	839	1,226
Global (accepted globally)	74,184	74,053	61,784

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

2.8 Commercial Paper Issues (a)

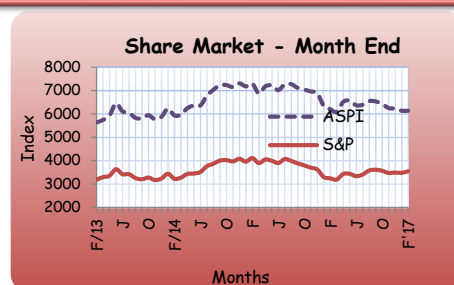
Item (Rs. bn.)	2017	2016	2015
	End Jan (b)	End Dec	End Dec
Total Issues - Cumulative (c)	1.0	7.0	7.9
Outstanding (as at end of the period)	2.2	2.2	4.5

(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 17 Mar 2017	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,048	6,085	6,068
S&P Sri Lanka 20 Index (2004 = 1,000) (S&P SL20)	3,452	3,497	3,174
Average Daily Turnover (Rs. mn)	551	780	922
Market Capitalisation (Rs.bn)	2,656	2,672	2,593



Fiscal Sector

For the period of first nine months of 2016, government revenue as a percentage of estimated GDP increased to 9.6 per cent from 8.5 per cent in the corresponding period in 2015. In nominal terms, total revenue increased by 23.0 per cent to Rs. 1,179.3 billion during this period from Rs. 958.9 billion recorded during the same period in 2015. Average monthly revenue during this period was around Rs. 131.0 billion compared to Rs. 106.5 billion recorded in the same period of 2015.

Total expenditure and net lending for the first nine months of 2016 increased to 13.7 per cent of estimated GDP from 13.5 per cent during the same period in 2015. Recurrent expenditure declined to 10.6 per cent of estimated GDP during the first nine months of 2016 from 10.7 per cent in the corresponding period in 2015. Capital expenditure and net lending as a percentage of GDP increased to 3.1 per cent from 2.8 per cent in the corresponding period in 2015. In nominal terms, total expenditure and net lending is estimated to be increased by 10.0 per cent to Rs. 1,686.0 billion during first nine months of 2016 from Rs. 1,532.5 billion in the corresponding period of 2015.

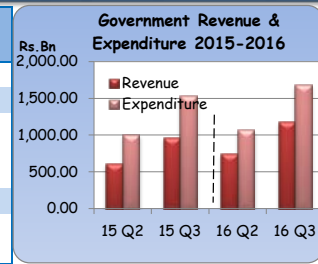
Total outstanding debt increased by Rs. 898.7 billion to Rs. 9,402.0 billion as at end September 2016 from Rs. 8,503.2 billion at end 2015. Foreign debt increased by Rs. 525.7 billion to Rs. 4,069.7 billion, while domestic debt increased by Rs. 373.1 billion to Rs. 5,332.3 billion.

Special Commodity Levy (SCL) was revised from time to time during the year, providing necessary protection for domestic agricultural producers while reducing volatility in commodity prices in the domestic market. Accordingly, SCL on several essential goods was revised during the months of September 2015. SCL on white crystalline sugar and other sugar was increased to Rs. 2 per kg and Rs. 15 per kg respectively from Rs. 0.25 per kg while SCL on whole and split (red and yellow) lentils was also increased to Rs. 5 per kg and Rs. 10 per kg respectively, from Rs. 0.25 per kg. Meanwhile, SCL on mackerel, peas, chickpeas, cowpeas and kurakkan was extended for a period of six months.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

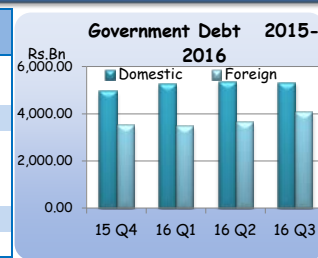
Item	2015	2016(a)
	Jan - Sep	Jan - Sep
Revenue and Grants	959.6	1,180.0
Revenue	958.9	1,179.3
Tax	888.2	1,067.3
Non tax	70.7	112.0
Grants	0.7	0.7
Expenditure & Lending Minus Repayments	1,532.5	1,686.0
Current	1,213.1	1,308.3
Capital & Lending Minus Repayments	319.5	377.7



