

Weekly Economic Indicators

30 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, decreased to 4.1 per cent in November 2016 from 5.0 per cent in October 2016, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in November 2016. The change in the NCPI measured on an annual average basis remained unchanged from last month at 4.0 per cent in November 2016. When the monthly change is considered, the NCPI increased from 114.7 to 116.6 index points from October to November 2016. This monthly increase was mainly due to the increase in prices of the items in the Non-food category. The NCPI Core inflation, which reflects the underlying inflation in the economy increased to 6.8 per cent in November 2016 from 5.7 per cent in October 2016. Annual average NCPI Core inflation increased slightly to 5.8 per cent in November 2016 from 5.7 per cent in October 2016.

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100) compiled by the Department of Census and Statistics, increased to 4.1 per cent in December 2016 from 3.4 per cent in November 2016, on year-on-year basis. Annual average inflation increased to 3.7 per cent in December 2016 from 3.6 per cent in November 2016. The monthly increase in CCPI was 1.0 per cent. CCPI Core inflation, which reflects the underlying inflation in the economy, increased to 6.3 per cent in December 2016 from 5.1 per cent in November, on year-on-year basis. Annual average core inflation increased to 5.1 per cent in December 2016 from 5.0 per cent in November 2016. CCPI Core increased by 1.1 per cent from November to December 2016.

The GDP grew by 4.0 per cent in real terms in the first nine months of 2016, mainly attributable to 4.8 per cent growth in Services activities and 5.7 per cent growth in Industry activities while Agriculture activities contracted by 2.5 per cent, in value added terms.

During the first eleven 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 0.6 per cent on a year-on-year basis in August 2016. This decrease was mainly due to decreased production of beverages, wearing apparel and Chemicals and chemical products sub-sectors. This was mainly attributed to decreased domestic and international demand.

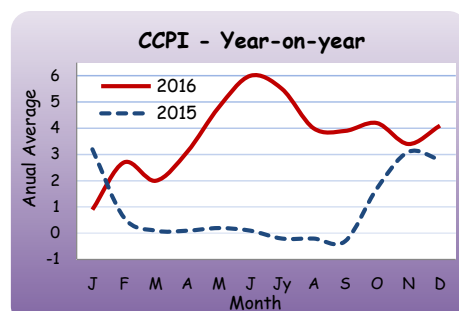
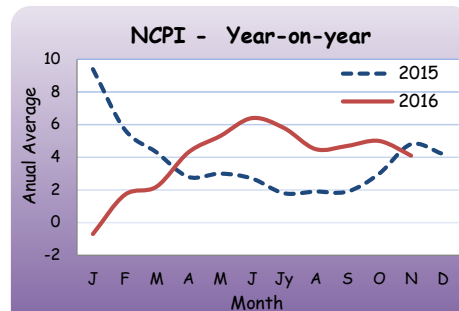
During the week crude oil prices largely followed an increasing trend. Price rose in post-Christmas trading, as OPEC and non-OPEC members are set to start curbing output starting from 1 January 2017 to support oil prices. Venezuela said it will cut 95,000 barrels per day (bpd) of oil production, while Iraq said it would cut supply by 200,000-210,000 bpd from January 2017. Further, Iranian oil minister said he expects OPEC to abide by the deal. However, towards the end of the week oil prices marginally declined as U.S. Energy Information Administration reported U.S. crude stockpiles were increased by 614,000 barrels last week compared with analysts' expectations for a decrease of 2.1 million barrels.

Highlights

REAL SECTOR

1.1 Price Indices

Item	November 2016	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	116.6	114.7	112.0
Monthly Change %	1.7	1.1	2.6
Annual Average Change %	4.0	4.0	-
Year - on - Year Change %	4.1	5.0	4.8
Core Inflation - (NCPI)	120.4	118.2	112.7
Annual Average Change %	5.8	5.7	-
Year - on - Year Change %	6.8	5.7	5.8
Item	December 2016	Month Ago	Year Ago
(2006 / 07 = 100)			
Colombo Consumers' Price Index (CCPI)	192.8	190.9	185.2
Annual Average Change %	3.7	3.6	0.9
Year - on - Year Change %	4.1	3.4	2.8
Core Inflation - (CCPI)	192.0	190.0	180.7
Annual Average Change %	5.1	5.0	3.1
Year - on - Year Change %	6.3	5.1	4.5

