

Weekly Economic Indicators

03 June 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, increased to 4.3 per cent in April 2016 from 2.2 per cent in March 2016, on year-on-year basis. Food and Non Alcoholic Beverages; Alcoholic Beverages and Tobacco; Clothing and Footwear; Furnishings, Household Equipment and Routine Household Maintenance; Health; Transport; Recreation and Culture; Education; Restaurants and Hotels and Miscellaneous Goods and Services sub categories contributed towards the year-on-year inflation in April. The change in the NCPI measured on an annual average basis increased to 2.6 per cent in April 2016 from 2.4 per cent recorded in March 2016. When the monthly change in the NCPI is considered, the NCPI increased by 1.5 per cent from 110.0 index points in March 2016 to 111.6 index points in April 2016.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) ,2006/07=100, increased to 4.8 per cent in May 2016 from 3.1 per cent in April 2016, on year-on-year basis. Annual average inflation increased to 1.7 per cent from 1.3 per cent for the same period. The monthly change in CCPI in April 2016 was 2.4 per cent. The Core CCPI increased to 6.6 per cent in May 2016 from 4.5 per cent in April 2016, on year-on-year basis.

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.

The production of tea and rubber has recorded a decline of 11.4 per cent and 2.4 per cent respectively during the first quarter of 2016. However, the coconut production has recorded an increase of 6.2 per cent during the same period.

The FIPI increased by 2.6 per cent on a year-on-year basis in February 2016. This growth was mainly facilitated by increased production of other non-metallic mineral products, food products and wearing apparel sectors and recorded significant growths of 18.2, 2.5 and 2.7 per cent respectively during this period.

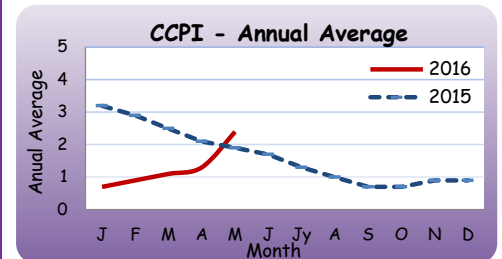
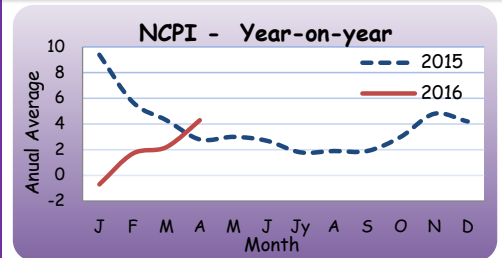
During the week crude oil spot prices largely followed a decreasing trend. At the beginning of the week, Brent price rose in view of summer driving season. Subsequently, prices fell as production from the major Middle East exporters was expected to remain high or even increase and concerns over the state of China's economy weighed on fuel demand outlook. Industry sources reported Iraq will supply 5 million barrels of extra crude in June while Saudi Arabia, as well as fellow OPEC producers Kuwait, Iran and the U.A.E. also plan to raise supplies in the third quarter. Prices further fell on signals ahead of an OPEC meeting in Vienna, which analysts said was not expected to result in restrictions on crude output.

Highlights

REAL SECTOR

1.1 Price Indices

Item	April 2016	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	111.6	110.0	107.0
Monthly Change %	1.5	-0.7	-0.6
Year - on - Year Change %	4.3	2.2	2.8
Annual Average Change %	2.6	2.4	-
Item	May 2016	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	188.5	184.1	179.8
Annual Average Change %	2.4	1.3	1.9
Year - on - Year Change %	2.2	3.1	0.2
Core Inflation - (CCPI)	188.1	184.0	176.5
Annual Average Change %	4.5	4.1	2.9
Year - on - Year Change %	6.6	4.5	2.6



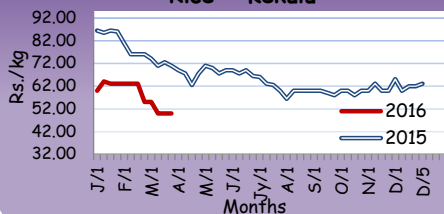
1.2 Pettah Market

Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 02 nd June 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 02 nd June 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	80.00	80.00	78.25	83.22	90.00	88.00	88.25	90.10
Kekulu (Red)	55.00	53.00	53.25	66.15	60.00	60.00	61.25	75.20
Vegetables								
Beans	200.00	330.00	222.50	160.49	240.00	380.00	260.00	196.86
Cabbage	140.00	150.00	95.00	79.31	180.00	200.00	140.00	117.94
Carrots	160.00	170.00	127.50	146.27	200.00	220.00	160.00	184.90
Tomatoes	120.00	110.00	162.50	89.80	160.00	140.00	205.00	126.18
Pumpkins	50.00	60.00	47.50	49.12	90.00	80.00	67.50	72.94
Snake Gourd	120.00	120.00	117.50	73.73	160.00	160.00	150.00	106.57
Brinjals	120.00	110.00	82.50	72.56	160.00	160.00	120.00	105.69
Ash-Plantains	50.00	60.00	60.00	81.08	80.00	80.00	85.00	110.59
Other Foods								
Red-Onions (Local)	125.00	190.00	130.62	105.28	160.00	210.00	162.50	135.34
Big-Onions (Local)	n.a.	n.a.	n.a.	95.17	n.a.	n.a.	n.a.	124.67
Potatoes (N'Eliya)	130.00	120.00	117.50	107.98	155.00	140.00	137.50	130.80
Dried Chilies (Imported)	320.00	300.00	305.00	248.90	360.00	350.00	350.00	291.08
Dhal (Indian)	165.00	170.00	168.75	161.98	180.00	180.00	180.00	177.43
Eggs (Red)	13.50	13.50	13.50	14.17	14.00	14.00	14.00	14.77
Coconut (Each)	31.00	31.00	31.63	41.00	50.00	50.00	47.50	53.18
Fish*								
Kelawalla	620.00	550.00	560.00	453.14	720.00	680.00	713.33	598.24
Balaya	380.00	320.00	350.00	295.00	460.00	400.00	443.33	361.20
Salaya	100.00	n.a.	150.00	114.71	140.00	n.a.	200.00	156.08
Paraw (Small)	620.00	680.00	603.33	484.69	720.00	750.00	676.67	547.96