(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

Item	End 2015	2016(a)
	End Sep	End Sep
Total domestic debt	4,959.2	5,332.3
of which		
Treasury bills	658.2	699.6
Treasury bonds	3,305.2	3,663.2
Rupee loans	24.1	24.1
Total foreign debt	3,544.0	4,069.7
Total outstanding govt. debt	8,503.2	9,402.0



(a) Provisional

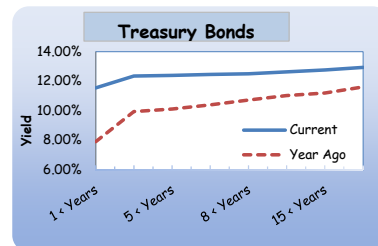
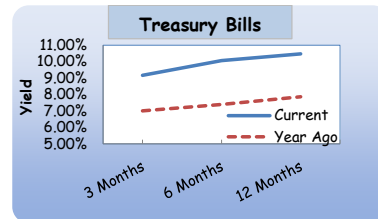
3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 15th March 2017

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week
				Buying	Selling	Average	
Treasury Bills	3 Months	-	9.47%	9.57%	9.35%	9.46%	9.31%
	6 Months	-	10.39%	10.46%	10.27%	10.37%	10.20%
	12 Months	-	10.74%	10.82%	10.60%	10.71%	10.57%
Treasury Bonds(b)	< 2 Years	12.30%	-	12.05%	11.90%	11.98%	11.79%
	< 5 Years	-	-	12.75%	12.65%	12.70%	12.69%
	< 6 Years	-	-	12.89%	12.76%	12.83%	12.69%
	< 8 Years	13.14%	-	12.86%	12.76%	12.81%	12.79%
	< 10 Years	-	-	12.96%	12.85%	12.90%	12.79%
	< 15 Years	-	-	13.12%	12.97%	13.05%	12.98%
	< 20 Years	-	-	13.20%	13.08%	13.14%	13.13%
< 30 Years	-	-	13.41%	13.18%	13.29%	13.26%	

(a) Primary market transactions during the week ending 15/03/2017

(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 all T-Bills and T-Bonds have increased across all maturities during the reporting week.



Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	4.80%	4.61%
	27-Jul-21	6.250%	5.10%	4.91%
	18-Jan-22	5.750%	5.35%	5.12%
	25-Jul-22	5.875%	5.49%	5.29%
	14-Jan-19	6.000%	4.12%	3.94%
	11-Apr-19	5.125%	4.01%	3.84%
	3-Jun-25	6.125%	6.37%	6.16%
3-Nov-25	6.850%	6.61%	6.41%	
18-Jul-26	6.825%	6.60%	6.43%	

3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 15th March 2017)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	793,981.83	793,782.09
Treasury Bonds (a)	3,963,919.14	3,951,714.14
Total	4,757,900.97	4,745,496.23
T-bills and T-bonds held by Foreigners	197,281.86	198,695.43
Sri Lanka Development Bonds (SLDB)	612,172.91	611,782.19

The outstanding stock of T-bills and T-bonds held by Foreigners decreased by 0.71 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	25,000.00	25,000.00
Total Bids Received	35,577.00	49,229.00
Total Bids Accepted	-	14,421.00
Treasury Bonds		
Amount Offered	20,000.00	-
Total Bids Received	55,222.00	-
Total Bids Accepted	12,205.00	-

The weekly T-bill auction was over subscribed by 1.4 times during the reporting week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	12,482.61	14,593.88
Repo Transaction (Sales / Purchases)	213,316.05	210,906.23
Treasury Bonds		
Outright Transaction (Sales / Purchases)	54,877.10	47,320.95
Repo Transaction (Sales / Purchases)	827,171.08	792,076.33

The total secondary market transactions of T-bills and T-bonds increased by 4.03 per cent in the reporting week compared to the previous week.

(a) Excludes Treasury bonds amounting to Rs. 78,441 million issued to settle dues of CPC and Rs. 13,125 million issued to capitalize Sri Lankan Airlines in March 2013.

