

Weekly Economic Indicators

09 January 2015



Statistics Department

Real Sector & Inflation

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is computed by the Department of Census and Statistics, decreased to 2.1 per cent in December 2014 compared to 4.7 per cent in December 2013 on a year-on-year basis. Annual Average inflation which followed a declining trend for nineteen consecutive months reached 3.3 per cent in December 2014 from 6.9 per cent in December 2013.

Core inflation, which captures underlying long-term trend of inflation, decreased from 4.4 per cent in December 2013 to 3.5 per cent in December 2014 on an annual average basis. The year-on-year core inflation, which showed a mixed movement with low volatility, increased from 2.1 per cent in December 2013 to 3.2 per cent in December 2014.

The economy continued its growth momentum by recording a 7.7 per cent growth in real terms during the third quarter of 2014, supported by the 12.6 per cent growth of the Industry sector and 7.0 per cent growth of the Services sector, albeit the Agriculture Sector contracted by 2.0 percent.

While the production of tea recorded an increase of 0.5 per cent during January to November 2014, the rubber production showed a decline by 15.6 per cent during first ten months. Meanwhile, the coconut production recorded an increase by 12.4 per cent during the same period

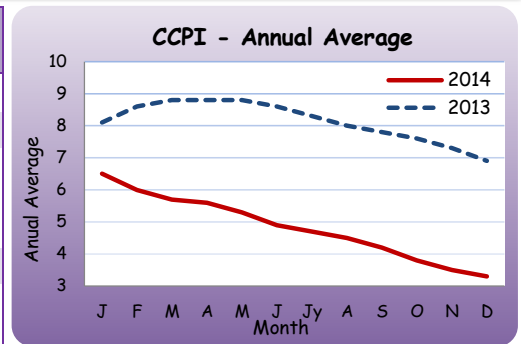
The FIPI increased significantly by 12.4 per cent on year-on-year basis in September 2014. This growth was mainly facilitated by increased production of beverages, wearing apparel as well as chemical and chemical products sectors. They have recorded a significant growth of 18.2, 23.6 and 23.5 per cent due to increased domestic and international demand during this period.

During the week Brent crude oil spot prices largely followed a declining trend. Prices fell to fresh lows since May 2009 due to weak economic data in the world's biggest oil consumer. U.S. construction spending unexpectedly fell in November, while the pace of growth in the U.S. manufacturing sector slipped to a six-month low in December. However, WTI crude oil prices rose on U.S. Commerce Department's announcement that U.S. trade gap shrank by 8 per cent in November. At the end the week, crude oil prices slightly rose as robust U.S. jobs data boosted the outlook for the world's largest economy, but the gains were limited in the face of a global supply glut.

REAL SECTOR & INFLATION

1.1 Price Indices

Item	Dec 2014	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	180.2	179.2	176.5
Annual Average Change %	3.3	3.5	6.9
Year - on - Year Change %	2.1	1.5	4.7
Core Inflation - (CCPI)	173.0	173.2	167.7
Annual Average Change %	3.5	3.4	4.4
Year - on - Year Change %	3.2	3.6	2.1



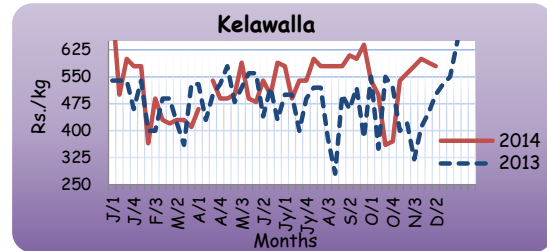
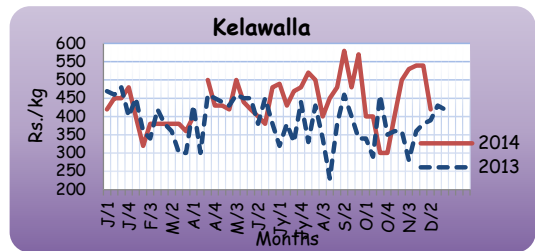
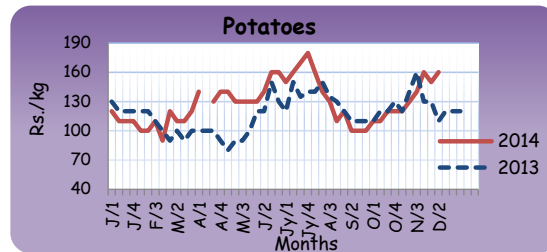
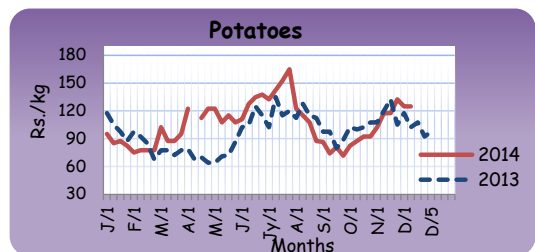
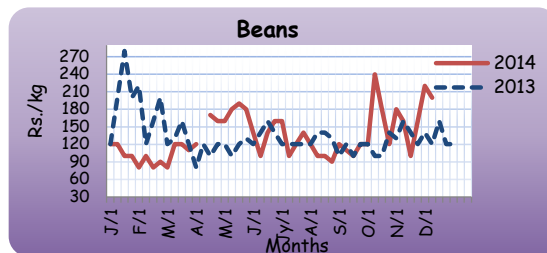
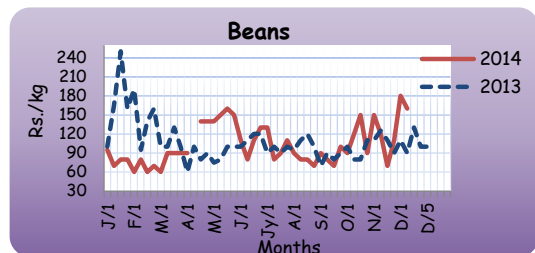
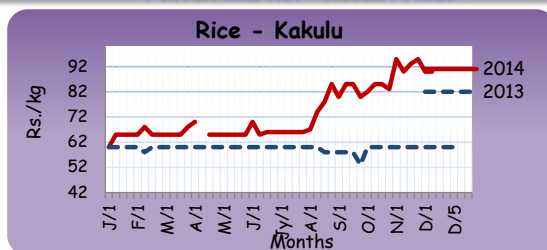
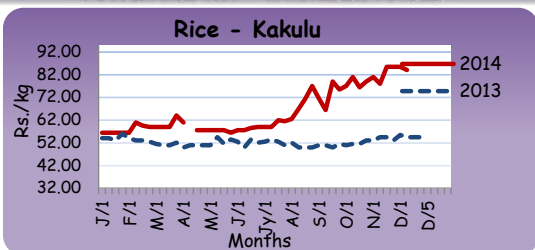
1.2 Pettah Market

Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 07 th Jan 2015	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 07 th Jan 2015	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	84.00	88.00	88.70	78.30	92.00	92.00	93.20	84.04
Kekulu (Red)	85.50	86.50	86.10	67.44	95.00	88.00	91.00	74.33
Vegetables								
Beans	340.00	420.00	220.00	113.17	400.00	480.00	264.00	140.96
Cabbage	120.00	95.00	92.00	61.65	180.00	160.00	138.00	90.96
Carrots	270.00	210.00	178.00	109.81	320.00	280.00	220.00	138.08
Tomatoes	105.00	180.00	176.00	90.77	150.00	290.00	226.00	122.31
Pumpkins	40.00	50.00	41.00	37.38	80.00	80.00	64.00	56.83
Snake Gourd	130.00	140.00	102.00	69.90	170.00	170.00	134.00	96.73
Brinjals	120.00	180.00	144.00	71.35	180.00	240.00	184.00	98.65
Ash-Plantains	130.00	120.00	106.00	73.65	160.00	140.00	136.00	95.96
Other Foods								
Red-Onions (Local)	n.a	125.00	114.00	79.55	n.a	160.00	148.00	109.59
Big-Onions (Local)	n.a	105.00	91.00	75.42	n.a	120.00	114.00	99.07
Potatoes (N'Eliya)	n.a	117.50	124.00	104.64	n.a	150.00	150.00	127.69
Dried Chilies (Imported)	220.00	223.00	222.60	193.24	260.00	250.00	250.00	230.38
Dhal (Indian)	142.00	142.00	142.20	140.94	160.00	160.00	160.00	159.23
Eggs (Red)	14.50	13.50	12.50	12.04	15.00	14.00	13.10	12.57
Coconut (Each)	47.50	52.50	46.50	38.63	70.00	70.00	60.00	50.10
Fish*								
Kelawalla	380.00	480.00	438.00	433.85	500.00	500.00	530.00	532.40
Balaya	360.00	280.00	310.00	295.00	410.00	330.00	364.00	349.04
Salaya	110.00	120.00	120.00	112.31	150.00	160.00	156.00	151.35
Paraw (Small)	480.00	480.00	448.00	435.58	520.00	530.00	496.00	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 Jan 2015	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	85.60	89.20
Kekulu (Red)	73.50	78.00
Vegetables		
Beans	260.00	307.00
Carrot	178.00	224.00
Tomatoes	151.00	197.00
Pumpkins	29.90	50.00
Snake Gourd	76.00	112.00
Ash-Plantains	92.00	124.00
Other Foods		
Red-Onions (Local)	88.50	118.00
Big-Onions (Local)	100.50	117.00
Potatoes (N'Eliya)	114.17	131.67
Dried Chilies(Imported)	225.30	265.00
Coconut (Each)	47.40	57.00

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	06 th Jan 2015	Week Ago
Rice		
Samba	90.00	90.67
Kekulu (Red)	85.00	85.00
Vegetables		
Beans	400.00	400.00
Cabbage	160.00	140.00
Carrots	240.00	246.67
Tomatoes	266.67	280.00
Pumpkins	80.00	76.67
Snake Gourd	200.00	163.33
Brinjals	280.00	243.33
Ash-Plantains	180.00	160.00
Other Foods		
Red-Onions (Imported)	180.00	143.33
Big-Onions (Imported)	120.00	n.a
Potatoes (Imported)	140.00	140.00
Dried Chilies (Imported)	240.00	236.67
Dhal (Indian)	170.00	170.00
Eggs (Red)(Each)	14.50	13.00
Coconut (Each)	55.00	48.33
Fish		
Kelawalla	680.00	846.67
Balaya	400.00	396.67
Salaya	220.00	166.67
Paraw (Small)	760.00	556.67

1.5 Maradagamula Market

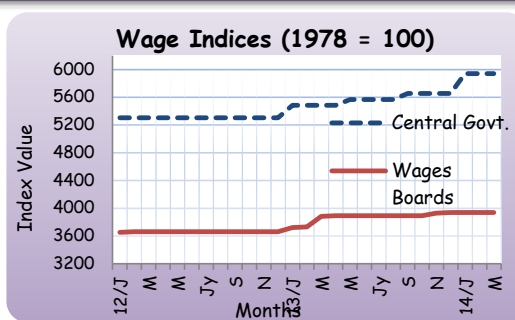
Average wholesale price of Rice

Item (Rs / Kg)	Week Ending 07 th Jan	Week Ago	Month Ago	Year Ago
Samba	83.00	84.75	84.20	75.74
Sudu Kekulu	78.00	75.50	76.05	69.11
Raw Red	84.00	84.50	84.10	67.25
Nadu	76.50	76.50	76.18	70.82

1.6 Wage rate Indices

Item	2014(a) Sep	2013 Sep	% Change
(1978 = 100)			
Central Government Employees (b)	5,939.0	5,653.3	5.1
Workers in Wages Boards Trades	4,099.2	3,890.0	5.4
Agriculture	4,692.3	4,434.9	5.8
Industry & Commerce	3,459.1	3,248.1	6.5
Services	2,313.2	2,313.2	0.0

(a) Provisional

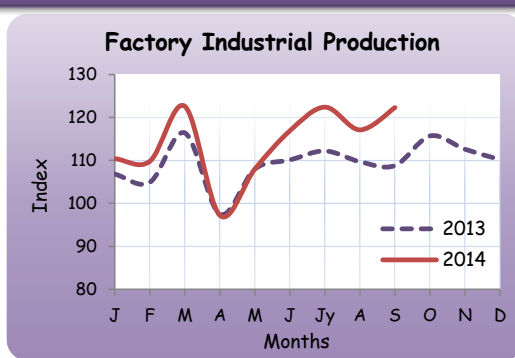


1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

Item	2014 (b) Sep	2013 Sep	% Change
Factory Industry- Production Index	122.3	108.8	12.4
Food products	101.7	101.0	0.7
Beverages	109.9	93.0	18.2
Tobacco products	96.6	94.2	2.5
Wearing apparel	156.8	126.9	23.6
Chemicals and chemical products	89.6	72.6	23.5
Rubber and plastic products	142.1	123.5	15.1
Other non-metallic mineral products	118.9	108.6	9.5

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

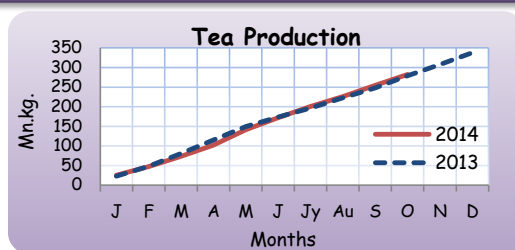
(b) Provisional



1.8 Agriculture Production

Item	Unit	2014*	2013	% Change
		Jan - Nov	Jan - Nov	
Tea	(Mn Kg)	309.8	308.1	0.5
Rubber	(Mn Kg)	87.3	103.4	-15.6
Coconuts	(Mn Nuts)	2,394.9	2,131.1	12.4

