

Weekly Economic Indicators

18 March 2016



Statistics Department

Real Sector

Inflation, as measured by the change in the National Consumer Price Index (NCPI) (2013=100), which is compiled by the Department of Census and Statistics(DCS), decreased to -0.7 per cent in January 2016 from 4.2 per cent in December 2015, on year-on-year basis, mainly due to the higher base of the corresponding period in 2015. Annual average NCPI inflation decreased to 2.9 per cent in January 2016 from 3.8 per cent recorded in December 2015. The monthly change in NCPI in January 2016 was -1.1 per cent.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), which is compiled by the DCS, increased to 2.7 per cent in February 2016 from 0.9 per cent in January 2016, on year-on-year basis mainly due to the base effect. Annual average inflation increased to 0.9 per cent from 0.7 per cent recorded in January 2016. The monthly change in CCPI in February 2016 was -0.6 per cent.

The GDP grew by 4.8 per cent in real terms in 2015, mainly attributable to 5.3 per cent, 3.0 per cent and 5.5 per cent growth in Services activities, Industry activities and Agriculture activities, respectively, in value added terms.

Tea and Coconut production during 2016 January increased by 7.8 per cent and 6.0 per cent to 25.1 million kg and 246.5 million nuts respectively. However, Rubber production recorded a decrease of 12.1 per cent to 9.5 million kg during the month.

The FIPI increased marginally by 0.7 per cent on a year-on-year basis in December 2015. This growth was mainly facilitated by increased production of other non- metallic mineral products and Chemicals and chemical products sectors. They have recorded significant growths of 25.8 and 13.0 per cent respectively, during this period. This was mainly attributed to increased domestic and international demand.

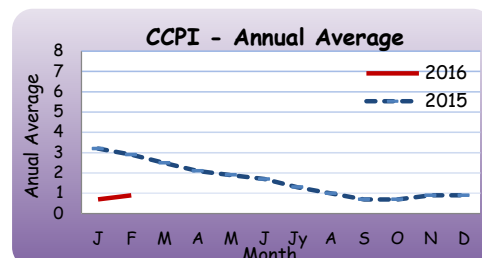
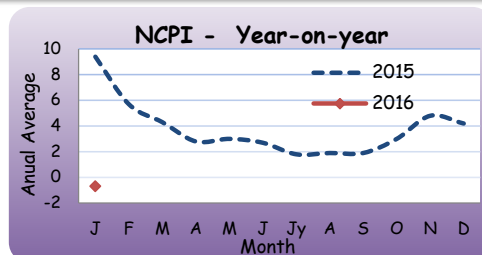
During the week crude oil spot prices showed mixed performance. At the beginning of the week prices fell as U.S. crude stockpiles continue to build and Iran maintains little interest in joining major producers in freezing output. Meanwhile, OPEC said global demand for its oil will be less than previously thought in 2016. OPEC supply is likely to exceed demand by about 760,000 barrels per day (bpd). However, prices then rose after the world's big suppliers firmed up plans to meet to discuss freezing output. OPEC sources said oil producers including Gulf members support holding talks next month on a deal to keep production at current levels even if Iran declines to participate, increasing the likelihood of the first global supply deal in 15 years.

Highlights

REAL SECTOR

1.1 Price Indices

Item	January 2016	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	112.0	113.2	112.8
Monthly Change %	-1.1	1.1	3.9
Year - on - Year Change %	-0.7	4.2	9.4
Annual Average Change %	2.9	3.8	-
Item	February 2016	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	183.8	184.9	178.9
Annual Average Change %	0.9	0.7	2.9
Year - on - Year Change %	2.7	0.9	0.6
Core Inflation - (CCPI)	181.8	181.5	172.0
Annual Average Change %	3.7	3.3	3.2
Year - on - Year Change %	5.7	4.6	0.8



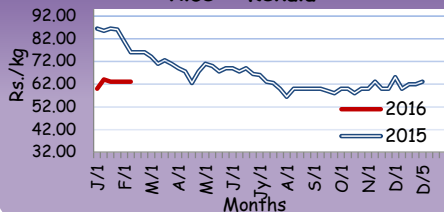
1.2 Pettah Market

Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 16 th Mar 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 16 th Mar 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	80.00	80.00	84.00	83.22	88.00	90.00	91.63	90.10
Kekulu (Red)	50.00	50.00	57.00	66.15	60.00	60.00	66.25	75.20
Vegetables								
Beans	90.00	110.00	115.00	160.49	120.00	140.00	142.50	196.86
Cabbage	60.00	60.00	85.00	79.31	100.00	90.00	120.00	117.94
Carrots	70.00	100.00	187.50	146.27	100.00	120.00	222.50	184.90
Tomatoes	30.00	50.00	40.63	89.80	60.00	60.00	65.00	126.18
Pumpkins	50.00	60.00	97.50	49.12	80.00	80.00	123.75	72.94
Snake Gourd	70.00	60.00	60.00	73.73	100.00	100.00	85.00	106.57
Brinjals	70.00	90.00	62.50	72.56	100.00	120.00	90.00	105.69
Ash-Plantains	60.00	50.00	77.50	81.08	80.00	80.00	100.00	110.59
Other Foods								
Red-Onions (Local)	62.50	47.50	57.50	105.28	90.00	80.00	90.00	135.34
Big-Onions (Local)	n.a.	n.a.	n.a.	95.17	n.a.	n.a.	n.a.	124.67
Potatoes (N'Eliya)	92.50	97.50	105.63	107.98	120.00	120.00	125.00	130.80
Dried Chilies (Imported)	310.00	310.00	315.63	248.90	350.00	350.00	365.00	291.08
Dhal (Indian)	160.00	150.00	158.75	161.98	169.00	160.00	168.00	177.43
Eggs (Red)	17.50	15.50	16.00	14.17	18.00	16.00	16.50	14.77
Coconut (Each)	33.50	35.50	36.75	41.00	50.00	45.00	46.25	53.18
Fish*								
Kelawalla	450.00	540.00	487.50	453.14	660.00	600.00	630.00	598.24
Balaya	320.00	340.00	355.00	295.00	420.00	430.00	450.00	361.20
Salaya	120.00	80.00	132.50	114.71	200.00	140.00	180.00	156.08
Paraw (Small)	480.00	600.00	560.00	484.69	580.00	680.00	637.50	547.96

