

Weekly Economic Indicators

02 December 2016



Statistics Department

Real Sector

Inflation, as measured by the change in the National Consumer Price Index (NCPI) (2013=100), which is compiled by the Department of Census and Statistics (DCS), increased to 5.0 per cent in October 2016 from 4.7 per cent in September 2016, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in October 2016. The change in the NCPI measured on an annual average basis increased to 4.0 per cent in October 2016 from 3.8 per cent in September 2016. When the monthly change is considered, the NCPI increased from 113.5 index points in September 2016 to 114.7 index points in October 2016. This monthly increase was mainly due to the increase in prices of the items in the Food category. The NCPI Core inflation, which reflects the underlying inflation in the economy, remained unchanged at 5.7 per cent in October 2016 compared to September 2016, on both year-on-year and Annual Average basis.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100) based on compilation by the DCS, decreased to 3.4 per cent in November 2016 from 4.2 per cent in October 2016, on year-on-year basis. Annual average inflation remained unchanged at 3.6 per cent in November 2016. The monthly increase in CCPI was 0.6 per cent. CCPI Core inflation increased to 5.1 per cent in November 2016 from 4.2 per cent in October 2016, on year-on-year basis. Annual average core inflation increased to 5.0 per cent in November 2016 from 4.9 per cent in October 2016.

The GDP grew by 3.9 per cent in real terms in the first half of 2016, mainly attributable to 4.9 per cent growth in Services activities and 5.2 per cent growth in Industry activities while Agriculture activities contracted by 2.5 per cent, in value added terms.

During the first nine months of 2016 production of tea declined due to unfavourable weather conditions and low demand from prime export destinations while production of rubber declined due to the slowdown of tapping activities. However, the coconut production has recorded an increase during the similar period.

The FIPI decreased by 6.6 per cent on year-on-year basis in July 2016. This decrease was mainly due to decreased production of food products, wearing apparel, beverages and rubber and plastic products sub-sectors. This was mainly attributed to decreased domestic and international demand.

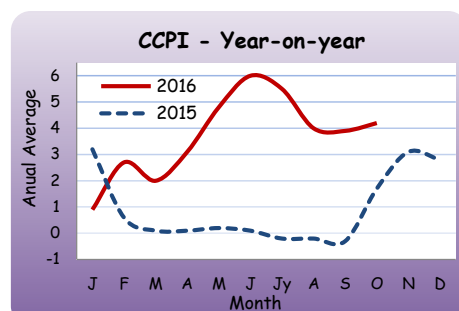
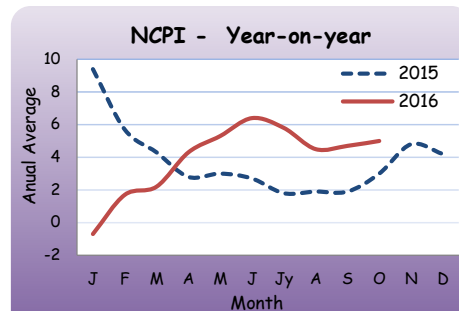
During the week crude oil prices largely followed an increasing trend. At the beginning of the week oil prices fell as doubts re-emerged over the ability of major producers to cut output at a planned meeting on 30th November aimed at reining in global oversupply. However, towards the end of the week crude oil prices rose as some of the world's largest producers agreed to curb production for the first time since 2008 in a bid to support prices. The OPEC, which accounts for a third of global oil supply, agreed to cut production from January 2017 by around 1.2 million barrels per day (bpd) to 32.5 million bpd. Saudi Arabia will cut output by almost 500,000 bpd, while Iraq agreed to reduce output by 200,000 bpd. Iran was allowed to boost production slightly from its October level. Non-OPEC member Russia agreed to cut output by 300,000 bpd.

Highlights

REAL SECTOR

1.1 Price Indices

Item	October 2016	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	114.7	113.5	109.2
Monthly Change %	1.1	0.2	0.7
Annual Average Change %	4.0	3.8	-
Year - on - Year Change %	5.0	4.7	3.0
Core Inflation - (NCPI)	118.2	117.7	111.8
Annual Average Change %	5.7	5.7	-
Year - on - Year Change %	5.7	5.7	4.8
Item	November 2016	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	190.9	189.7	184.7
Annual Average Change %	3.6	3.6	0.9
Year - on - Year Change %	3.4	4.2	3.1
Core Inflation - (CCPI)	190.0	188.2	180.7
Annual Average Change %	5.0	4.9	3.0
Year - on - Year Change %	5.1	4.2	4.3

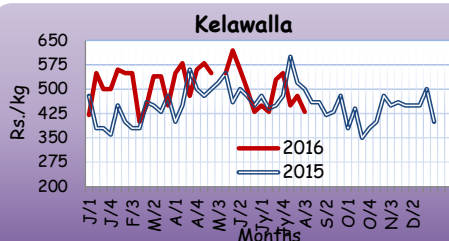
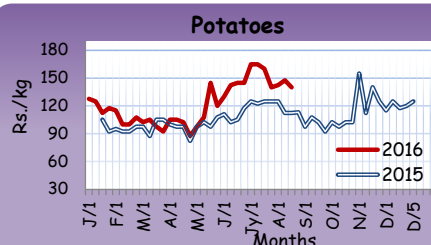
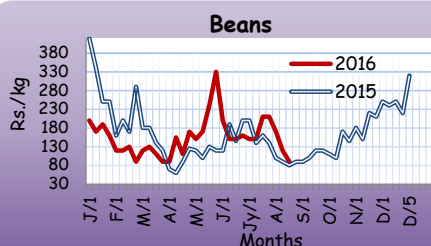
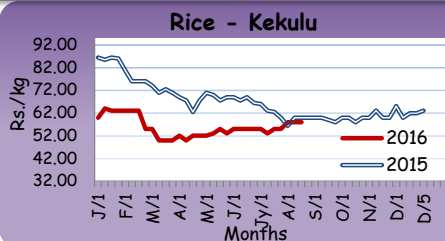


