

# Weekly Economic Indicators

06 May 2016



Statistics Department

# Real Sector

Inflation, as measured by the change in the National Consumer Price Index (NCPI) (2013=100), compiled by the Department of Census and Statistics, increased to 2.2 per cent in March 2016 from 1.7 per cent in February 2016, on year-on-year basis. The main contributor towards the year-on-year inflation was the Non-food category. Prices in Miscellaneous Goods and Services (Car insurance); Alcoholic Beverages and Tobacco; Transport; and Clothing and Footwear sub categories were the main contributors towards the year-on-year increase. The change in the NCPI measured on an annual average basis decreased to 2.4 per cent in March 2016 from 2.6 per cent recorded in February 2016. When the monthly change in the NCPI is considered, the NCPI decreased by 0.7 per cent from February 2016 to March 2016.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), increased to 3.1 per cent in April 2016 from 2.0 per cent in March 2016, on an year-on-year basis. Annual average inflation increased to 1.3 per cent from 1.1 per cent for the same period. The monthly change in CCPI in April 2016 was 1.3 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.

Continuing the declining trend observed in 2015, the production of tea recorded a decline in first two months in 2016. Coconut production increased in first two months in 2016 while the rubber production recorded a year-on-year decline due to the higher production recorded in the corresponding period in 2015.

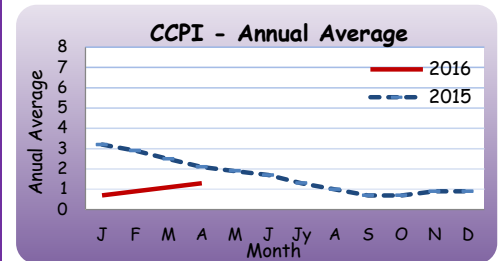
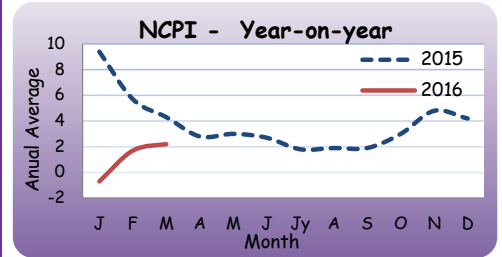
The FIPI increased by 3.4 per cent on a year-on-year basis in January 2016. This growth was mainly facilitated by increased production of other non-metallic mineral products, food products and wearing apparel sectors. They have recording growths of 22.1, 9.4 and 6.5 per cent, respectively, during this 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 on signs that production in the Middle East is continuing to rise, countering falls in U.S. output, to keep a global supply overhang in place for longer. Iraq, the second biggest exporter within the OPEC, reported oil shipments rose at an average rate of 3.364 million barrels per day (bpd) in April. Production of Saudi Arabia was 10.15 million bpd in April, and sources said it may rise to near-records of 10.5 million bpd in coming weeks. Price declines were further supported by rebound of the U.S. dollar and weak global equities while the American Petroleum Institute reported U.S. crude stocks rose by 1.3 million barrels last week. However, prices subsequently rose during the latter part of the week due to a wildfire near Canada's huge oil sand fields and escalating fighting in Libya, tightening market continuous at least temporarily.

# REAL SECTOR

## 1.1 Price Indices

Item	March 2016	Month Ago	Year Ago
<b>(2013 = 100)</b>			
National Consumer Price Index (NCPI)	110.0	110.8	107.6
Monthly Change %	-0.7	-1.1	-1.2
Year - on - Year Change %	2.2	1.7	4.3
Annual Average Change %	2.4	2.6	-
Item	April 2016	Month Ago	Year Ago
<b>(2006 / 07 = 100)</b>			
Colombo Consumers' Price Index (CCPI)	184.1	181.7	178.5
Annual Average Change %	1.3	1.1	2.1
Year - on - Year Change %	3.1	2.0	0.1
Core Inflation - (CCPI)	184.0	181.7	176.1
Annual Average Change %	4.1	3.9	2.9
Year - on - Year Change %	4.5	4.5	2.4



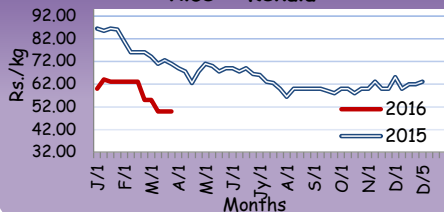
## 1.2 Pettah Market

Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 05 <sup>th</sup> May 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 05 <sup>th</sup> May 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
<b>Rice</b>								
Samba	75.00	75.00	76.67	83.22	85.00	88.00	88.00	90.10
Kekulu (Red)	52.00	52.00	52.00	66.15	60.00	60.00	61.67	75.20
<b>Vegetables</b>								
Beans	150.00	170.00	123.33	160.49	180.00	200.00	153.33	196.86
Cabbage	60.00	50.00	60.00	79.31	100.00	80.00	93.33	117.94
Carrots	90.00	90.00	90.00	146.27	120.00	120.00	120.00	184.90
Tomatoes	160.00	150.00	103.33	89.80	200.00	190.00	140.00	126.18
Pumpkins	40.00	40.00	31.67	49.12	60.00	60.00	53.33	72.94
Snake Gourd	110.00	80.00	73.33	73.73	140.00	120.00	106.67	106.57
Brinjals	50.00	50.00	50.00	72.56	80.00	80.00	80.00	105.69
Ash-Plantains	60.00	60.00	56.67	81.08	80.00	80.00	80.00	110.59
<b>Other Foods</b>								
Red-Onions (Local)	90.00	n.a.	70.00	105.28	120.00	n.a.	110.00	135.34
Big-Onions (Local)	n.a.	n.a.	n.a.	95.17	n.a.	n.a.	n.a.	124.67
Potatoes (N'Eliya)	97.50	87.50	98.33	107.98	120.00	120.00	126.67	130.80
Dried Chilies (Imported)	300.00	300.00	300.00	248.90	350.00	340.00	350.00	291.08
Dhal (Indian)	160.00	170.00	165.00	161.98	180.00	180.00	172.67	177.43
Eggs (Red)	13.50	14.50	16.50	14.17	14.00	15.00	17.00	14.77
Coconut (Each)	32.50	32.50	33.17	41.00	45.00	50.00	46.67	53.18
<b>Fish*</b>								
Kelawalla	580.00	560.00	530.00	453.14	780.00	700.00	673.33	598.24
Balaya	380.00	330.00	353.33	295.00	480.00	400.00	443.33	361.20
Salaya	150.00	200.00	146.67	114.71	200.00	260.00	203.33	156.08
Paraw (Small)	500.00	550.00	550.00	484.69	600.00	650.00	643.33	547.96

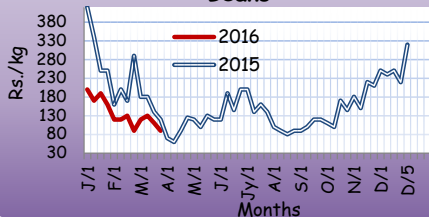
\* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market - Wholesale Prices