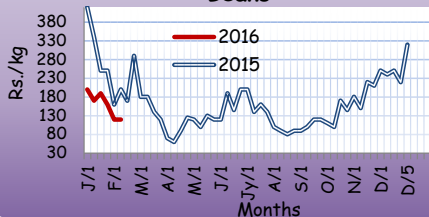
* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market - Wholesale Prices

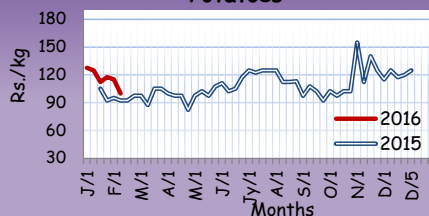
Rice - Kekulu



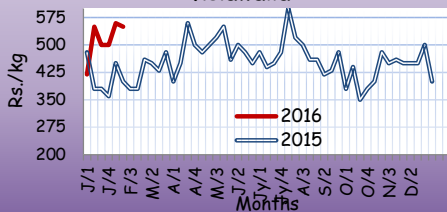
Beans



Potatoes

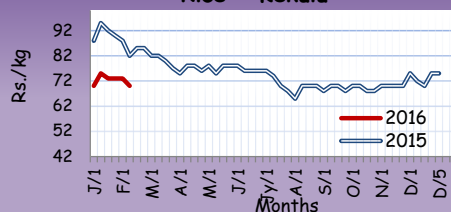


Kelawalla

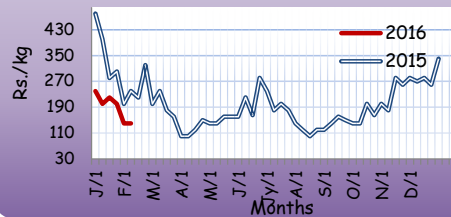


Pettah Market - Retail Prices

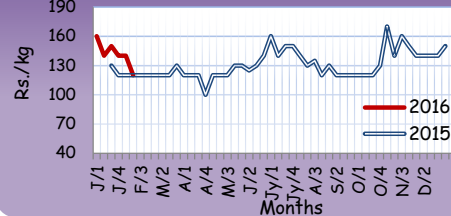
Rice - Kekulu



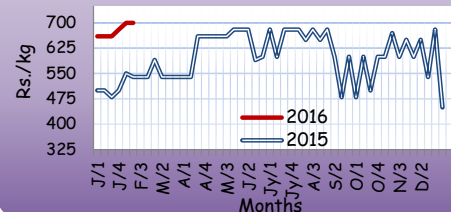
Beans



Potatoes



Kelawalla



1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 17 th Mar 2016	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	81.00	86.90
Kekulu (Red)	57.50	62.40
Vegetables		
Beans	79.50	118.50
Carrot	79.00	122.50
Tomatoes	37.00	52.00
Pumpkins	21.30	38.50
Snake Gourd	42.00	64.50
Ash-Plantains	37.50	65.00
Other Foods		
Red-Onions (Local)	54.00	89.00
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	89.50	114.50
Dried Chilies(Imported)	307.50	352.50
Coconut (Each)	34.10	44.80

1.5 Maradaghamula Market

Average wholesale price of Rice

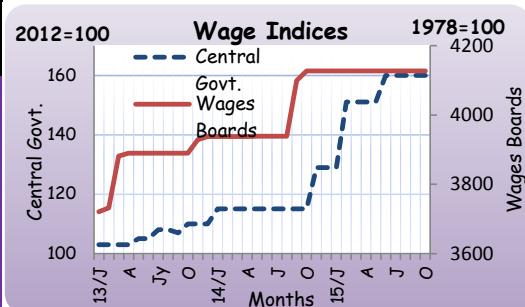
Item (Rs / Kg)	Week Ending 18 th Mar	Week Ago	Month Ago	Year Ago
Samba	78.10	78.13	81.51	79.56
Sudu Kekulu	55.10	56.00	59.06	62.37
Raw Red	54.90	56.50	57.83	66.17
Nadu	56.50	58.88	61.44	64.24

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	18 th Mar 2016	Week Ago
Rice		
Samba	90.00	91.67
Kekulu (Red)	68.00	61.67
Vegetables		
Beans	136.67	133.33
Cabbage	116.67	100.00
Carrots	136.67	120.00
Tomatoes	76.67	70.00
Pumpkins	96.67	75.00
Snake Gourd	120.00	100.00
Brinjals	133.33	100.00
Ash-Plantains	116.67	120.00
Other Foods		
Red-Onions (Imported)	120.00	120.00
Big-Onions (Imported)	66.67	65.00
Potatoes (Imported)	76.67	70.00
Dried Chilies (Imported)	336.67	326.67
Dhal (Indian)	173.33	180.00
Eggs (Red)(Each)	17.33	17.33
Coconut (Each)	53.33	53.33
Fish		
Kelawalla	686.67	680.00
Balaya	n.a.	425.00
Salaya	126.67	193.33
Paraw (Small)	973.33	860.00

1.6 Wage rate Indices (a)

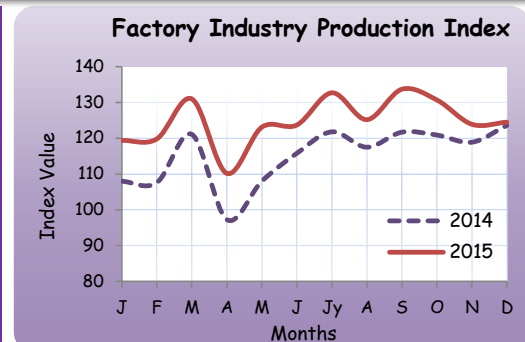
Item	2015 Dec	2014 Dec	% Change
(2012 = 100)			
Central Government Employees	160.4	128.8	24.5
(1978 = 100)			
Workers in Wages Boards Trades	4,127.1	4,127.0	0.0
Agriculture	4,734.5	4,734.3	0.0
Industry & Commerce	3,459.1	3,459.1	0.0
Services	2,313.2	2,313.2	0.0



(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) Dec	2014 Dec	% Change
Factory Industry- Production Index	124.5	123.6	0.7
Food products	112.1	107.6	4.2
Beverages	108.3	116.1	-6.7
Tobacco products	89.7	86.0	4.3
Wearing apparel	176.1	179.2	-1.8
Chemicals and chemical products	97.9	86.7	13.0
Rubber and plastic products	130.0	141.1	-7.8
Other non-metallic mineral products	121.4	96.5	25.8



