

Weekly Economic Indicators

03 July 2015



Statistics Department

Real Sector

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is compiled by the Department of Census and Statistics, declined marginally to 0.1 per cent, on an year-on-year basis in June 2015, from 0.2 per cent recorded in May 2015. Annual average inflation declined from 1.9 per cent in May 2015 to 1.7 per cent in June 2015.

Core inflation, which reflects the underlying inflation in the economy, increased to 2.8 per cent in June 2015, from 2.6 per cent in May 2015 on an year-on-year basis. Annual average core inflation declined marginally from 2.9 per cent in May 2015 to 2.8 per cent in June 2015.

The economy grew by 6.4 per cent in real terms during the first quarter of 2015, supported by the 7.5 per cent growth of the Services sector and 6.5 per cent growth of the Industry sector, while the Agriculture Sector contributed marginally growing by 0.7 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 11.3 per cent on a year-on-year basis in February 2015. This growth was mainly facilitated by increased production of beverages, tobacco and wearing apparel products sectors. They have recorded a significant growth of 18.7, 16.1 and 22.3 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

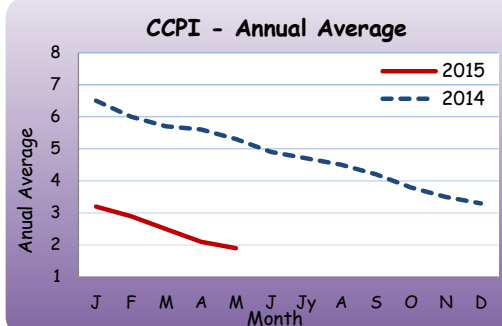
During the week crude oil spot prices showed mixed performance. At the beginning of the week prices fell as Greece entered the second day of the shutdown of its banking system and as talks on Iran's disputed nuclear programme look set to be extended. Greece government's rejection of a tough international bailout after a clash with foreign lenders pushed Greece close to financial chaos and forced a shutdown of its banking system. Crude oil prices then rose on weak dollar and after tame U.S. jobs and economic data signaled the Federal Reserve might be less speedy to raise interest rates. U.S. unemployment rate fell to 5.3 percent, the lowest in seven years. However, WTI prices fell after Energy Information Administration reported U.S. crude inventories rose by 2.4 million barrels, marking the first weekly build since April on the back of high production. Oil supply from the OPEC rose to a three-year high of 31.60 million barrels per day (bpd) in June, up from 31.30 million bpd in May. Further, U.S. oil rig count increased by 12 to 640, the first rise since December.

Highlights

REAL SECTOR

1.1 Price Indices

Item	June 2015	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	181.6	179.8	181.4
Annual Average Change %	1.7	1.9	4.9
Year - on - Year Change %	0.1	0.2	2.8
Core Inflation - (CCPI)	177.5	176.5	172.7
Annual Average Change %	2.8	2.9	3.0
Year - on - Year Change %	2.8	2.6	3.5

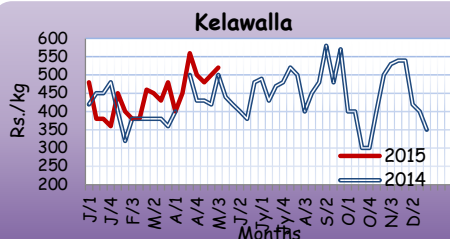
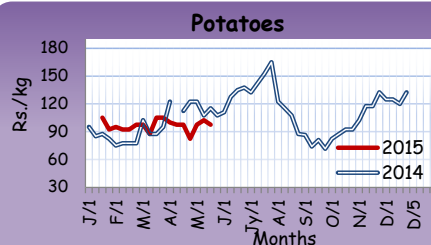
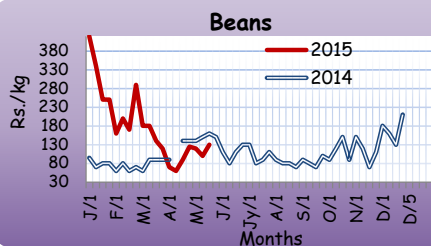
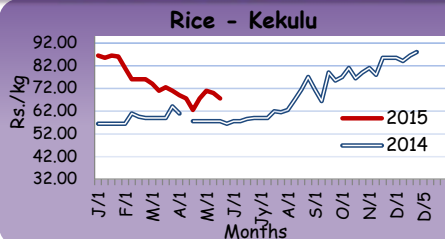