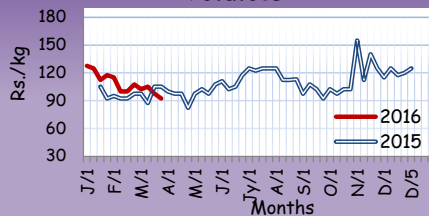
Rice - Kekulu



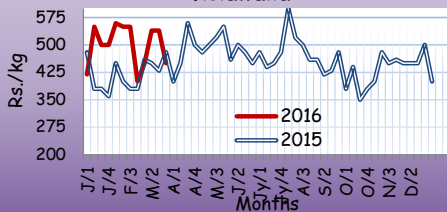
Beans



Potatoes

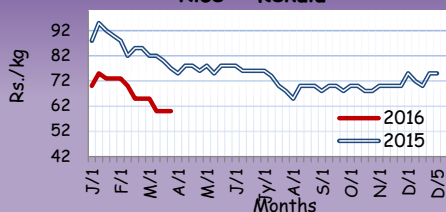


Kelawalla

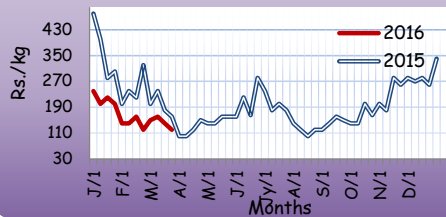


Pettah Market - Retail Prices

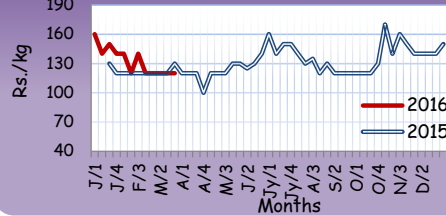
Rice - Kekulu



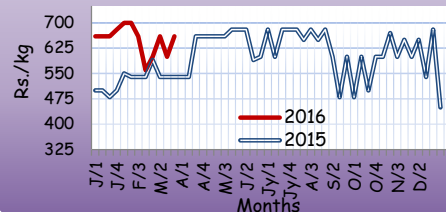
Beans



Potatoes



Kelawalla



1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 05 <sup>th</sup> May 2016	
	Wholesale (Average)	Retail (Average)
<b>Rice</b>		
Samba	76.00	81.50
Kekulu (Red)	57.00	62.60
<b>Vegetables</b>		
Beans	123.00	165.00
Carrot	94.00	145.00
Tomatoes	123.00	160.00
Pumpkins	23.80	39.00
Snake Gourd	66.50	97.00
Ash-Plantains	34.00	59.00
<b>Other Foods</b>		
Red-Onions (Local)	85.00	124.00
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	94.50	120.00
Dried Chilies(Imported)	302.00	360.00
Coconut (Each)	31.00	43.50

1.5 Maradaghamula Market

Average wholesale price of Rice

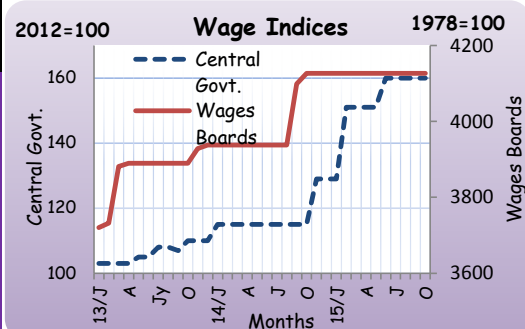
Item (Rs / Kg)	Week Ending 06 <sup>th</sup> May	Week Ago	Month Ago	Year Ago
Samba	74.00	73.50	72.78	79.56
Sudu Kekulu	61.50	61.90	60.56	62.37
Raw Red	57.50	57.70	57.89	66.17
Nadu	63.38	64.70	62.92	64.24

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	06 <sup>th</sup> May 2016	Week Ago
<b>Rice</b>		
Samba	89.67	90.00
Kekulu (Red)	67.00	67.00
<b>Vegetables</b>		
Beans	196.67	200.00
Cabbage	116.67	116.67
Carrots	156.67	136.67
Tomatoes	200.00	176.67
Pumpkins	100.00	76.67
Snake Gourd	136.67	116.67
Brinjals	96.67	116.67
Ash-Plantains	100.00	113.33
<b>Other Foods</b>		
Red-Onions (Imported)	150.00	156.67
Big-Onions (Imported)	80.00	76.67
Potatoes (Imported)	86.67	80.00
Dried Chilies (Imported)	346.67	343.33
Dhal (Indian)	180.00	170.00
Eggs (Red)(Each)	18.33	18.33
Coconut (Each)	53.33	53.33
<b>Fish</b>		
Kelawalla	876.67	876.67
Balaya	553.33	556.67
Salaya	216.67	220.00
Paraw (Small)	876.67	876.67

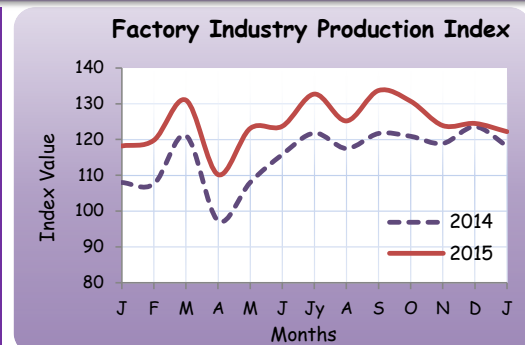
## 1.6 Wage rate Indices

Item	2016 Feb	2015 Feb	% Change
<b>(2012 = 100)</b>			
Central Government Employees	160.4	151.4	5.9
<b>(1978 = 100)</b>			
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



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

Item	2016 (b) Jan	2015 Jan	% Change
<b>Factory Industry- Production Index</b>	<b>122.2</b>	<b>118.2</b>	<b>3.4</b>
Food products	106.8	97.7	9.4
Beverages	108.1	124.2	-12.9
Tobacco products	88.1	103.9	-15.1
Wearing apparel	172.0	161.4	6.5
Chemicals and chemical products	38.5	70.6	-45.5
Rubber and plastic products	132.9	132.7	0.1
Other non-metallic mineral products	132.4	108.4	22.1