* Provisional



1.9 GDP by Industrial Origin at Constant (2002) Prices - Growth Rates

Item	2014* 3 rd Quarter	2013 3 rd Quarter	2013 Annual
Agriculture	-2.0	7.2	4.7
Industry	12.6	8.1	9.9
Services	7.0	7.9	6.4
GDP	7.7	7.9	7.3

* Provisional

Source: Department of Census and Statistics



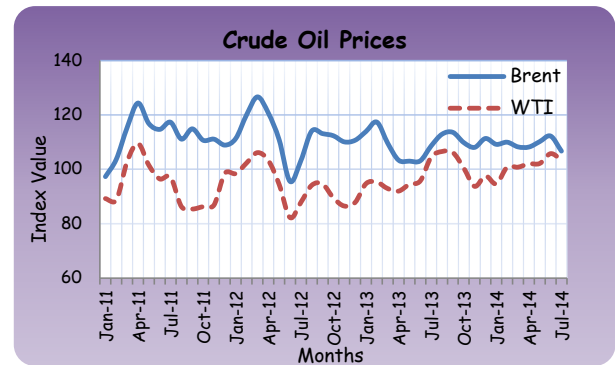
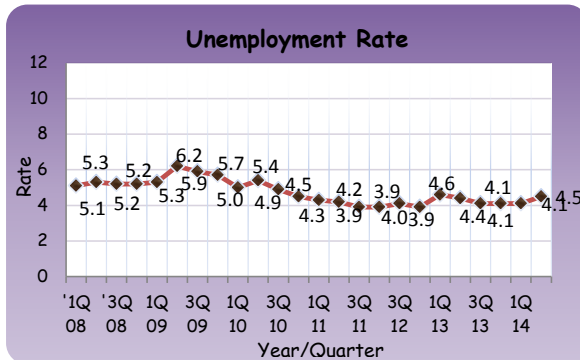
1.10 Employment (a)

Item	2014 2 nd Quarter	2013 2 nd Quarter	2013 Annual
Labour Force Participation rate	53.6	54.2	53.8
Unemployment rate	4.5	4.4	4.4
Employed Persons by Sectors % (b)			
Agriculture	28.2	31.5	29.7
Industry	26.0	26.2	26.2
Services	45.8	42.4	44.1

(a) The working age population aged 15 and above

Source: Department of Census and Statistics

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



1.11 Average Crude Oil Prices

Month	2013			2014		
	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	113.95	94.76	111.22	109.21	94.71	113.84
February	117.39	95.32	111.16	110.01	100.82	110.62
March	109.63	92.94	106.57	108.28	100.82	111.17
April	103.40	92.02	111.17	108.22	102.07	110.25
May	103.04	94.51	108.91	110.22	102.18	109.80
June	103.16	95.77	105.29	112.27	105.79	113.42
July	108.62	104.51	-	106.73	103.54	110.30
August	112.94	106.58	113.48	101.51	96.54	111.21
September	113.63	106.19	111.01	97.02	93.19	100.08
October	109.88	100.54	-	87.51	84.40	99.39
November	108.10	93.77	110.39	79.28	75.79	76.82
December	111.37	97.62	112.13	62.55	59.29	
	2014			2015		
02 January	108.49	95.14		55.58	51.28	
05 January	-	-		51.28	50.03	
06 January	107.26	93.12		50.32	47.98	
07 January	107.46	93.31		49.26	48.69	
08 January	107.87	91.90		49.58	48.80	

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 09 January 2015 increased by 10 bps to 6.36 per cent compared to the previous week.

Broad money (M2b) expanded by 11.5 per cent in October 2014. NFA of the banking system declined by Rs. 56.2 billion in October 2014 compared to September 2014. NCG from the banking system showed a significant increment of Rs. 12.7 billion in October 2014 compared to September 2014, where credit to public corporations also showed a rapid increase of Rs. 40.2 billion during the month. Credit extended to the private sector increased by Rs. 42.0 in October 2014, compared to September 2014 .

The reserve money increased compared to the previous week mainly due to increase in currency in circulation.

The total outstanding market liquidity decreased to Rs. 325.31 bn by end of the week, compared to Rs. 328.24 bn by the end of last week. Majority of the liquidity has been absorbed through the Short-term Repo auction.

By 08 January 2015, the All Share Price Index (ASPI) increased by 2.03 per cent to 7,498 points while the S&P SL 20 Index increased by 1.84 per cent to 4,186 points compared to the previous week.

MONETARY SECTOR

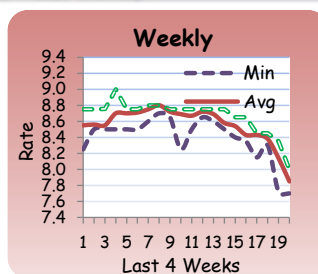
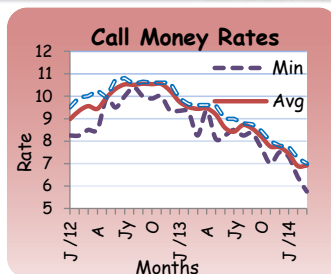
2.1 Interest Rates

Item	Week Ending 2015 Jan 09	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	6.36	6.26	10.13
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	5.74	5.74	7.00
- 182 days	5.84	5.84	7.20
- 364 days	6.01	6.01	7.42
Standing Deposit Facility	6.50	6.50	6.50
Standing Lending Facility	8.00	8.00	8.00
Call Money Weekly Average (CMR)	6.13	6.48	7.36
Sri Lanka Inter Bank Offer Rate (SLIBOR)			
1 day	6.01	6.32	7.57
7 days	6.27	6.37	8.11
1 Month	6.50	6.56	8.58
3 Months	6.73	6.81	9.29
6 Months	6.95	6.99	10.11
12 Months	7.25	7.26	11.06
Commercial Banks	August 2014	Month Ago	Year Ago
Saving Deposits -	0.75-9.50	0.75-8.00	0.75-9.00
One Year Fixed Deposits -	4.15-12.00	4.55-13.00	6.00-16.00
	Dec 2014	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.20	6.42	9.37
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.33	7.63	11.78
	Nov 2014	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	12.29	12.57	15.18
NSB	Sep 2014	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	6.50	7.50	10.00
Treasury Bonds Auction	(06 Y & 07 Months) 30/12/2014	(10 Y & 04 Months) 30/12/2014	(14 Y & 10 Months) 10/07/2014
Coupon rate	11.00	9.00	13.00
Weighted Average Yield (Excluding 10% withholding tax)	7.05	7.88	10.58

