

Weekly Economic Indicators

05 June 2015



Statistics Department

Real Sector

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, increased marginally to 0.2 per cent, on a year-on-year basis in May 2015, from 0.1 per cent recorded in April 2015. Annual average inflation declined from 2.1 per cent in April 2015 to 1.9 per cent in May 2015.

Core inflation, which reflects the underlying inflation in the economy, increased marginally to 2.6 per cent in May 2015, from 2.4 per cent in April 2015 on a year-on-year basis. Annual average core inflation remained unchanged at 2.9 per cent in May, compared to April 2015.

The economy grew by 6.4 per cent in real terms during the fourth quarter of 2014, supported by the 8.5 per cent growth of the Industry sector and 6.7 per cent growth of the Services sector, while the Agriculture Sector contracted by 3.3 per cent.

During the first two months of 2015 while tea production increased by 1.7 per cent, rubber and coconut production declined by -7.3 and -3.4 respectively.

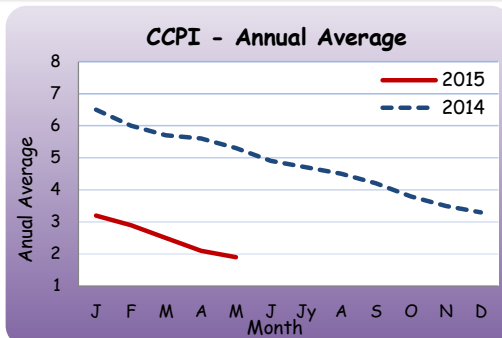
The FIPI increased by 10.6 per cent on a year-on-year basis in January 2015. This growth was mainly facilitated by increased production of beverages, tobacco and wearing apparel products sectors. They have recorded a significant growth of 23.1, 49.6 and 17.4 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

During the week crude oil spot prices largely followed a declining trend. At the beginning of the week, crude oil prices fell on stronger dollar and on expectations that OPEC would not cut output at its June 5th meeting. Prices then rose driven by a weaker dollar and expectations that U.S. crude supplies could have fallen for the fifth straight week. Thereafter, prices started to fall as investors ignored a fifth straight weekly decline in U.S. crude stocks to focus instead on a big build in distillates, as the peak season for U.S. road travel got under way. Although U.S. crude stocks fell by 1.95 million barrels last week, distillate stockpiles, which include diesel and heating oil, rose by 3.8 million barrels. Towards the end of the week, prices further fell ahead of an OPEC decision which is likely to keep the market oversupplied and on worry over rising European bond yields that could lead to a tighter credit environment in Europe. OPEC is expected to affirm on Friday an output target of 30 million barrels per day, ignoring calls from some producers to cut supply and support prices.

REAL SECTOR

1.1 Price Indices

Item	May 2015	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	179.8	178.5	179.5
Annual Average Change %	1.9	2.1	5.3
Year - on - Year Change %	0.2	0.1	3.2
Core Inflation - (CCPI)	176.5	176.1	172.1
Annual Average Change %	2.9	2.9	3.1
Year - on - Year Change %	2.6	2.4	3.3

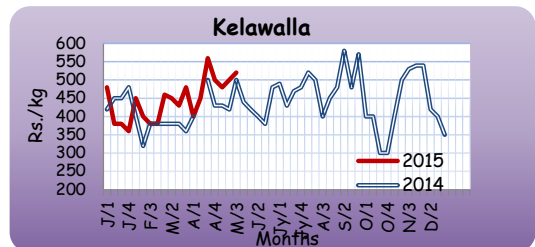
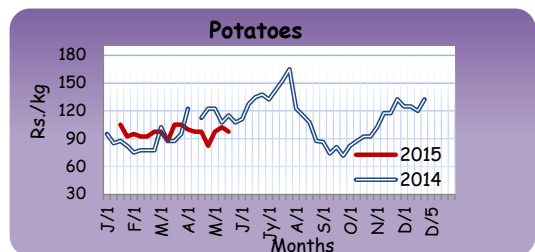
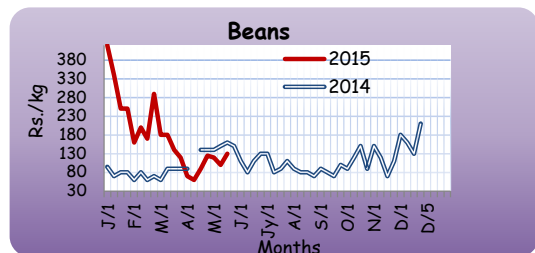
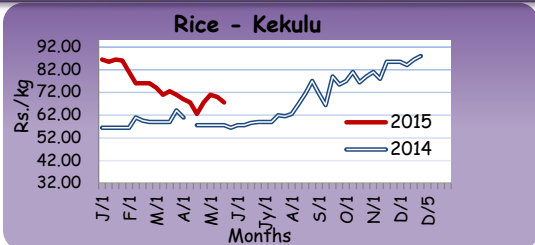