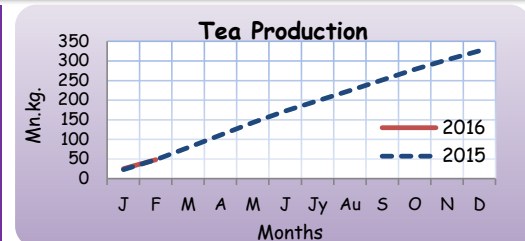


(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

## 1.8 Agriculture Production

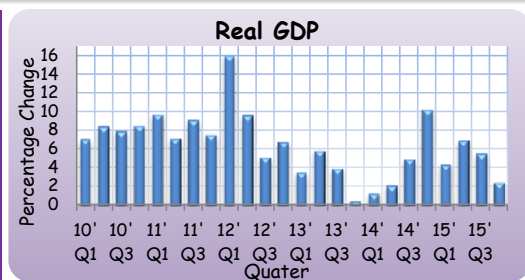
Item	Unit	2016(a) Jan-Feb	2015 Jan-Feb	% Change
Tea	(Mn Kg)	48.0	48.7	-1.4
Rubber	(Mn Kg)	18.8	20.3	-7.4
Coconuts	(Mn Nuts)	512.0	475.0	7.8



(a) Provisional

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

Item	2015(b) 4 <sup>th</sup> Quarter	2014(a)(b) 4 <sup>th</sup> 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
<b>GDP</b>	<b>2.5</b>	<b>10.3</b>	<b>4.8</b>	<b>4.9</b>



(a) Revised (b) Provisional

Source: Department of Census and Statistics

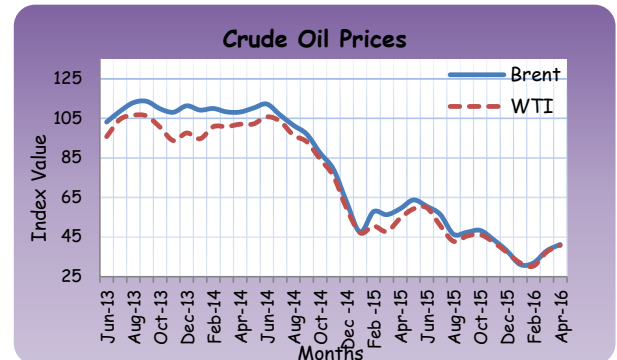
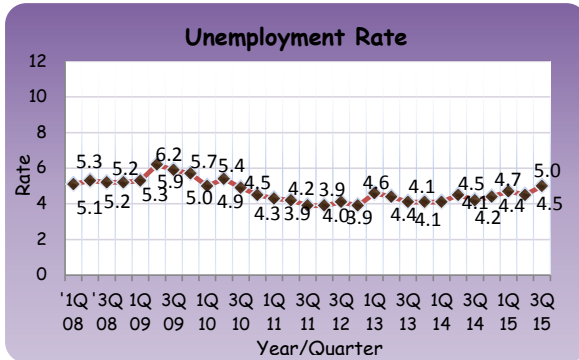
## 1.10 Employment (a)

Item	2015 (b) 4 <sup>th</sup> Quarter	2014 4 <sup>th</sup> Quarter	2015 Annual
Labour Force Participation rate	53.6	52.9	53.8
Unemployment rate	4.3	4.4	4.6
<b>Employed Persons by Sectors (c) (as a % of total employment)</b>			
Agriculture	27.5	30.4	28.2
Industry	25.3	25.4	26.0
Services	47.2	44.2	45.8

(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	35.36
March	56.30	47.82	-	38.06	37.55	35.85
April	59.32	54.45	-	41.25	40.75	
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		
29 April	63.82	58.55		45.29	45.98	
02 May	-	-		-	44.75	
03 May	-	-		42.74	43.65	
04 May	64.47	58.92		42.73	43.77	
05 May	65.29	60.38		44.04	44.33	

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 06 May 2016 increased by 19 bps to 10.01 per cent compared to the previous week.

Broad money (M2b) expanded by 19.8 per cent on a year-on-year basis in February 2016.

NFA of the banking system declined by Rs. 41.4 billion in February 2016.

NCG from the banking system showed an increase of Rs. 52.8 billion in February 2016.

Credit extended to the private sector increased by Rs. 53.7 billion in February 2016.

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 increased to Rs. 0.54 bn by end of the week, compared to Rs. -2.46 bn by the end of last week.

By 06 May 2016, All Share Price Index (ASPI) increased by 1.17 per cent to 6,592 points while S&P SL 20 Index increased by 1.04 per cent to 3,471 points, compared to the previous week.

Highlights

# MONETARY SECTOR

## 2.1 Interest Rates

Item	Week Ending 2016 May 06	Week Ago	Year Ago
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	10.01	9.82	7.09
Treasury Bill Yield (Excluding 10% withholding tax)			
- 91 days	8.52	8.45	6.12
- 182 days	9.63	9.53	6.26
- 364 days	10.27	10.17	6.35
Standing Deposit Facility	6.50	6.50	6.00
Standing Lending Facility	8.00	8.00	7.50
Call Money Weekly Average (CMR)	8.15	8.14	6.12
Sri Lanka Inter Bank Offer Rate ( SLIBOR )			
1 day	8.18	8.15	6.12
7 days	8.51	8.51	6.29
1 Month	9.29	9.29	6.44
3 Months	9.76	9.73	6.69
6 Months	10.22	10.20	6.99
12 Months	10.71	10.68	7.25
Commercial Banks	Jan 2016	Month Ago	Year Ago
Saving Deposits -	0.50-8.50	0.50-8.00	0.50-8.00
One Year Fixed Deposits -	3.95-15.00	3.95-15.00	3.95-12.00
	Apr 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.58	6.44	5.83
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	8.18	7.92	6.87
	Mar 2016	Month Ago	Year Ago
Commercial Bank Average Weighted Lending Rate (AWLR)	11.45	11.30	11.50
NSB	Jan 2016	Month Ago	Year Ago
Saving Deposits -	5.00	5.00	5.00
One Year Fixed Deposits -	7.25	7.25	6.50
<b>Treasury Bonds Auction</b>	(2 Y & 6 Months) 28/04/2016	(4 Years) 28/04/2016	(6 Y & 5 Months) 28/04/2016
Coupon rate	8.00	9.25	10.00
Weighted Average Yield (Excluding 10% withholding tax)	11.53	11.78	11.98

Bankwise- AWPR	Week ending 2016 May 06	Week Ago
Bank of Ceylon	9.86	9.37
People's Bank	9.78	9.78
Hatton National Bank	10.75	10.23
Commercial Bank of Ceylon	10.55	10.32
Sampath Bank	10.68	9.52
Seylan Bank	10.21	9.94
Union Bank of Colombo	11.90	11.90
Pan Asia Banking Corporation	12.43	13.45
Nations Trust Bank	10.14	9.59
DFCC Bank	11.57	10.79
NDB Bank	10.55	10.55
Amana Bank	11.04	10.96
Cargills Bank	10.48	11.08