Bankwise- AWPR	Week ending 2015 Jan 09	Week Ago
Bank of Ceylon	7.12	7.52
People's Bank	6.76	8.74
Hatton National Bank	6.26	6.07
Commercial Bank of Ceylon	6.53	6.14
Sampath Bank	6.07	5.95
Seylan Bank	6.68	6.26
Union Bank of Colombo	7.09	6.94
Pan Asia Banking Corporation	7.00	7.00
Nations Trust Bank	5.97	5.95
DFCC Vardhana Bank	7.58	7.91
NDB Bank	6.30	6.75
Amana Bank	7.96	7.96
Cargills Bank	7.50	6.34

Bankwise- AWPR	Week ending 2015 Jan 09	Week Ago
HSBC	6.86	6.21
Standard Chartered Bank	6.43	5.93
Citi Bank	6.53	5.94
Deutsche Bank	6.09	6.35
Habib Bank	5.35	5.49
Indian Bank	7.99	7.99
Indian Overseas Bank	8.49	8.49
MCB Bank	7.85	7.56
State Bank of India	8.79	8.79
Public Bank	8.00	8.00
ICICI Bank	8.14	8.14
Axis Bank	-	-

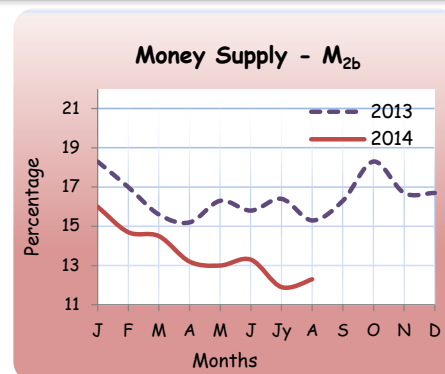
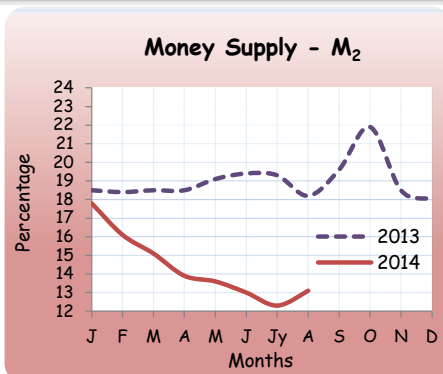
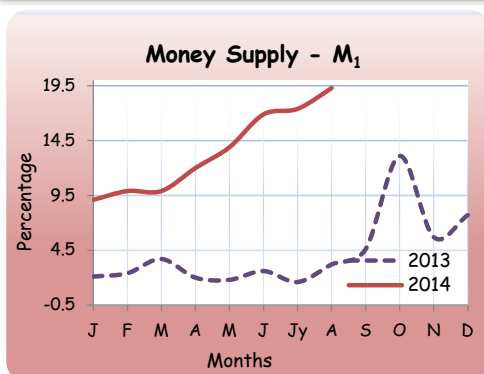
Interest Rates - Call Money



2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2014 (a) October	Month Ago	Year Ago	2014 (a) October	Month Ago	Year Ago
M1	546.5	540.0	481.3	13.5	17.4	13.1
M2	3,351.3	3,316.8	3,002.4	11.6	12.9	21.9
M2b	3,747.6	3,709.6	3,362.5	11.5	12.8	18.3
Net Foreign Assets of the Banking System (b)	93.4	149.5	-51.2	282.4	270.1	-112.2
Monetary Authorities	742.1	768.9	498.4	48.9	60.4	39.9
Domestic Banking Units (DBUs)	-245.3	-248.9	-195.1	-25.7	-31.6	-53.1
Foreign currency Banking Units (FCBUs)	-403.5	-370.5	-354.5	-13.8	2.1	-40.2
Net Domestic Assets of the Banking System (b)	3,654.3	3,560.1	3,413.7	7.0	5.4	19.1
DBUs	3,107.7	3,054.4	2,930.5	6.0	6.0	17.5
FCBUs	546.5	505.7	483.2	13.1	2.0	29.8
Net Credit to Government	1,401.4	1,388.7	1,329.0	5.4	7.5	27.5
Monetary Authorities	147.5	138.5	128.1	15.2	3.2	-60.0
DBUs	1,046.3	1,052.4	1,012.2	3.4	8.7	71.8
FCBUs	207.6	197.8	188.8	10.0	4.0	41.2
Credit to Corporations	404.1	363.9	326.8	23.6	7.2	28.4
DBUs	184.9	176.6	123.2	50.1	42.7	76.0
FCBUs	219.2	187.3	203.6	7.6	-13.1	10.3
Credit to the Private Sector	2,623.9	2,581.9	2,496.7	5.1	4.6	7.4
DBUs	2,375.4	2,339.5	2,291.2	3.7	3.0	7.5
FCBUs	248.5	242.4	205.6	20.9	22.2	6.8
Reserve Money	547.7	536.9	466.9	17.3	15.3	-0.9

(a) Provisional (b) In relation to M2b

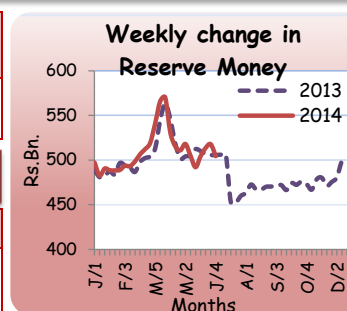


2.3 Weekly change in Reserve Money

Item	08 Jan 2015	Week Ago	Change
Reserve Money (Rs.Mn.)	589,984	584,469	5,515

2.4 Money Market Activity (Overnight)

Item	05.01.2015	06.01.2015	07.01.2015	08.01.2015	09.01.2015
Call Money Market					
Weighted Average Rate (% p.a.)	0.00	6.15	6.02	6.13	6.00
Gross Volume (Rs. Mn)	0	10,335	14,867	2,310	325
Repo Market					
Weighted Average Rate (% p.a.)	0.00	5.71	5.51	5.30	5.29
Gross Volume (Rs. Mn)	0	4,345	1,403	531	975



2.5 CBSL Security Portfolio

Item	05.01.2015	06.01.2015	07.01.2015	08.01.2015	09.01.2015
CBSL T-Bill Holding (Rs. Mn)	0	22,971	22,976	22,981	67

2.6 Open Market Operations

Item	05.01.2015	06.01.2015	07.01.2015	08.01.2015	09.01.2015
Short-Term Auction					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	50.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Tenure (No. of Days)	0	0	0	0	7
Bids Received (Rs. bn)	0.00	0.00	0.00	0.00	33.18
Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	33.18
Weighted Average Yield Rate (% p.a.)	0.00	0.00	0.00	0.00	5.98
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)	0.00	35.28	25.48	25.92	27.76
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Total Outstanding Market Liquidity (Rs. bn)	0.00	330.20	320.40	320.84	325.31

