

Weekly Economic Indicators

02 October 2015



Statistics Department

Real Sector

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is compiled by the Department of Census and Statistics, declined to -0.3 per cent in September 2015, compared to -0.2 per cent recorded in the previous month, on a year-on-year basis. Annual average inflation declined to 0.7 per cent in September 2015 from 1.0 per cent in August 2015. CCPI decreased by 0.3 per cent from August to September 2015

The GDP grew by 6.7 per cent in real terms during the second quarter of 2015, mainly attributable to 7.9 per cent growth in Services activities, supported by the growth in Industry activities by 2.0 per cent and Agriculture activities by 5.0 per cent in value added terms.

Tea production during the first seven months of 2015 declined by 2.1 per cent from 202.6 million kg to 198.4 million kg. Meanwhile, coconut production during the first Seven months of 2015 increased by 5.9 per cent. However, production of rubber during the first seven months of 2015 declined considerably by 15.9 per cent.

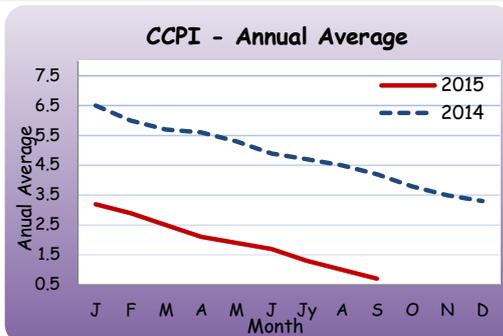
The FIPI increased by 14 per cent on a year-on-year basis in May 2015. This growth was mainly facilitated by increased production of tobacco, wearing apparel and other non-metallic mineral products sectors. They have recorded a significant growth of 16.9, 29.8 and 38.4 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

During the week crude oil spot prices showed mixed performance. At the beginning of the week, prices fell on concerns over Asia's economic health and high production. Japanese stock market slid to eight-month lows on worries over economies in China and other emerging markets. On the supply side, Russia's 2015 oil production is expected to increase slightly to 10.56 million barrels per day (bpd). Prices then rose after the American Petroleum Institute reported a drawdown of nearly 1.2 million barrels at the Cushing, Oklahoma delivery hub. However, prices again fell after U.S. Energy Information Administration reported crude inventories in the U.S. rose by nearly 4 million barrels. Prices were then mixed as demand was estimated to have remained strong despite slowing economic growth in Asia, while U.S. government's storm monitor altered forecasts for the path of the latest U.S. hurricane, which earlier prompted fears of damage to U.S. East Coast oil installations. According to national estimates of Joint Oil Data Initiative, consumption averaged to 71.4 million bpd in the first half of 2015, up from 69.1 million bpd in the corresponding period of 2014.

REAL SECTOR

1.1 Price Indices

| Item | September 2015 | Month Ago | Year Ago |
|---------------------------------------|----------------|-----------|----------|
| (2006 / 07 = 100) | | | |
| Colombo Consumers' Price Index (CCPI) | 181.4 | 181.9 | 181.9 |
| Annual Average Change % | 0.7 | 1.0 | 4.2 |
| Year - on - Year Change % | -0.3 | -0.2 | 3.5 |
| Core Inflation - (CCPI) | 180.2 | 180.0 | 172.9 |
| Annual Average Change % | 2.8 | 2.8 | 3.2 |
| Year - on - Year Change % | 4.2 | 3.9 | 3.7 |

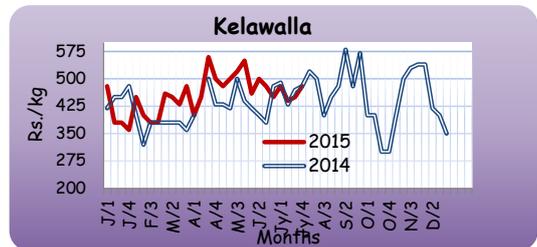
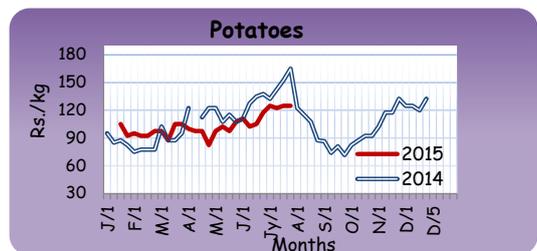
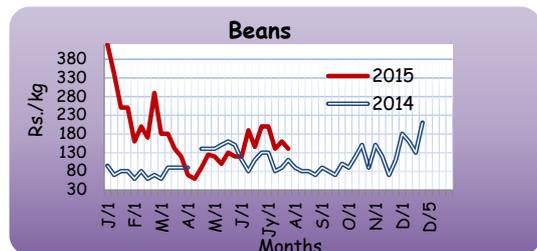
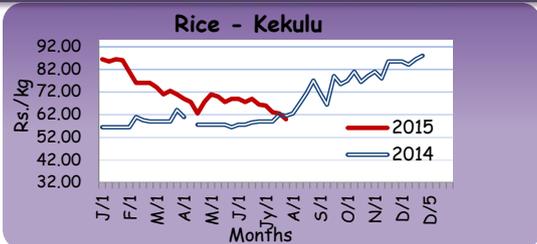


1.2 Pettah Market

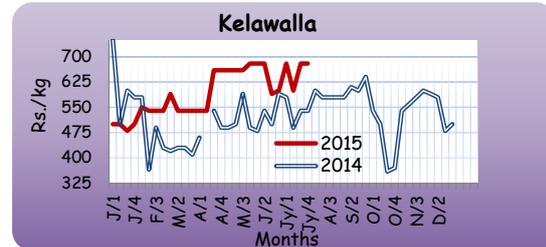
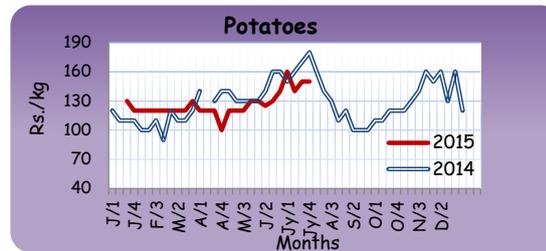
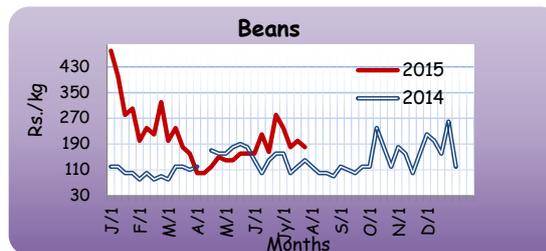
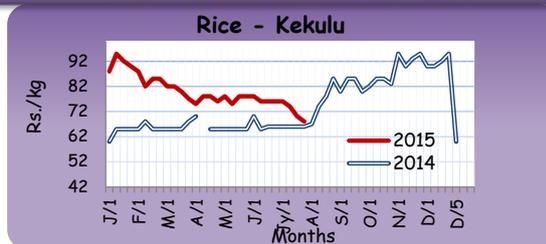
| Item | Average Wholesale Prices | | | | Average Retail Prices | | | |
|--------------------------|---------------------------------------|----------|-----------|---------------------|---------------------------------------|----------|-----------|---------------------|
| | Week Ending 01 st Oct 2015 | Week Ago | Month Ago | Year Ago Annual Avg | Week Ending 01 st Oct 2015 | Week Ago | Month Ago | Year Ago Annual Avg |
| | Rs / Kg | | | | Rs / Kg | | | |
| Rice | | | | | | | | |
| Samba | 85.00 | 81.50 | 82.00 | 78.30 | 88.00 | 88.00 | 88.00 | 84.04 |
| Kekulu (Red) | 60.00 | 58.00 | 59.25 | 67.44 | 70.00 | 68.00 | 69.00 | 74.33 |
| Vegetables | | | | | | | | |
| Beans | 110.00 | 120.00 | 107.50 | 113.17 | 140.00 | 150.00 | 142.50 | 140.96 |
| Cabbage | 30.00 | 50.00 | 45.00 | 61.65 | 60.00 | 70.00 | 77.50 | 90.96 |
| Carrots | 50.00 | 50.00 | 67.50 | 109.81 | 80.00 | 80.00 | 102.50 | 138.08 |
| Tomatoes | 60.00 | 40.00 | 42.50 | 90.77 | 100.00 | 80.00 | 75.00 | 122.31 |
| Pumpkins | 40.00 | 40.00 | 36.25 | 37.38 | 60.00 | 70.00 | 60.00 | 56.83 |
| Snake Gourd | 60.00 | 40.00 | 52.50 | 69.90 | 100.00 | 80.00 | 80.00 | 96.73 |
| Brinjals | 60.00 | 40.00 | 56.25 | 71.35 | 100.00 | 80.00 | 90.00 | 98.65 |
| Ash-Plantains | 70.00 | 50.00 | 65.00 | 73.65 | 100.00 | 80.00 | 90.00 | 95.96 |
| Other Foods | | | | | | | | |
| Red-Onions (Local) | 100.00 | 72.50 | 76.88 | 79.55 | 130.00 | 95.00 | 106.25 | 109.59 |
| Big-Onions (Local) | 75.00 | 75.00 | 78.75 | 75.42 | 120.00 | 100.00 | 107.50 | 99.07 |
| Potatoes (N'Eliya) | 102.50 | 92.50 | 100.00 | 104.64 | 120.00 | 120.00 | 122.50 | 127.69 |
| Dried Chilies (Imported) | 285.00 | 275.00 | 266.25 | 193.24 | 340.00 | 340.00 | 315.00 | 230.38 |
| Dhal (Indian) | 165.00 | 168.00 | 166.75 | 140.94 | 190.00 | 185.00 | 183.75 | 159.23 |
| Eggs (Red) | 14.00 | 13.50 | 14.00 | 12.04 | 15.00 | 14.00 | 14.75 | 12.57 |
| Coconut (Each) | 35.00 | 37.00 | 36.88 | 38.63 | 50.00 | 50.00 | 50.00 | 50.10 |
| Fish* | | | | | | | | |
| Kelawalla | 380.00 | 480.00 | 447.50 | 433.85 | 480.00 | 600.00 | 590.00 | 532.40 |
| Balaya | 260.00 | 270.00 | 275.00 | 295.00 | 310.00 | 330.00 | 335.00 | 349.04 |
| Salaya | 140.00 | 140.00 | 127.50 | 112.31 | 180.00 | 180.00 | 167.50 | 151.35 |
| Paraw (Small) | 550.00 | 480.00 | 537.50 | 435.58 | 600.00 | 550.00 | 582.50 | 487.88 |