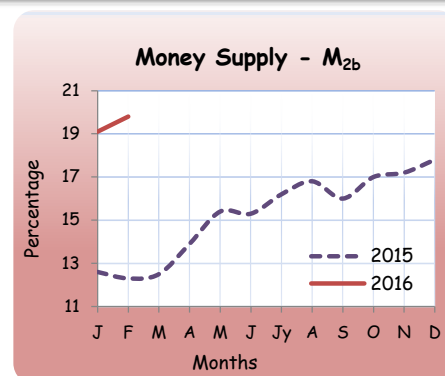
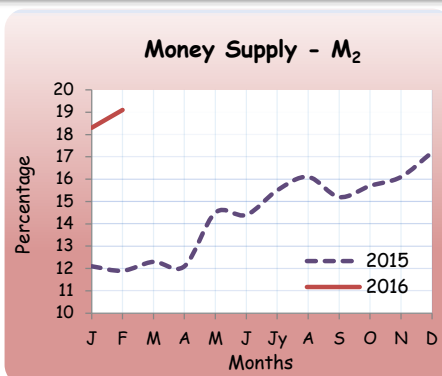
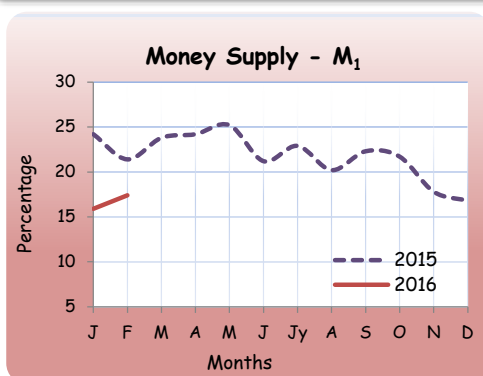
Bankwise- AWPR	Week ending 2016 May 06	Week Ago
HSBC	7.99	8.39
Standard Chartered Bank	9.47	9.28
Citi Bank	10.00	8.46
Deutsche Bank	8.20	8.21
Habib Bank	8.55	7.87
Indian Bank	11.05	10.37
Indian Overseas Bank	11.55	10.87
MCB Bank	9.94	10.39
State Bank of India	10.25	9.71
Public Bank	9.25	9.25
ICICI Bank	11.21	11.21
Axis Bank	10.70	10.49



## 2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2016 (a) February	Month Ago	Year Ago	2016 (a) February	Month Ago	Year Ago
M1	700.5	692.4	596.7	17.4	15.9	21.4
M2	4,158.4	4,103.0	3,492.6	19.1	18.3	11.9
M2b	4,703.8	4,638.3	3,926.6	19.8	19.1	12.3
Net Foreign Assets of the Banking System (b)	-401.8	-360.4	-121.6	-230.5	-204.7	-276.8
Monetary Authorities	468.6	489.5	618.8	-24.3	-20.2	0.0
Domestic Banking Units (DBUs)	-305.9	-298.0	-236.4	-29.4	-21.2	-19.0
Offshore Banking Units (OBUs)	-564.5	-551.9	-504.0	-12.0	-13.6	-43.5
Net Domestic Assets of the Banking System (b)	5,105.6	4,998.7	4,048.2	26.1	24.5	18.1
Monetary Authorities and DBUs	4,357.0	4,265.2	3,392.5	28.4	26.3	15.3
OBUs	748.6	733.5	655.8	14.2	15.2	35.3
Net Credit to Government	1,920.8	1,868.0	1,644.8	16.8	19.9	22.3
Monetary Authorities	384.5	336.5	245.8	56.4	39.7	51.7
DBUs	1,141.5	1,155.8	1,120.4	1.9	8.9	13.3
OBUs	394.8	375.7	278.6	41.7	47.2	44.1
Credit to Public Corporations	526.4	527.6	481.7	9.3	12.5	41.8
DBUs	254.4	249.8	199.1	27.8	29.1	49.1
OBUs	272.0	277.9	282.6	-3.7	0.9	37.0
Credit to the Private Sector	3,546.8	3,493.1	2,803.7	26.5	25.7	12.6
DBUs	3,275.3	3,215.7	2,545.4	28.7	27.6	11.5
OBUs	271.5	277.5	258.3	5.1	7.0	24.7
Reserve Money	739.3	718.6	583.0	26.8	24.7	17.9

(a) Provisional (b) In relation to M2b

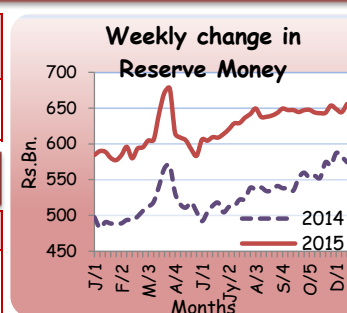


## 2.3 Weekly change in Reserve Money

Item	05 May 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	759,907	771,819	-11,912

## 2.4 Money Market Activity (Overnight)

Item	02.05.2016	03.05.2016	04.05.2016	05.05.2016	06.05.2016
<b>Call Money Market</b>					
Weighted Average Rate (% p.a.)	0.00	8.15	8.15	8.15	8.15
Gross Volume (Rs. Mn)	0	16,150	16,585	10,280	14,675
<b>Repo Market</b>					
Weighted Average Rate (% p.a.)	0.00	7.99	8.05	8.01	8.02
Gross Volume (Rs. Mn)	0	29,763	21,995	24,417	35,475



## 2.5 CBSL Security Portfolio

Item	02.05.2016	03.05.2016	04.05.2016	05.05.2016	06.05.2016
CBSL T-Bill Holding (Rs. Mn)	0	227,936	231,765	235,839	238,569

## 2.6 Open Market Operations

Item	02.05.2016	03.05.2016	04.05.2016	05.05.2016	06.05.2016
<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)	0.00	10.00	10.00	10.00	0.00
Tenure (No. of Days)	0	1	1	1	0
Bids Received (Rs. bn)	0.00	18.00	22.55	25.21	0.00
Amount Accepted (Rs. bn)	0.00	10.00	10.00	10.00	0.00
Weighted Average Yield Rate (% p.a.)	0.00	7.92	7.95	7.97	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)	0.00	10.24	11.13	15.04	21.06
Standing Lending Facility (Rs. bn)	0.00	9.95	13.72	17.74	20.53
<b>Total Outstanding Market Liquidity (Rs. bn)</b>	0.00	-9.71	-12.59	-12.70	0.54

## 2.7 Credit Cards (a)

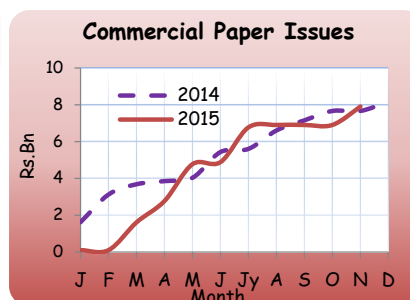
Item	2015 (b) End Dec	2015 End Nov	2014 End Dec
<b>Total Number of Active Cards</b>	1,142,748	1,136,408	1,032,833
Local (accepted only locally)	30,902	30,999	32,874
Global (accepted globally)	1,111,846	1,105,409	999,959
<b>Outstanding balance (Rs. Mn.)</b>	63,047	60,466	57,621
Local (accepted only locally)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