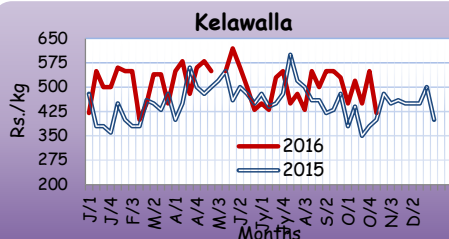
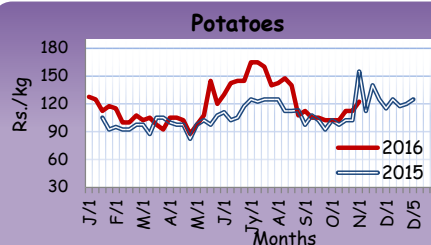
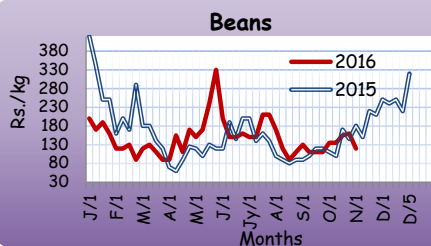
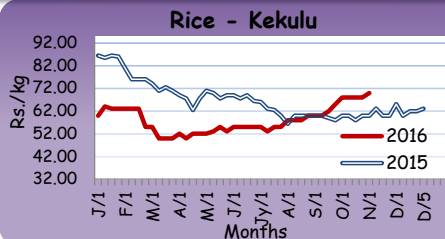


1.2 Pettah Market

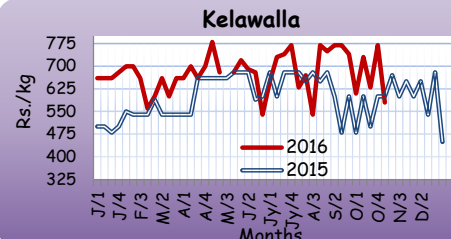
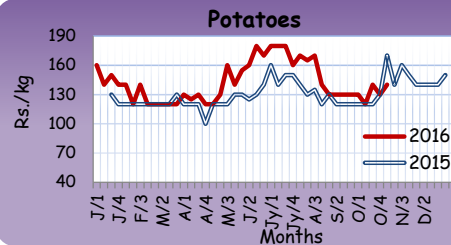
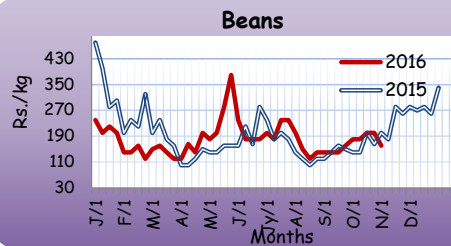
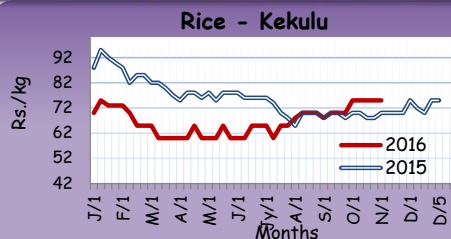
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 29 th Dec 2016	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 29 th Dec 2016	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
Rice								
Samba	88.00	88.00	85.00	83.22	95.00	95.00	92.50	90.10
Kekulu (Red)	80.00	78.00	70.50	66.15	85.00	85.00	77.50	75.20
Vegetables								
Beans	85.00	95.00	165.00	160.49	100.00	120.00	195.00	196.86
Cabbage	35.00	25.00	26.25	79.31	60.00	60.00	55.00	117.94
Carrots	70.00	75.00	63.13	146.27	120.00	100.00	102.50	184.90
Tomatoes	90.00	37.50	32.50	89.80	120.00	60.00	67.50	126.18
Pumpkins	37.50	32.50	34.38	49.12	80.00	50.00	56.25	72.94
Snake Gourd	35.00	35.00	78.75	73.73	80.00	60.00	125.00	106.57
Brinjals	35.00	35.00	40.00	72.56	60.00	80.00	85.00	105.69
Ash-Plantains	80.00	55.00	57.50	81.08	100.00	100.00	92.50	110.59
Other Foods								
Red-Onions (Local)	n.a.	105.00	97.50	105.28	n.a.	160.00	138.75	135.34
Big-Onions (Local)	n.a.	87.50	73.50	95.17	n.a.	110.00	96.25	124.67
Potatoes (N'Eliya)	157.50	145.00	125.00	107.98	180.00	180.00	152.50	130.80
Dried Chilies (Imported)	240.00	240.00	258.75	248.90	320.00	280.00	342.50	291.08
Dhal (Indian)	150.00	150.00	160.75	161.98	169.00	170.00	169.00	177.43
The Eggs	12.00	14.20	12.68	14.17	12.50	14.50	13.13	14.73
Coconut (Each)	47.50	43.50	43.63	41.00	60.00	60.00	55.00	53.18
Fish*								
Kelawalla	500.00	550.00	467.50	153.14	700.00	770.00	652.50	598.24
Balaya	300.00	380.00	252.50	295.00	400.00	480.00	352.50	361.20
Salaya	80.00	120.00	140.00	114.71	150.00	180.00	202.50	156.08
Paraw (Small)	500.00	480.00	410.00	484.69	600.00	580.00	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 29 th Dec 2016	
	Wholesale (Average)	Retail (Average)
Rice		
Samba	87.50	93.00
Kekulu (Red)	80.00	85.50
Vegetables		
Beans	73.00	118.00
Carrot	85.00	125.00
Tomatoes	75.50	100.00
Pumpkins	35.50	52.00
Snake Gourd	35.00	62.00
Ash-Plantains	48.00	72.00
Other Foods		
Red-Onions (Local)	74.00	112.00
Big-Onions (Local)	79.50	95.00
Potatoes (N'Eliya)	144.50	165.00
Dried Chilies(Imported)	242.50	305.00
Coconut (Each)	41.00	50.00

