

Weekly Economic Indicators

17 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 5.5 per cent in real terms in first quarter of 2016, mainly attributable to 4.9 per cent, 8.3 per cent and 1.9 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 3.4 per cent on a year-on-year basis in March 2016. This growth was mainly facilitated by increased production of tobacco products, other non-metallic mineral products and rubber and plastic products sectors. They have recorded significant growths of 19.9, 8.5 and 7.3 per cent respectively during this period. This was mainly attributed to increased domestic and international demand.

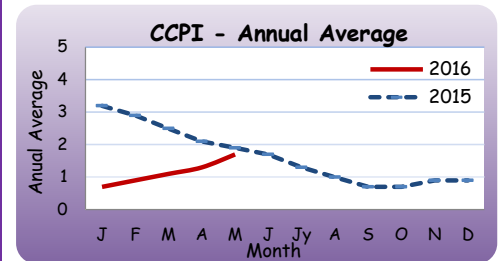
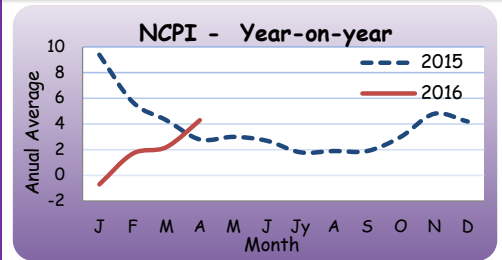
During the week crude oil spot prices followed a declining trend. Prices fell hitting one month lows, on mounting concerns about Britain's possible exit from the European Union (EU). If Britain voted to exit the EU, investors fear the bloc could slip into recession, which in turn could undermine oil demand. OPEC forecasted that the world oil market would be more balanced in the second half of 2016 as outages in Nigeria and Canada help to speed up the erosion of a supply glut. Prices further fell after the U.S. Energy Information Administration reported crude inventories fell less than half the 2.3 million barrel decrease expected by analysts. Further, the U.S. Federal Reserve signaled that it still plans two rate hikes this year despite slower growth expectations.

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 % | 1.7 | 1.3 | 1.9 |
| Year - on - Year Change % | 4.8 | 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 |

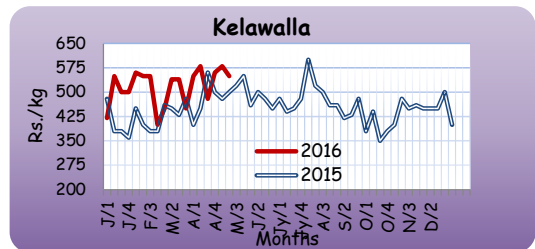
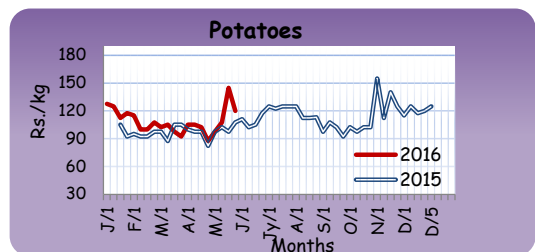
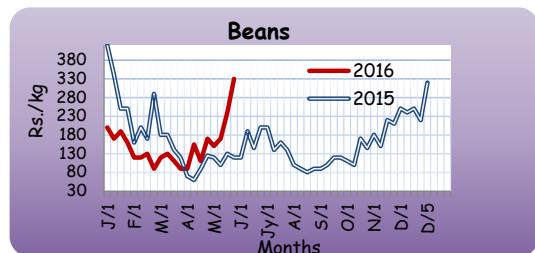
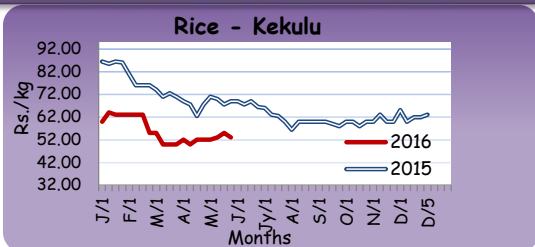


1.2 Pettah Market

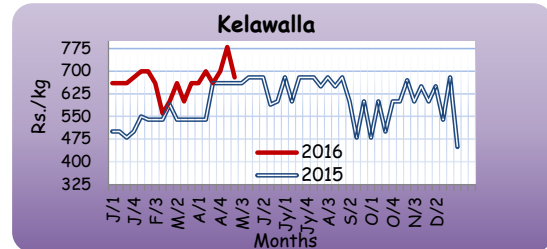
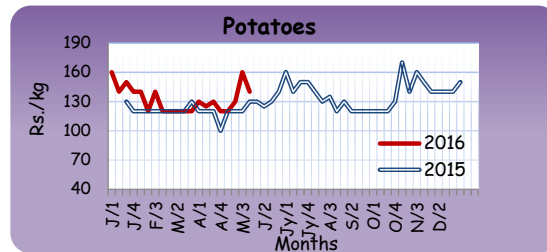
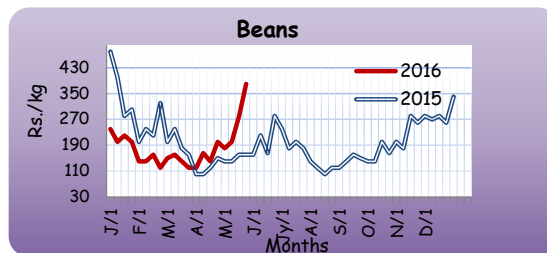
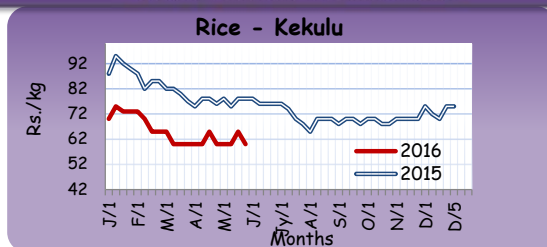
| Item | Average Wholesale Prices | | | | Average Retail Prices | | | |
|--------------------------|--|----------|-----------|---------------------|--|----------|-----------|---------------------|
| | Week Ending 16 th June 2016 | Week Ago | Month Ago | Year Ago Annual Avg | Week Ending 16 th June 2016 | Week Ago | Month Ago | Year Ago Annual Avg |
| | Rs / Kg | | | | Rs / Kg | | | |
| Rice | | | | | | | | |
| Samba | 80.00 | 79.00 | 78.25 | 83.22 | 88.00 | 90.00 | 88.25 | 90.10 |
| Kekulu (Red) | 55.00 | 55.00 | 53.25 | 66.15 | 65.00 | 60.00 | 61.25 | 75.20 |
| Vegetables | | | | | | | | |
| Beans | 150.00 | 150.00 | 222.50 | 160.49 | 180.00 | 180.00 | 260.00 | 196.86 |
| Cabbage | 150.00 | 180.00 | 95.00 | 79.31 | 200.00 | 220.00 | 140.00 | 117.94 |
| Carrots | 200.00 | 190.00 | 127.50 | 146.27 | 240.00 | 220.00 | 160.00 | 184.90 |
| Tomatoes | 160.00 | 150.00 | 162.50 | 89.80 | 200.00 | 200.00 | 205.00 | 126.18 |
| Pumpkins | 60.00 | 65.00 | 47.50 | 49.12 | 100.00 | 80.00 | 67.50 | 72.94 |
| Snake Gourd | 120.00 | 110.00 | 117.50 | 73.73 | 160.00 | 160.00 | 150.00 | 106.57 |
| Brinjals | 90.00 | 140.00 | 82.50 | 72.56 | 120.00 | 180.00 | 120.00 | 105.69 |
| Ash-Plantains | 70.00 | 70.00 | 60.00 | 81.08 | 100.00 | 100.00 | 85.00 | 110.59 |
| Other Foods | | | | | | | | |
| Red-Onions (Local) | 142.50 | 155.00 | 130.62 | 105.28 | 190.00 | 180.00 | 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) | 145.00 | 142.50 | 117.50 | 107.98 | 180.00 | 160.00 | 137.50 | 130.80 |
| Dried Chilies (Imported) | 320.00 | 320.00 | 305.00 | 248.90 | 360.00 | 370.00 | 350.00 | 291.08 |
| Dhal (Indian) | 165.00 | 165.00 | 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) | 30.00 | 29.00 | 31.63 | 41.00 | 45.00 | 40.00 | 47.50 | 53.18 |
| Fish* | | | | | | | | |
| Kelawalla | 500.00 | 560.00 | 560.00 | 453.14 | 680.00 | 690.00 | 713.33 | 598.24 |
| Balaya | 320.00 | 340.00 | 350.00 | 295.00 | 420.00 | 420.00 | 443.33 | 361.20 |
| Salaya | 200.00 | 160.00 | 150.00 | 114.71 | 240.00 | 200.00 | 200.00 | 156.08 |
| Paraw (Small) | n.a. | 670.00 | 603.33 | 484.69 | n.a. | 750.00 | 676.67 | 547.96 |