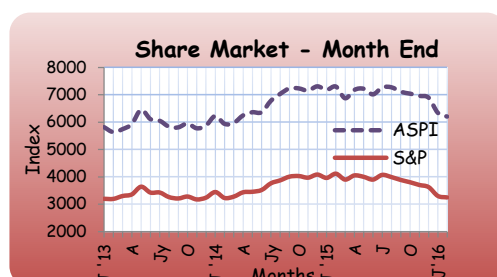
Item (Rs. bn.)	2015 End Dec(b)	2015 End Nov	2014 End Dec
Total Issues - Cumulative	7.9	7.9	8.2
Outstanding (as at end of the period)	4.5	5.8	3.5

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



## 2.9 Share Market

Item	Week Ending 06 May 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,592	6,516	7,192
S & P Sri Lanka 20 Index (S&P SL20)	3,471	3,436	4,059
Average Daily Turnover (Rs. Mn)	765	732	1,198
Market Capitalisation (Rs.Bn.)	2,809	2,777	3,054



## Fiscal Sector

In 2015, total government revenue to GDP ratio reversed its declining trend reported since 2011 and increased to 13.0 per cent from 11.4 per cent in 2014. This increase was entirely due to the increase in tax revenue amidst the decline in non tax revenue collection in 2015. The revenue was only marginally below the annual target of 13.3 per cent of GDP stipulated in the Budget for 2015. Tax revenue as a percentage of GDP increased to 12.1 per cent in 2015 from 10.1 per cent in 2014 while non tax revenue declined to 0.9 per cent of GDP in 2015 from 1.4 per cent in 2014. In nominal terms, total revenue increased by 21.7 per cent to Rs. 1,454.9 billion in 2015 from Rs. 1,195.2 billion in 2014 mainly due to the increase in revenue collection from excise duties, income tax and import duties. The decline in non tax revenue was mainly attributed to the decline in profit and dividend transfers of SOBEs and declined interest and rent income although revenue from fees and charges increased during the year.

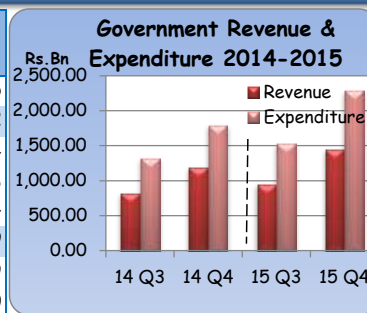
Total expenditure and net lending as a percentage of GDP increased to 20.5 per cent in 2015 from 17.2 per cent in 2014 due to increase in both recurrent expenditure, and capital expenditure and net lending. The increase in total expenditure and net lending was a combined outcome of the increase in recurrent expenditure by 2.5 percentage to 15.2 per cent, while capital expenditure and net lending increased by 0.8 percentage points to 5.3 per cent of GDP. In nominal terms total expenditure and net lending increased by 27.5 per cent to Rs. 2,290.4 billion in 2015 from Rs. 1,795.9 billion in 2014. Public investment, which amounted to 5.4 per cent of GDP in 2015, was significantly higher than 4.7 per cent of GDP recorded in 2014.

In nominal terms, total outstanding government debt increased by 15.0 per cent to Rs. 8,503.2 billion as at end 2015 from Rs. 7,390.9 billion at end 2014. The total debt stock increased by Rs. 285.1 billion due to exchange rate variations on account of the depreciation of the rupee against major foreign currencies.

# FISCAL SECTOR

## 3.1 Government Finance (Rs.bn)

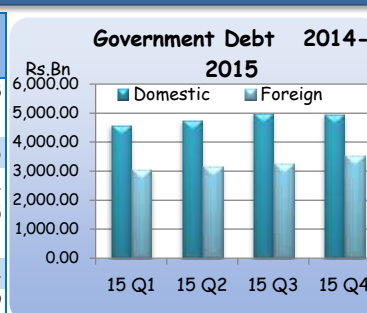
Item	2015 (a)	2014
<b>Revenue and Grants</b>	<b>1,460.9</b>	<b>1,204.6</b>
<b>Revenue</b>	<b>1,454.9</b>	<b>1,195.2</b>
Tax	1,355.8	1,050.4
Non tax	99.1	144.8
<b>Grants</b>	<b>6.0</b>	<b>9.4</b>
<b>Expenditure &amp; Lending Minus Repayments</b>	<b>2,290.4</b>	<b>1,795.9</b>
Current	1,701.7	1,322.9
Capital & Lending Minus Repayments	588.7	473.0



(a) Provisional

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

Item	End 2015(a)	End 2014
<b>Total domestic debt</b>	<b>4,959.2</b>	<b>4,277.8</b>
of which		
Treasury bills	658.2	694.8
Treasury bonds	3,305.2	2,844.1
Rupee loans	24.1	55.5
<b>Total foreign debt</b>	<b>3,544.0</b>	<b>3,113.1</b>
<b>Total outstanding govt. debt</b>	<b>8,503.2</b>	<b>7,390.9</b>



(a)Provisional

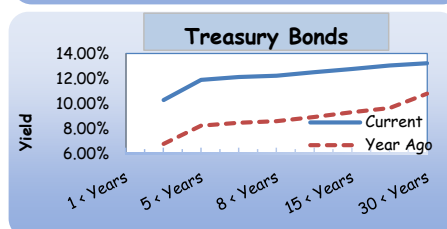
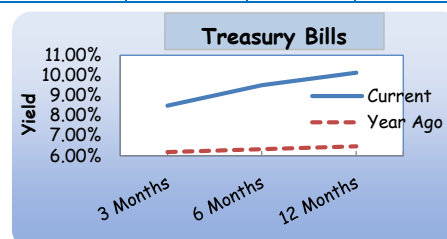
## 3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 04<sup>th</sup> May 2016

Security	Maturity	Primary Market(a)		Secondary Market			Last Week Average
		This Week	Last Week	This Week			
				Buying	Selling	Average	
Treasury Bills	3 Months	8.52%	8.45%	8.62%	8.37%	8.50%	8.55%
	6 Months	9.63%	9.53%	9.63%	9.40%	9.51%	9.53%
	12 Months	10.27%	10.17%	10.24%	10.03%	10.13%	10.15%
Treasury Bonds	< 2 Years	-	-	10.43%	10.13%	10.28%	10.25%
	< 5 Years	11.78%	-	12.00%	11.81%	11.90%	11.97%
	< 6Years	-	-	12.22%	12.01%	12.12%	12.16%
	< 8Years	11.98%	-	12.34%	12.13%	12.24%	12.31%
	< 10Years	-	-	12.61%	12.40%	12.50%	12.65%
	< 15 Years	-	-	12.87%	12.69%	12.78%	12.95%
	< 20 Years	-	-	13.16%	12.93%	13.05%	13.19%
< 30 Years	-	-	13.38%	13.07%	13.23%	13.36%	