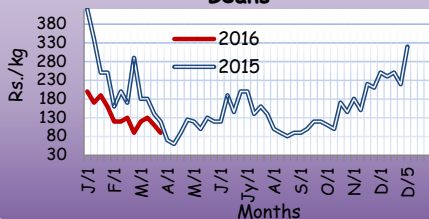
* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market - Wholesale Prices

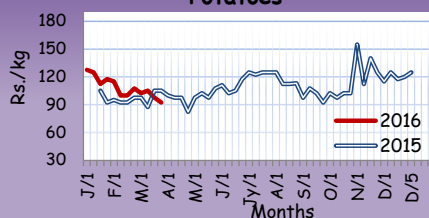
Rice - Kekulu



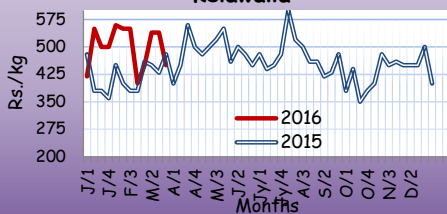
Beans



Potatoes

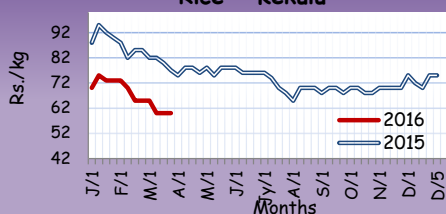


Kelawalla

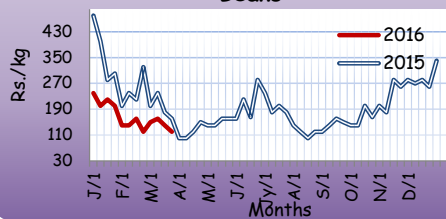


Pettah Market - Retail Prices

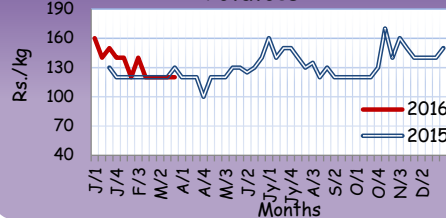
Rice - Kekulu



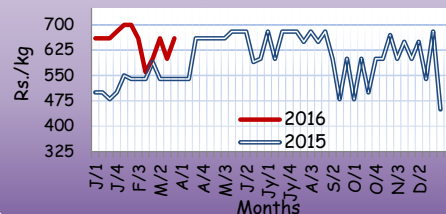
Beans



Potatoes



Kelawalla



1.3 Dambulla Market

Item (Rs / Kg)	Week Ending 02 nd June 2016	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	78.00	82.50
Kekulu (Red)	57.40	63.50
Vegetables		
Beans	179.00	227.00
Carrot	161.00	210.00
Tomatoes	104.00	150.00
Pumpkins	48.50	68.00
Snake Gourd	101.00	148.00
Ash-Plantains		
Other Foods		
Red-Onions (Local)	128.00	178.00
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Eliya)	125.00	160.00
Dried Chilies(Imported)	307.50	360.00
Coconut (Each)	30.40	40.00

1.5 Maradaghamula Market

Average wholesale price of Rice

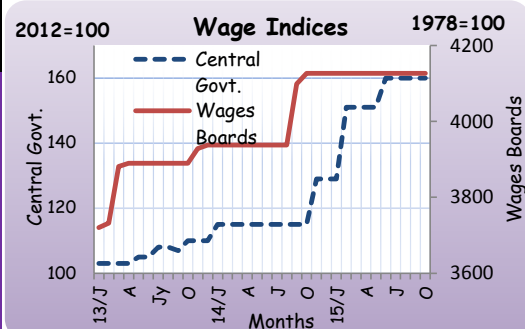
Item (Rs / Kg)	Week Ending 03 rd June	Week Ago	Month Ago	Year Ago
Samba	81.70	79.63	76.88	79.56
Sudu Kekulu	62.90	63.00	62.15	62.37
Raw Red	59.50	58.13	58.23	66.17
Nadu	68.80	66.25	65.35	64.24

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	03 rd June 2016	Week Ago
Rice		
Samba	90.00	89.67
Kekulu (Red)	67.00	67.67
Vegetables		
Beans	216.67	276.67
Cabbage	136.67	133.33
Carrots	216.67	200.00
Tomatoes	213.33	233.33
Pumpkins	96.67	76.67
Snake Gourd	176.67	140.00
Brinjals	176.67	96.67
Ash-Plantains	123.33	133.33
Other Foods		
Red-Onions (Imported)	143.33	200.00
Big-Onions (Imported)	73.33	86.67
Potatoes (Imported)	80.00	100.00
Dried Chilies (Imported)	346.67	346.67
Dhal (Indian)	176.67	176.67
Eggs (Red)(Each)	13.00	13.33
Coconut (Each)	53.33	53.33
Fish		
Kelawalla	786.67	786.67
Balaya	456.67	n.a.
Salaya	196.67	196.67
Paraw (Small)	886.67	846.67

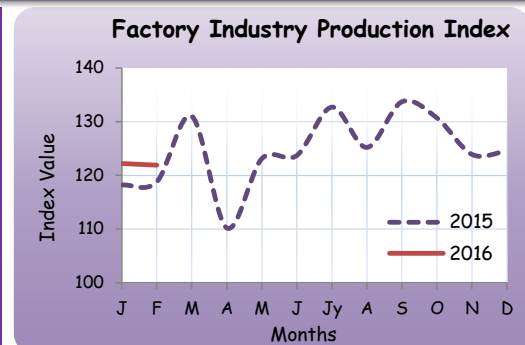
1.6 Wage rate Indices

Item	2016 Feb	2015 Feb	% Change
(2012 = 100)			
Central Government Employees	160.4	151.4	5.9
(1978 = 100)			
Workers in Wages Boards Trades	4,127.1	4,127.2	0.0
Agriculture	4,734.5	4,734.5	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) Feb	2015 Feb	% Change
Factory Industry- Production Index	121.9	118.8	2.6
Food products	102.9	100.4	2.5
Beverages	108.9	118.5	-8.1
Tobacco products	91.4	101.4	-9.9
Wearing apparel	173.9	169.4	2.7
Chemicals and chemical products	54.8	77.4	-29.2
Rubber and plastic products	128.3	124.9	2.7
Other non-metallic mineral products	125.9	106.5	18.2

