

# Weekly Economic Indicators

28 August 2015



Statistics Department

# Real Sector

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is compiled by the Department of Census and Statistics, declined to -0.2 per cent, on an year-on-year basis in July 2015, from 0.1 per cent recorded in June 2015. Annual average inflation declined from 1.7 per cent in June 2015 to 1.3 per cent in July 2015. CCPI increased by 0.7 per cent from June to July 2015.

Core inflation, which reflects the underlying inflation in the economy, increased to 3.5 per cent in July 2015, from 2.8 per cent in June 2015 on an year-on-year basis. Annual average core inflation remained unchanged at 2.8 per cent, as recorded in the previous month.

The economy grew by 6.0 per cent in real terms during the first quarter of 2015, supported by 10.1 per cent growth of the Services activities and 2.9 per cent growth of the Agriculture related activities, while the Industry activities contracted by 1.9 per cent in value added terms.

Tea production during the first Six months of 2015 has declined marginally by 0.6 per cent from 173.6 million kg to 172.6 million kg. However, production of rubber during the first Six months of 2015 recorded a substantial decline of 17.4 per cent. Meanwhile, coconut production during the first Six months of 2015 has increased by 4.4 per cent.

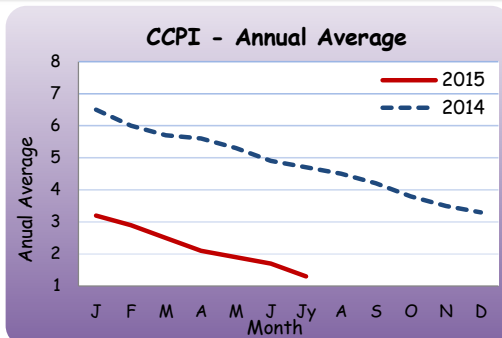
The FIPI increased by 13.2 per cent on a year-on-year basis in April 2015. This growth was mainly facilitated by increased production of beverages, tobacco and wearing apparel sectors. They have recorded a significant growth of 9.4, 21.9 and 38.1 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

During the week crude oil spot prices followed mixed performance. At the beginning of the week prices hit their fresh 6-1/2 year lows on signs of U.S. oversupply, weak Chinese manufacturing and fall in Chinese stock market. China's factory sector activities shrank at its fastest pace in almost 6-1/2 years in August while China shares fell by 9 per cent. Prices then rose as oversold conditions brought some buyers back to the market. Prices fell again after a huge drawdown in U.S. crude stockpiles was offset by a larger-than-expected build in gasoline and distillates, which include diesel. U.S. Energy Information Administration reported crude inventories fell by 5.5 million barrels last week, the biggest one-week decline since early June while gasoline stocks rose by 1.7 million barrels and distillates rose by 1.4 million barrels. Subsequently, prices rose posting their biggest one-day rally in over six years led by recovering equity markets and news of diminished crude supplies. Stock markets around the world rallied after U.S. GDP expanded at a 3.7 per cent annual pace in the second quarter. Page 01

# REAL SECTOR

## 1.1 Price Indices

Item	July 2015	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	182.8	181.6	183.2
Annual Average Change %	1.3	1.7	4.7
Year - on - Year Change %	-0.2	0.1	3.6
Core Inflation - (CCPI)	178.9	177.5	172.9
Annual Average Change %	2.8	2.8	3.1
Year - on - Year Change %	3.5	2.8	3.7

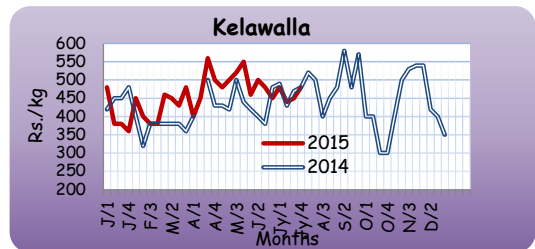
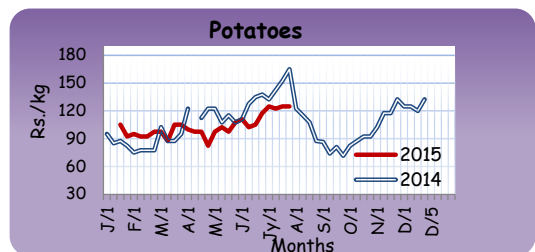
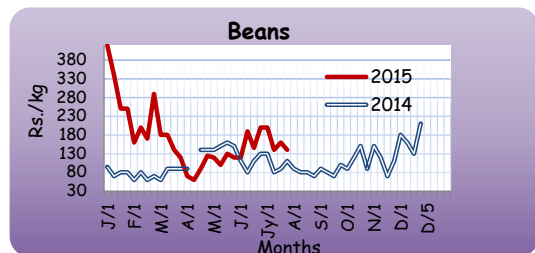
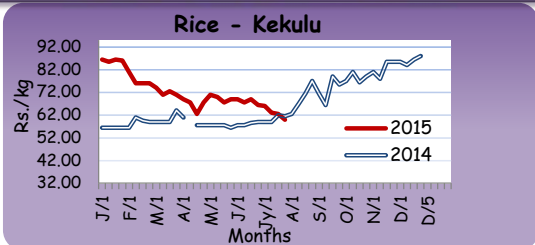