1.2 Pettah Market

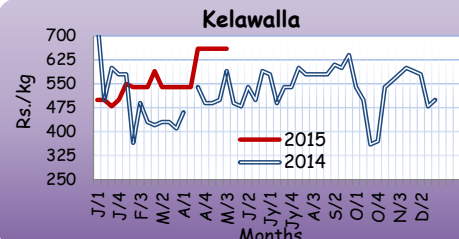
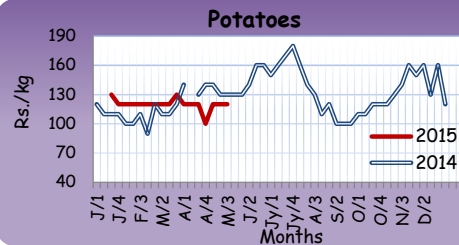
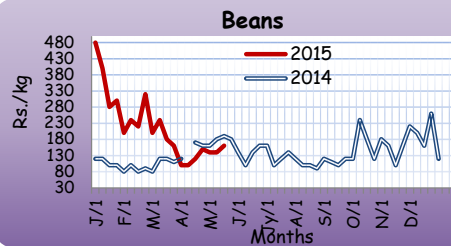
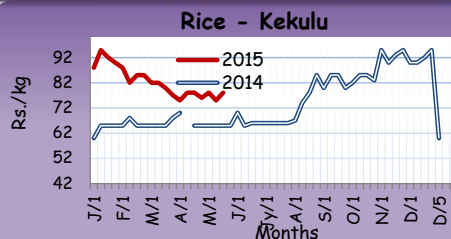
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 02 nd July 2015	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 02 nd July 2015	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	81.00	83.00	83.13	78.30	88.00	86.00	87.00	84.04
Kekulu (Red)	66.00	66.50	68.00	67.44	76.00	76.00	76.50	74.33
Vegetables								
Beans	200.00	200.00	163.75	113.17	240.00	280.00	206.25	140.96
Cabbage	60.00	60.00	72.50	61.65	100.00	100.00	107.50	90.96
Carrots	200.00	250.00	220.00	109.81	240.00	300.00	266.25	138.08
Tomatoes	70.00	60.00	45.00	90.77	100.00	100.00	75.00	122.31
Pumpkins	20.00	20.00	20.00	37.38	30.00	40.00	37.50	56.83
Snake Gourd	60.00	80.00	67.50	69.90	100.00	120.00	100.00	96.73
Brinjals	30.00	30.00	60.00	71.35	60.00	60.00	92.50	98.65
Ash-Plantains	80.00	80.00	67.50	73.65	100.00	100.00	92.50	95.96
Other Foods								
Red-Onions (Local)	115.00	140.00	133.75	79.55	180.00	170.00	163.75	109.59
Big-Onions (Local)	n.a	n.a	n.a.	75.42	n.a	n.a	n.a.	99.07
Potatoes (N'Elia)	125.00	117.50	109.00	104.64	160.00	140.00	131.25	127.69
Dried Chilies (Imported)	240.00	250.00	233.75	193.24	280.00	280.00	270.00	230.38
Dhal (Indian)	169.00	165.00	172.00	140.94	180.00	185.00	186.75	159.23
Eggs (Red)	14.50	14.50	13.63	12.04	15.00	15.00	14.25	12.57
Coconut (Each)	33.50	34.00	40.50	38.63	45.00	45.00	50.75	50.10
Fish*								
Kelawalla	480.00	450.00	472.50	433.85	680.00	600.00	637.50	532.40
Balaya	320.00	360.00	347.50	295.00	380.00	420.00	435.00	349.04
Salaya	140.00	190.00	127.50	112.31	200.00	240.00	167.50	151.35
Paraw (Small)	530.00	580.00	570.00	435.58	580.00	650.00	636.67	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 02 nd July 2015	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	81.75	83.75
Kekulu (Red)	63.50	68.00
Vegetables		
Beans	141.25	190.00
Carrot	193.75	251.25
Tomatoes	48.75	76.25
Pumpkins	14.13	28.75
Snake Gourd	37.50	66.25
Ash-Plantains	48.75	70.63
Other Foods		
Red-Onions (Local)	113.25	155.00
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	125.00	143.13
Dried Chilies(Imported)	231.25	263.75
Coconut (Each)	34.25	45.00

1.5 Maradaghamula Market

Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 03 rd July	Week Ago	Month Ago	Year Ago
Samba	78.25	79.10	78.63	75.74
Sudu Kekulu	59.00	60.50	60.55	69.11
Raw Red	62.00	68.00	67.71	67.25
Nadu	63.25	65.72	65.20	70.82

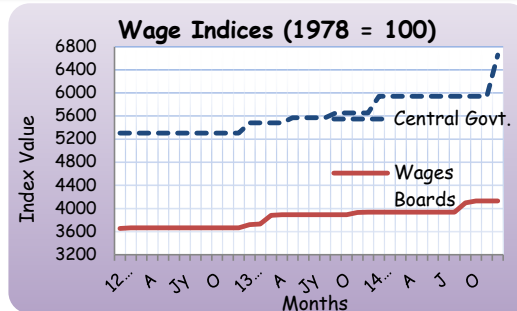
1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	03 rd July 2015	Week Ago
Rice		
Samba	88.00	88.00
Kekulu (Red)	75.00	72.67
Vegetables		
Beans	240.00	250.00
Cabbage	120.00	100.00
Carrots	240.00	253.33
Tomatoes	100.00	100.00
Pumpkins	50.00	50.00
Snake Gourd	80.00	120.00
Brinjals	120.00	80.00
Ash-Plantains	140.00	140.00
Other Foods		
Red-Onions (Imported)	n.a.	160.00
Big-Onions (Imported)	100.00	120.00
Potatoes (Imported)	100.00	120.00
Dried Chilies (Imported)	250.00	246.67
Dhal (Indian)	180.00	173.33
Eggs (Red)(Each)	15.00	14.00
Coconut (Each)	55.00	55.00
Fish		
Kelawalla	840.00	753.33
Balaya	n.a.	416.67
Salaya	200.00	200.00
Paraw (Small)	760.00	780.00

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

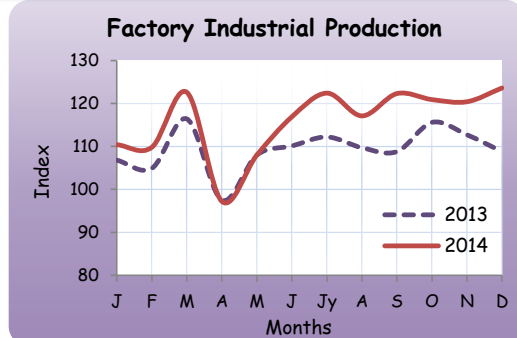


1.7 Factory Industry-Production (FIPI) (2010 = 100) (a)

Item	2015 (b) Feb	2014 Feb	% Change
Factory Industry- Production Index	119.8	107.6	11.3
Food products	103.2	94.6	9.1
Beverages	118.5	99.8	18.7
Tobacco products	101.4	87.3	16.1
Wearing apparel	169.4	138.6	22.3
Chemicals and chemical products	77.4	70.2	10.2
Rubber and plastic products	124.9	125.0	-0.1
Other non-metallic mineral products	106.5	103.7	2.7