1.2 Pettah Market

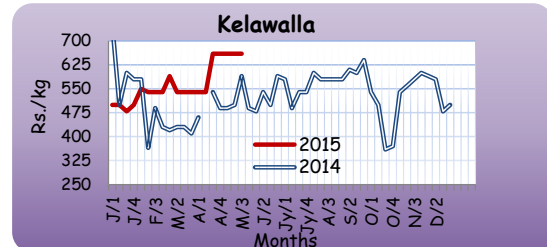
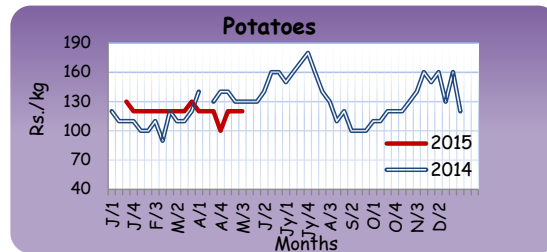
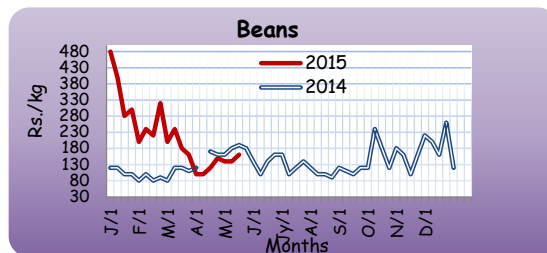
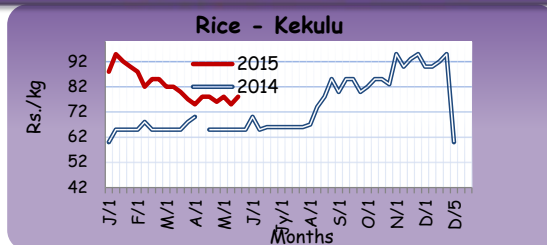
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 04 th June 2015	Two Weeks Ago	Month Ago	Year Ago Annual Avg	Week Ending 04 th June 2015	Two Weeks Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	83.00	82.50	82.13	78.30	87.00	88.00	89.00	84.04
Kekulu (Red)	69.00	69.00	68.38	67.44	78.00	78.00	76.50	74.33
Vegetables								
Beans	120.00	120.00	117.50	113.17	160.00	160.00	155.00	140.96
Cabbage	100.00	60.00	52.50	61.65	140.00	100.00	87.50	90.96
Carrots	260.00	160.00	125.00	109.81	300.00	200.00	165.00	138.08
Tomatoes	30.00	40.00	41.25	90.77	60.00	70.00	72.50	122.31
Pumpkins	20.00	25.00	27.50	37.38	30.00	40.00	47.50	56.83
Snake Gourd	70.00	80.00	70.00	69.90	100.00	120.00	105.00	96.73
Brinjals	90.00	50.00	72.50	71.35	120.00	80.00	105.00	98.65
Ash-Plantains	70.00	70.00	65.00	73.65	100.00	100.00	95.00	95.96
Other Foods								
Red-Onions (Local)	105.00	105.00	90.62	79.55	130.00	130.00	122.50	109.59
Big-Onions (Local)	n.a	n.a	n.a	75.42	n.a	n.a	n.a	99.07
Potatoes (N'Eliya)	111.00	107.50	102.50	104.64	130.00	130.00	122.50	127.69
Dried Chilies (Imported)	225.00	217.00	213.00	193.24	280.00	250.00	245.00	230.38
Dhal (Indian)	175.00	175.00	175.50	140.94	190.00	190.00	189.75	159.23
Eggs (Red)	13.50	13.50	13.50	12.04	14.00	14.00	14.00	12.57
Coconut (Each)	41.00	41.00	43.75	38.63	50.00	50.00	55.00	50.10
Fish*								
Kelawalla	460.00	550.00	542.50	433.85	680.00	680.00	670.00	532.40
Balaya	320.00	400.00	372.50	295.00	390.00	460.00	452.50	349.04
Salaya	80.00	70.00	90.00	112.31	120.00	100.00	127.50	151.35
Paraw (Small)	580.00	550.00	527.50	435.58	640.00	660.00	610.00	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 04 th June 2015	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	81.00	84.00
Kekulu (Red)	68.50	73.00
Vegetables		
Beans	128.33	173.33
Carrot	182.50	225.00
Tomatoes	23.33	48.33
Pumpkins	11.67	24.17
Snake Gourd	56.67	85.00
Ash-Plantains	42.50	65.00
Other Foods		
Red-Onions (Local)	81.67	118.33
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	106.67	128.33
Dried Chilies(Imported)	217.17	260.00
Coconut (Each)	38.83	47.50

1.5 Maradaghamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 05 th June	Two Weeks Ago	Month Ago	Year Ago
Samba	77.75	78.30	78.57	75.74
Sudu Kekulu	60.50	61.80	61.95	69.11
Raw Red	67.25	67.50	68.85	67.25
Nadu	64.50	64.70	65.18	70.82

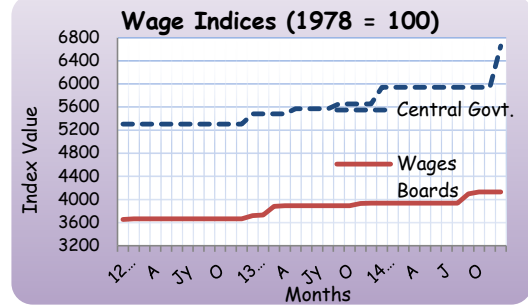
1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	03 rd June 2015	Two Weeks Ago
Rice		
Samba	88.67	88.00
Kekulu (Red)	73.33	75.00
Vegetables		
Beans	180.00	178.33
Cabbage	136.67	120.00
Carrots	276.67	193.33
Tomatoes	100.00	100.00
Pumpkins	60.00	60.00
Snake Gourd	140.00	140.00
Brinjals	120.00	120.00
Ash-Plantains	140.00	133.33
Other Foods		
Red-Onions (Imported)	140.00	140.00
Big-Onions (Imported)	120.00	116.67
Potatoes (Imported)	100.00	100.00
Dried Chilies (Imported)	253.33	253.33
Dhal (Indian)	180.00	173.33
Eggs (Red)(Each)	14.00	14.00
Coconut (Each)	53.33	55.00
Fish		
Kelawalla	780.00	770.00
Balaya	425.00	425.00
Salaya	150.00	200.00
Paraw (Small)	n.a.	660.00

1.6 Wage rate Indices

Item	2015(a) Mar	2014 Mar	% Change
(1978 = 100)			
Central Government Employees (b)	7,843.1	5,939.0	32.1
Workers in Wages Boards Trades	4,127.0	3,938.1	4.8
Agriculture	4,734.3	4,449.0	6.4
Industry & Commerce	3,459.1	3,459.1	0.0
Services	2,313.2	2,313.2	0.0

(a) Provisional (b) Non-executive officers and minor employees

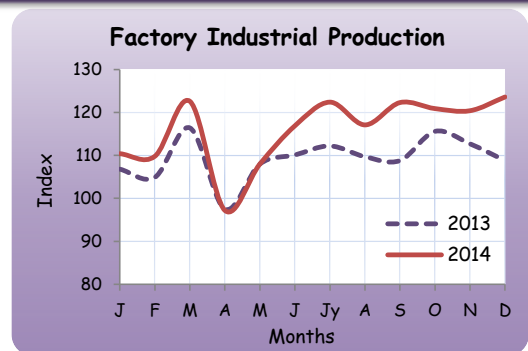


1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

Item	2015 (b) Jan	2014 Jan	% Change
Factory Industry- Production Index	119.4	108.0	10.6
Food products	100.5	94.6	6.2
Beverages	124.2	100.9	23.1
Tobacco products	103.9	69.4	49.6
Wearing apparel	161.4	137.5	17.4
Chemicals and chemical products	70.6	81.4	-13.2
Rubber and plastic products	132.7	132.6	0.1
Other non-metallic mineral products	108.4	104.4	3.8