## 1.2 Pettah Market

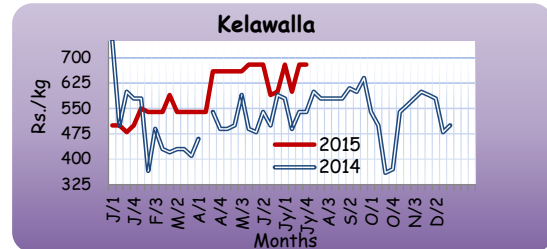
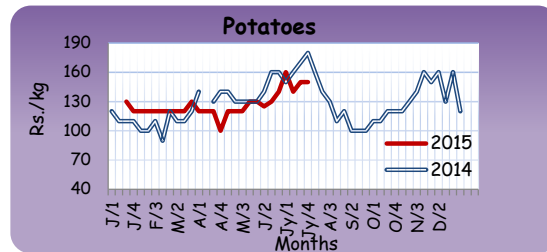
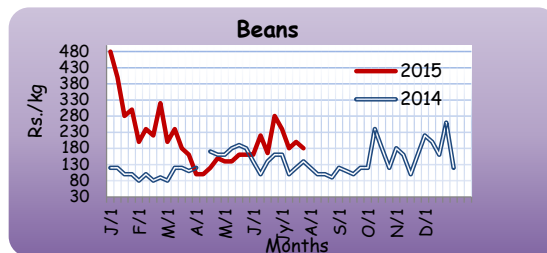
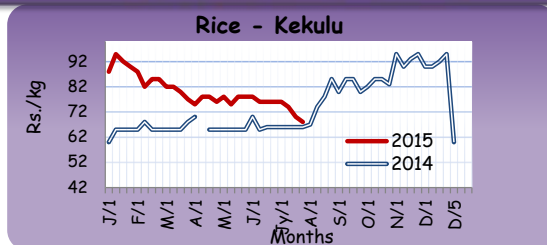
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 27 <sup>th</sup> Aug 2015	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 27 <sup>th</sup> Aug 2015	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
<b>Rice</b>								
Samba	82.00	80.00	80.40	78.30	88.00	86.00	86.80	84.04
Kekulu (Red)	60.00	60.00	61.60	67.44	70.00	70.00	70.80	74.33
<b>Vegetables</b>								
Beans	90.00	80.00	152.00	113.17	120.00	100.00	192.00	140.96
Cabbage	40.00	50.00	48.00	61.65	70.00	70.00	82.00	90.96
Carrots	90.00	95.00	142.00	109.81	120.00	120.00	180.00	138.08
Tomatoes	50.00	40.00	94.00	90.77	80.00	60.00	132.00	122.31
Pumpkins	40.00	40.00	30.00	37.38	60.00	60.00	48.00	56.83
Snake Gourd	50.00	50.00	58.00	69.90	80.00	70.00	96.00	96.73
Brinjals	50.00	45.00	44.00	71.35	80.00	70.00	76.00	98.65
Ash-Plantains	60.00	75.00	76.00	73.65	90.00	100.00	104.00	95.96
<b>Other Foods</b>								
Red-Onions (Local)	85.00	90.00	121.25	79.55	100.00	120.00	156.25	109.59
Big-Onions (Local)	100.00	120.00	95.00	75.42	120.00	140.00	120.00	99.07
Potatoes (N'Eliya)	97.50	113.00	121.00	104.64	120.00	135.00	146.00	127.69
Dried Chilies (Imported)	245.00	240.00	236.00	193.24	280.00	280.00	272.00	230.38
Dhal (Indian)	166.00	170.00	166.40	140.94	186.00	180.00	180.00	159.23
Eggs (Red)	15.50	15.00	15.40	12.04	16.00	16.00	16.00	12.57
Coconut (Each)	36.50	38.00	32.70	38.63	50.00	48.00	46.00	50.10
<b>Fish*</b>								
Kelawalla	460.00	500.00	458.00	433.85	650.00	680.00	658.00	532.40
Balaya	280.00	250.00	278.00	295.00	350.00	300.00	344.00	349.04
Salaya	140.00	100.00	124.00	112.31	180.00	150.00	166.00	151.35
Paraw (Small)	550.00	500.00	506.00	435.58	600.00	550.00	604.00	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 27 <sup>th</sup> Aug 2015	
	Wholesale (Average)	Retail (Average)
<b>Rice</b>		
Samba	82.50	86.50
Kekulu (Red)	61.50	67.50
<b>Vegetables</b>		
Beans	112.00	165.00
Carrot	92.00	140.00
Tomatoes	40.50	75.00
Pumpkins	28.00	47.00
Snake Gourd	31.00	56.00
Ash-Plantains	53.50	76.00
<b>Other Foods</b>		
Red-Onions (Local)	75.00	114.00
Big-Onions (Local)	95.00	115.50
Potatoes (N'Eliya)	97.00	119.50
Dried Chilies(Imported)	241.80	266.00
Coconut (Each)	33.30	42.80

### 1.5 Maradaghamula Market

#### Average wholesale price of Rice

Item (Rs / Kg)	Week Ending 28 <sup>th</sup> Aug	Week Ago	Month Ago	Year Ago
Samba	76.52	76.83	78.26	75.74
Sudu Kekulu	55.92	55.53	58.12	69.11
Raw Red	57.40	56.67	59.02	67.25
Nadu	56.52	56.17	60.05	70.82

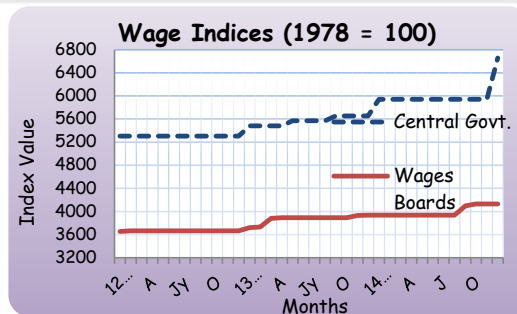
### 1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	26 <sup>th</sup> Aug 2015	Week Ago
<b>Rice</b>		
Samba	87.00	86.00
Kekulu (Red)	69.00	70.00
<b>Vegetables</b>		
Beans	137.00	140.00
Cabbage	120.00	97.00
Carrots	153.00	133.00
Tomatoes	90.00	80.00
Pumpkins	80.00	78.00
Snake Gourd	80.00	80.00
Brinjals	87.00	90.00
Ash-Plantains	137.00	117.00
<b>Other Foods</b>		
Red-Onions (Imported)	n.a.	n.a.
Big-Onions (Imported)	n.a.	n.a.
Potatoes (Imported)	133.00	140.00
Dried Chilies (Imported)	250.00	253.00
Dhal (Indian)	180.00	187.00
Eggs (Red)(Each)	16.00	16.00
Coconut (Each)	60.00	53.00
<b>Fish</b>		
Kelawalla	620.00	590.00
Balaya	n.a.	n.a.
Salaya	180.00	153.00
Paraw (Small)	890.00	890.00

## 1.6 Wage rate Indices

Item	2015(a) Apr	2014 Apr	% Change
(1978 = 100)			
Central Government Employees (b)	7,843.1	5,939.0	32.1
Workers in Wages Boards Trades	4,126.9	3,938.1	4.8
Agriculture	4,734.2	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

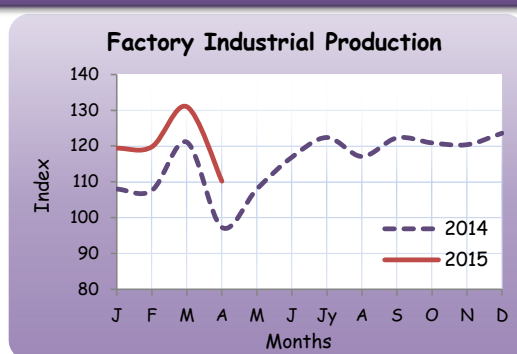


## 1.7 Factory Industry-Production (FIPI) ( 2010 = 100 ) (a)

Item	2015 (b) April	2014 April	% Change
<b>Factory Industry- Production Index</b>	<b>110.2</b>	<b>97.3</b>	<b>13.2</b>
Food products	98.0	97.6	0.4
Beverages	124.3	113.5	9.4
Tobacco products	99.6	81.7	21.9
Wearing apparel	157.9	114.4	38.1
Chemicals and chemical products	71.6	69.6	2.8
Rubber and plastic products	97.3	97.4	-0.1
Other non-metallic mineral products	87.1	80.3	8.4