1.5 Maradagahamula Market

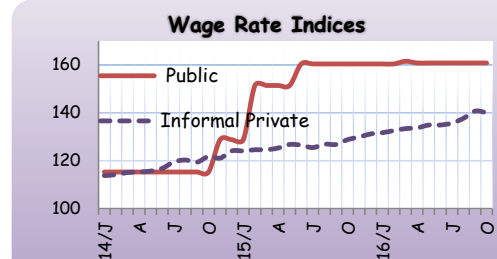
Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 30 th Dec	Week Ago	Month Ago	Year Ago
Samba	85.50	85.40	81.10	79.56
Sudu Kekulu	83.88	82.60	68.83	62.37
Raw Red	73.75	73.00	61.52	66.17
Nadu	85.50	84.90	74.60	64.24

1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	29 th Dec 2016	Week Ago
Rice		
Samba	95.00	90.00
Kekulu (Red)	85.00	85.00
Vegetables		
Beans	116.67	116.67
Cabbage	66.67	76.67
Carrots	116.67	116.67
Tomatoes	136.67	60.00
Pumpkins	86.67	76.67
Snake Gourd	116.67	116.67
Brinjals	76.67	66.67
Ash-Plantains	120.00	116.67
Other Foods		
Red-Onions (Imported)	116.67	140.00
Big-Onions (Imported)	116.67	86.67
Potatoes (Imported)	116.67	120.00
Dried Chilies (Imported)	316.67	236.67
Dhal (Indian)	167.67	167.67
Eggs (Red)(Each)	12.67	15.33
Coconut (Each)	50.00	50.00
Fish		
Kelawalla	836.67	876.67
Balaya	356.67	416.67
Salaya	176.67	196.67
Paraw (Small)	816.67	676.67

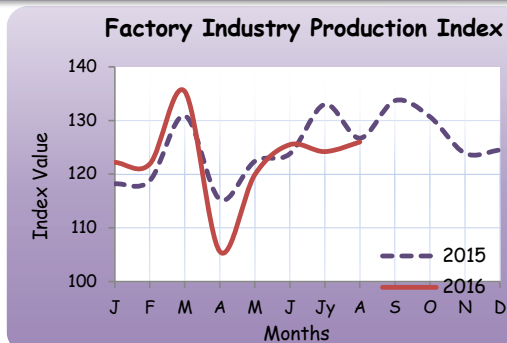
1.6 Wage rate Indices

Item	2016 October	2015 October	% Change
Public Sector Employees (2012 = 100)	160.8	160.4	0.2
Informal Private Sector Employees (2012 = 100)	140.1	128.8	8.8
Agriculture	139.1	128.4	8.3
Industry	144.6	131.2	10.2
Services	136.1	126.7	7.4



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

Item	2016 (b) August	2015 August	% Change
Factory Industry- Production Index	126.0	126.7	-0.6
Food products	108.9	106.3	2.5
Beverages	105.2	117.0	-10.0
Tobacco products	112.2	97.0	15.7
Wearing apparel	164.3	170.1	-3.4
Chemicals and chemical products	73.3	82.2	-10.8
Rubber and plastic products	147.2	133.8	10.1
Other non-metallic mineral products	137.5	130.2	5.6



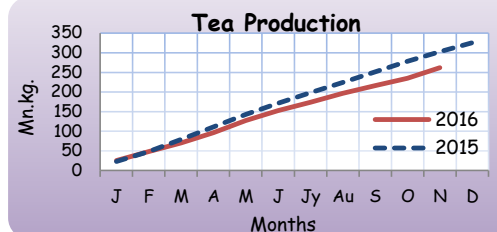
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

