

Weekly Economic Indicators

18 November 2016



Statistics Department

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 (DCS), increased to 4.7 per cent in September 2016 from 4.5 per cent in August 2016, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in September 2016. The change in the NCPI measured on an annual average basis increased to 3.8 per cent in September 2016 from 3.6 per cent in August 2016. When the monthly change is considered, the NCPI increased from 113.3 index points in August 2016 to 113.5 index points in September 2016. This monthly increase was mainly due to the increase in prices of the items in the Alcoholic Beverages and Tobacco category. The NCPI Core inflation, which reflects the underlying inflation in the economy decreased to 5.7 per cent in September 2016 from 6.0 per cent in August 2016, on year-on-year basis. Annual average NCPI Core inflation increased marginally to 5.7 per cent in September 2016 from 5.6 per cent in August 2016.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100) based on compilation by the (DCS), increased to 4.2 per cent in October 2016 from 3.9 per cent in September 2016, on year-on-year basis. Annual average inflation increased to 3.6 per cent in October 2016 from 3.4 per cent in September 2016. The monthly increase in CCPI was 0.6 per cent. Core CCPI remained unchanged at 4.2 per cent in October 2016, on year-on-year basis. Annual average core inflation decreased to 4.9 per cent in October 2016 from 5.0 per cent in September 2016.

The GDP grew by 3.9 per cent in real terms in the first half of 2016, mainly attributable to 4.9 per cent growth in Services activities and 5.2 per cent growth in Industry activities while Agriculture activities contracted by 2.5 per cent, in value added terms.

During the first nine months of 2016 production of tea declined due to unfavourable weather conditions and low demand from prime export destinations while production of rubber declined due to the slowdown of tapping activities. However, the coconut production has recorded an increase during the similar period.

The FIPI decreased by 6.6 per cent on year-on-year basis in July 2016. This decrease was mainly due to decreased production of food products, wearing apparel, beverages and rubber and plastic products sub-sectors. This was mainly attributed to decreased domestic and international demand.

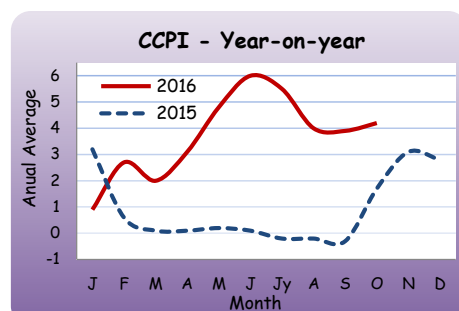
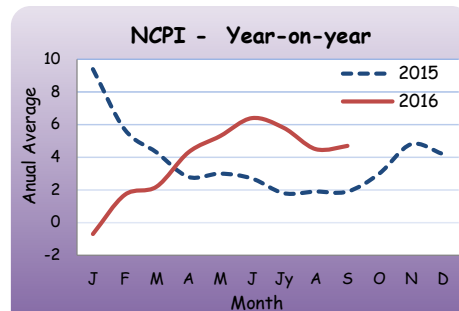
During the week crude oil spot prices largely followed an increasing trend. Price increases at the beginning of the week were supported by expectations of falling shale output and renewed optimism that OPEC will agree later this month to reduce a global supply glut. OPEC Secretary-General travelled to member nations, including Iran and Venezuela, while Saudi energy minister is expected to travel Doha for meetings with oil producing countries, including Russia to discuss the deal ahead of the meeting on November 30. Later, Russia said it was ready to support OPEC's decision on a production freeze and Venezuelan president said OPEC members are ready to reach a forceful agreement. However, subsequently WTI price fell after the U.S. Energy Information Administration reported crude stocks increased for a third straight week by 5.3 million barrels. Towards the end of the week oil prices declined further on stronger dollar which registered a 13-1/2 year high.

Highlights

REAL SECTOR

1.1 Price Indices

| Item | September 2016 | Month Ago | Year Ago |
|---------------------------------------|----------------|-----------|----------|
| (2013 = 100) | | | |
| National Consumer Price Index (NCPI) | 113.5 | 113.3 | 108.4 |
| Monthly Change % | 0.2 | -1.6 | 0.0 |
| Annual Average Change % | 3.8 | 3.6 | - |
| Year - on - Year Change % | 4.7 | 4.5 | 1.9 |
| Core Inflation - (NCPI) | 117.7 | 117.4 | 111.4 |
| Annual Average Change % | 5.7 | 5.6 | - |
| Year - on - Year Change % | 5.7 | 6.0 | 4.9 |
| Item | October 2016 | Month Ago | Year Ago |
| (2006 / 07 = 100) | | | |
| Colombo Consumers' Price Index (CCPI) | 189.7 | 188.5 | 182.1 |
| Annual Average Change % | 3.6 | 3.4 | 0.7 |
| Year - on - Year Change % | 4.2 | 3.9 | 1.7 |
| Core Inflation - (CCPI) | 188.2 | 187.7 | 180.6 |
| Annual Average Change % | 4.9 | 5.0 | 2.9 |
| Year - on - Year Change % | 4.2 | 4.2 | 4.5 |

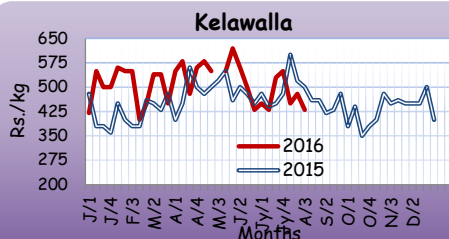
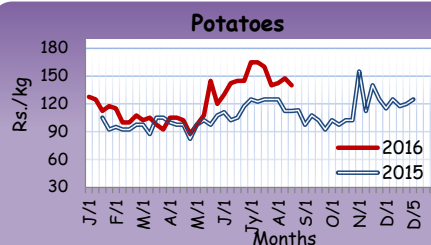
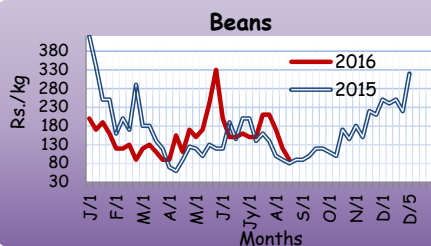
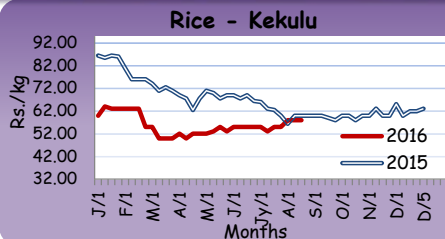