1.2 Pettah Market

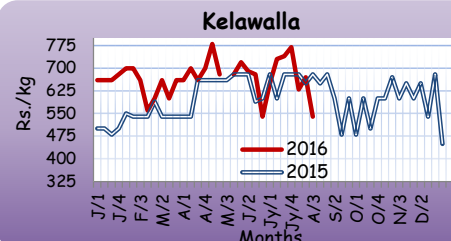
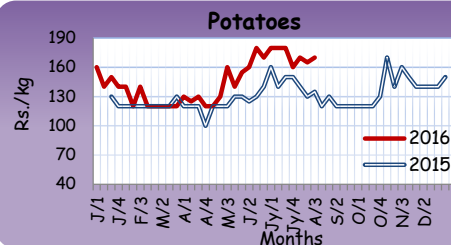
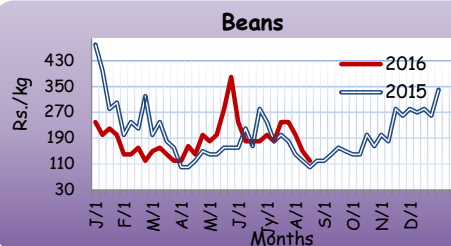
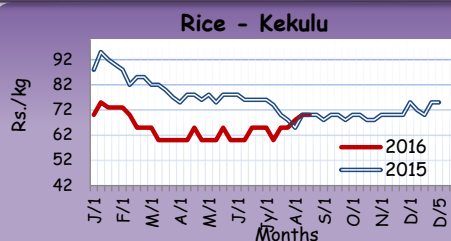
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 01 st Dec 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 01 st Dec 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	90.00	85.00	85.00	83.22	95.00	95.00	92.50	90.10
Kekulu (Red)	72.00	72.00	70.50	66.15	80.00	80.00	77.50	75.20
Vegetables								
Beans	210.00	180.00	165.00	160.49	240.00	200.00	195.00	196.86
Cabbage	22.50	25.00	26.25	79.31	50.00	50.00	55.00	117.94
Carrots	75.00	55.00	63.13	146.27	120.00	100.00	102.50	184.90
Tomatoes	35.00	27.50	32.50	89.80	80.00	60.00	67.50	126.18
Pumpkins	37.50	37.50	34.38	49.12	60.00	60.00	56.25	72.94
Snake Gourd	75.00	95.00	78.75	73.73	140.00	140.00	125.00	106.57
Brinjals	45.00	45.00	40.00	72.56	80.00	80.00	85.00	105.69
Ash-Plantains	55.00	55.00	57.50	81.08	100.00	100.00	92.50	110.59
Other Foods								
Red-Onions (Local)	80.00	115.00	97.50	105.28	120.00	140.00	138.75	135.34
Big-Onions (Local)	80.00	74.00	73.50	95.17	100.00	95.00	96.25	124.67
Potatoes (N'Eliya)	152.50	137.50	125.00	107.98	167.50	160.00	152.50	130.80
Dried Chilies (Imported)	230.00	240.00	258.75	248.90	320.00	320.00	342.50	291.08
Dhal (Indian)	150.00	158.00	160.75	161.98	169.00	169.00	169.00	177.43
The Eggs	14.20	14.20	12.68	14.17	15.00	14.50	13.13	14.73
Coconut (Each)	43.50	44.00	43.63	41.00	60.00	55.00	55.00	53.18
Fish*								
Kelawalla	480.00	480.00	467.50	153.14	670.00	670.00	652.50	598.24
Balaya	240.00	200.00	252.50	295.00	340.00	300.00	352.50	361.20
Salaya	150.00	150.00	140.00	114.71	220.00	220.00	202.50	156.08
Paraw (Small)	480.00	460.00	410.00	484.69	670.00	560.00	510.00	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 01 st Dec 2016	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	85.90	91.50
Kekulu (Red)	73.50	77.80
Vegetables		
Beans	220.00	272.00
Carrot	97.00	135.00
Tomatoes	26.00	46.00
Pumpkins	35.80	53.00
Snake Gourd	82.00	131.00
Ash-Plantains	51.00	75.00
Other Foods		
Red-Onions (Local)	74.50	119.00
Big-Onions (Local)	74.10	93.00
Potatoes (N'Eliya)	137.00	154.00
Dried Chilies(Imported)	243.00	328.00
Coconut (Each)	39.00	47.50

1.5 Maradaghamula Market

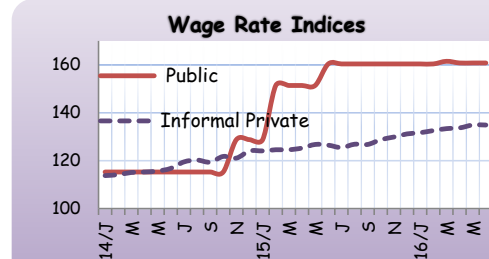
Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 02 nd Dec	Week Ago	Month Ago	Year Ago
Samba	82.90	80.50	81.10	79.56
Sudu Kekulu	74.50	68.50	68.83	62.37
Raw Red	64.10	61.10	61.52	66.17
Nadu	77.30	74.90	74.60	64.24

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	01 st Dec 2016	Week Ago
Rice		
Samba	89.33	90.00
Kekulu (Red)	74.67	75.00
Vegetables		
Beans	240.00	246.67
Cabbage	80.00	80.00
Carrots	120.00	120.00
Tomatoes	70.00	80.00
Pumpkins	60.00	70.00
Snake Gourd	173.33	130.00
Brinjals	90.00	100.00
Ash-Plantains	120.00	126.67
Other Foods		
Red-Onions (Imported)	120.00	140.00
Big-Onions (Imported)	n.a.	n.a.
Potatoes (Imported)	95.00	90.00
Dried Chilies (Imported)	336.67	333.33
Dhal (Indian)	175.00	175.00
Eggs (Red)(Each)	15.33	15.50
Coconut (Each)	51.67	51.67
Fish		
Kelawalla	790.00	853.33
Balaya	325.00	446.67
Salaya	160.00	196.67
Paraw (Small)	666.67	846.67

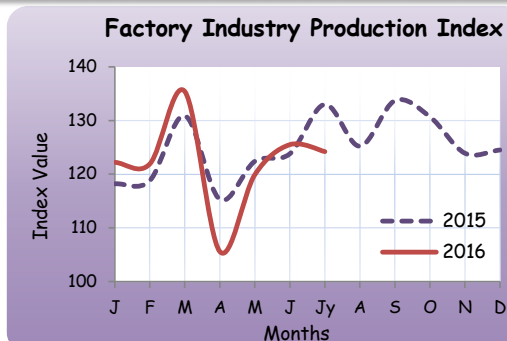
1.6 Wage rate Indices

Item	2016 September	2015 September	% Change
Public Sector Employees (2012 = 100)	160.8	160.4	0.2
Informal Private Sector Employees (2012 = 100)	140.7	126.8	10.9
Agriculture	140.1	128.8	8.8
Industry	145.9	128.9	13.2
Services	135.8	124.0	9.5



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

Item	2016 (b) July	2015 July	% Change
Factory Industry- Production Index	124.2	133.0	-6.6
Food products	102.8	112.4	-8.5
Beverages	102.0	123.8	-17.6
Tobacco products	107.0	106.5	0.4
Wearing apparel	164.5	187.1	-12.1
Chemicals and chemical products	85.3	78.5	8.7
Rubber and plastic products	152.4	146.2	4.2
Other non-metallic mineral products	132.5	129.1	2.6



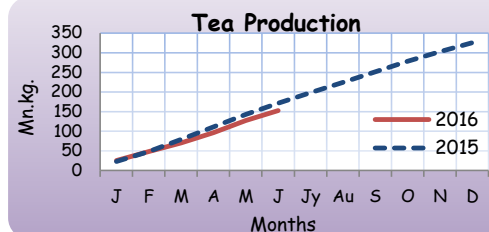
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