2.7 Credit Cards *

Item	2014 (a) End July	2014 End June	2013 End Dec
Total Number of Active Cards	983,296	974,144	951,625
Local (accepted only locally)	34,013	34,397	35,990
Global (accepted globally)	949,283	939,747	915,635
Outstanding balance (Rs. Mn.)	53,643	53,613	51,172
Local (accepted only locally)	1,246	1,244	1,260
Global (accepted globally)	52,396	52,369	49,913

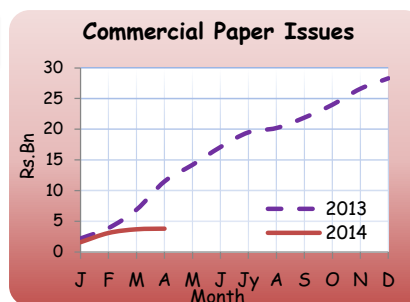
(a) Provisional

2.8 Commercial Paper Issues (1)

Item (Rs. bn.)	2014 End July*	2014 End June	2013 End Dec
Total Issues - Cumulative	5.6	5.4	28.3
Outstanding (as at end of the period)	4.7	4.8	7.4

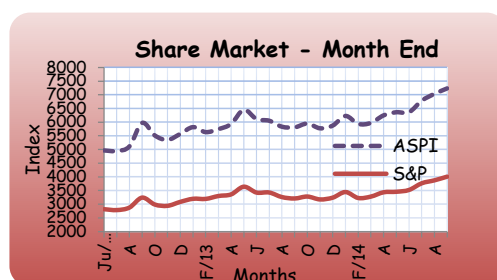
* provisional

(1) Based on the information provided by Licensed Commercial Banks and Licensed Specialised Banks



2.9 Share Market

Item	Week Ending 08 Jan 2015	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	7,498	7,348	6,069
S & P Sri Lanka 20 Index (S&P SL20)	4,186	4,110	3,362
Average Daily Turnover (Rs. Mn)	1,641	600	997
Market Capitalisation (Rs.Bn.)	3,193	3,126	2,525



Fiscal Sector

During the first nine months of 2014, total revenue as a percentage of estimated GDP marginally declined to 8.4 per cent from 9.1 per cent in the corresponding period of 2013. However, in nominal terms, total revenue increased by 5.6 per cent to Rs. 828.2 billion during the first nine months of the year from Rs. 784.2 billion recorded during the same period in 2013 reflecting increases in both tax revenue (by Rs. 41.5 billion) and non tax revenue (by Rs. 2.5 billion). However, average monthly revenue during this period was around Rs. 92 billion.

Total expenditure and net lending as a percentage of estimated GDP declined to 13.4 per cent during the first nine months of 2014 compared to 14.7 per cent recorded in the corresponding period in 2013 mainly due to decline in both recurrent expenditure and capital expenditure and net lending. In nominal terms, total expenditure and net lending increased by 3.7 per cent to Rs.1,326.7 billion during the first nine months of 2014 from Rs. 1,279.1 billion in the corresponding period of 2013.

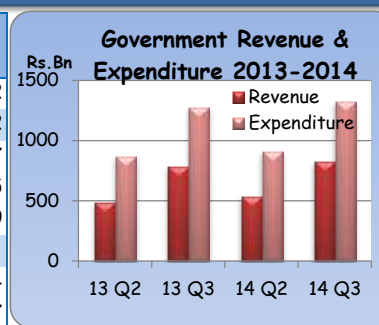
Total outstanding debt increased by Rs. 575.7 billion to Rs. 7,368.9 billion as at end September 2014 from Rs. 6,793.2 billion at end 2013. Foreign debt increased by Rs. 222.5 billion to Rs. 3,182.9 billion mainly due the issuance of International Sovereign Bond amounting to US dollars 1,000 million and US dollars 500 million in January and April 2014. Meanwhile, domestic debt increased by Rs. 353.2 billion to Rs. 4,186 billion.

The government made several changes to the Special Commodity Levy (SCL) during the month of September with a view to maintaining stable prices in the domestic market. Accordingly, SCL on the importation of rice was decreased from Rs. 5 per kg to Rs. 1 per kg for a period of three months while SCL on the importation of sugar was increased from Rs. 28 per kg to Rs. 33 per kg for a period of three months with effect from 05 September 2014. In addition, importation of fresh or chilled potatoes was suspended with effect from 06 September 2014.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

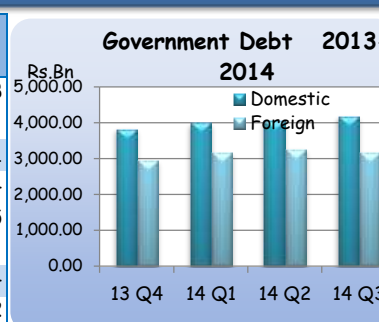
Item	2014 *	2013
	Jan-Sep	Jan-Sep
Revenue and Grants	836.9	787.2
Revenue	828.2	784.2
Tax	752.2	710.7
Non tax	76.0	73.5
Grants	8.7	3.0
Expenditure & Lending Minus Repayments	1,326.7	1,279.1
Current	962.1	920.4
Capital & Lending Minus Repayments	364.6	358.7



* Provisional **Revised

3.2 Government Debt (Rs.bn)

Item	2014*	2013
	End Sep	End Dec
Total domestic debt	4,186.0	3,832.8
of which		
Treasury bills	620.1	700.1
Treasury bonds	2,821.0	2,452.4
Rupee loans	55.5	55.5
Total foreign debt	3,182.9	2,960.4
Total outstanding govt. debt	7,368.9	6,793.2



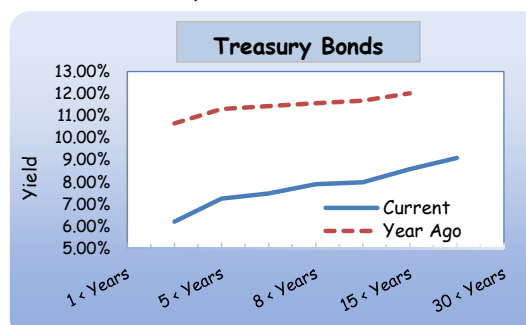
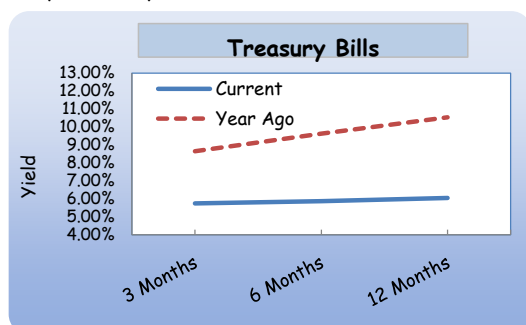
* Provisional

