

# Weekly Economic Indicators

29 January 2016



Statistics Department

# Real Sector

## Highlights

Inflation as measured by the change in the NCPI (2013=100) decreased to 4.2 per cent in December 2015, compared to 4.8 per cent recorded in November 2015, on year on- year basis. The NCPI increased by 1.1 per cent from November to December 2015. This monthly increase was mainly due to the increase in prices of the items in the Food and Non Alcoholic Beverages category.

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, decreased to 0.9 per cent in January 2016 from 2.8 per cent in December 2015, on year-on-year basis. Annual average inflation declined to 0.7 per cent from 0.9 per cent recorded in December 2015. The monthly change in CCPI in January 2016 was -0.2 per cent.

The GDP grew by 4.8 per cent in real terms during the third quarter of 2015, mainly attributable to 3.4 per cent, 6.2 per cent and 6.9 per cent growth in Services activities, Industry activities and Agriculture activities, respectively, in value added terms.

Tea and rubber production during the first eleven months of 2015 declined by 3.3 per cent and 11.6 per cent to 303.3 million kg and 82.1 million kg respectively. However, coconut production recorded an increase of 6.7 per cent to 2,799.1 million nuts during the first eleven months.

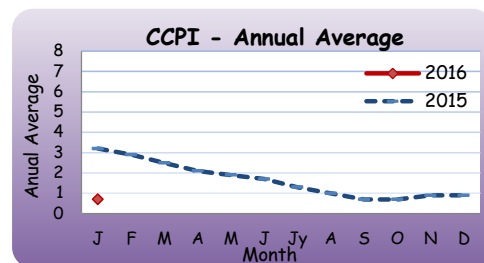
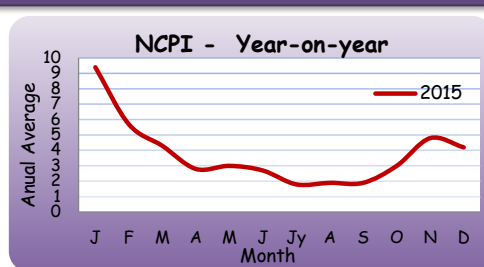
The FIPI increased by 8.6 per cent on a year-on-year basis in October 2015. This growth was mainly facilitated by increased production of other non-metallic mineral products, wearing apparel and beverages sectors. They have recorded significant growths of 18.0, 16.9 and 12.3 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

During the week crude oil spot prices largely followed an increasing trend. At the beginning of the week prices fell on news that Iraq's output hit a record high in December and Saudi Arabia pledged to maintain energy investment. Subsequently Brent crude oil price rose on hopes for output cuts that could eventually reduce one of the biggest global supply gluts in decades. OPEC renewed calls for rival producers to cut supply alongside its members. However, WTI price fell after the World Bank slashed its forecast for crude oil prices by \$14 to \$37 per barrel for 2016 amid growing supply and weak demand prospects from emerging markets. Prices rose after the head of Russia's pipeline monopoly said that Russian officials have decided they should talk to Saudi Arabia and other OPEC countries about output cuts. Further, Russia said that Saudi Arabia had proposed oil production cuts of up to 5 per cent in what would be the first global deal in over a decade to help clear a glut of crude oil and prop up sinking prices.

# REAL SECTOR

## 1.1 Price Indices

Item	December 2015	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	113.2	112.0	108.6
Monthly Change %	1.1	2.6	1.6
Year - on - Year Change %	4.2	4.8	-
Annual Average Change %	3.8	-	-
Item	January 2016	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	184.9	185.2	183.2
Annual Average Change %	0.7	0.9	3.2
Year - on - Year Change %	0.9	2.8	3.2
Core Inflation - (CCPI)	181.5	180.7	173.6
Annual Average Change %	3.3	3.1	3.4
Year - on - Year Change %	4.6	4.5	2.1

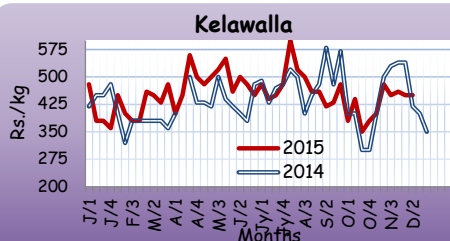
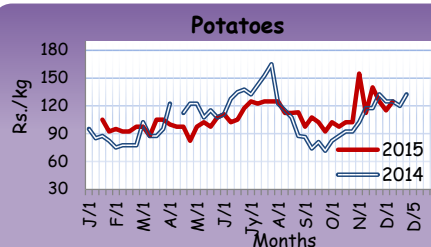
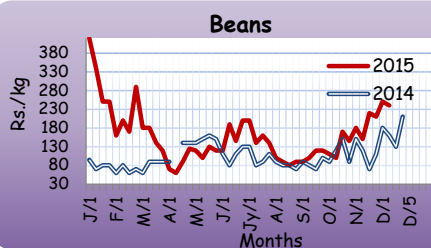
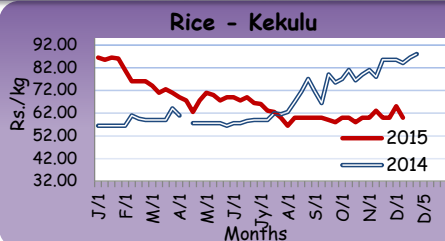