Item	Unit	2016(a) Jan-Sep	2015 Jan-Sep	% Change
Tea	(Mn Kg)	216.7	251.3	-13.8
Rubber	(Mn Kg)	63.9	69.8	-8.5
Coconuts	(Mn Nuts)	2,364.7	2,295.1	3.0

(a) Provisional



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

Item	2016(a) 2 nd Quarter	2015(a) 2 nd Quarter	2015(a) Annual
Agriculture	-5.6	10.4	5.5
Industry	2.2	3.9	3.0
Services	4.9	6.9	5.3
GDP	2.6	7.0	4.8



Source: Department of Census and Statistics

1.10 Employment (a)(b)

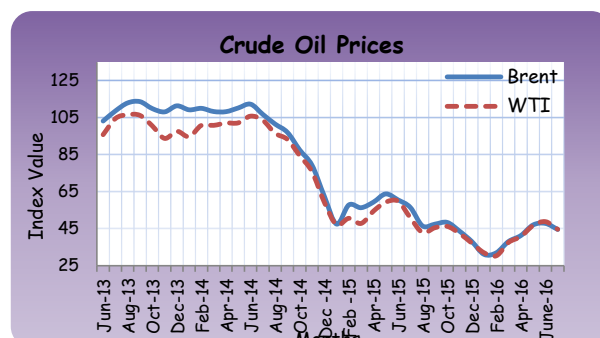
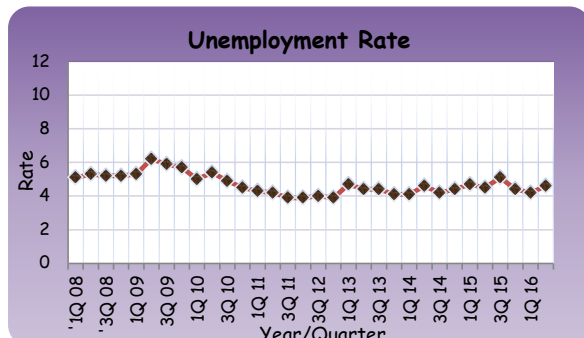
Item	2015 (c)(d) 2 nd Quarter	2016 (c) 2 nd Quarter	2015 Annual
Labour Force Participation rate	54.2	53.3	53.8
Unemployment rate	4.5	4.6	4.7
Employed Persons by Sectors (e) (as a % of total employment)			
Agriculture	28.9	25.1	28.7
Industry	25.5	27.1	25.8
Services	45.6	47.8	45.6

(a) The working age population aged 15 and above

Source: Department of Census and Statistics

(b) In July 2016, the Department of Census and Statistics published a re-weighted and revised labour force data series for 2011 onwards

(c) Provisional (d) Revised (e) 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	48.84
June	60.53	59.82	66.17	47.82	48.76	50.95
July	56.48	50.90	60.49	44.54	44.65	46.10
August	46.43	42.87	54.92	45.50	44.72	46.71
September	47.41	45.48	48.65	46.80	45.20	46.99
October	48.36	46.22	49.26	49.01	49.70	52.70
November	43.68	42.44	45.46	44.01	45.66	
December	38.08	37.21	41.21			
	2015			2016		
25 November	42.91	41.22		45.47	46.72	
28 November	-	-		46.06	45.66	
29 November	-	-		44.15	45.29	
30 November	43.08	40.43		47.30	49.41	
01 December	42.32	40.58		51.78	51.08	

Sources: Reuters

Energy Information Administration

Ceylon Petroleum Corporation

(*) CPC import prices are not directly comparable with spot prices of WTI and Brent as CPC import prices include freight charges and the price is weighted for average prices of different types of crude oil. Also Part of the imports of CPC are on a term contract basis.

Monetary Sector

Weekly AWPR for the week ending 02 December 2016 increased by 20 bps to 11.82 per cent compared to the previous week.

Broad money (M2b) expanded by 18.4 per cent on a year-on-year basis in September 2016.

Net Credit to the Government from the banking system showed an increase of Rs. 11.0 billion in September 2016.

Public Corporations recorded an increase of Rs. 10.7 billion in September 2016.

Credit extended to the private sector increased by Rs. 59.5 billion in September 2016.

The reserve money decreased compared to the previous week mainly due to decrease in currency in circulation.

The total outstanding market liquidity decreased to a deficit of Rs. 5.81 bn by end of the week, compared to a surplus of Rs. 3.02 bn by the end of last week.

By 02 December 2016, All Share Price Index (ASPI) increased by 1.17 per cent to 6,326 points while S&P SL 20 Index increased by 1.30 per cent to 3,522 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

Item	Week Ending 2016 Dec 02	Week Ago	Year Ago
Policy Interest Rates			
Standing Deposit Facility Rate	7.00	7.00	6.00
Standing Lending Facility Rate	8.50	8.50	7.50
Average Weighted Call Money Rate (AWCMR)(Weekly Average)	8.41	8.44	6.31
Sri Lanka Inter Bank Offered Rate (SLIBOR)			
1 day	8.44	8.45	6.33
7 days	9.58	9.59	6.49
1 Month	10.57	10.55	6.78
3 Months	11.00	11.03	7.08
6 Months	11.50	11.51	7.33
12 Months	12.00	12.00	7.72
Treasury Bill Yields (Excluding 10% withholding tax)			
91 days	8.60	8.60	6.06
182 days	9.55	9.71	6.30
364 days	10.10	10.25	6.86
Licensed Commercial Banks			
Average Weighted Prime Lending Rate (AWPR)	11.82	11.62	7.32
	Sep 2016	Month Ago	Year Ago
Saving Deposits	0.50-12.25	0.50-9.00	0.50-8.00
One Year Fixed Deposits	4.50-15.00	4.50-15.00	3.50-15.00
	Nov 2016	Month Ago	Year Ago
Average Weighted Deposit Rate (AWDR)	8.00	7.79	6.11
Average Weighted Fixed Deposit Rate (AWFDR)	10.25	9.95	7.43
	Sep 2016	Month Ago	Year Ago
Average Weighted Lending Rate (AWLR)	13.08	12.88	10.96
National Savings Bank (NSB)			
	Sep 2016	Month Ago	Year Ago
Saving Deposits	4.25	4.25	5.00
One Year Fixed Deposits	11.00	10.00	6.50
Treasury Bonds Auction			
	(4 Y & 05 Months) 29/09/2016	(7 Y & 10 Months) 29/09/2016	(9 y & 10 Months) 29/09/2016
Coupon rate	10.75	11.00	11.50
Weighted Average Yield (Excluding 10% withholding tax)	10.61	10.96	11.06