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

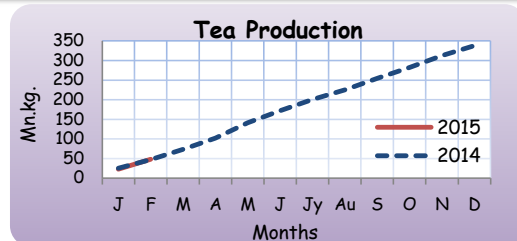
(b) Provisional



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	2015(a) 1 st Quarter	2014 1 st Quarter	2014(a) Annual
Agriculture	0.7	0.2	0.3
Industry	6.5	12.6	11.4
Services	7.5	6.5	6.5
GDP	6.4	7.6	7.4

(a)Provisional

Source: Department of Census and Statistics



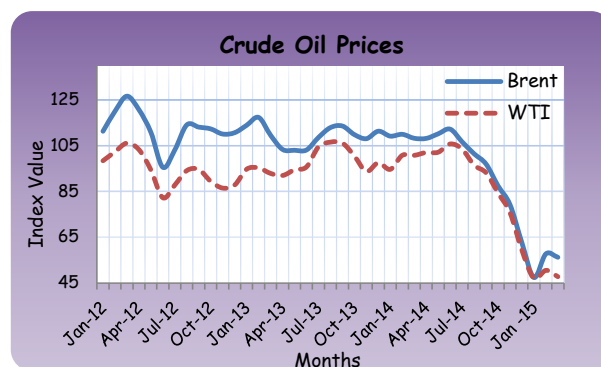
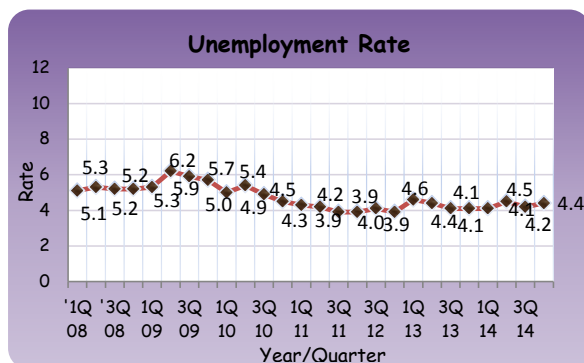
1.10 Employment (a)

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	63.09
June	112.27	105.79	113.42	60.53	59.82	
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		
26 June	112.66	106.49		58.69	59.41	
29 June	-	-		57.58	58.34	
30 June	111.08	106.07		58.86	59.48	
01 July	110.89	106.06		60.20	56.94	
02 July	110.23	105.18		60.28	56.93	

Sources: Reuters

Energy Information Administration

Ceylon Petroleum Corporation

(*) CPC import prices are not directly comparable with spot prices of WTI and Brent as CPC import prices include freight charges and the price is weighted for average prices of different types of crude oil. Also Part of the imports of CPC are on a term contract basis.

Monetary Sector

Weekly AWPR for the week ending 03 July 2015 declined by 13 bps to 7.00 per cent compared to the previous week.

Broad money (M2b) expanded by 13.9 per cent in April 2015.

NFA of the banking system declined by Rs. 9.3 billion in April 2015 compared to March 2015.

NCG from the banking system showed an increase of Rs. 13.6 billion in April 2015 compared to March 2015, where credit to public corporations also showed an increase of Rs. 13.1 billion during the month.

Credit extended to the private sector increased by Rs. 14.5 in April 2015 compared to March 2015.

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

The total outstanding market liquidity increased to Rs. 70.58 bn by end of the week, compared to Rs. 68.33 bn by the end of last week.

By 03 July 2015, the All Share Price Index (ASPI) declined by 0.13 per cent to 7,007 points while the S&P SL 20 Index increased by 0.37 per cent to 3,915 points, compared to the previous week.

Highlights

MONETARY SECTOR

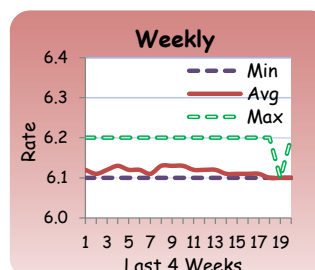
2.1 Interest Rates

Item	Week Ending 2015 Jul 03	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	7.00	7.13	7.91
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	6.11	6.08	6.50
- 182 days	6.21	6.18	6.68
- 364 days	6.28	6.28	6.97
Standing Deposit Facility	6.00	6.00	6.50
Standing Lending Facility	7.50	7.50	8.00
Call Money Weekly Average (CMR)	6.12	6.10	8.00
Sri Lanka Inter Bank Offer Rate (SLIBOR)			
1 day	6.13	6.11	7.00
7 days	6.28	6.25	7.43
1 Month	6.54	6.48	7.70
3 Months	6.80	6.72	7.99
6 Months	7.06	6.97	8.43
12 Months	7.37	7.26	8.89
Commercial Banks	March 2015	Month Ago	Year Ago
Saving Deposits -	0.50-8.00	0.50-8.00	0.75-9.00
One Year Fixed Deposits -	3.95-15.00	3.95-15.00	5.50-14.75
	June 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.02	5.95	7.40
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.29	7.12	8.96
	May 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.39	11.53	14.01
NSB	March 2015	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	6.50	6.50	8.00
Treasury Bonds Auction	(4 y & 10 Months) 02/07/15	(7 y & 3 Months) 02/07/15	(09 y & 09 Months) 12/06/15
Coupon rate	9.25	10.00	10.25
Weighted Average Yield (Excluding 10% withholding tax)	8.20	8.57	8.89

Bankwise- AWPR	Week ending 2015 Jul 03	Week Ago
Bank of Ceylon	7.79	7.67
People's Bank	7.43	7.43
Hatton National Bank	7.13	7.84
Commercial Bank of Ceylon	6.40	6.61
Sampath Bank	6.86	6.95
Seylan Bank	7.33	7.44
Union Bank of Colombo	6.93	7.07
Pan Asia Banking Corporation	7.50	7.50
Nations Trust Bank	6.42	6.38
DFCC Vardhana Bank	7.63	7.45
NDB Bank	7.54	7.12
Amana Bank	8.03	8.06
Cargills Bank	8.00	7.68