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

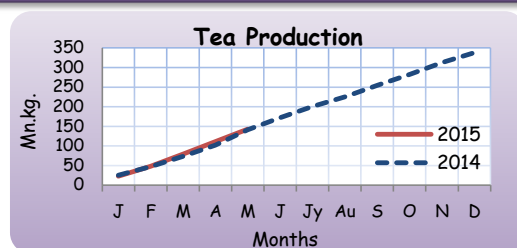
(b) Provisional



## 1.8 Agriculture Production

Item	Unit	2015(a) Jan - Jun	2014 Jan - Jun	% Change
Tea	(Mn Kg)	172.6	173.6	-0.6
Rubber	(Mn Kg)	50.4	61.0	-17.4
Coconuts	(Mn Nuts)	1,488.8	1,425.7	4.4

(a) Provisional



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

Item	2015(a) 1 <sup>st</sup> Quarter	2014(a) 1 <sup>st</sup> Quarter	2014(a) Annual
Agriculture	2.9	-0.4	-2.2
Industry	-1.9	-3.4	1.2
Services	10.1	2.9	6.5
<b>GDP</b>	<b>6.0</b>	<b>0.7</b>	<b>4.5</b>

(a)Provisional

Source: Department of Census and Statistics



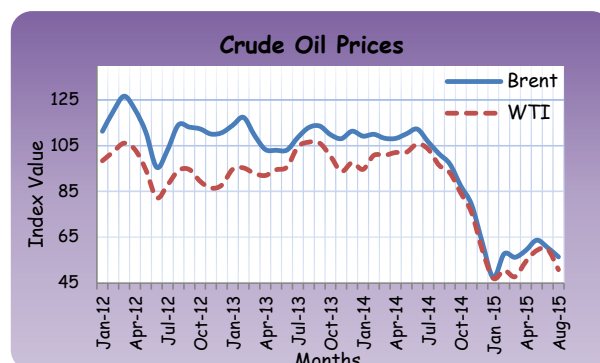
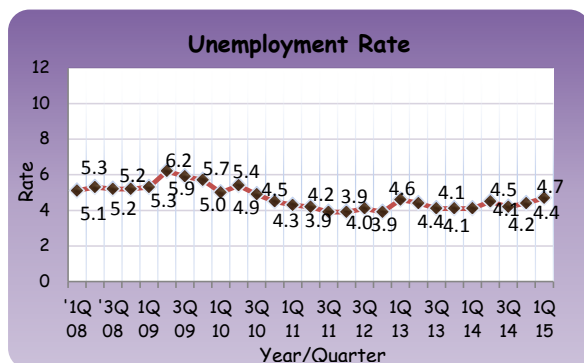
## 1.10 Employment (a)

Item	2015 (b) 1 <sup>st</sup> Quarter	2014 1 <sup>st</sup> Quarter	2014 Annual
Labour Force Participation rate	53.6	53.4	53.3
Unemployment rate	4.7	4.1	4.3
<b>Employed Persons by Sectors % (c)</b>			
Agriculture	29.4	26.4	28.5
Industry	25.9	27.8	26.5
Services	44.7	45.7	45.0

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

Source: Department of Census and Statistics

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



## 1.11 Average Crude Oil Prices

Month	2014			2015		
	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)	Spot Prices (US \$/bbl)		CPC Import Prices (C&F) (US\$/bbl)(*)
	Brent (Benchmark price)	WTI (Benchmark price)		Brent (Benchmark price)	WTI (Benchmark price)	
January	109.21	94.71	113.84	47.46	47.11	55.47
February	110.01	100.82	110.62	57.81	50.58	69.52
March	108.28	100.82	111.17	56.30	47.82	-
April	108.22	102.07	110.25	59.32	54.45	-
May	110.22	102.18	109.80	63.76	59.26	63.09
June	112.27	105.79	113.42	60.53	59.82	66.21
July	106.73	103.54	110.30	56.48	50.90	60.49
August	101.51	96.54	111.21			
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		
21 August	100.18	93.97		43.54	40.45	
24 August	-	-		41.29	38.22	
25 August	100.39	95.39		41.56	39.15	
26 August	100.40	95.78		41.46	38.50	
27 August	100.30	95.82		44.16	42.47	

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 28 August 2015 decreased by 13 basis points to 6.76 compared to the previous week.

Broad money (M2b) expanded by 15.4 per cent in May 2015. NFA of the banking system declined by Rs. 5.6 billion in May 2015 compared to April 2015. NCG from the banking system showed an increase of Rs. 36 billion in May 2015 compared to the previous month. Credit extended to the private sector increased by Rs. 48.6 in May 2015 compared to April 2015.

The reserve money decreased compared to the previous week mainly due to decrease in currency in circulation and the deposits held by the commercial banks with central bank.

The total outstanding market liquidity decreased to Rs. 33.19 bn by end of the week, compared to Rs. 41.87 bn by the end of last week.

By 27 August 2015, the All Share Price Index (ASPI) decreased by 2.65 per cent to 7,273 points while the S&P SL 20 Index declined by 3.61 per cent to 3,991 points, compared to the previous week.

# MONETARY SECTOR

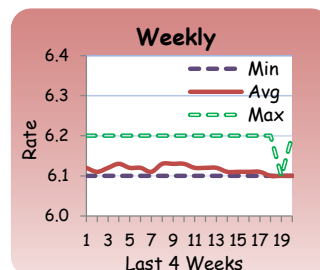
## 2.1 Interest Rates

Item	Week Ending 2015 Aug 28	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	6.76	6.89	7.25
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	6.53	6.36	6.19
- 182 days	6.87	6.66	6.28
- 364 days	6.97	6.72	6.30
Standing Deposit Facility	6.00	6.00	6.50
Standing Lending Facility	7.50	7.50	8.00
Call Money Weekly Average (CMR)	6.28	6.23	6.70
Sri Lanka Inter Bank Offer Rate ( SLIBOR )			
1 day	6.30	6.30	6.74
7 days	6.50	6.46	7.18
1 Month	6.75	6.66	7.43
3 Months	7.01	6.92	7.79
6 Months	7.26	7.20	7.95
12 Months	7.55	7.51	8.18
Commercial Banks	May 2015	Month Ago	Year Ago
Saving Deposits -	0.50-8.00	0.50-8.00	0.75-9.00
One Year Fixed Deposits -	3.50-15.00	3.95-15.00	5.45-14.50
	July 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.00	6.02	7.16
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.21	7.29	8.64
	June 2015	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.25	11.39	13.83
NSB	June 2015	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	6.50	6.50	7.50
Treasury Bonds Auction	(8 Years) 25/08/15	(9 Y 11 Months ) 25/08/15	(10 years) 04/08/15
Coupon rate	11.20	11.00	11.00
Weighted Average Yield (Excluding 10% withholding tax)	9.76	9.97	9.63