* 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 01 st Oct 2015 | |
|-------------------------|---------------------------------------|------------------|
| | Wholesale (Average) | Retail (Average) |
| Rice | | |
| Samba | 83.00 | 86.50 |
| Kekulu (Red) | 62.00 | 67.50 |
| Vegetables | | |
| Beans | 95.63 | 146.25 |
| Carrot | 56.25 | 100.00 |
| Tomatoes | 56.25 | 76.25 |
| Pumpkins | 31.63 | 54.38 |
| Snake Gourd | 38.13 | 63.75 |
| Ash-Plantains | 48.13 | 72.50 |
| Other Foods | | |
| Red-Onions (Local) | 94.38 | 113.75 |
| Big-Onions (Local) | 81.25 | 106.88 |
| Potatoes (N'Eliya) | 94.38 | 114.38 |
| Dried Chilies(Imported) | 280.00 | 320.00 |
| Coconut (Each) | 35.25 | 45.00 |

1.5 Maradaghamula Market

Average wholesale price of Rice

| Item (Rs / Kg) | Week Ending 02 nd Oct | Week Ago | Month Ago | Year Ago |
|----------------|----------------------------------|----------|-----------|----------|
| Samba | 80.00 | 79.80 | 79.16 | 75.74 |
| Sudu Kekulu | 58.10 | 57.75 | 57.65 | 69.11 |
| Raw Red | 57.84 | 57.50 | 57.64 | 67.25 |
| Nadu | 59.60 | 59.75 | 58.97 | 70.82 |

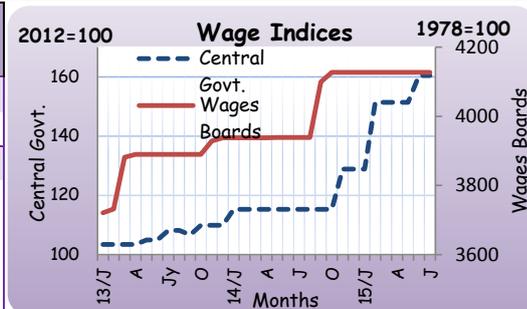
1.4 Narahenpita Economic Centre

| Item (Rs / Kg) | Average Retail Prices | |
|--------------------------|---------------------------|----------|
| | 30 th Sep 2015 | Week Ago |
| Rice | | |
| Samba | 85.00 | 90.00 |
| Kekulu (Red) | 68.00 | 69.00 |
| Vegetables | | |
| Beans | 120.00 | 140.00 |
| Cabbage | 80.00 | 80.00 |
| Carrots | 120.00 | 120.00 |
| Tomatoes | 70.00 | 100.00 |
| Pumpkins | 80.00 | 80.00 |
| Snake Gourd | 140.00 | 100.00 |
| Brinjals | 100.00 | 90.00 |
| Ash-Plantains | 140.00 | 80.00 |
| Other Foods | | |
| Red-Onions (Imported) | n.a. | n.a. |
| Big-Onions (Imported) | n.a. | n.a. |
| Potatoes (Imported) | 90.00 | 90.00 |
| Dried Chilies (Imported) | 267.00 | 260.00 |
| Dhal (Indian) | 190.00 | 190.00 |
| Eggs (Red)(Each) | 15.00 | 15.00 |
| Coconut (Each) | 60.00 | 55.00 |
| Fish | | |
| Kelawalla | 787.00 | 640.00 |
| Balaya | n.a. | n.a. |
| Salaya | 163.00 | 160.00 |
| Paraw (Small) | 883.00 | 890.00 |

1.6 Wage rate Indices

| Item | 2015(a) July | 2014 July | % Change |
|--------------------------------|-----------------|--------------|-------------|
| (2012 = 100) | | | |
| Central Government Employees | 160.4 | 115.3 | 39.1 |
| (1978 = 100) | | | |
| Workers in Wages Boards Trades | 4,127.1 | 3,938.3 | 4.8 |
| Agriculture | 4,734.4 | 4,449.3 | 6.4 |
| Industry & Commerce | 3,459.1 | 3,459.1 | 0.0 |
| Services | 2,313.2 | 2,313.2 | 0.0 |

(a) Provisional

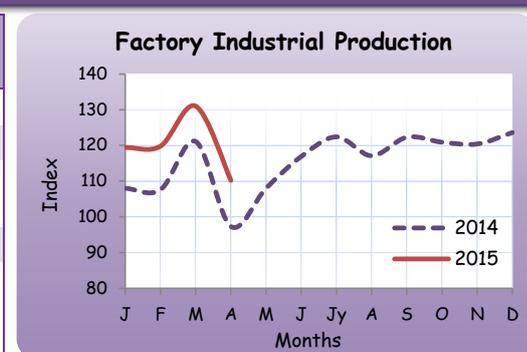


1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

| Item | 2015 (b) May | 2014 May | % Change |
|---|-----------------|--------------|-------------|
| Factory Industry- Production Index | 123.1 | 108.0 | 14.0 |
| Food products | 103.3 | 100.5 | 2.8 |
| Beverages | 121.8 | 109.7 | 11.0 |
| Tobacco products | 96.2 | 82.3 | 16.9 |
| Wearing apparel | 168.2 | 129.6 | 29.8 |
| Chemicals and chemical products | 94.5 | 85.4 | 10.7 |
| Rubber and plastic products | 138.4 | 134.0 | 3.3 |
| Other non-metallic mineral products | 114.8 | 83.0 | 38.4 |