1.8 Agriculture Production

Item	Unit	2016(a) Jan-Nov	2015 Jan-Nov	% Change
Tea	(Mn Kg)	262.5	303.3	-13.4
Rubber	(Mn Kg)	74.0	82.1	-9.9
Coconuts	(Mn Nuts)	2,888.5	2,799.1	3.2

(a) Provisional

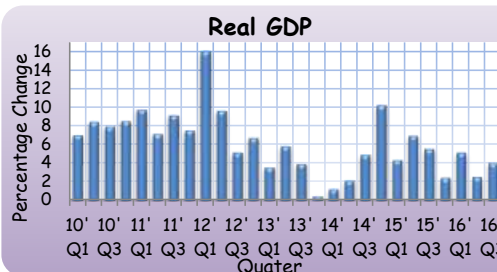


1.9 GDP by Industrial Origin at Constant (2010) Prices - Growth Rates in value added terms

Item	2016(a) 3 rd Quarter	2015(a)(b) 3 rd Quarter	2015(a) Annual
Agriculture	-1.9	7.3	5.5
Industry	6.8	4.9	3.0
Services	4.7	6.5	5.3
Taxes less subsidies on products	-3.1	0.9	6.2
GDP	4.1	5.6	4.8

(a) Provisional (b) Revised

Source: Department of Census and Statistics



1.10 Employment (a)(b)

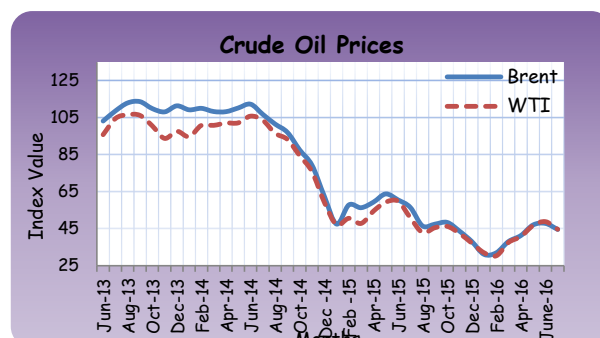
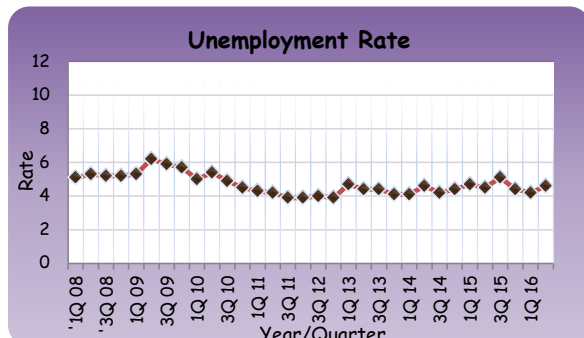
Item	2015 (c)(d) 2 nd Quarter	2016 (c) 2 nd Quarter	2015 Annual
Labour Force Participation rate	54.2	53.3	53.8
Unemployment rate	4.5	4.6	4.7
Employed Persons by Sectors (e) (as a % of total employment)			
Agriculture	28.9	25.1	28.7
Industry	25.5	27.1	25.8
Services	45.6	47.8	45.6

(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	47.66
December	38.08	37.21	41.21			
	2015			2016		
23 December	37.60	-		53.73	52.00	
27 December	-	-		54.56	52.82	
28 December	36.46	36.36		55.01	54.01	
29 December	37.65	37.88		54.79	53.80	

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 30 December 2016 declined by 6 bps to 11.52 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 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 deposits held by the commercial banks.

The total outstanding market liquidity decreased to a surplus of Rs 39.22 bn by end of the week, compared to a surplus of Rs. 40.14 bn by the end of last week.

By 30 December 2016, All Share Price Index (ASPI) increased by 0.19 per cent to 6,228 points and S&P SL 20 Index increased by 0.41 per cent to 3,496 points, compared to the previous week.