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

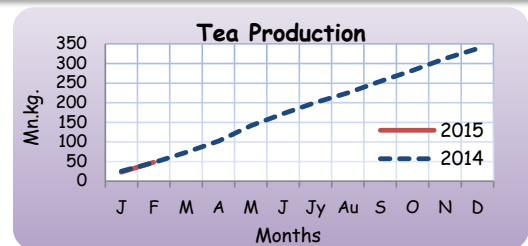
(b) Provisional



1.8 Agriculture Production

Item	Unit	2015(a) Jan - Feb	2014 Jan - Feb	% Change
Tea	(Mn Kg)	48.7	47.9	1.7
Rubber	(Mn Kg)	20.3	21.9	-7.3
Coconuts	(Mn Nuts)	449.4	465.0	-3.4

(a) Provisional



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

Item	2014(a) 4 th Quarter	2013 4 th Quarter	2014(a) Annual
Agriculture	-3.3	10.4	0.3
Industry	8.5	10.7	11.4
Services	6.7	6.5	6.5
GDP	6.4	8.2	7.4

(a)Provisional

Source: Department of Census and Statistics



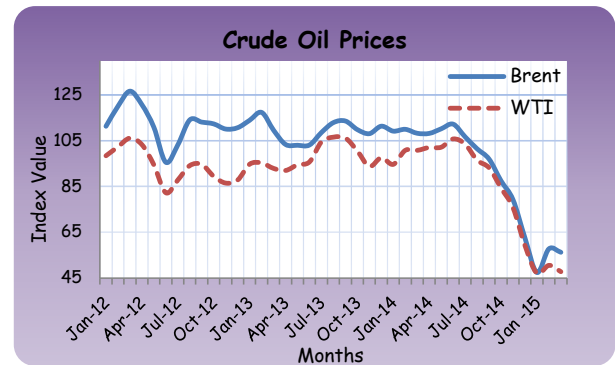
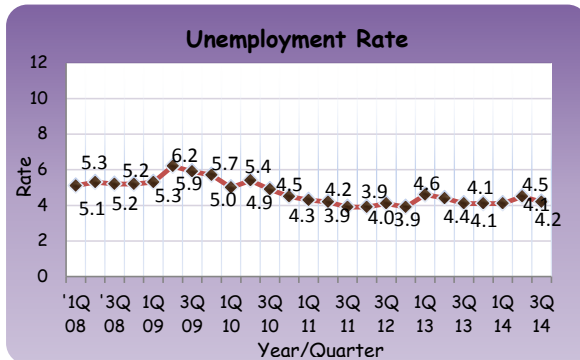
1.10 Employment (a)

Item	2014 (b) 4 th Quarter	2013 4 th Quarter	2014(b) Annual
Labour Force Participation rate	52.9	53.0	53.3
Unemployment rate	4.4	4.1	4.3
Employed Persons by Sectors % (c)			
Agriculture	30.4	30.6	28.5
Industry	25.4	25.2	26.5
Services	44.2	44.2	45.0

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

Source: Department of Census and Statistics

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



1.11 Average Crude Oil Prices

Month	2014			2015		
	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)
	Brent (Benchmark price)	WTI (Benchmark price)		Brent (Benchmark price)	WTI (Benchmark price)	
January	109.21	94.71	113.84	47.46	47.11	55.47
February	110.01	100.82	110.62	57.81	50.58	69.52
March	108.28	100.82	111.17	56.30	47.82	-
April	108.22	102.07	110.25	59.32	54.45	-
May	110.22	102.18	109.80	63.76	59.26	-
June	112.27	105.79	113.42			
July	106.73	103.54	110.30			
August	101.51	96.54	111.21			
September	97.02	93.19	100.08			
October	87.51	84.40	99.39			
November	79.28	75.79	76.82			
December	62.55	59.29	75.98			
	2014			2015		
29 May	110.78	104.26		62.86	60.25	
01 June	-	-		62.57	60.24	
02 June	110.14	103.07		62.84	61.30	
03 June	109.67	103.34		62.33	59.67	
04 June	109.87	103.27		59.84	58.00	

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 05 June 2015 increased by 13 bps to 7.08 compared to the last week.

Broad money (M2b) expanded by 12.5 per cent in March 2015. NFA of the banking system declined by Rs. 40.5 billion in March 2015 compared to February 2015. NCG from the banking system showed a decrease of Rs. 31.6 billion in March 2015 compared to February 2015, where credit to public corporations also showed an increase of Rs. 3 billion during the month. Credit extended to the private sector increased by Rs. 41.4 in March 2015 compared to February 2015.

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

The total outstanding market liquidity decreased to Rs. 93.43 bn by end of the week, compared to Rs. 111.98 bn by the end of last week.

By 05 June 2015, the All Share Price Index (ASPI) declined by 1.35 per cent to 7,123 points while the S&P SL 20 Index also declined by 0.92 per cent to 3,964 points, compared to the previous week.

MONETARY SECTOR

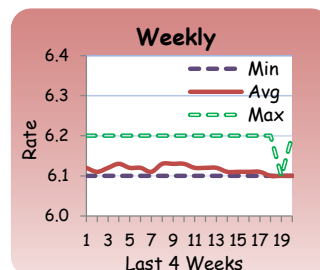
2.1 Interest Rates

Item	Week Ending 2015 Jun 05	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	7.08	6.95	8.17
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	6.07	6.07	6.55
- 182 days	6.18	6.18	6.73
- 364 days	6.29	6.29	7.01
Standing Deposit Facility	6.00	6.00	6.50
Standing Lending Facility	7.50	7.50	8.00
Call Money Weekly Average (CMR)	6.10	6.10	6.96
Sri Lanka Inter Bank Offer Rate (SLIBOR)			
1 day	6.11	6.11	6.99
7 days	6.27	6.28	7.42
1 Month	6.50	6.53	7.72
3 Months	6.71	6.79	7.99
6 Months	7.02	7.05	8.42
12 Months	7.33	7.34	8.88
Commercial Banks	January 2015	Month Ago	Year Ago
Saving Deposits -	0.50-8.00	0.50-8.00	0.75-9.00
One Year Fixed Deposits -	3.95-12.00	3.95-12.00	5.60-15.60
	May 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	5.95	5.83	7.74
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.12	6.87	9.45
	April 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.53	11.5	14.18
NSB	January 2015	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	6.50	6.50	9.50
Treasury Bonds Auction	(4 y & 11 Months) 28/05/15	(8 y & 3 Months) 28/05/15	(14 y & 11 Months) 28/05/15
Coupon rate	9.25	11.20	11.00
Weighted Average Yield (Excluding 10% withholding tax)	8.35	8.78	9.67

Bankwise- AWPR	Week ending 2015 Jun 05	Week Ago
Bank of Ceylon	7.63	7.48
People's Bank	7.25	7.24
Hatton National Bank	7.09	7.28
Commercial Bank of Ceylon	6.90	6.77
Sampath Bank	7.09	6.87
Seylan Bank	7.33	7.15
Union Bank of Colombo	6.95	7.47
Pan Asia Banking Corporation	7.50	7.50
Nations Trust Bank	6.44	6.50
DFCC Vardhana Bank	6.95	7.59
NDB Bank	7.36	7.41
Amana Bank	8.10	8.08
Cargills Bank	7.40	7.87