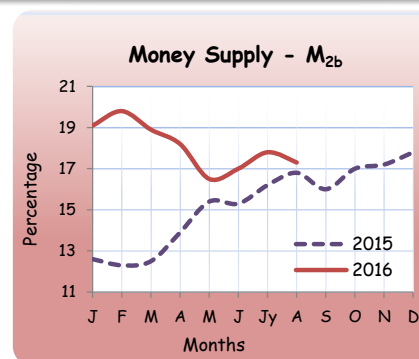
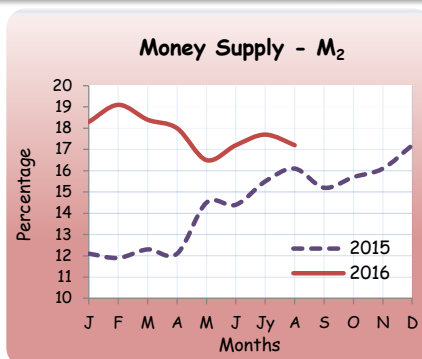
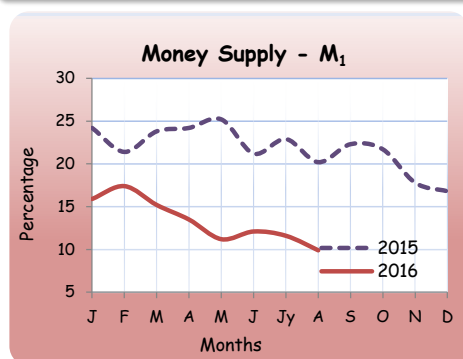
Bankwise- AWPR	Week ending 2016 Dec 02	Week Ago
Bank of Ceylon	12.16	12.32
People's Bank	13.35	12.18
Hatton National Bank	12.32	13.04
Commercial Bank of Ceylon	12.33	12.65
Sampath Bank	12.62	13.32
Seylan Bank	13.39	13.21
Union Bank of Colombo	14.43	14.06
Pan Asia Banking Corporation	14.40	14.58
Nations Trust Bank	12.10	12.83
DFCC Bank	13.01	13.01
NDB Bank	15.00	14.50
Amana Bank	12.34	12.31
Cargills Bank	13.24	13.38

Bankwise- AWPR	Week ending 2016 Dec 02	Week Ago
HSBC	8.42	9.44
Standard Chartered Bank	11.37	11.16
Citi Bank	9.53	9.11
Deutsche Bank	9.72	9.62
Habib Bank	10.80	10.79
Indian Bank	13.52	13.75
Indian Overseas Bank	14.25	14.25
MCB Bank	13.16	12.54
State Bank of India	12.92	13.16
Public Bank	11.50	10.25
ICICI Bank	12.20	12.83
Axis Bank	12.86	12.83

2.2 Money Supply

Item	Rs. Bn.			Annual Change (%)		
	2016 (a) September	Month Ago	Year Ago	2016 (a) September	Month Ago	Year Ago
Reserve Money	793.7	785.7	640.5	23.9	23.3	19.3
M ₁	729.3	714.2	660.4	10.4	9.9	22.3
M ₂	4,551.9	4,434.8	3,821.8	19.1	17.2	15.2
M _{2b}	5,096.2	4,988.6	4,305.0	18.4	17.3	16.0
Net Foreign Assets of the Banking System (b)	-278.0	-281.5	-362.7	23.3	-1.0	-342.5
Monetary Authorities	498.5	499.0	431.1	15.6	10.7	-43.9
Commercial Banks	-776.5	-780.5	-793.8	2.2	-7.0	-28.2
Domestic Banking Units (DBUs)	-276.1	-268.9	-259.4	-6.4	-12.2	-4.2
Offshore Banking Units (OBUs)	-500.4	-511.6	-534.3	6.4	-4.4	-44.2
Net Domestic Assets of the Banking System (b)	5,374.2	5,270.1	4,667.7	15.1	16.3	31.1
Net Credit to the Government	1,948.9	1,937.9	1,778.4	9.6	11.7	28.1
Monetary Authorities	397.4	396.5	323.5	22.9	62.2	133.5
Commercial Banks	1,551.5	1,541.4	1,455.0	6.6	3.4	16.4
DBUs	1,215.9	1,208.4	1,128.5	7.7	2.1	7.2
OBUs	335.6	333.0	326.5	2.8	8.3	65.1
Credit to Public Corporations	452.2	441.5	525.3	-13.9	-8.5	44.4
DBUs	266.8	266.6	240.1	11.1	20.0	35.9
OBUs	185.4	174.9	285.3	-35.0	-32.8	52.3
Credit to the Private Sector	3,965.4	3,905.9	3,156.3	25.6	27.3	22.2
DBUs	3,678.3	3,616.6	2,913.6	26.2	27.6	24.5
OBUs	287.1	289.3	242.7	18.3	23.0	0.1
Other Items (Net)	-992.3	-1,015.2	-792.4	-25.2	-34.4	-2.3

(a) Provisional (b) In relation to M_{2b}

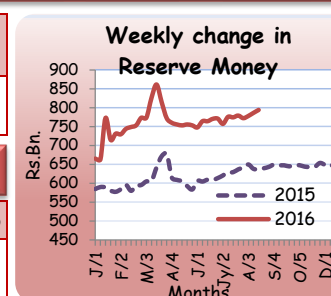


2.3 Weekly change in Reserve Money

Item	01 Dec 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	809,510	809,684	-174

2.4 Money Market Activity (Overnight)

Item	28.11.2016	29.11.2016	30.11.2016	01.12.2016	02.12.2016
Call Money Market					
Weighted Average Rate (% p.a.)	8.44	8.42	8.43	8.39	8.39
Gross Volume (Rs. Mn)	8,320	13,435	4,615	16,253	18,900
Repo Market					
Weighted Average Rate (% p.a.)	8.60	8.61	8.64	8.67	8.53
Gross Volume (Rs. Mn)	37,048	34,709	27,427	23,935	39,304



2.5 CBSL Security Portfolio

Item	28.11.2016	29.11.2016	30.11.2016	01.12.2016	02.12.2016
CBSL Treasury Bill Holdings - Face Value (Rs.mn)	222,228	222,228	222,228	222,228	211,728
CBSL Treasury Bill Holdings - Book Value (Rs.mn)	218,850	218,917	218,995	219,049	208,588

2.6 Open Market Operations

Item	28.11.2016	29.11.2016	30.11.2016	01.12.2016	02.12.2016
Short-Term Auction					
Repo Amount Offered (Rs. bn)	10.00	10.00	12.00	10.00	0.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Tenure (No. of Days)	1	1	1	1	0
Bids Received (Rs. bn)	12.50	11.48	16.20	23.80	0.00
Amount Accepted (Rs. bn)	0.00	3.00	12.00	10.00	0.00
Weighted Average Yield Rate (% p.a.)	0.00	7.50	7.47	7.40	0.00
Term Auction					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Standing Facility					
Standing Deposit Facility (Rs. bn)	23.48	29.35	24.78	35.62	19.70
Standing Lending Facility (Rs. bn)	18.21	17.51	25.95	36.25	25.51
Total Outstanding Market Liquidity (Rs. bn)	5.27	14.84	10.83	9.37	-5.81