3.5 Two way Quotes (Treasury Bills) - 17/03/2017

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.83	8.83	99.84	8.58	0.00
1 Month	99.25	9.13	99.27	8.89	0.02
2 Month	98.47	9.29	98.51	9.07	0.04
3 Month	97.64	9.57	97.69	9.35	0.05
4 Month	96.79	9.78	96.85	9.60	0.06
5 Month	95.85	10.10	95.96	9.83	0.11
6 Month	94.84	10.46	94.93	10.27	0.09
7 Month	93.97	10.48	94.05	10.35	0.07
8 Month	93.08	10.53	93.17	10.39	0.09
9 Month	92.18	10.58	92.29	10.43	0.11
10 Month	91.27	10.62	91.40	10.46	0.13
11 Month	90.36	10.66	90.50	10.51	0.14
12 Month	89.33	10.82	89.55	10.60	0.22

3.6 Two way Quotes (Treasury Bonds)- 17/03/2017

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
08.75%2017A	4	15-May-17	59	99.75	9.99	99.80	9.73	0.04
08.00%2017B	5	15-Jun-17	90	99.41	10.25	99.48	9.94	0.08
05.80%2017B	6	15-Jul-17	120	98.50	10.38	98.60	10.07	0.10
08.50%2018A	15	1-Feb-18	321	97.97	10.96	98.25	10.61	0.28
08.50%2018C	5	1-Apr-18	380	97.32	11.29	97.48	11.13	0.16
08.50%2018D	5	1-Jun-18	441	96.69	11.48	96.85	11.33	0.16
08.50%2018B	15	15-Jul-18	485	96.31	11.54	96.53	11.36	0.22
07.50%2018A	15	15-Aug-18	516	94.82	11.56	94.99	11.42	0.17
08.75%2018A	4	15-Oct-18	577	95.84	11.70	96.02	11.56	0.18
08.00%2018A	6	15-Nov-18	608	94.32	11.85	94.57	11.67	0.25
05.65%2019A	8	15-Jan-19	669	89.90	11.94	90.07	11.83	0.17
10.75%2019A	2	15-Jan-19	669	97.72	12.15	97.99	11.98	0.27
08.50%2019A	10	1-May-19	775	93.39	12.11	93.61	11.99	0.21
10.60%2019A	5	1-Jul-19	836	96.67	12.29	96.97	12.13	0.30
10.60%2019B	5	15-Sep-19	912	96.42	12.31	96.72	12.16	0.31
08.00%2019A	8	1-Nov-19	959	90.51	12.33	90.76	12.21	0.26
09.25%2020A	5	1-May-20	1,141	91.22	12.73	91.65	12.55	0.42
08.00%2020A	8	1-Jun-20	1,172	88.54	12.43	88.81	12.31	0.27
06.20%2020A	10	1-Aug-20	1,233	82.96	12.54	83.18	12.44	0.22
09.50%2020A	5	15-Dec-20	1,369	91.04	12.56	91.29	12.47	0.26
10.75%2021A	5	1-Mar-21	1,445	93.92	12.75	94.31	12.62	0.39
09.00%2021A	8	1-May-21	1,506	88.03	12.82	88.41	12.69	0.37
11.00%2021A	7	1-Aug-21	1,598	93.79	12.89	94.20	12.76	0.41
09.45%2021A	7	15-Oct-21	1,673	89.04	12.67	89.31	12.59	0.27
11.50%2021A	5	15-Dec-21	1,734	94.91	12.96	95.41	12.81	0.50
08.00%2022A	10	1-Jan-22	1,751	83.62	12.66	83.91	12.56	0.29
11.20%2022A	9	1-Jul-22	1,932	93.76	12.85	94.20	12.73	0.44
10.00%2022A	8	1-Oct-22	2,024	88.53	12.96	89.12	12.80	0.58
09.00%2023A	10	1-Sep-23	2,359	83.91	12.73	84.20	12.65	0.29
11.20%2023A	9	1-Sep-23	2,359	92.38	12.98	93.03	12.82	0.65
07.00%2023A	20	1-Oct-23	2,389	74.90	12.77	75.19	12.69	0.29
11.40%2024A	10	1-Jan-24	2,481	93.09	12.95	93.54	12.85	0.45
11.00%2024A	8	1-Aug-24	2,694	90.27	13.09	90.93	12.94	0.66
06.00%2024A	10	1-Dec-24	2,816	67.34	12.78	67.74	12.68	0.39
10.25%2025A	10	15-Mar-25	2,920	86.97	12.91	87.54	12.78	0.56
09.00%2025A	12	1-May-25	2,967	81.19	12.79	81.53	12.71	0.35
11.00%2025A	10	1-Aug-25	3,059	89.99	12.99	90.59	12.86	0.59
09.00%2026A	13	1-Feb-26	3,243	79.93	12.85	80.36	12.75	0.43
05.35%2026A	15	1-Mar-26	3,271	60.76	12.85	61.09	12.76	0.33
11.00%2026A	11	1-Jun-26	3,363	89.47	12.99	90.04	12.87	0.57
11.50%2026A	10	1-Aug-26	3,424	91.14	13.17	91.79	13.04	0.64
09.00%2028B	15	1-May-28	4,063	76.02	13.16	77.07	12.94	1.05
09.00%2028A	15	1-Jul-28	4,124	76.77	12.97	77.22	12.88	0.45
11.50%2028A	13	1-Sep-28	4,186	89.95	13.23	91.00	13.03	1.05
13.00%2029A	15	1-Jan-29	4,308	99.75	13.03	100.27	12.95	0.52
13.00%2029B	15	1-May-29	4,428	99.75	13.04	100.22	12.96	0.47
11.00%2030A	15	15-May-30	4,807	85.66	13.33	86.94	13.10	1.27
08.00%2032A	20	1-Jan-32	5,403	66.93	13.11	67.28	13.04	0.35
09.00%2032A	20	1-Oct-32	5,677	72.88	13.13	73.31	13.05	0.43
09.00%2033A	20	1-Jun-33	5,920	72.36	13.16	72.86	13.06	0.50
13.25%2033A	20	1-Jul-33	5,950	100.39	13.18	100.97	13.10	0.58
09.00%2033B	20	1-Nov-33	6,073	71.89	13.21	72.39	13.12	0.50
13.25%2034A	20	1-Jan-34	6,134	99.95	13.25	100.78	13.13	0.83
11.50%2035A	20	15-Mar-35	6,572	87.53	13.34	89.39	13.04	1.86
12.00%2041A	25	1-Jan-41	8,691	90.09	13.38	93.18	12.92	3.10
09.00%2043A	30	1-Jun-43	9,572	68.48	13.35	69.09	13.23	0.61
13.50%2044A	30	1-Jan-44	9,786	100.40	13.44	101.06	13.35	0.66
13.50%2044B	30	1-Jun-44	9,938	100.33	13.45	100.96	13.36	0.63
12.50%2045A	30	1-Mar-45	10,211	93.33	13.42	95.89	13.05	2.56