Highlights

MONETARY SECTOR

2.1 Interest Rates

Item	Week Ending 2016 Dec 30	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)	8.42	8.42	6.40
Sri Lanka Inter Bank Offered Rate (SLIBOR)			
1 day	8.44	8.43	6.40
7 days	9.40	9.43	6.60
1 Month	10.57	10.61	7.02
3 Months	11.01	11.05	7.16
6 Months	11.49	11.51	7.43
12 Months	12.00	12.01	7.73
Treasury Bill Yields (Excluding 10% withholding tax)			
91 days	8.72	8.65	6.45
182 days	9.63	9.61	6.83
364 days	10.17	10.14	7.30
Licensed Commercial Banks			
Average Weighted Prime Lending Rate (AWPR)	11.52	11.58	7.50
	Oct 2016	Month Ago	Year Ago
Saving Deposits	0.50-12.25	0.50-12.25	0.50-8.00
One Year Fixed Deposits	4.50-15.00	4.50-15.00	3.95-15.00
	Dec 2016	Month Ago	Year Ago
Average Weighted Deposit Rate (AWDR)	8.17	8.00	6.20
Average Weighted Fixed Deposit Rate (AWFDR)	10.46	10.25	7.57
	Nov 2016	Month Ago	Year Ago
Average Weighted Lending Rate (AWLR)	13.11	13.08	11.00
National Savings Bank (NSB)	Oct 2016	Month Ago	Year Ago
Saving Deposits	4.25	4.25	5.00
One Year Fixed Deposits	11.00	11.00	6.50
Treasury Bonds Auction	(4 Y & 02 Months) 27/12/2016	(7 Y & 7 Months) 27/12/2016	(9 y & 7 Months) 27/12/2016
Coupon rate	10.75	11.00	11.50
Weighted Average Yield (Excluding 10% withholding tax)	11.94	11.98	12.11

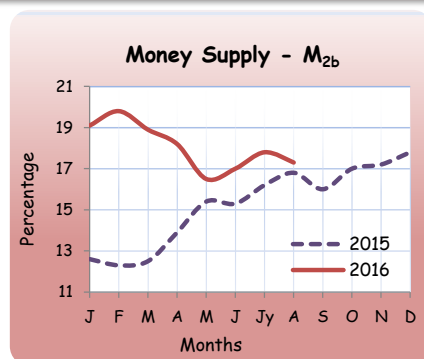
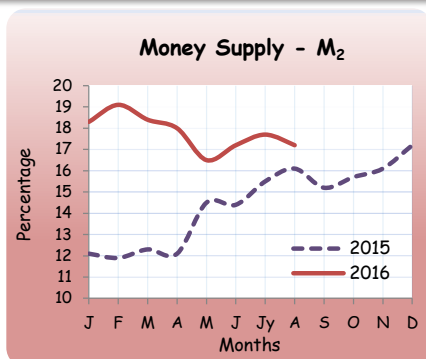
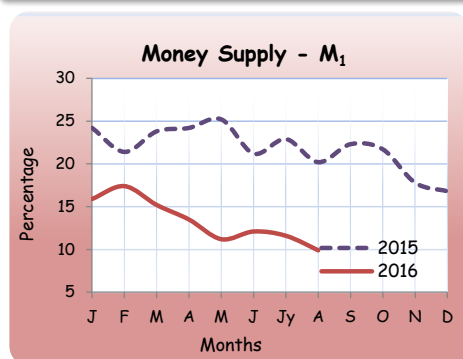
Bankwise- AWPR	Week ending 2016 Dec 30	Week Ago
Bank of Ceylon	12.43	12.45
People's Bank	13.38	13.22
Hatton National Bank	12.20	12.86
Commercial Bank of Ceylon	12.50	12.45
Sampath Bank	13.20	13.63
Seylan Bank	13.01	13.57
Union Bank of Colombo	14.68	14.59
Pan Asia Banking Corporation	14.26	13.88
Nations Trust Bank	12.02	12.36
DFCC Bank	12.96	13.09
NDB Bank	15.00	15.00
Amana Bank	12.36	12.31
Cargills Bank	14.09	12.78

Bankwise- AWPR	Week ending 2016 Dec 30	Week Ago
HSBC	8.55	8.41
Standard Chartered Bank	11.54	11.75
Citi Bank	9.46	9.05
Deutsche Bank	9.24	9.64
Habib Bank	10.80	10.80
Indian Bank	13.48	13.48
Indian Overseas Bank	13.98	13.98
MCB Bank	11.73	12.46
State Bank of India	12.92	12.92
Public Bank	11.75	11.50
ICICI Bank	12.26	13.02
Axis Bank	12.17	12.70