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

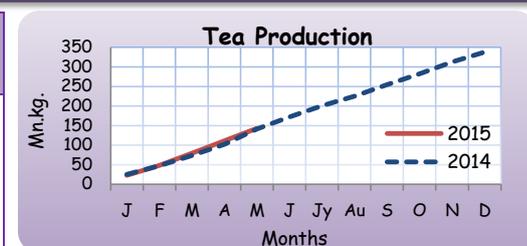
(b) Provisional



1.8 Agriculture Production

| Item | Unit | 2015(a) Jan - Jul | 2014 Jan - Jul | % Change |
|----------|-----------|----------------------|-------------------|-------------|
| Tea | (Mn Kg) | 198.4 | 202.6 | -2.1 |
| Rubber | (Mn Kg) | 57.0 | 67.8 | -15.9 |
| Coconuts | (Mn Nuts) | 1,765.1 | 1,667.2 | 5.9 |

(a) Provisional



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

| Item | 2015(a) 2 nd Quarter | 2014(a) 2 nd Quarter | 2014(a) Annual |
|-------------|------------------------------------|------------------------------------|-------------------|
| Agriculture | 5.0 | -0.9 | -2.2 |
| Industry | 2.0 | -5.9 | 1.2 |
| Services | 7.9 | 5.5 | 6.5 |
| GDP | 6.7 | 1.9 | 4.5 |

(a)Provisional

Source: Department of Census and Statistics



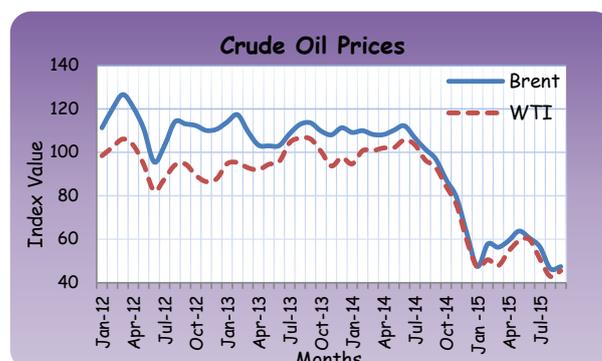
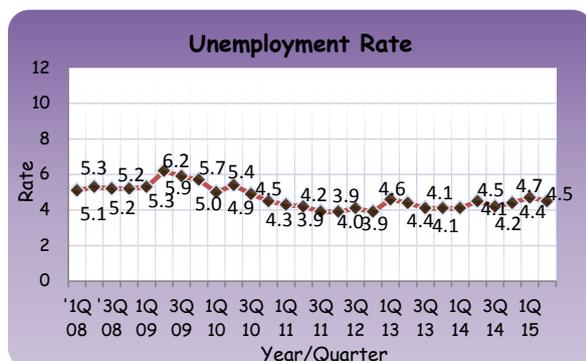
1.10 Employment (a)

| Item | 2015 (b) 2 nd Quarter | 2014 2 nd Quarter | 2014 Annual |
|---|-------------------------------------|---------------------------------|----------------|
| Labour Force Participation rate | 54.3 | 53.6 | 53.3 |
| Unemployment rate | 4.5 | 4.5 | 4.3 |
| Employed Persons by Sectors (c) (as a % of total employment) | | | |
| Agriculture | 28.4 | 28.2 | 28.5 |
| Industry | 25.7 | 26.0 | 26.5 |
| Services | 45.9 | 45.8 | 45.0 |

(a) The working age population aged 15 and above (b) Provisional

Source: Department of Census and Statistics

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



1.11 Average Crude Oil Prices

| Month | 2014 | | | 2015 | | |
|--------------|-------------------------|-----------------------|---------------------------------------|-------------------------|-----------------------|---------------------------------------|
| | 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 | 109.21 | 94.71 | 113.84 | 47.46 | 47.11 | 55.47 |
| February | 110.01 | 100.82 | 110.62 | 57.81 | 50.58 | 69.52 |
| March | 108.28 | 100.82 | 111.17 | 56.30 | 47.82 | - |
| April | 108.22 | 102.07 | 110.25 | 59.32 | 54.45 | - |
| May | 110.22 | 102.18 | 109.80 | 63.76 | 59.26 | 63.09 |
| June | 112.27 | 105.79 | 113.42 | 60.53 | 59.82 | 66.21 |
| July | 106.73 | 103.54 | 110.30 | 56.48 | 50.90 | 60.49 |
| August | 101.51 | 96.54 | 111.21 | 46.43 | 42.87 | 54.92 |
| September | 97.02 | 93.19 | 100.08 | 47.41 | 45.48 | |
| October | 87.51 | 84.40 | 99.39 | | | |
| November | 79.28 | 75.79 | 76.82 | | | |
| December | 62.55 | 59.29 | 75.98 | | | |
| | 2014 | | | 2015 | | |
| 25 September | 94.95 | 93.59 | | 47.08 | 45.55 | |
| 28 September | - | - | | 45.99 | 44.40 | |
| 29 September | 95.45 | 94.53 | | 47.53 | 45.24 | |
| 30 September | 94.42 | 91.17 | | 47.04 | 45.06 | |
| 01 October | 94.32 | 90.74 | | 47.38 | 44.75 | |

Sources: Reuters

Energy Information Administration

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.

Monetary Sector

Weekly AWPR for the week ending 02 October 2015 declined by 4 basis points to 7.04 compared to the previous week.

Broad money (M2b) expanded by 16.2 per cent on a year-on-year basis in July 2015.

NFA of the banking system declined by Rs. 35.7 billion in July 2015.

NCG from the banking system showed an increase of Rs. 61.8 billion in July 2015.

Credit extended to the private sector increased by Rs. 40.9 in July 2015.

The reserve money decreased compared to the previous week mainly due to decrease in currency in circulation.

The total outstanding market liquidity decreased to Rs. 59.02 bn by end of the week, compared to Rs. 64.41 bn by the end of last week.

By 02 October 2015, All Share Price Index (ASPI) declined marginally by 0.07 per cent to 7,106 points and S&P SL 20 Index declined by 1.19 per cent to 3,841 points, compared to the previous week.

MONETARY SECTOR

2.1 Interest Rates

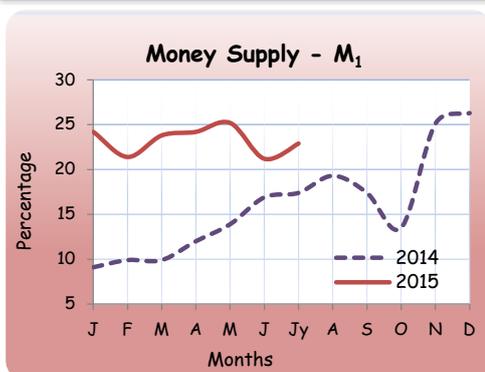
| Item | Week Ending 2015 Oct 02 | Week Ago | Year Ago | |
|---|-------------------------------|-------------------------------|-------------------------------|--------------------------------|
| Commercial Bank Average Weighted Prime Lending Rate (AWPR) | 7.04 | 7.08 | 6.75 | |
| Treasury Bill Yield (Excluding 10% withholding tax) | | | | |
| - 91 days | 6.78 | 6.78 | - | |
| - 182 days | 7.07 | 7.07 | - | |
| - 364 days | - | 7.18 | - | |
| Standing Deposit Facility | 6.00 | 6.00 | 6.50 | |
| Standing Lending Facility | 7.50 | 7.50 | 8.00 | |
| Call Money Weekly Average (CMR) | 6.35 | 6.35 | 5.88 | |
| Sri Lanka Inter Bank Offer Rate (SLIBOR) | | | | |
| 1 day | 6.35 | 6.35 | 5.81 | |
| 7 days | 6.53 | 6.53 | 6.19 | |
| 1 Month | 6.83 | 6.83 | 6.42 | |
| 3 Months | 7.11 | 7.16 | 6.64 | |
| 6 Months | 7.39 | 7.44 | 6.86 | |
| 12 Months | 7.66 | 7.77 | 7.10 | |
| Commercial Banks | Aug 2015 | Month Ago | Year Ago | |
| Saving Deposits - | 0.50-8.50 | 0.50-8.00 | 0.75-9.50 | |
| One Year Fixed Deposits - | 3.50-15.00 | 3.50-15.00 | 4.15-12.00 | |
| | Sep 2015 | Month Ago | Year Ago | |
| Commercial Bank Average Weighted Deposit Rate (AWDR) | 6.00 | 6.01 | 6.83 | |
| Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR) | 7.22 | 7.23 | 8.18 | |
| | Aug 2015 | Month Ago | Year Ago | |
| Commercial Bank Average Weighted Lending Rate (AWLR) | 11.08 | 11.17 | 13.29 | |
| NSB | Aug 2015 | Month Ago | Year Ago | |
| Saving Deposits - | 5.00 | 5.00 | 5.00 | |
| One Year Fixed Deposits - | 6.50 | 6.50 | 7.50 | |
| Treasury Bonds Auction | (3 Y & 11 Months) 28/09/15 | (5 Y & 10 Months) 28/09/15 | (8 Y & 3 Months) 28/09/15 | (12 Y & 11 Months) 28/09/15 |
| Coupon rate | 9.60 | 11.00 | 11.40 | 11.50 |
| Weighted Average Yield (Excluding 10% withholding tax) | 9.50 | 9.90 | - | 11.04 |