Bankwise- AWPR	Week ending 2015 Aug 28	Week Ago
Bank of Ceylon	7.45	7.36
People's Bank	8.50	8.35
Hatton National Bank	7.10	7.34
Commercial Bank of Ceylon	6.53	6.88
Sampath Bank	7.37	7.48
Seylan Bank	7.31	7.40
Union Bank of Colombo	7.06	6.85
Pan Asia Banking Corporation	7.50	7.50
Nations Trust Bank	6.54	6.64
DFCC Vardhana Bank	7.98	7.48
NDB Bank	7.30	7.41
Amana Bank	8.23	8.09
Cargills Bank	7.50	7.75

Bankwise- AWPR	Week ending 2015 Aug 28	Week Ago
HSBC	6.47	6.50
Standard Chartered Bank	6.43	6.41
Citi Bank	6.90	6.74
Deutsche Bank	7.46	6.25
Habib Bank	6.00	6.00
Indian Bank	8.41	8.41
Indian Overseas Bank	8.91	8.91
MCB Bank	7.14	7.03
State Bank of India	8.37	8.37
Public Bank	8.14	8.75
ICICI Bank	8.53	8.53
Axis Bank	-	-

### Interest Rates - Call Money

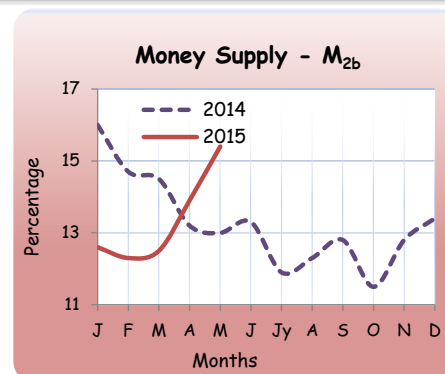
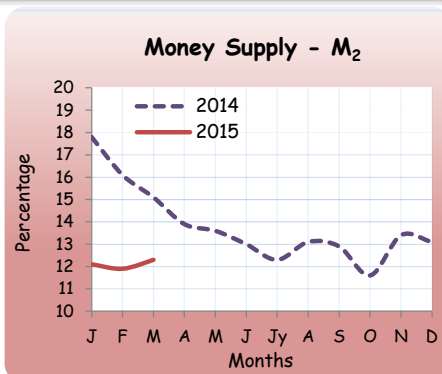
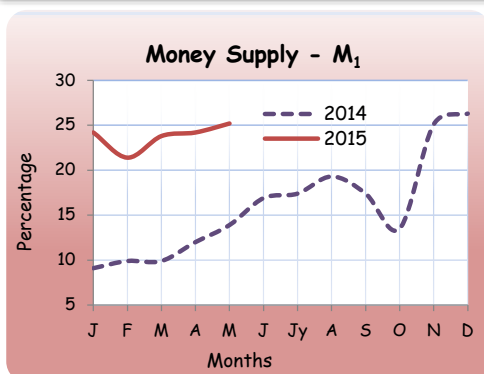




## 2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2015 (a)	Month	Year	2015 (a)	Month	Year
	May	Ago	Ago	May	Ago	Ago
M1	630.8	630.3	503.9	25.2	24.2	13.9
M2	3,472.0	3,407.9	3,051.6	13.8	12.1	12.8
M2b	4,102.8	4,038.2	3,555.5	15.4	13.9	13.0
Net Foreign Assets of the Banking System (b)	-177.0	-171.3	159.1	-211.2	-238.0	241.9
Monetary Authorities	550.5	573.4	667.7	-17.6	-10.6	70.1
Domestic Banking Units (DBUs)	-234.6	-234.3	-203.8	-15.1	-22.1	-35.1
Foreign currency Banking Units (FCBUs)	-492.8	-510.5	-304.9	-61.7	-56.8	13.8
Net Domestic Assets of the Banking System (b)	4,279.7	4,209.5	3,396.5	26.0	23.0	4.2
DBUs	3,618.7	3,540.1	2,963.6	22.1	19.0	6.2
FCBUs	661.0	669.4	432.8	52.7	49.4	-7.9
Net Credit to Government	1,662.7	1,626.8	1,374.9	20.9	17.3	12.1
Monetary Authorities	201.5	226.0	146.3	37.8	55.3	-38.7
DBUs	1,191.2	1,132.6	1,032.8	15.3	8.4	22.1
FCBUs	270.0	268.1	195.8	37.9	36.6	37.3
Credit to Corporations	496.9	497.8	330.3	50.4	50.4	0.5
DBUs	202.5	200.3	145.5	39.2	38.3	31.1
FCBUs	294.4	297.5	184.8	59.3	59.8	-15.1
Credit to the Private Sector	2,908.2	2,859.6	2,473.7	17.6	15.2	2.2
DBUs	2,660.6	2,619.0	2,271.3	17.1	15.1	2.1
FCBUs	247.6	240.6	202.4	22.3	16.2	2.8
Reserve Money	589.8	612.7	499.5	18.1	18.9	-1.5

(a) Provisional (b) In relation to M2b

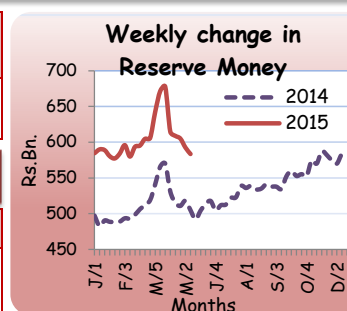


## 2.3 Weekly change in Reserve Money

Item	27 Aug 2015	Week Ago	Change
Reserve Money (Rs.Mn.)	637,957	649,599	-11,642

## 2.4 Money Market Activity (Overnight)

Item	24.08.2014	25.08.2015	26.08.2015	27.08.2015	28.08.2015
<b>Call Money Market</b>					
Weighted Average Rate (% p.a.)	6.28	6.28	6.27	6.28	6.28
Gross Volume (Rs. Mn)	11,230	11,870	9,760	8,200	9,950
<b>Repo Market</b>					
Weighted Average Rate (% p.a.)	6.22	6.17	6.16	6.19	6.28
Gross Volume (Rs. Mn)	9,389	8,531	4,955	9,417	9,901



## 2.5 CBSL Security Portfolio

Item	24.08.2014	25.08.2015	26.08.2015	27.08.2015	28.08.2015
CBSL T-Bill Holding (Rs. Mn)	92,441	91,529	90,362	87,675	91,877