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}

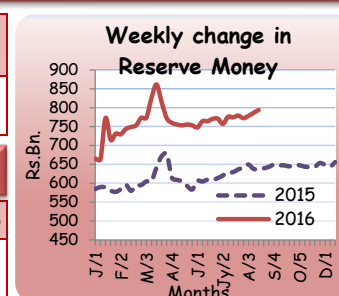


2.3 Weekly change in Reserve Money

Item	29 Dec 2016	Week Ago	Change
Reserve Money (Rs.Mn.)	843,616	844,090	-474

2.4 Money Market Activity (Overnight)

Item	27.12.2016	28.12.2016	29.12.2016	30.12.2016
Call Money Market				
Weighted Average Rate (% p.a.)	8.42	8.41	8.42	8.42
Gross Volume (Rs. Mn)	11,395	15,450	15,170	9,975
Repo Market				
Weighted Average Rate (% p.a.)	8.60	8.63	8.70	8.62
Gross Volume (Rs. Mn)	24,324	28,256	22,933	30,400



2.5 CBSL Security Portfolio

Item	27.12.2016	28.12.2016	29.12.2016	30.12.2016
CBSL Treasury Bill Holdings - Face Value (Rs.mn)	235,614	235,614	235,614	331,389
CBSL Treasury Bill Holdings - Book Value (Rs.mn)	232,238	232,286	232,356	320,646

2.6 Open Market Operations

Item	27.12.2016	28.12.2016	29.12.2016	30.12.2016
Short-Term Auction				
Repo Amount Offered (Rs. bn)	42.00	38.00	51.00	41.00
Reverse Repo Amount Offered (Rs. bn)				
Tenure (No. of Days)	1	1	1	1
Bids Received (Rs. bn)	35.52	26.48	32.70	21.38
Amount Accepted (Rs. bn)	35.52	26.48	32.70	21.38
Weighted Average Yield Rate (% p.a.)	7.42	7.43	7.43	7.43
Term Auction				
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00
Standing Facility				
Standing Deposit Facility (Rs. bn)	22.23	22.01	36.49	48.65
Standing Lending Facility (Rs. bn)	14.54	13.55	19.55	30.81
Total Outstanding Market Liquidity (Rs. bn)	43.2	34.93	49.64	39.22

2.7 Credit Cards (a)

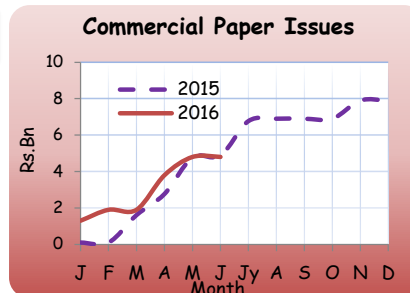
Item	2016 (b) End Sep	2016 End Aug	2015 End Dec
Total Number of Active Cards	1,278,260	1,253,876	1,142,231
Local (accepted only locally)	35,838	35,880	30,902
Global (accepted globally)	1,242,422	1,217,996	1,111,329
Outstanding balance (Rs. Mn.)	68,542	67,664	63,010
Local (accepted only locally)	807	813	1,226
Global (accepted globally)	67,736	66,851	61,784

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

2.8 Commercial Paper Issues (a)

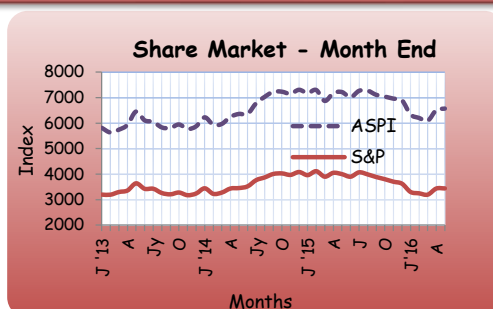
Item (Rs. bn.)	2016 End Sep(b)	2016 End Aug	2015 End Dec
Total Issues - Cumulative	6.2	5.1	7.9
Outstanding (as at end of the period)	4.4	4.0	4.5

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



2.9 Share Market

Item	Week Ending 30 Dec 2016	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,228	6,217	6,871
S & P Sri Lanka 20 Index (S&P SL20)	3,496	3,482	3,605
Average Daily Turnover (Rs. mn)	690	293	284
Market Capitalisation (Rs.Bn.)	2,745	2,653	2,928



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) End Sep	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

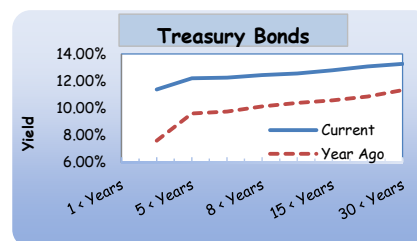
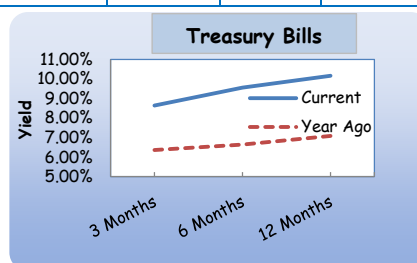
3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 28th December 2016

Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	8.72%	8.65%	8.76%	8.53%	8.65%	8.64%
	6 Months	9.63%	9.61%	9.67%	9.46%	9.57%	9.58%
	12 Months	10.17%	10.14%	10.27%	10.06%	10.17%	10.18%
Treasury Bonds	< 2 Years	-	-	11.45%	11.31%	11.38%	11.45%
	< 5 Years	11.94%	-	12.25%	12.16%	12.21%	12.24%
	< 6 Years	-	-	12.34%	12.18%	12.26%	12.29%
	< 8 Years	11.98%	-	12.50%	12.37%	12.44%	12.56%
	< 10 Years	12.11%	-	12.62%	12.49%	12.56%	12.66%
	< 15 Years	-	-	12.88%	12.74%	12.81%	12.86%
	< 20 Years	-	-	13.16%	13.00%	13.08%	13.09%
	< 30 Years	-	-	13.38%	13.15%	13.27%	13.26%

(a) Primary market transactions during the week ending 28/12/2016

The secondary market yield rates of T-bills and T-bonds have decreased across all maturities except for 3 month T-bills and 30 year T-bonds during the reporting week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	5.46%	5.47%
	27-Jul-21	6.250%	5.89%	5.92%
	18-Jan-22	5.750%	6.09%	6.13%
	25-Jul-22	5.875%	6.21%	6.25%
	14-Jan-19	6.000%	4.59%	4.59%
	11-Apr-19	5.125%	4.71%	4.73%
	3-Jun-25	6.125%	7.02%	7.06%
	3-Nov-25	6.850%	7.04%	7.09%
	18-Jul-26	6.825%	7.05%	7.07%



3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 28th December 2016)

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	701,490.00	701,793.08
Treasury Bonds (a)	3,962,009.04	3,962,009.04
Total	4,663,499.04	4,663,802.12
T-bills and T-bonds held by Foreigners	260,137.00	261,532.94
Sri Lanka Development Bonds (SLDB)	571,052.63	569,305.09

The outstanding stock of T-bills and T-bonds held by Foreigners decreased by 0.53 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Amount Offered	11,500.00	29,500.00
Total Bids Received	22,950.00	45,568.00
Total Bids Accepted	8,500.00	7,613.00
Treasury Bonds		
Amount Offered	57,000.00	
Total Bids Received	180,459.00	No auction held
Total Bids Accepted	55,585.00	

The weekly T-bill auction was over subscribed by 2.0 times whereas the T-bond auction was over subscribed by 3.2 times during the reporting week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
Treasury Bills		
Outright Transaction (Sales / Purchases)	18,901.44	10,702.62
Repo Transaction (Sales / Purchases)	130,054.46	132,228.68
Treasury Bonds		
Outright Transaction (Sales / Purchases)	40,501.57	45,697.81
Repo Transaction (Sales / Purchases)	675,516.55	823,909.33

The total secondary market transactions of T-bills and T-bonds decreased by 14.57 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) - 30/12/2016

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.84	8.50	99.84	8.31	0.00
1 Month	99.30	8.55	99.31	8.37	0.02
2 Month	98.58	8.63	98.61	8.44	0.03
3 Month	97.83	8.80	97.88	8.58	0.05
4 Month	97.00	9.12	97.07	8.92	0.07
5 Month	96.13	9.41	96.22	9.20	0.09
6 Month	95.22	9.70	95.31	9.50	0.10
7 Month	94.38	9.77	94.46	9.63	0.08
8 Month	93.51	9.86	93.61	9.71	0.10
9 Month	92.65	9.94	92.76	9.79	0.11
10 Month	91.77	10.01	91.90	9.86	0.13
11 Month	90.87	10.10	91.02	9.93	0.15
12 Month	89.87	10.28	90.08	10.06	0.21