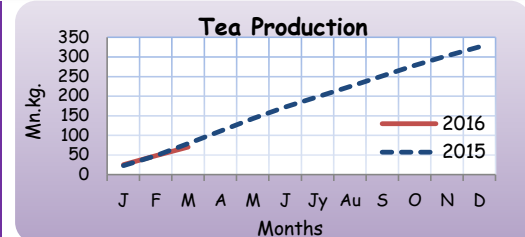


(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

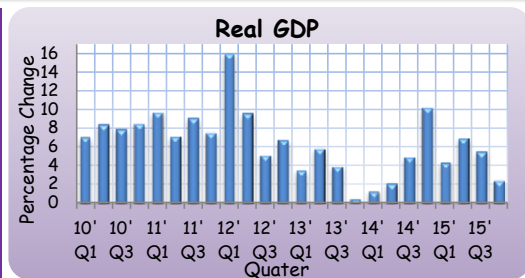
Item	Unit	2016(a) Jan-Mar	2015 Jan-Mar	% Change
Tea	(Mn Kg)	70.0	79.0	-11.4
Rubber	(Mn Kg)	28.2	28.9	-2.4
Coconuts	(Mn Nuts)	778.8	733.1	6.2



(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

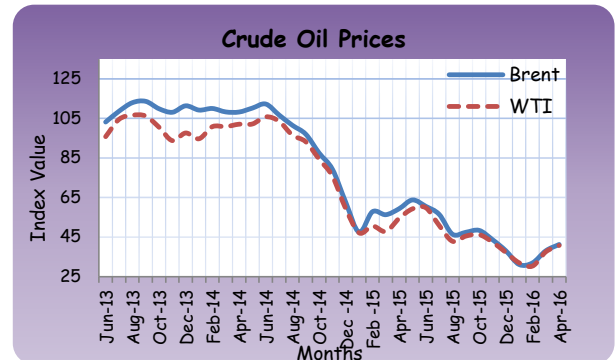
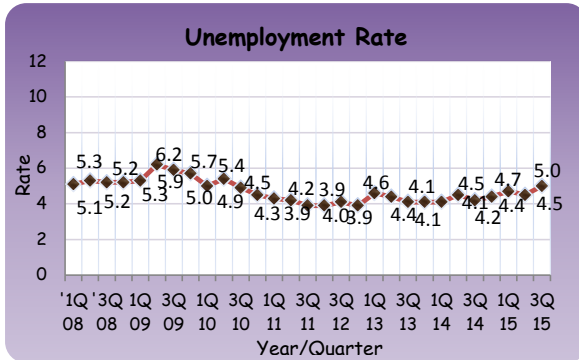
1.10 Employment (a)

Item	2015 (b) 4 th Quarter	2014 4 th Quarter	2015 Annual
Labour Force Participation rate	53.6	52.9	53.8
Unemployment rate	4.3	4.4	4.6
Employed Persons by Sectors (c) (as a % of total employment)			
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	36.85
April	59.32	54.45	-	41.25	40.75	44.05
May	63.76	59.26	63.09	47.00	46.69	
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		
27 May	61.05	57.51		49.29	49.36	
30 May	-	-		49.56	-	
31 May	-	-		48.96	49.10	
01 June	62.57	60.24		48.51	49.07	
02 June	62.84	61.30		50.10	49.19	

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 03 June 2016 increased by 8 bps to 10.23 per cent compared to the previous week.

Broad money (M2b) expanded by 18.9 per cent on a year-on-year basis in March 2016.

NFA of the banking system declined by Rs. 38.1 billion in March 2016.

NCG from the banking system showed an increase of Rs. 33.2 billion in March 2016.

Credit extended to the private sector increased by Rs. 87.7 billion in March 2016.

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

The total outstanding market liquidity decreased to a short position of Rs. 4.9 bn by end of the week, compared to an excess position of Rs. 15.9 bn by the end of last week.

By 03 June 2016, All Share Price Index (ASPI) declined by 0.79 per cent to 6,519 points while S&P SL 20 Index declined by 0.72 per cent to 3,416 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