1.2 Pettah Market

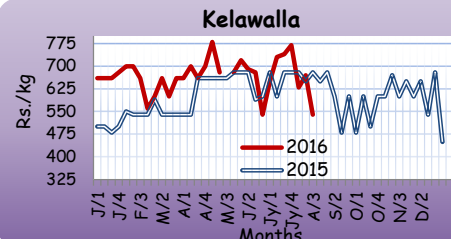
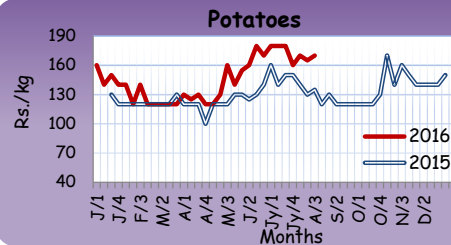
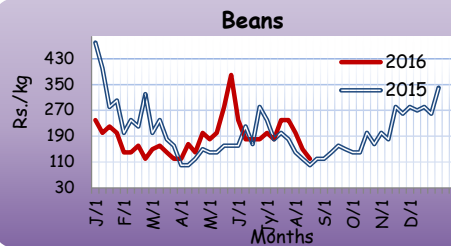
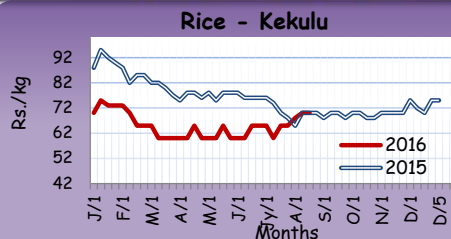
| Item | Average Wholesale Prices | | | | Average Retail Prices | | | |
|--------------------------|---------------------------------------|----------|-----------|---------------------|---------------------------------------|----------|-----------|---------------------|
| | Week Ending 16 th Nov 2016 | Week Ago | Month Ago | Year Ago Annual Avg | Week Ending 16 th Nov 2016 | Week Ago | Month Ago | Year Ago Annual Avg |
| | Rs / Kg | | | | Rs / Kg | | | |
| Rice | | | | | | | | |
| Samba | 85.00 | 85.00 | 80.00 | 83.22 | 95.00 | 90.00 | 88.50 | 90.10 |
| Kekulu (Red) | 70.00 | 70.00 | 68.00 | 66.15 | 80.00 | 75.00 | 75.00 | 75.20 |
| Vegetables | | | | | | | | |
| Beans | 180.00 | 180.00 | 146.25 | 160.49 | 200.00 | 220.00 | 190.00 | 196.86 |
| Cabbage | 30.00 | 25.00 | 38.13 | 79.31 | 50.00 | 50.00 | 77.50 | 117.94 |
| Carrots | 75.00 | 65.00 | 57.50 | 146.27 | 100.00 | 100.00 | 105.00 | 184.90 |
| Tomatoes | 32.50 | 32.50 | 46.25 | 89.80 | 60.00 | 80.00 | 70.00 | 126.18 |
| Pumpkins | 35.00 | 32.50 | 33.75 | 49.12 | 50.00 | 60.00 | 52.50 | 72.94 |
| Snake Gourd | 65.00 | 80.00 | 80.00 | 73.73 | 120.00 | 120.00 | 122.50 | 106.57 |
| Brinjals | 45.00 | 35.00 | 52.50 | 72.56 | 100.00 | 80.00 | 95.00 | 105.69 |
| Ash-Plantains | 45.00 | 65.00 | 52.50 | 81.08 | 80.00 | 100.00 | 85.00 | 110.59 |
| Other Foods | | | | | | | | |
| Red-Onions (Local) | 95.00 | 75.00 | 87.50 | 105.28 | 140.00 | 135.00 | 120.00 | 135.34 |
| Big-Onions (Local) | 77.50 | 72.50 | 69.37 | 95.17 | 100.00 | 100.00 | 90.00 | 124.67 |
| Potatoes (N'Eliya) | 127.50 | 112.50 | 107.50 | 107.98 | 160.00 | 150.00 | 130.00 | 130.80 |
| Dried Chilies (Imported) | 250.00 | 270.00 | 286.25 | 248.90 | 350.00 | 350.00 | 352.50 | 291.08 |
| Dhal (Indian) | 160.00 | 160.00 | 160.00 | 161.98 | 169.00 | 169.00 | 169.00 | 177.43 |
| Eggs | 13.00 | 12.00 | 11.88 | 14.17 | 13.50 | 12.50 | 12.38 | 14.77 |
| Coconut (Each) | 43.50 | 43.50 | 39.88 | 41.00 | 55.00 | 55.00 | 55.00 | 53.18 |
| Fish* | | | | | | | | |
| Kelawalla | 420.00 | 550.00 | 492.50 | 453.14 | 590.00 | 770.00 | 685.00 | 598.24 |
| Balaya | 260.00 | 300.00 | 340.00 | 295.00 | 360.00 | 400.00 | 440.00 | 361.20 |
| Salaya | 150.00 | 130.00 | 132.50 | 114.71 | 220.00 | 190.00 | 202.50 | 156.08 |
| Paraw (Small) | 350.00 | 480.00 | 480.00 | 484.69 | 450.00 | 580.00 | 575.00 | 547.96 |

* 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 17 th Nov 2016 | |
|-------------------------|---------------------------------------|------------------|
| | Wholesale (Average) | Retail (Average) |
| Rice | | |
| Samba | 85.50 | 89.00 |
| Kekulu (Red) | 70.00 | 74.00 |
| Vegetables | | |
| Beans | 125.00 | 166.25 |
| Carrot | 73.75 | 110.00 |
| Tomatoes | 31.25 | 51.25 |
| Pumpkins | 25.00 | 42.50 |
| Snake Gourd | 46.25 | 70.00 |
| Ash-Plantains | 52.50 | 70.00 |
| Other Foods | | |
| Red-Onions (Local) | 80.00 | 120.00 |
| Big-Onions (Local) | 71.25 | 82.50 |
| Potatoes (N'Eliya) | 118.75 | 138.75 |
| Dried Chilies(Imported) | 271.25 | 345.00 |
| Coconut (Each) | 35.00 | 42.50 |

1.5 Maradaghamula Market

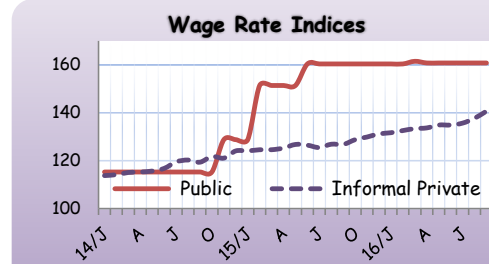
| Average wholesale price of Rice | | | | |
|---------------------------------|----------------------------------|----------|-----------|----------|
| Item (Rs / Kg) | Week Ending 18 th Nov | Week Ago | Month Ago | Year Ago |
| Samba | 81.13 | 80.80 | 77.26 | 79.56 |
| Sudu Kekulu | 68.75 | 67.90 | 66.52 | 62.37 |
| Raw Red | 62.00 | 61.20 | 60.90 | 66.17 |
| Nadu | 74.25 | 74.50 | 70.26 | 64.24 |

1.4 Narahenpita Economic Centre

| Item (Rs / Kg) | Average Retail Prices | |
|--------------------------|---------------------------|----------|
| | 18 th Nov 2016 | Week Ago |
| Rice | | |
| Samba | 89.67 | 90.00 |
| Kekulu (Red) | 74.67 | 74.67 |
| Vegetables | | |
| Beans | 236.67 | 236.67 |
| Cabbage | 136.67 | 93.33 |
| Carrots | 116.67 | 116.67 |
| Tomatoes | 76.67 | 86.67 |
| Pumpkins | 56.67 | 78.33 |
| Snake Gourd | 116.67 | 136.67 |
| Brinjals | 96.67 | 96.67 |
| Ash-Plantains | 136.67 | 116.67 |
| Other Foods | | |
| Red-Onions (Imported) | 136.67 | 140.00 |
| Big-Onions (Imported) | n.a. | n.a. |
| Potatoes (Imported) | 100.00 | 100.00 |
| Dried Chilies (Imported) | 336.67 | 326.67 |
| Dhal (Indian) | 174.67 | 173.33 |
| Eggs (Red)(Each) | 11.67 | 11.67 |
| Coconut (Each) | 48.33 | 53.33 |
| Fish | | |
| Kelawalla | 686.67 | 836.67 |
| Balaya | 416.67 | 416.67 |
| Salaya | 156.67 | 200.00 |
| Paraw (Small) | 676.67 | 693.33 |

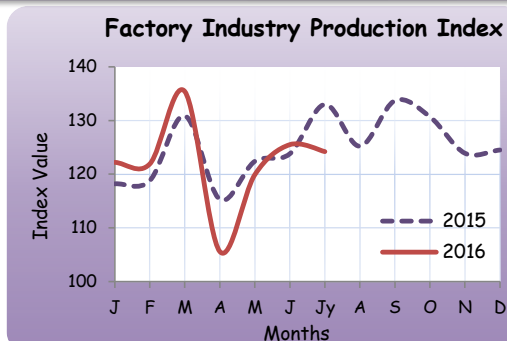
1.6 Wage rate Indices

| Item | 2016 September | 2015 September | % Change |
|--|-------------------|-------------------|-------------|
| Public Sector Employees (2012 = 100) | 160.8 | 160.4 | 0.2 |
| Informal Private Sector Employees (2012 = 100) | 140.7 | 126.8 | 10.9 |
| Agriculture | 140.1 | 128.8 | 8.8 |
| Industry | 145.9 | 128.9 | 13.2 |
| Services | 135.8 | 124.0 | 9.5 |



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

| Item | 2016 (b) July | 2015 July | % Change |
|-------------------------------------|------------------|--------------|-------------|
| Factory Industry- Production Index | 124.2 | 133.0 | -6.6 |
| Food products | 102.8 | 112.4 | -8.5 |
| Beverages | 102.0 | 123.8 | -17.6 |
| Tobacco products | 107.0 | 106.5 | 0.4 |
| Wearing apparel | 164.5 | 187.1 | -12.1 |
| Chemicals and chemical products | 85.3 | 78.5 | 8.7 |
| Rubber and plastic products | 152.4 | 146.2 | 4.2 |
| Other non-metallic mineral products | 132.5 | 129.1 | 2.6 |



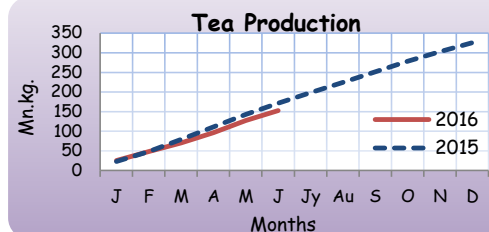
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

| Item | Unit | 2016(a) Jan-Sep | 2015 Jan-Sep | % Change |
|----------|-----------|--------------------|-----------------|-------------|
| Tea | (Mn Kg) | 216.7 | 251.3 | -13.8 |
| Rubber | (Mn Kg) | 63.9 | 69.8 | -8.5 |
| Coconuts | (Mn Nuts) | 2,364.7 | 2,295.1 | 3.0 |