* Prices collected from the Fisheries Trade Centre, Peliyagoda.

Pettah Market - Wholesale Prices



Pettah Market - Retail Prices



1.3 Dambulla Market

| Item (Rs / Kg) | Week Ending 16 th June 2016 | |
|-------------------------|--|------------------|
| | Wholesale (Average) | Retail (Average) |
| Rice | | |
| Samba | 79.50 | 83.60 |
| Kekulu (Red) | 56.50 | 62.00 |
| Vegetables | | |
| Beans | 132.00 | 175.00 |
| Carrot | 220.00 | 275.00 |
| Tomatoes | 130.00 | 182.00 |
| Pumpkins | 77.00 | 95.00 |
| Snake Gourd | 103.00 | 156.00 |
| Ash-Plantains | 58.00 | 77.00 |
| Other Foods | | |
| Red-Onions (Local) | 125.00 | 169.00 |
| Big-Onions (Local) | n.a. | n.a. |
| Potatoes (N'Eliya) | 130.50 | 162.00 |
| Dried Chilies(Imported) | 309.50 | 360.00 |
| Coconut (Each) | 28.90 | 40.00 |

1.5 Maradaghamula Market

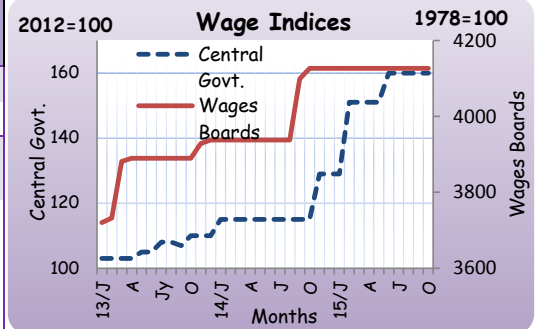
| Average wholesale price of Rice | | | | |
|---------------------------------|-----------------------------------|----------|-----------|----------|
| Item (Rs / Kg) | Week Ending 17 th June | Week Ago | Month Ago | Year Ago |
| Samba | 80.60 | 81.40 | 76.88 | 79.56 |
| Sudu Kekulu | 62.70 | 64.30 | 62.15 | 62.37 |
| Raw Red | 58.90 | 59.50 | 58.23 | 66.17 |
| Nadu | 68.30 | 69.90 | 65.35 | 64.24 |

1.4 Narahenpita Economic Centre

| Item (Rs / Kg) | Average Retail Prices | |
|--------------------------|----------------------------|----------|
| | 16 th June 2016 | Week Ago |
| Rice | | |
| Samba | 90.00 | 89.67 |
| Kekulu (Red) | 69.67 | 70.00 |
| Vegetables | | |
| Beans | 236.67 | 196.67 |
| Cabbage | 160.00 | 196.67 |
| Carrots | 316.67 | 316.67 |
| Tomatoes | 233.33 | 236.67 |
| Pumpkins | 113.33 | 116.67 |
| Snake Gourd | 200.00 | 236.67 |
| Brinjals | 200.00 | 236.67 |
| Ash-Plantains | 116.67 | 136.67 |
| Other Foods | | |
| Red-Onions (Imported) | 83.33 | 176.67 |
| Big-Onions (Imported) | 156.67 | 76.67 |
| Potatoes (Imported) | 100.00 | 100.00 |
| Dried Chilies (Imported) | 346.67 | 346.67 |
| Dhal (Indian) | 166.67 | 173.33 |
| Eggs (Red)(Each) | 13.33 | 13.33 |
| Coconut (Each) | 53.33 | 53.33 |
| Fish | | |
| Kelawalla | 890.00 | 796.67 |
| Balaya | 413.33 | 450.00 |
| Salaya | 285.00 | 200.00 |
| Paraw (Small) | 920.00 | 856.67 |

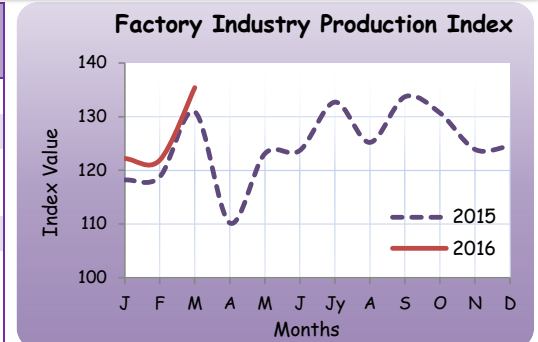
1.6 Wage rate Indices

| 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) Mar | 2015 Mar | % Change |
|---|-----------------|--------------|-------------|
| Factory Industry- Production Index | 135.4 | 130.9 | 3.4 |
| Food products | 115.8 | 113.4 | 2.2 |
| Beverages | 151.0 | 143.6 | 5.2 |
| Tobacco products | 101.1 | 84.3 | 19.9 |
| Wearing apparel | 175.3 | 189.0 | -7.2 |
| Chemicals and chemical products | 87.5 | 87.2 | 0.4 |
| Rubber and plastic products | 147.7 | 137.6 | 7.3 |
| Other non-metallic mineral products | 139.2 | 128.3 | 8.5 |