| Bankwise- AWPR | Week ending 2015 Oct 02 | Week Ago | Bankwise- AWPR | Week ending 2015 Oct 02 | Week Ago |
|------------------------------|----------------------------|----------|-------------------------|----------------------------|----------|
| Bank of Ceylon | 7.58 | 7.77 | HSBC | 6.33 | 6.40 |
| People's Bank | 7.06 | 8.13 | Standard Chartered Bank | 7.10 | 7.37 |
| Hatton National Bank | 7.31 | 7.84 | Citi Bank | 6.84 | 8.40 |
| Commercial Bank of Ceylon | 7.08 | 7.38 | Deutsche Bank | 6.56 | 7.13 |
| Sampath Bank | 8.22 | 7.89 | Habib Bank | 5.82 | 5.82 |
| Seylan Bank | 6.80 | 7.25 | Indian Bank | 8.32 | 8.32 |
| Union Bank of Colombo | 7.95 | 7.20 | Indian Overseas Bank | 8.82 | 8.82 |
| Pan Asia Banking Corporation | 7.50 | 7.50 | MCB Bank | 7.75 | 7.95 |
| Nations Trust Bank | 6.63 | 6.72 | State Bank of India | 8.38 | 8.32 |
| DFCC Bank | 7.58 | 7.51 | Public Bank | 8.23 | 8.60 |
| NDB Bank | 7.50 | 7.42 | ICICI Bank | 8.47 | 8.93 |
| Amana Bank | 8.47 | 8.43 | Axis Bank | - | - |
| Cargills Bank | 7.80 | 7.54 | | | |

2.2 Money Supply

| Item | Rs. Bn. | | | Annual Change (%) | | |
|---|----------|---------|---------|-------------------|--------|-------|
| | 2015 (a) | Month | Year | 2015 (a) | Month | Year |
| | July | Ago | Ago | July | Ago | Ago |
| M1 | 642.1 | 629.4 | 522.2 | 22.9 | 21.2 | 17.4 |
| M2 | 3,732.2 | 3,677.5 | 3,230.6 | 15.5 | 14.4 | 12.3 |
| M2b | 4,193.9 | 4,141.1 | 3,608.0 | 16.2 | 15.3 | 11.9 |
| Net Foreign Assets of the Banking System (b) | -241.2 | -205.5 | 202.0 | -219.4 | -225.6 | 202.1 |
| Monetary Authorities | 515.3 | 538.6 | 743.4 | -30.7 | -23.8 | 99.5 |
| Domestic Banking Units (DBUs) | -261.7 | -249.1 | -214.8 | -21.8 | -17.1 | -16.1 |
| Foreign currency Banking Units (FCBUs) | -494.9 | -495.0 | -326.6 | -51.5 | -49.7 | 15.3 |
| Net Domestic Assets of the Banking System (b) | 4,435.1 | 4,346.6 | 3,406.1 | 30.2 | 26.8 | -0.5 |
| DBUs | 3,777.2 | 3,686.8 | 2,945.2 | 28.2 | 24.2 | 1.0 |
| FCBUs | 657.9 | 659.8 | 460.8 | 42.8 | 42.9 | -9.2 |
| Net Credit to Government | 1,735.6 | 1,673.8 | 1,402.2 | 23.8 | 21.5 | 7.5 |
| Monetary Authorities | 218.6 | 186.7 | 141.4 | 54.6 | 30.8 | -28.1 |
| DBUs | 1,210.6 | 1,208.8 | 1,056.0 | 14.6 | 17.2 | 11.9 |
| FCBUs | 306.3 | 278.3 | 204.8 | 49.6 | 37.0 | 24.5 |
| Credit to Corporations | 475.8 | 482.6 | 326.9 | 45.6 | 38.2 | -10.1 |
| DBUs | 218.4 | 202.4 | 162.8 | 34.2 | 33.5 | 25.7 |
| FCBUs | 257.3 | 280.3 | 164.1 | 56.8 | 41.8 | -29.9 |
| Credit to the Private Sector | 3,004.1 | 2,963.2 | 2,481.9 | 21.0 | 19.4 | 0.8 |
| DBUs | 2,766.5 | 2,722.0 | 2,270.0 | 21.9 | 20.1 | 0.8 |
| FCBUs | 237.5 | 241.1 | 211.9 | 12.1 | 11.7 | 1.1 |
| Reserve Money | 630.3 | 608.0 | 524.5 | 20.2 | 19.8 | 15.0 |

(a) Provisional (b) In relation to M2b

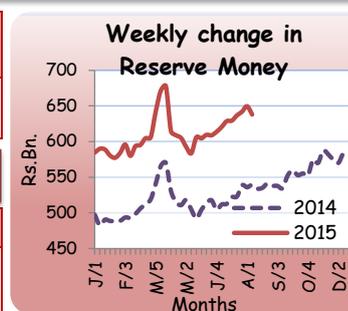


2.3 Weekly change in Reserve Money

| Item | 01 Oct 2015 | Week Ago | Change |
|------------------------|-------------|----------|--------|
| Reserve Money (Rs.Mn.) | 644,704 | 647,413 | -2,710 |

2.4 Money Market Activity (Overnight)

| Item | 28.09.2015 | 29.09.2015 | 30.09.2015 | 01.10.2015 | 02.10.2015 |
|--------------------------------|------------|------------|------------|------------|------------|
| Call Money Market | | | | | |
| Weighted Average Rate (% p.a.) | 6.35 | 6.35 | 6.35 | 6.35 | 6.35 |
| Gross Volume (Rs. Mn) | 12,205 | 12,265 | 11,770 | 22,490 | 22,412 |
| Repo Market | | | | | |
| Weighted Average Rate (% p.a.) | 6.46 | 6.45 | 6.47 | 6.47 | 6.54 |
| Gross Volume (Rs. Mn) | 20,260 | 17,333 | 20,567 | 18,023 | 14,002 |



2.5 CBSL Security Portfolio

| Item | 28.09.2015 | 29.09.2015 | 30.09.2015 | 01.10.2015 | 02.10.2015 |
|------------------------------|------------|------------|------------|------------|------------|
| CBSL T-Bill Holding (Rs. Mn) | 170,843 | 170,880 | 170,916 | 173,300 | 187,156 |

2.6 Open Market Operations

| Item | 28.09.2015 | 29.09.2015 | 30.09.2015 | 01.10.2015 | 02.10.2015 |
|--|--------------|--------------|--------------|--------------|--------------|
| Short-Term Auction | | | | | |
| Repo Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Reverse Repo Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tenure (No. of Days) | 0 | 0 | 0 | 0 | 0 |
| Bids Received (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Amount Accepted (Rs. bn) | 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 |
| 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) | 57.66 | 70.75 | 62.39 | 56.58 | 60.02 |
| Standing Lending Facility (Rs. bn) | 0.00 | 0.00 | 0.00 | 2.43 | 1.00 |
| Total Outstanding Market Liquidity (Rs. bn) | 57.66 | 70.75 | 62.39 | 54.15 | 59.02 |