## 1.2 Pettah Market

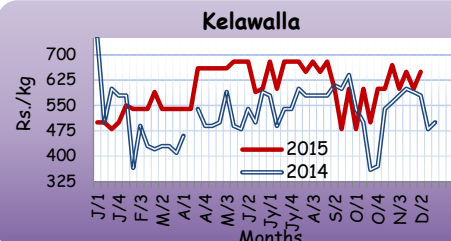
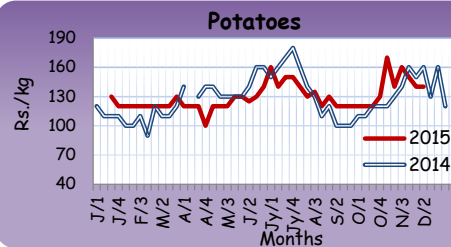
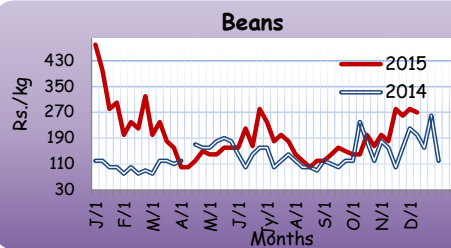
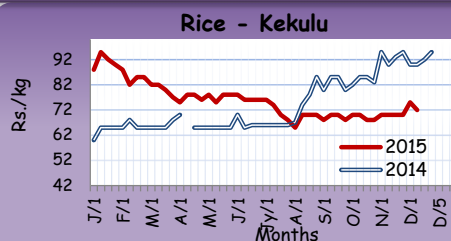
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 28 <sup>th</sup> Jan 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 28 <sup>th</sup> Jan 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
<b>Rice</b>								
Samba	90.00	90.00	90.20	83.22	98.00	98.00	98.20	90.10
Kekulu (Red)	63.00	63.00	61.40	66.15	73.00	73.00	72.40	75.20
<b>Vegetables</b>								
Beans	120.00	160.00	246.00	160.49	140.00	200.00	278.00	196.86
Cabbage	120.00	110.00	138.00	79.31	160.00	160.00	198.00	117.94
Carrots	250.00	300.00	250.00	146.27	300.00	340.00	292.00	184.90
Tomatoes	60.00	50.00	136.00	89.80	80.00	80.00	178.00	126.18
Pumpkins	80.00	40.00	41.00	49.12	100.00	60.00	66.00	72.94
Snake Gourd	90.00	80.00	98.00	73.73	120.00	120.00	136.00	106.57
Brinjals	90.00	90.00	120.00	72.56	120.00	120.00	156.00	105.69
Ash-Plantains	70.00	70.00	82.00	81.08	100.00	100.00	116.00	110.59
<b>Other Foods</b>								
Red-Onions (Local)	80.00	n.a.	175.00	105.28	110.00	n.a.	205.00	135.34
Big-Onions (Local)	n.a.	n.a.	n.a.	95.17	n.a.	n.a.	n.a.	124.67
Potatoes (N'Eliya)	115.00	117.50	123.00	107.98	140.00	140.00	146.00	130.80
Dried Chilies (Imported)	285.00	290.00	309.00	248.90	360.00	340.00	360.00	291.08
Dhal (Indian)	163.00	165.00	165.00	161.98	169.00	169.00	171.40	177.43
Eggs (Red)	16.50	16.50	15.24	14.17	17.00	17.00	15.70	14.77
Coconut (Each)	34.50	36.00	36.90	41.00	50.00	50.00	51.00	53.18
<b>Fish*</b>								
Kelawalla	560.00	500.00	444.00	453.14	700.00	680.00	596.00	598.24
Balaya	280.00	380.00	310.00	295.00	380.00	480.00	372.50	361.20
Salaya	130.00	120.00	132.00	114.71	180.00	200.00	184.00	156.08
Paraw (Small)	520.00	500.00	562.50	484.69	620.00	600.00	632.50	547.96

\* Prices collected from the Fisheries Trade Centre, Peliyagoda.

### Pettah Market - Wholesale Prices



### Pettah Market - Retail Prices



### 1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 28 <sup>th</sup> Jan 2016	
	Wholesale (Average)	Retail (Average)
<b>Rice</b>		
Samba	90.20	95.30
Kekulu (Red)	62.50	67.60
<b>Vegetables</b>		
Beans	103.00	146.00
Carrot	229.00	274.00
Tomatoes	40.50	67.00
Pumpkins	55.50	72.50
Snake Gourd	43.00	75.00
Ash-Plantains	54.00	81.00
<b>Other Foods</b>		
Red-Onions (Local)	75.00	125.00
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	104.50	135.00
Dried Chilies(Imported)	284.50	346.00
Coconut (Each)	33.50	44.50

### 1.5 Maradaghamula Market

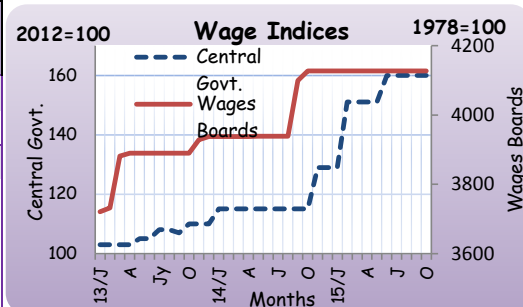
Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 29 <sup>th</sup> Jan	Week Ago	Month Ago	Year Ago
Samba	83.52	85.50	86.07	79.56
Sudu Kekulu	60.90	61.50	64.25	62.37
Raw Red	58.50	58.62	60.34	66.17
Nadu	63.12	64.50	66.70	64.24

### 1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	29 <sup>th</sup> Jan 2016	Week Ago
<b>Rice</b>		
Samba	91.67	90.00
Kekulu (Red)	70.00	75.00
<b>Vegetables</b>		
Beans	160.00	200.00
Cabbage	193.33	200.00
Carrots	233.33	373.33
Tomatoes	90.00	76.67
Pumpkins	120.00	96.67
Snake Gourd	140.00	136.67
Brinjals	120.00	136.67
Ash-Plantains	140.00	136.67
<b>Other Foods</b>		
Red-Onions (Imported)	140.00	n.a.
Big-Onions (Imported)	70.00	n.a.
Potatoes (Imported)	70.00	93.33
Dried Chilies (Imported)	336.67	340.00
Dhal (Indian)	180.00	180.00
Eggs (Red)(Each)	16.00	16.00
Coconut (Each)	53.33	55.00
<b>Fish</b>		
Kelawalla	676.67	703.33
Balaya	425.00	n.a.
Salaya	143.33	196.67
Paraw (Small)	673.33	806.67

## 1.6 Wage rate Indices (a)

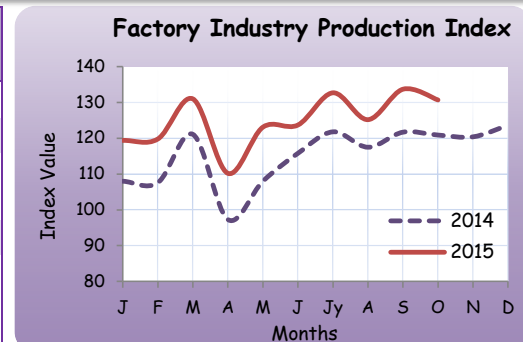
Item	2015 Nov	2014 Nov	% Change
<b>(2012 = 100)</b>			
Central Government Employees	160.4	128.8	24.5
<b>(1978 = 100)</b>			
Workers in Wages Boards Trades	4,126.8	4,127.0	0.0
Agriculture	4,734.1	4,734.3	0.0
Industry & Commerce	3,459.1	3,459.1	0.0
Services	2,313.2	2,313.2	0.0



(a) Central Government Employees' Real Wage Rate Index has been calculated by deflating the Nominal Wage Rate Index using the National Consumer Price Index (2013=100). Real Wage Rate Index of Employees in Wages Boards Trades has been calculated by deflating the Nominal Wage Rate Index using the Colombo Consumers' Price Index (2006/07=100).