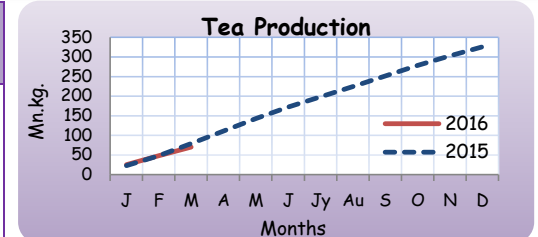


(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(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 | 2016(a) 1 st Quarter | 2015(a) 1 st Quarter | 2015(a) Annual |
|-------------|------------------------------------|------------------------------------|-------------------|
| Agriculture | 1.9 | 5.9 | 5.5 |
| Industry | 8.3 | 1.4 | 3.0 |
| Services | 4.9 | 5.4 | 5.3 |
| GDP | 5.5 | 4.4 | 4.8 |



(a)Provisional

Source: Department of Census and Statistics

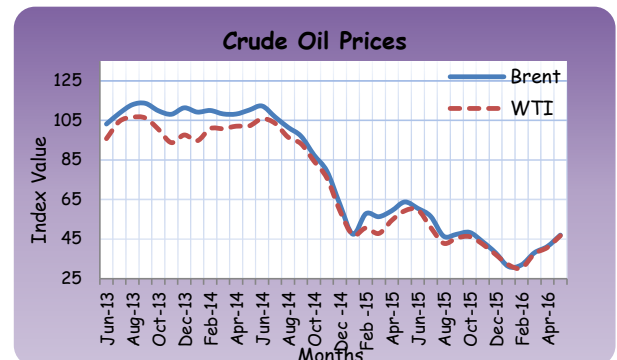
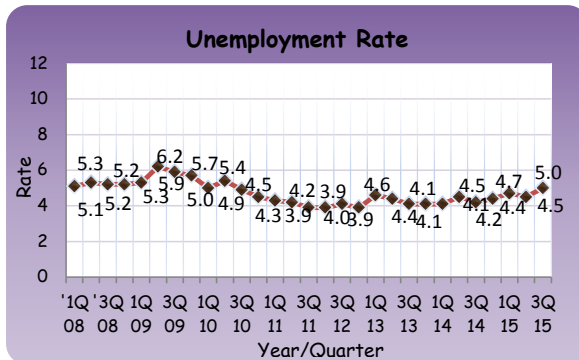
1.10 Employment (a)

| 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 | | |
| 10 June | 64.33 | 61.36 | | 49.55 | 49.09 | |
| 13 June | - | - | | 49.01 | 48.89 | |
| 14 June | - | - | | 47.28 | 48.49 | |
| 15 June | 59.94 | 59.53 | | 46.87 | 47.92 | |
| 16 June | 59.30 | 60.01 | | 45.66 | 46.14 | |

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 17 June 2016 increased marginally by 3 bps to 10.50 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 currency in circulation and deposits held by commercial banks.

The total outstanding market liquidity decreased to a short position of Rs. 13.35 bn by end of the week, compared to a short position of Rs. 12.21 bn by the end of last week.

By 17 June 2016, All Share Price Index (ASPI) declined by 0.99 per cent to 6,466 points while S&P SL 20 Index declined by 0.63 per cent to 3,402 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

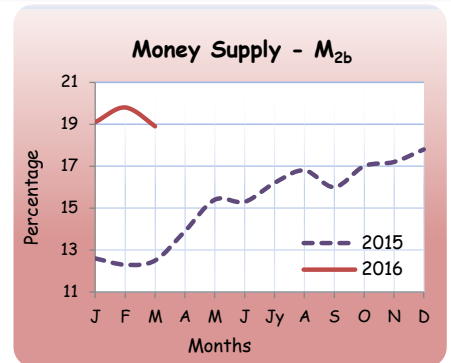
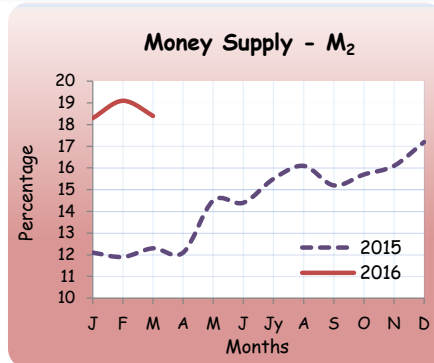
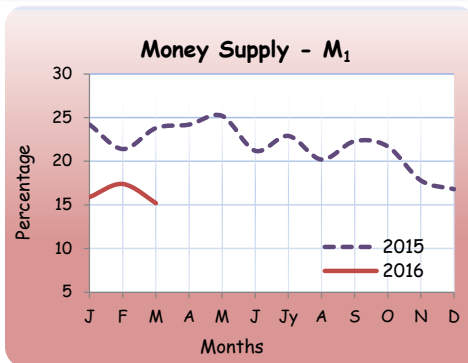
| Item | Week Ending 2016 June 17 | Week Ago | Year Ago |
|---|--------------------------------|--------------------------------|--------------------------------|
| Policy Interest Rates | | | |
| Standing Deposit Facility Rate | 6.50 | 6.50 | 6.00 |
| Standing Lending Facility Rate | 8.00 | 8.00 | 7.50 |
| Average Weighted Call Money Rate (AWCMR)(Weekly Average) | 8.18 | 8.17 | 6.11 |
| Sri Lanka Inter Bank Offered Rate (SLIBOR) | | | |
| 1 day | 8.19 | 8.19 | 6.11 |
| 7 days | 8.75 | 8.55 | 6.27 |
| 1 Month | 9.48 | 9.37 | 6.50 |
| 3 Months | 9.91 | 9.82 | 6.77 |
| 6 Months | 10.39 | 10.36 | 7.02 |
| 12 Months | 10.85 | 10.82 | 7.31 |
| Treasury Bill Yields (Excluding 10% withholding tax) | | | |
| 91 days | 8.84 | 8.82 | 6.08 |
| 182 days | 9.80 | 9.76 | 6.18 |
| 364 days | 10.54 | 10.53 | 6.28 |
| Licensed Commercial Banks | | | |
| Average Weighted Prime Lending Rate (AWPR) | 10.50 | 10.47 | 6.86 |
| | March 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 |
| Average Weighted Deposit Rate (AWDR) | 6.72 | 6.58 | 5.83 |
| Average Weighted Fixed Deposit Rate (AWFDR) | 8.40 | 8.18 | 6.87 |
| | April 2016 | Month Ago | Year Ago |
| Average Weighted Lending Rate (AWLR) | 11.66 | 11.45 | 11.53 |
| National Savings Bank (NSB) | | | |
| | March 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) 09/06/2016 | (5 Y & 4 Months) 09/06/2016 | (7 Y & 7 Months) 09/06/2016 |
| | (10 Years) 09/06/2016 | | |
| Coupon rate | 8.75 | 9.45 | 11.40 |
| Weighted Average Yield (Excluding 10% withholding tax) | 11.42 | 11.97 | 12.36 |