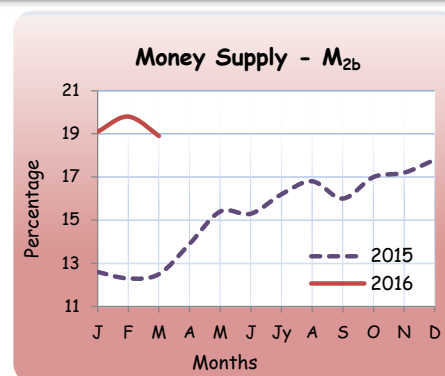
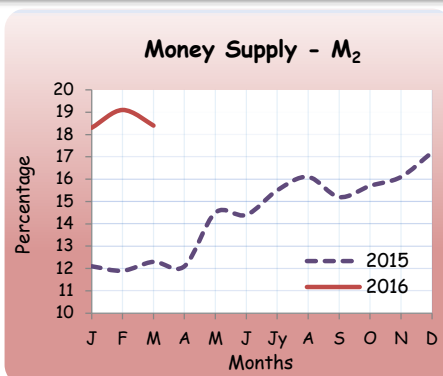
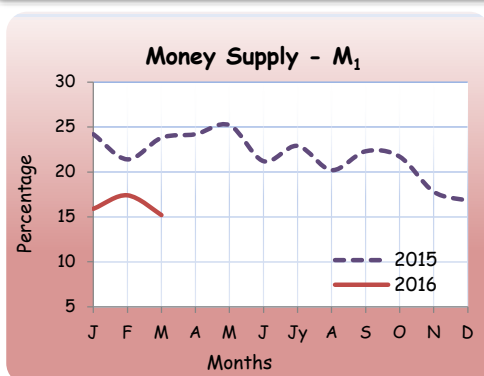
Item	Week Ending 2016 June 03	Week Ago	Year Ago	
Commercial Bank Average Weighted Prime Lending Rate (AWPR)	10.23	10.15	6.95	
Treasury Bill Yield (Excluding 10% withholding tax)				
- 91 days	8.80	8.71	6.07	
- 182 days	9.75	9.67	6.18	
- 364 days	10.52	-	6.29	
Standing Deposit Facility	6.00	6.50	6.50	
Standing Lending Facility	7.50	8.00	8.00	
Call Money Weekly Average (CMR)	8.16	8.15	6.10	
Sri Lanka Inter Bank Offer Rate (SLIBOR)				
1 day	8.17	8.16	6.12	
7 days	8.54	8.52	6.27	
1 Month	9.33	9.30	6.51	
3 Months	9.78	9.79	6.75	
6 Months	10.33	10.27	7.02	
12 Months	10.75	10.76	7.33	
Commercial Banks	Mar 2016	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	3.95-15.00	
	May 2016	Month Ago	Year Ago	
Commercial Bank Average Weighted Deposit Rate (AWDR)	6.72	6.58	5.83	
Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR)	8.40	8.18	6.87	
	Apr 2016	Month Ago	Year Ago	
Commercial Bank Average Weighted Lending Rate (AWLR)	11.66	11.45	11.53	
NSB	Mar 2016	Month Ago	Year Ago	
Saving Deposits -	4.50	4.50	5.00	
One Year Fixed Deposits -	8.25	8.25	6.50	
Treasury Bonds Auction	(2 Y & 4 Months) 26/05/2016	(5 Y & 4 Months) 26/05/2016	(7 Y & 7 Months) 26/05/2016	(10 Years) 26/05/2016
Coupon rate	8.75	9.45	11.40	11.00
Weighted Average Yield (Excluding 10% withholding tax)	11.83	12.48	12.77	12.98

Bankwise- AWPR	Week ending 2016 June 03	Week Ago	Bankwise- AWPR	Week ending 2016 June 03	Week Ago
Bank of Ceylon	10.04	9.81	HSBC	8.03	8.03
People's Bank	10.12	10.12	Standard Chartered Bank	9.38	9.47
Hatton National Bank	10.84	10.72	Citi Bank	8.88	10.00
Commercial Bank of Ceylon	10.89	10.77	Deutsche Bank	8.30	8.30
Sampath Bank	10.79	11.04	Habib Bank	9.55	9.55
Seylan Bank	11.13	10.26	Indian Bank	11.57	11.05
Union Bank of Colombo	12.12	12.50	Indian Overseas Bank	11.55	11.55
Pan Asia Banking Corporation	13.17	12.96	MCB Bank	10.06	10.06
Nations Trust Bank	10.20	10.06	State Bank of India	11.62	10.25
DFCC Bank	11.81	10.79	Public Bank	9.50	9.50
NDB Bank	10.86	10.80	ICICI Bank	10.99	10.79
Amana Bank	11.10	11.06	Axis Bank	11.57	11.16
Cargills Bank	9.77	10.59			

2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2016 (a)	Month	Year	2016 (a)	Month	Year
	March	Ago	Ago	March	Ago	Ago
M1	729.6	700.5	633.3	15.2	17.4	23.8
M2	4,206.4	4,158.4	3,553.6	18.4	19.1	12.3
M2b	4,731.6	4,703.8	3,980.7	18.9	19.8	12.5
Net Foreign Assets of the Banking System (b)	-439.9	-401.8	-162.0	-171.5	-230.5	-268.5
Monetary Authorities	473.9	468.6	578.1	-18.0	-24.3	-3.7
Domestic Banking Units (DBUs)	-324.4	-305.9	-224.4	-44.6	-29.4	-27.2
Offshore Banking Units (OBUs)	-589.4	-564.5	-515.8	-14.3	-12.0	-57.3
Net Domestic Assets of the Banking System (b)	5,171.5	5,105.6	4,142.7	24.8	26.1	20.4
Monetary Authorities and DBUs	4,425.4	4,357.0	3,483.0	27.1	28.4	16.6
OBUs	746.1	748.6	659.7	13.1	14.2	44.7
Net Credit to Government	1,954.1	1,920.8	1,613.1	21.1	16.8	15.8
Monetary Authorities	406.6	384.5	223.7	81.8	56.4	54.0
DBUs	1,141.2	1,141.5	1,126.8	1.3	1.9	6.8
OBUs	406.3	394.8	262.7	54.6	41.7	36.1
Credit to Public Corporations	514.9	526.4	484.7	6.2	9.3	46.9
DBUs	253.8	254.4	198.1	28.1	27.8	43.6
OBUs	261.1	272.0	286.6	-8.9	-3.7	49.3
Credit to the Private Sector	3,634.6	3,546.8	2,845.1	27.7	26.5	13.9
DBUs	3,368.7	3,275.3	2,608.9	29.1	28.7	13.5
OBUs	265.8	271.5	236.2	12.5	5.1	18.5
Reserve Money	791.6	739.3	619.6	27.8	26.8	18.8

(a) Provisional (b) In relation to M2b

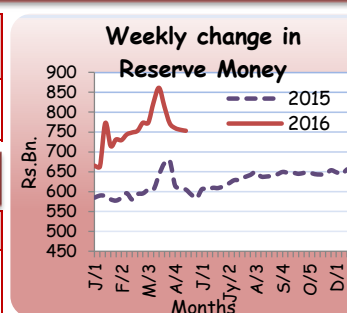


2.3 Weekly change in Reserve Money

Item	02 June 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	764,253	747,706	16,548