3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 07th January 2015

Security	Maturity	Primary Market*		Secondary Market			Last Week Average
		This Week	Last Week	This Week			
				Buying	Selling	Average	
Treasury Bills	3 Months	5.76%	5.74%	5.79%	5.69%	5.74%	5.72%
	6 Months	5.86%	-	5.91%	5.81%	5.86%	5.86%
	12 Months	6.00%	6.01%	6.09%	5.99%	6.04%	6.04%
Treasury Bonds	2 < Years	7.00%	7.13%	6.27%	6.17%	6.22%	6.22%
	5 < Years	-	-	7.33%	7.21%	7.27%	7.26%
	6 < Years	-	-	7.57%	7.43%	7.50%	7.57%
	8 < Years	8.28%	-	7.97%	7.87%	7.92%	7.91%
	10 < Years	9.30%	-	8.06%	7.95%	8.00%	7.99%
	15 < Years	9.56%	-	8.66%	8.52%	8.59%	8.58%
	20 < Years	-	-	9.18%	9.01%	9.10%	9.15%
30 < Years	-	-	9.34%	9.21%	9.27%	9.27%	

* Primary market transactions during the week ending 7/1/2015

The secondary market yield rates of T-bills and T-bonds remain at levels over the past three weeks.



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 07th January 2015)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	750,014.92	750,266.91
Treasury Bonds (a)	3,268,815.34	3,245,763.68
Total	4,018,830.26	3,996,030.59
Government Securities held by Foreigners	457,057.79	457,210.01
Sri Lanka Development Bonds (SLDB)	390,982.82	391,083.10

The outstanding stock of T-bonds increased with the new issuances while stock of T-bills slightly decreased during the week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	12,000.00	12,000.00
Total Bids Received	27,052.00	36,335.00
Total Bids Accepted	11,897.00	15,135.00
Treasury Bonds		
Amount Offered	3,000.00	
Total Bids Received	10,050.00	No auction held
Total Bids Accepted	4,000.00	

The primary market offers remained substantially oversubscribed continuing the market interest for government securities.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	28,522.55	33,929.88
Repo Transaction (Sales / Purchases)	191,309.27	115,234.57
Treasury Bonds		
Outright Transaction (Sales / Purchases)	36,028.73	51,164.31
Repo Transaction (Sales / Purchases)	631,094.69	690,776.22

Increased activities are observed in secondary market repo transactions while decreased activities are observed in 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) - 08/01/2015

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.89	5.60	99.90	5.20	0.01
1 Month	99.54	5.65	99.55	5.49	0.01
2 Month	99.06	5.72	99.09	5.57	0.03
3 Month	98.57	5.78	98.60	5.67	0.03
4 Month	98.09	5.82	98.12	5.70	0.04
5 Month	97.59	5.86	97.64	5.74	0.05
6 Month	97.09	5.91	97.14	5.80	0.05
7 Month	96.59	5.93	96.66	5.81	0.07
8 Month	96.08	5.95	96.16	5.84	0.07
9 Month	95.58	5.97	95.66	5.86	0.08
10 Month	95.06	6.02	95.14	5.91	0.09
11 Month	94.53	6.05	94.63	5.94	0.10
12 Month	94.00	6.08	94.10	5.99	0.10

3.6 Two way Quotes (Treasury Bonds)- 08/01/2015

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
06.20%2015A	4	15-Jan-15	7	100.01	5.49	100.01	5.41	0.00
11.75%2015A	6	15-Mar-15	66	101.05	5.73	101.07	5.61	0.02
06.20%2015B	4	15-Jun-15	158	100.18	5.75	100.22	5.67	0.04
06.50%2015A	5	15-Jul-15	188	100.32	5.87	100.37	5.77	0.05
11.00%2015A	6	1-Aug-15	205	102.76	5.95	102.83	5.83	0.07
11.00%2015B	6	1-Sep-15	236	103.10	5.99	103.19	5.85	0.09
12.50%2015A	2	20-Sep-15	255	104.36	5.97	104.39	5.93	0.03
08.50%2015A	3	1-Nov-15	297	101.85	6.11	101.94	6.00	0.09
07.25%2016A	6	1-Apr-16	449	101.02	6.36	101.14	6.26	0.12
08.00%2016B	4	1-Jun-16	510	102.12	6.38	102.24	6.29	0.13
06.40%2016A	6	1-Aug-16	571	99.81	6.52	100.01	6.39	0.20
08.00%2016A	5	1-Sep-16	602	102.18	6.57	102.37	6.45	0.19
06.40%2016B	6	1-Oct-16	632	99.71	6.57	99.83	6.50	0.12
08.00%2017A	5	1-Jan-17	724	102.32	6.73	102.52	6.62	0.20
05.80%2017A	6	15-Jan-17	738	98.26	6.74	98.44	6.64	0.18
08.25%2017A	3	1-Mar-17	783	102.67	6.88	102.89	6.77	0.22
08.75%2017A	4	15-May-17	858	103.74	6.99	103.98	6.88	0.24
08.00%2017B	5	15-Jun-17	889	102.34	6.93	102.61	6.82	0.26
05.80%2017B	6	15-Jul-17	919	97.38	6.95	97.63	6.84	0.25
08.50%2018A	15	1-Feb-18	1,120	103.93	7.05	104.15	6.97	0.22
08.50%2018C	5	1-Apr-18	1,179	103.86	7.13	104.14	7.04	0.28
08.50%2018D	5	1-Jun-18	1,240	104.18	7.09	104.36	7.03	0.18
08.50%2018B	15	15-Jul-18	1,284	104.12	7.15	104.42	7.06	0.30
07.50%2018A	15	15-Aug-18	1,315	100.84	7.23	101.16	7.13	0.32
08.00%2018A	6	15-Nov-18	1,407	102.71	7.18	102.95	7.11	0.24
05.65%2019A	8	15-Jan-19	1,468	94.51	7.25	94.84	7.15	0.34
08.50%2019A	10	1-May-19	1,574	104.45	7.27	104.91	7.15	0.46
10.60%2019A	6	1-Jul-19	1,635	112.21	7.35	112.60	7.25	0.39
10.60%2019B	5	15-Sep-19	1,711	112.80	7.32	113.24	7.21	0.44
08.00%2019A	8	1-Nov-19	1,758	102.51	7.37	103.13	7.21	0.62
08.00%2020A	8	1-Jun-20	1,971	102.17	7.50	102.69	7.38	0.52
06.20%2020A	10	1-Aug-20	2,032	93.65	7.62	94.25	7.48	0.60
09.00%2021A	8	1-May-21	2,305	106.65	7.65	107.35	7.51	0.70
11.00%2021A	7	1-Aug-21	2,397	116.61	7.73	117.07	7.64	0.46
08.00%2022A	10	1-Jan-22	2,550	100.74	7.86	101.27	7.76	0.53
11.20%2022A	9	1-Jul-22	2,731	118.37	7.90	118.93	7.81	0.55
10.00%2022A	8	1-Oct-22	2,823	111.81	7.92	112.12	7.87	0.31
09.00%2023A	10	1-Sep-23	3,158	106.35	7.97	106.78	7.90	0.43
11.20%2023A	9	1-Sep-23	3,158	119.97	7.96	120.54	7.88	0.58
07.00%2023A	20	1-Oct-23	3,188	93.37	8.07	94.12	7.94	0.75
11.40%2024A	10	1-Jan-24	3,280	121.18	8.04	122.21	7.90	1.03
06.00%2024A	10	1-Dec-24	3,615	85.36	8.19	85.94	8.09	0.58
09.00%2025A	12	1-May-25	3,766	104.77	8.30	105.19	8.24	0.42
09.00%2026A	13	1-Feb-26	4,042	103.89	8.45	104.81	8.33	0.92
05.35%2026A	15	1-Mar-26	4,070	76.79	8.63	77.99	8.43	1.20
09.00%2028B	15	1-May-28	4,862	101.40	8.82	102.98	8.62	1.58
09.00%2028A	15	1-Jul-28	4,923	101.03	8.87	102.48	8.68	1.45
13.00%2029A	15	1-Jan-29	5,107	131.17	9.03	132.82	8.86	1.65
13.00%2029B	15	1-May-29	5,227	130.46	9.14	132.35	8.94	1.89
08.00%2032A	20	1-Jan-32	6,202	87.47	9.50	88.91	9.31	1.43
09.00%2032A	20	1-Oct-32	6,476	98.67	9.15	99.80	9.02	1.13
09.00%2033A	20	1-Jun-33	6,719	97.48	9.29	99.10	9.10	1.62
13.25%2033A	20	1-Jul-33	6,749	135.50	9.22	137.02	9.08	1.52
09.00%2033B	20	1-Nov-33	6,872	97.77	9.25	98.95	9.12	1.18
13.25%2034A	20	1-Jan-34	6,933	135.07	9.29	136.60	9.15	1.53
09.00%2043A	30	1-Jun-43	10,371	96.81	9.32	98.13	9.19	1.32
13.50%2044A	30	1-Jan-44	10,585	140.57	9.40	142.14	9.28	1.57
13.50%2044B	30	1-Jun-44	10,737	140.39	9.42	141.97	9.30	1.58