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

Item	2015 (b) Oct	2014 Oct	% Change
<b>Factory Industry- Production Index</b>			
Food products	116.4	108.4	7.4
Beverages	130.9	116.6	12.3
Tobacco products	93.4	98.9	-5.6
Wearing apparel	175.5	150.1	16.9
Chemicals and chemical products	94.8	88.7	6.9
Rubber and plastic products	131.3	140.0	-6.3
Other non-metallic mineral products	131.4	111.4	18.0



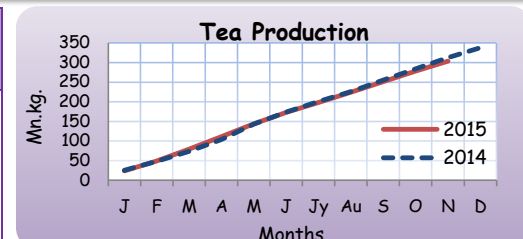
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

## 1.8 Agriculture Production

Item	Unit	2015(a) Jan - Nov	2014 Jan - Nov	% Change
Tea	(Mn Kg)	303.3	313.7	-3.3
Rubber	(Mn Kg)	82.1	92.8	-11.6
Coconuts	(Mn Nuts)	2,799.1	2,624.0	6.7

(a) Provisional

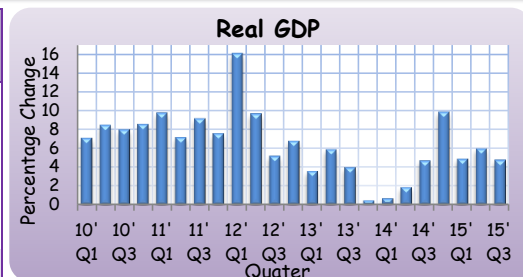


## 1.9 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

Item	2015(a) 3 <sup>rd</sup> Quarter	2014(a) 3 <sup>rd</sup> Quarter	2014(a) Annual
Agriculture	6.9	-2.0	-2.2
Industry	6.2	5.4	1.2
Services	3.4	4.2	6.5
<b>GDP</b>	<b>4.8</b>	<b>4.7</b>	<b>4.5</b>

(a)Provisional

Source: Department of Census and Statistics



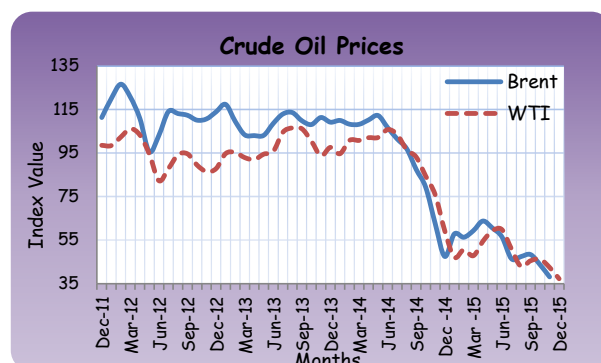
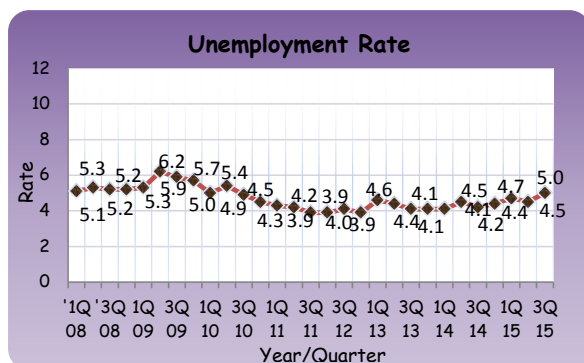
## 1.10 Employment (a)

Item	2015 (b) 3 <sup>rd</sup> Quarter	2014 3 <sup>rd</sup> Quarter	2014 Annual
Labour Force Participation rate	53.8	53.2	53.3
Unemployment rate	5.0	4.2	4.3
<b>Employed Persons by Sectors (c) (as a % of total employment)</b>			
Agriculture	27.4	29.0	28.5
Industry	27.2	26.6	26.5
Services	45.5	44.5	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	46.43	42.87	54.92
September	97.02	93.19	100.08	47.41	45.48	48.65
October	87.51	84.40	99.39	48.36	46.22	49.26
November	79.28	75.79	76.82	43.68	42.44	45.46
December	62.55	59.29	75.98	38.08	37.21	
2015				2016		
22 January	45.49	45.93		30.21	32.07	
25 January	-	-		29.57	30.31	
26 January	45.47	44.80		30.69	29.54	
27 January	45.95	45.84		31.58	32.32	
28 January	46.47	44.08		32.76	33.21	

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 29 January 2016 increased by 13 bps to 7.92 per cent compared to the previous week.

Broad money (M2b) expanded by 17.2 per cent on a year-on-year basis in November 2015.

NFA of the banking system increased by Rs. 84.9 billion in November 2015.

NCG from the banking system showed a decline of Rs. 105.5 billion in November 2015.

Credit extended to the private sector increased by Rs. 91.4 billion in November 2015.

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

The total outstanding market liquidity decreased to Rs. 100.04 bn by end of the week, compared to Rs. 105.80 bn by the end of last week.

By 29 January 2016, All Share Price Index (ASPI) declined by 0.66 per cent to 6,340 points while S&P SL 20 Index declined by 0.40 per cent to 3,302 points, compared to the previous week.

## Highlights

# MONETARY SECTOR

## 2.1 Interest Rates

Item	Week Ending 2016 Jan 29	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	7.92	7.79	6.38
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	-	-	5.80
- 182 days	-	7.19	5.90
- 364 days	-	7.80	6.05
Standing Deposit Facility	6.00	6.00	6.50
Standing Lending Facility	7.50	7.50	8.00
Call Money Weekly Average (CMR)	6.78	6.84	5.84
Sri Lanka Inter Bank Offer Rate ( SLIBOR )			
1 day	6.78	6.85	5.91
7 days	7.10	7.08	6.14
1 Month	7.59	7.57	6.28
3 Months	7.90	7.88	6.57
6 Months	8.23	8.18	6.81
12 Months	8.69	8.67	7.12
Commercial Banks	Oct 2015	Month Ago	Year Ago
Saving Deposits -	0.50-8.00	0.50-8.00	0.75-8.50
One Year Fixed Deposits -	3.95-15.00	3.50-15.00	3.95-12.00
	Jan 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.26	6.20	5.94
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.66	7.57	7.02
	Dec 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.00	10.96	11.91
NSB	Oct 2015	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	6.50	6.50	6.50
<b>Treasury Bonds Auction</b>		10 Years 4 Months 28/01/2016	14 Years 03 Months 28/01/2016
Coupon rate		11.00	11.00
Weighted Average Yield (Excluding 10% withholding tax)		11.14	11.53