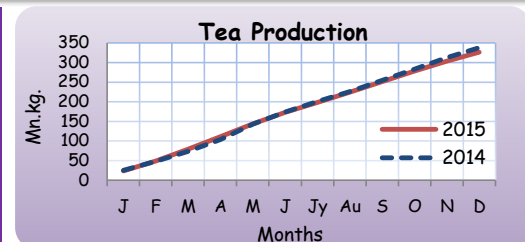
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

Item	Unit	2016(a) Jan	2015 Jan	% Change
Tea	(Mn Kg)	25.1	23.3	7.8
Rubber	(Mn Kg)	9.5	10.8	-12.1
Coconuts	(Mn Nuts)	246.5	232.5	6.0

(a) Provisional

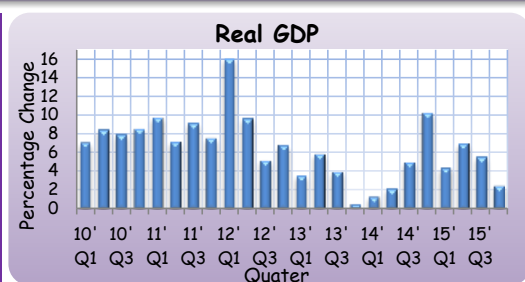


1.9 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

Item	2015(b) 4 th Quarter	2014(a)(b) 4 th Quarter	2015(b) Annual	2014(a)(b) Annual
Agriculture	-0.5	5.0	5.5	4.9
Industry	1.9	11.7	3.0	3.5
Services	2.7	11.7	5.3	5.2
GDP	2.5	10.3	4.8	4.9

(a) Revised (b) Provisional

Source: Department of Census and Statistics



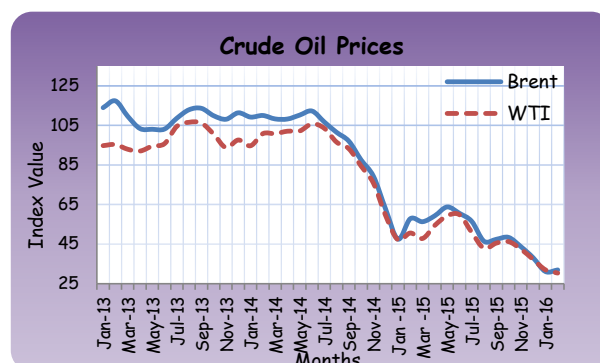
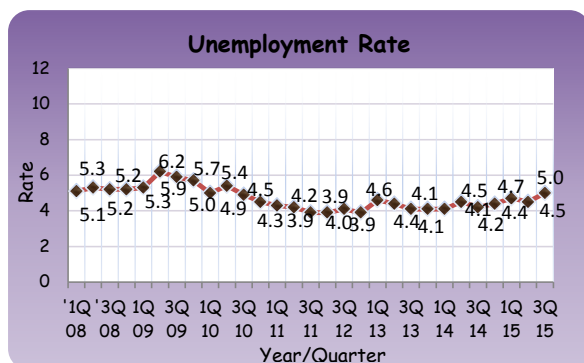
1.10 Employment (a)

Item	2015 (b) 3 rd Quarter	2014 3 rd Quarter	2014 Annual
Labour Force Participation rate	53.8	53.2	53.3
Unemployment rate	5.0	4.2	4.3
Employed Persons by Sectors (c) (as a % of total employment)			
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	2015			2016		
	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	47.46	47.11	55.47	31.10	31.96	31.87
February	57.81	50.58	69.52	31.93	30.32	
March	56.30	47.82	-			
April	59.32	54.45	-			
May	63.76	59.26	63.09			
June	60.53	59.82	66.17			
July	56.48	50.90	60.49			
August	46.43	42.87	54.92			
September	47.41	45.48	48.65			
October	48.36	46.22	49.26			
November	43.68	42.44	45.46			
December	38.08	37.21	41.21			
2015				2016		
11 March	57.11	48.06		39.36	38.51	
14 March	-	-		37.96	37.20	
15 March	-	-		37.39	36.32	
16 March	52.65	43.93		38.08	38.43	
17 March	52.82	43.39		38.99	40.17	

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 18 March 2016 increased by 24 bps to 8.81 per cent compared to the previous week.

Broad money (M2b) expanded by 17.8 per cent on a year-on-year basis in December 2015.

NFA of the banking system increased by Rs. 15.3 billion in December 2015.

NCG from the banking system showed an increase of Rs. 54.7 billion in December 2015.

Credit extended to the private sector increased by Rs. 43.6 billion in December 2015.

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

The total outstanding market liquidity decreased to Rs. 15.66 bn by end of the week, compared to Rs. 21.46 bn by the end of last week.

By 18 March 2016, All Share Price Index (ASPI) increased by 0.63 per cent to 6,058 points while S&P SL 20 Index declined by 0.42 per cent to 3,167 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

Item	Week Ending 2016 Mar 18	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	8.81	8.57	6.87
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	-	-	6.79
- 182 days	-	-	6.87
- 364 days	-	-	6.99
Standing Deposit Facility	6.50	6.50	6.50
Standing Lending Facility	8.00	8.00	8.00
Call Money Weekly Average (CMR)	7.86	7.72	6.70
Sri Lanka Inter Bank Offer Rate (SLIBOR)			
1 day	7.92	7.83	6.70
7 days	8.23	8.14	6.94
1 Month	8.81	8.78	7.15
3 Months	9.10	8.96	7.43
6 Months	9.43	9.32	7.73
12 Months	9.84	9.88	8.06
Commercial Banks	Dec 2015	Month Ago	Year Ago
Saving Deposits -	0.50-8.00	0.50-8.50	0.50-8.00
One Year Fixed Deposits -	3.95-15.00	3.95-15.00	3.95-12.00
	Feb 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.33	6.26	5.90
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	7.75	7.66	6.95
	Jan 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.15	11.00	11.68
NSB	Dec 2015	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	7.25	7.25	6.50
Treasury Bonds Auction	(1 Year 3 Months) 17/03/2016	(4 Years 1 Month) 17/03/2016	(7 Years 9 Months) 17/03/2016
Coupon rate	8.00	9.25	11.40
Weighted Average Yield (Excluding 10% withholding tax)	-	11.87	12.26