| Bankwise- AWPR | Week ending 2016 June 17 | Week Ago | Bankwise- AWPR | Week ending 2016 June 17 | Week Ago |
|------------------------------|-----------------------------|----------|-------------------------|-----------------------------|----------|
| Bank of Ceylon | 10.17 | 10.06 | HSBC | 7.48 | 7.20 |
| People's Bank | 10.12 | 10.12 | Standard Chartered Bank | 9.52 | 9.68 |
| Hatton National Bank | 11.03 | 11.34 | Citi Bank | 10.60 | 8.18 |
| Commercial Bank of Ceylon | 11.20 | 10.62 | Deutsche Bank | 8.41 | 8.54 |
| Sampath Bank | 11.85 | 11.31 | Habib Bank | 8.55 | 8.55 |
| Seylan Bank | 11.12 | 10.85 | Indian Bank | 11.57 | 11.57 |
| Union Bank of Colombo | 12.57 | 12.61 | Indian Overseas Bank | 12.10 | 12.10 |
| Pan Asia Banking Corporation | 13.54 | 13.28 | MCB Bank | 11.10 | 11.21 |
| Nations Trust Bank | 10.55 | 10.62 | State Bank of India | 11.62 | 11.62 |
| DFCC Bank | 11.87 | 11.41 | Public Bank | 10.25 | 10.25 |
| NDB Bank | 10.80 | 11.04 | ICICI Bank | 11.58 | 10.99 |
| Amana Bank | 11.13 | 11.09 | Axis Bank | 11.70 | 11.52 |
| Cargills Bank | 11.87 | 10.25 | | | |

2.2 Money Supply

| Item | Rs. Bn. | | | Annual Change (%) | | |
|---|----------|---------|---------|-------------------|--------|--------|
| | 2016 (a) | Month | Year | 2016 (a) | Month | Year |
| | March | Ago | Ago | March | Ago | Ago |
| Reserve Money | 791.6 | 739.3 | 619.6 | 27.8 | 26.8 | 18.8 |
| 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 |
| Commercial Banks | -913.8 | -870.4 | -740.2 | -23.5 | -17.6 | -46.8 |
| 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 |
| Net Credit to the 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 |
| Commercial Banks | 1,547.5 | 1,536.3 | 1,389.5 | 11.4 | 9.8 | 11.3 |
| 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 |
| Other Items (Net) | -931.9 | -888.4 | -800.3 | -16.5 | -0.7 | -2.7 |

(a) Provisional (b) In relation to M2b

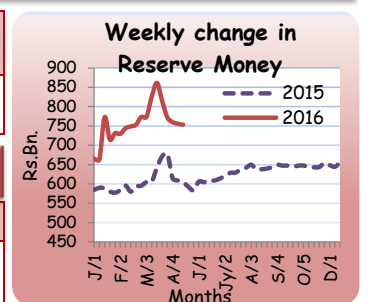


2.3 Weekly change in Reserve Money

| Item | 16 June 2016 | Week Ago | Change |
|------------------------|--------------|----------|--------|
| Reserve Money (Rs.Mn.) | 770,386 | 764,173 | 6,213 |

2.4 Money Market Activity (Overnight)

| Item | 13.06.2016 | 14.06.2016 | 15.06.2016 | 16.06.2016 | 17.06.2016 |
|--------------------------------|------------|------------|------------|------------|------------|
| Call Money Market | | | | | |
| Weighted Average Rate (% p.a.) | 8.18 | 8.17 | 8.18 | 8.17 | 8.18 |
| Gross Volume (Rs. Mn) | 17,375 | 20,590 | 18,107 | 16,125 | 18,495 |
| Repo Market | | | | | |
| Weighted Average Rate (% p.a.) | 8.05 | 8.06 | 8.09 | 8.07 | 8.07 |
| Gross Volume (Rs. Mn) | 30,422 | 24,924 | 19,972 | 26,301 | 25,813 |



2.5 CBSL Security Portfolio

| Item | 13.06.2016 | 14.06.2016 | 15.06.2016 | 16.06.2016 | 17.06.2016 |
|------------------------------|------------|------------|------------|------------|------------|
| CBSL T-Bill Holding (Rs. Mn) | 255,111 | 250,241 | 258,968 | 249,176 | 231,724 |

2.6 Open Market Operations

| Item | 13.06.2016 | 14.06.2016 | 15.06.2016 | 16.06.2016 | 17.06.2016 |
|--|------------|------------|------------|------------|------------|
| Short-Term Auction | | | | | |
| Repo Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Reverse Repo Amount Offered (Rs. bn) | 15.00 | 5.00 | 5.00 | 5.00 | 10.00 |
| Tenure (No. of Days) | 1 | 1 | 1 | 1 | 1 |
| Bids Received (Rs. bn) | 26.43 | 15.91 | 18.51 | 5.55 | 20.72 |
| Amount Accepted (Rs. bn) | 15.00 | 5.00 | 5.00 | 5.00 | 10.00 |
| Weighted Average Yield Rate (% p.a.) | 7.99 | 8.00 | 8.00 | 7.96 | 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) | 25.44 | 27.70 | 32.85 | 19.33 | 13.00 |
| Standing Lending Facility (Rs. bn) | 18.35 | 27.77 | 32.20 | 22.41 | 16.35 |
| Total Outstanding Market Liquidity (Rs. bn) | -7.91 | -5.07 | -4.35 | -8.08 | -13.35 |

2.7 Credit Cards (a)

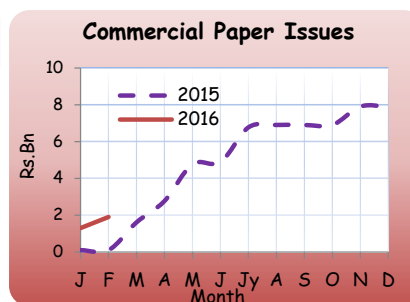
| Item | 2016 (b) End Feb | 2016 (b) End Jan | 2014 End Dec |
|--------------------------------------|---------------------|---------------------|-----------------|
| Total Number of Active Cards | 1,157,280 | 1,151,327 | 1,142,231 |
| Local (accepted only locally) | 30,630 | 30,771 | 30,902 |
| Global (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)

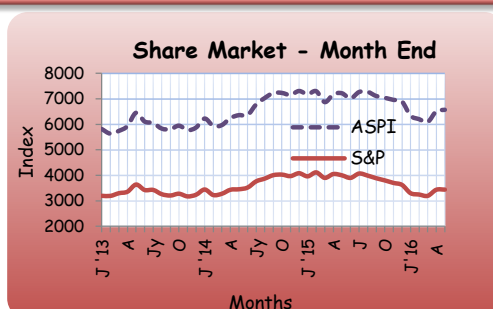
| Item (Rs. bn.) | 2016 End Feb(b) | 2016 End Jan | 2014 End Dec |
|---------------------------------------|--------------------|-----------------|-----------------|
| Total Issues - Cumulative | 1.9 | 1.3 | 7.9 |
| Outstanding (as at end of the period) | 4.8 | 4.3 | 4.5 |

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



2.9 Share Market

| Item | Week Ending 17 June 2016 | Week Ago | Year Ago |
|---|-----------------------------|----------|----------|
| All Share Price Index (1985 = 100) (ASPI) | 6,466 | 6,531 | 7,050 |
| S & P Sri Lanka 20 Index (S&P SL20) | 3,402 | 3,424 | 3,915 |
| Average Daily Turnover (Rs. Mn) | 489 | 413 | 1,232 |
| Market Capitalisation (Rs.Bn.) | 2,755 | 2,783 | 2,995 |



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.