Bankwise- AWPR	Week ending 2015 Jun 05	Week Ago
HSBC	6.77	6.71
Standard Chartered Bank	6.69	6.81
Citi Bank	6.86	6.64
Deutsche Bank	6.75	7.36
Habib Bank	6.05	6.16
Indian Bank	8.55	8.66
Indian Overseas Bank	9.05	9.16
MCB Bank	7.79	7.79
State Bank of India	8.70	8.87
Public Bank	7.09	7.09
ICICI Bank	8.15	8.15
Axis Bank	-	-

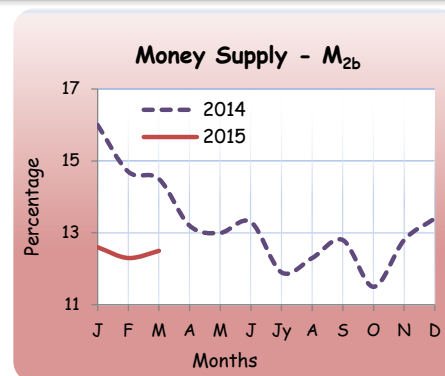
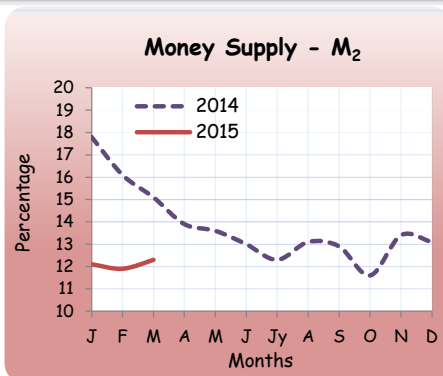
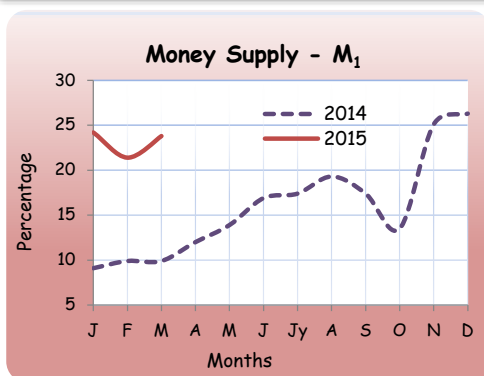
Interest Rates - Call Money



2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2015 (a)	Month	Year	2015 (a)	Month	Year
	March	Ago	Ago	March	Ago	Ago
M1	633.3	596.7	511.4	23.8	21.4	9.9
M2	3,553.6	3,492.6	3,165.8	12.3	11.9	15.1
M2b	3,980.7	3,926.6	3,538.1	12.5	12.3	14.5
Net Foreign Assets of the Banking System (b)	-162.0	-121.6	96.2	-268.5	-276.8	191.1
Monetary Authorities	578.1	618.8	600.4	-3.7	0.0	52.4
Domestic Banking Units (DBUs)	-224.4	-236.4	-176.4	-27.2	-19.0	-13.3
Foreign currency Banking Units (FCBUs)	-515.8	-504.0	-327.8	-57.3	-43.5	4.7
Net Domestic Assets of the Banking System (b)	4,142.7	4,048.2	3,441.9	20.4	18.1	7.7
DBUs	3,483.0	3,392.5	2,986.0	16.6	15.3	9.2
FCBUs	659.7	655.8	455.9	44.7	35.3	-1.0
Net Credit to Government	1,613.1	1,644.8	1,393.2	15.8	22.3	18.0
Monetary Authorities	223.7	245.8	145.3	54.0	51.7	-45.2
DBUs	1,126.8	1,120.4	1,054.9	6.8	13.3	36.2
FCBUs	262.7	278.6	193.0	36.1	44.1	36.9
Credit to Corporations	484.7	481.7	330.0	46.9	41.8	-1.7
DBUs	198.1	199.1	137.9	43.6	49.1	36.0
FCBUs	286.6	282.6	192.0	49.3	37.0	-18.0
Credit to the Private Sector	2,845.1	2,803.7	2,498.3	13.9	12.6	4.3
DBUs	2,608.9	2,545.4	2,298.9	13.5	11.5	4.0
FCBUs	236.2	258.3	199.3	18.5	24.7	7.2
Reserve Money	619.6	583.0	521.6	18.8	17.9	1.8

(a) Provisional (b) In relation to M2b

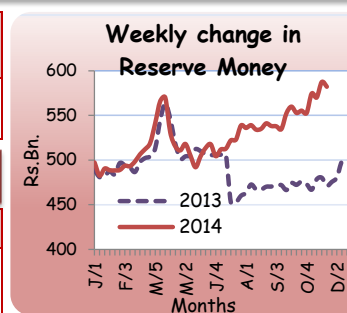


2.3 Weekly change in Reserve Money

Item	04 June 2015	Week Ago	Change
Reserve Money (Rs.Mn.)	606,051	583,522	22,529

2.4 Money Market Activity (Overnight)

Item	01.06.2015	02.06.2015	03.06.2015	04.06.2015	05.06.2015
Call Money Market					
Weighted Average Rate (% p.a.)	6.10	0.00	6.10	6.10	6.10
Gross Volume (Rs. Mn)	10,500	0	7,830	8,450	9,660
Repo Market					
Weighted Average Rate (% p.a.)	5.79	0.00	5.78	5.82	5.80
Gross Volume (Rs. Mn)	3,332	0	4,369	4,412	2,231



2.5 CBSL Security Portfolio

Item	01.06.2015	02.06.2015	03.06.2015	04.06.2015	05.06.2015
CBSL T-Bill Holding (Rs. Mn)	5,494	0	5,496	5,498	18,392

2.6 Open Market Operations

Item	01.06.2015	02.06.2015	03.06.2015	04.06.2015	05.06.2015
Short-Term Auction					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Tenure (No. of Days)	0	0	0	0	0
Bids Received (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Weighted Average Yield Rate (% p.a.)	0.00	0.00	0.00	0.00	0.00
Term Auction					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Standing Facility					
Standing Deposit Facility (Rs. bn)	97.05	0.00	95.73	91.44	93.43
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Total Outstanding Market Liquidity (Rs. bn)	97.05	0.00	95.73	91.44	93.43