(a) Primary market transactions during the week ending 04/05/2016

The secondary market yield rates of T-bills & T-bonds have decreased across all maturities(except for T-bonds less than 2 year maturity) 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%	5.86%	5.70%
	27-Jul-21	6.250%	6.33%	6.22%
	25-Jul-22	5.875%	6.71%	6.51%
	14-Jan-19	6.000%	5.21%	5.10%
	11-Apr-19	5.125%	5.19%	5.08%
	3-Jun-25	6.125%	7.18%	6.92%
3-Nov-25	6.850%	7.33%	7.04%	



### 3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 04<sup>th</sup> May 2016 )

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	675,913.96	701,263.47
Treasury Bonds (a)	3,787,589.90	3,757,149.90
<b>Total</b>	<b>4,463,503.86</b>	<b>4,458,413.37</b>
T-bills and T-bonds held by Foreigners	224,478.66	223,945.25
Sri Lanka Development Bonds (SLDB)	743,190.94	733,858.34

The outstanding stock of T-bills decreased while the outstanding stock of T-bonds increased with the new issuances in the reporting week over the previous week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Amount Offered	35,000.00	24,000.00
Total Bids Received	82,506.00	65,426.00
Total Bids Accepted	33,621.00	12,869.00
<b>Treasury Bonds</b>		
Amount Offered	24,000.00	
Total Bids Received	105,000.00	No auction held
Total Bids Accepted	30,440.00	

Both the T-bill and T-bond auctions were over subscribed by 2.4 and 4.4 times, respectively 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)	19,140.48	37,432.70
Repo Transaction (Sales / Purchases)	143,991.82	152,476.48
<b>Treasury Bonds</b>		
Outright Transaction (Sales / Purchases)	139,240.34	140,069.00
Repo Transaction (Sales / Purchases)	827,774.61	835,040.92

The secondary market activities in T-bill and T-bond 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) - 06/05/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.84	8.15	99.85	7.94	0.00
1 Month	99.32	8.31	99.34	8.10	0.02
2 Month	98.60	8.55	98.65	8.22	0.05
3 Month	97.87	8.67	97.93	8.43	0.06
4 Month	97.07	8.94	97.14	8.73	0.07
5 Month	96.20	9.26	96.30	9.04	0.09
6 Month	95.25	9.66	95.36	9.44	0.11
7 Month	94.41	9.74	94.49	9.60	0.08
8 Month	93.53	9.84	93.64	9.68	0.11
9 Month	92.64	9.95	92.76	9.79	0.12
10 Month	91.75	10.04	91.89	9.87	0.14
11 Month	90.84	10.13	91.00	9.96	0.16
12 Month	89.81	10.33	90.05	10.08	0.24

### 3.6 Two way Quotes (Treasury Bonds)- 06/05/2016

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
08.00%2016B	4	1-Jun-16	26	99.89	9.20	99.91	8.91	0.02
06.40%2016A	6	1-Aug-16	87	99.26	9.43	99.32	9.17	0.06
08.00%2016A	5	1-Sep-16	118	99.47	9.56	99.54	9.35	0.07
06.40%2016B	6	1-Oct-16	148	98.70	9.69	98.77	9.50	0.08
08.00%2017A	5	1-Jan-17	240	98.67	10.12	98.79	9.92	0.12
05.80%2017A	6	15-Jan-17	254	97.13	10.17	97.27	9.95	0.14
08.25%2017A	3	1-Mar-17	299	98.36	10.36	98.60	10.04	0.25
08.75%2017A	4	15-May-17	374	98.35	10.49	98.60	10.22	0.25
08.00%2017B	5	15-Jun-17	405	97.27	10.65	97.65	10.28	0.37
05.80%2017B	6	15-Jul-17	435	94.66	10.68	95.01	10.34	0.35
08.50%2018A	15	1-Feb-18	636	96.02	11.06	96.72	10.59	0.71
08.50%2018C	5	1-Apr-18	695	95.14	11.40	95.55	11.15	0.41
08.50%2018D	5	1-Jun-18	756	94.79	11.39	95.29	11.10	0.50
08.50%2018B	15	15-Jul-18	800	94.49	11.40	95.07	11.08	0.58
07.50%2018A	15	15-Aug-18	831	92.31	11.41	92.83	11.14	0.52
08.75%2018A	4	15-Oct-18	892	94.00	11.63	94.85	11.21	0.84
08.00%2018A	6	15-Nov-18	923	92.58	11.46	93.18	11.17	0.60
05.65%2019A	8	15-Jan-19	984	86.14	11.80	86.91	11.43	0.76
08.50%2019A	10	1-May-19	1,090	91.75	11.86	92.57	11.51	0.82
10.60%2019A	5	1-Jul-19	1,151	97.07	11.73	97.62	11.51	0.55
10.60%2019B	5	15-Sep-19	1,227	96.95	11.71	97.31	11.58	0.36
08.00%2019A	8	1-Nov-19	1,274	89.61	11.72	89.98	11.57	0.37
09.25%2020A	5	1-May-20	1,456	92.03	11.81	92.55	11.64	0.52
08.00%2020A	8	1-Jun-20	1,487	86.92	12.16	87.45	11.98	0.53
06.20%2020A	10	1-Aug-20	1,548	80.91	12.08	81.42	11.90	0.51
09.50%2020A	5	15-Dec-20	1,684	90.54	12.24	91.27	12.02	0.72
09.00%2021A	8	1-May-21	1,821	89.09	11.97	89.76	11.77	0.67
11.00%2021A	7	1-Aug-21	1,913	96.58	11.89	97.19	11.72	0.61
09.45%2021A	7	15-Oct-21	1,988	88.70	12.36	89.51	12.14	0.80
08.00%2022A	10	1-Jan-22	2,066	82.46	12.40	83.29	12.17	0.83
11.20%2022A	9	1-Jul-22	2,247	95.97	12.14	96.80	11.94	0.83
10.00%2022A	8	1-Oct-22	2,339	91.12	12.02	91.83	11.85	0.71
09.00%2023A	10	1-Sep-23	2,674	84.27	12.32	85.18	12.10	0.90
11.20%2023A	9	1-Sep-23	2,674	95.08	12.23	95.93	12.04	0.85
07.00%2023A	20	1-Oct-23	2,704	73.92	12.50	74.80	12.27	0.89
11.40%2024A	10	1-Jan-24	2,796	95.89	12.24	96.81	12.04	0.92
06.00%2024A	10	1-Dec-24	3,131	65.70	12.67	66.53	12.46	0.83
10.25%2025A	10	15-Mar-25	3,235	88.96	12.33	89.86	12.15	0.89
09.00%2025A	12	1-May-25	3,282	80.79	12.64	81.71	12.44	0.92
11.00%2025A	10	1-Aug-25	3,374	92.24	12.43	93.23	12.24	0.99
09.00%2026A	13	1-Feb-26	3,558	79.32	12.76	80.46	12.52	1.14
05.35%2026A	15	1-Mar-26	3,586	58.78	12.85	59.69	12.62	0.92
11.00%2026A	11	1-Jun-26	3,678	92.32	12.35	93.13	12.20	0.82
09.00%2028B	15	1-May-28	4,378	76.22	12.96	77.27	12.75	1.05
09.00%2028A	15	1-Jul-28	4,439	75.94	12.98	77.01	12.77	1.07
11.50%2028A	13	1-Sep-28	4,501	92.84	12.66	93.81	12.49	0.97
13.00%2029A	15	1-Jan-29	4,623	100.00	12.99	101.05	12.82	1.05
13.00%2029B	15	1-May-29	4,743	100.02	13.00	100.91	12.85	0.89
11.00%2030A	15	15-May-30	5,122	89.64	12.59	90.61	12.43	0.97
08.00%2032A	20	1-Jan-32	5,718	66.41	13.09	67.31	12.91	0.90
09.00%2032A	20	1-Oct-32	5,992	72.37	13.14	73.45	12.94	1.08
09.00%2033A	20	1-Jun-33	6,235	71.85	13.18	72.98	12.96	1.14
13.25%2033A	20	1-Jul-33	6,265	100.25	13.21	101.80	12.98	1.55
09.00%2033B	20	1-Nov-33	6,388	71.35	13.24	72.57	13.01	1.22
13.25%2034A	20	1-Jan-34	6,449	99.83	13.27	101.45	13.03	1.62
11.50%2035A	20	15-Mar-35	6,887	89.86	12.94	91.65	12.67	1.78
12.00%2041A	25	1-Jan-41	9,006	92.37	13.04	94.72	12.70	2.35
09.00%2043A	30	1-Jun-43	9,887	67.77	13.47	69.30	13.17	1.53
13.50%2044A	30	1-Jan-44	10,101	99.91	13.51	102.00	13.22	2.09
13.50%2044B	30	1-Jun-44	10,253	99.67	13.54	101.74	13.26	2.07
12.50%2045A	30	1-Mar-45	10,526	93.80	13.34	96.17	13.01	2.37