External Sector

During the year up to 17 March 2017 the Sri Lanka rupee depreciated against the US dollar (1.0 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the pound sterling (1.5 per cent), euro (3.1 per cent), Japanese yen (3.5 per cent) and Indian rupee (4.7 per cent) during this period.

Earnings from exports at US dollars 810 million in November 2016 declined by 3.4 per cent from US dollars 838 million in November 2015, reversing the year-on-year increasing trend observed during the past three months. On a cumulative basis, exports earnings during the first eleven months of 2016 at US dollars 9,451 million, contracted by 2.8 per cent, year-on-year, mainly due to lower exports of transport equipment and petroleum products.

Expenditure on imports increased by 18.2 per cent, year-on-year, to US dollars 1,732 million in November 2016, due to the increased expenditure on certain intermediate goods and investment goods. On a cumulative basis, import expenditure during the first eleven months of 2016 increased by US dollars 17,584 million, registering a 1.7 per cent growth. Increased investment goods mainly contributed to this growth following intermediate goods imports.

The terms of trade improved by 5.9 per cent in December 2016 compared to the corresponding month of previous year due to increase in export prices compared to imports prices during the month. The export unit value index in December 2016 increased by 1.7 per cent, year-on-year, due to the increase in prices of all major exports categories. Reflecting the decreases recorded in international price levels of consumer goods and investment goods, the import unit value index decreased by 4.0 per cent, year-on-year, in December 2016.

India, China, UK, Germany and France were the top five sources of tourist arrivals, accounting for 49.4 per cent of total tourist arrivals in the month of February 2017

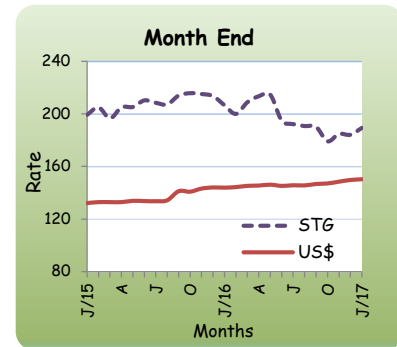
The average price of tea increased to US dollars 3.92 per kg in November 2016 from US dollars 2.90 per kg (in the Colombo auction) in November 2015 and US dollars 3.77 in October 2016.