Bankwise- AWPR	Week ending 2015 Jul 03	Week Ago
HSBC	6.51	6.57
Standard Chartered Bank	6.45	6.55
Citi Bank	6.81	8.21
Deutsche Bank	6.64	7.21
Habib Bank	6.00	6.05
Indian Bank	8.50	8.55
Indian Overseas Bank	9.05	9.05
MCB Bank	10.05	8.05
State Bank of India	8.63	8.70
Public Bank	6.93	7.09
ICICI Bank	8.18	8.15
Axis Bank	-	-

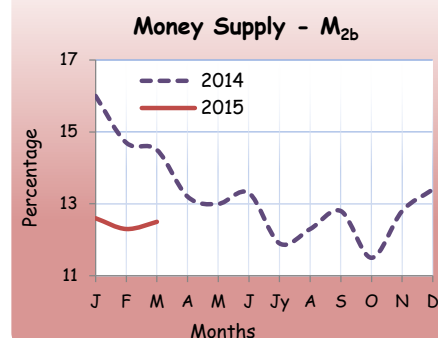
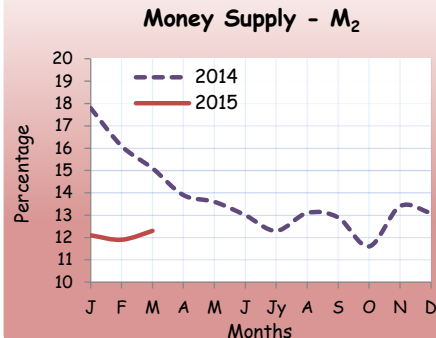
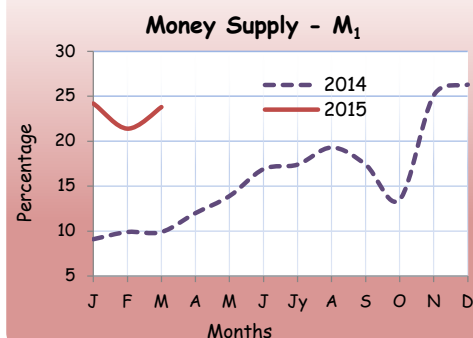
Interest Rates - Call Money



2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2015 (a) April	Month Ago	Year Ago	2015 (a) April	Month Ago	Year Ago
M1	630.3	633.3	507.4	24.2	23.8	12.0
M2	3,593.4	3,553.6	3,175.1	13.2	12.3	13.9
M2b	4,038.2	3,980.7	3,546.5	13.9	12.5	13.2
Net Foreign Assets of the Banking System (b)	-171.3	-162.0	124.2	-238.0	-268.5	230.5
Monetary Authorities	573.4	578.1	641.5	-10.6	-3.7	52.8
Domestic Banking Units (DBUs)	-234.3	-224.4	-191.8	-22.1	-27.2	-34.5
Foreign currency Banking Units (FCBUs)	-510.5	-515.8	-325.5	-56.8	-57.3	12.6
Net Domestic Assets of the Banking System (b)	4,209.5	4,142.7	3,422.3	23.0	20.4	6.0
DBUs	3,540.1	3,483.0	2,974.2	19.0	16.6	8.3
FCBUs	669.4	659.7	448.1	49.4	44.7	-7.1
Net Credit to Government	1,626.8	1,613.1	1,386.4	17.3	15.8	13.9
Monetary Authorities	226.0	223.7	145.5	55.3	54.0	-35.1
DBUs	1,132.6	1,126.8	1,044.6	8.4	6.8	22.7
FCBUs	268.1	262.7	196.2	36.6	36.1	38.5
Credit to Corporations	497.8	484.7	331.1	50.4	46.9	-3.9
DBUs	200.3	198.1	144.9	38.3	43.6	30.9
FCBUs	297.5	286.6	186.2	59.8	49.3	-20.4
Credit to the Private Sector	2,859.6	2,845.1	2,481.6	15.2	13.9	3.3
DBUs	2,619.0	2,608.9	2,274.6	15.1	13.5	2.7
FCBUs	240.6	236.2	207.0	16.2	18.5	9.3
Reserve Money	612.7	619.6	515.3	18.9	18.8	3.0

(a) Provisional (b) In relation to M2b

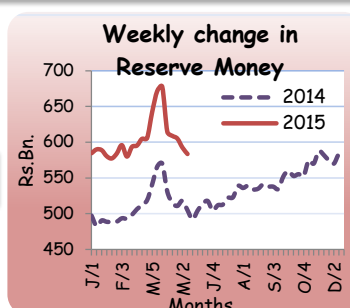


2.3 Weekly change in Reserve Money

Item	02 July 2015	Week Ago	Change
Reserve Money (Rs.Mn.)	613,793	608,863	4,930

2.4 Money Market Activity (Overnight)

Item	29.06.2015	30.06.2015	01.07.2015	02.07.2015	03.07.2015
Call Money Market					
Weighted Average Rate (% p.a.)	6.10	6.12	0.00	6.12	6.13
Gross Volume (Rs. Mn)	5,475	5,790	0	12,075	8,230
Repo Market					
Weighted Average Rate (% p.a.)	5.86	5.92	0.00	5.84	5.95
Gross Volume (Rs. Mn)	9,052	12,929	0	10,133	6,527



2.5 CBSL Security Portfolio

Item	29.06.2015	30.06.2015	01.07.2015	02.07.2015	03.07.2015
CBSL T-Bill Holding (Rs. Mn)	36,375	36,383	0	36,398	50,317

2.6 Open Market Operations

Item	29.06.2015	30.06.2015	01.07.2015	02.07.2015	03.07.2015
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)	78.71	67.11	0.00	58.45	70.58
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Total Outstanding Market Liquidity (Rs. bn)	78.71	67.11	0.00	58.45	70.58