2.4 Money Market Activity (Overnight)

Item	30.05.2016	31.05.2016	01.06.2016	02.06.2016	03.06.2016
Call Money Market					
Weighted Average Rate (% p.a.)	8.16	8.15	8.15	8.16	8.16
Gross Volume (Rs. Mn)	17,050	12,745	21,620	16,370	12,130
Repo Market					
Weighted Average Rate (% p.a.)	7.98	7.97	8.02	8.05	8.02
Gross Volume (Rs. Mn)	44,086	45,748	31,170	25,481	39,288



2.5 CBSL Security Portfolio

Item	30.05.2016	31.05.2016	01.06.2016	02.06.2016	03.06.2016
CBSL T-Bill Holding (Rs. Mn)	225,115	222,808	248,302	256,438	254,914

2.6 Open Market Operations

Item	30.05.2016	31.05.2016	01.06.2016	02.06.2016	03.06.2016
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	5.00	10.00	10.00
Tenure (No. of Days)	0	0	1	1	1
Bids Received (Rs. bn)	0.00	0.00	19.00	29.00	21.00
Amount Accepted (Rs. bn)	0.00	0.00	5.00	10.00	10.00
Weighted Average Yield Rate (% p.a.)	0.00	0.00	7.98	7.99	7.99
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)	27.84	31.75	32.36	32.77	32.99
Standing Lending Facility (Rs. bn)	8.25	5.89	26.32	29.40	27.89
Total Outstanding Market Liquidity (Rs. bn)	19.59	25.86	1.03	-6.63	-4.90

2.7 Credit Cards (a)

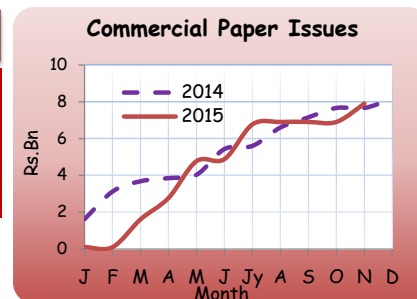
Item	2016 (b) End Feb	2016 (b) End Jan	2014 End Dec
Total Number of Active Cards	1,157,280	1,151,327	1,142,231
Local (accepted only locally)	30,630	30,771	30,902
Global (accepted globally)	1,126,650	1,120,556	1,111,329
Outstanding balance (Rs. Mn.)	63,639	63,214	63,010
Local (accepted only locally)	804	818	1,226
Global (accepted globally)	62,836	62,395	61,784

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

2.8 Commercial Paper Issues (a)

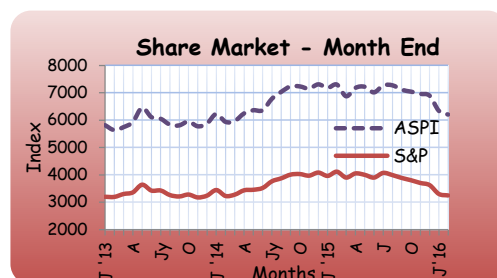
Item (Rs. bn.)	2016 End Feb(b)	2016 End Jan	2014 End Dec
Total Issues - Cumulative	1.9	1.3	7.9
Outstanding (as at end of the period)	4.8	4.3	4.5

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



2.9 Share Market

Item	Week Ending 03 June 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,519	6,571	7,149
S & P Sri Lanka 20 Index (S&P SL20)	3,416	3,441	3,961
Average Daily Turnover (Rs. Mn)	694	800	1,084
Market Capitalisation (Rs.Bn.)	2,778	2,800	3,037



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. 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 attributed to the decline in profit and dividend transfers of SOBEs and lower interest and rent income.

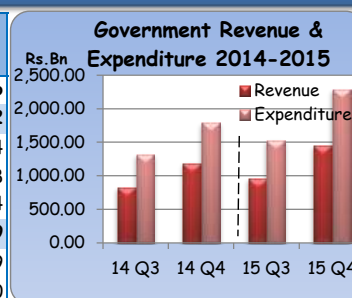
Total expenditure and net lending as a percentage of GDP increased to 20.5 per cent in 2015 from 17.2 per cent in 2014 due to increase in both recurrent expenditure, and capital expenditure and net lending. The increase in total expenditure and net lending was a combined outcome of the increase in recurrent 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)

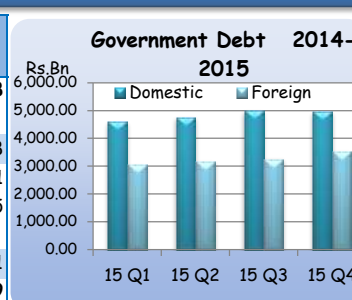
Item	2015 (a)	2014
Revenue and Grants	1,460.9	1,204.6
Revenue	1,454.9	1,195.2
Tax	1,355.8	1,050.4
Non tax	99.1	144.8
Grants	6.0	9.4
Expenditure & Lending Minus Repayments	2,290.4	1,795.9
Current	1,701.7	1,322.9
Capital & Lending Minus Repayments	588.7	473.0



(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

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



(a) Provisional

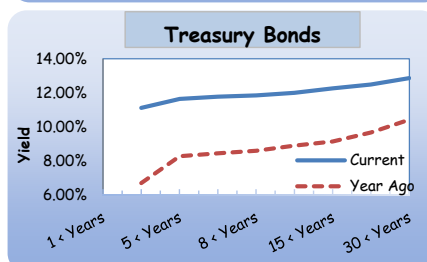
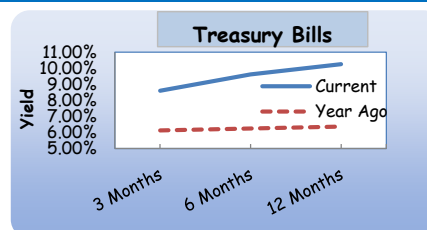
3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 01st June 2016