(a) Provisional

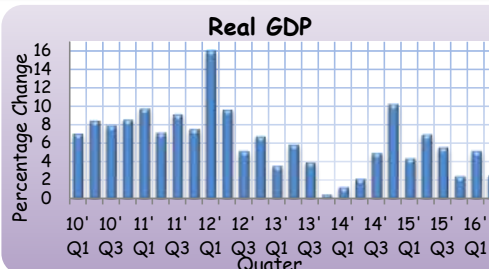


1.9 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

| Item | 2016(a) 2 nd Quarter | 2015(a) 2 nd Quarter | 2015(a) Annual |
|-------------|------------------------------------|------------------------------------|-------------------|
| Agriculture | -5.6 | 10.4 | 5.5 |
| Industry | 2.2 | 3.9 | 3.0 |
| Services | 4.9 | 6.9 | 5.3 |
| GDP | 2.6 | 7.0 | 4.8 |

(a)Provisional

Source: Department of Census and Statistics



1.10 Employment (a)(b)

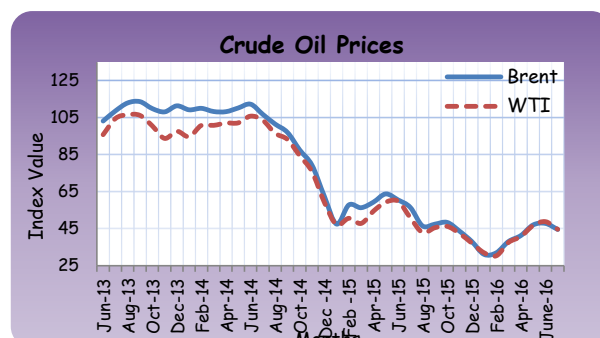
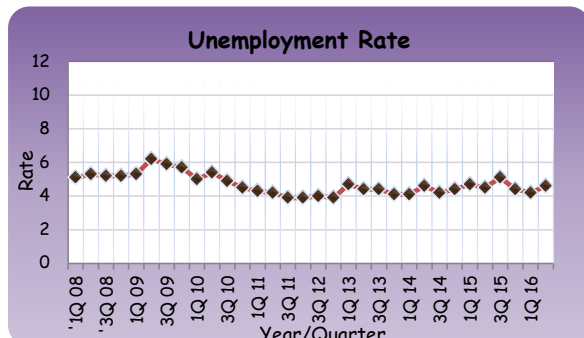
| Item | 2015 (c)(d) 2 nd Quarter | 2016 (c) 2 nd Quarter | 2015 Annual |
|---|--|-------------------------------------|-------------|
| Labour Force Participation rate | 54.2 | 53.3 | 53.8 |
| Unemployment rate | 4.5 | 4.6 | 4.7 |
| Employed Persons by Sectors (e) (as a % of total employment) | | | |
| Agriculture | 28.9 | 25.1 | 28.7 |
| Industry | 25.5 | 27.1 | 25.8 |
| Services | 45.6 | 47.8 | 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 | 2015 | | | 2016 | | |
|-------------|-------------------------|-----------------------|---------------------------------------|-------------------------|-----------------------|---------------------------------------|
| | 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 | 47.46 | 47.11 | 55.47 | 31.10 | 31.96 | 31.87 |
| February | 57.81 | 50.58 | 69.52 | 31.93 | 30.32 | 35.36 |
| March | 56.30 | 47.82 | - | 38.06 | 37.55 | 36.85 |
| April | 59.32 | 54.45 | - | 41.25 | 40.75 | 44.05 |
| May | 63.76 | 59.26 | 63.09 | 47.00 | 46.69 | 48.84 |
| June | 60.53 | 59.82 | 66.17 | 47.82 | 48.76 | 50.95 |
| July | 56.48 | 50.90 | 60.49 | 44.54 | 44.65 | 46.10 |
| August | 46.43 | 42.87 | 54.92 | 45.50 | 44.72 | 46.71 |
| September | 47.41 | 45.48 | 48.65 | 46.80 | 45.20 | 46.99 |
| October | 48.36 | 46.22 | 49.26 | 49.01 | 49.78 | |
| November | 43.68 | 42.44 | 45.46 | | | |
| December | 38.08 | 37.21 | 41.21 | | | |
| | 2015 | | | 2016 | | |
| 11 November | 44.63 | 42.95 | | 40.86 | 43.39 | |
| 14 November | - | - | | 41.23 | 43.29 | |
| 15 November | - | - | | 43.30 | 45.86 | |
| 16 November | 39.93 | 41.68 | | 44.22 | 45.56 | |
| 17 November | 40.93 | 40.73 | | 43.72 | 45.37 | |

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 18 November 2016 increased by 43 bps to 12.38 per cent compared to the previous week.

Broad money (M2b) expanded by 17.3 per cent on year-on-year basis in August 2016.

Net Credit to the Government from the banking system showed a decline of Rs. 94.1 billion in August 2016.

Public Corporations recorded a net repayment of Rs. 30.6 billion in August 2016.

Credit extended to the private sector increased by Rs. 45.0 billion in August 2016.

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 decreased to a short position of Rs. 47.71 bn by end of the week, compared to a short position of Rs. 41.36 bn by the end of last week.

By 18 November 2016, All Share Price Index (ASPI) declined by 1.31 per cent to 6,326 points while S&P SL 20 Index declined by 2.09 per cent to 3,515 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

| Item | Week Ending 2016 Nov 18 | Week Ago | Year Ago |
|---|---------------------------------|---------------------------------|---------------------------------|
| Policy Interest Rates | | | |
| Standing Deposit Facility Rate | 7.00 | 7.00 | 6.00 |
| Standing Lending Facility Rate | 8.50 | 8.50 | 7.50 |
| Average Weighted Call Money Rate (AWCMR)(Weekly Average) | 8.44 | 8.44 | 6.31 |
| Sri Lanka Inter Bank Offered Rate (SLIBOR) | | | |
| 1 day | 8.45 | 8.45 | 6.33 |
| 7 days | 9.54 | 9.50 | 6.50 |
| 1 Month | 10.54 | 10.54 | 6.88 |
| 3 Months | 11.00 | 11.00 | 7.19 |
| 6 Months | 11.51 | 11.49 | 7.45 |
| 12 Months | 12.00 | 12.00 | 7.76 |
| Treasury Bill Yields (Excluding 10% withholding tax) | | | |
| 91 days | 8.60 | 8.60 | - |
| 182 days | 9.65 | 9.56 | 6.50 |
| 364 days | 10.20 | 10.14 | 6.93 |
| Licensed Commercial Banks | | | |
| Average Weighted Prime Lending Rate (AWPR) | 12.38 | 11.95 | 7.32 |
| | Sep 2016 | Month Ago | Year Ago |
| Saving Deposits | 0.50-12.25 | 0.50-9.00 | 0.50-8.00 |
| One Year Fixed Deposits | 4.50-15.00 | 4.50-15.00 | 3.50-15.00 |
| | Oct 2016 | Month Ago | Year Ago |
| Average Weighted Deposit Rate (AWDR) | 7.79 | 7.56 | 6.05 |
| Average Weighted Fixed Deposit Rate (AWFDR) | 9.95 | 9.67 | 7.33 |
| | Sep 2016 | Month Ago | Year Ago |
| Average Weighted Lending Rate (AWLR) | 12.88 | 12.54 | 11.00 |
| National Savings Bank (NSB) | Sep 2016 | Month Ago | Year Ago |
| Saving Deposits | 4.25 | 4.25 | 5.00 |
| One Year Fixed Deposits | 11.00 | 10.00 | 6.50 |
| Treasury Bonds Auction | (4 Y & 05 Months) 29/09/2016 | (7 Y & 10 Months) 29/09/2016 | (9 y & 10 Months) 29/09/2016 |
| Coupon rate | 10.75 | 11.00 | 11.50 |
| Weighted Average Yield (Excluding 10% withholding tax) | 10.61 | 10.96 | 11.06 |