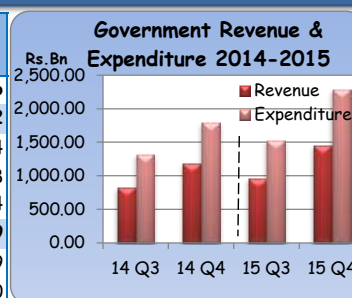
Total expenditure and net lending as a percentage of GDP increased to 20.5 per cent in 2015 from 17.2 per cent in 2014 due to increase in both recurrent expenditure, and capital expenditure and net lending. The increase in total expenditure and net lending was a combined outcome of the increase in recurrent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

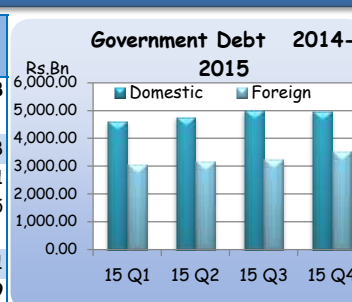
| Item | 2015 (a) | 2014 |
|---|----------------|----------------|
| Revenue and Grants | 1,460.9 | 1,204.6 |
| Revenue | 1,454.9 | 1,195.2 |
| Tax | 1,355.8 | 1,050.4 |
| Non tax | 99.1 | 144.8 |
| Grants | 6.0 | 9.4 |
| Expenditure & Lending Minus Repayments | 2,290.4 | 1,795.9 |
| Current | 1,701.7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

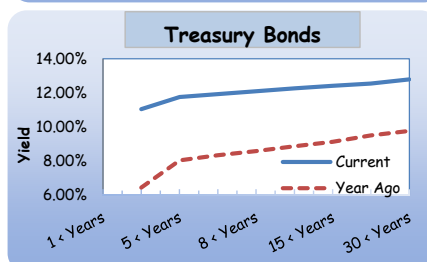
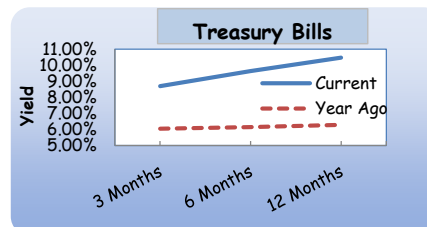
3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 15th June 2016

| Security | Maturity | Primary Market(a) | | Secondary Market | | | Last Week Average |
|----------------|------------|-------------------|-----------|------------------|---------|---------|-------------------|
| | | This Week | Last Week | This Week | | | |
| | | | | Buying | Selling | Average | |
| Treasury Bills | 3 Months | 8.84% | 8.82% | 8.80% | 8.59% | 8.70% | 8.67% |
| | 6 Months | 9.80% | 9.76% | 9.73% | 9.54% | 9.64% | 9.63% |
| | 12 Months | 10.54% | 10.53% | 10.54% | 10.37% | 10.46% | 10.45% |
| Treasury Bonds | < 2 Years | - | - | 11.12% | 10.94% | 11.03% | 11.07% |
| | < 5 Years | 11.42% | - | 11.81% | 11.69% | 11.75% | 11.80% |
| | < 6 Years | 11.97% | - | 11.99% | 11.86% | 11.92% | 11.97% |
| | < 8 Years | 12.36% | - | 12.15% | 12.04% | 12.09% | 12.12% |
| | < 10 Years | 12.50% | - | 12.31% | 12.20% | 12.26% | 12.26% |
| | < 15 Years | - | - | 12.45% | 12.34% | 12.40% | 12.39% |
| | < 20 Years | - | - | 12.60% | 12.46% | 12.53% | 12.54% |
| < 30 Years | - | - | 12.89% | 12.68% | 12.78% | 12.81% | |

(a) Primary market transactions during the week ending 15/06/2016

The secondary market yield rates of T-bills have increased across all maturities and the secondary market yield rates of T-bonds have decreased (except for T-bonds with maturities in-between 10 to 15 years) 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% | 5.59% | 5.63% |
| | 27-Jul-21 | 6.250% | 6.05% | 6.10% |
| | 25-Jul-22 | 5.875% | 6.41% | 6.42% |
| | 14-Jan-19 | 6.000% | 5.05% | 5.04% |
| | 11-Apr-19 | 5.125% | 4.99% | 4.91% |
| | 3-Jun-25 | 6.125% | 7.00% | 6.97% |
| | 3-Nov-25 | 6.850% | 7.12% | 7.10% |



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 15th June 2016)

| Item | Volume in Rs Mn | |
|--|---------------------|---------------------|
| | This Week | Last Week |
| Outstanding Stock of Government Securities | | |
| Treasury Bills | 678,936.62 | 678,328.57 |
| Treasury Bonds (a) | 3,858,284.11 | 3,837,661.11 |
| Total | 4,537,220.73 | 4,515,989.68 |
| T-bills and T-bonds held by Foreigners | 245,037.51 | 238,366.90 |
| Sri Lanka Development Bonds (SLDB) | 738,065.66 | 743,292.94 |

The outstanding stock of T-bills and T-bonds and the outstanding stock of T-bills and T-bonds held by foreigners, 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 | 30,000.00 | 30,000.00 |
| Total Bids Received | 64,448.00 | 60,172.00 |
| Total Bids Accepted | 18,278.00 | 13,395.00 |
| Treasury Bonds | | |
| Amount Offered | 18,000.00 | |
| Total Bids Received | 145,886.00 | No auction held |
| Total Bids Accepted | 20,623.00 | |

The weekly T-bill and T-bond auctions were over subscribed by 2.1 times and 8.1 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) | 21,519.13 | 39,290.79 |
| Repo Transaction (Sales / Purchases) | 110,160.68 | 93,707.50 |
| Treasury Bonds | | |
| Outright Transaction (Sales / Purchases) | 69,990.65 | 75,670.53 |
| Repo Transaction (Sales / Purchases) | 916,001.71 | 1,059,155.19 |