Security	Maturity	Primary Market(a)		Secondary Market			Last Week Average
		This Week	Last Week	This Week			
				Buying	Selling	Average	
Treasury Bills	3 Months	8.80%	8.71%	8.73%	8.53%	8.63%	8.60%
	6 Months	9.75%	9.67%	9.75%	9.53%	9.64%	9.62%
	12 Months	10.52%	-	10.54%	10.35%	10.44%	10.44%
Treasury Bonds	< 2 Years	-	-	11.36%	11.18%	11.27%	11.27%
	< 5 Years	11.83%	11.92%	12.02%	11.90%	11.96%	11.93%
	< 6 Years	12.48%	-	12.12%	11.98%	12.05%	12.08%
	< 8 Years	12.77%	12.40%	12.22%	12.10%	12.16%	12.14%
	< 10 Years	12.98%	12.82%	12.32%	12.22%	12.27%	12.29%
	< 15 Years	-	-	12.48%	12.34%	12.41%	12.47%
	< 20 Years	-	-	12.61%	12.49%	12.55%	12.61%
< 30 Years	-	-	12.97%	12.77%	12.87%	12.93%	

(a) Primary market transactions during the week ending 01/06/2016

The secondary market yield rates of T-bills have increased across all maturities (except for T-bills with 3 months maturity) and the secondary market yield rates of T-bonds have decreased (except for T-bonds with 5 years and 8 years maturity) during the reporting week, 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%	6.03%	6.03%
	27-Jul-21	6.250%	6.45%	6.49%
	25-Jul-22	5.875%	6.90%	6.95%
	14-Jan-19	6.000%	5.28%	5.39%
	11-Apr-19	5.125%	5.21%	5.36%
	3-Jun-25	6.125%	7.33%	7.41%
3-Nov-25	6.850%	7.40%	7.49%	



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 01st June 2016)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	677,614.70	677,481.70
Treasury Bonds (a)	3,837,661.11	3,809,352.90
Total	4,515,275.81	4,486,834.60
T-bills and T-bonds held by Foreigners	230,199.68	241,477.16
Sri Lanka Development Bonds (SLDB)	744,338.39	743,292.94

The outstanding stock of T-bills and T-bonds increased during the reporting week compared to the previous week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	31,000.00	30,000.00
Total Bids Received	86,172.00	75,363.00
Total Bids Accepted	24,472.00	30,749.00
Treasury Bonds		
Amount Offered	45,000.00	45,000.00
Total Bids Received	170,318.00	136,666.00
Total Bids Accepted	47,706.00	44,686.00

The weekly T-bill and T-bond auctions were over subscribed by 2.8 times and 3.8 times respectively as the preference for government securities continued.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	53,403.52	38,953.51
Repo Transaction (Sales / Purchases)	125,077.43	73,748.10
Treasury Bonds		
Outright Transaction (Sales / Purchases)	118,592.79	59,528.97
Repo Transaction (Sales / Purchases)	1,179,983.31	1,017,604.83

The secondary market activities for T-bills and T-bonds increased by 58.37 percent and 20.56 per cent respectively, in the reporting week compared to the previous week.

(a) Excludes Treasury bonds amounting to Rs.4,397 million issued to CWE in November 2003, Rs. 78,441 million issued to settle dues to CPC in January 2012, Rs. 13,125 million issued to capitalize Sri Lankan Airlines in March 2013.

3.5 Two way Quotes (Treasury Bills) - 03/06/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.84	8.18	99.85	8.01	0.00
1 Month	99.31	8.36	99.33	8.17	0.02
2 Month	98.60	8.53	98.64	8.32	0.03
3 Month	97.85	8.76	97.90	8.55	0.05
4 Month	97.07	8.94	97.13	8.75	0.06
5 Month	96.17	9.33	96.29	9.05	0.12
6 Month	95.21	9.75	95.31	9.53	0.11
7 Month	94.36	9.83	94.45	9.66	0.10
8 Month	93.46	9.94	93.57	9.77	0.11
9 Month	92.57	10.05	92.68	9.90	0.11
10 Month	91.62	10.19	91.77	10.01	0.15
11 Month	90.66	10.33	90.86	10.11	0.20
12 Month	89.59	10.56	89.78	10.36	0.19