2.7 Credit Cards (a)

| Item | 2015 (b) End June | 2015 End May | 2014 End Dec |
|--------------------------------------|----------------------|-----------------|-----------------|
| Total Number of Active Cards | 1,083,977 | 1,073,874 | 1,032,833 |
| Local (accepted only locally) | 31,803 | 32,005 | 32,874 |
| Global (accepted globally) | 1,052,174 | 1,041,869 | 999,959 |
| Outstanding balance (Rs. Mn.) | 57,396 | 57,252 | 57,621 |
| Local (accepted only locally) | 1,212 | 1,206 | 1,234 |
| Global (accepted globally) | 56,184 | 56,046 | 56,387 |

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

2.8 Commercial Paper Issues (a)

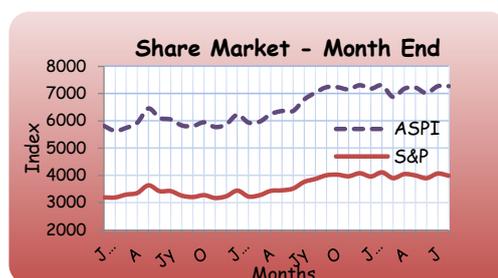
| Item (Rs. bn.) | 2015 End June(b) | 2015 End May | 2014 End Dec |
|---------------------------------------|---------------------|-----------------|-----------------|
| Total Issues - Cumulative | 4.9 | 4.8 | 8.2 |
| Outstanding (as at end of the period) | 6.0 | 6.3 | 3.5 |

(a) Based on the information provided by Licensed Commercial Banks and Licensed Specialised Banks (b) provisional



2.9 Share Market

| Item | Week Ending 02 Oct 2015 | Week Ago | Year Ago |
|---|----------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 7,106 | 7,111 | 7,351 |
| S & P Sri Lanka 20 Index (S&P SL20) | 3,841 | 3,887 | 4,107 |
| Average Daily Turnover (Rs. Mn) | 1,428 | 836 | 3,118 |
| Market Capitalisation (Rs.Bn.) | 3,014 | 3,021 | 3,125 |



Fiscal Sector

During the first quarter of 2015, total revenue as a percentage of estimated GDP remained unchanged at 2.5 per cent as in the corresponding period of 2014. However, in nominal terms, total revenue increased by 16.4 per cent to Rs. 285.6 billion during the first quarter of the year from Rs. 245.2 billion recorded during the same period in 2014 reflecting increases in both tax revenue (by Rs. 30.0 billion) non tax revenue (by Rs. 10.5 billion). However, average monthly revenue during this period was around Rs. 95.2 billion compared to the estimate of Rs. 125.4 billion in the Budget.

Total expenditure and net lending as a percentage of estimated GDP declined to 4.5 per cent during the first quarter of 2015 compared to 5.7 per cent recorded in the corresponding period in 2014 mainly due to decline in capital expenditure and net lending. The recurrent expenditure as a percentage of estimated GDP declined to 3.6 per cent from 4.1 per cent in the corresponding period of 2014. However, capital expenditure and net lending as a percentage of GDP considerably declined to 0.9 per cent during the first quarter of 2015 compared to 1.6 per cent in the same period of 2014.

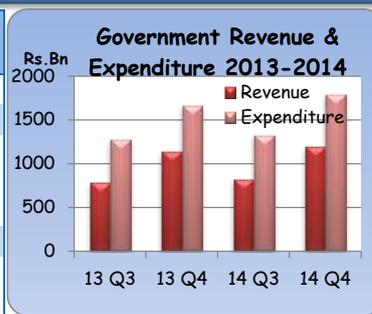
Total outstanding debt increased by Rs. 267.2 billion to Rs. 7,658.1 billion as at end March 2015 from Rs. 7,390.9 billion at end 2014. Foreign debt decreased by Rs. 43.7 billion to Rs. 3,069.4 billion mainly due the repayment of International Sovereign Bond amounting to US dollars 500 million. Meanwhile, domestic debt increased by Rs. 311.0 billion to Rs. 4,588.7 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 March 2015. Accordingly, SCL on mackerel was reduced to Rs. 6 per kg from Rs. 10 per kg with effect from 18 March 2015. Meanwhile, SCL on rice was increased to Rs. 40 per kg from Rs. 20 per kg.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

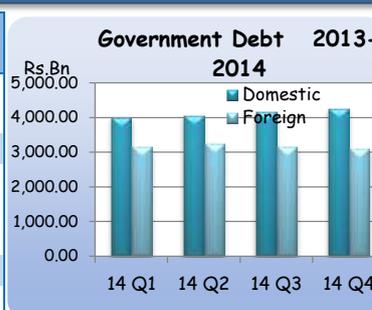
| Item | 2015 Q1 (a) | 2014 Q1 |
|---|----------------|--------------|
| Revenue and Grants | 285.6 | 245.9 |
| Revenue | 285.6 | 245.2 |
| Tax | 257.7 | 227.7 |
| Non tax | 27.9 | 17.5 |
| Grants | 0.0 | 0.7 |
| Expenditure & Lending Minus Repayments | 507.3 | 553.9 |
| Current | 410.9 | 399.5 |
| Capital & Lending Minus Repayments | 96.4 | 154.5 |



(a) Provisional

3.2 Government Debt (Rs.bn)

| Item | End March 2015 (a) | End 2014 |
|-------------------------------------|-----------------------|----------------|
| Total domestic debt | 4,588.7 | 4,277.8 |
| of which | | |
| Treasury bills | 793.8 | 694.8 |
| Treasury bonds | 2,933.9 | 2,844.1 |
| Rupee loans | 55.5 | 55.5 |
| Total foreign debt | 3,069.4 | 3,113.1 |
| Total outstanding govt. debt | 7,658.1 | 7,390.9 |



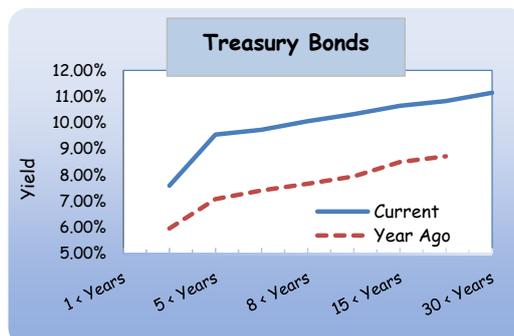
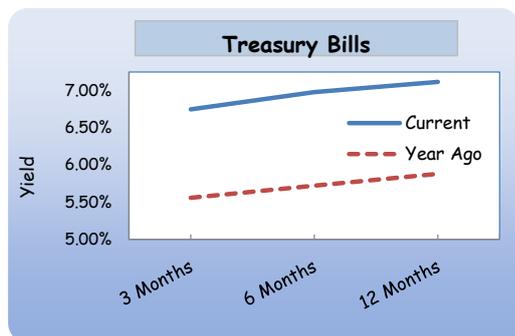
(a) Provisional

3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 30th September 2015

| Security | Maturity | Primary Market(a) | | Secondary Market | | | |
|----------------|------------|-------------------|-----------|------------------|---------|---------|-----------|
| | | This Week | Last Week | This Week | | | Last Week |
| | | | | Buying | Selling | Average | Average |
| Treasury Bills | 3 Months | 6.78% | 6.78% | 6.83% | 6.67% | 6.75% | 6.77% |
| | 6 Months | 7.07% | 7.07% | 7.07% | 6.90% | 6.98% | 6.91% |
| | 12 Months | - | 7.18% | 7.21% | 7.04% | 7.12% | 7.05% |
| Treasury Bonds | 2 < Years | - | - | 7.69% | 7.51% | 7.60% | 7.67% |
| | 5 < Years | 9.50% | - | 9.62% | 9.48% | 9.55% | 9.63% |
| | 6 < Years | 9.90% | - | 9.81% | 9.67% | 9.74% | 9.83% |
| | 8 < Years | - | - | 10.13% | 10.01% | 10.07% | 10.16% |
| | 10 < Years | - | - | 10.42% | 10.27% | 10.34% | 10.43% |
| | 15 < Years | 11.04% | - | 10.74% | 10.56% | 10.65% | 10.69% |
| | 20 < Years | - | - | 10.94% | 10.71% | 10.83% | 10.98% |
| 30 < Years | - | - | 11.37% | 10.94% | 11.15% | 11.19% | |

(a) Primary market transactions during the week ending 30/09/2015

The secondary market yield rates T-bonds abated while yield rates of T-bills adjusted upward during the week compared against yield rates of the previous week.