Bankwise- AWPR	Week ending 2016 Jan 29	Week Ago
Bank of Ceylon	8.07	8.18
People's Bank	8.28	8.31
Hatton National Bank	8.36	7.98
Commercial Bank of Ceylon	7.90	8.25
Sampath Bank	8.60	8.46
Seylan Bank	7.88	8.25
Union Bank of Colombo	9.13	9.04
Pan Asia Banking Corporation	9.52	8.00
Nations Trust Bank	7.83	7.65
DFCC Bank	9.62	9.67
NDB Bank	9.64	9.97
Amana Bank	9.19	8.72
Cargills Bank	9.42	8.18

Bankwise- AWPR	Week ending 2016 Jan 29	Week Ago
HSBC	6.34	6.40
Standard Chartered Bank	7.60	7.38
Citi Bank	7.56	7.50
Deutsche Bank	7.77	7.16
Habib Bank	6.40	6.40
Indian Bank	8.90	8.90
Indian Overseas Bank	9.40	7.40
MCB Bank	7.82	7.42
State Bank of India	8.66	8.66
Public Bank	8.00	8.00
ICICI Bank	9.15	9.28
Axis Bank	8.96	8.96

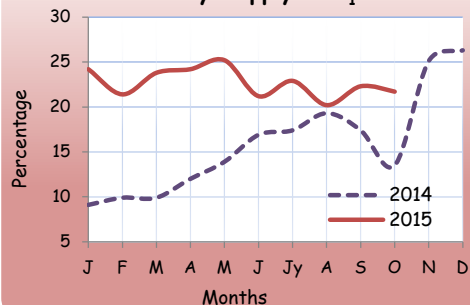


## 2.2 Money Supply

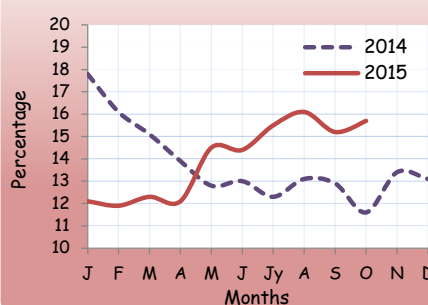
Item	Rs. Bn.			Annual Change (%)		
	2015 (a) November	Month Ago	Year Ago	2015 (a) November	Month Ago	Year Ago
M1	669.4	665.1	568.3	17.8	21.7	25.1
M2	3,945.7	3,877.7	3,398.5	16.1	15.7	13.4
M2b	4,447.6	4,384.9	3,794.8	17.2	17.0	12.8
Net Foreign Assets of the Banking System (b)	-313.5	-398.4	27.2	-1,251.6	-526.8	142.8
Monetary Authorities	565.8	440.8	728.1	-22.3	-40.6	51.7
Domestic Banking Units (DBUs)	-310.6	-287.9	-247.2	-25.6	-17.4	-25.3
Offshore Banking Units (OBUs)	-568.7	-551.3	-453.6	-25.4	-36.6	-31.1
Net Domestic Assets of the Banking System (b)	4,761.1	4,783.3	3,767.6	26.4	30.9	9.9
Monetary Authorities and DBUs	4,017.5	4,045.5	3,178.4	26.4	30.2	7.8
OBUs	743.5	737.8	589.2	26.2	35.0	23.0
Net Credit to Government	1,704.8	1,810.2	1,425.1	19.6	29.2	7.5
Monetary Authorities	268.5	338.8	154.6	73.7	129.7	21.0
DBUs	1,067.6	1,108.8	1,062.2	0.5	6.0	5.7
OBUs	368.7	362.6	208.3	77.0	74.6	8.3
Credit to Public Corporations	524.0	530.8	431.5	21.4	31.4	40.1
DBUs	257.5	255.5	185.7	38.7	38.2	49.1
OBUs	266.5	275.3	245.8	8.4	25.6	34.0
Credit to the Private Sector	3,406.0	3,314.6	2,681.7	27.0	26.3	6.5
DBUs	3,140.5	3,056.7	2,429.8	29.3	28.7	5.2
OBUs	265.5	258.0	251.9	5.4	3.8	20.2
Reserve Money	651.1	644.4	551.8	18.0	17.7	16.9

(a) Provisional (b) In relation to M2b

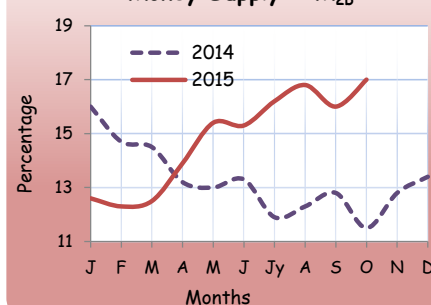
Money Supply - M<sub>1</sub>



Money Supply - M<sub>2</sub>



Money Supply - M<sub>2b</sub>



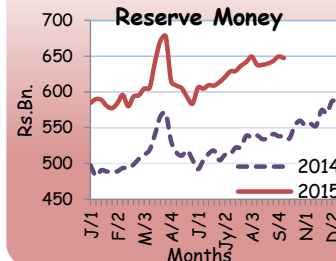
## 2.3 Weekly change in Reserve Money

Item	28 Jan 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	714,856	722,675	-7,818

## 2.4 Money Market Activity (Overnight)

Item	25.01.2016	26.01.2016	27.01.2016	28.01.2016	29.01.2016
<b>Call Money Market</b>					
Weighted Average Rate (% p.a.)	6.80	6.80	6.80	6.79	6.73
Gross Volume (Rs. Mn)	12,820	11,392	12,310	13,065	2,990
<b>Repo Market</b>					
Weighted Average Rate (% p.a.)	6.58	6.54	6.51	6.46	6.35
Gross Volume (Rs. Mn)	19,110	17,394	19,216	14,670	20,908

Weekly change in Reserve Money



## 2.5 CBSL Security Portfolio

Item	25.01.2016	26.01.2016	27.01.2016	28.01.2016	29.01.2016
CBSL T-Bill Holding (Rs. Mn)	130,392	130,790	151,931	129,292	151,866

## 2.6 Open Market Operations

Item	25.01.2016	26.01.2016	27.01.2016	28.01.2016	29.01.2016
<b>Short-Term Auction</b>					
Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	30.00	30.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Tenure (No. of Days)	0	0	0	6	7
Bids Received (Rs. bn)	0.00	0.00	0.00	30.25	30.15
Amount Accepted (Rs. bn)	0.00	0.00	0.00	22.55	20.95
Weighted Average Yield Rate (% p.a.)	0.00	0.00	0.00	6.29	6.33
<b>Term Auction</b>					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.20	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)	60.10	56.14	62.11	39.78	56.34
Standing Lending Facility (Rs. bn)	0.00	0.00	0.00	0.00	0.00
<b>Total Outstanding Market Liquidity (Rs. bn)</b>	<b>95.85</b>	<b>87.89</b>	<b>85.76</b>	<b>86.18</b>	<b>100.04</b>