## 2.6 Open Market Operations

Item	24.08.2014	25.08.2015	26.08.2015	27.08.2015	28.08.2015
<b>Short-Term Auction</b>					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	10.00	10.00	10.00	0.00	0.00
Tenure (No. of Days)	1	1	1	0	0
Bids Received (Rs. bn)	9.03	4.65	2.70	0.00	0.00
Amount Accepted (Rs. bn)	4.81	3.90	2.70	0.00	0.00
Weighted Average Yield Rate (% p.a.)	6.15	6.15	6.15	0.00	0.00
<b>Term Auction</b>					
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
<b>Standing Facility</b>					
Standing Deposit Facility (Rs. bn)	48.23	50.33	47.92	38.26	33.19
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
<b>Total Outstanding Market Liquidity (Rs. bn)</b>	<b>43.41</b>	<b>46.43</b>	<b>45.22</b>	<b>38.26</b>	<b>33.19</b>

## 2.7 Credit Cards (a)

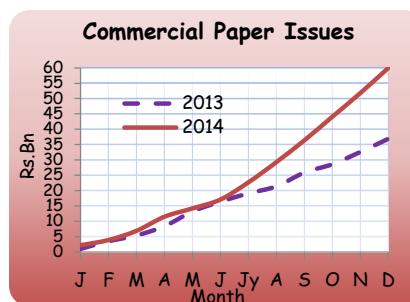
Item	2015 (b) End April	2015 End March	2014 End Dec
<b>Total Number of Active Cards</b>	1,065,369	1,065,664	1,032,833
Local (accepted only locally)	32,178	32,311	32,874
Global (accepted globally)	1,033,191	1,033,353	999,959
<b>Outstanding balance (Rs. Mn.)</b>	<b>57,773</b>	<b>56,327</b>	<b>57,621</b>
Local (accepted only locally)	1,217	1,223	1,234
Global (accepted globally)	56,556	55,103	56,387

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

## 2.8 Commercial Paper Issues (a)

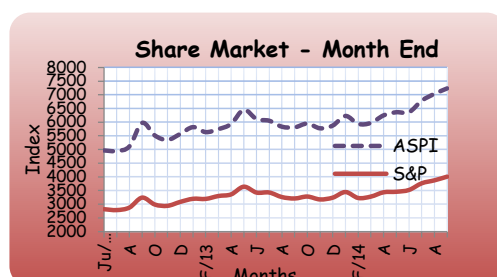
Item (Rs. bn.)	2015 End Apr(b)	2015 End Mar	2014 End Dec
Total Issues - Cumulative	2.8	1.6	8.2
Outstanding (as at end of the period)	4.5	3.6	3.5

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



## 2.9 Share Market

Item	Week Ending 27 Aug 2015	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	7,273	7,471	6,992
S & P Sri Lanka 20 Index (S&P SL20)	3,991	4,141	3,846
Average Daily Turnover (Rs. Mn)	2,157	1,450	1,140
Market Capitalisation (Rs.Bn.)	3,090	3,174	2,935



## Fiscal Sector

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

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

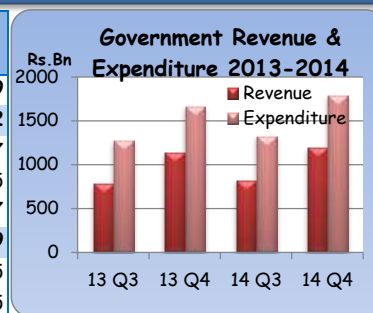
Total outstanding debt increased by Rs. 267.2 billion to Rs. 7,658.1 billion as at end March 2015 from Rs. 7,390.9 billion at end 2014. Foreign debt decreased by Rs. 43.7 billion to Rs. 3,069.4 billion mainly due the repayment of International Sovereign Bond amounting to US dollars 500 million. Meanwhile, domestic debt increased by Rs. 311.0 billion to Rs. 4,588.7 billion.

Special Commodity Levy (SCL) was revised from time to time during the year, providing necessary protection for domestic agricultural producers while reducing volatility in commodity prices in the domestic market. Accordingly, SCL on several essential goods was revised during the months of March 2015. Accordingly, SCL on mackerel was reduced to Rs. 6 per kg from Rs. 10 per kg with effect from 18 March 2015. Meanwhile, SCL on rice was increased to Rs. 40 per kg from Rs. 20 per kg.

# FISCAL SECTOR

## 3.1 Government Finance (Rs.bn)

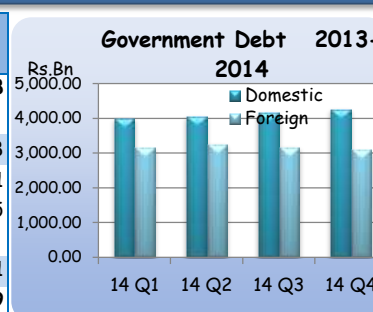
Item	2015 Q1 (a)	2014 Q1
<b>Revenue and Grants</b>	<b>285.6</b>	<b>245.9</b>
<b>Revenue</b>	<b>285.6</b>	<b>245.2</b>
Tax	257.7	227.7
Non tax	27.9	17.5
<b>Grants</b>	<b>0.0</b>	<b>0.7</b>
<b>Expenditure &amp; Lending Minus Repayments</b>	<b>507.3</b>	<b>553.9</b>
Current	410.9	399.5
Capital & Lending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



(a) Provisional

## 3.2 Government Debt (Rs.bn)

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



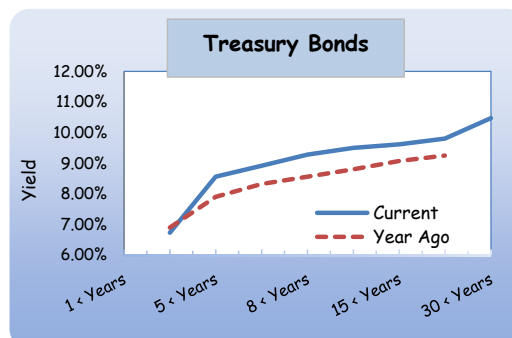
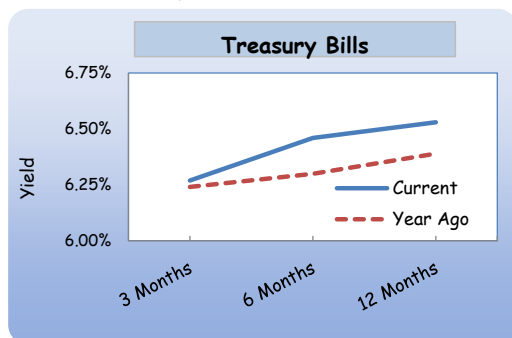
(a) Provisional

## 3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 26<sup>th</sup> August 2015

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week
				Buying	Selling	Average	Average
Treasury Bills	3 Months	6.53%	6.36%	6.38%	6.25%	6.32%	6.27%
	6 Months	6.87%	6.66%	6.58%	6.45%	6.52%	6.46%
	12 Months	6.97%	6.72%	6.68%	6.55%	6.61%	6.53%
Treasury Bonds	2 < Years	-	-	6.98%	6.81%	6.90%	6.74%
	5 < Years	-	-	8.75%	8.61%	8.68%	8.57%
	6 < Years	-	-	9.09%	8.94%	9.02%	8.92%
	8 < Years	9.76%	-	9.54%	9.42%	9.48%	9.29%
	10 < Years	9.97%	-	9.75%	9.63%	9.69%	9.51%
	15 < Years	-	-	9.80%	9.64%	9.72%	9.62%
	20 < Years	-	-	10.07%	9.82%	9.95%	9.81%
30 < Years	-	-	10.81%	10.40%	10.61%	10.48%	