Bankwise- AWPR	Week ending 2016 Mar 18	Week Ago
Bank of Ceylon	8.82	8.76
People's Bank	8.97	8.97
Hatton National Bank	9.11	9.03
Commercial Bank of Ceylon	8.96	9.15
Sampath Bank	9.39	9.50
Seylan Bank	8.96	8.62
Union Bank of Colombo	10.98	9.45
Pan Asia Banking Corporation	11.70	11.63
Nations Trust Bank	8.59	8.66
DFCC Bank	9.75	9.03
NDB Bank	10.25	9.85
Amana Bank	10.27	9.80
Cargills Bank	10.24	9.87

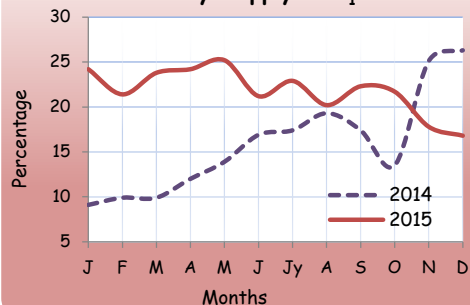
Bankwise- AWPR	Week ending 2016 Mar 18	Week Ago
HSBC	8.18	7.47
Standard Chartered Bank	8.62	8.54
Citi Bank	8.01	9.40
Deutsche Bank	8.54	8.52
Habib Bank	7.28	6.75
Indian Bank	9.78	9.78
Indian Overseas Bank	10.28	10.28
MCB Bank	8.78	8.28
State Bank of India	9.08	9.08
Public Bank	9.50	8.60
ICICI Bank	10.68	10.68
Axis Bank	9.87	9.47

2.2 Money Supply

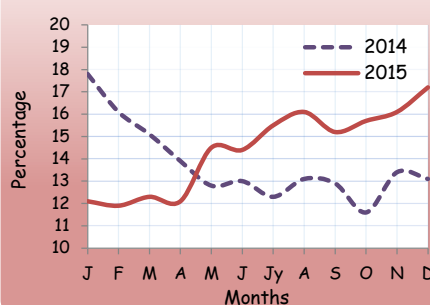
Item	Rs. Bn.			Annual Change (%)		
	2015 (a) December	Month Ago	Year Ago	2015 (a) December	Month Ago	Year Ago
M1	715.0	669.4	612.2	16.8	17.8	26.3
M2	4,057.2	3,945.7	3,460.6	17.2	16.1	13.1
M2b	4,565.9	4,447.6	3,875.9	17.8	17.2	13.4
Net Foreign Assets of the Banking System (b)	-298.2	-313.5	15.1	-2,071.2	-1,251.6	119.8
Monetary Authorities	576.2	565.8	688.0	-16.3	-22.3	30.0
Domestic Banking Units (DBUs)	-295.9	-310.6	-220.9	-33.9	-25.6	4.4
Offshore Banking Units (OBUs)	-578.5	-568.7	-451.9	-28.0	-25.4	-20.7
Net Domestic Assets of the Banking System (b)	4,864.1	4,761.1	3,860.7	26.0	26.4	10.5
Monetary Authorities and DBUs	4,109.0	4,017.5	3,266.1	25.8	26.4	9.0
OBUs	755.1	743.5	594.6	27.0	26.2	19.5
Net Credit to Government	1,759.5	1,704.8	1,435.9	22.5	19.6	10.3
Monetary Authorities	229.9	268.5	149.7	53.6	73.7	31.3
DBUs	1,157.8	1,067.6	1,078.1	7.4	0.5	8.3
OBUs	371.7	368.7	208.1	78.6	77.0	8.6
Credit to Public Corporations	523.0	524.0	446.0	17.2	21.4	22.2
DBUs	254.1	257.5	192.1	32.3	38.7	16.7
OBUs	268.9	266.5	253.9	5.9	8.4	26.7
Credit to the Private Sector	3,449.6	3,406.0	2,758.2	25.1	27.0	8.8
DBUs	3,186.1	3,140.5	2,503.3	27.3	29.3	7.6
OBUs	263.5	265.5	254.9	3.4	5.4	23.2
Reserve Money	673.4	651.1	577.9	16.5	18.0	18.3

(a) Provisional (b) In relation to M2b

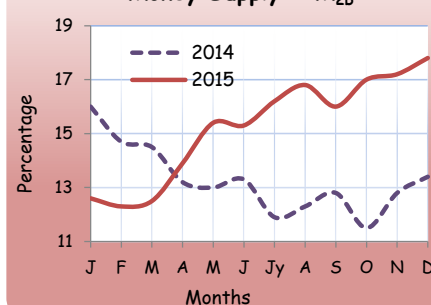
Money Supply - M₁



Money Supply - M₂



Money Supply - M_{2b}



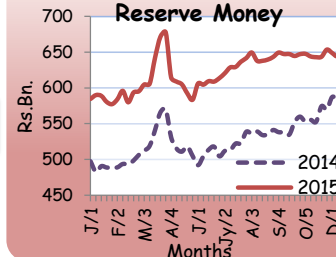
2.3 Weekly change in Reserve Money

Item	17 Mar 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	773,369	753,202	20,167

2.4 Money Market Activity (Overnight)

Item	14.03.2016	15.03.2016	16.03.2016	17.03.2016	18.03.2016
Call Money Market					
Weighted Average Rate (% p.a.)	7.82	7.80	7.85	7.89	7.92
Gross Volume (Rs. Mn)	15,630	17,325	15,340	13,738	16,165
Repo Market					
Weighted Average Rate (% p.a.)	7.79	7.72	7.73	7.86	7.97
Gross Volume (Rs. Mn)	19,878	27,122	24,170	29,003	19,957

Weekly change in Reserve Money



2.5 CBSL Security Portfolio

Item	14.03.2016	15.03.2016	16.03.2016	17.03.2016	18.03.2016
CBSL T-Bill Holding (Rs. Mn)	172,566	171,363	177,381	186,143	193,648

2.6 Open Market Operations

Item	14.03.2016	15.03.2016	16.03.2016	17.03.2016	18.03.2016
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)	29.86	12.99	9.46	8.78	17.41
Standing Lending Facility (Rs. bn)	3.32	2.09	8.09	16.79	1.75
Total Outstanding Market Liquidity (Rs. bn)	26.53	10.89	1.37	-8.01	15.66