2.7 Credit Cards (a)

Item	2015 (b) End Jan	2014 End Dec	2013 End Dec
Total Number of Active Cards	1,036,910	1,032,833	951,625
Local (accepted only locally)	32,729	32,874	35,990
Global (accepted globally)	1,004,181	999,959	915,635
Outstanding balance (Rs. Mn.)	57,048	57,621	51,172
Local (accepted only locally)	1,195	1,234	1,260
Global (accepted globally)	55,853	56,387	49,913

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

2.8 Commercial Paper Issues (a)

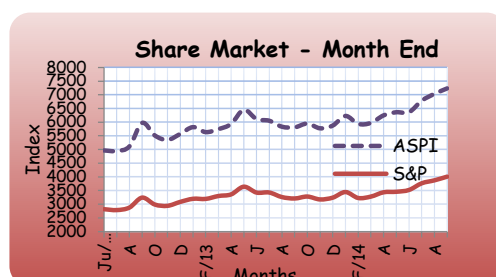
Item (Rs. bn.)	2015 End Jan(b)	2014 End Dec	2013 End Dec
Total Issues - Cumulative	0.1	8.2	28.3
Outstanding (as at end of the period)	3.0	3.5	7.4

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



2.9 Share Market

Item	Week Ending 03 July 2015	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	7,007	7,016	6,467
S & P Sri Lanka 20 Index (S&P SL20)	3,915	3,901	3,608
Average Daily Turnover (Rs. Mn)	986	679	2,248
Market Capitalisation (Rs.Bn.)	2,977	2,981	2,710



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.

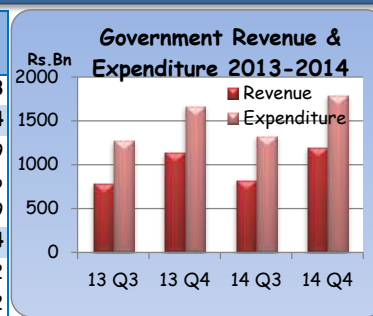
The declining trend in the government debt to GDP ratio continued in 2014. The total government debt to GDP ratio declined to 75.5 per cent from 78.3 per cent at end 2013. In nominal terms, total debt increased by Rs. 597.6 billion to Rs. 7,390.9 billion as at end 2014 from Rs. 6,793.2 billion at end 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)

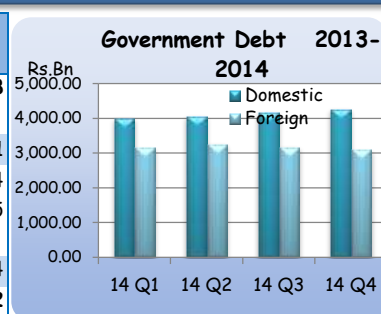
Item	2014 (a)	2013
Revenue and Grants	1,204.6	1,153.3
Revenue	1,195.2	1,137.4
Tax	1,050.4	1,005.9
Non tax	144.8	131.6
Grants	9.4	15.9
Expenditure & Lending Minus Repayments	1,795.9	1,669.4
Current	1,322.9	1,205.2
Capital & Lending Minus Repayments	473.0	464.2



(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



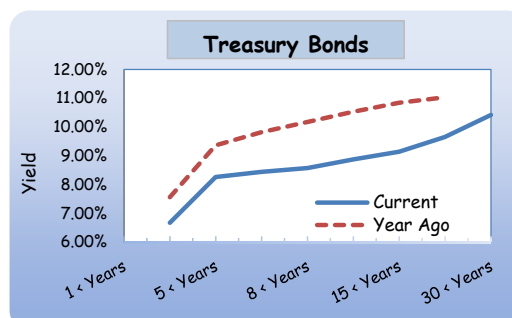
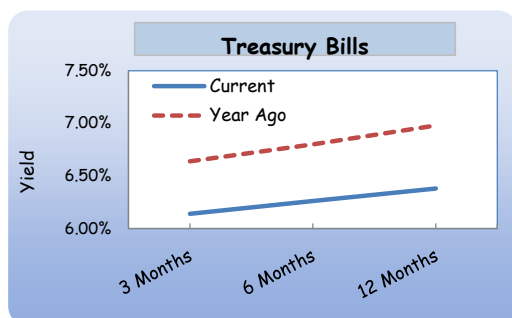
(a) Provisional

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

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week
				Buying	Selling	Average	
Treasury Bills	3 Months	6.11%	6.08%	6.12%	6.00%	6.06%	6.06%
	6 Months	6.21%	6.18%	6.22%	6.10%	6.16%	6.15%
	12 Months	6.28%	6.28%	6.35%	6.23%	6.29%	6.27%
Treasury Bonds	2 < Years	-	6.70%	6.59%	6.46%	6.52%	6.51%
	5 < Years	8.16%	-	8.18%	8.06%	8.12%	8.20%
	6 < Years	-	-	8.57%	8.46%	8.52%	8.59%
	8 < Years	8.82%	-	8.88%	8.79%	8.84%	8.91%
	10 < Years	-	-	9.14%	9.05%	9.10%	9.08%
	15 < Years	-	-	9.36%	9.28%	9.32%	9.24%
	20 < Years	-	-	9.69%	9.54%	9.61%	9.49%
	30 < Years	-	-	9.90%	9.69%	9.79%	9.77%

(a) Primary market transactions during the week ending 30/6/2015

The secondary market yield rates of T-bonds and T-bills marginally elevated during the week compared against yield rates of the previous week.