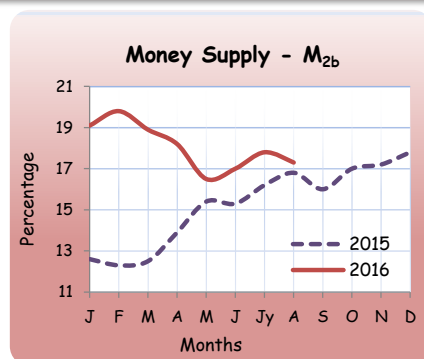
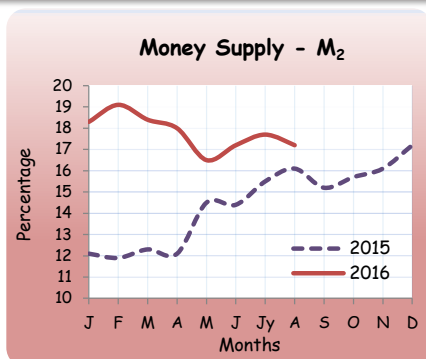
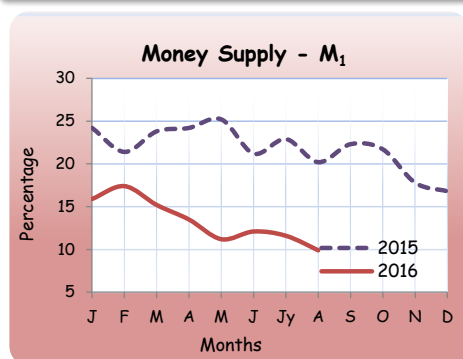
| Bankwise- AWPR | Week ending 2016 Nov 18 | Week Ago |
|------------------------------|----------------------------|----------|
| Bank of Ceylon | 12.33 | 12.49 |
| People's Bank | 12.18 | 12.14 |
| Hatton National Bank | 13.35 | 12.83 |
| Commercial Bank of Ceylon | 12.33 | 12.49 |
| Sampath Bank | 13.11 | 13.41 |
| Seylan Bank | 13.71 | 12.99 |
| Union Bank of Colombo | 14.66 | 14.42 |
| Pan Asia Banking Corporation | 16.17 | 15.52 |
| Nations Trust Bank | 12.36 | 12.38 |
| DFCC Bank | 13.68 | 13.75 |
| NDB Bank | 14.50 | 13.85 |
| Amana Bank | 12.31 | 12.31 |
| Cargills Bank | 12.76 | 13.98 |

| Bankwise- AWPR | Week ending 2016 Nov 18 | Week Ago |
|-------------------------|----------------------------|----------|
| HSBC | 9.43 | 9.33 |
| Standard Chartered Bank | 11.72 | 11.66 |
| Citi Bank | 11.05 | 11.05 |
| Deutsche Bank | 9.67 | 9.15 |
| Habib Bank | 10.79 | 10.79 |
| Indian Bank | 13.75 | 13.75 |
| Indian Overseas Bank | 14.25 | 14.25 |
| MCB Bank | 13.16 | 13.54 |
| State Bank of India | 13.16 | 13.16 |
| Public Bank | 10.25 | 10.25 |
| ICICI Bank | 12.83 | 12.83 |
| Axis Bank | 12.84 | 12.82 |

2.2 Money Supply

| Item | Rs. Bn. | | | Annual Change (%) | | |
|---|--------------------|--------------|-------------|--------------------|--------------|-------------|
| | 2016 (a) August | Month Ago | Year Ago | 2016 (a) August | Month Ago | Year Ago |
| Reserve Money | 785.7 | 774.5 | 637.2 | 23.3 | 22.9 | 19.8 |
| M ₁ | 714.2 | 716.6 | 650.0 | 9.9 | 11.6 | 20.2 |
| M ₂ | 4,434.8 | 4,394.7 | 3,783.9 | 17.2 | 17.7 | 16.1 |
| M _{2b} | 4,988.6 | 4,940.4 | 4,252.5 | 17.3 | 17.8 | 16.8 |
| Net Foreign Assets of the Banking System (b) | -281.5 | -437.6 | -278.8 | -1.0 | -81.4 | -231.1 |
| Monetary Authorities | 499.0 | 416.8 | 450.9 | 10.7 | -19.1 | -43.0 |
| Commercial Banks | -780.5 | -854.4 | -729.7 | -7.0 | -12.9 | -26.1 |
| Domestic Banking Units (DBUs) | -268.9 | -287.0 | -239.6 | -12.2 | -9.7 | -0.9 |
| Offshore Banking Units (OBUs) | -511.6 | -567.5 | -490.2 | -4.4 | -14.7 | -43.6 |
| Net Domestic Assets of the Banking System (b) | 5,270.1 | 5,378.0 | 4,531.3 | 16.3 | 21.3 | 32.1 |
| Net Credit to the Government | 1,937.9 | 2,032.0 | 1,735.6 | 11.7 | 17.1 | 27.4 |
| Monetary Authorities | 396.5 | 456.1 | 244.5 | 62.2 | 108.6 | 67.9 |
| Commercial Banks | 1,541.4 | 1,575.9 | 1,491.1 | 3.4 | 3.9 | 22.6 |
| DBUs | 1,208.4 | 1,185.2 | 1,183.6 | 2.1 | -2.1 | 16.1 |
| OBUs | 333.0 | 390.8 | 307.5 | 8.3 | 27.6 | 55.8 |
| Credit to Public Corporations | 441.5 | 472.1 | 482.5 | -8.5 | -0.8 | 42.8 |
| DBUs | 266.6 | 266.5 | 222.2 | 20.0 | 22.0 | 33.2 |
| OBUs | 174.9 | 205.6 | 260.3 | -32.8 | -20.1 | 52.2 |
| Credit to the Private Sector | 3,905.9 | 3,860.9 | 3,068.7 | 27.3 | 28.5 | 21.3 |
| DBUs | 3,616.6 | 3,576.1 | 2,833.6 | 27.6 | 29.3 | 23.9 |
| OBUs | 289.3 | 284.8 | 235.1 | 23.0 | 19.9 | -3.4 |
| Other Items (Net) | -1,015.2 | -987.0 | -755.5 | -34.4 | -26.5 | 5.6 |

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

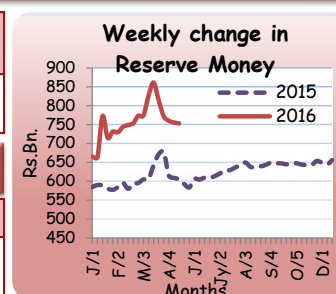


2.3 Weekly change in Reserve Money

| Item | 17 Nov 2016 | Week Ago | Change |
|------------------------|-------------|----------|--------|
| Reserve Money (Rs.Mn.) | 814,748 | 801,941 | 12,807 |

2.4 Money Market Activity (Overnight)

| Item | 15.11.2016 | 16.11.2016 | 17.11.2016 | 18.11.2016 |
|--------------------------------|------------|------------|------------|------------|
| Call Money Market | | | | |
| Weighted Average Rate (% p.a.) | 8.44 | 8.44 | 8.44 | 8.44 |
| Gross Volume (Rs. Mn) | 13,740 | 8,430 | 9,605 | 7,627 |
| Repo Market | | | | |
| Weighted Average Rate (% p.a.) | 8.72 | 8.65 | 8.66 | 8.64 |
| Gross Volume (Rs. Mn) | 19,187 | 31,184 | 29,014 | 29,829 |



2.5 CBSL Security Portfolio

| Item | 15.11.2016 | 16.11.2016 | 17.11.2016 | 18.11.2016 |
|--|------------|------------|------------|------------|
| CBSL Treasury Bill Holdings - Face Value (Rs.mn) | 183,988 | 183,988 | 183,988 | 190,420 |
| CBSL Treasury Bill Holdings - Book Value (Rs.mn) | 181,318 | 181,365 | 181,409 | 187,283 |

2.6 Open Market Operations

| Item | 15.11.2016 | 16.11.2016 | 17.11.2016 | 18.11.2016 |
|--|---------------|---------------|---------------|---------------|
| Short-Term Auction | | | | |
| Repo Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 |
| Reverse Repo Amount Offered (Rs. bn) | 45.00 | 50.00 | 50.00 | 38.00 |
| Tenure (No. of Days) | 1 | 1 | 1 | 1 |
| Bids Received (Rs. bn) | 45.01 | 32.02 | 49.87 | 36.45 |
| Amount Accepted (Rs. bn) | 45.00 | 32.02 | 49.87 | 36.45 |
| Weighted Average Yield Rate (% p.a.) | 8.49 | 8.49 | 8.49 | 8.49 |
| Term Auction | | | | |
| Repo Amount Accepted (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 |
| Reverse Repo Amount Accepted (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 |
| Standing Facility | | | | |
| Standing Deposit Facility (Rs. bn) | 15.49 | 5.59 | 5.71 | 5.49 |
| Standing Lending Facility (Rs. bn) | 15.92 | 26.60 | 11.96 | 16.75 |
| Total Outstanding Market Liquidity (Rs. bn) | -45.43 | -53.03 | -56.12 | -47.71 |