2.7 Credit Cards (a)

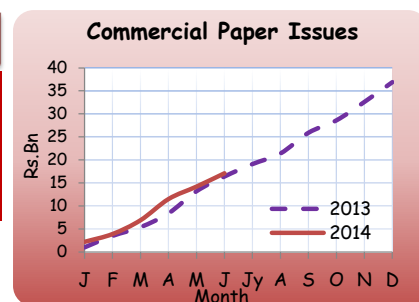
Item	2014 (b) End Dec	2014 End Nov	2013 End Dec
Total Number of Active Cards	1,032,833	1,017,947	951,625
Local (accepted only locally)	32,874	33,062	35,990
Global (accepted globally)	999,959	984,885	915,635
Outstanding balance (Rs. Mn.)	57,621	55,533	51,172
Local (accepted only locally)	1,234	1,212	1,260
Global (accepted globally)	56,387	54,321	49,913

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

2.8 Commercial Paper Issues (a)

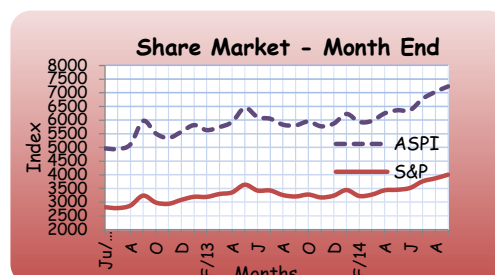
Item (Rs. bn.)	2014 End Dec(b)	2014 End Nov	2013 End Dec
Total Issues - Cumulative	8.2	7.7	28.3
Outstanding (as at end of the period)	3.5	3.5	7.4

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



2.9 Share Market

Item	Week Ending 05 June 2015	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	7,123	7,220	6,280
S & P Sri Lanka 20 Index (S&P SL20)	3,964	4,001	3,473
Average Daily Turnover (Rs. Mn)	730	1,217	837
Market Capitalisation (Rs.Bn.)	3,026	3,067	2,630



Fiscal Sector

Total government revenue, as a percentage of GDP, declined to 12.2 per cent in 2014 from 13.1 per cent in the previous year, while tax revenue as a percentage of GDP declined significantly to 10.7 per cent from 11.6 per cent in 2013. Non tax revenue as a percentage of GDP remained unchanged at 1.5 per cent. However, total revenue in nominal terms, increased by 5.1 per cent to Rs. 1,195.2 billion in 2014 from Rs. 1,137.4 billion in 2013. Non tax revenue in nominal terms increased to Rs. 144.8 billion by 10.1 per cent in 2014 in contrast to the decline of 7.7 per cent in the previous year.

Total expenditure and net lending as a percentage of GDP declined to 18.3 per cent in 2014 from 19.2 per cent in 2013. The decline in total expenditure and net lending was a combined outcome of the reduction in recurrent expenditure by 0.4 percentage points to 13.5 per cent of GDP and capital expenditure and net lending by 0.6 percentage points to 4.8 per cent of GDP. However, in nominal terms total expenditure and net lending increased by 7.6 per cent to Rs. 1,795.9 billion in 2014 from Rs. 1,669.4 billion in 2013.

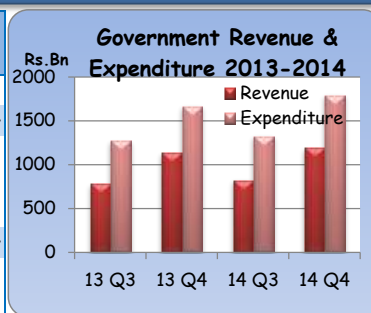
The declining trend in the government debt to GDP ratio continued in 2014. The total government debt to GDP ratio declined to 75.5 per cent from 78.3 per cent at end 2013. In nominal terms, total debt increased by Rs. 597.6 billion to Rs. 7,390.9 billion as at end 2014 from Rs. 6,793.2 billion at end 2013. Foreign debt increased by Rs. 152.7 billion to Rs. 3,113.1 billion, while domestic debt increased by Rs. 445 billion to Rs. 4,277.8 billion.

Several measures were introduced to increase revenue from VAT and NBT. Accordingly, the base of VAT and NBT was further broadened to enhance tax collection. Tax structure on motor vehicles, cigarettes and liquor was further simplified to enhance the revenue collection by removing several taxes at the point of import. SCL was revised from time to time during the year, providing necessary protection for domestic agricultural producers while reducing volatility in commodity prices in the domestic market. The income tax structure for Small and Medium scale Enterprises (SMEs) was further streamlined, while providing concessions for professionals.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

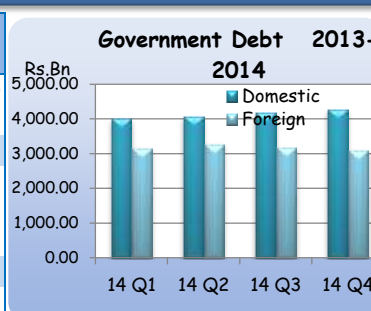
Item	2014 (a)	2013
Revenue and Grants	1,204.6	1,153.3
Revenue	1,195.2	1,137.4
Tax	1,050.4	1,005.9
Non tax	144.8	131.6
Grants	9.4	15.9
Expenditure & Lending Minus Repayments	1,795.9	1,669.4
Current	1,322.9	1,205.2
Capital & Lending Minus Repayments	473.0	464.2



(a) Provisional

3.2 Government Debt (Rs.bn)

Item	2014(a)	2013
Total domestic debt	4,277.8	3,832.8
of which		
Treasury bills	694.8	700.1
Treasury bonds	2,844.1	2,452.4
Rupee loans	55.5	55.5
Total foreign debt	3,113.1	2,960.4
Total outstanding govt. debt	7,390.9	6,793.2



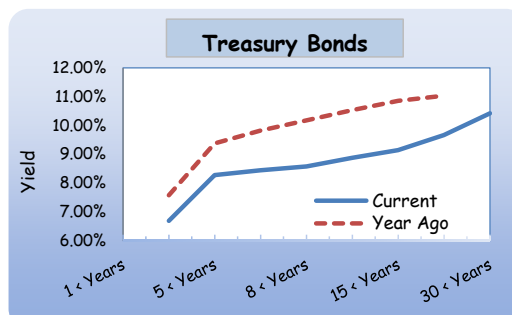
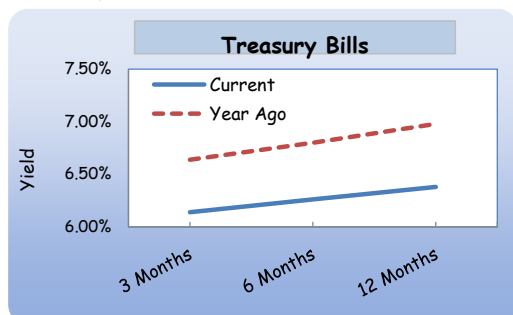
(a) Provisional