## External Sector

During the year up to 06 May 2016 the rupee depreciated against the US dollar (1.14 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (1.16 per cent) and depreciated against Indian rupee (0.95 per cent), Japanese yen (12.08 per cent) & euro (5.32 per cent) during this period.

Earnings from exports during the month of January 2016 decreased by 2.5 per cent to US dollars 894 million. Lower performance in tea, spices, petroleum products and seafood exports contributed mainly for the drop in exports.

In January 2016, expenditure on imports declined by 5.5 per cent to US dollars 1,589 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.

Significant decline in exports unit value index compared to the reduction in import unit value index resulted to decline the terms of trade in December 2015 by 27.5 per cent compared to the corresponding month of previous year. The export unit value index declined by 35.2 per cent in December 2015 mainly due to the decline recorded in prices of industrial exports driven by petroleum products as well as the gem diamonds and jewellery. The import unit value index in December 2015, declined by 10.7 per cent, year-on-year, mainly due to the decline in unit prices of intermediate goods followed by investment goods. Import unit value index for intermediate goods declined particularly to the drop in unit value index for fuel imports while import unit value index for investment goods declined due to the price declines in machinery and equipment and transport equipment.

India, China, UK, Germany and France were the top five sources of tourist arrivals in April 2016, accounting for 51.6 per cent of total tourist arrivals upto the month of April 2016

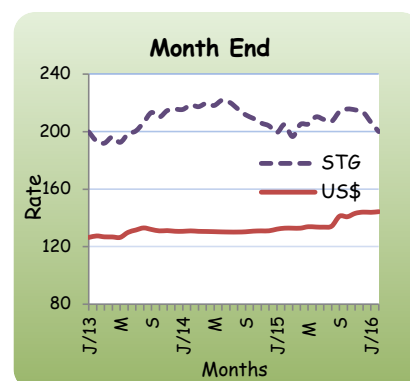
The average price of tea marginally declined to US dollars 2.85 per kg in January 2016 from US dollars 2.89 per kg (in the Colombo auction) in December 2015.

Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2015.

# EXTERNAL SECTOR

## 4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 06 May 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	143.59	147.40	145.50	145.51	134.32
STG	207.30	214.64	210.97	213.45	203.91
Yen	1.33	1.39	1.36	1.36	1.12
Euro	162.76	169.25	166.01	165.85	147.86
INR <sup>(1)</sup>			2.19	2.17	2.10
SDR (As at 05 May 2016)			206.93	203.40	186.18
<b>Central Bank purchases and sales(b) (US\$ Mn. )</b>			<b>March 2016</b>	<b>Month Ago</b>	<b>Year Ago</b>
Purchases			10.95	0.00	18.10
Sales			432.06	189.05	101.65



	Week Ending 06 May 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	17.34	36.57	18.88
<b>Forward Transactions</b>			
Forward Rates (US\$) <sup>(2)</sup>			
1 Month	146.23	146.45	134.06
3 Months	147.17	147.70	134.60
Average Daily Interbank Forward Volume (US\$ mn)	36.17	39.78	26.03
Outstanding Forward Volume (US\$ mn) (As at 05 May 2016)	1,454.62	1,406.25	1,216.93

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

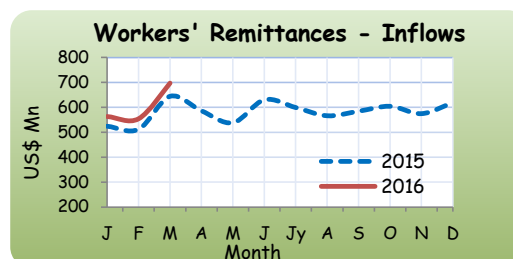
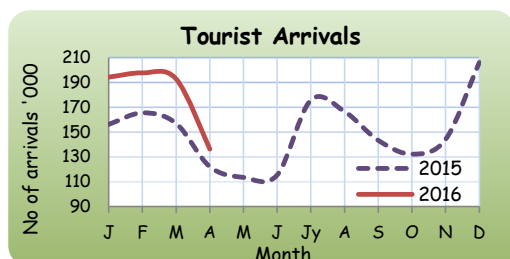
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

## 4.2 Tourism & Workers' Remittances

Item		2015	2016	2015(a)	2016(b)	% Change
		Apr (a)(c)	Apr (b)(d)	Jan-Apr (c)	Jan-Apr (d)	
Tourist Arrivals	Number	122,217	136,367	601,055	721,185	20.0
Earnings from Tourism(d)	US\$ Mn.	202.6	226.0	996.2	1,195.30	20.0
	Rs.bn.	26.9	32.5	132.0	172	30.3
Workers' Remittances (Inflows)		2015	2016	2015	2016	% Change
		Mar (a)	Mar (b)	Jan-Mar(a)	Jan-Mar(b)	
	US\$ Mn.	644.3	697.1	1,679.4	1,814.7	8.1
	Rs. bn.	85.6	100.4	222.4	261.2	17.5