2.7 Credit Cards (a)

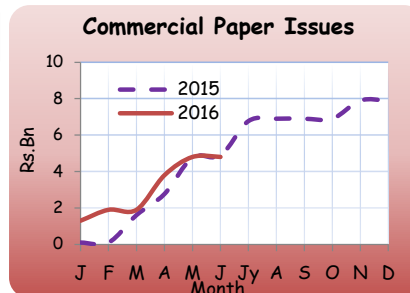
Item	2016 (b) End Aug	2016 End July	2015 End Dec
Total Number of Active Cards	1,253,876	1,226,820	1,142,231
Local (accepted only locally)	35,880	36,177	30,902
Global (accepted globally)	1,217,996	1,190,643	1,111,329
Outstanding balance (Rs. Mn.)	67,664	65,870	63,010
Local (accepted only locally)	813	804	1,226
Global (accepted globally)	66,851	65,066	61,784

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

2.8 Commercial Paper Issues (a)

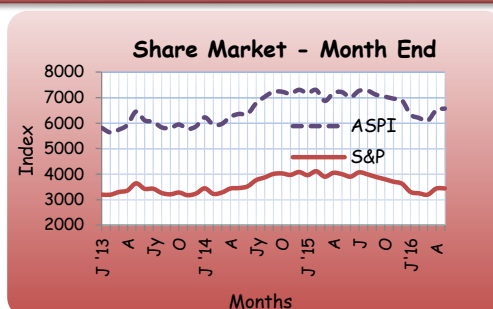
Item (Rs. bn.)	2016 End Aug(b)	2016 End July	2015 End Dec
Total Issues - Cumulative	5.1	4.9	7.9
Outstanding (as at end of the period)	4.0	4.5	4.5

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



2.9 Share Market

Item	Week Ending 02 Dec 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,326	6,252	6,863
S & P Sri Lanka 20 Index (S&P SL20)	3,522	3,477	3,638
Average Daily Turnover (Rs. mn)	821	391	793
Market Capitalisation (Rs.Bn.)	2,699	2,664	2,924



Fiscal Sector

For the period of first nine months of 2016, government revenue as a percentage of estimated GDP increased to 9.6 per cent from 8.5 per cent in the corresponding period in 2015. In nominal terms, total revenue increased by 23.0 per cent to Rs. 1,179.3 billion during this period from Rs. 958.9 billion recorded during the same period in 2015. Average monthly revenue during this period was around Rs. 131.0 billion compared to Rs. 106.5 billion recorded in the same period of 2015.

Total expenditure and net lending for the first nine months of 2016 increased to 13.7 per cent of estimated GDP from 13.5 per cent during the same period in 2015. Recurrent expenditure declined to 10.6 per cent of estimated GDP during the first nine months of 2016 from 10.7 per cent in the corresponding period in 2015. Capital expenditure and net lending as a percentage of GDP increased to 3.1 per cent from 2.8 per cent in the corresponding period in 2015. In nominal terms, total expenditure and net lending is estimated to be increased by 10.0 per cent to Rs. 1,686.0 billion during first nine months of 2016 from Rs. 1,532.5 billion in the corresponding period of 2015.

Total outstanding debt increased by Rs. 898.7 billion to Rs. 9,402.0 billion as at end September 2016 from Rs. 8,503.2 billion at end 2015. Foreign debt increased by Rs. 525.7 billion to Rs. 4,069.7 billion, while domestic debt increased by Rs. 373.1 billion to Rs. 5,332.3 billion.

Special Commodity Levy (SCL) was revised from time to time during the year, providing necessary protection for domestic agricultural producers while reducing volatility in commodity prices in the domestic market. Accordingly, SCL on several essential goods was revised during the months of September 2015. SCL on white crystalline sugar and other sugar was increased to Rs. 2 per kg and Rs. 15 per kg respectively from Rs. 0.25 per kg while SCL on whole and split (red and yellow) lentils was also increased to Rs. 5 per kg and Rs. 10 per kg respectively, from Rs. 0.25 per kg. Meanwhile, SCL on mackerel, peas, chickpeas, cowpeas and kurakkan was extended for a period of six months.

FISCAL SECTOR

3.1 Government Finance (Rs.bn)

Item	2015 Jan - Sep	2016(a) Jan - Sep	Rs. Bn	Government Revenue & Expenditure 2015-2016
Revenue and Grants	959.6	1,180.0		
Revenue	958.9	1,179.3		
Tax	888.2	1,067.3		
Non tax	70.7	112.0		
Grants	0.7	0.7		
Expenditure & Lending Minus Repayments	1,532.5	1,686.0		
Current	1,213.1	1,308.3		
Capital & Lending Minus Repayments	319.5	377.7		

(a) Provisional

3.2 Outstanding Central Government Debt (Rs.bn)

Item	End 2015	2016(a) 3 rd Quarter	Rs. Bn	Government Debt 2015-2016
Total domestic debt	4,959.2	5,332.3		
of which				
Treasury bills	658.2	699.6		
Treasury bonds	3,305.2	3,663.2		
Rupee loans	24.1	24.1		
Total foreign debt	3,544.0	4,069.7		
Total outstanding govt. debt	8,503.2	9,402.0		

(a) Provisional

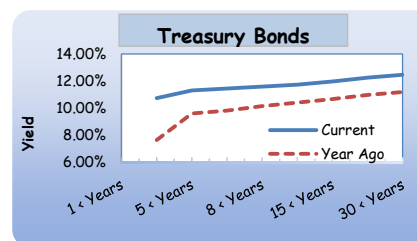
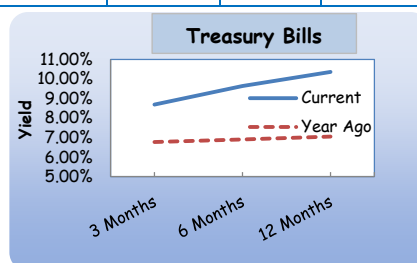
3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 30th November 2016

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	8.60%	8.60%	8.79%	8.57%	8.68%	8.69%
	6 Months	9.55%	9.71%	9.71%	9.51%	9.61%	9.60%
	12 Months	10.10%	10.25%	10.33%	10.13%	10.23%	10.22%
Treasury Bonds	< 2 Years	-	-	11.64%	11.48%	11.56%	11.63%
	< 5 Years	-	-	12.41%	12.25%	12.33%	12.42%
	< 6 Years	-	-	12.35%	12.15%	12.25%	12.41%
	< 8 Years	-	-	12.66%	12.57%	12.62%	12.74%
	< 10 Years	-	-	12.76%	12.65%	12.70%	12.78%
	< 15 Years	-	-	13.04%	12.88%	12.96%	12.98%
	< 20 Years	-	-	13.37%	13.19%	13.28%	13.28%
	< 30 Years	-	-	13.57%	13.29%	13.43%	13.43%