3.6 Two way Quotes (Treasury Bonds)- 03/06/2016

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
06.40%2016A	6	1-Aug-16	59	99.49	9.36	99.53	9.14	0.04
08.00%2016A	5	1-Sep-16	90	99.62	9.42	99.66	9.22	0.05
06.40%2016B	6	1-Oct-16	120	98.96	9.57	99.02	9.37	0.06
08.00%2017A	5	1-Jan-17	212	98.90	9.99	98.97	9.85	0.08
05.80%2017A	6	15-Jan-17	226	97.49	10.09	97.59	9.90	0.10
08.25%2017A	3	1-Mar-17	271	98.64	10.16	98.77	9.97	0.13
08.75%2017A	4	15-May-17	346	98.46	10.49	98.68	10.24	0.22
08.00%2017B	5	15-Jun-17	377	97.53	10.58	97.75	10.34	0.22
05.80%2017B	6	15-Jul-17	407	95.02	10.64	95.29	10.36	0.27
08.50%2018A	15	1-Feb-18	608	96.03	11.17	96.53	10.82	0.50
08.50%2018C	5	1-Apr-18	667	95.60	11.21	95.85	11.06	0.25
08.50%2018D	5	1-Jun-18	728	95.14	11.29	95.39	11.14	0.26
08.50%2018B	15	15-Jul-18	772	94.80	11.32	95.04	11.19	0.24
07.50%2018A	15	15-Aug-18	803	92.60	11.38	92.84	11.25	0.25
08.75%2018A	4	15-Oct-18	864	94.64	11.38	94.82	11.29	0.18
08.00%2018A	6	15-Nov-18	895	92.73	11.48	92.99	11.35	0.26
05.65%2019A	8	15-Jan-19	956	87.02	11.53	87.22	11.43	0.20
08.50%2019A	10	1-May-19	1,062	92.59	11.56	92.83	11.46	0.23
10.60%2019A	5	1-Jul-19	1,123	97.37	11.63	97.71	11.50	0.34
10.60%2019B	5	15-Sep-19	1,199	97.10	11.68	97.41	11.56	0.31
08.00%2019A	8	1-Nov-19	1,246	89.81	11.70	90.12	11.58	0.31
09.25%2020A	5	1-May-20	1,428	92.01	11.86	92.36	11.74	0.35
08.00%2020A	8	1-Jun-20	1,459	88.01	11.86	88.31	11.75	0.30
06.20%2020A	10	1-Aug-20	1,520	81.72	11.89	82.03	11.78	0.32
09.50%2020A	5	15-Dec-20	1,656	91.82	11.88	92.14	11.78	0.32
09.00%2021A	8	1-May-21	1,793	89.13	11.99	89.63	11.84	0.50
11.00%2021A	7	1-Aug-21	1,885	96.17	12.01	96.68	11.87	0.51
09.45%2021A	7	15-Oct-21	1,960	89.86	12.06	90.20	11.97	0.34
08.00%2022A	10	1-Jan-22	2,038	83.99	12.02	84.40	11.90	0.40
11.20%2022A	9	1-Jul-22	2,219	96.16	12.10	96.74	11.96	0.58
10.00%2022A	8	1-Oct-22	2,311	90.48	12.20	91.12	12.04	0.65
09.00%2023A	10	1-Sep-23	2,646	84.99	12.17	85.56	12.04	0.57
11.20%2023A	9	1-Sep-23	2,646	95.25	12.20	95.86	12.07	0.60
07.00%2023A	20	1-Oct-23	2,676	75.57	12.12	75.93	12.03	0.36
11.40%2024A	10	1-Jan-24	2,768	95.49	12.33	96.10	12.20	0.61
06.00%2024A	10	1-Dec-24	3,103	67.97	12.15	68.28	12.07	0.31
10.25%2025A	10	15-Mar-25	3,207	88.76	12.38	89.42	12.24	0.66
09.00%2025A	12	1-May-25	3,254	82.80	12.22	83.25	12.12	0.45
11.00%2025A	10	1-Aug-25	3,346	92.71	12.34	93.36	12.22	0.65
09.00%2026A	13	1-Feb-26	3,530	81.60	12.30	82.19	12.18	0.59
05.35%2026A	15	1-Mar-26	3,558	61.20	12.28	61.61	12.18	0.41
11.00%2026A	11	1-Jun-26	3,650	91.46	12.52	92.24	12.37	0.78
09.00%2028B	15	1-May-28	4,350	79.42	12.34	79.94	12.24	0.52
09.00%2028A	15	1-Jul-28	4,411	79.22	12.35	79.73	12.26	0.51
11.50%2028A	13	1-Sep-28	4,473	93.23	12.59	94.18	12.43	0.95
13.00%2029A	15	1-Jan-29	4,595	103.62	12.42	104.18	12.33	0.56
13.00%2029B	15	1-May-29	4,715	103.57	12.43	104.22	12.33	0.66
11.00%2030A	15	15-May-30	5,094	89.25	12.66	90.39	12.47	1.14
08.00%2032A	20	1-Jan-32	5,690	69.48	12.49	69.88	12.41	0.40
09.00%2032A	20	1-Oct-32	5,964	75.73	12.52	76.25	12.43	0.52
09.00%2033A	20	1-Jun-33	6,207	75.27	12.55	75.81	12.46	0.54
13.25%2033A	20	1-Jul-33	6,237	104.66	12.58	105.34	12.48	0.68
09.00%2033B	20	1-Nov-33	6,360	74.79	12.60	75.30	12.51	0.50
13.25%2034A	20	1-Jan-34	6,421	103.71	12.71	104.26	12.64	0.55
11.50%2035A	20	15-Mar-35	6,859	90.55	12.84	92.67	12.52	2.12
12.00%2041A	25	1-Jan-41	8,978	93.11	12.93	95.79	12.55	2.68
09.00%2043A	30	1-Jun-43	9,859	70.67	12.92	71.21	12.83	0.53
13.50%2044A	30	1-Jan-44	10,073	104.01	12.96	104.66	12.88	0.65
13.50%2044B	30	1-Jun-44	10,225	103.81	12.99	104.51	12.90	0.70
12.50%2045A	30	1-Mar-45	10,498	96.01	13.03	98.33	12.71	2.32

External Sector

During the year up to 03 June 2016 the rupee depreciated against the US dollar (1.3 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (1.6 per cent) and depreciated against Indian rupee (0.1 per cent), Japanese yen (10.8 per cent) and euro (3.3 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.

The terms of trade contracted by 1.0 per cent in January 2016 compared to the corresponding month of previous year. The export unit value index declined by 3.9 per cent in January 2016 mainly due to a 30.8 per cent decline recorded in prices of petroleum products exports. The import unit value index in January 2016, declined by 2.9 per cent, year-on-year, mainly due to the decline in unit prices of intermediate goods followed by investment goods.

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.

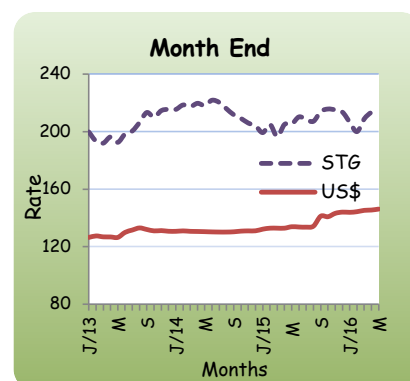
Further, the import prices of sugar, wheat and crude oil prices declined compared to the corresponding month of 2015.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 03 June 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	145.16	148.82	146.99	146.18	135.33
STG	208.34	215.56	211.95	214.62	207.84
Yen	1.33	1.38	1.35	1.33	1.09
Euro	160.81	167.10	163.96	163.64	151.10
INR ⁽¹⁾			2.17	2.17	2.10
SDR (As at 02 June 2016)			204.99	204.92	185.90
Central Bank purchases and sales(b) (US\$ Mn.)			April 2016	Month Ago	Year Ago
Purchases			14.95	10.95	60.50
Sales			266.45	432.06	159.50