2.7 Credit Cards (a)

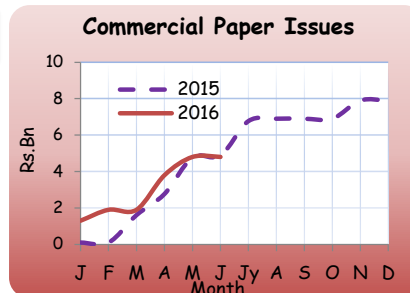
| Item | 2016 (b) End Aug | 2016 End July | 2015 End Dec |
|--------------------------------------|---------------------|------------------|-----------------|
| Total Number of Active Cards | 1,253,876 | 1,226,820 | 1,142,231 |
| Local (accepted only locally) | 35,880 | 36,177 | 30,902 |
| Global (accepted globally) | 1,217,996 | 1,190,643 | 1,111,329 |
| Outstanding balance (Rs. Mn.) | 67,664 | 65,870 | 63,010 |
| Local (accepted only locally) | 813 | 804 | 1,226 |
| Global (accepted globally) | 66,851 | 65,066 | 61,784 |

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

2.8 Commercial Paper Issues (a)

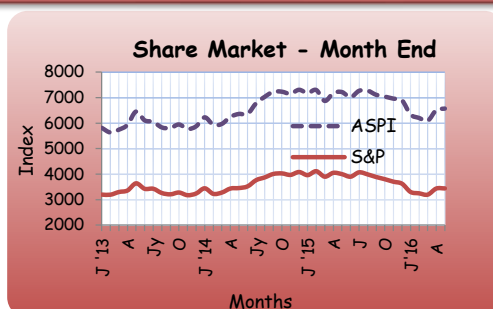
| Item (Rs. bn.) | 2016 End Aug(b) | 2016 End July | 2015 End Dec |
|---------------------------------------|--------------------|------------------|-----------------|
| Total Issues - Cumulative | 5.1 | 4.9 | 7.9 |
| Outstanding (as at end of the period) | 4.0 | 4.5 | 4.5 |

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



2.9 Share Market

| Item | Week Ending 18 Nov 2016 | Week Ago | Year Ago |
|---|----------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,326 | 6,416 | 6,982 |
| S & P Sri Lanka 20 Index (S&P SL20) | 3,515 | 3,590 | 3,765 |
| Average Daily Turnover (Rs. Mn) | 376 | 282 | 809 |
| Market Capitalisation (Rs.Bn.) | 2,696 | 2,733 | 2,964 |



Fiscal Sector

During the first half of 2016, government revenue as a percentage of estimated GDP increased to 6.0 per cent from 5.4 per cent in the corresponding period in 2015. In nominal terms, total revenue increased by 22.5 per cent to Rs. 741.8 billion during the first half of the year from Rs. 605.6 billion recorded during the same period in 2015. Average monthly revenue during this period was around Rs. 123.6 billion compared to Rs. 100.9 billion recorded in the same period of 2015. Tax revenue increased by 22.8 per cent to Rs. 684.9 billion during the first half of 2016 from Rs. 557.6 billion in the corresponding period of 2015, mainly due to increase in revenue from Value Added Tax (VAT), income taxes and import related taxes.

Total expenditure and net lending during the first half of 2016 declined to 8.7 per cent of estimated GDP from 8.9 per cent during the same period in 2015. The recurrent expenditure remained unchanged at 6.8 per cent of estimated GDP as in the same period in 2015 showing positive improvements in expenditure rationalisation efforts of the government. Capital expenditure and net lending as a percentage of GDP declined to 1.9 per cent during the first half of 2016 from 2.1 per cent in the corresponding period in 2015. In nominal terms, however, total expenditure and net lending is estimated at Rs. 1,070.6 billion, an increase of 6.3 per cent, during the first half of 2016 from Rs. 1,007.5 billion in the corresponding period of 2015.

Total outstanding debt increased by Rs. 559.0 billion to Rs. 9,062.2 billion as at end June 2016 from Rs. 8,503.2 billion at end 2015. Foreign debt increased by Rs. 127.0 billion to Rs. 3,671.1 billion, while domestic debt increased by Rs. 431.9 billion to Rs. 5,391.1 billion.

Highlights

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

| Item | 2015 2 nd Quarter | 2016(a) 2 nd Quarter | Rs. Bn |
|---|---------------------------------|------------------------------------|---|
| Revenue and Grants | 605.8 | 742.3 | Government Revenue & Expenditure 2015-2016 (end Period) |
| Revenue | 605.6 | 741.8 | |
| Tax | 557.6 | 684.9 | |
| Non tax | 48.1 | 56.9 | |
| Grants | 0.2 | 0.5 | |
| Expenditure & Lending Minus Repayments | 1,007.5 | 1,070.6 | |
| Current | 769.3 | 835.5 | |
| Capital & Lending Minus Repayments | 238.2 | 235.0 | |

(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

| Item | End 2015 | 2016(a) 2 nd Quarter | Rs. Bn |
|-------------------------------------|----------------|------------------------------------|--------------------------------------|
| Total domestic debt | 4,959.2 | 5,391.1 | Government Debt 2015-2016 |
| of which | | | |
| Treasury bills | 658.2 | 729.4 | |
| Treasury bonds | 3,305.2 | 3,610.5 | |
| Rupee loans | 24.1 | 24.1 | |
| Total foreign debt | 3,544.0 | 3,671.1 | |
| Total outstanding govt. debt | 8,503.2 | 9,062.2 | |

(a) Provisional

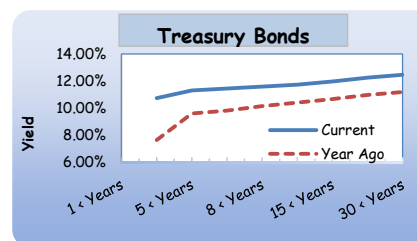
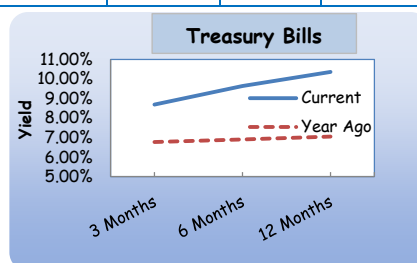
3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 16th November 2016

| Security | Maturity | Primary Market(a) | | Secondary Market | | | |
|----------------|------------|-------------------|-----------|------------------|---------|---------|----------------------|
| | | This Week | Last Week | This Week | | | Last Week Average |
| | | | | Buying | Selling | Average | |
| Treasury Bills | 3 Months | 8.60% | 8.60% | 8.75% | 8.54% | 8.65% | 8.62% |
| | 6 Months | 9.65% | 9.56% | 9.63% | 9.46% | 9.54% | 9.50% |
| | 12 Months | 10.20% | 10.14% | 10.26% | 10.08% | 10.17% | 10.15% |
| Treasury Bonds | < 2 Years | - | - | 11.18% | 11.04% | 11.11% | 11.01% |
| | < 5 Years | - | - | 11.82% | 11.72% | 11.77% | 11.70% |
| | < 6 Years | - | - | 12.00% | 11.85% | 11.92% | 11.77% |
| | < 8 Years | - | - | 12.00% | 11.85% | 11.93% | 11.83% |
| | < 10 Years | - | - | 12.08% | 11.94% | 12.01% | 11.93% |
| | < 15 Years | - | - | 12.20% | 12.08% | 12.14% | 12.10% |
| | < 20 Years | - | - | 12.45% | 12.39% | 12.42% | 12.41% |
| | < 30 Years | - | - | 12.73% | 12.54% | 12.64% | 12.58% |

(a) Primary market transactions during the week ending 16/11/2016

The secondary market yield rates of T-bills and T-bonds 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% | 5.58% | 4.94% |
| | 27-Jul-21 | 6.250% | 5.91% | 5.25% |
| | 18-Jan-22 | 5.750% | 6.17% | 5.45% |
| | 25-Jul-22 | 5.875% | 6.27% | 5.58% |
| | 14-Jan-19 | 6.000% | 5.15% | 4.41% |
| | 11-Apr-19 | 5.125% | 5.19% | 4.41% |
| | 3-Jun-25 | 6.125% | 6.80% | 6.16% |
| | 3-Nov-25 | 6.850% | 6.81% | 6.17% |
| | 18-Jul-26 | 6.825% | 6.81% | 6.18% |



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 16th November 2016)

| Item | Volume in Rs Mn | |
|--|---------------------|---------------------|
| | This Week | Last Week |
| Outstanding Stock of Government Securities | | |
| Treasury Bills | 712,714.69 | 712,870.64 |
| Treasury Bonds (a) | 3,952,866.82 | 3,948,469.82 |
| Total | 4,665,581.51 | 4,661,340.46 |
| T-bills and T-bonds held by Foreigners | 280,066.50 | 282,480.71 |
| Sri Lanka Development Bonds (SLDB) | 564,358.51 | 564,356.99 |