External Sector

During the year so far (up to 09 January 2015) the rupee depreciated against the US dollar (0.15 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (2.90 per cent), pound sterling (3.00 per cent), the Japanese yen (0.04 per cent) and depreciated against the Indian rupee (1.27 per cent) during this period.

Earnings from exports declined by 13.7 per cent, year-on-year, in October 2014 to US dollars 899 million, reversing the increasing trend recorded since June 2013, mainly due to the base effect. Both the highest monthly export earnings and the lowest monthly import expenditure for the year 2013 were recorded during the month of October. The largest contribution to the decline in exports in October 2014 was from the industrial exports followed by agricultural exports. However, on a cumulative basis export earnings increased by 9.7 per cent to US dollars 9,187 million during the first ten months of 2014. Major export destinations during January to October 2014 were USA, UK, Italy, India and Germany accounting for around 50 per cent of total exports.

Expenditure on imports increased by a higher rate of 25.6 per cent to US dollars 1,750 million in October 2014, while on a cumulative basis, imports grew by 7.3 per cent to US dollars 15,972 million during the first ten months of 2014. The increase in import expenditure in October 2014 was driven by the significant increase in imports of all major categories, specially intermediate goods. During the first ten months of 2014, the main import origins were India, China, UAE, Singapore and Japan accounting for about 58 per cent of total imports.

The increase in import prices over the decline in export prices resulted to deteriorate the terms of trade in September 2014. The import price index increased by 1.6 per cent, year-on-year, to 98.4 index points mainly due to the decrease in the average price level of intermediate goods. Meanwhile, export price index declined by 3.6 per cent to 106.0 index points, reflecting the decline in prices of all major categories. Accordingly, the terms of trade index deteriorated by 5.1 per cent to 107.8 index points in September 2014 from to 113.6 index points in September 2013.

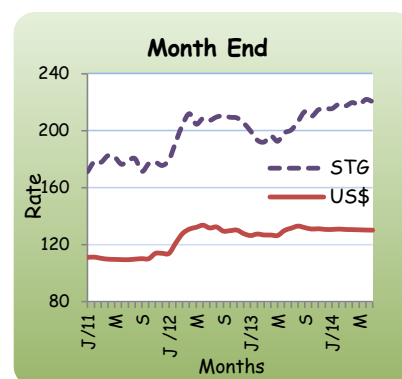
India, UK, China, Germany and Maldives were the top five sources of tourist arrivals upto December 2014, accounting for 46.1 per cent of total tourist arrivals during the year upto December 2014.

The average price of tea in the Colombo auction decrease in October 2014 compared to the corresponding month of 2013, but the prices averaged at Colombo Auction is higher than the prices at other two auctions namely Kolkata and Mombasa, due to higher demand for Ceylon tea.

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)*	Week Ending - 09 Jan 2015			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	131.18	133.99	132.59	131.99	130.81
STG	197.34	202.98	200.16	205.26	215.20
Yen	1.09	1.13	1.11	1.10	1.25
Euro	153.93	158.99	156.46	159.15	177.41
INR(1)			2.07	2.06	2.11
SDR (As at 08 Jan 2015)			189.86	189.82	200.94
Central Bank purchases and sales** (US\$ Mn.)			December 2014	Month Ago	Year Ago
Purchases			4.00	30.00	239.20
Sales			195.10	79.85	11.45



	Week Ending 09 Jan 2015	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	11.45	25.00	33.88
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	132.90	131.99	131.03
3 Months	133.20	132.36	131.62
Average Daily Interbank Forward Volume (US\$ mn)	45.89	24.14	25.09
Outstanding Forward Volume (US\$ mn) (As at 01 Jan 2015)	1,268.35	1,212.21	824.60

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

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

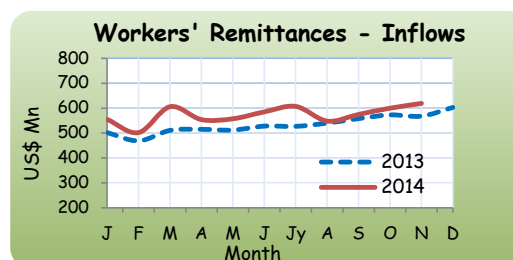
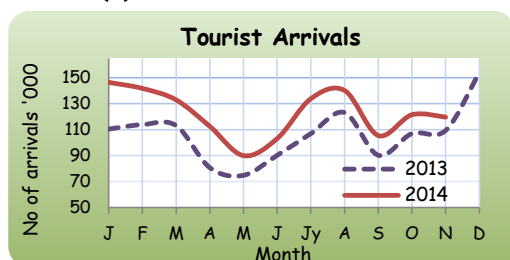
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