	Week Ending 03 June 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	15.84	16.19	23.48
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	148.61	147.55	134.46
3 Months	150.05	148.40	136.78
Average Daily Interbank Forward Volume (US\$ mn)	36.26	35.42	28.76
Outstanding Forward Volume (US\$ mn) (As at 02 June 2016)	1,520.12	1,491.52	1,284.26

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

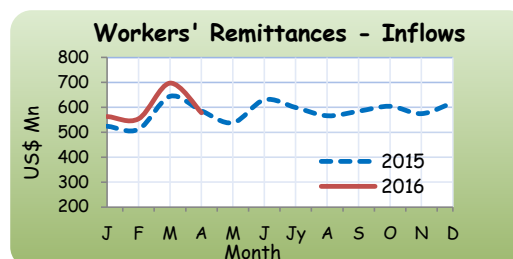
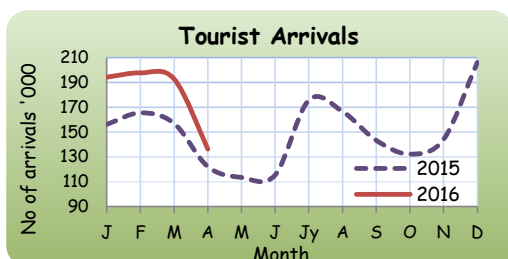
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

(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
		Apr (a)	Apr (b)	Jan-Apr(a)	Jan-Apr(b)	
	US\$ Mn.	585.9	578	2,265.4	2,392.7	5.6
	Rs. bn.	77.9	83.2	300.3	344.4	14.7

(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 International Reserves & Foreign Currency Liquidity as at 30th April 2016 ^(a)

Official Reserve Assets (USD mn)					
Official Reserve Assets					6,068.53
(1) Foreign currency reserves					5,079.22
(a) Securities					2,125.37
(b) Total currency and deposits with					2,953.85
(i) other national central banks, BIS					843.96
(ii) banks headquartered inside the reporting country of which located abroad					1.34
(iii) banks headquartered outside the reporting country					2,108.54
(2) Reserve position in the IMF					67.83
(3) SDRs					6.98
(4) Gold					913.51
(5) Other reserve assets					0.98
Predetermined Short-Term Net Drains on Foreign Currency Assets ^(b)					
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	-4,548.70	-63.14	-1,126.63	-3,358.93
	Interest	-960.29	-71.02	-225.07	-664.20
inflows (+)	Principal				
	Interest				
2. Aggregate short and long positions in forwards and futures in foreign currencies vis-à-vis the domestic currency (including the forward leg of currency swaps)					
(a) Short positions (-) ^(c)					
		-3,334.81	-324.38	-1374.00	-1,636.43
(b) Long positions (+)					
3. Other (specify)					
inflows related to reverse repos (+)		-10.67	-10.67		
other accounts payable (-)		-10.67	-10.67		

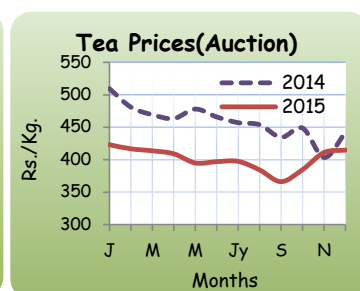
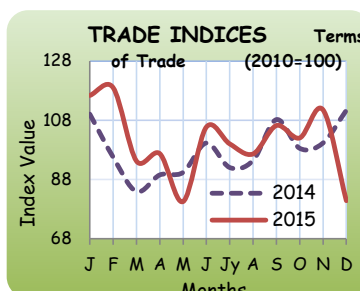
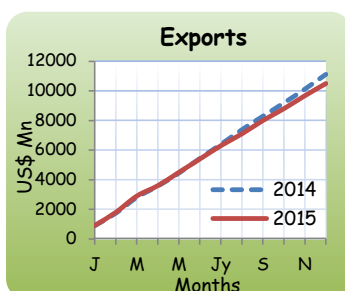
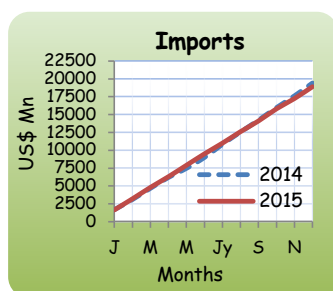
(a) Provisional

(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\$ Mn			Rs Mn		
	January 2016	January 2015	% Change	January 2016	January 2015	% Change
Exports	893.9	916.7	-2.5	128,667.8	120,588.3	6.7
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
Imports	1,589.1	1,681.6	-5.5	228,739.5	221,220.9	3.4
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
Trade Balance	-695.2	-765.0	9.1	-100,071.7	-100,632.6	0.6

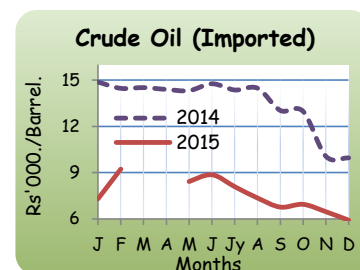
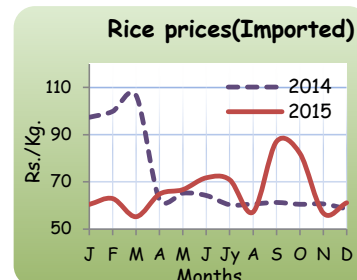


4.5 Trade Indices (2010= 100) (a)

Item	2016		
	Jan (b)	Month Ago	Year Ago
Total Exports			
Value	124.6	113.8	127.6
Quantity	121.5	155.1	119.6
Unit Value	102.5	73.3	106.7
Total Imports			
Value	142.2	147.2	150.5
Quantity	161.3	162.1	165.7
Unit Value	88.2	90.8	90.8
Terms of Trade	116.2	80.8	117.4

(a) In US\$ Terms

(b) Provisional



4.6 International Commodity Prices

Item	US\$ /			Rs /		
	January 2016	January 2015	% Change	January 2016	January 2015	% Change
Colombo Auction Price	US\$ / Kg			Rs / Kg		
Tea Prices	2.85	3.22	-11.6	409.61	423.24	-3.2
Imports (C I F)	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