2.7 Credit Cards (a)

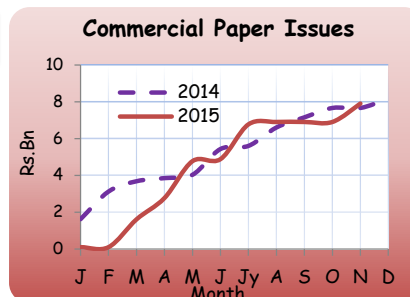
Item	2015 (b) End Dec	2015 End Nov	2014 End Dec
Total Number of Active Cards	1,142,748	1,136,408	1,032,833
Local (accepted only locally)	30,902	30,999	32,874
Global (accepted globally)	1,111,846	1,105,409	999,959
Outstanding balance (Rs. Mn.)	63,047	60,466	57,621
Local (accepted only locally)	1,226	1,206	1,234
Global (accepted globally)	61,822	59,259	56,387

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

2.8 Commercial Paper Issues (a)

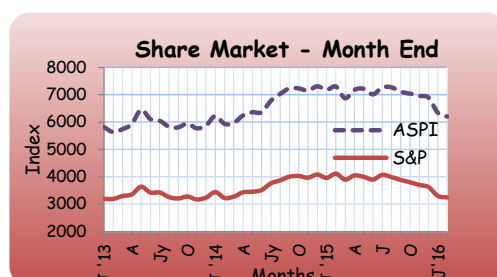
Item (Rs. bn.)	2015 End Dec(b)	2015 End Nov	2014 End Dec
Total Issues - Cumulative	7.9	7.9	8.2
Outstanding (as at end of the period)	4.5	5.8	3.5

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



2.9 Share Market

Item	Week Ending 18 Mar 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,058	6,020	7,044
S & P Sri Lanka 20 Index (S&P SL20)	3,167	3,181	4,014
Average Daily Turnover (Rs. Mn)	956	1,494	893
Market Capitalisation (Rs.Bn.)	2,589	2,573	2,986



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 recorded in the corresponding period of 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.

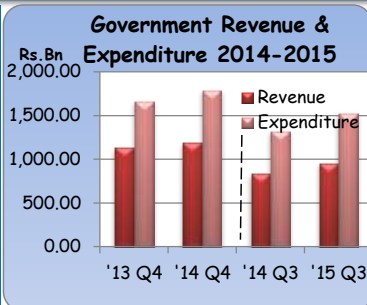
Total outstanding debt increased by Rs. 875.1 billion to Rs. 8266.0 billion as at end September 2015 from Rs. 7,390.9 billion at end 2014. Foreign debt increased by Rs. 152.8 billion to Rs. 3,265.9 billion and domestic debt increased by Rs. 722.3 billion to Rs. 5,000.1 billion.

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)

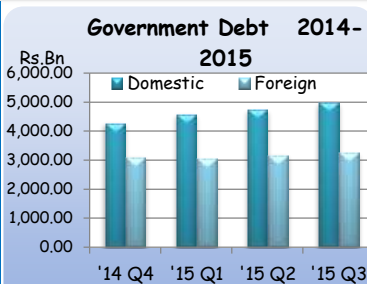
Item	2015 (a) Jan-Sep	2014 Jan-Sep
Revenue and Grants	959.6	836.9
Revenue	958.9	828.2
Tax	888.2	752.2
Non tax	70.7	76.0
Grants	0.7	8.7
Expenditure & Lending Minus Repayments	1,532.5	1,326.7
Current	1,213.1	962.1
Capital & Lending Minus Repayments	319.5	364.6



(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

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



(a)Provisional

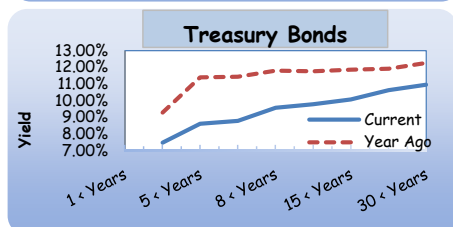
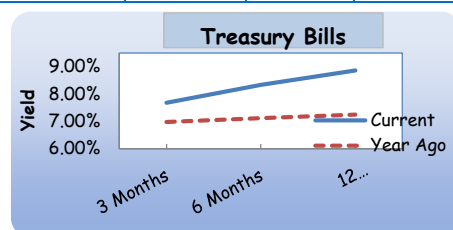
3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 16th March 2016

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	-	-	7.84%	7.53%	7.68%	7.63%
	6 Months	-	-	8.45%	8.23%	8.34%	8.27%
	12 Months	-	-	8.98%	8.73%	8.86%	8.75%
Treasury Bonds	< 2 Years	-	-	9.45%	9.13%	9.29%	9.06%
	< 5 Years	-	-	11.51%	11.29%	11.40%	11.20%
	< 6 Years	-	-	11.54%	11.36%	11.45%	11.27%
	< 8 Years	-	-	11.86%	11.74%	11.80%	11.63%
	< 10 Years	-	-	11.83%	11.70%	11.76%	11.61%
	< 15 Years	-	-	12.00%	11.72%	11.86%	11.75%
	< 20 Years	-	-	12.11%	11.75%	11.93%	11.82%
	< 30 Years	-	-	12.38%	12.17%	12.27%	12.19%

(a) Primary market transactions during the week ending 16/03/2016

The secondary market yield rates of T-bills and T-bonds moved significantly upward across all maturities compared to the secondary market yield rates of the previous week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	6.44%	6.84%
	27-Jul-21	6.250%	6.72%	7.12%
	25-Jul-22	5.875%	7.04%	7.41%
	14-Jan-19	6.000%	5.89%	6.24%
	11-Apr-19	5.125%	5.85%	6.19%
	3-Jun-25	6.125%	7.42%	7.76%
	3-Nov-25	6.850%	7.51%	7.88%



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 16th March 2016)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	654,120.29	684,886.28
Treasury Bonds (a)	3,704,059.96	3,704,059.96
Total	4,358,180.25	4,388,946.24
T-bills and T-bonds held by Foreigners	237,648.41	247,235.57
Sri Lanka Development Bonds (SLDB)	731,029.18	700,722.65