3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 03rd June 2015

Security	Maturity	Primary Market(a)		Secondary Market			Last Week Average
		This Week	Last Week	This Week			
				Buying	Selling	Average	
Treasury Bills	3 Months	6.07%	6.07%	6.14%	6.03%	6.08%	6.06%
	6 Months	6.18%	6.18%	6.24%	6.14%	6.19%	6.17%
	12 Months	6.29%	6.29%	6.38%	6.26%	6.32%	6.30%
Treasury Bonds	2 < Years	-	-	6.51%	6.38%	6.45%	6.50%
	5 < Years	8.35%	-	8.12%	8.03%	8.08%	8.12%
	6 < Years	-	-	8.33%	8.24%	8.29%	8.33%
	8 < Years	-	-	8.57%	8.47%	8.52%	8.53%
	10 < Years	8.78%	-	8.85%	8.77%	8.81%	8.86%
	15 < Years	9.67%	-	9.20%	9.09%	9.14%	9.14%
	20 < Years	-	-	9.66%	9.51%	9.59%	9.62%
30 < Years	-	-	9.85%	9.73%	9.79%	10.09%	

(a) Primary market transactions during the week ending 3/6/2015

The secondary market yield rates of T-bills marginally elevated while T-bond rates abated during the week compared against yield rates of the previous week.



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 03rd June 2015)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	789,556.84	833,003.97
Treasury Bonds (a)	3,488,823.03	3,468,633.03
Total	4,278,379.87	4,301,637.00
Government Securities held by Foreigners	445,524.12	449,800.19
Sri Lanka Development Bonds (SLDB)	520,537.59	475,279.39

Outstanding stock of T-bonds and SLDBs increased with the new issuances during the week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	22,000.00	21,000.00
Total Bids Received	57,701.00	57,518.00
Total Bids Accepted	17,656.00	27,902.00
Treasury Bonds		
Amount Offered	20,000.00	
Total Bids Received	72,420.00	No auction held
Total Bids Accepted	20,190.00	

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

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	16,658.06	32,291.14
Repo Transaction (Sales / Purchases)	104,902.63	150,187.99
Treasury Bonds		
Outright Transaction (Sales / Purchases)	96,550.25	65,429.76
Repo Transaction (Sales / Purchases)	559,605.38	560,158.12

Increased activities are observed in secondary market T-bond 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) - 05/06/2015

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.88	6.02	99.89	5.81	0.00
1 Month	99.50	6.06	99.51	5.92	0.01
2 Month	99.00	6.09	99.02	5.94	0.02
3 Month	98.50	6.10	98.52	6.00	0.03
4 Month	97.98	6.15	98.01	6.05	0.03
5 Month	97.46	6.19	97.50	6.08	0.05
6 Month	96.94	6.21	96.99	6.10	0.05
7 Month	96.40	6.26	96.46	6.16	0.06
8 Month	95.84	6.33	95.93	6.18	0.10
9 Month	95.33	6.34	95.43	6.19	0.10
10 Month	94.62	6.57	94.91	6.21	0.29
11 Month	94.07	6.58	94.38	6.23	0.32
12 Month	93.49	6.61	93.87	6.23	0.37

3.6 Two way Quotes (Treasury Bonds)- 05/06/2015

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%2015B	4	15-Jun-15	10	100.00	5.86	100.01	5.69	0.00
06.50%2015A	5	15-Jul-15	40	100.04	5.96	100.06	5.84	0.01
11.00%2015A	6	1-Aug-15	57	100.72	6.14	100.74	6.03	0.02
11.00%2015B	6	1-Sep-15	88	101.11	6.12	101.14	5.99	0.03
12.50%2015A	2	20-Sep-15	107	101.79	6.06	101.82	5.97	0.03
08.50%2015A	3	1-Nov-15	149	100.88	6.22	100.94	6.07	0.06
07.25%2016A	6	1-Apr-16	301	100.65	6.41	100.79	6.23	0.14
08.00%2016B	4	1-Jun-16	362	101.46	6.45	101.58	6.33	0.12
06.40%2016A	6	1-Aug-16	423	99.92	6.46	100.07	6.33	0.15
08.00%2016A	5	1-Sep-16	454	101.65	6.57	101.83	6.43	0.17
06.40%2016B	6	1-Oct-16	484	99.78	6.57	99.88	6.49	0.10
08.00%2017A	5	1-Jan-17	576	101.90	6.70	102.05	6.60	0.15
05.80%2017A	6	15-Jan-17	590	98.66	6.69	98.80	6.60	0.14
08.25%2017A	3	1-Mar-17	635	102.26	6.84	102.41	6.75	0.14
08.75%2017A	4	15-May-17	710	103.34	6.88	103.53	6.78	0.18
08.00%2017B	5	15-Jun-17	741	101.89	6.98	102.14	6.85	0.24
05.80%2017B	6	15-Jul-17	771	97.52	7.08	97.73	6.97	0.21
08.50%2018A	15	1-Feb-18	972	102.84	7.30	103.05	7.21	0.22
08.50%2018C	5	1-Apr-18	1,031	102.36	7.55	102.59	7.46	0.23
08.50%2018D	5	1-Jun-18	1,092	102.30	7.62	102.46	7.56	0.16
08.50%2018B	15	15-Jul-18	1,136	102.43	7.60	102.66	7.52	0.23
07.50%2018A	15	15-Aug-18	1,167	99.43	7.70	99.62	7.63	0.19
08.00%2018A	6	15-Nov-18	1,259	100.75	7.75	100.91	7.69	0.17
05.65%2019A	8	15-Jan-19	1,320	93.78	7.65	94.01	7.58	0.22
08.50%2019A	10	1-May-19	1,426	102.27	7.81	102.59	7.71	0.33
10.60%2019A	5	1-Jul-19	1,487	108.81	8.02	109.06	7.95	0.25
10.60%2019B	5	15-Sep-19	1,563	109.25	8.00	109.49	7.93	0.24
08.00%2019A	8	1-Nov-19	1,610	100.22	7.94	100.57	7.84	0.35
09.25%2020A	5	1-May-20	1,792	103.78	8.29	104.18	8.19	0.41
08.00%2020A	8	1-Jun-20	1,823	99.34	8.16	99.71	8.07	0.37
06.20%2020A	10	1-Aug-20	1,884	91.77	8.19	92.10	8.10	0.34
09.00%2021A	8	1-May-21	2,157	102.44	8.46	102.82	8.38	0.38
11.00%2021A	7	1-Aug-21	2,249	112.29	8.40	112.64	8.33	0.35
08.00%2022A	10	1-Jan-22	2,402	97.54	8.49	97.95	8.41	0.41
11.20%2022A	9	1-Jul-22	2,583	113.95	8.53	114.38	8.46	0.43
10.00%2022A	8	1-Oct-22	2,675	107.43	8.61	107.79	8.54	0.36
09.00%2023A	10	1-Sep-23	3,010	101.82	8.68	102.27	8.61	0.44
11.20%2023A	9	1-Sep-23	3,010	114.46	8.70	114.85	8.64	0.39
07.00%2023A	20	1-Oct-23	3,040	89.68	8.77	90.16	8.68	0.48
11.40%2024A	10	1-Jan-24	3,132	115.28	8.82	115.84	8.73	0.57
06.00%2024A	10	1-Dec-24	3,467	81.65	8.91	81.95	8.85	0.31
10.25%2025A	10	15-Mar-25	3,571	108.29	8.96	108.82	8.88	0.53
09.00%2025A	12	1-May-25	3,618	99.95	9.01	100.18	8.97	0.23
09.00%2026A	13	1-Feb-26	3,894	99.46	9.08	99.96	9.00	0.49
05.35%2026A	15	1-Mar-26	3,922	74.76	9.08	74.90	9.05	0.14
11.00%2026A	11	1-Jun-26	4,014	112.65	9.15	113.02	9.10	0.37
09.00%2028B	15	1-May-28	4,714	98.49	9.20	99.80	9.03	1.30
09.00%2028A	15	1-Jul-28	4,775	97.01	9.40	98.24	9.23	1.22
13.00%2029A	15	1-Jan-29	4,959	127.50	9.37	128.97	9.21	1.47
13.00%2029B	15	1-May-29	5,079	123.21	9.89	124.70	9.72	1.50
11.00%2030A	15	15-May-30	5,458	112.26	9.45	113.86	9.27	1.60
08.00%2032A	20	1-Jan-32	6,054	85.98	9.72	86.66	9.63	0.68
09.00%2032A	20	1-Oct-32	6,328	94.56	9.65	96.37	9.43	1.81
09.00%2033A	20	1-Jun-33	6,571	95.40	9.54	96.35	9.43	0.95
13.25%2033A	20	1-Jul-33	6,601	131.02	9.60	132.45	9.47	1.43
09.00%2033B	20	1-Nov-33	6,724	94.36	9.66	95.59	9.51	1.24
13.25%2034A	20	1-Jan-34	6,785	130.01	9.73	131.87	9.55	1.86
11.50%2035A	20	15-Mar-35	7,223	113.26	9.95	115.02	9.77	1.76
09.00%2043A	30	1-Jun-43	10,223	88.55	10.25	90.65	10.00	2.10
13.50%2044A	30	1-Jan-44	10,437	124.45	10.73	128.9	10.33	4.45
13.50%2044B	30	1-Jun-44	10,589	124.62	10.73	127.1	10.5	2.48
12.50%2045A	30	1-Mar-45	10,862	113.64	10.94	117.44	10.56	3.80