The outstanding stock of T-bills and T-bonds held by Foreigners decreased by 0.85 per cent during the reporting week.

| Primary Market Activities | Volume in Rs Mn | |
|---------------------------|-----------------|-----------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Amount Offered | 29,500.00 | 28,000.00 |
| Total Bids Received | 41,955.00 | 52,905.00 |
| Total Bids Accepted | 1,010.00 | 10,435.00 |
| Treasury Bonds | | |
| Amount Offered | | |
| Total Bids Received | No auction held | No auction held |
| Total Bids Accepted | | |

The weekly T-bill auction was over subscribed by 1.4 times during the reporting week compared to the 1.9 times reported in the previous week.

| Secondary Market Activities | Volume in Rs Mn | |
|--|-----------------|------------|
| | This Week | Last Week |
| Treasury Bills | | |
| Outright Transaction (Sales / Purchases) | 21,278.16 | 22,014.99 |
| Repo Transaction (Sales / Purchases) | 166,939.69 | 236,537.81 |
| Treasury Bonds | | |
| Outright Transaction (Sales / Purchases) | 39,157.35 | 74,468.42 |
| Repo Transaction (Sales / Purchases) | 650,311.66 | 698,462.03 |

The total secondary market transactions of T-bills and T-bonds decreased by 14.91 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) - 18/11/2016

| Remaining Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|--------------------|----------------------|---------|-----------------------|---------|-------------------------|
| 1-7 Days | 99.84 | 8.51 | 99.84 | 8.31 | 0.00 |
| 1 Month | 99.30 | 8.56 | 99.31 | 8.37 | 0.02 |
| 2 Month | 98.58 | 8.65 | 98.61 | 8.46 | 0.03 |
| 3 Month | 97.83 | 8.80 | 97.89 | 8.57 | 0.06 |
| 4 Month | 97.00 | 9.12 | 97.08 | 8.90 | 0.08 |
| 5 Month | 96.14 | 9.40 | 96.23 | 9.18 | 0.09 |
| 6 Month | 95.22 | 9.69 | 95.31 | 9.51 | 0.09 |
| 7 Month | 94.38 | 9.77 | 94.48 | 9.59 | 0.10 |
| 8 Month | 93.54 | 9.83 | 93.65 | 9.65 | 0.12 |
| 9 Month | 92.65 | 9.94 | 92.78 | 9.76 | 0.13 |
| 10 Month | 91.76 | 10.03 | 91.90 | 9.85 | 0.14 |
| 11 Month | 90.84 | 10.13 | 91.01 | 9.95 | 0.17 |
| 12 Month | 89.83 | 10.31 | 90.03 | 10.11 | 0.20 |

3.6 Two way Quotes (Treasury Bonds)- 18/11/2016

| 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 |
|-------------------------|-------------------------|--------------------------|------------------|----------------------|---------|-----------------------|---------|-------------------------|
| 08.00%2017A | 5 | 1-Jan-17 | 44 | 99.79 | 9.45 | 99.82 | 9.20 | 0.03 |
| 05.80%2017A | 6 | 15-Jan-17 | 58 | 99.41 | 9.40 | 99.45 | 9.14 | 0.04 |
| 08.25%2017A | 3 | 1-Mar-17 | 103 | 99.52 | 9.81 | 99.58 | 9.59 | 0.06 |
| 08.75%2017A | 4 | 15-May-17 | 178 | 99.27 | 10.30 | 99.41 | 10.01 | 0.14 |
| 08.00%2017B | 5 | 15-Jun-17 | 209 | 98.58 | 10.59 | 98.75 | 10.28 | 0.17 |
| 05.80%2017B | 6 | 15-Jul-17 | 239 | 97.08 | 10.49 | 97.20 | 10.28 | 0.13 |
| 08.50%2018A | 15 | 1-Feb-18 | 440 | 97.01 | 11.20 | 97.20 | 11.03 | 0.19 |
| 08.50%2018C | 5 | 1-Apr-18 | 499 | 96.42 | 11.38 | 96.66 | 11.18 | 0.24 |
| 08.50%2018D | 5 | 1-Jun-18 | 560 | 95.94 | 11.45 | 96.18 | 11.27 | 0.24 |
| 08.50%2018B | 15 | 15-Jul-18 | 604 | 95.45 | 11.58 | 95.72 | 11.39 | 0.27 |
| 07.50%2018A | 15 | 15-Aug-18 | 635 | 93.70 | 11.58 | 93.97 | 11.40 | 0.27 |
| 08.75%2018A | 4 | 15-Oct-18 | 696 | 95.25 | 11.59 | 95.52 | 11.42 | 0.27 |
| 08.00%2018A | 6 | 15-Nov-18 | 727 | 93.68 | 11.65 | 93.95 | 11.49 | 0.27 |
| 05.65%2019A | 8 | 15-Jan-19 | 788 | 88.60 | 11.78 | 88.79 | 11.67 | 0.19 |
| 08.50%2019A | 10 | 1-May-19 | 894 | 93.03 | 11.85 | 93.36 | 11.68 | 0.34 |
| 10.60%2019A | 5 | 1-Jul-19 | 955 | 97.19 | 11.87 | 97.55 | 11.70 | 0.36 |
| 10.60%2019B | 5 | 15-Sep-19 | 1,031 | 96.71 | 11.99 | 97.17 | 11.79 | 0.45 |
| 08.00%2019A | 8 | 1-Nov-19 | 1,078 | 90.10 | 12.08 | 90.47 | 11.92 | 0.36 |
| 09.25%2020A | 5 | 1-May-20 | 1,260 | 91.97 | 12.16 | 92.32 | 12.03 | 0.35 |
| 08.00%2020A | 8 | 1-Jun-20 | 1,291 | 88.21 | 12.20 | 88.49 | 12.09 | 0.29 |
| 06.20%2020A | 10 | 1-Aug-20 | 1,352 | 82.43 | 12.23 | 82.71 | 12.13 | 0.28 |
| 09.50%2020A | 5 | 15-Dec-20 | 1,488 | 91.33 | 12.26 | 91.66 | 12.15 | 0.33 |
| 10.75%2021A | 5 | 1-Mar-21 | 1,564 | 94.91 | 12.30 | 95.51 | 12.11 | 0.60 |
| 09.00%2021A | 8 | 1-May-21 | 1,625 | 88.57 | 12.41 | 89.13 | 12.24 | 0.55 |
| 11.00%2021A | 7 | 1-Aug-21 | 1,717 | 95.04 | 12.41 | 95.53 | 12.27 | 0.49 |
| 09.45%2021A | 7 | 15-Oct-21 | 1,792 | 89.29 | 12.42 | 89.89 | 12.25 | 0.60 |
| 08.00%2022A | 10 | 1-Jan-22 | 1,870 | 83.52 | 12.44 | 83.83 | 12.35 | 0.31 |
| 11.20%2022A | 9 | 1-Jul-22 | 2,051 | 95.15 | 12.42 | 95.66 | 12.28 | 0.51 |
| 10.00%2022A | 8 | 1-Oct-22 | 2,143 | 90.23 | 12.39 | 90.98 | 12.19 | 0.75 |
| 09.00%2023A | 10 | 1-Sep-23 | 2,478 | 83.60 | 12.67 | 83.77 | 12.62 | 0.17 |
| 11.20%2023A | 9 | 1-Sep-23 | 2,478 | 93.83 | 12.57 | 94.18 | 12.49 | 0.35 |
| 07.00%2023A | 20 | 1-Oct-23 | 2,508 | 74.33 | 12.71 | 74.55 | 12.65 | 0.22 |
| 11.40%2024A | 10 | 1-Jan-24 | 2,600 | 93.53 | 12.81 | 93.90 | 12.72 | 0.37 |
| 11.00%2024A | 8 | 1-Aug-24 | 2,813 | 91.77 | 12.70 | 92.60 | 12.52 | 0.83 |
| 06.00%2024A | 10 | 1-Dec-24 | 2,935 | 66.62 | 12.76 | 66.92 | 12.68 | 0.29 |
| 10.25%2025A | 10 | 15-Mar-25 | 3,039 | 87.56 | 12.71 | 88.10 | 12.59 | 0.54 |
| 09.00%2025A | 12 | 1-May-25 | 3,086 | 80.73 | 12.79 | 81.07 | 12.72 | 0.34 |
| 11.00%2025A | 10 | 1-Aug-25 | 3,178 | 90.99 | 12.73 | 91.56 | 12.62 | 0.57 |
| 09.00%2026A | 13 | 1-Feb-26 | 3,362 | 79.03 | 12.96 | 79.39 | 12.88 | 0.36 |
| 05.35%2026A | 15 | 1-Mar-26 | 3,390 | 60.13 | 12.81 | 60.40 | 12.74 | 0.27 |
| 11.00%2026A | 11 | 1-Jun-26 | 3,482 | 90.36 | 12.78 | 91.03 | 12.64 | 0.67 |
| 11.50%2026A | 10 | 1-Aug-26 | 3,543 | 92.85 | 12.80 | 93.57 | 12.66 | 0.73 |
| 09.00%2028B | 15 | 1-May-28 | 4,182 | 76.49 | 13.00 | 76.86 | 12.93 | 0.36 |
| 09.00%2028A | 15 | 1-Jul-28 | 4,243 | 76.85 | 12.89 | 77.26 | 12.81 | 0.41 |
| 11.50%2028A | 13 | 1-Sep-28 | 4,305 | 90.85 | 13.03 | 91.65 | 12.89 | 0.80 |
| 13.00%2029A | 15 | 1-Jan-29 | 4,427 | 99.51 | 13.08 | 99.96 | 13.00 | 0.45 |
| 13.00%2029B | 15 | 1-May-29 | 4,547 | 100.23 | 12.96 | 100.80 | 12.87 | 0.57 |
| 11.00%2030A | 15 | 15-May-30 | 4,926 | 87.50 | 12.99 | 89.37 | 12.66 | 1.88 |
| 08.00%2032A | 20 | 1-Jan-32 | 5,522 | 65.81 | 13.30 | 66.76 | 13.10 | 0.95 |
| 09.00%2032A | 20 | 1-Oct-32 | 5,796 | 71.71 | 13.33 | 72.60 | 13.15 | 0.89 |
| 09.00%2033A | 20 | 1-Jun-33 | 6,039 | 71.33 | 13.34 | 72.07 | 13.19 | 0.74 |
| 13.25%2033A | 20 | 1-Jul-33 | 6,069 | 99.13 | 13.38 | 100.03 | 13.24 | 0.89 |
| 09.00%2033B | 20 | 1-Nov-33 | 6,192 | 70.67 | 13.43 | 71.30 | 13.30 | 0.63 |
| 13.25%2034A | 20 | 1-Jan-34 | 6,253 | 98.63 | 13.45 | 99.29 | 13.35 | 0.66 |
| 11.50%2035A | 20 | 15-Mar-35 | 6,691 | 87.30 | 13.37 | 88.94 | 13.10 | 1.64 |
| 12.00%2041A | 25 | 1-Jan-41 | 8,810 | 89.65 | 13.45 | 92.81 | 12.98 | 3.16 |
| 09.00%2043A | 30 | 1-Jun-43 | 9,691 | 67.32 | 13.58 | 67.82 | 13.48 | 0.50 |
| 13.50%2044A | 30 | 1-Jan-44 | 9,905 | 99.32 | 13.59 | 100.00 | 13.50 | 0.68 |
| 13.50%2044B | 30 | 1-Jun-44 | 10,057 | 99.09 | 13.63 | 99.81 | 13.53 | 0.71 |
| 12.50%2045A | 30 | 1-Mar-45 | 10,330 | 92.06 | 13.60 | 96.72 | 12.93 | 4.67 |