(a) Primary market transactions during the week ending 26/08/2015

The secondary market yield rates of T-bills and T-bonds adjusted upward across all maturities 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 - 26<sup>th</sup> August 2015 )

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	815,247.47	817,237.98
Treasury Bonds (a)	3,502,473.13	3,502,473.13
<b>Total</b>	<b>4,317,720.60</b>	<b>4,319,711.11</b>
Government Securities held by Foreigners	375,406.70	380,223.32
Sri Lanka Development Bonds (SLDB)	578,623.83	577,548.04

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

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Amount Offered	18,000.00	16,000.00
Total Bids Received	38,569.00	31,396.00
Total Bids Accepted	17,344.00	5,048.00
<b>Treasury Bonds</b>		
Amount Offered	40,000.00	
Total Bids Received	127,176.00	No auction held
Total Bids Accepted	30,582.00	

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

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Outright Transaction (Sales / Purchases)	23,041.09	32,238.41
Repo Transaction (Sales / Purchases)	236,293.56	186,253.49
<b>Treasury Bonds</b>		
Outright Transaction (Sales / Purchases)	38,034.91	74,354.30
Repo Transaction (Sales / Purchases)	734,538.68	661,373.25

Increased activities were observed in secondary market repo 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) - 28/08/2015

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.88	6.20	99.88	6.00	0.00
1 Month	99.48	6.34	99.49	6.17	0.01
2 Month	98.95	6.41	98.97	6.24	0.03
3 Month	98.37	6.61	98.44	6.34	0.07
4 Month	97.81	6.65	97.87	6.47	0.06
5 Month	97.26	6.66	97.32	6.52	0.06
6 Month	96.69	6.71	96.77	6.55	0.08
7 Month	96.11	6.78	96.19	6.63	0.09
8 Month	95.54	6.79	95.64	6.65	0.10
9 Month	94.97	6.82	95.08	6.67	0.11
10 Month	94.38	6.86	94.51	6.70	0.13
11 Month	93.82	6.86	93.96	6.70	0.14
12 Month	93.23	6.88	93.38	6.73	0.15

### 3.6 Two way Quotes (Treasury Bonds)- 28/08/2015

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
11.00%2015B	6	1-Sep-15	4	100.05	6.43	100.05	6.26	0.00
12.50%2015A	2	20-Sep-15	23	100.36	6.43	100.36	6.32	0.01
08.50%2015A	3	1-Nov-15	65	100.31	6.52	100.35	6.35	0.03
07.25%2016A	6	1-Apr-16	217	100.24	6.82	100.36	6.60	0.12
08.00%2016B	4	1-Jun-16	278	100.91	6.73	101.04	6.55	0.14
06.40%2016A	6	1-Aug-16	339	99.54	6.91	99.71	6.72	0.17
08.00%2016A	5	1-Sep-16	370	101.03	6.93	101.20	6.75	0.18
06.40%2016B	6	1-Oct-16	400	99.49	6.88	99.62	6.76	0.13
08.00%2017A	5	1-Jan-17	492	100.93	7.25	101.18	7.05	0.25
05.80%2017A	6	15-Jan-17	506	98.23	7.17	98.46	6.98	0.23
08.25%2017A	3	1-Mar-17	551	101.19	7.40	101.42	7.24	0.23
08.75%2017A	4	15-May-17	626	101.79	7.60	102.12	7.40	0.33
08.00%2017B	5	15-Jun-17	657	100.85	7.47	101.18	7.28	0.33
05.80%2017B	6	15-Jul-17	687	96.85	7.62	97.17	7.44	0.32
08.50%2018A	15	1-Feb-18	888	101.53	7.79	101.94	7.60	0.41
08.50%2018C	5	1-Apr-18	947	101.08	8.03	101.50	7.84	0.42
08.50%2018D	5	1-Jun-18	1,008	100.79	8.17	101.20	8.00	0.40
08.50%2018B	15	15-Jul-18	1,052	100.98	8.11	101.36	7.96	0.39
07.50%2018A	15	15-Aug-18	1,083	98.27	8.17	98.68	8.01	0.41
08.75%2018A	4	15-Oct-18	1,144	101.80	8.08	102.10	7.97	0.29
08.00%2018A	6	15-Nov-18	1,175	99.58	8.14	99.88	8.04	0.30
05.65%2019A	8	15-Jan-19	1,236	92.34	8.29	92.71	8.16	0.37
08.50%2019A	10	1-May-19	1,342	100.47	8.34	101.00	8.17	0.53
10.60%2019A	5	1-Jul-19	1,403	106.42	8.60	107.08	8.40	0.66
10.60%2019B	5	15-Sep-19	1,479	106.94	8.53	107.53	8.37	0.59
08.00%2019A	8	1-Nov-19	1,526	98.29	8.49	98.85	8.33	0.56
09.25%2020A	5	1-May-20	1,708	101.62	8.81	102.38	8.62	0.76
08.00%2020A	8	1-Jun-20	1,739	97.14	8.74	98.14	8.48	1.00
06.20%2020A	10	1-Aug-20	1,800	89.83	8.79	90.36	8.64	0.53
09.00%2021A	8	1-May-21	2,073	99.70	9.06	100.08	8.98	0.39
09.45%2021A	7	15-Oct-21	2,240	102.93	8.82	103.37	8.72	0.44
11.00%2021A	7	1-Aug-21	2,165	107.35	9.35	108.05	9.21	0.69
08.00%2022A	10	1-Jan-22	2,318	93.95	9.28	94.92	9.07	0.97
11.20%2022A	9	1-Jul-22	2,499	108.17	9.54	109.11	9.36	0.94
10.00%2022A	8	1-Oct-22	2,591	102.42	9.52	103.21	9.37	0.79
09.00%2023A	10	1-Sep-23	2,926	96.54	9.63	97.11	9.52	0.57
11.20%2023A	9	1-Sep-23	2,926	108.00	9.74	108.64	9.63	0.64
07.00%2023A	20	1-Oct-23	2,956	85.35	9.65	85.91	9.54	0.56
11.40%2024A	10	1-Jan-24	3,048	109.28	9.74	110.11	9.61	0.83
06.00%2024A	10	1-Dec-24	3,383	78.21	9.60	78.56	9.53	0.36
10.25%2025A	10	15-Mar-25	3,487	102.69	9.81	103.59	9.66	0.90
09.00%2025A	12	1-May-25	3,534	95.53	9.72	96.31	9.59	0.78
11.00%2025A	10	1-Aug-25	3,626	106.90	9.89	107.76	9.76	0.86
09.00%2026A	13	1-Feb-26	3,810	94.44	9.86	95.44	9.70	1.00
05.35%2026A	15	1-Mar-26	3,838	71.45	9.75	72.06	9.64	0.61
11.00%2026A	11	1-Jun-26	3,930	108.01	9.78	108.91	9.65	0.90
09.00%2028B	15	1-May-28	4,630	93.82	9.86	94.94	9.70	1.12
09.00%2028A	15	1-Jul-28	4,691	93.43	9.91	94.56	9.75	1.13
13.00%2029A	15	1-Jan-29	4,875	122.09	9.97	124.32	9.71	2.22
13.00%2029B	15	1-May-29	4,995	122.61	9.94	124.20	9.75	1.59
11.00%2030A	15	15-May-30	5,374	108.12	9.93	109.53	9.76	1.41
08.00%2032A	20	1-Jan-32	5,970	83.95	10.01	85.24	9.83	1.30
09.00%2032A	20	1-Oct-32	6,244	90.61	10.17	92.66	9.90	2.04
09.00%2033A	20	1-Jun-33	6,487	91.87	9.98	93.47	9.78	1.61
13.25%2033A	20	1-Jul-33	6,517	126.64	10.01	128.84	9.80	2.19
09.00%2033B	20	1-Nov-33	6,640	91.28	10.05	93.10	9.82	1.81
13.25%2034A	20	1-Jan-34	6,701	125.82	10.12	128.67	9.84	2.85
11.50%2035A	20	15-Mar-35	7,139	109.96	10.30	113.78	9.89	3.82
09.00%2043A	30	1-Jun-43	10,139	86.47	10.51	89.26	10.16	2.79
13.50%2044A	30	1-Jan-44	10,353	124.09	10.76	128.42	10.37	4.33
13.50%2044B	30	1-Jun-44	10,505	124.75	10.71	128.65	10.36	3.90
12.50%2045A	30	1-Mar-45	10,778	110.8	11.24	115.97	10.71	5.17