External Sector

During the year so far (up to 05 June 2015) the rupee depreciated against the US dollar (2.13 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (6.17 per cent) and the Japanese yen (2.03 per cent) and depreciated against the pound sterling (0.79 per cent) and the Indian rupee (1.15 per cent) during this period.

Cumulative export earnings during the first two months of 2015 amounted to US dollars 1,801 million with an increase of 3.1 per cent mainly led by industrial products, particularly petroleum products and textiles and garments. Meanwhile, earnings from agricultural exports recorded a marginal increase during the period, with significant increase in exports of spices and coconut products amidst the decline in exports of sea food and tea.

The reduction in import price index year-on-year, over the decline in export price index resulted in an improvement of 5.7% in the terms of trade in January 2015.

In line with the significant price reduction recorded for some key commodities in international markets such as petroleum products and wheat and maize, the import price index declined by 14.5% in January 2015.

The export price index decreased by 9.6%, mainly due to decrease of prices of tea, rubber, spices, petroleum products etc over the increase in prices of textiles and garments, gems, diamonds and jewellery.

India, China, UK, Germany and France were the top five sources of tourist arrivals in May 2015, accounting for 49.8 per cent of total tourist arrivals upto the month of May 2015.

The average price of tea in the Colombo auction decreased in February 2015 compared to the corresponding month of 2014, mainly due to subdued demand from main export markets such as Russia.

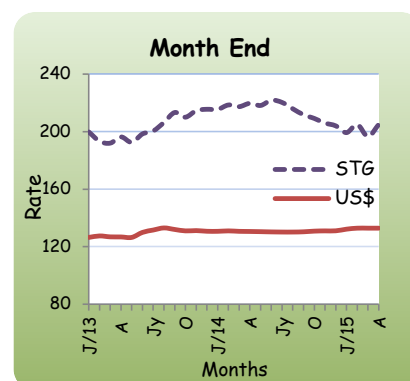
Further, the import prices of rice, sugar and crude oil prices declined compared to the corresponding month of 2014.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 05 June 2015			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	132.51	135.81	134.16	136.33	130.31
STG	202.80	209.29	206.05	209.14	218.10
Yen	1.06	1.10	1.08	1.10	1.27
Euro	147.65	153.07	150.36	149.42	177.08
INR ⁽¹⁾			2.09	2.10	2.20
SDR (As at 04 June 2015)			188.71	186.19	200.66
Central Bank purchases and sales(b) (US\$ Mn.)			April 2015	Month Ago	Year Ago
Purchases			60.50	18.10	257.60
Sales			159.50	101.65	11.75



	Week Ending 05 June 2015	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	31.98	18.57	49.51
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	134.44	134.43	130.81
3 Months	136.70	136.64	131.55
Average Daily Interbank Forward Volume (US\$ mn)	28.69	29.89	32.00
Outstanding Forward Volume (US\$ mn) (As at 04 June 2015)	1,296.01	1,284.26	1,056.85

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

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

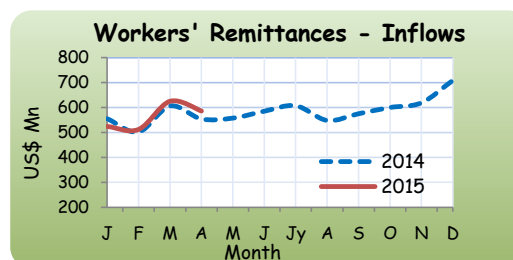
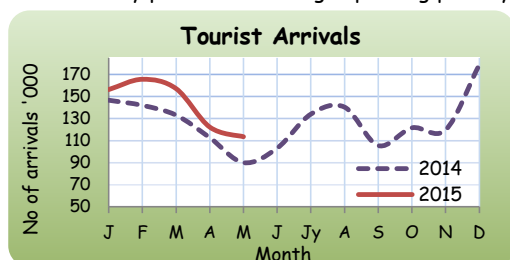
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