Except T-bill repo transactions, the secondary market activities decreased by 14.19 percent 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) - 17/06/2016

| Remaining Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|--------------------|----------------------|---------|-----------------------|---------|-------------------------|
| 1-7 Days | 99.84 | 8.24 | 99.85 | 8.08 | 0.00 |
| 1 Month | 99.31 | 8.41 | 99.32 | 8.24 | 0.01 |
| 2 Month | 98.59 | 8.57 | 98.62 | 8.41 | 0.03 |
| 3 Month | 97.83 | 8.81 | 97.89 | 8.59 | 0.05 |
| 4 Month | 97.03 | 9.07 | 97.11 | 8.82 | 0.08 |
| 5 Month | 96.17 | 9.35 | 96.25 | 9.16 | 0.08 |
| 6 Month | 95.21 | 9.74 | 95.31 | 9.55 | 0.10 |
| 7 Month | 94.34 | 9.84 | 94.42 | 9.69 | 0.08 |
| 8 Month | 93.46 | 9.95 | 93.57 | 9.77 | 0.11 |
| 9 Month | 92.55 | 10.07 | 92.65 | 9.93 | 0.10 |
| 10 Month | 91.61 | 10.21 | 91.72 | 10.07 | 0.11 |
| 11 Month | 90.64 | 10.35 | 90.78 | 10.20 | 0.14 |
| 12 Month | 89.61 | 10.54 | 89.78 | 10.36 | 0.17 |

3.6 Two way Quotes (Treasury Bonds)- 17/06/2016

| 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 | 45 | 99.64 | 9.11 | 99.67 | 8.92 | 0.02 |
| 08.00%2016A | 5 | 1-Sep-16 | 76 | 99.70 | 9.27 | 99.74 | 9.07 | 0.04 |
| 06.40%2016B | 6 | 1-Oct-16 | 106 | 99.12 | 9.38 | 99.19 | 9.14 | 0.07 |
| 08.00%2017A | 5 | 1-Jan-17 | 198 | 98.99 | 9.96 | 99.08 | 9.78 | 0.09 |
| 05.80%2017A | 6 | 15-Jan-17 | 212 | 97.68 | 10.03 | 97.78 | 9.83 | 0.10 |
| 08.25%2017A | 3 | 1-Mar-17 | 257 | 98.65 | 10.24 | 98.80 | 10.01 | 0.15 |
| 08.75%2017A | 4 | 15-May-17 | 332 | 98.56 | 10.43 | 98.76 | 10.19 | 0.20 |
| 08.00%2017B | 5 | 15-Jun-17 | 363 | 97.72 | 10.47 | 97.89 | 10.29 | 0.16 |
| 05.80%2017B | 6 | 15-Jul-17 | 393 | 95.30 | 10.52 | 95.51 | 10.30 | 0.21 |
| 08.50%2018A | 15 | 1-Feb-18 | 594 | 96.45 | 10.93 | 96.93 | 10.60 | 0.48 |
| 08.50%2018C | 5 | 1-Apr-18 | 653 | 96.05 | 10.97 | 96.32 | 10.80 | 0.27 |
| 08.50%2018D | 5 | 1-Jun-18 | 714 | 95.60 | 11.05 | 95.86 | 10.90 | 0.25 |
| 08.50%2018B | 15 | 15-Jul-18 | 758 | 95.25 | 11.11 | 95.47 | 10.99 | 0.21 |
| 07.50%2018A | 15 | 15-Aug-18 | 789 | 93.11 | 11.17 | 93.35 | 11.03 | 0.24 |
| 08.75%2018A | 4 | 15-Oct-18 | 850 | 94.95 | 11.26 | 95.18 | 11.14 | 0.23 |
| 08.00%2018A | 6 | 15-Nov-18 | 881 | 93.08 | 11.35 | 93.37 | 11.21 | 0.29 |
| 05.65%2019A | 8 | 15-Jan-19 | 942 | 87.59 | 11.33 | 87.83 | 11.22 | 0.24 |
| 08.50%2019A | 10 | 1-May-19 | 1,048 | 93.12 | 11.36 | 93.38 | 11.25 | 0.26 |
| 10.60%2019A | 5 | 1-Jul-19 | 1,109 | 97.79 | 11.48 | 98.09 | 11.36 | 0.30 |
| 10.60%2019B | 5 | 15-Sep-19 | 1,185 | 97.59 | 11.50 | 97.88 | 11.39 | 0.29 |
| 08.00%2019A | 8 | 1-Nov-19 | 1,232 | 90.36 | 11.52 | 90.63 | 11.42 | 0.27 |
| 09.25%2020A | 5 | 1-May-20 | 1,414 | 92.57 | 11.68 | 92.93 | 11.56 | 0.36 |
| 08.00%2020A | 8 | 1-Jun-20 | 1,445 | 88.59 | 11.68 | 88.92 | 11.57 | 0.33 |
| 06.20%2020A | 10 | 1-Aug-20 | 1,506 | 82.39 | 11.70 | 82.73 | 11.58 | 0.34 |
| 09.50%2020A | 5 | 15-Dec-20 | 1,642 | 92.42 | 11.72 | 92.75 | 11.62 | 0.33 |
| 09.00%2021A | 8 | 1-May-21 | 1,779 | 89.72 | 11.83 | 90.18 | 11.70 | 0.45 |
| 11.00%2021A | 7 | 1-Aug-21 | 1,871 | 96.78 | 11.85 | 97.29 | 11.71 | 0.52 |
| 09.45%2021A | 7 | 15-Oct-21 | 1,946 | 90.48 | 11.91 | 90.87 | 11.80 | 0.39 |
| 08.00%2022A | 10 | 1-Jan-22 | 2,024 | 84.41 | 11.92 | 84.81 | 11.81 | 0.40 |
| 11.20%2022A | 9 | 1-Jul-22 | 2,205 | 96.62 | 12.00 | 97.22 | 11.85 | 0.61 |
| 10.00%2022A | 8 | 1-Oct-22 | 2,297 | 90.90 | 12.10 | 91.53 | 11.95 | 0.63 |
| 09.00%2023A | 10 | 1-Sep-23 | 2,632 | 85.17 | 12.14 | 85.71 | 12.01 | 0.54 |
| 11.20%2023A | 9 | 1-Sep-23 | 2,632 | 95.43 | 12.16 | 96.10 | 12.02 | 0.67 |
| 07.00%2023A | 20 | 1-Oct-23 | 2,662 | 75.77 | 12.09 | 76.17 | 11.99 | 0.40 |
| 11.40%2024A | 10 | 1-Jan-24 | 2,754 | 95.45 | 12.34 | 95.95 | 12.24 | 0.50 |
| 06.00%2024A | 10 | 1-Dec-24 | 3,089 | 67.89 | 12.19 | 68.29 | 12.09 | 0.40 |
| 10.25%2025A | 10 | 15-Mar-25 | 3,193 | 88.76 | 12.38 | 89.42 | 12.25 | 0.66 |
| 09.00%2025A | 12 | 1-May-25 | 3,240 | 82.60 | 12.27 | 83.12 | 12.16 | 0.53 |
| 11.00%2025A | 10 | 1-Aug-25 | 3,332 | 92.55 | 12.38 | 93.21 | 12.25 | 0.66 |
| 09.00%2026A | 13 | 1-Feb-26 | 3,516 | 81.55 | 12.32 | 82.04 | 12.22 | 0.49 |
| 05.35%2026A | 15 | 1-Mar-26 | 3,544 | 61.28 | 12.28 | 61.54 | 12.22 | 0.25 |
| 11.00%2026A | 11 | 1-Jun-26 | 3,636 | 91.52 | 12.51 | 92.02 | 12.42 | 0.50 |
| 09.00%2028B | 15 | 1-May-28 | 4,336 | 79.42 | 12.34 | 79.87 | 12.26 | 0.44 |
| 09.00%2028A | 15 | 1-Jul-28 | 4,397 | 79.16 | 12.37 | 79.67 | 12.28 | 0.51 |
| 11.50%2028A | 13 | 1-Sep-28 | 4,459 | 93.16 | 12.61 | 94.21 | 12.43 | 1.05 |
| 13.00%2029A | 15 | 1-Jan-29 | 4,581 | 103.73 | 12.40 | 104.19 | 12.33 | 0.46 |
| 13.00%2029B | 15 | 1-May-29 | 4,701 | 103.54 | 12.44 | 104.09 | 12.35 | 0.55 |
| 11.00%2030A | 15 | 15-May-30 | 5,080 | 89.05 | 12.69 | 89.99 | 12.53 | 0.94 |
| 08.00%2032A | 20 | 1-Jan-32 | 5,676 | 69.43 | 12.51 | 69.91 | 12.41 | 0.48 |
| 09.00%2032A | 20 | 1-Oct-32 | 5,950 | 75.72 | 12.52 | 76.31 | 12.42 | 0.59 |
| 09.00%2033A | 20 | 1-Jun-33 | 6,193 | 75.34 | 12.54 | 75.94 | 12.43 | 0.59 |
| 13.25%2033A | 20 | 1-Jul-33 | 6,223 | 104.71 | 12.57 | 105.58 | 12.45 | 0.86 |
| 09.00%2033B | 20 | 1-Nov-33 | 6,346 | 74.80 | 12.60 | 75.57 | 12.47 | 0.77 |
| 13.25%2034A | 20 | 1-Jan-34 | 6,407 | 103.74 | 12.71 | 104.64 | 12.59 | 0.89 |
| 11.50%2035A | 20 | 15-Mar-35 | 6,845 | 90.90 | 12.78 | 93.20 | 12.44 | 2.30 |
| 12.00%2041A | 25 | 1-Jan-41 | 8,964 | 93.55 | 12.87 | 96.41 | 12.47 | 2.86 |
| 09.00%2043A | 30 | 1-Jun-43 | 9,845 | 71.05 | 12.85 | 71.69 | 12.74 | 0.64 |
| 13.50%2044A | 30 | 1-Jan-44 | 10,059 | 104.63 | 12.88 | 105.41 | 12.78 | 0.78 |
| 13.50%2044B | 30 | 1-Jun-44 | 10,211 | 104.35 | 12.92 | 105.23 | 12.81 | 0.88 |
| 12.50%2045A | 30 | 1-Mar-45 | 10,484 | 96.49 | 12.96 | 98.87 | 12.64 | 2.39 |