External Sector

During the year up to 18 November 2016 the Sri Lanka rupee depreciated against the US dollar (2.5 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (16.7 per cent), euro (0.5 per cent) and depreciated against Indian rupee (0.1 per cent) and Japanese yen (10.4 per cent) during this period.

Earnings from exports declined by 4.4 per cent, year-on-year, to US dollars 891 million in July 2016 from US dollars 932 million in July 2015. The subdued performance in agricultural and industrial exports, owing to lower international commodity prices and lower domestic supply, mainly contributed to this decline. On a cumulative basis, earnings from exports during the first seven months of 2016 contracted by 5.6 per cent, year-on-year, to US dollars 5,999 million mainly due to reductions in export earnings from transport equipment, petroleum products, tea and spices.

Expenditure on imports contracted by 6.6 per cent, year-on-year, to US dollars 1,433 million in July 2016 compared to US dollars 1,534 million in July 2015. A significant decline in expenditure on vehicle imports, followed by fuel and wheat imports, contributed largely to this reduction. On a cumulative basis, expenditure on imports during the first seven months of 2016 contracted by 2.9 per cent to US dollars 10,754 million, mainly due to reductions recorded in fuel, vehicle and rice imports.

The terms of trade improved marginally by 0.7 per cent, in July 2016 compared to the corresponding month of previous year due to deteriorating of import prices compared to export prices. The export unit value index in July 2016 declined by 2.3 per cent, year-on-year mainly driven by price reduction in agricultural exports. Reflecting the declines recorded in almost all sub categories of intermediate goods and investment goods, the import unit value index declined by 3.0 per cent, year-on-year, in July 2016. However, import unit value index for consumer goods increased by 7.4 per cent year-on year.

India, China, UK, Germany and France were the top five sources of tourist arrivals in October 2016, accounting for 52.4 per cent of total tourist arrivals upto the month of October 2016

The average price of tea increased to US dollars 3.11 per kg in July 2016 from US dollars 3.00 per kg (in the Colombo auction) in July 2015.

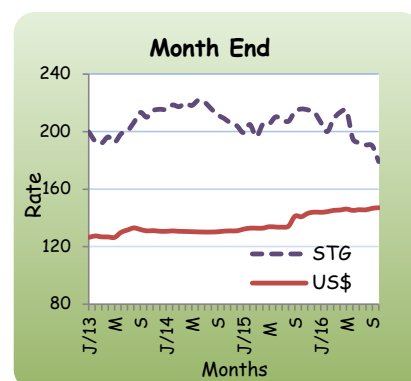
Further, the import prices of rice, wheat and crude oil prices declined compared to the corresponding month of 2015.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

| Item (Rs Per Unit)(a) | Week Ending - 18 Nov 2016 | | | Average Rate | |
|--|---------------------------|--------------|--------------|--------------|----------|
| | Buying Rate | Selling Rate | Average Rate | Week Ago | Year Ago |
| US\$ | 146.54 | 150.30 | 148.42 | 147.73 | 142.27 |
| STG | 180.85 | 187.10 | 183.98 | 185.49 | 216.20 |
| Yen | 1.32 | 1.37 | 1.34 | 1.39 | 1.15 |
| Euro | 154.25 | 160.22 | 157.24 | 161.00 | 151.22 |
| INR ⁽¹⁾ | | | 2.17 | 2.21 | 2.15 |
| SDR (As at 17 Nov 2016) | | | 201.24 | 202.59 | 195.86 |
| Central Bank purchases and sales(b) (US\$ Mn.) | | | October 2016 | Month Ago | Year Ago |
| Purchases | | | 88.33 | 131.29 | 27.60 |
| Sales | | | 163.78 | 15.20 | 305.55 |



| | Week Ending 18 Nov 2016 | Week Ago | Year Ago |
|---|----------------------------|----------|----------|
| Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks) | 15.19 | 14.05 | 37.79 |
| Forward Transactions | | | |
| Forward Rates (US\$) ⁽²⁾ | | | |
| 1 Month | 149.06 | 148.81 | 142.46 |
| 3 Months | 150.96 | 150.45 | 143.28 |
| Average Daily Interbank Forward Volume (US\$ mn) | 32.13 | 34.52 | 23.55 |
| Outstanding Forward Volume (US\$ mn) (As at 17 Nov 2016) | 1,254.54 | 1,396.34 | 1,432.37 |

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

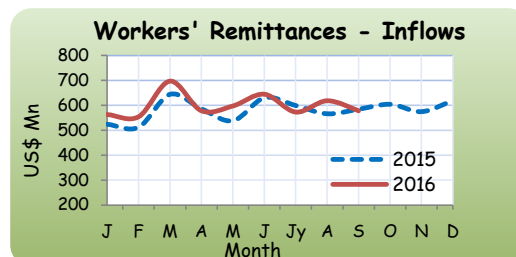
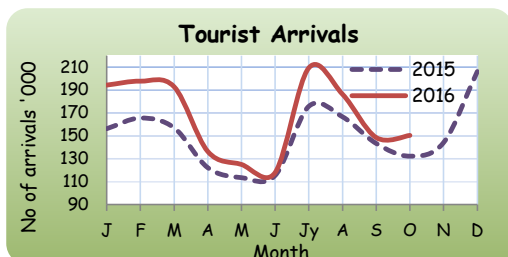
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