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

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	787,669.24	791,096.49
Treasury Bonds (a)	3,499,640.51	3,496,640.51
Total	4,287,309.75	4,287,737.00
Government Securities held by Foreigners	425,641.94	432,513.52
Sri Lanka Development Bonds (SLDB)	529,784.91	520,537.59

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

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	20,000.00	22,000.00
Total Bids Received	47,870.00	47,068.00
Total Bids Accepted	19,075.00	14,667.00
Treasury Bonds		
Amount Offered	30,000.00	2,000.00
Total Bids Received	79,150.00	12,200.00
Total Bids Accepted	32,300.00	3,000.00

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)	23,765.83	29,042.43
Repo Transaction (Sales / Purchases)	142,433.34	167,068.78
Treasury Bonds		
Outright Transaction (Sales / Purchases)	89,822.74	45,814.27
Repo Transaction (Sales / Purchases)	644,480.81	740,905.31

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) - 03/07/2015

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.88	6.01	99.89	5.78	0.00
1 Month	99.50	6.04	99.52	5.90	0.01
2 Month	99.00	6.09	99.02	5.95	0.02
3 Month	98.49	6.12	98.52	6.01	0.03
4 Month	97.98	6.15	98.01	6.05	0.03
5 Month	97.46	6.18	97.51	6.07	0.05
6 Month	96.93	6.22	96.99	6.10	0.06
7 Month	96.41	6.25	96.47	6.14	0.06
8 Month	95.88	6.26	95.94	6.17	0.06
9 Month	95.37	6.28	95.44	6.18	0.07
10 Month	94.84	6.30	94.92	6.20	0.08
11 Month	94.30	6.32	94.39	6.22	0.09
12 Month	93.76	6.35	93.88	6.23	0.12

3.6 Two way Quotes (Treasury Bonds)- 03/07/2015

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
06.50%2015A	5	15-Jul-15	12	100.01	6.08	100.01	5.98	0.00
11.00%2015A	6	1-Aug-15	29	100.36	6.20	100.37	6.10	0.01
11.00%2015B	6	1-Sep-15	60	100.74	6.19	100.76	6.06	0.02
12.50%2015A	2	20-Sep-15	79	101.30	6.16	101.32	6.06	0.02
08.50%2015A	3	1-Nov-15	121	100.70	6.24	100.74	6.11	0.04
07.25%2016A	6	1-Apr-16	273	100.55	6.46	100.67	6.29	0.12
08.00%2016B	4	1-Jun-16	334	101.21	6.60	101.33	6.46	0.12
06.40%2016A	6	1-Aug-16	395	99.75	6.63	99.93	6.46	0.18
08.00%2016A	5	1-Sep-16	426	101.36	6.75	101.54	6.59	0.18
06.40%2016B	6	1-Oct-16	456	99.52	6.80	99.65	6.68	0.14
08.00%2017A	5	1-Jan-17	548	101.60	6.86	101.73	6.76	0.13
05.80%2017A	6	15-Jan-17	562	98.39	6.92	98.49	6.85	0.10
08.25%2017A	3	1-Mar-17	607	101.95	6.98	102.09	6.89	0.14
08.75%2017A	4	15-May-17	682	102.94	7.04	103.14	6.92	0.21
08.00%2017B	5	15-Jun-17	713	101.64	7.08	101.84	6.97	0.20
05.80%2017B	6	15-Jul-17	743	97.43	7.18	97.70	7.03	0.28
08.50%2018A	15	1-Feb-18	944	102.67	7.34	102.91	7.24	0.24
08.50%2018C	5	1-Apr-18	1,003	102.14	7.61	102.35	7.53	0.21
08.50%2018D	5	1-Jun-18	1,064	102.01	7.71	102.21	7.63	0.20
08.50%2018B	15	15-Jul-18	1,108	102.18	7.68	102.45	7.58	0.27
07.50%2018A	15	15-Aug-18	1,139	99.25	7.77	99.48	7.69	0.23
08.00%2018A	6	15-Nov-18	1,231	100.47	7.83	100.66	7.77	0.19
05.65%2019A	8	15-Jan-19	1,292	93.69	7.73	93.98	7.63	0.29
08.50%2019A	10	1-May-19	1,398	102.13	7.84	102.56	7.71	0.43
10.60%2019A	5	1-Jul-19	1,459	108.61	8.04	108.89	7.96	0.28
10.60%2019B	5	15-Sep-19	1,535	108.61	8.13	109.04	8.02	0.43
08.00%2019A	8	1-Nov-19	1,582	100.02	7.99	100.45	7.87	0.43
09.25%2020A	5	1-May-20	1,764	103.32	8.39	103.83	8.27	0.51
08.00%2020A	8	1-Jun-20	1,795	99.22	8.19	99.65	8.09	0.43
06.20%2020A	10	1-Aug-20	1,856	91.31	8.33	91.86	8.19	0.54
09.00%2021A	8	1-May-21	2,129	100.78	8.82	101.19	8.73	0.41
11.00%2021A	7	1-Aug-21	2,221	110.11	8.81	110.60	8.71	0.49
08.00%2022A	10	1-Jan-22	2,374	96.25	8.77	96.75	8.66	0.51
11.20%2022A	9	1-Jul-22	2,555	111.91	8.88	112.31	8.81	0.40
10.00%2022A	8	1-Oct-22	2,647	105.13	9.02	105.52	8.94	0.39
09.00%2023A	10	1-Sep-23	2,982	99.99	9.00	100.41	8.92	0.42
11.20%2023A	9	1-Sep-23	2,982	112.23	9.04	112.76	8.96	0.52
07.00%2023A	20	1-Oct-23	3,012	87.89	9.12	88.38	9.03	0.49
11.40%2024A	10	1-Jan-24	3,104	113.34	9.11	113.91	9.02	0.57
06.00%2024A	10	1-Dec-24	3,439	79.99	9.23	80.39	9.15	0.40
10.25%2025A	10	15-Mar-25	3,543	106.43	9.23	107.21	9.11	0.77
09.00%2025A	12	1-May-25	3,590	98.01	9.31	98.35	9.26	0.35
09.00%2026A	13	1-Feb-26	3,866	97.91	9.31	98.50	9.22	0.59
05.35%2026A	15	1-Mar-26	3,894	73.22	9.38	73.54	9.32	0.33
11.00%2026A	11	1-Jun-26	3,986	110.72	9.41	111.19	9.34	0.47
09.00%2028B	15	1-May-28	4,686	97.79	9.30	98.88	9.15	1.08
09.00%2028A	15	1-Jul-28	4,747	96.46	9.48	97.18	9.38	0.72
13.00%2029A	15	1-Jan-29	4,931	125.93	9.54	127.40	9.38	1.47
13.00%2029B	15	1-May-29	5,051	122.84	9.92	123.92	9.80	1.08
11.00%2030A	15	15-May-30	5,430	110.46	9.66	112.31	9.44	1.85
08.00%2032A	20	1-Jan-32	6,026	85.17	9.84	86.13	9.70	0.96
09.00%2032A	20	1-Oct-32	6,300	94.17	9.70	95.99	9.47	1.82
09.00%2033A	20	1-Jun-33	6,543	95.06	9.58	95.80	9.49	0.74
13.25%2033A	20	1-Jul-33	6,573	131.14	9.59	132.10	9.50	0.95
09.00%2033B	20	1-Nov-33	6,696	94.68	9.62	95.47	9.53	0.78
13.25%2034A	20	1-Jan-34	6,757	129.46	9.78	131.31	9.60	1.84
11.50%2035A	20	15-Mar-35	7,195	112.62	10.02	115.65	9.70	3.04
09.00%2043A	30	1-Jun-43	10,195	89.16	10.18	91.51	9.90	2.35
13.50%2044A	30	1-Jan-44	10,409	127.32	10.47	130.65	10.18	3.33
13.50%2044B	30	1-Jun-44	10,561	129.92	10.25	131.99	10.08	2.07
12.50%2045A	30	1-Mar-45	10,834	116.84	10.62	120.79	10.25	3.94