(a) Primary market transactions during the week ending 30/11/2016

The secondary market yield rates of T-bonds have decreased across all maturities during the reporting week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	5.14%	5.22%
	27-Jul-21	6.250%	5.60%	5.56%
	18-Jan-22	5.750%	5.86%	5.80%
	25-Jul-22	5.875%	5.92%	5.89%
	14-Jan-19	6.000%	4.40%	4.73%
	11-Apr-19	5.125%	4.56%	4.77%
	3-Jun-25	6.125%	6.72%	6.66%
	3-Nov-25	6.850%	6.76%	6.67%
	18-Jul-26	6.825%	6.76%	6.67%



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 30th November 2016)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	711,464.45	712,169.15
Treasury Bonds (a)	3,952,866.82	3,952,866.82
Total	4,664,331.27	4,665,035.97
T-bills and T-bonds held by Foreigners	274,583.49	277,752.72
Sri Lanka Development Bonds (SLDB)	565,132.01	565,132.01

The outstanding stock of T-bills and T-bonds held by Foreigners decreased by 1.14 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	25,000.00	31,500.00
Total Bids Received	70,516.00	47,374.00
Total Bids Accepted	15,733.00	2,980.00
Treasury Bonds		
Amount Offered		
Total Bids Received	No auction held	No auction held
Total Bids Accepted		

The weekly T-bill auction was over subscribed by 1.5 times during the reporting week compared to the 1.4 times reported in the previous week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	11,418.72	6,779.96
Repo Transaction (Sales / Purchases)	179,350.45	190,290.78
Treasury Bonds		
Outright Transaction (Sales / Purchases)	66,838.85	39,515.52
Repo Transaction (Sales / Purchases)	800,405.65	868,981.83

The total secondary market transactions of T-bills and T-bonds decreased by 4.30 per cent in the reporting week compared to the previous week.

(a) Excludes Treasury bonds amounting to Rs. 78,441 million issued to settle dues of CPC and Rs. 13,125 million issued to capitalize Sri Lankan Airlines in March 2013.

3.5 Two way Quotes (Treasury Bills) - 02/12/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.84	8.51	99.84	8.31	0.00
1 Month	99.30	8.55	99.31	8.37	0.01
2 Month	98.58	8.64	98.61	8.46	0.03
3 Month	97.83	8.79	97.89	8.54	0.06
4 Month	97.00	9.11	97.08	8.88	0.08
5 Month	96.13	9.41	96.23	9.17	0.10
6 Month	95.22	9.69	95.32	9.48	0.10
7 Month	94.37	9.78	94.48	9.60	0.11
8 Month	93.52	9.85	93.64	9.67	0.12
9 Month	92.63	9.97	92.77	9.77	0.15
10 Month	91.74	10.05	91.91	9.85	0.17
11 Month	90.83	10.15	91.02	9.93	0.19
12 Month	89.84	10.30	90.04	10.10	0.20

3.6 Two way Quotes (Treasury Bonds)- 02/12/2016

Treasury Bond By Series	Maturity Period (Years)	Maturity Date (DD/MM/YY)	Days to Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
08.00%2017A	5	1-Jan-17	30	99.87	9.27	99.89	9.06	0.02
05.80%2017A	6	15-Jan-17	44	99.56	9.30	99.59	9.09	0.02
08.25%2017A	3	1-Mar-17	89	99.60	9.70	99.65	9.53	0.04
08.75%2017A	4	15-May-17	164	99.44	9.99	99.56	9.72	0.12
08.00%2017B	5	15-Jun-17	195	98.86	10.22	99.10	9.76	0.23
05.80%2017B	6	15-Jul-17	225	97.27	10.45	97.43	10.16	0.17
08.50%2018A	15	1-Feb-18	426	97.26	11.05	97.50	10.81	0.25
08.50%2018C	5	1-Apr-18	485	96.80	11.13	96.99	10.98	0.19
08.50%2018D	5	1-Jun-18	546	96.21	11.33	96.46	11.13	0.26
08.50%2018B	15	15-Jul-18	590	95.81	11.39	96.02	11.25	0.20
07.50%2018A	15	15-Aug-18	621	93.98	11.47	94.28	11.27	0.29
08.75%2018A	4	15-Oct-18	682	95.50	11.48	95.74	11.33	0.24
08.00%2018A	6	15-Nov-18	713	94.02	11.50	94.25	11.36	0.22
05.65%2019A	8	15-Jan-19	774	88.80	11.77	89.00	11.65	0.20
08.50%2019A	10	1-May-19	880	93.28	11.77	93.59	11.61	0.31
10.60%2019A	5	1-Jul-19	941	97.37	11.80	97.73	11.63	0.36
10.60%2019B	5	15-Sep-19	1,017	97.14	11.82	97.39	11.71	0.24
08.00%2019A	8	1-Nov-19	1,064	90.51	11.94	90.82	11.81	0.31
09.25%2020A	5	1-May-20	1,246	92.63	11.93	92.99	11.80	0.36
08.00%2020A	8	1-Jun-20	1,277	88.66	12.07	88.95	11.96	0.28
06.20%2020A	10	1-Aug-20	1,338	83.03	12.06	83.34	11.94	0.31
09.50%2020A	5	15-Dec-20	1,474	91.95	12.08	92.29	11.96	0.33
10.75%2021A	5	1-Mar-21	1,550	95.34	12.18	95.78	12.04	0.44
09.00%2021A	8	1-May-21	1,611	89.43	12.16	89.86	12.02	0.44
11.00%2021A	7	1-Aug-21	1,703	95.62	12.25	96.15	12.09	0.53
09.45%2021A	7	15-Oct-21	1,778	89.90	12.26	90.45	12.10	0.55
08.00%2022A	10	1-Jan-22	1,856	83.83	12.38	84.08	12.30	0.25
11.20%2022A	9	1-Jul-22	2,037	95.56	12.32	96.17	12.16	0.61
10.00%2022A	8	1-Oct-22	2,129	90.59	12.30	91.30	12.12	0.71
09.00%2023A	10	1-Sep-23	2,464	84.15	12.54	84.39	12.48	0.24
11.20%2023A	9	1-Sep-23	2,464	94.47	12.43	94.83	12.34	0.36
07.00%2023A	20	1-Oct-23	2,494	74.72	12.63	75.01	12.55	0.29
11.40%2024A	10	1-Jan-24	2,586	94.56	12.58	94.98	12.48	0.43
11.00%2024A	8	1-Aug-24	2,799	92.65	12.51	93.15	12.40	0.49
06.00%2024A	10	1-Dec-24	2,921	67.14	12.65	67.46	12.57	0.32
10.25%2025A	10	15-Mar-25	3,025	88.34	12.55	88.80	12.45	0.46
09.00%2025A	12	1-May-25	3,072	81.30	12.68	81.58	12.61	0.29
11.00%2025A	10	1-Aug-25	3,164	91.83	12.57	92.28	12.48	0.45
09.00%2026A	13	1-Feb-26	3,348	80.03	12.75	80.35	12.68	0.32
05.35%2026A	15	1-Mar-26	3,376	60.60	12.71	60.86	12.64	0.26
11.00%2026A	11	1-Jun-26	3,468	91.23	12.61	91.92	12.48	0.69
11.50%2026A	10	1-Aug-26	3,529	93.75	12.63	94.47	12.50	0.71
09.00%2028B	15	1-May-28	4,168	77.25	12.85	77.62	12.78	0.37
09.00%2028A	15	1-Jul-28	4,229	77.13	12.84	77.46	12.78	0.33
11.50%2028A	13	1-Sep-28	4,291	91.67	12.89	92.80	12.69	1.13
13.00%2029A	15	1-Jan-29	4,413	100.42	12.93	100.88	12.85	0.46
13.00%2029B	15	1-May-29	4,533	100.73	12.88	101.20	12.80	0.47
11.00%2030A	15	15-May-30	4,912	87.96	12.91	89.78	12.59	1.82
08.00%2032A	20	1-Jan-32	5,508	66.75	13.11	67.64	12.93	0.89
09.00%2032A	20	1-Oct-32	5,782	72.79	13.12	73.65	12.95	0.86
09.00%2033A	20	1-Jun-33	6,025	72.35	13.14	73.21	12.98	0.86
13.25%2033A	20	1-Jul-33	6,055	100.47	13.18	101.42	13.04	0.95
09.00%2033B	20	1-Nov-33	6,178	71.77	13.21	72.34	13.10	0.57
13.25%2034A	20	1-Jan-34	6,239	100.14	13.23	100.75	13.14	0.61
11.50%2035A	20	15-Mar-35	6,677	88.55	13.16	90.72	12.82	2.17
12.00%2041A	25	1-Jan-41	8,796	90.47	13.33	93.25	12.91	2.78
09.00%2043A	30	1-Jun-43	9,677	68.61	13.33	69.13	13.23	0.52
13.50%2044A	30	1-Jan-44	9,891	100.40	13.44	101.10	13.35	0.69
13.50%2044B	30	1-Jun-44	10,043	100.18	13.48	100.91	13.38	0.73
12.50%2045A	30	1-Mar-45	10,316	92.39	13.55	97.16	12.87	4.77