## 2.7 Credit Cards (a)

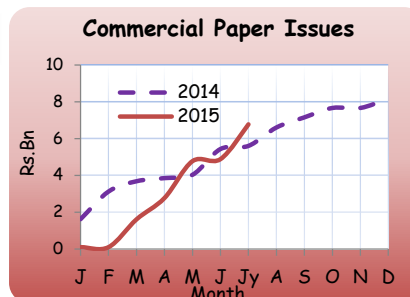
Item	2015 (b) End Oct	2015 End Sep	2014 End Dec
<b>Total Number of Active Cards</b>	1,122,969	1,115,299	1,032,833
Local (accepted only locally)	31,123	31,289	32,874
Global (accepted globally)	1,091,846	1,084,010	999,959
<b>Outstanding balance (Rs. Mn.)</b>	59,285	59,093	57,621
Local (accepted only locally)	1,194	1,199	1,234
Global (accepted globally)	58,091	57,894	56,387

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

## 2.8 Commercial Paper Issues (a)

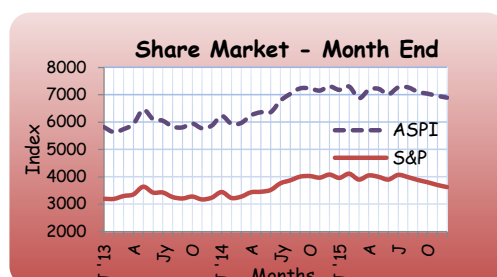
Item (Rs. bn.)	2015 End Oct(b)	2015 End Sep	2014 End Dec
Total Issues - Cumulative	6.9	6.9	8.2
Outstanding (as at end of the period)	5.9	6.9	3.5

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



## 2.9 Share Market

Item	Week Ending 29 Jan 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,340	6,382	7,377
S & P Sri Lanka 20 Index (S&P SL20)	3,302	3,315	4,135
Average Daily Turnover (Rs. Mn)	453	761	1,005
Market Capitalisation (Rs.Bn.)	2,707	2,724	3,125



## *Fiscal Sector*

During the first nine months of 2015, government revenue as a percentage of estimated GDP increased by 8.5 per cent from 8.0 per cent in the corresponding period in 2014. In nominal terms, total revenue increased by 15.8 per cent to Rs. 958.9 billion during the first nine months of the year from Rs. 828.2 billion recorded during the same period in 2014.

Total expenditure and net lending during the first nine months of 2015 is estimated to be increased by 13.5 per cent of estimated GDP from 12.9 per cent during the same period in 2014 mainly due to combine outcome of increase in recurrent expenditure and decline in capital expenditure and net lending. The recurrent expenditure increased significantly by 10.7 per cent of estimated GDP from 9.3 per cent of GDP recorded in the same period in 2014. Capital expenditure and net lending as a percentage of GDP declined by 2.8 per cent during the first nine months of 2015 from 3.5 per cent in the corresponding period in 2014.

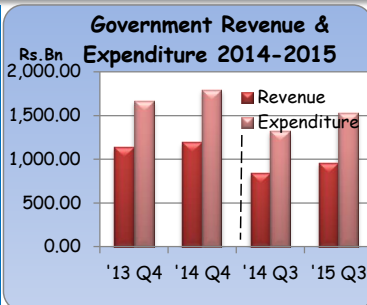
Total outstanding debt increased by Rs. 875.1 billion to Rs. 8266.0 billion as at end September 2015 from Rs. 7,390.9 billion at end 2014. Foreign debt increased by Rs. 152.8 billion to Rs. 3,265.9 billion and domestic debt increased by Rs. 722.3 billion to Rs. 5,000.1 billion.

SCL on potatoes and sugar was increased while SCL on other commodities such as peas, chickpeas, margarine, beet sugar, kurakkkan seeds etc. was extended for a period of six months.

## FISCAL SECTOR

### 3.1 Government Finance (Rs.bn)

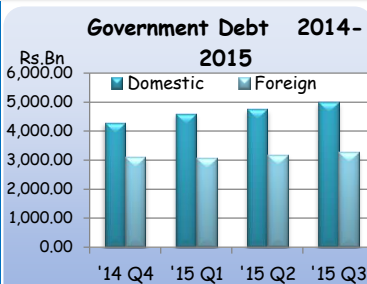
Item	2015 (a) Jan-Sep	2014 Jan- Sep
<b>Revenue and Grants</b>	<b>959.6</b>	<b>836.9</b>
<b>Revenue</b>	<b>958.9</b>	<b>828.2</b>
Tax	888.2	752.2
Non tax	70.7	76.0
<b>Grants</b>	<b>0.7</b>	<b>8.7</b>
<b>Expenditure &amp; Lending Minus Repayments</b>	<b>1,532.5</b>	<b>1,326.7</b>
Current	1,213.1	962.1
Capital & Lending Minus Repayments	319.5	364.6



(a) Provisional

### 3.2 Outstanding Central Government Debt (Rs.bn)

Item	End Sep 2015 (a)	End 2014
<b>Total domestic debt</b>	<b>5,000.1</b>	<b>4,277.8</b>
of which		
Treasury bills	837.5	694.8
Treasury bonds	3,180.4	2,844.1
Rupee loans	24.1	55.5
<b>Total foreign debt</b>	<b>3,265.9</b>	<b>3,113.1</b>
<b>Total outstanding govt. debt</b>	<b>8,266.0</b>	<b>7,390.9</b>



(a)Provisional

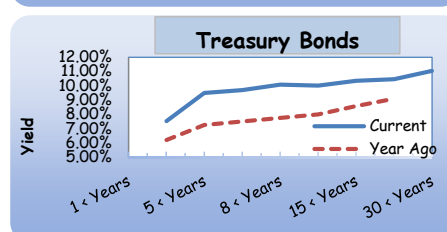
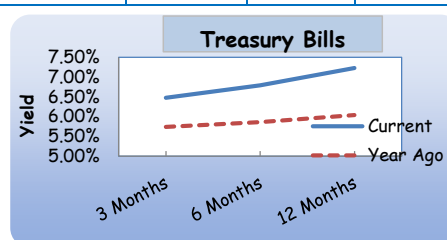
### 3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 27<sup>th</sup> January 2016

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	-	-	6.87%	6.65%	6.76%	6.64%
	6 Months	-	7.19%	7.23%	7.04%	7.14%	6.95%
	12 Months	-	7.80%	7.80%	7.58%	7.69%	7.37%
Treasury Bonds	< 2 Years	-	-	8.02%	7.73%	7.88%	7.68%
	< 5 Years	-	-	9.93%	9.73%	9.83%	9.60%
	< 6 Years	-	-	10.15%	9.85%	10.00%	9.82%
	< 8 Years	-	-	10.39%	10.10%	10.24%	10.14%
	< 10 Years	-	-	10.77%	10.52%	10.64%	10.57%
	< 15 Years	-	-	11.00%	10.82%	10.91%	10.85%
	< 20 Years	-	-	11.20%	11.00%	11.10%	11.09%
	< 30 Years	-	-	11.69%	11.32%	11.50%	11.46%