Item		2014	2015	2014	2015(b)	% Change
		May (a)	May (b)(c)	Jan-May(a)	Jan-May(c)	
Tourist Arrivals	Number	90,046	113,529	624,178	714,584	14.5
Earnings from Tourism	US\$ Mn.	143.3	180.7	993.6	1,137.60	14.5
	Rs.bn.	18.7	24.1	129.8	150.9	16.2
Workers' Remittances (Inflows)	US\$ Mn.	2014	2015	2014	2015	% Change
		April	April(b)	Jan-Apr	Jan-Apr(a)	
		554.0	585.9	2,217.4	2,265.4	2.2
	Rs. bn.	72.4	77.9	289.8	300.3	3.6

(a) Revised

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



4.3 Official Reserve Assets as at 31st May 2015^(a)

Official Reserve Assets (USD Mn)	6,850.29
(1) Foreign currency reserves	5,914.95
(2) Reserve position in the IMF	66.50
(3) SDRs	14.60
(4) Gold	851.50
(5) Other reserve assets	2.74

(a) Provisional

4.4 International Reserves & Foreign Currency Liquidity as at 30th April 2015 ^(a)

Official Reserve Assets (USD mn)		
Official Reserve Assets		7,454.63
(1) Foreign currency reserves		6,521.75
(a) Securities		3,324.96
(b) Total currency and deposits with		3,196.79
(i) other national central banks, BIS		1,717.44
(ii) banks headquartered inside the reporting country of which located abroad		1.03
(iii) banks headquartered outside the reporting country		1,478.32
(2) Reserve position in the IMF		67.3
(3) SDRs		14.78
(4) Gold		849.31
(5) Other reserve assets		1.49

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	-3,100.10	-333.63	-608.29	-2,158.18
Interest	-997.29	-18.33	-279.85	-699.11
inflows (+) Principal				
Interest				
2. Aggregate short and long positions in forwards and				
(a) Short positions (-) ^(c)	-2,485.58	-358.65	-534.00	-1,592.93
(b) Long positions (+)				
3. Other (specify)				
inflows related to reverse repos (+)	-0.12	-0.12		
other accounts payable (-)	-0.12	-0.12		

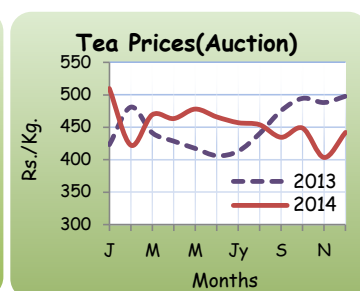
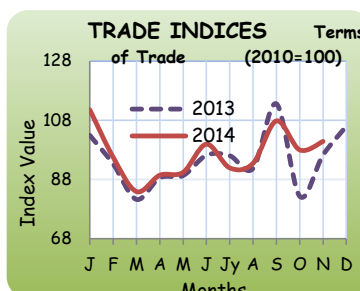
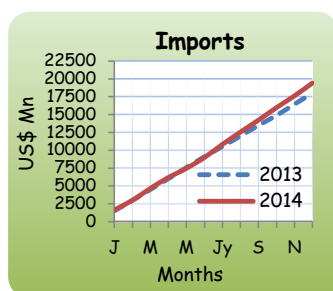
(a) Provisional

(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\$ Bn			Rs Bn		
	Jan-Feb 2014	Jan-Feb 2015	% Change	Jan-Feb 2014	Jan-Feb 2015	% Change
Exports	1.7	1.8	3.1	228.4	238.0	4.2
Agricultural	0.4	0.4	0.1	52.9	53.5	1.2
Industrial	1.3	1.4	3.9	174.6	183.3	5.0
Food, Beverages and Tobacco	0.1	0.0	-24.3	7.3	5.6	-23.5
Textiles and Apparel	0.8	0.8	2.7	105.7	109.7	3.7
Petroleum Products	0.1	0.1	44.8	8.2	12.0	46.1
Leather, Rubber etc	0.2	0.2	-3.7	21.4	20.8	-2.7
Other	0.2	0.3	8.8	32.1	35.3	10.0
Mineral	0.0	0.0	59.0	0.6	0.9	60.8
Other	0.0	0.0	5.8	0.3	0.3	6.9
Imports	3.1	3.2	4.4	402.2	424.2	5.5
Consumer Goods	0.5	0.7	57.1	62.4	99.1	58.7
Intermediate Goods	1.9	1.7	-14.5	253.4	218.8	-13.7
Investment Goods	0.7	0.8	22.1	86.2	106.2	23.3
Other	0.0	0.0	-25.8	0.2	0.2	-25.1
Trade Balance	-1.3	-1.4	6.0	-173.9	-186.2	7.1

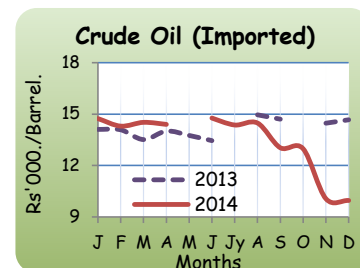
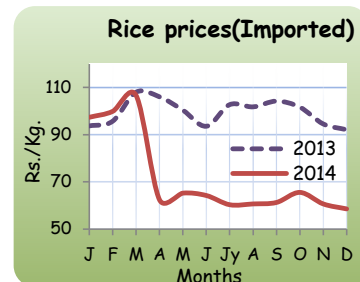


4.6 Trade Indices (2010= 100) (a)

Item	2015		
	Jan(b)	Month Ago	Year Ago
Total Exports			
Value	126.62	139.89	125.81
Quantity	119.78	123.51	107.60
Unit Value	105.71	113.26	116.92
Total Imports			
Value	150.50	160.87	148.16
Quantity	165.68	158.15	139.45
Unit Value	90.84	101.72	106.24
Terms of Trade	116.37	111.35	110.05

(a) In US\$ Terms

(b) Provisional



4.7 International Commodity Prices

Item	Feb 2014	Feb 2015	% Change	Feb 2014	Feb 2015	% Change
	Colombo Auction Price	US\$ / Kg			Rs / Kg	
Tea Prices	3.68	3.14	-14.6	481.15	416.90	-13.4
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	763.56	474.00	-37.9	99,889.17	62,913.62	-37.0
White Sugar	459.93	450.50	-2.1	60,168.58	59,794.10	-0.6
Wheat	312.84	326.45	4.3	40,925.91	43,329.20	5.9
	US\$ / Barrel			Rs / Barrel		
Crude Oil	110.62	69.52	-37.2	14,471.53	9,226.91	-36.2