External Sector

During the year up to 17 June 2016 the rupee depreciated against the US dollar (0.4 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (3.6 per cent), Indian rupee (0.8 per cent) and depreciated against Japanese yen (13.5 per cent), euro (3.4 per cent) during this period.

Earnings from exports declined by 1.7 per cent, year-on-year, to US dollars 888 million in February 2016 reflecting lower commodity prices in the international market. The largest contribution to this decline was from the petroleum products exports, followed by gems, diamonds and jewellery and spices exports. On a cumulative basis, earnings from exports declined by 2.0 per cent to US dollars 1,783 million during the first two months of 2016.

Expenditure on imports declined by 5.9 per cent, year-on-year, to US dollars 1,439 million in February 2016. The largest contribution to this decline came from fuel imports, which declined by 43.7 per cent to US dollars 149 million, as average crude oil import price declined to US dollars 35.36 per barrel in February 2016 compared to US dollars 69.52 per barrel recorded in February 2015. On a cumulative basis, expenditure on imports during the first two months of 2016 decreased by 5.7 per cent to US dollars 3,028 million, driven by fuel imports.

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 May 2016, accounting for 52.2 per cent of total tourist arrivals upto the month of May 2016

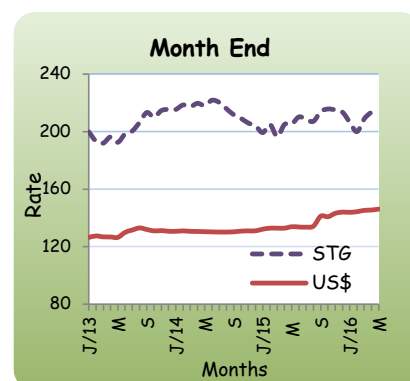
The average price of tea declined to US dollars 2.79 per kg in February 2016 from US dollars 3.14 per kg (in the Colombo auction) in February 2015.

Further, the import prices of rice, 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 - 17 June 2016 | | | Average Rate | |
|--|----------------------------|--------------|-----------------|------------------|-----------------|
| | Buying Rate | Selling Rate | Average Rate | Week Ago | Year Ago |
| US\$ | 142.87 | 146.61 | 144.74 | 145.24 | 134.05 |
| STG | 202.96 | 210.21 | 206.59 | 210.10 | 209.71 |
| Yen | 1.36 | 1.41 | 1.39 | 1.36 | 1.09 |
| Euro | 159.88 | 166.28 | 163.08 | 164.16 | 150.84 |
| INR ⁽¹⁾ | | | 2.15 | 2.18 | 2.09 |
| SDR (As at 16 June 2016) | | | 203.69 | 206.08 | 188.51 |
| Central Bank purchases and sales(b) (US\$ Mn.) | | | May 2016 | Month Ago | Year Ago |
| Purchases | | | 123.83 | 14.95 | 8.80 |
| Sales | | | 36.20 | 266.45 | 157.83 |



| | Week Ending 17 June 2016 | Week Ago | Year Ago |
|---|-----------------------------|----------|----------|
| Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks) | 36.90 | 22.31 | 35.39 |
| Forward Transactions | | | |
| Forward Rates (US\$) ⁽²⁾ | | | |
| 1 Month | 145.57 | 146.95 | 134.51 |
| 3 Months | 146.98 | 149.21 | 135.80 |
| Average Daily Interbank Forward Volume (US\$ mn) | 34.58 | 35.27 | 33.88 |
| Outstanding Forward Volume (US\$ mn) (As at 16 June 2016) | 1,464.67 | 1,485.59 | 1,374.48 |

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

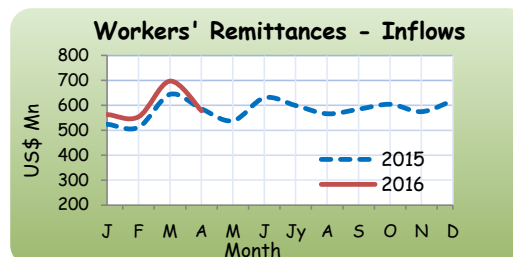
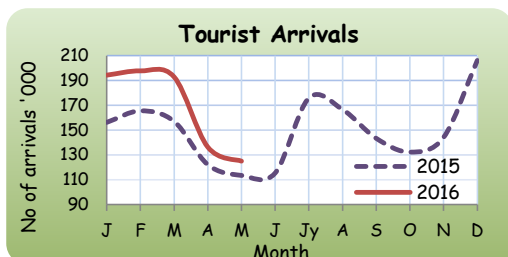
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