(a) Primary market transactions during the week ending 27/01/2016

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	7.26%	7.16%
	27-Jul-21	6.250%	7.56%	7.47%
	25-Jul-22	5.875%	7.81%	7.71%
	14-Jan-19	6.000%	6.80%	6.75%
	11-Apr-19	5.125%	6.85%	6.78%
	3-Jun-25	6.125%	8.03%	7.96%
	3-Nov-25	6.850%	8.15%	8.07%

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 - 27<sup>th</sup> January 2016 )

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	685,891.23	662,360.74
Treasury Bonds (a)	3,643,260.96	3,643,260.96
<b>Total</b>	<b>4,329,152.19</b>	<b>4,305,621.70</b>
T-bills and T-bonds held by Foreigners	289,055.19	297,457.55
Sri Lanka Development Bonds (SLDB)	665,499.88	667,783.05

Outstanding stock of T-bills increased during the week with the new issuances.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Amount Offered	22,500.00	24,000.00
Total Bids Received	50,496.00	41,394.00
Total Bids Accepted	-	15,704.00
<b>Treasury Bonds</b>		
Amount Offered	No auction held.	No auction held.
Total Bids Received	No auction held.	No auction held.
Total Bids Accepted	No auction held.	No auction held.

T-bill auction was oversubscribed by 2.2 times, however total auction was rejected.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Outright Transaction (Sales / Purchases)	22,565.24	21,881.49
Repo Transaction (Sales / Purchases)	105,836.71	125,645.52
<b>Treasury Bonds</b>		
Outright Transaction (Sales / Purchases)	117,299.77	59,178.88
Repo Transaction (Sales / Purchases)	832,247.00	693,313.21

Increased activities were observed in the secondary market activities, except for T-bills 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) - 29/01/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.88	6.45	99.88	6.24	0.00
1 Month	99.46	6.59	99.48	6.39	0.02
2 Month	98.90	6.70	98.94	6.48	0.04
3 Month	98.31	6.87	98.37	6.65	0.05
4 Month	97.72	6.95	97.78	6.76	0.06
5 Month	97.10	7.07	97.18	6.88	0.08
6 Month	96.45	7.22	96.54	7.03	0.09
7 Month	95.83	7.28	95.92	7.11	0.10
8 Month	95.17	7.37	95.29	7.18	0.12
9 Month	94.49	7.47	94.62	7.29	0.13
10 Month	93.83	7.52	93.98	7.35	0.14
11 Month	93.15	7.60	93.30	7.43	0.16
12 Month	92.37	7.76	92.56	7.57	0.19

### 3.6 Two way Quotes (Treasury Bonds)- 29/01/2016

Treasury Bond By Series	Maturity Period (Years)	Maturity Date (DD/MM/YY)	Days to Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
07.25%2016A	6	1-Apr-16	63	100.00	7.10	100.05	6.79	0.05
08.00%2016B	4	1-Jun-16	124	100.28	7.06	100.37	6.80	0.09
06.40%2016A	6	1-Aug-16	185	99.53	7.35	99.70	7.01	0.16
08.00%2016A	5	1-Sep-16	216	100.24	7.56	100.41	7.26	0.17
06.40%2016B	6	1-Oct-16	246	99.25	7.55	99.42	7.28	0.18
08.00%2017A	5	1-Jan-17	338	100.07	7.91	100.27	7.68	0.20
05.80%2017A	6	15-Jan-17	352	98.10	7.89	98.30	7.67	0.20
08.25%2017A	3	1-Mar-17	397	100.29	7.95	100.56	7.69	0.27
08.75%2017A	4	15-May-17	472	100.65	8.19	101.00	7.90	0.35
08.00%2017B	5	15-Jun-17	503	99.59	8.31	99.98	8.01	0.38
05.80%2017B	6	15-Jul-17	533	96.60	8.32	96.99	8.02	0.39
08.50%2018A	15	1-Feb-18	734	99.33	8.87	99.85	8.58	0.53
08.50%2018C	5	1-Apr-18	793	98.85	9.09	99.20	8.90	0.35
08.50%2018D	5	1-Jun-18	854	98.55	9.19	98.87	9.04	0.31
08.50%2018B	15	15-Jul-18	898	98.43	9.22	98.79	9.06	0.36
07.50%2018A	15	15-Aug-18	929	96.06	9.27	96.38	9.12	0.32
08.75%2018A	4	15-Oct-18	990	98.64	9.32	99.27	9.05	0.63
08.00%2018A	6	15-Nov-18	1,021	96.48	9.45	97.06	9.21	0.58
05.65%2019A	8	15-Jan-19	1,082	90.34	9.46	90.91	9.23	0.57
08.50%2019A	10	1-May-19	1,188	97.10	9.55	97.83	9.28	0.73
10.60%2019A	5	1-Jul-19	1,249	102.48	9.72	103.11	9.51	0.63
10.60%2019B	5	15-Sep-19	1,325	102.52	9.75	103.13	9.55	0.61
08.00%2019A	8	1-Nov-19	1,372	94.32	9.84	94.80	9.68	0.47
09.25%2020A	5	1-May-20	1,554	97.87	9.87	98.63	9.64	0.75
08.00%2020A	8	1-Jun-20	1,585	93.96	9.74	94.75	9.50	0.80
06.20%2020A	10	1-Aug-20	1,646	86.94	9.86	87.73	9.62	0.79
09.50%2020A	5	15-Dec-20	1,782	98.54	9.88	99.16	9.71	0.62
09.00%2021A	8	1-May-21	1,919	95.50	10.12	96.40	9.89	0.90
09.45%2021A	7	15-Oct-21	2,086	97.34	10.07	98.87	9.71	1.53
11.00%2021A	7	1-Aug-21	2,011	103.37	10.18	104.25	9.98	0.88
08.00%2022A	10	1-Jan-22	2,164	89.95	10.31	91.04	10.04	1.09
11.20%2022A	9	1-Jul-22	2,345	104.02	10.32	105.37	10.04	1.35
10.00%2022A	8	1-Oct-22	2,437	98.33	10.35	99.69	10.06	1.35
09.00%2023A	10	1-Sep-23	2,772	92.84	10.38	93.90	10.17	1.05
11.20%2023A	9	1-Sep-23	2,772	103.97	10.43	105.09	10.22	1.12
07.00%2023A	20	1-Oct-23	2,802	81.90	10.49	83.27	10.19	1.37
11.40%2024A	10	1-Jan-24	2,894	104.42	10.56	105.98	10.28	1.55
06.00%2024A	10	1-Dec-24	3,229	73.62	10.68	75.10	10.37	1.48
10.25%2025A	10	15-Mar-25	3,333	97.41	10.70	98.65	10.48	1.24
09.00%2025A	12	1-May-25	3,380	89.81	10.76	90.91	10.56	1.09
11.00%2025A	10	1-Aug-25	3,472	101.53	10.74	102.40	10.59	0.87
09.00%2026A	13	1-Feb-26	3,656	88.90	10.84	90.16	10.62	1.25
05.35%2026A	15	1-Mar-26	3,684	66.61	10.88	67.81	10.63	1.20
11.00%2026A	11	1-Jun-26	3,776	100.30	10.95	101.39	10.77	1.09
09.00%2028B	15	1-May-28	4,476	87.07	10.94	88.07	10.77	1.00
09.00%2028A	15	1-Jul-28	4,537	86.95	10.94	87.82	10.80	0.88
11.50%2028A	13	1-Sep-28	4,599	103.13	11.03	104.24	10.87	1.11
13.00%2029A	15	1-Jan-29	4,721	113.73	10.98	114.95	10.82	1.22
13.00%2029B	15	1-May-29	4,841	113.32	11.06	114.38	10.92	1.06
11.00%2030A	15	15-May-30	5,220	99.17	11.11	100.08	10.98	0.91
08.00%2032A	20	1-Jan-32	5,816	76.93	11.12	77.82	10.98	0.89
09.00%2032A	20	1-Oct-32	6,090	83.86	11.15	84.66	11.03	0.79
09.00%2033A	20	1-Jun-33	6,333	83.29	11.20	84.37	11.04	1.08
13.25%2033A	20	1-Jul-33	6,363	115.35	11.22	116.73	11.06	1.38
09.00%2033B	20	1-Nov-33	6,486	82.98	11.23	83.92	11.09	0.94
13.25%2034A	20	1-Jan-34	6,547	115.10	11.27	116.28	11.13	1.18
11.50%2035A	20	15-Mar-35	6,985	101.00	11.37	102.97	11.12	1.97
12.00%2041A	25	1-Jan-41	9,104	103.04	11.62	107.61	11.09	4.57
09.00%2043A	30	1-Jun-43	9,985	79.39	11.48	79.56	11.46	0.17
13.50%2044A	30	1-Jan-44	10,199	113.89	11.79	116.30	11.53	2.42
13.50%2044B	30	1-Jun-44	10,351	113.36	11.85	115.75	11.59	2.39
12.50%2045A	30	1-Mar-45	10,624	102.97	12.13	107.09	11.64	4.12