## External Sector

During the year so far (up to 28 August 2015) the rupee depreciated against the US dollar (2.31 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (5.60 per cent) and the Indian rupee (1.73 per cent) and depreciated against the pound sterling (1.38 per cent) and the Japanese yen (0.87 per cent) during this period.

On cumulative basis, exports earnings during the first six months of 2015 recorded a decline of 0.6 per cent, year-on-year, to US dollars 5,415 million. The decline was led by agricultural exports and mineral exports. On a cumulative basis, during the first six months of 2015, expenditure on imports increased by 5.7 per cent, year-on-year, to US dollars 9,501 million mainly led by consumer goods imports followed by investment goods imports.

As import prices declined substantially offsetting the decline in export prices, the terms of trade improved substantially in June 2015. Export price index decreased by 3.1 per cent, year-on-year, to 105.3 index points, reflecting price declines in all sub sector in exports. Meanwhile, the import price index declined by 8.1 per cent, year-on-year, to 99.6 index points due to the decline in price level of intermediate categories of imports.

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

The average price of tea increased marginally to US dollars 2.97 per kg in June 2015 from US dollars 2.96 per kg in May 2015 it declined from US dollars 3.58 per kg in June 2014.

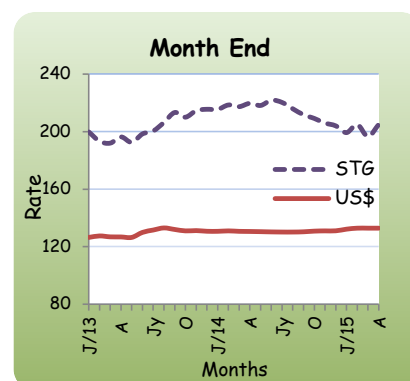
Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2014.

Highlights

# EXTERNAL SECTOR

## 4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 28 Aug 2015			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	132.87	136.77	134.82	134.05	130.19
STG	204.14	211.63	207.89	210.23	215.89
Yen	1.09	1.14	1.11	1.09	1.26
Euro	148.52	154.65	151.59	150.77	171.92
INR <sup>(1)</sup>			2.03	2.04	2.15
SDR (As at 27 Aug 2015)			189.10	188.00	197.63
<b>Central Bank purchases and sales(b) (US\$ Mn. )</b>			<b>July 2015</b>	<b>Month Ago</b>	<b>Year Ago</b>
Purchases			0.00	15.00	250.00
Sales			352.58	506.97	10.00



	Week Ending 28 Aug 2015	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	33.33	38.87	34.68
<b>Forward Transactions</b>			
Forward Rates (US\$) <sup>(2)</sup>			
1 Month	134.81	134.54	130.59
3 Months	135.84	135.73	131.20
Average Daily Interbank Forward Volume (US\$ mn)	22.60	37.33	25.50
Outstanding Forward Volume (US\$ mn) (As at 20 Aug 2015)	1,311.96	1,224.59	1,191.51

(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

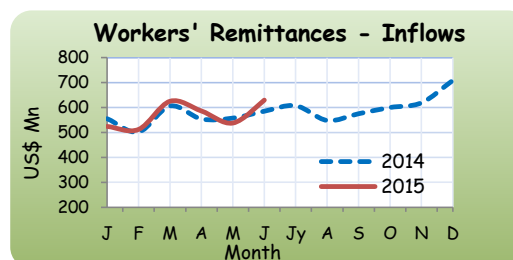
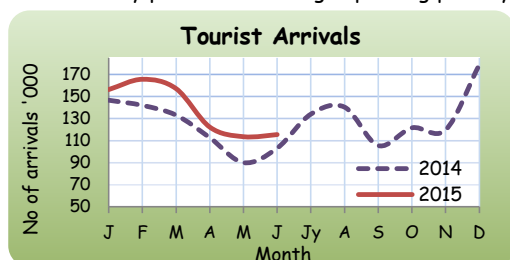
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

## 4.2 Tourism & Workers' Remittances

Item		2014	2015	2014	2015(b)	% Change
		July (a)	July (b)(c)	Jan-Jul (a)	Jan-Jul (c)	
Tourist Arrivals	Number	133,971	175,804	861,324	1,005,855	16.8
Earnings from Tourism	US\$ Mn.	213.3	279.9	1,371.2	1,601.20	16.8
	Rs.bn.	27.8	37.4	179.0	212.9	18.9
Workers' Remittances (Inflows)		2014	2015	2014	2015	% Change
	US\$ Mn.	July	July (b)	Jan-Jul	Jan-Jul(a)	
	US\$ Mn.	606.7	599.3	3,966.6	4,032.0	1.6
	Rs. bn.	79.0	80.1	517.8	536.5	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