The Outstanding stock of SLDBs increased during the week with new issues of USD 210.98 Mn worth of SLDBs through the auction held on 09 March 2016.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	22,000.00	20,000.00
Total Bids Received	37,401.00	33,648.00
Total Bids Accepted	-	-
Treasury Bonds		
Amount Offered	6,000.00	
Total Bids Received	23,089.00	No auction held
Total Bids Accepted	-	

T-bill auction and T-bond auctions were over-subscribed 1.70 times and 3.8 times respectively, but both the auctions were rejected.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	22,477.50	30,511.48
Repo Transaction (Sales / Purchases)	146,655.01	104,749.93
Treasury Bonds		
Outright Transaction (Sales / Purchases)	83,616.87	123,189.90
Repo Transaction (Sales / Purchases)	955,337.40	685,753.14

The secondary market activities in repo transactions increased significantly while the secondary market activities in outright transactions decreased 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) - 18/03/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.86	7.27	99.87	7.02	0.00
1 Month	99.39	7.48	99.41	7.25	0.02
2 Month	98.74	7.66	98.79	7.40	0.04
3 Month	98.09	7.78	98.16	7.49	0.07
4 Month	97.35	8.08	97.43	7.83	0.08
5 Month	96.61	8.28	96.70	8.06	0.09
6 Month	95.85	8.44	95.96	8.22	0.11
7 Month	95.06	8.62	95.17	8.41	0.12
8 Month	94.30	8.69	94.43	8.49	0.13
9 Month	93.54	8.76	93.69	8.56	0.15
10 Month	92.71	8.87	92.87	8.67	0.16
11 Month	91.93	8.93	92.11	8.72	0.19
12 Month	91.16	8.97	91.38	8.74	0.22

3.6 Two way Quotes (Treasury Bonds)- 18/03/2016

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	14	99.97	7.89	99.98	7.44	0.02
08.00%2016B	4	1-Jun-16	75	99.92	8.19	100.03	7.67	0.11
06.40%2016A	6	1-Aug-16	136	99.22	8.49	99.38	8.04	0.16
08.00%2016A	5	1-Sep-16	167	99.72	8.60	99.88	8.24	0.16
06.40%2016B	6	1-Oct-16	197	98.89	8.54	99.06	8.21	0.17
08.00%2017A	5	1-Jan-17	289	99.20	9.04	99.38	8.81	0.18
05.80%2017A	6	15-Jan-17	303	97.36	9.16	97.61	8.84	0.24
08.25%2017A	3	1-Mar-17	348	99.02	9.34	99.28	9.05	0.26
08.75%2017A	4	15-May-17	423	98.95	9.71	99.29	9.39	0.34
08.00%2017B	5	15-Jun-17	454	98.01	9.72	98.41	9.37	0.40
05.80%2017B	6	15-Jul-17	484	95.24	9.70	95.60	9.39	0.37
08.50%2018A	15	1-Feb-18	685	97.15	10.20	97.66	9.89	0.51
08.50%2018C	5	1-Apr-18	744	95.97	10.75	96.37	10.52	0.40
08.50%2018D	5	1-Jun-18	805	95.68	10.74	96.05	10.54	0.37
08.50%2018B	15	15-Jul-18	849	95.61	10.67	96.04	10.45	0.42
07.50%2018A	15	15-Aug-18	880	93.18	10.78	93.54	10.60	0.37
08.75%2018A	4	15-Oct-18	941	96.26	10.44	96.68	10.24	0.42
08.00%2018A	6	15-Nov-18	972	93.76	10.75	94.19	10.55	0.43
05.65%2019A	8	15-Jan-19	1,033	88.32	10.53	88.74	10.34	0.41
08.50%2019A	10	1-May-19	1,139	94.66	10.54	95.10	10.37	0.44
10.60%2019A	5	1-Jul-19	1,200	98.58	11.11	99.03	10.95	0.45
10.60%2019B	5	15-Sep-19	1,276	98.40	11.17	98.99	10.95	0.59
08.00%2019A	8	1-Nov-19	1,323	91.23	11.00	91.96	10.73	0.73
09.25%2020A	5	1-May-20	1,505	92.83	11.47	93.61	11.22	0.78
08.00%2020A	8	1-Jun-20	1,536	90.04	11.01	90.66	10.82	0.62
06.20%2020A	10	1-Aug-20	1,597	82.95	11.23	83.55	11.04	0.59
09.50%2020A	5	15-Dec-20	1,733	94.19	11.10	94.89	10.90	0.70
09.00%2021A	8	1-May-21	1,870	89.79	11.70	90.69	11.45	0.90
11.00%2021A	7	1-Aug-21	1,962	97.08	11.74	97.75	11.57	0.67
09.45%2021A	7	15-Oct-21	2,037	92.07	11.41	92.79	11.22	0.72
08.00%2022A	10	1-Jan-22	2,115	85.61	11.46	86.23	11.30	0.62
11.20%2022A	9	1-Jul-22	2,296	97.53	11.76	98.34	11.57	0.81
10.00%2022A	8	1-Oct-22	2,388	91.38	11.93	91.97	11.79	0.60
09.00%2023A	10	1-Sep-23	2,723	86.12	11.85	86.63	11.74	0.51
11.20%2023A	9	1-Sep-23	2,723	96.17	11.99	96.76	11.86	0.58
07.00%2023A	20	1-Oct-23	2,753	77.06	11.65	77.49	11.55	0.43
11.40%2024A	10	1-Jan-24	2,845	96.80	12.04	97.52	11.89	0.73
06.00%2024A	10	1-Dec-24	3,180	69.57	11.65	70.08	11.53	0.51
10.25%2025A	10	15-Mar-25	3,284	91.13	11.88	91.97	11.72	0.83
09.00%2025A	12	1-May-25	3,331	85.17	11.68	85.84	11.55	0.67
11.00%2025A	10	1-Aug-25	3,423	94.10	12.06	95.06	11.88	0.97
09.00%2026A	13	1-Feb-26	3,607	83.87	11.81	84.55	11.67	0.69
05.35%2026A	15	1-Mar-26	3,635	62.96	11.76	63.49	11.64	0.52
11.00%2026A	11	1-Jun-26	3,727	93.55	12.11	94.58	11.93	1.03
09.00%2028B	15	1-May-28	4,427	81.57	11.91	83.20	11.61	1.63
09.00%2028A	15	1-Jul-28	4,488	81.41	11.91	83.06	11.62	1.65
11.50%2028A	13	1-Sep-28	4,550	96.47	12.05	98.27	11.77	1.80
13.00%2029A	15	1-Jan-29	4,672	106.58	11.97	108.56	11.69	1.98
13.00%2029B	15	1-May-29	4,792	107.31	11.88	109.63	11.55	2.32
11.00%2030A	15	15-May-30	5,171	91.30	12.31	92.99	12.04	1.69
08.00%2032A	20	1-Jan-32	5,767	71.95	12.00	74.01	11.63	2.06
09.00%2032A	20	1-Oct-32	6,041	78.43	12.03	80.74	11.65	2.32
09.00%2033A	20	1-Jun-33	6,284	77.95	12.07	80.25	11.68	2.30
13.25%2033A	20	1-Jul-33	6,314	108.28	12.09	111.30	11.71	3.03
09.00%2033B	20	1-Nov-33	6,437	77.47	12.12	79.83	11.73	2.37
13.25%2034A	20	1-Jan-34	6,498	107.88	12.15	111.02	11.75	3.14
11.50%2035A	20	15-Mar-35	6,936	94.22	12.29	95.57	12.10	1.35
12.00%2041A	25	1-Jan-41	9,055	96.80	12.41	98.71	12.16	1.91
09.00%2043A	30	1-Jun-43	9,936	74.24	12.29	75.20	12.13	0.96
13.50%2044A	30	1-Jan-44	10,150	109.17	12.32	110.50	12.17	1.32
13.50%2044B	30	1-Jun-44	10,302	108.96	12.35	110.28	12.19	1.32
12.50%2045A	30	1-Mar-45	10,575	99.85	12.52	102.37	12.20	2.52