## External Sector

During the year up to 29 January 2016 the rupee appreciated against the US dollar (0.10 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (0.01 per cent), pound sterling (3.38 per cent), Indian rupee (2.58 per cent) and depreciated against Japanese yen (1.44 per cent) during this period.

On a cumulative basis, earnings from exports declined by 4.4 per cent to US dollars 9,679 million during the first eleven months of 2015, reflecting a significant decline in earnings from tea, rubber products and sea food exports .

During the first eleven months of 2015, expenditure on imports decreased by 2.1 per cent to US dollars 17,244 million, mainly led by a 16.5 per cent drop in expenditure on intermediate goods imports.

Less decline in exports unit value index compared to the reduction in import unit value index resulted to increase the terms of trade in November 2015 by 10.9 per cent compared to the corresponding month of previous year.

The export unit value index declined by 4.9 per cent in November 2015 mainly due to a 54.0 per cent decline recorded in prices of petroleum products exports.

The import unit value index, in November 2015, declined by 14.3 per cent, year-on-year, reflecting declines in unit prices of all major categories.

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

The average price of tea increased to US dollars 2.90 per kg in November 2015 from US dollars 2.73 per kg (in the Colombo auction) in October 2015.

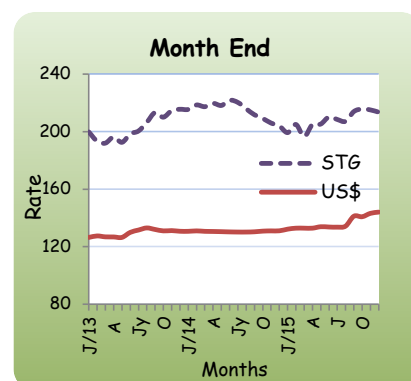
Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2014.

## Highlights

# EXTERNAL SECTOR

## 4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 29 Jan 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	142.06	146.10	144.08	144.01	133.08
STG	203.16	210.40	206.78	204.64	201.48
Yen	1.19	1.24	1.22	1.22	1.13
Euro	154.35	160.55	157.45	156.00	150.09
INR <sup>(1)</sup>			2.11	2.12	2.15
SDR (As at 28 Jan 2016)			198.93	198.80	186.49
Central Bank purchases and sales(b) (US\$ Mn. )			December 2015	Month Ago	Year Ago
Purchases			0.00	0.00	4.00
Sales			272.00	306.00	195.10



	Week Ending 29 Jan 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	25.01	28.77	25.30
<b>Forward Transactions</b>			
Forward Rates (US\$) <sup>(2)</sup>			
1 Month	144.69	144.64	132.78
3 Months	145.80	145.78	133.85
Average Daily Interbank Forward Volume (US\$ mn)	23.13	31.09	36.71
Outstanding Forward Volume (US\$ mn) (As at 28 Jan 2016 )	1,443.00	1,447.22	1,120.44

(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

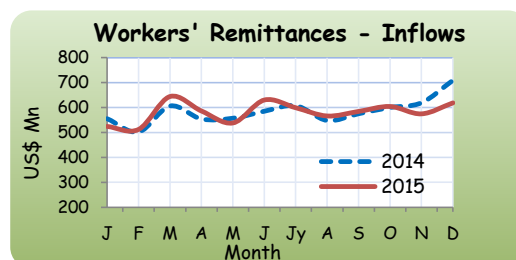
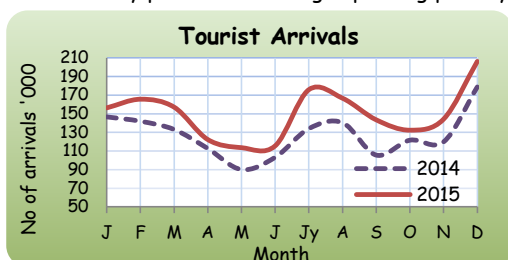
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