4.2 Tourism & Workers' Remittances

| Item | | 2015 Oct (a)(c) | 2016 Oct (b)(d) | 2015(a) Jan-Oct (c) | 2016(b) Jan-Oct(d) | % Change |
|--------------------------------|----------|--------------------|--------------------|------------------------|-----------------------|----------|
| Tourist Arrivals | Number | 132,280 | 150,419 | 1,448,119 | 1,658,824 | 14.6 |
| Earnings from Tourism(d) | US\$ Mn. | 219.2 | 249.3 | 2,400.1 | 2,749.4 | 14.6 |
| | Rs.bn. | 30.9 | 36.6 | 322.6 | 398.6 | 23.6 |
| | | 2015 Sep (a) | 2016 Sep (b) | 2015(a) Jan-Sep | 2016(a) Jan-Sep(b) | % Change |
| Workers' Remittances (Inflows) | US\$ Mn. | 584.2 | 577.9 | 5,182.2 | 5,382.0 | 3.9 |
| | Rs. bn. | 81.1 | 84.2 | 693.4 | 779.5 | 12.4 |

(a) Revised (b) Provisional (c) Revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2015 (d) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2016



4.3 Official Reserve Assets as at 31st October 2016^(a)

| Official Reserve Assets (USD Mn) | |
|----------------------------------|----------|
| (1) Foreign Currency Reserves | 5,083.44 |
| (2) Reserve position in the IMF | 65.75 |
| (3) SDRs | 4.03 |
| (4) Gold | 911.20 |
| (5) Other Reserve Assets | 1.01 |

(a) Provisional

4.4 International Reserves & Foreign Currency Liquidity as at 30th September 2016 ^(a)

| Official Reserve Assets (USD mn) | | | | | |
|---|-----------|-----------|--|--------------------------------|-------------------------------------|
| Official Reserve Assets | | | | 6,455.72 | |
| (1) Foreign currency reserves | | | | 5,434.13 | |
| (a) Securities | | | | 2,119.62 | |
| (b) Total currency and deposits with | | | | 3,314.51 | |
| (i) other national central banks, BIS | | | | 1,615.16 | |
| (ii) banks headquartered inside the reporting country of which located abroad | | | | 1.19 | |
| (iii) banks headquartered outside the reporting country | | | | 1,698.16 | |
| (2) Reserve position in the IMF | | | | 66.80 | |
| (3) SDRs | | | | 4.09 | |
| (4) Gold | | | | 949.7 | |
| (5) Other reserve assets | | | | 1.01 | |
| 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 | -4,202.35 | -410.50 | -602.71 | -3,189.13 |
| | Interest | -1,065.04 | -71.83 | -130.27 | -862.95 |
| 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) | | -2,867.81 | -322.57 | -1300.24 | -1,245.00 |
| (b) Long positions (+) | | | | | |
| 3. Other (specify) | | -0.96 | -0.96 | | |
| inflows related to reverse repos (+) | | | | | |
| other accounts payable (-) | | -0.96 | -0.96 | | |

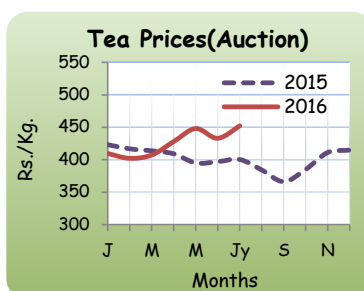
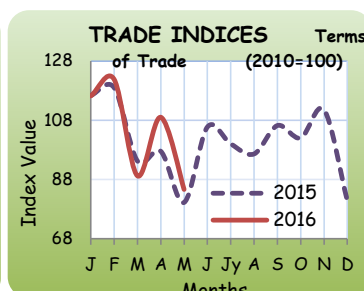
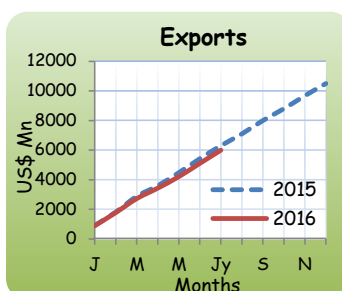
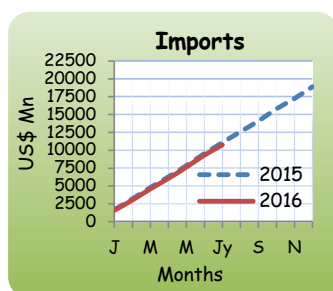
(a) Provisional

(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-July 2016 | Jan-July 2015 | % Change | Jan-July 2016 | Jan-July 2015 | % Change |
| Exports | 5,998.9 | 6,356.5 | -5.6 | 867,303.7 | 845,587.2 | 2.6 |
| Agricultural | 1,312.6 | 1,490.1 | -11.9 | 189,812.3 | 198,271.1 | -4.3 |
| Industrial | 4,660.4 | 4,836.7 | -3.6 | 673,742.4 | 643,365.5 | 4.7 |
| Food, Beverages and Tobacco | 173.9 | 155.8 | 11.6 | 25,139.6 | 20,732.7 | 21.3 |
| Textiles and Apparel | 2,940.2 | 2,818.5 | 4.3 | 425,049.5 | 374,937.4 | 13.4 |
| Petroleum Products | 162.4 | 264.1 | -38.5 | 23,475.3 | 35,105.7 | -33.1 |
| Leather, Rubber etc | 541.4 | 554.1 | -2.3 | 78,283.1 | 73,719.8 | 6.2 |
| Other | 842.5 | 1,044.1 | -19.3 | 121,794.9 | 138,869.9 | -12.3 |
| Mineral | 17.2 | 20.6 | -16.6 | 2,483.2 | 2,739.4 | -9.4 |
| Other | 8.8 | 9.1 | -3.8 | 1,265.8 | 1,211.2 | 4.5 |
| Imports | 10,753.8 | 11,080.6 | -2.9 | 1,554,929.5 | 1,473,903.1 | 5.5 |
| Consumer Goods | 2,431.1 | 2,722.1 | -10.7 | 351,437.0 | 362,095.1 | -2.9 |
| Intermediate Goods | 5,485.1 | 5,703.9 | -3.8 | 793,209.7 | 758,799.6 | 4.5 |
| Investment Goods | 2,829.9 | 2,643.6 | 7.0 | 409,160.2 | 351,546.4 | 16.4 |
| Other | 7.7 | 11.0 | -29.5 | 1,122.6 | 1,462.0 | -23.2 |
| Trade Balance | -4,754.9 | -4,724.1 | 0.7 | -687,625.8 | -628,315.9 | 9.4 |

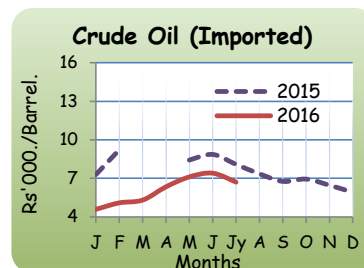
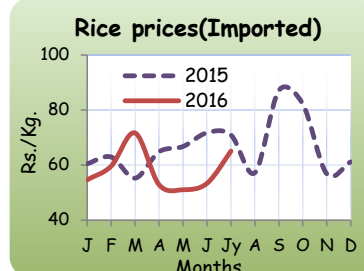


4.6 Trade Indices (2010= 100) (a)

| Item | 2016 July (b) | Month Ago | Year Ago |
|-----------------------|------------------|--------------|--------------|
| Total Exports | | | |
| Value | 124.0 | 124.8 | 129.7 |
| Quantity | 131.3 | 122.1 | 134.1 |
| Unit Value | 94.5 | 102.2 | 96.7 |
| Total Imports | | | |
| Value | 128.2 | 150.0 | 137.3 |
| Quantity | 137.0 | 162.8 | 142.3 |
| Unit Value | 93.6 | 92.1 | 96.5 |
| Terms of Trade | 100.9 | 111.0 | 100.3 |

(a) In US\$ Terms

(b) Provisional



4.7 International Commodity Prices

| Item | July 2016 | July 2015 | % Change | July 2016 | July 2015 | % Change |
|------------------------------|----------------------|-----------|----------|--------------------|-----------|----------|
| Colombo Auction Price | US\$ / Kg | | | Rs / Kg | | |
| Tea Prices | 3.11 | 3.00 | 3.8 | 452.28 | 400.47 | 12.9 |
| Imports (C I F) | US\$ / MT | | | Rs / MT | | |
| Rice | 447.38 | 530.34 | -15.6 | 65,052.61 | 70,899.61 | -8.2 |
| White Sugar | 537.45 | 381.93 | 40.7 | 78,148.80 | 51,058.51 | 53.1 |
| Wheat | 250.06 | 282.28 | -11.4 | 36,360.49 | 37,736.95 | -3.6 |
| | US\$ / Barrel | | | Rs / Barrel | | |
| Crude Oil | 46.10 | 60.49 | -23.8 | 6,703.93 | 8,086.61 | -17.1 |