External Sector

During the year up to 18 March 2016 the rupee depreciated against the US dollar (0.1 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (2.6 per cent), Indian rupee (0.4 per cent) and depreciated against Japanese yen (7.5 per cent), euro (3.4 per cent) during this period.

Earnings from exports during 2015 decreased by 5.6 per cent to US dollars 10,505 million. Lower performance in tea, rubber products, textile and garments and seafood exports contributed mainly for the drop in exports.

In 2015, expenditure on imports declined by 2.5 per cent to US dollars 18,935 million. Significant decline recorded in fuel import bill due to lower oil prices and lower thermal power generation caused for the decline in import expenditure.

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 11.2 per cent compared to the corresponding month of previous year.

The export unit value index declined by 4.7 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 France were the top five sources of tourist arrivals in February 2016, accounting for 51.2 per cent of total tourist arrivals upto the month of February 2016

The average price of tea marginally declined to US dollars 2.89 per kg in December 2015 from US dollars 2.90 per kg (in the Colombo auction) in November 2015.

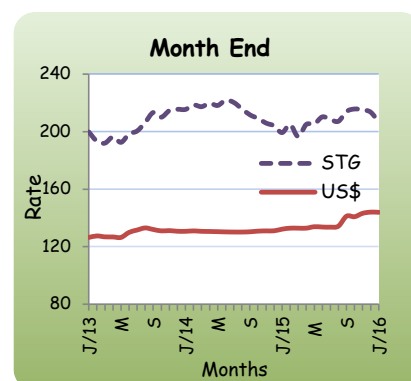
Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2014.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 18 Mar 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	143.05	146.98	145.02	144.84	133.31
STG	206.36	213.68	210.02	206.78	196.87
Yen	1.28	1.33	1.31	1.28	1.10
Euro	160.99	167.36	164.18	161.93	141.38
INR ⁽¹⁾			2.16	2.15	2.12
SDR (As at 17 Mar 2016)			202.58	199.94	182.41
Central Bank purchases and sales(b) (US\$ Mn.)			February 2016	Month Ago	Year Ago
Purchases			0.00	0.00	49.40
Sales			189.05	303.50	122.00



	Week Ending 18 Mar 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	31.65	26.69	18.80
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	145.19	145.21	133.79
3 Months	0.00	0.00	0.00
Average Daily Interbank Forward Volume (US\$ mn)	42.28	34.18	29.55
Outstanding Forward Volume (US\$ mn) (As at 17 Mar 2016)	1,521.97	1,534.15	1,151.71

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

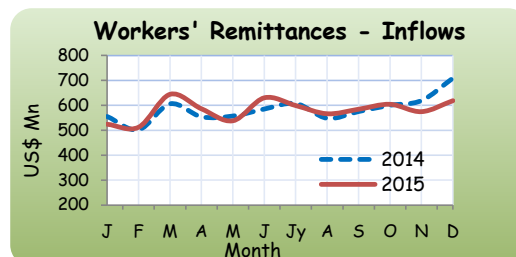
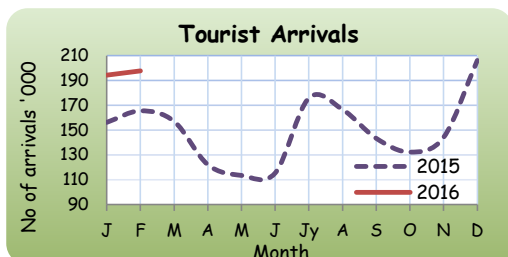
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

4.2 Tourism & Workers' Remittances

Item		2015 Feb (a)(c)	2016 Feb (b)(d)	2015(a) Jan-Feb (c)	2016(b) Jan-Feb (d)	% Change
Tourist Arrivals	Number	165,541	197,697	321,787	391,977	21.8
Earnings from Tourism(d)	US\$ Mn.	274.4	327.7	533.3	649.70	21.8
	Rs.bn.	36.4	47.2	70.5	93.5	32.7
Workers' Remittances (Inflows)	US\$ Mn.			523.5	563.4	7.6
	Rs. bn.			68.9	81.1	17.8

(a) Revised (b) Provisional (c) revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2015 (d) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2016



4.3 Official Reserve Assets as at 29th February 2016^(a)

Official Reserve Assets (USD Mn)	
(1) Foreign currency reserves	5,610.79
(2) Reserve position in the IMF	66.10
(3) SDRs	6.70
(4) Gold	881.50
(5) Other reserve assets	0.97