Item(a)		2013 Dec (b)	2014 Dec	2013 Jan-Dec (b)	2014 Jan-Dec	% Change
Tourist Arrivals	Number	153,918	178,672	1,274,593	1,527,153	19.8
Earnings from Tourism	US\$ Mn.	207.2	258.1	1,715.5	2,206.40	28.6
	Rs.bn.	27.1	33.8	221.7	288.1	30.0
Workers' Remittances (Inflows)		2013 Nov (b)	2014 Nov	2013 Jan-Nov(b)	2014 Jan-Nov	% Change
	US\$ Mn.	567.8	619.3	5,804.1	6,309.0	8.7
	Rs. bn.	74.4	81.1	748.8	823.5	10.0

(a) Provisional

(b) Revised



4.3 International Reserves & Foreign Currency Liquidity as at 31 October 2014^(a)

Official Reserve Assets (USD mn)				
Official Reserve Assets^(b)				8,790.92
(1) Foreign currency reserves				7,839.07
(a) Securities				3,557.30
(b) Total currency and deposits with				4,281.77
(i) other national central banks, BIS				1,303.02
(ii) banks headquartered inside the reporting country of which located abroad				1.08
(iii) banks headquartered outside the reporting country of which located in the reporting country				2,977.68
(2) Reserve position in the IMF				70.75
(3) SDRs				13.36
(4) Gold				866.77
(5) Other reserve assets				0.97
Predetermined Short-Term Net Drains on Foreign Currency Assets ^(c)				
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	-3,599.61	-356.46	-1,302.80	-1,940.35
Interest	-1,025.45	-17.79	-313.88	-693.78
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 (-) ^(d)	-2,267.83	-453.45	-289.70	-1,524.68
(b) Long positions (+)				
3. Other (specify)	-0.08	-0.08		
inflows related to reverse repos (+)				
other accounts payable (-)	-0.08	-0.08		

(a) Provisional

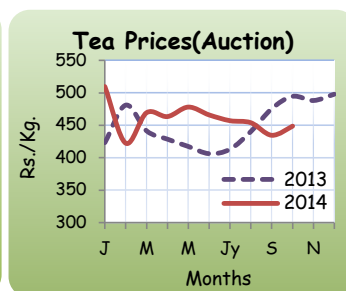
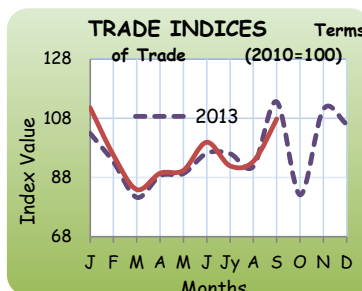
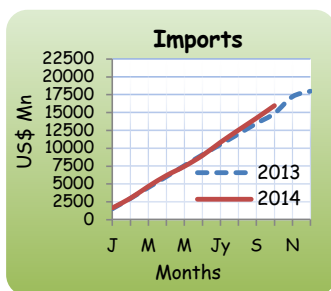
(b) By end October 2014, the total foreign assets were equivalent to 6.4 months of imports and gross official reserves were equivalent to 5.5 months of imports

(c) This mainly includes only the predetermined outflows

(d) 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-Oct 2014	Jan-Oct 2013	% Change	Jan-Oct 2014	Jan-Oct 2013	% Change
Exports	9.19	8.37	9.7	1,198.64	1,079.58	11.0
Agricultural	2.31	2.09	10.3	301.56	270.28	11.6
Industrial	6.81	6.23	9.3	888.37	802.93	10.6
Food, Beverages and Tobacco	0.24	0.19	24.5	31.25	24.82	25.9
Textiles and Apparel	4.06	3.56	13.9	529.50	459.24	15.3
Petroleum Products	0.28	0.37	-22.9	37.03	47.30	-21.7
Leather, Rubber etc	0.86	0.77	12.3	112.43	98.91	13.7
Other	1.37	1.34	1.9	178.16	172.67	3.2
Mineral	0.05	0.04	40.6	7.13	5.06	40.8
Other	0.01	0.01	19.2	1.58	1.31	20.7
Imports	15.97	14.88	7.3	2,084.03	1,914.44	8.9
Consumer Goods	3.07	2.62	17.0	399.91	337.22	18.6
Intermediate Goods	9.55	8.72	9.5	1,246.26	1,122.07	11.1
Investment Goods	3.34	3.53	-5.2	436.32	453.65	-3.8
Other	0.01	0.01	1.8	1.54	1.50	3.1
Trade Balance	-6.79	-6.51	4.3	-885.38	-834.86	6.1

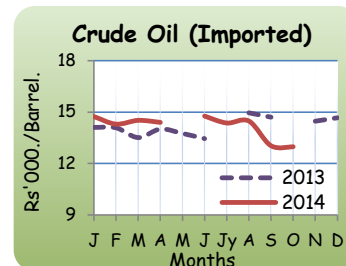
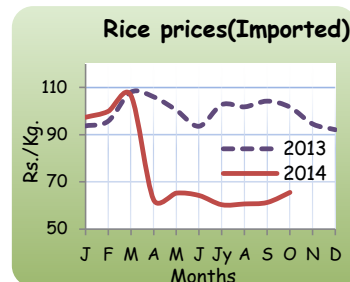


4.5 Trade Indices (2010= 100)

Item	2014** Sep	Month Ago	Year Ago
Total Exports			
Value	125.72	137.96	125.13
Quantity	118.58	130.41	113.82
Unit Value	106.02	105.79	109.93
Total Imports			
Value	149.23	154.34	133.02
Quantity	151.68	136.33	137.42
Unit Value	98.38	113.21	96.80
Terms of Trade	107.76	93.44	113.56

* In US\$ Terms

** Provisional



4.6 International Commodity Prices

Item	Oct 2014	Oct 2013	% Change	Oct 2014	Oct 2013	% Change
Colombo Auction Price	US\$ / Kg			Rs / Kg		
Tea Prices	3.44	3.77	-8.90	448.79	494.66	-9.30
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	463.20	775.54	-40.30	60,494.12	101,670.26	-40.50
White Sugar	480.61	499.86	-3.90	62,767.29	65,530.28	-4.20
Wheat	320.47	322.36	-0.60	41,853.09	42,260.81	-1.00
	US\$ / Barrel			Rs / Barrel		
Crude Oil	99.39	-	-	12,979.97	-	-