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 30th September 2015)

| Item | Volume in Rs Mn | |
|--|---------------------|---------------------|
| | This Week | Last Week |
| Outstanding Stock of Government Securities | | |
| Treasury Bills | 841,689.41 | 842,101.00 |
| Treasury Bonds (a) | 3,504,952.80 | 3,504,952.80 |
| Total | 4,346,642.21 | 4,347,053.80 |
| Government Securities held by Foreigners | 328,732.31 | 333,244.53 |
| Sri Lanka Development Bonds (SLDB) | 608,724.86 | 607,507.27 |

Outstanding stock of T-bills decreased while the outstanding stock of T-bonds remained same during the week.

| Primary Market Activities | Volume in Rs Mn | |
|---------------------------|-----------------|-----------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Amount Offered | 20,000.00 | 22,000.00 |
| Total Bids Received | 44,526.00 | 61,238.00 |
| Total Bids Accepted | 5,878.00 | 28,334.00 |
| Treasury Bonds | | |
| Amount Offered | 13,000.00 | |
| Total Bids Received | 64,228.00 | No auction held |
| Total Bids Accepted | 13,160.00 | |

T-bill and T-bond auctions were substantially oversubscribed during the week as the preference for government securities continued.

| Secondary Market Activities | Volume in Rs Mn | |
|--|-----------------|------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Outright Transaction (Sales / Purchases) | 29,019.04 | 15,941.52 |
| Repo Transaction (Sales / Purchases) | 166,780.71 | 213,252.14 |
| Treasury Bonds | | |
| Outright Transaction (Sales / Purchases) | 81,671.05 | 121,686.10 |
| Repo Transaction (Sales / Purchases) | 592,493.74 | 790,408.68 |

Increased activities were observed in secondary market T-bill outright transactions during the week.

a) Excludes Treasury bonds amounting to Rs.4,397 million issued to CWE in November 2003, Rs. 78,441 million issued to settle dues to CPC in January 2012, Rs. 13,125 million issued to capitalize Sri Lankan Airlines in March 2013.

3.5 Two way Quotes (Treasury Bills) - 02/10/2015

| Remaining Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|--------------------|----------------------|---------|-----------------------|---------|-------------------------|
| 1-7 Days | 99.88 | 6.44 | 99.88 | 6.23 | 0.00 |
| 1 Month | 99.46 | 6.58 | 99.47 | 6.39 | 0.02 |
| 2 Month | 98.90 | 6.70 | 98.93 | 6.52 | 0.03 |
| 3 Month | 98.31 | 6.83 | 98.35 | 6.68 | 0.04 |
| 4 Month | 97.73 | 6.91 | 97.78 | 6.74 | 0.06 |
| 5 Month | 97.14 | 6.98 | 97.21 | 6.81 | 0.07 |
| 6 Month | 96.52 | 7.07 | 96.60 | 6.92 | 0.08 |
| 7 Month | 95.93 | 7.09 | 96.02 | 6.93 | 0.09 |
| 8 Month | 95.34 | 7.11 | 95.43 | 6.96 | 0.10 |
| 9 Month | 94.73 | 7.14 | 94.84 | 6.99 | 0.11 |
| 10 Month | 94.13 | 7.17 | 94.26 | 7.00 | 0.13 |
| 11 Month | 93.52 | 7.19 | 93.67 | 7.02 | 0.15 |
| 12 Month | 92.91 | 7.21 | 93.07 | 7.04 | 0.16 |