External Sector

During the year so far (up to 03 July 2015) the rupee depreciated against the US dollar (1.91 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (7.61 per cent) and the Japanese yen (1.05 per cent) and depreciated against the pound sterling (2.15 per cent) and the Indian rupee (1.84 per cent) during this period.

On a cumulative basis, exports earnings during the first four months of 2015 decreased marginally by 0.3 per cent year-on-year to US dollars 3,569 million. The decrease was led by agricultural exports which decreased by 6.9 per cent and mineral exports which decreased by 69.1 per cent.

On a cumulative basis, during the first four months of 2015, expenditure on imports increased by 1.5 per cent, year-on-year, to US dollars 6,283 million mainly led by consumer goods imports followed by investment goods imports.

As import prices declined substantially offsetting the marginal decline in export prices, the terms of trade improved substantially in March 2015. Export price index decreased marginally by 0.3 per cent, year-on-year, to 94.9 index points, reflecting price declines in agricultural and mineral exports.

Meanwhile, the import price index declined by 11.4 per cent, year-on-year, to 100.6 index points due to the decline in price level of major categories of imports.

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.

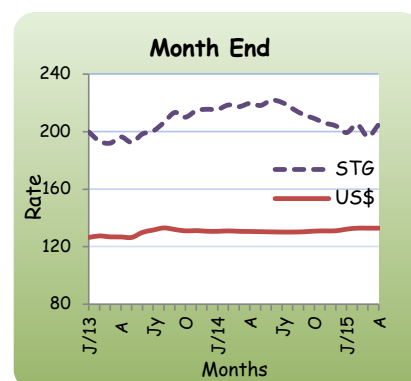
The average price of tea further declined to US dollars 3.08 per kg in April 2015 from US dollars 3.55 per kg in April 2014 in line with the decline recorded in export price of tea by 11.2 per cent. Further, the import prices of sugar and wheat prices declined compared to the corresponding month of 2014.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 03 July 2015			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	132.00	135.19	133.60	133.68	130.31
STG	205.34	211.77	208.56	210.41	223.58
Yen	1.07	1.11	1.09	1.08	1.28
Euro	145.50	150.75	148.13	149.46	177.84
INR ⁽¹⁾			2.11	2.10	2.19
SDR (As at 02 July 2015)			187.09	188.11	201.67
Central Bank purchases and sales(b) (US\$ Mn.)			May 2015	Month Ago	Year Ago
Purchases			8.80	60.50	131.50
Sales			157.83	159.50	0.00



	Week Ending 03 July 2015	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	27.06	30.31	70.36
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	134.19	134.45	130.71
3 Months	135.36	135.48	131.48
Average Daily Interbank Forward Volume (US\$ mn)	15.86	17.65	36.70
Outstanding Forward Volume (US\$ mn) (As at 02 July 2015)	1,279.09	1,307.57	1,090.92

(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

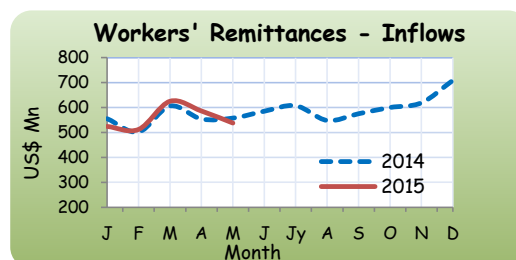
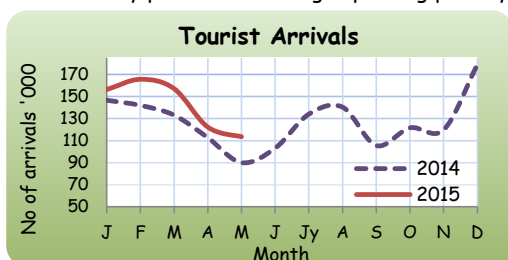
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

4.2 Tourism & Workers' Remittances

Item		2014 May (a)	2015 May (b)(c)	2014 Jan-May(a)	2015(b) Jan-May(c)	% Change
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
		2014 May	2015 May (b)	2014 Jan-May	2015 Jan-May(a)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	557.5	537.7	2,774.8	2,803.1	1.0
	Rs. bn.	72.7	71.8	362.5	372.1	2.6

(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



4.4 Official Reserve Assets as at 30th June 2015^(a)

Official Reserve Assets (USD Mn)		7,519.07
(1)	Foreign currency reserves	6,600.17
(2)	Reserve position in the IMF	67.10
(3)	SDRs	11.80
(4)	Gold	839.10
(5)	Other reserve assets	0.90