External Sector

During the year up to 02 December 2016 the Sri Lanka rupee depreciated against the US dollar (2.6 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (14.6 per cent), Indian rupee (0.1 per cent) and depreciated against Japanese yen (7.9 per cent) and euro (0.3 per cent) during this period.

Exports in August 2016, valued at US dollars 866 million, were 8.4 per cent higher than export earnings in August 2015, reflecting an increase for the first time after February 2015. Tea and rubber products contributed mainly to the year-on-year increase in export income. Cumulative export earnings during the first eight months of 2016 declined to US dollars 6,865 million which is 4.1 per cent lower than the export earnings from the same period in 2015.

Expenditure on imports during August 2016 was US dollars 1,649 million which is an 8.3 per cent increase compared to August 2015. On a cumulative basis, expenditure on imports during the first eight months of 2016 reached US dollars 12,403 million which is a 1.6 per cent decline from the level reached at the end of the first eight months of 2015.

The terms of trade improved by 2.1 per cent in August 2016 compared to the corresponding month of previous year due to marginal increase of import prices compared to increase in export prices. The export unit value index in August 2016 increased by 2.4 per cent, year-on-year, due to increase in prices of all major exports categories. Reflecting the increase recorded in consumer goods and investment goods, the import unit value index increased marginally by 0.3 per cent, year-on-year, in August 2016.

India, China, UK, Germany and France were the top five sources of tourist arrivals in October 2016, accounting for 52.4 per cent of total tourist arrivals upto the month of October 2016

The average price of tea increased to US dollars 3.22 per kg in August 2016 from US dollars 2.87 per kg (in the Colombo auction) in August 2015 and US dollars 3.11 in July 2016.

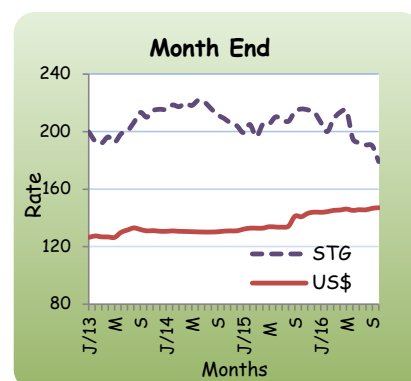
Further, the import prices of rice, wheat and crude oil prices declined compared to the corresponding month of 2015.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 02 Dec 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	146.78	150.53	148.66	148.46	143.09
STG	184.17	190.49	187.33	184.80	215.56
Yen	1.28	1.33	1.31	1.31	1.16
Euro	155.61	161.63	158.62	156.71	151.86
INR ⁽¹⁾			2.17	2.15	2.15
SDR (As at 01 Dec 2016)			200.23	200.25	196.80
Central Bank purchases and sales(b) (US\$ Mn.)			October 2016	Month Ago	Year Ago
Purchases			88.33	131.29	27.60
Sales			163.78	15.20	305.55



	Week Ending 02 Dec 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	19.98	10.50	25.08
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	149.39	149.27	143.52
3 Months	150.43	150.98	144.31
Average Daily Interbank Forward Volume (US\$ mn)	36.34	35.44	22.27
Outstanding Forward Volume (US\$ mn) (As at 01 Dec 2016)	1,249.13	1,283.59	1,524.50

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

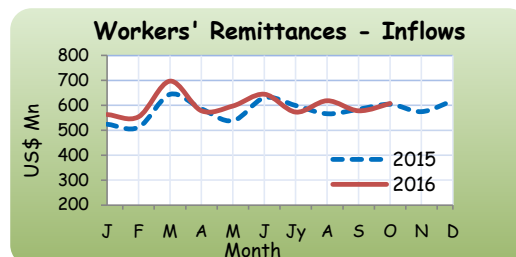
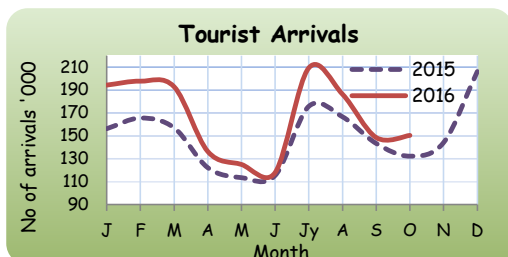
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