3.6 Two way Quotes (Treasury Bonds)- 02/10/2015

| 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%2015A | 3 | 1-Nov-15 | 30 | 100.12 | 6.83 | 100.13 | 6.65 | 0.01 |
| 07.25%2016A | 6 | 1-Apr-16 | 182 | 100.04 | 7.16 | 100.13 | 6.98 | 0.09 |
| 08.00%2016B | 4 | 1-Jun-16 | 243 | 100.40 | 7.34 | 100.53 | 7.15 | 0.12 |
| 06.40%2016A | 6 | 1-Aug-16 | 304 | 99.20 | 7.40 | 99.34 | 7.21 | 0.15 |
| 08.00%2016A | 5 | 1-Sep-16 | 335 | 100.44 | 7.48 | 100.60 | 7.29 | 0.16 |
| 06.40%2016B | 6 | 1-Oct-16 | 365 | 98.93 | 7.54 | 99.10 | 7.35 | 0.17 |
| 08.00%2017A | 5 | 1-Jan-17 | 457 | 100.13 | 7.87 | 100.41 | 7.63 | 0.28 |
| 05.80%2017A | 6 | 15-Jan-17 | 471 | 97.56 | 7.82 | 97.77 | 7.65 | 0.21 |
| 08.25%2017A | 3 | 1-Mar-17 | 516 | 100.42 | 7.92 | 100.66 | 7.74 | 0.24 |
| 08.75%2017A | 4 | 15-May-17 | 591 | 100.69 | 8.28 | 100.95 | 8.10 | 0.26 |
| 08.00%2017B | 5 | 15-Jun-17 | 622 | 99.68 | 8.19 | 100.02 | 7.98 | 0.33 |
| 05.80%2017B | 6 | 15-Jul-17 | 652 | 96.03 | 8.23 | 96.32 | 8.04 | 0.29 |
| 08.50%2018A | 15 | 1-Feb-18 | 853 | 99.97 | 8.50 | 100.33 | 8.33 | 0.36 |
| 08.50%2018C | 5 | 1-Apr-18 | 912 | 99.21 | 8.86 | 99.52 | 8.72 | 0.31 |
| 08.50%2018D | 5 | 1-Jun-18 | 973 | 98.69 | 9.05 | 99.15 | 8.86 | 0.45 |
| 08.50%2018B | 15 | 15-Jul-18 | 1,017 | 98.84 | 8.97 | 99.28 | 8.79 | 0.43 |
| 07.50%2018A | 15 | 15-Aug-18 | 1,048 | 96.46 | 8.92 | 96.83 | 8.77 | 0.36 |
| 08.75%2018A | 4 | 15-Oct-18 | 1,109 | 99.76 | 8.84 | 100.19 | 8.67 | 0.43 |
| 08.00%2018A | 6 | 15-Nov-18 | 1,140 | 97.62 | 8.88 | 97.97 | 8.75 | 0.35 |
| 05.65%2019A | 8 | 15-Jan-19 | 1,201 | 90.28 | 9.14 | 90.66 | 8.99 | 0.37 |
| 08.50%2019A | 10 | 1-May-19 | 1,307 | 97.94 | 9.18 | 98.33 | 9.05 | 0.39 |
| 10.60%2019A | 5 | 1-Jul-19 | 1,368 | 103.34 | 9.51 | 103.81 | 9.36 | 0.48 |
| 10.60%2019B | 5 | 15-Sep-19 | 1,444 | 103.40 | 9.55 | 103.91 | 9.39 | 0.51 |
| 08.00%2019A | 8 | 1-Nov-19 | 1,491 | 94.95 | 9.52 | 95.41 | 9.38 | 0.46 |
| 09.25%2020A | 5 | 1-May-20 | 1,673 | 98.39 | 9.69 | 98.83 | 9.57 | 0.45 |
| 08.00%2020A | 8 | 1-Jun-20 | 1,704 | 94.03 | 9.61 | 94.56 | 9.46 | 0.52 |
| 06.20%2020A | 10 | 1-Aug-20 | 1,765 | 86.99 | 9.63 | 87.47 | 9.49 | 0.48 |
| 09.00%2021A | 8 | 1-May-21 | 2,038 | 96.63 | 9.79 | 97.26 | 9.64 | 0.62 |
| 09.45%2021A | 7 | 15-Oct-21 | 2,205 | 98.70 | 9.74 | 99.19 | 9.63 | 0.50 |
| 11.00%2021A | 7 | 1-Aug-21 | 2,130 | 104.72 | 9.91 | 105.27 | 9.79 | 0.55 |
| 08.00%2022A | 10 | 1-Jan-22 | 2,283 | 91.46 | 9.86 | 92.04 | 9.73 | 0.58 |
| 11.20%2022A | 9 | 1-Jul-22 | 2,464 | 105.57 | 10.04 | 106.19 | 9.91 | 0.61 |
| 10.00%2022A | 8 | 1-Oct-22 | 2,556 | 99.70 | 10.06 | 100.33 | 9.93 | 0.63 |
| 09.00%2023A | 10 | 1-Sep-23 | 2,891 | 93.93 | 10.13 | 94.44 | 10.03 | 0.50 |
| 11.20%2023A | 9 | 1-Sep-23 | 2,891 | 105.95 | 10.09 | 106.47 | 10.00 | 0.52 |
| 07.00%2023A | 20 | 1-Oct-23 | 2,921 | 82.63 | 10.23 | 83.17 | 10.12 | 0.54 |
| 11.40%2024A | 10 | 1-Jan-24 | 3,013 | 105.87 | 10.32 | 106.68 | 10.18 | 0.80 |
| 06.00%2024A | 10 | 1-Dec-24 | 3,348 | 74.81 | 10.31 | 75.60 | 10.15 | 0.80 |
| 10.25%2025A | 10 | 15-Mar-25 | 3,452 | 99.04 | 10.41 | 99.93 | 10.26 | 0.88 |
| 09.00%2025A | 12 | 1-May-25 | 3,499 | 91.64 | 10.40 | 92.38 | 10.27 | 0.74 |
| 11.00%2025A | 10 | 1-Aug-25 | 3,591 | 102.80 | 10.53 | 103.75 | 10.38 | 0.95 |
| 09.00%2026A | 13 | 1-Feb-26 | 3,775 | 90.68 | 10.50 | 91.59 | 10.34 | 0.91 |
| 05.35%2026A | 15 | 1-Mar-26 | 3,803 | 67.84 | 10.50 | 68.55 | 10.35 | 0.71 |
| 11.00%2026A | 11 | 1-Jun-26 | 3,895 | 101.89 | 10.69 | 102.97 | 10.52 | 1.09 |
| 09.00%2028B | 15 | 1-May-28 | 4,595 | 88.16 | 10.74 | 89.11 | 10.58 | 0.95 |
| 09.00%2028A | 15 | 1-Jul-28 | 4,656 | 88.13 | 10.73 | 89.04 | 10.58 | 0.91 |
| 11.50%2028A | 13 | 1-Sep-28 | 4,718 | 104.97 | 10.78 | 105.81 | 10.66 | 0.84 |
| 13.00%2029A | 15 | 1-Jan-29 | 4,840 | 115.05 | 10.83 | 116.41 | 10.65 | 1.36 |
| 13.00%2029B | 15 | 1-May-29 | 4,960 | 115.01 | 10.86 | 116.33 | 10.69 | 1.32 |
| 11.00%2030A | 15 | 15-May-30 | 5,339 | 100.50 | 10.93 | 102.35 | 10.68 | 1.85 |
| 08.00%2032A | 20 | 1-Jan-32 | 5,935 | 79.48 | 10.69 | 80.58 | 10.52 | 1.10 |
| 09.00%2032A | 20 | 1-Oct-32 | 6,209 | 84.99 | 10.97 | 86.40 | 10.76 | 1.41 |
| 09.00%2033A | 20 | 1-Jun-33 | 6,452 | 85.24 | 10.90 | 86.46 | 10.72 | 1.22 |
| 13.25%2033A | 20 | 1-Jul-33 | 6,482 | 117.83 | 10.95 | 119.59 | 10.75 | 1.76 |
| 09.00%2033B | 20 | 1-Nov-33 | 6,605 | 84.31 | 11.02 | 86.03 | 10.77 | 1.72 |
| 13.25%2034A | 20 | 1-Jan-34 | 6,666 | 116.91 | 11.07 | 119.42 | 10.79 | 2.51 |
| 11.50%2035A | 20 | 15-Mar-35 | 7,104 | 102.64 | 11.16 | 105.63 | 10.80 | 2.99 |
| 09.00%2043A | 30 | 1-Jun-43 | 10,104 | 81.05 | 11.23 | 83.45 | 10.90 | 2.40 |
| 13.50%2044A | 30 | 1-Jan-44 | 10,318 | 118.29 | 11.33 | 122.05 | 10.95 | 3.76 |
| 13.50%2044B | 30 | 1-Jun-44 | 10,470 | 117.51 | 11.41 | 121.80 | 10.98 | 4.29 |
| 12.50%2045A | 30 | 1-Mar-45 | 10,743 | 106.76 | 11.68 | 112.20 | 11.09 | 5.44 |

External Sector

During the year so far (up to 02 October 2015) the rupee depreciated against the US dollar by 7.23 per cent. Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro by 0.84 per cent and depreciated against the pound sterling by 4.62 per cent, Japanese yen by 6.71 per cent and the Indian rupee by 3.91 per cent during this period.

On cumulative basis, exports earnings during the first seven months of 2015 recorded a decline of 0.9 per cent, year-on-year, to US dollars 6,348 million. The decline was led by agricultural exports and mineral exports which were declined by 7.4 per cent and 56.8 per cent, respectively, during the first seven months of 2015.

On cumulative basis, during the first seven months of 2015, expenditure on imports increased by 1.9 per cent, year-on-year, to US dollars 11,035 million mainly led by consumer goods imports followed by investment goods imports.

Large reduction in import price index compared to lower reduction in export price index resulted in a 8.7 per cent improvement in terms of trade in July 2015 compared to the corresponding month of previous year. The export unit value index declined by 1.1 per cent in July 2015 mainly due to a 48.8 per cent unit value decline recorded in petroleum products exports.

The import unit value index, declined by 9.1 per cent, year-on-year, in July 2015 mainly due to substantial price reduction recorded in intermediate goods, particularly, fuel, wheat and maize and diamond, precious stones and metals.

India, China, UK, Germany and France were the top five sources of tourist arrivals in August 2015, accounting for 50 per cent of total tourist arrivals upto the month of August 2015.

Auction prices for tea in the Colombo auctions declined significantly, year-on-year, in July 2015. Even though average prices declined year-on-year, price of tea remained unchanged at US dollars 2.97 per kg in July 2015 as per June 2015.

Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2014.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

| Item (Rs Per Unit)(a) | Week Ending - 02 Oct 2015 | | | Average Rate | |
|--|---------------------------|--------------|--------------------|------------------|-----------------|
| | Buying Rate | Selling Rate | Average Rate | Week Ago | Year Ago |
| US\$ | 138.94 | 143.44 | 141.19 | 140.55 | 130.57 |
| STG | 209.60 | 217.90 | 213.75 | 213.86 | 211.59 |
| Yen | 1.15 | 1.20 | 1.18 | 1.17 | 1.20 |
| Euro | 154.54 | 161.35 | 157.95 | 157.01 | 164.86 |
| INR ⁽¹⁾ | | | 2.15 | 2.13 | 2.12 |
| SDR (As at 01 Oct 2015) | | | 197.77 | 197.72 | 193.83 |
| Central Bank purchases and sales(b) (US\$ Mn.) | | | August 2015 | Month Ago | Year Ago |
| Purchases | | | 0.00 | 0.00 | 315.20 |
| Sales | | | 447.25 | 352.58 | 44.50 |



| | Week Ending 02 Oct 2015 | Week Ago | Year Ago |
|---|----------------------------|----------|----------|
| Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks) | 58.81 | 33.59 | 18.07 |
| Forward Transactions | | | |
| Forward Rates (US\$) ⁽²⁾ | | | |
| 1 Month | 141.82 | 141.59 | 131.02 |
| 3 Months | 143.08 | 142.70 | 131.44 |
| Average Daily Interbank Forward Volume (US\$ mn) | 30.93 | 18.92 | 23.84 |
| Outstanding Forward Volume (US\$ mn) (As at 01 Oct 2015) | 1,365.67 | 1,324.02 | 1,251.32 |