(a) Provisional

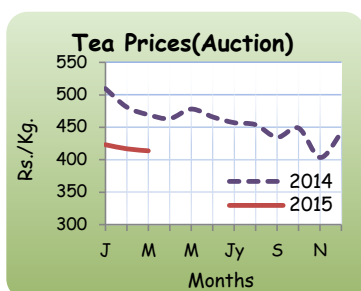
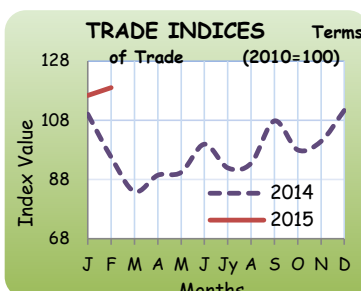
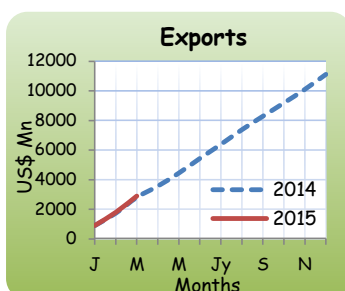
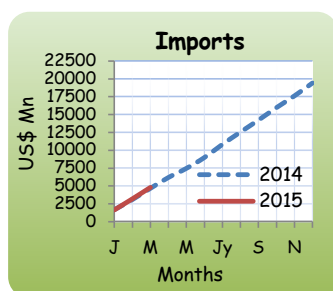
4.5 International Reserves & Foreign Currency Liquidity as at 31st May 2015 ^(a)

Official Reserve Assets (USD mn)					
Official Reserve Assets		6,845.77			
(1)	Foreign currency reserves	5,915.13			
	(a) Securities	3,555.42			
	(b) Total currency and deposits with	2,359.71			
	(i) other national central banks, BIS	1,118.47			
	(ii) banks headquartered inside the reporting country of which located abroad	1.02			
	(iii) banks headquartered outside the reporting country	1,240.21			
(2)	Reserve position in the IMF	66.54			
(3)	SDRs	11.68			
(4)	Gold	851.51			
(5)	Other reserve assets	0.90			
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	-3,028.59	-378.12	-799.56	-1,850.91
	Interest	-1,060.67	-28.44	-281.72	-750.5
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)	-2,484.58	-434.65	-722.50	-1,327.43
	(b) Long positions (+)				
3. Other (specify)		-0.08	-0.08		
	inflows related to reverse repos (+)				
	other accounts payable (-)	-0.08	-0.08		

(a) Provisional

4.6 External Trade

Item	US\$ Bn			Rs Bn		
	Jan-Apr 2015	Jan-Apr 2014	% Change	Jan-Apr 2015	Jan-Apr 2014	% Change
Exports	3.6	3.6	-0.3	473.0	468.0	1.1
Agricultural	0.8	0.9	-6.9	106.2	112.5	-5.6
Industrial	2.8	2.7	2.8	364.5	349.7	4.2
Food, Beverages and Tobacco	0.1	0.1	-14.9	11.1	12.9	-13.8
Textiles and Apparel	1.6	1.6	-0.8	210.4	209.3	0.5
Petroleum Products	0.1	0.1	1.9	17.3	16.8	3.2
Leather, Rubber etc	0.3	0.3	-5.6	40.4	42.2	-4.3
Other	0.6	0.5	22.7	85.2	68.5	24.4
Mineral	0.0	0.0	-69.1	1.6	5.2	-68.7
Other	0.0	0.0	11.3	0.7	0.6	12.8
Imports	6.3	6.2	1.5	832.4	809.3	2.9
Consumer Goods	1.6	1.0	50.1	207.7	136.5	52.2
Intermediate Goods	3.2	3.9	-18.6	417.8	506.2	-17.5
Investment Goods	1.6	1.3	22.3	206.0	166.1	24.0
Other	0.0	0.0	68.4	1.0	0.6	71.0
Trade Balance	-2.7	-2.6	3.9	-359.5	-341.4	5.3

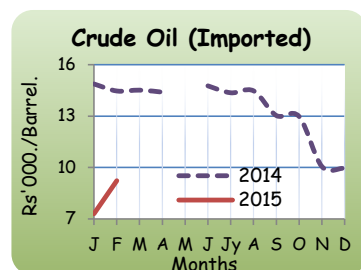
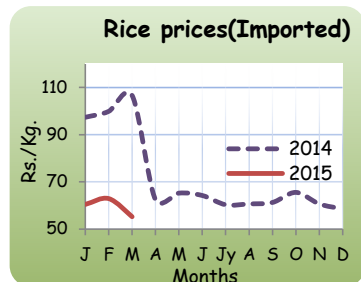


4.7 Trade Indices (2010= 100) (a)

Item	2015 Mar (b)	Month Ago	Year Ago
Total Exports			
Value	147.6	124.1	148.9
Quantity	155.5	112.3	156.3
Unit Value	94.9	110.5	95.3
Total Imports			
Value	141.5	136.9	149.6
Quantity	140.6	144.3	131.8
Unit Value	100.6	94.9	113.5
Terms of Trade	106.2	104.0	83.9

(a) In US\$ Terms

(b) Provisional



4.8 International Commodity Prices

Item	Apr 2015	Apr 2014	% Change	Apr 2015	Apr 2014	% Change
Colombo Auction Price	US\$ / Kg			Rs / Kg		
Tea Prices	3.08	3.55	-13.2	409.22	463.49	-11.7
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	487.61	477.91	2.0	64,803.51	62,425.33	3.8
White Sugar	409.60	491.76	-16.7	54,436.20	64,234.46	-15.3
Wheat	291.07	311.28	-6.5	38,683.13	40,659.94	-4.9
	US\$ / Barrel			Rs / Barrel		
Crude Oil	-	110.25	-	-	14,401.10	-