Further, the import prices of rice, sugar, wheat and crude oil prices increased compared to the corresponding month of 2015.

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 17 Mar 2017			Average Rate		
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago	
US\$	150.32	154.17	152.25	151.57	144.99	
STG	184.90	191.29	188.10	184.35	206.82	
Yen	1.32	1.37	1.34	1.32	1.29	
Euro	160.89	167.08	163.99	160.51	162.56	
INR ⁽¹⁾			2.31	2.27	2.14	
SDR (As at 16 Mar 2017)			205.24	203.80	200.33	
Central Bank purchases and sales(b) (US\$ Mn.)			February 2017	Month Ago	Year Ago	
Purchases			145.09	64.66	-	
Sales			297.25	204.50	189.05	
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)				Week Ending 17 Mar 2017	Week Ago	Year Ago
				34.02	33.47	28.25
Forward Transactions						
Forward Rates (US\$) ⁽²⁾						
1 Month				152.70	152.75	145.13
3 Months				154.82	154.52	-
Average Daily Interbank Forward Volume (US\$ mn)				63.09	38.17	37.15
Outstanding Forward Volume (US\$ mn) (As at 17 Mar 2017)				1,717.00	1,657.70	1,521.97



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

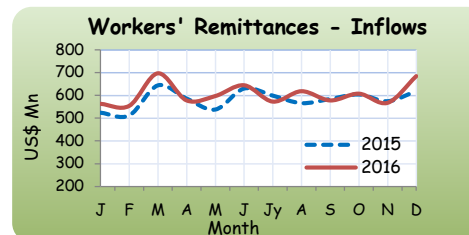
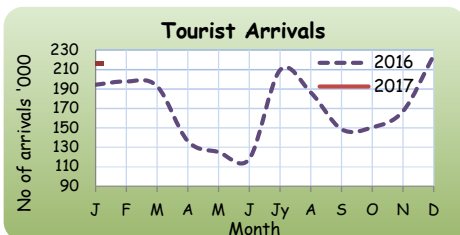
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

4.2 Tourism & Workers' Remittances

Item		2016 Feb (a)(b)	2017 Feb (c)(d)	2016 Jan-Feb(a)(b)	2017 Jan-Feb(c)(d)	% Change
Tourist Arrivals	Number	197,697	197,517	391,977	416,877	6.4
Earnings from Tourism(d)	US\$ Mn.	339.2	338.9	672.5	715.2	6.4
	Rs.bn.	48.8	51.1	96.8	107.6	11.2
Workers' Remittances (Inflows)				2016 January	2017 January(c)	% Change
	US\$ Mn.			563.4	571.6	1.4
	Rs. bn.			81.1	85.8	5.8

(a) Provisional (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 28th February 2017^(a)

Official Reserve Assets (USD Mn)	5,618.50
(1) Foreign Currency Reserves	4,655.09
(2) Reserve position in the IMF	64.80
(3) SDRs	2.04
(4) Gold	895.59
(5) Other Reserve Assets	0.98

(a) Provisional

4.4 International Reserves & Foreign Currency Liquidity as at 31st January 2017 ^(a)

Official Reserve Assets (USD mn)	
Official Reserve Assets	5,453.21
(1) Foreign currency reserves	4,527.59
(a) Securities	2,354.37
(b) Total currency and deposits with	2,173.21
(i) other national central banks, BIS	867.61
(ii) banks headquartered inside the reporting country of which located abroad	1.12
(iii) banks headquartered outside the reporting country	1,304.48
(2) Reserve position in the IMF	65.03
(3) SDRs	2.05
(4) Gold	857.56
(5) Other reserve assets	0.98

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	-3,818.51	-61.71	-1,637.55	-2,119.24
Interest	-1,043.04	-18.61	-177.54	-846.89
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)				
(a) Short positions (-) ^(c)	-2,830.91	-50.00	-1,705.00	-1,075.91
(b) Long positions (+)				
3. Other (specify)				
inflows related to reverse repos (+)	-1.58	-1.58		
other accounts payable (-)	-1.58	-1.58		