(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

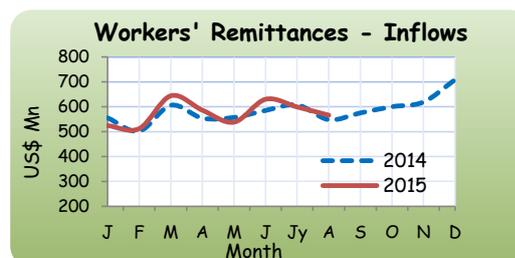
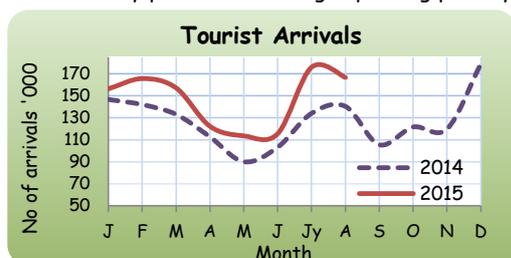
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

| Item | | 2014 | 2015 | 2014 | 2015(b) | % Change |
|--------------------------------|----------|---------|------------|-------------|-------------|----------|
| | | Aug (a) | Aug (b)(c) | Jan-Aug (a) | Jan-Aug (c) | |
| Tourist Arrivals | Number | 140,319 | 166,610 | 1,001,643 | 1,172,465 | 17.1 |
| Earnings from Tourism | US\$ Mn. | 223.4 | 265.2 | 1,594.5 | 1,866.50 | 17.1 |
| | Rs.bn. | 29.1 | 35.5 | 208.1 | 248.4 | 19.4 |
| Workers' Remittances (Inflows) | US\$ Mn. | 548.1 | 566 | 4,514.7 | 4,598.0 | 1.8 |
| | Rs. bn. | 71.4 | 75.8 | 589.1 | 612.3 | 3.9 |

(a) Revised

(b) Provisional (c) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2015



4.3 International Reserves & Foreign Currency Liquidity as at 31st August 2015 ^(a)

| Official Reserve Assets (USD mn) | | | | | |
|---|-----------|--|--------------------------------|-------------------------------------|-----------|
| Official Reserve Assets | | | | 6,457.72 | |
| (1) Foreign currency reserves | | | | 5,572.66 | |
| (a) Securities | | | | 2,789.53 | |
| (b) Total currency and deposits with | | | | 2,783.13 | |
| (i) other national central banks, BIS | | | | 2,408.11 | |
| (ii) banks headquartered inside the reporting country of which located abroad | | | | 1.03 | |
| (iii) banks headquartered outside the reporting country | | | | 373.99 | |
| (2) Reserve position in the IMF | | | | 67.18 | |
| (3) SDRs | | | | 9.10 | |
| (4) Gold | | | | 807.76 | |
| (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 | -3,359.10 | -417.20 | -243.41 | -2,698.49 |
| | Interest | -1,097.65 | -70.19 | -122.14 | -905.32 |
| 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) | | | | | |
| | | -3,389.58 | -571.58 | -539.00 | -2,279.00 |
| (b) Long positions (+) | | | | | |
| 3. Other (specify) | | | | | |
| inflows related to reverse repos (+) | | -0.94 | -0.94 | | |
| other accounts payable (-) | | -0.94 | -0.94 | | |

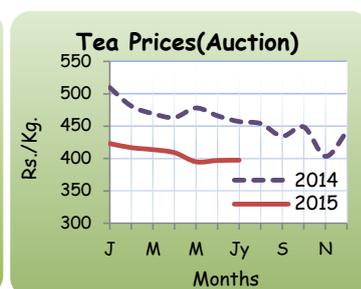
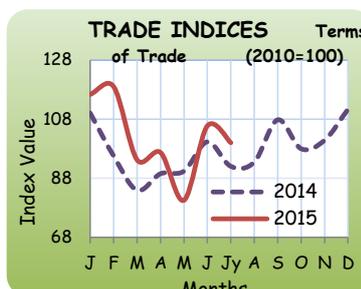
(a) Provisional

(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\$ Bn | | | Rs Bn | | |
|-----------------------------|--------------|--------------|-------------|----------------|----------------|------------|
| | Jan-Jul 2015 | Jan-Jul 2014 | % Change | Jan-Jul 2015 | Jan-Jul 2014 | % Change |
| Exports | 6.3 | 6.4 | -0.9 | 844.4 | 836.3 | 1.0 |
| Agricultural | 1.5 | 1.6 | -7.4 | 198.3 | 210.0 | -5.6 |
| Industrial | 4.8 | 4.7 | 1.8 | 642.2 | 619.0 | 3.7 |
| Food, Beverages and Tobacco | 0.2 | 0.2 | -6.4 | 20.7 | 21.7 | -4.6 |
| Textiles and Apparel | 2.8 | 2.8 | -0.3 | 374.9 | 369.1 | 1.6 |
| Petroleum Products | 0.3 | 0.2 | 24.3 | 35.1 | 27.7 | 26.6 |
| Leather, Rubber etc | 0.6 | 0.6 | -6.9 | 73.7 | 77.7 | -5.2 |
| Other | 1.0 | 0.9 | 10.1 | 137.7 | 122.7 | 12.2 |
| Mineral | 0.0 | 0.0 | -56.8 | 2.7 | 6.2 | -56.0 |
| Other | 0.0 | 0.0 | 15.6 | 1.2 | 1.0 | 17.8 |
| Imports | 11.0 | 10.8 | 1.9 | 1,467.8 | 1,413.7 | 3.8 |
| Consumer Goods | 2.7 | 2.0 | 38.8 | 362.1 | 255.9 | 41.5 |
| Intermediate Goods | 5.7 | 6.7 | -15.3 | 752.7 | 871.7 | -13.6 |
| Investment Goods | 2.6 | 2.2 | 21.0 | 351.5 | 285.2 | 23.3 |
| Other | 0.0 | 0.0 | 48.0 | 1.5 | 1.0 | 50.8 |
| Trade Balance | -4.7 | -4.4 | 6.0 | -623.4 | -577.5 | 8.0 |

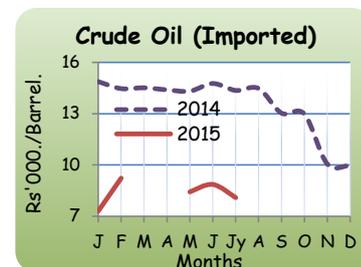


4.5 Trade Indices (2010= 100) (a)

| Item | 2015 July (b) | Month Ago | Year Ago |
|-----------------------|------------------|--------------|-------------|
| Total Exports | | | |
| Value | 129.7 | 131.4 | 133.1 |
| Quantity | 134.5 | 124.7 | 136.5 |
| Unit Value | 96.4 | 105.3 | 97.6 |
| Total Imports | | | |
| Value | 137.3 | 146.2 | 165.2 |
| Quantity | 142.3 | 146.7 | 155.7 |
| Unit Value | 96.5 | 99.6 | 106.1 |
| Terms of Trade | 100.0 | 105.7 | 92.0 |

(a) In US\$ Terms

(b) Provisional



4.6 International Commodity Prices

| Item | July 2015 | July 2014 | % Change | July 2015 | July 2014 | % Change |
|------------------------------|---------------|-----------|----------|-------------|-----------|----------|
| Colombo Auction Price | US\$ / Kg | | | Rs / Kg | | |
| Tea Prices | 2.97 | 3.51 | -15.3 | 397.53 | 457.13 | -13.0 |
| Imports (C I F) | US\$ / MT | | | Rs / MT | | |
| Rice | 530.34 | 463.05 | 14.5 | 70,899.61 | 60,308.39 | 17.6 |
| White Sugar | 381.93 | 508.81 | -24.9 | 51,058.51 | 66,267.87 | -23.0 |
| Wheat | 282.28 | 322.96 | -12.6 | 37,736.95 | 42,063.02 | -10.3 |
| | US\$ / Barrel | | | Rs / Barrel | | |
| Crude Oil | 60.49 | 110.30 | -45.2 | 8,086.61 | 14,365.34 | -43.7 |