(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 |
|--------------------------------|----------|------------|------------|-------------|-------------|----------|
| | | May (a)(c) | May (b)(d) | Jan-May (c) | Jan-May (d) | |
| Tourist Arrivals | Number | 113,529 | 125,044 | 714,584 | 846,229 | 18.4 |
| Earnings from Tourism(d) | US\$ Mn. | 188.2 | 207.2 | 1,184.4 | 1,402.50 | 18.4 |
| | Rs.bn. | 25.1 | 30.2 | 157.1 | 202.2 | 28.7 |
| 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 Official Reserve Assets as at 31st May 2016^(a)

| Official Reserve Assets (USD Mn) | 5,620.71 |
|----------------------------------|----------|
| (1) Foreign currency reserves | 4,679.33 |
| (2) Reserve position in the IMF | 67.14 |
| (3) SDRs | 6.92 |
| (4) Gold | 866.34 |
| (5) Other reserve assets | 0.98 |

(a) Provisional

4.4 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) | -10.67 | -10.67 | | |
| inflows related to reverse repos (+) | | | | |
| other accounts payable (-) | -10.67 | -10.67 | | |

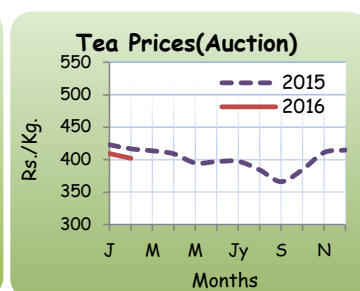
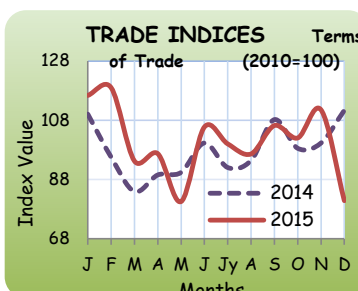
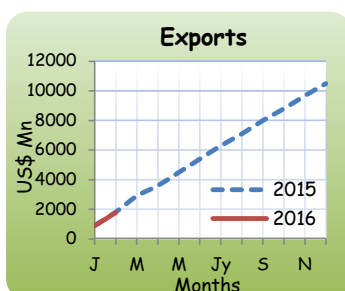
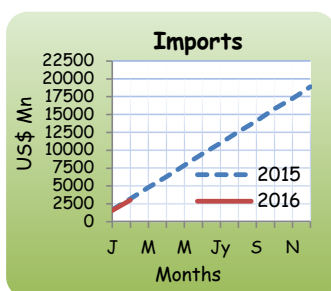
(a) Provisional

(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

4.5 External Trade

| Item | US\$ Mn | | | Rs Mn | | |
|-----------------------------|-------------------|-------------------|--------------|-------------------|-------------------|-------------|
| | Jan - Feb 2016 | Jan - Feb 2015 | % Change | Jan - Feb 2016 | Jan - Feb 2015 | % Change |
| Exports | 1,782.6 | 1,819.7 | -2.0 | 256,576.9 | 240,444.9 | 6.7 |
| Agricultural | 361.6 | 404.8 | -10.7 | 52,042.5 | 53,496.2 | -2.7 |
| Industrial | 1,413.9 | 1,405.7 | 0.6 | 203,513.9 | 185,743.5 | 9.6 |
| Food, Beverages and Tobacco | 52.4 | 42.1 | 24.6 | 7,543.1 | 5,559.1 | 35.7 |
| Textiles and Apparel | 927.5 | 829.7 | 11.8 | 133,501.6 | 109,647.6 | 21.8 |
| Petroleum Products | 47.1 | 102.8 | -54.2 | 6,776.0 | 13,577.5 | -50.1 |
| Leather, Rubber etc | 155.9 | 157.7 | -1.2 | 22,440.5 | 20,842.0 | 7.7 |
| Other | 231.0 | 273.3 | -15.5 | 33,252.7 | 36,117.3 | -7.9 |
| Mineral | 4.9 | 6.7 | -26.9 | 701.7 | 881.9 | -20.4 |
| Other | 2.2 | 2.4 | -9.4 | 318.9 | 323.2 | -1.4 |
| Imports | 3,028.4 | 3,211.2 | -5.7 | 435,897.1 | 424,233.9 | 2.7 |
| Consumer Goods | 689.1 | 749.8 | -8.1 | 99,187.0 | 99,050.5 | 0.1 |
| Intermediate Goods | 1,525.2 | 1,656.0 | -7.9 | 219,523.5 | 218,802.1 | 0.3 |
| Investment Goods | 813.4 | 804.2 | 1.1 | 117,069.7 | 106,214.2 | 10.2 |
| Other | 0.8 | 1.3 | -35.8 | 117.0 | 167.1 | -30.0 |
| Trade Balance | -1,245.8 | -1,391.5 | -10.5 | -179,320.2 | -183,789.0 | -2.4 |

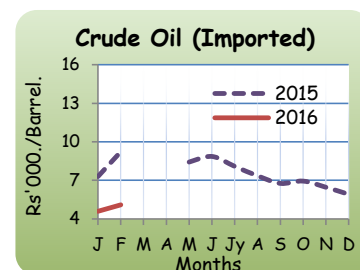
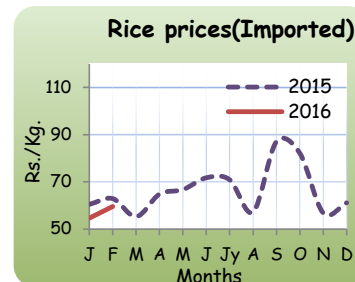


4.6 Trade Indices (2010= 100) (a)

| 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



4.7 International Commodity Prices

| Item | February 2016 | February 2015 | % Change | February 2016 | February 2015 | % Change |
|------------------------------|------------------|------------------|----------|------------------|------------------|----------|
| Colombo Auction Price | US\$ / Kg | | | Rs / Kg | | |
| Tea Prices | 2.79 | 3.14 | -11.0 | 402.22 | 416.90 | -3.5 |
| Imports (C I F) | US\$ / MT | | | Rs / MT | | |
| Rice | 413.84 | 474.00 | -12.7 | 59,563.27 | 62,913.62 | -5.3 |
| White Sugar | 441.11 | 450.50 | -2.1 | 63,489.10 | 59,794.10 | 6.2 |
| Wheat | 232.87 | 326.45 | -28.7 | 33,517.25 | 43,329.20 | -22.6 |
| | US\$ / Barrel | | | Rs / Barrel | | |
| Crude Oil | 35.36 | 69.52 | -49.1 | 5,089.57 | 9,226.91 | -44.8 |