#### 4.4 Official Reserve Assets as at 31<sup>st</sup> July 2015<sup>(a)</sup>

Official Reserve Assets (USD Mn)		6,887.22
(1)	Foreign currency reserves	6,029.78
(2)	Reserve position in the IMF	66.70
(3)	SDRs	11.70
(4)	Gold	778.10
(5)	Other reserve assets	0.94

(a) Provisional

#### 4.5 International Reserves & Foreign Currency Liquidity as at 30<sup>th</sup> June 2015 <sup>(a)</sup>

Official Reserve Assets (USD mn)		
<b>Official Reserve Assets<sup>(b)</sup></b>		<b>7,525.49</b>
(1)	Foreign currency reserves	6,606.37
	(a) Securities	3,531.45
	(b) Total currency and deposits with	3,074.92
	(i) other national central banks, BIS	1,813.46
	(ii) banks headquartered inside the reporting country of which located abroad	1.05
	(iii) banks headquartered outside the reporting country	1,260.41
(2)	Reserve position in the IMF	67.30
(3)	SDRs	11.82
(4)	Gold	839.06
(5)	Other reserve assets	0.94

#### Predetermined Short-Term Net Drains on Foreign Currency Assets<sup>(c)</sup>

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	-3,205.89	-427.50	-680.57	-2,097.82
Interest	-1,098.86	-250.17	-102.78	-745.92
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 (-) <sup>(d)</sup>	-2,459.58	-800.65	-455.93	-1,203.00
(b) Long positions (+)				
3. Other (specify)	-0.14	-0.14		
inflows related to reverse repos (+)				
other accounts payable (-)	-0.14	-0.14		

(a) Provisional

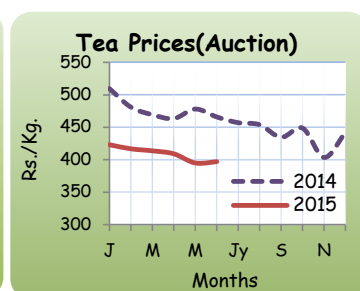
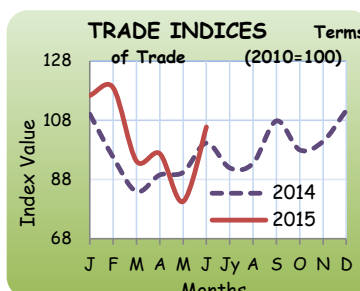
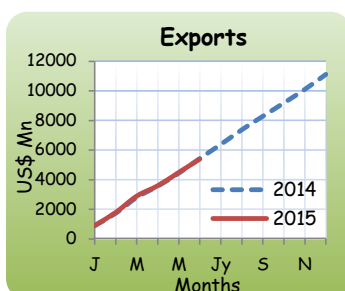
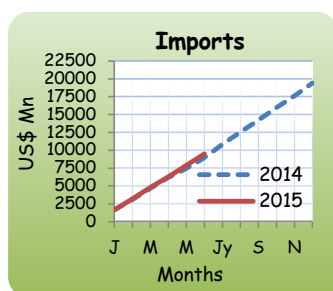
(b) By end June 2015, the gross official reserves were equivalent to 4.5 months of imports

(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

## 4.6 External Trade

Item	US\$ Bn			Rs Bn		
	Jan-Jun 2015	Jan-Jun 2014	% Change	Jan-Jun 2015	Jan-Jun 2014	% Change
<b>Exports</b>	<b>5.4</b>	<b>5.4</b>	<b>-0.6</b>	<b>719.8</b>	<b>711.7</b>	<b>1.1</b>
Agricultural	1.2	1.4	-8.3	165.5	177.2	-6.6
Industrial	4.1	4.0	2.6	551.0	527.7	4.4
Food, Beverages and Tobacco	0.1	0.1	-7.4	17.7	18.8	-5.7
Textiles and Apparel	2.4	2.4	-0.3	319.7	315.1	1.5
Petroleum Products	0.2	0.2	21.6	29.8	24.1	23.6
Leather, Rubber etc	0.5	0.5	-6.5	62.4	65.6	-4.8
Other	0.9	0.8	14.5	121.4	104.2	16.5
Mineral	0.0	0.0	-61.4	2.3	5.9	-60.7
Other	0.0	0.0	14.4	1.1	0.9	16.4
<b>Imports</b>	<b>9.5</b>	<b>9.0</b>	<b>5.7</b>	<b>1,262.8</b>	<b>1,173.4</b>	<b>7.6</b>
Consumer Goods	2.3	1.6	44.3	306.7	208.8	46.8
Intermediate Goods	4.9	5.6	-11.7	652.2	726.0	-10.2
Investment Goods	2.3	1.8	25.1	302.6	237.8	27.3
Other	0.0	0.0	54.6	1.3	0.8	57.4
<b>Trade Balance</b>	<b>-4.1</b>	<b>-3.5</b>	<b>15.6</b>	<b>-543.0</b>	<b>-461.7</b>	<b>17.6</b>

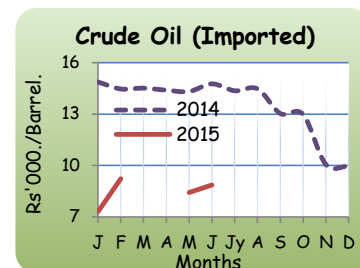
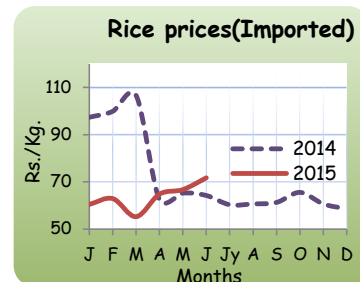


## 4.7 Trade Indices (2010= 100 ) (a)

Item	2015 Jun (b)	Month Ago	Year Ago
<b>Total Exports</b>			
Value	131.4	122.8	137.2
Quantity	124.7	148.3	126.1
Unit Value	105.3	82.8	108.8
<b>Total Imports</b>			
Value	146.2	141.9	128.8
Quantity	146.7	138.0	118.8
Unit Value	99.6	102.9	108.5
<b>Terms of Trade</b>	105.7	80.5	100.3

(a) In US\$ Terms

(b) Provisional



## 4.8 International Commodity Prices

Item	Jun 2015	Jun 2014	% Change	Jun 2015	Jun 2014	% Change
<b>Colombo Auction Price</b>	US\$ / Kg			Rs / Kg		
Tea Prices	2.97	3.58	-17.1	397.15	466.00	-14.8
<b>Imports (C I F)</b>	US\$ / MT			Rs / MT		
Rice	535.70	492.89	8.7	71,727.60	64,217.62	11.7
White Sugar	401.16	510.38	-21.4	53,713.03	66,496.68	-19.2
Wheat	275.49	314.90	-12.5	36,886.25	41,027.47	-10.1
	US\$ / Barrel			Rs / Barrel		
Crude Oil	66.21	113.42	-41.6	8,865.32	14,777.37	-40.0