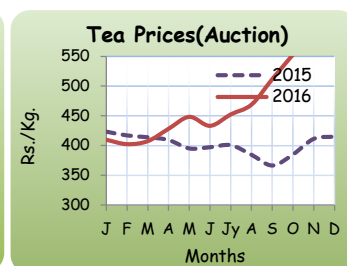
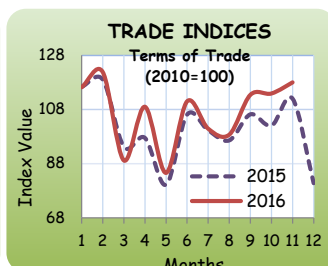
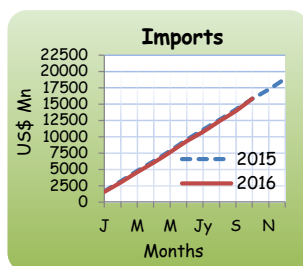
(a) Provisional

(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-Nov 2016	Jan-Nov 2015	% Change	Jan-Nov 2016	Jan-Nov 2015	% Change
Exports	9,450.7	9,726.0	-2.8	1,372,871.3	1,313,732.0	4.5
Agricultural	2,125.2	2,290.4	-7.2	308,815.6	309,589.9	-0.3
Industrial	7,285.2	7,390.0	-1.4	1,058,198.1	997,978.8	6.0
Food, Beverages and Tobacco	300.0	279.7	7.3	43,556.7	37,813.9	15.2
Textiles and Apparel	4,490.5	4,426.8	1.4	652,173.3	598,362.6	9.0
Petroleum Products	256.1	343.6	-25.5	37,210.1	46,117.2	-19.3
Leather, Rubber etc	859.9	828.7	3.8	124,931.6	111,878.3	11.7
Other	1,378.7	1,511.2	-8.8	200,326.4	203,806.8	-1.7
Mineral	26.8	27.3	-1.7	3,890.4	3,662.5	6.2
Other	13.5	18.4	-26.3	1,967.2	2,500.8	-21.3
Imports	17,584.0	17,289.9	1.7	2,555,876.5	2,336,533.2	9.4
Consumer Goods	3,964.8	4,329.6	-8.4	576,127.3	585,290.7	-1.6
Intermediate Goods	8,866.5	8,782.8	1.0	1,288,742.1	1,186,523.7	8.6
Investment Goods	4,740.8	4,162.7	13.9	689,271.7	562,728.5	22.5
Other	11.9	14.8	-19.3	1,735.5	1,990.3	-12.8
Trade Balance	-8,133.3	-7,563.9	7.5	-1,183,005.2	-1,022,801.2	15.7



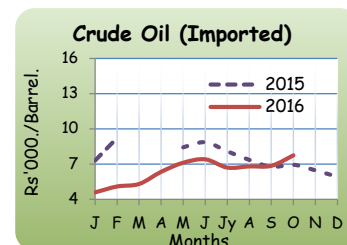
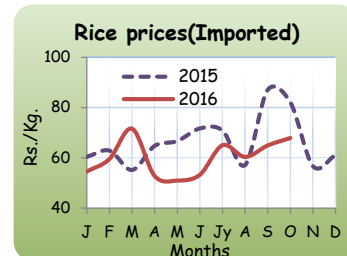
4.6 Trade Indices (2010= 100) (a)

Item	2016 Dec (b)	Month Ago	Year Ago
Total Exports			
Value	119.6	112.7	114.2 (c)
Quantity	159.7	103.4	155.1
Unit Value	74.9	109.0	73.6 (c)
Total Imports			
Value	162.5	154.9	147.2
Quantity	186.4	167.7	162.1
Unit Value	87.2	92.4	90.8
Terms of Trade	85.9	118.0	81.1 (c)

(a) In US\$ Terms

(b) Provisional

(c) Revised



4.7 International Commodity Prices

Item	November 2016	November 2015	% Change	November 2016	November 2015	% Change
	US\$ / Kg			Rs / Kg		
Tea Prices	3.92	2.90	35.5	579.60	411.19	41.0
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	514.23	399.83	28.6	75,988.83	56,786.15	33.8
White Sugar	609.27	396.06	53.8	90,032.84	56,250.87	60.1
Wheat	273.36	220.94	23.7	40,394.14	31,379.33	28.7
	US\$ / Barrel			Rs / Barrel		
Crude Oil	47.66	45.46	4.8	7,042.04	6,456.26	9.1