## 4.2 Tourism & Workers' Remittances

Item		2014 Dec (a)	2015 Dec (b)(c)	2014 Jan-Dec (a)	2015(b) Jan-Dec (c)	% Change
Tourist Arrivals	Number	178,672	206,114	1,527,153	1,798,380	17.8
Earnings from Tourism	US\$ Mn.	284.4	328.1	2,431.1	2,862.90	17.8
	Rs.bn.	37.3	47.1	317.5	389.5	22.7
		2014 Dec	2015 Dec (b)	2014 Jan-Dec	2015 Jan-Dec(a)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	708.8	618.5	7,017.8	6,980.3	-0.5
	Rs. bn.	92.9	88.7	916.3	949	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 International Reserves & Foreign Currency Liquidity as at 31<sup>st</sup> December 2015 <sup>(a)</sup>

Official Reserve Assets (USD mn)					
<b>Official Reserve Assets</b>					<b>7,303.64</b>
(1) Foreign currency reserves					6,469.41
(a) Securities					2,559.00
(b) Total currency and deposits with					3,910.41
(i) other national central banks, BIS					2,060.13
(ii) banks headquartered inside the reporting country of which located abroad					1.36
(iii) banks headquartered outside the reporting country					1,848.92
(2) Reserve position in the IMF					66.31
(3) SDRs					6.74
(4) Gold					760.2
(5) Other reserve assets					0.97
Predetermined Short-Term Net Drains on Foreign Currency Assets <sup>(b)</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	-3,671.34	-739.51	-768.54	-2,163.29
	Interest	-1,324.81	-254.54	-106.74	-963.53
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>(c)</sup>		-3,232.49	-332.38	-1382.68	-1,517.43
(b) Long positions (+)					
3. Other (specify)		-2.31	-2.31		
inflows related to reverse repos (+)					
other accounts payable (-)		-2.31	-2.31		

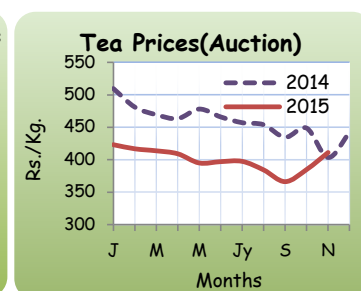
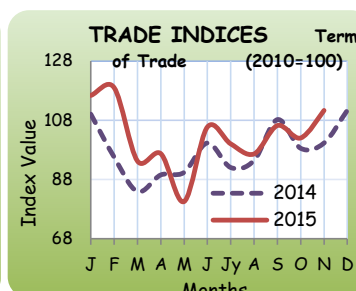
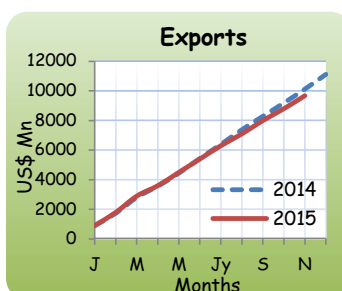
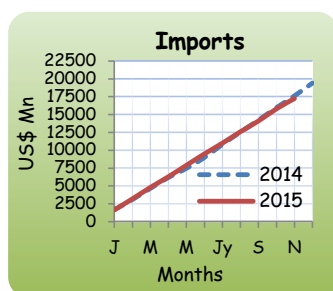
(a) Provisional

(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

## 4.4 External Trade

Item	US\$ Bn			Rs Bn		
	Jan-Nov 2015	Jan-Nov 2014	% Change	Jan-Nov 2015	Jan-Nov 2014	% Change
<b>Exports</b>	<b>9.7</b>	<b>10.1</b>	<b>-4.4</b>	<b>1,307.3</b>	<b>1,321.5</b>	<b>-1.1</b>
Agricultural	2.3	2.5	-10.0	309.6	332.1	-6.8
Industrial	7.3	7.5	-2.2	991.6	980.2	1.2
Food, Beverages and Tobacco	0.2	0.3	-8.8	32.6	34.5	-5.5
Textiles and Apparel	4.4	4.5	-1.2	598.4	584.6	2.4
Petroleum Products	0.3	0.3	9.6	46.1	40.9	12.6
Leather, Rubber etc	0.8	0.9	-12.2	111.9	123.1	-9.2
Other	1.5	1.5	-0.5	202.6	197.0	2.9
Mineral	0.0	0.1	-52.2	3.7	7.4	-50.8
Other	0.0	0.0	35.9	2.5	1.8	41.6
<b>Imports</b>	<b>17.2</b>	<b>17.6</b>	<b>-2.1</b>	<b>2,330.4</b>	<b>2,299.7</b>	<b>1.3</b>
Consumer Goods	4.3	3.4	26.2	585.3	447.7	30.7
Intermediate Goods	8.7	10.5	-16.5	1,180.4	1,365.3	-13.5
Investment Goods	4.2	3.7	12.0	562.7	484.9	16.0
Other	0.0	0.0	13.6	2.0	1.7	17.2
<b>Trade Balance</b>	<b>-7.6</b>	<b>-7.5</b>	<b>-1.0</b>	<b>-1,023.1</b>	<b>-978.2</b>	<b>-4.6</b>

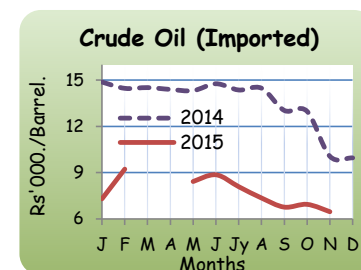
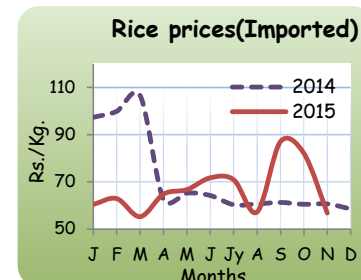


## 4.5 Trade Indices (2010= 100 ) (a)

Item	2015 Nov (b)	Month Ago	Year Ago
<b>Total Exports</b>			
Value	116.2	117.9	128.2
Quantity	112.3	130.3	117.8
Unit Value	103.5	90.5	108.8
<b>Total Imports</b>			
Value	131.1	146.6	147.4
Quantity	141.0	165.3	135.9
Unit Value	93.0	88.7	108.5
<b>Terms of Trade</b>	111.3	102.0	100.3

(a) In US\$ Terms

(b) Provisional



## 4.6 International Commodity Prices

Item	November 2015	November 2014	% Change	November 2015	November 2014	% Change
<b>Colombo Auction Price</b>	US\$ / Kg			Rs / Kg		
Tea Prices	2.90	3.08	-6.1	411.19	403.56	1.9
<b>Imports (C I F)</b>	US\$ / MT			Rs / MT		
Rice	399.83	463.21	-13.7	56,786.15	60,652.00	-6.4
White Sugar	396.06	497.04	-20.3	56,250.87	65,081.85	-13.6
Wheat	220.94	313.16	-29.4	31,379.33	41,004.96	-23.5
	US\$ / Barrel			Rs / Barrel		
Crude Oil	45.46	76.82	-40.8	6,456.26	10,058.98	-35.8