4.2 Tourism & Workers' Remittances

Item		2015 Oct (a)(c)	2016 Oct (b)(d)	2015(a) Jan-Oct (c)	2016(b) Jan-Oct(d)	% Change
Tourist Arrivals	Number	132,280	150,419	1,448,119	1,658,824	14.6
Earnings from Tourism(d)	US\$ Mn.	219.2	249.3	2,400.1	2,749.4	14.6
	Rs.bn.	30.9	36.6	322.6	398.6	23.6
		2015 Oct (a)	2016 Oct (b)	2015(a) Jan-Oct	2016 Jan-Oct(b)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	605.1	607.5	5,787.3	5,989.5	3.5
	Rs. bn.	85.3	89.2	778.6	868.7	11.6

(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 October 2016^(a)

Official Reserve Assets (USD Mn)		6,065.43
(1)	Foreign Currency Reserves	5,083.44
(2)	Reserve position in the IMF	65.75
(3)	SDRs	4.03
(4)	Gold	911.20
(5)	Other Reserve Assets	1.01

(a) Provisional

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

Official Reserve Assets (USD mn)					
Official Reserve Assets					6,053.84
(1) Foreign currency reserves					5,071.88
(a) Securities					2,531.17
(b) Total currency and deposits with					2,540.70
(i) other national central banks, BIS					1,263.76
(ii) banks headquartered inside the reporting country of which located abroad					1.11
(iii) banks headquartered outside the reporting country					1,275.83
(2) Reserve position in the IMF					65.75
(3) SDRs					4.02
(4) Gold					911.2
(5) Other reserve assets					1.00
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	-3,646.16	-389.15	-496.78	-2,760.23
	Interest	-1,021.98	-73.5	-267.17	-681.32
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)		-2,810.81	0.00	-1505.31	-1,305.50
(b) Long positions (+)					
3. Other (specify)		-2.02	-2.02		
inflows related to reverse repos (+)					
other accounts payable (-)		-2.02	-2.02		

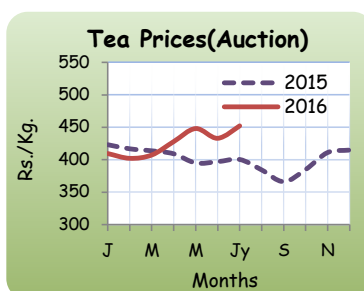
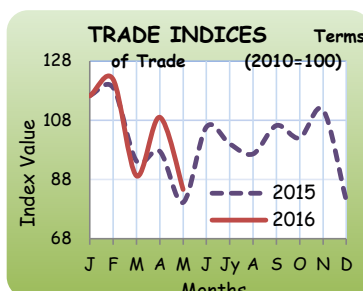
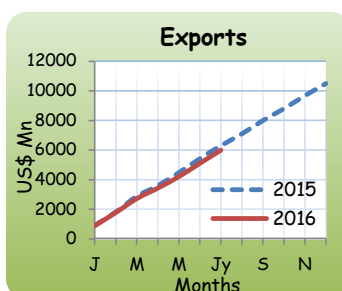
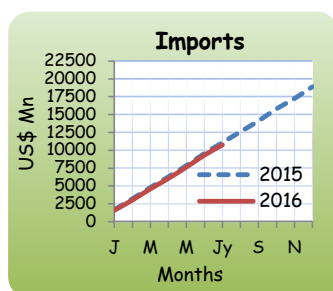
(a) Provisional

(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-Aug 2016	Jan-Aug 2015	% Change	Jan-Aug 2016	Jan-Aug 2015	% Change
Exports	6,865.2	7,155.4	-4.1	993,440.1	952,548.0	4.3
Agricultural	1,520.6	1,667.8	-8.8	220,097.2	222,070.6	-0.9
Industrial	5,314.7	5,455.0	-2.6	769,010.4	726,138.1	5.9
Food, Beverages and Tobacco	199.5	174.3	14.5	28,865.0	23,204.1	24.4
Textiles and Apparel	3,333.7	3,218.7	3.6	482,332.2	428,508.1	12.6
Petroleum Products	185.4	289.4	-35.9	26,827.3	38,488.1	-30.3
Leather, Rubber etc	624.1	619.9	0.7	90,325.6	82,525.3	9.5
Other	972.1	1,152.8	-15.7	140,660.3	153,412.4	-8.3
Mineral	19.7	22.4	-12.1	2,849.4	2,980.3	-4.4
Other	10.2	10.2	0.4	1,483.1	1,359.0	9.1
Imports	12,402.9	12,604.0	-1.6	1,795,038.5	1,677,857.1	7.0
Consumer Goods	2,824.9	3,142.4	-10.1	408,766.0	418,365.8	-2.3
Intermediate Goods	6,309.0	6,442.7	-2.1	913,178.0	857,704.9	6.5
Investment Goods	3,259.6	3,007.4	8.4	471,727.4	400,252.7	17.9
Other	9.4	11.5	-18.2	1,367.1	1,533.6	-10.9
Trade Balance	-5,537.7	-5,448.6	1.6	-801,598.3	-725,309.0	10.5

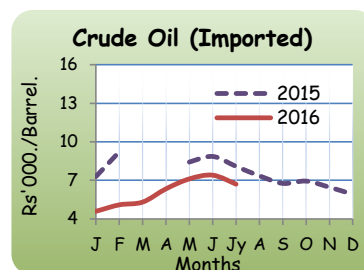
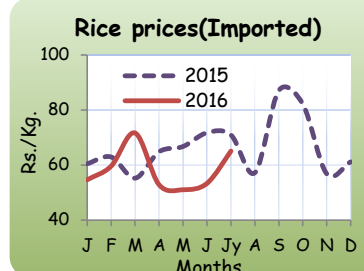


4.6 Trade Indices (2010= 100) (a)

Item	2016 Aug (b)	Month Ago	Year Ago
Total Exports			
Value	120.6	124.0	111.2
Quantity	125.3	131.3	118.3
Unit Value	96.2	94.5	94.0
Total Imports			
Value	147.6	128.2	136.3
Quantity	151.4	137.0	140.2
Unit Value	97.5	93.6	97.2
Terms of Trade	98.7	100.9	96.6

(a) In US\$ Terms

(b) Provisional



4.7 International Commodity Prices

Item	August 2016	August 2015	% Change	August 2016	August 2015	% Change
	US\$ / Kg			Rs / Kg		
Tea Prices	3.22	2.87	12.2	468.81	384.35	22.0
Imports (C I F)	US\$ / MT			Rs / MT		
Rice	414.84	427.23	-2.9	60,400.41	57,199.30	5.6
White Sugar	558.56	367.15	52.1	81,326.99	49,154.83	65.5
Wheat	259.66	267.22	-2.8	37,807.16	35,776.45	5.7
	US\$ / Barrel			Rs / Barrel		
Crude Oil	46.71	54.92	-14.9	6,800.80	7,352.65	-7.5