(a) Provisional

4.4 International Reserves & Foreign Currency Liquidity as at 31st January 2016 ^(a)

Official Reserve Assets (USD mn)					
Official Reserve Assets ^(b)					6,294.32
(1) Foreign currency reserves					5,423.01
(a) Securities					2,422.45
(b) Total currency and deposits with					3,000.56
(i) other national central banks, BIS					896.41
(ii) banks headquartered inside the reporting country of which located abroad					1.32
(iii) banks headquartered outside the reporting country					2,102.83
(2) Reserve position in the IMF					66.06
(3) SDRs					6.71
(4) Gold					797.57
(5) Other reserve assets					0.97
Predetermined Short-Term Net Drains on Foreign Currency Assets ^(c)					
Item		Total	Maturity breakdown (residual maturity)		
			Up to 1 month	More than 1 and up to 3 months	More than 3 months and up to 1 year
1. Foreign currency loans, securities, and deposits					
outflows (-)	Principal	-3,640.67	-132.18	-882.12	-2,626.37
	Interest	-925.20	-34.18	-141.65	-749.37
inflows (+)	Principal				
	Interest				
2. Aggregate short and long positions in forwards and futures in foreign currencies vis-à-vis the domestic currency (including the forward leg of currency swaps)					
(a) Short positions (-) ^(d)		-3,224.49	-324.38	-2024.68	-875.43
(b) Long positions (+)					
3. Other (specify)		-4.85	-4.85		
inflows related to reverse repos (+)					
other accounts payable (-)		-4.85	-4.85		

(a) Provisional

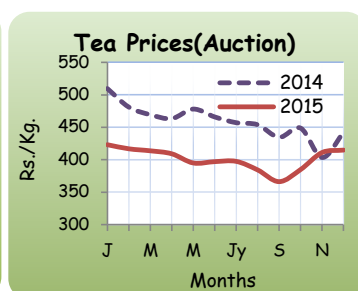
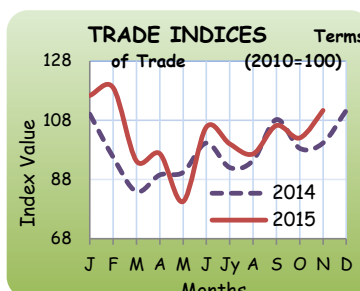
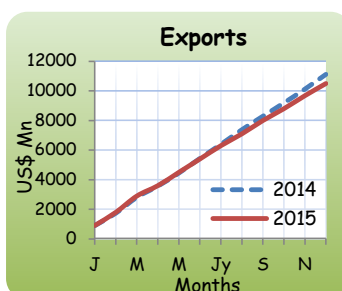
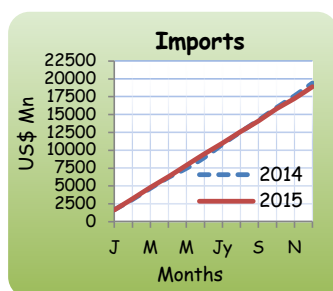
(b) By end January 2016, the total foreign assets were equivalent to 5.4 months of imports and gross official reserves were equivalent to 4.0 months of imports

(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

4.5 External Trade

Item	US\$ Bn			Rs Bn		
	Jan-Dec 2015	Jan-Dec 2014	% Change	Jan-Dec 2015	Jan-Dec 2014	% Change
Exports	10.5	11.1	-5.6	1,425.8	1,453.2	-1.9
Agricultural	2.5	2.8	-11.2	337.0	364.8	-7.6
Industrial	8.0	8.3	-3.5	1,082.3	1,078.7	0.3
Food, Beverages and Tobacco	0.3	0.3	-8.3	36.1	37.8	-4.5
Textiles and Apparel	4.8	4.9	-2.2	654.8	643.7	1.7
Petroleum Products	0.4	0.3	10.6	50.5	44.1	14.3
Leather, Rubber etc	0.9	1.0	-12.8	121.7	134.3	-9.4
Other	1.6	1.7	-3.4	219.3	218.8	0.2
Mineral	0.0	0.1	-52.3	3.8	7.8	-50.7
Other	0.0	0.0	32.4	2.7	1.9	38.3
Imports	18.9	19.4	-2.5	2,572.5	2,535.2	1.5
Consumer Goods	4.7	3.9	22.3	640.4	503.0	27.3
Intermediate Goods	9.6	11.4	-15.4	1,309.2	1,488.1	-12.0
Investment Goods	4.6	4.2	10.0	620.7	542.2	14.5
Other	0.0	0.0	10.3	2.2	1.9	14.3
Trade Balance	-8.4	-8.3	-1.7	-1,146.7	-1,082.0	-6.0

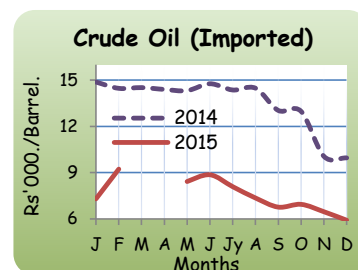
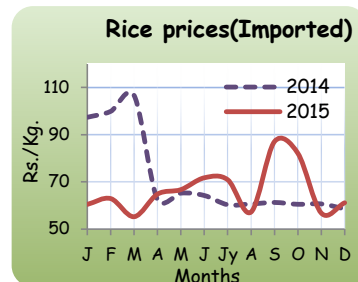


4.6 Trade Indices (2010= 100) (a)

Item	2015 Nov (b)	Month Ago	Year Ago
Total Exports			
Value	116.2	117.9	128.2
Quantity	112.0	130.4	117.8
Unit Value	103.7	90.4	108.8
Total Imports			
Value	131.1	146.6	147.4
Quantity	141.0	165.3	135.9
Unit Value	93.0	88.7	108.5
Terms of Trade	111.5	102.0	100.3

(a) In US\$ Terms

(b) Provisional



4.7 International Commodity Prices

Item	December 2015	December 2014	% Change	December 2015	December 2014	% Change
Colombo Auction Price	US\$ / Kg			Rs / Kg		
Tea Prices	2.89	3.37	-14.3	414.91	442.16	-6.2
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	426.19	446.74	-4.6	61,135.55	58,532.13	4.4
White Sugar	416.50	481.48	-13.5	59,745.82	63,083.79	-5.3
Wheat	243.87	300.95	-19.0	34,982.04	39,431.33	-11.3
	US\$ / Barrel			Rs / Barrel		
Crude Oil	41.21	75.98	-45.8	5,910.84	9,955.38	-40.6