(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 30<sup>th</sup> April 2016<sup>(a)</sup>

Official Reserve Assets (USD Mn)	6,070.45
(1) Foreign currency reserves	5,080.86
(2) Reserve position in the IMF	68.10
(3) SDRs	6.90
(4) Gold	913.60
(5) Other reserve assets	0.98

(a) Provisional

#### 4.4 International Reserves & Foreign Currency Liquidity as at 31<sup>st</sup> March 2016 <sup>(a)</sup>

Official Reserve Assets (USD mn)	
<b>Official Reserve Assets</b>	<b>6,225.19</b>
(1) Foreign currency reserves	5,259.56
(a) Securities	2,220.06
(b) Total currency and deposits with	3,039.50
(i) other national central banks, BIS	1,130.92
(ii) banks headquartered inside the reporting country of which located abroad	1.32
(iii) banks headquartered outside the reporting country	1,907.26
(2) Reserve position in the IMF	71.05
(3) SDRs	7.34
(4) Gold	886.26
(5) Other reserve assets	0.98

#### 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	-4,346.34	-161.61	-1,084.14	-3,100.59
Interest	-958.26	-68.46	-125.47	-764.33
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>	-3,341.81	-966.38	-1,225.00	-1,150.43
(b) Long positions (+)				
3. Other (specify)	-0.81	-0.81		
inflows related to reverse repos (+)				
other accounts payable (-)	-0.81	-0.81		

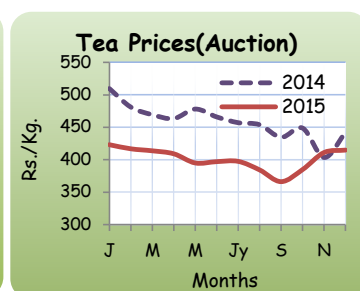
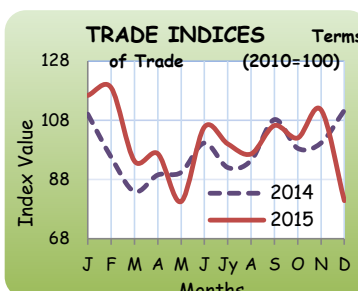
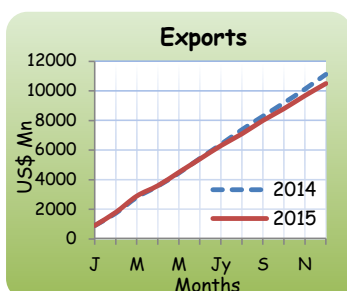
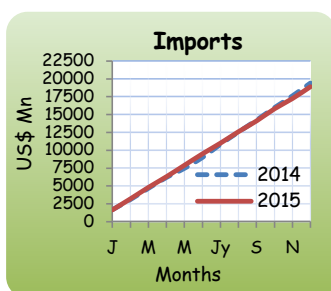
(a) Provisional

(b) This mainly includes only the predetermined outflows

(c) A major share of SWAP outstanding will be rolled over. This mainly includes SWAP arrangements with state banks which mobilised long-term foreign finance from international bond issuances

## 4.5 External Trade

Item	US\$ Mn			Rs Mn		
	January 2016	January 2015	% Change	January 2016	January 2015	% Change
<b>Exports</b>	<b>893.9</b>	<b>916.7</b>	<b>-2.5</b>	<b>128,667.8</b>	<b>120,588.3</b>	<b>6.7</b>
Agricultural	179.5	202.0	-11.1	25,832.5	26,569.9	-2.8
Industrial	711.5	710.7	0.1	102,413.0	93,486.9	9.5
Food, Beverages and Tobacco	22.0	21.2	3.8	3,166.0	2,786.9	13.6
Textiles and Apparel	464.4	409.9	13.3	66,850.8	53,916.7	24.0
Petroleum Products	28.6	61.3	-53.3	4,118.1	8,057.7	-48.9
Leather, Rubber etc	83.5	79.4	5.2	12,025.8	10,449.9	15.1
Other	112.9	138.9	-18.7	16,252.3	18,275.6	-11.1
Mineral	1.9	2.8	-34.7	267.6	374.2	-28.5
Other	1.1	1.2	-10.1	154.8	157.3	-1.6
<b>Imports</b>	<b>1,589.1</b>	<b>1,681.6</b>	<b>-5.5</b>	<b>228,739.5</b>	<b>221,220.9</b>	<b>3.4</b>
Consumer Goods	343.5	397.3	-13.5	49,449.6	52,269.9	-5.4
Intermediate Goods	801.2	841.6	-4.8	115,322.8	110,717.3	4.2
Investment Goods	443.9	441.8	0.5	63,897.1	58,124.6	9.9
Other	0.5	0.8	-41.4	70.0	109.1	-35.8
<b>Trade Balance</b>	<b>-695.2</b>	<b>-765.0</b>	<b>9.1</b>	<b>-100,071.7</b>	<b>-100,632.6</b>	<b>0.6</b>

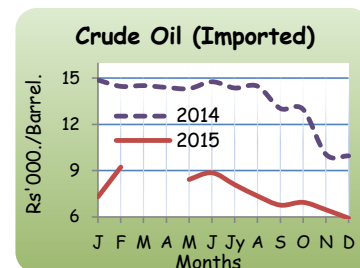
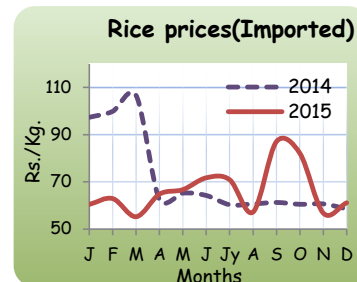


## 4.6 Trade Indices (2010= 100 ) (a)

Item	2015 Dec (b)	Month Ago	Year Ago
<b>Total Exports</b>			
Value	113.8	116.2	139.9
Quantity	155.1	112.0	123.5
Unit Value	73.3	103.7	113.3
<b>Total Imports</b>			
Value	147.2	131.1	160.9
Quantity	162.1	141.0	158.1
Unit Value	90.8	93.0	101.7
<b>Terms of Trade</b>	80.8	111.5	111.3

(a) In US\$ Terms

(b) Provisional



## 4.7 International Commodity Prices

Item	January 2016	January 2015	% Change	January 2016	January 2015	% Change
<b>Colombo Auction Price</b>	US\$ / Kg			Rs / Kg		
Tea Prices	2.85	3.22	-11.6	409.61	423.24	-3.2
<b>Imports (C I F)</b>	US\$ / MT			Rs / MT		
Rice	379.38	459.48	-17.4	54,607.40	60,444.56	-9.7
White Sugar	428.02	458.47	-6.6	61,609.05	60,311.58	2.2
Wheat	257.17	298.39	-13.8	37,017.65	39,253.75	-5.7
	US\$ / Barrel			Rs / Barrel		
Crude Oil	31.87	55.47	-42.5	4,587.54	7,296.52	-37.1