3.6 Two way Quotes (Treasury Bonds)- 30/12/2016

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	2	99.99	9.31	99.99	9.13	0.00
05.80%2017A	6	15-Jan-17	16	99.84	9.30	99.85	9.10	0.01
08.25%2017A	3	1-Mar-17	61	99.72	9.65	99.75	9.49	0.03
08.75%2017A	4	15-May-17	136	99.51	9.99	99.59	9.78	0.08
08.00%2017B	5	15-Jun-17	167	99.03	10.18	99.16	9.89	0.13
05.80%2017B	6	15-Jul-17	197	97.67	10.31	97.84	9.98	0.17
08.50%2018A	15	1-Feb-18	398	97.52	10.96	97.74	10.74	0.22
08.50%2018C	5	1-Apr-18	457	97.03	11.08	97.18	10.94	0.16
08.50%2018D	5	1-Jun-18	518	96.50	11.23	96.64	11.11	0.15
08.50%2018B	15	15-Jul-18	562	96.08	11.33	96.27	11.19	0.19
07.50%2018A	15	15-Aug-18	593	94.44	11.33	94.61	11.20	0.17
08.75%2018A	4	15-Oct-18	654	95.75	11.43	96.01	11.25	0.27
08.00%2018A	6	15-Nov-18	685	94.12	11.56	94.59	11.27	0.47
05.65%2019A	8	15-Jan-19	746	89.33	11.67	89.49	11.57	0.17
08.50%2019A	10	1-May-19	852	93.67	11.66	93.92	11.53	0.25
10.60%2019A	5	1-Jul-19	913	97.53	11.77	97.71	11.68	0.18
10.60%2019B	5	15-Sep-19	989	97.31	11.77	97.58	11.65	0.28
08.00%2019A	8	1-Nov-19	1,036	90.72	11.94	91.13	11.76	0.41
09.25%2020A	5	1-May-20	1,218	92.67	11.97	93.01	11.84	0.34
08.00%2020A	8	1-Jun-20	1,249	88.93	12.04	89.21	11.93	0.28
06.20%2020A	10	1-Aug-20	1,310	83.29	12.07	83.62	11.94	0.34
09.50%2020A	5	15-Dec-20	1,446	92.03	12.09	92.33	11.99	0.29
10.75%2021A	5	1-Mar-21	1,522	95.67	12.09	96.01	11.98	0.35
09.00%2021A	8	1-May-21	1,583	89.55	12.16	89.82	12.08	0.27
11.00%2021A	7	1-Aug-21	1,675	95.99	12.16	96.31	12.06	0.32
09.45%2021A	7	15-Oct-21	1,750	90.22	12.20	90.56	12.10	0.33
08.00%2022A	10	1-Jan-22	1,828	84.13	12.34	84.44	12.25	0.31
11.20%2022A	9	1-Jul-22	2,009	95.58	12.33	96.00	12.22	0.42
10.00%2022A	8	1-Oct-22	2,101	90.63	12.31	91.25	12.15	0.61
09.00%2023A	10	1-Sep-23	2,436	84.53	12.48	84.79	12.41	0.26
11.20%2023A	9	1-Sep-23	2,436	94.56	12.41	95.15	12.28	0.58
07.00%2023A	20	1-Oct-23	2,466	75.21	12.54	75.44	12.48	0.22
11.40%2024A	10	1-Jan-24	2,558	95.23	12.44	95.69	12.34	0.46
11.00%2024A	8	1-Aug-24	2,771	93.02	12.44	93.59	12.32	0.56
06.00%2024A	10	1-Dec-24	2,893	67.76	12.53	68.08	12.45	0.32
10.25%2025A	10	15-Mar-25	2,997	88.60	12.50	89.15	12.39	0.55
09.00%2025A	12	1-May-25	3,044	81.71	12.60	82.20	12.49	0.49
11.00%2025A	10	1-Aug-25	3,136	91.99	12.55	92.55	12.43	0.56
09.00%2026A	13	1-Feb-26	3,320	80.13	12.75	80.45	12.68	0.32
05.35%2026A	15	1-Mar-26	3,348	61.04	12.64	61.43	12.54	0.39
11.00%2026A	11	1-Jun-26	3,440	91.66	12.53	92.34	12.40	0.68
11.50%2026A	10	1-Aug-26	3,501	94.13	12.57	94.85	12.43	0.71
09.00%2028B	15	1-May-28	4,140	77.31	12.85	77.68	12.78	0.37
09.00%2028A	15	1-Jul-28	4,201	77.55	12.78	77.96	12.69	0.41
11.50%2028A	13	1-Sep-28	4,263	91.98	12.84	93.26	12.61	1.28
13.00%2029A	15	1-Jan-29	4,385	100.45	12.93	100.90	12.85	0.45
13.00%2029B	15	1-May-29	4,505	100.91	12.84	101.49	12.75	0.58
11.00%2030A	15	15-May-30	4,884	88.09	12.89	89.58	12.63	1.49
08.00%2032A	20	1-Jan-32	5,480	66.82	13.11	67.71	12.93	0.89
09.00%2032A	20	1-Oct-32	5,754	72.83	13.12	73.69	12.95	0.86
09.00%2033A	20	1-Jun-33	5,997	72.37	13.14	73.23	12.98	0.86
13.25%2033A	20	1-Jul-33	6,027	100.50	13.18	101.44	13.04	0.94
09.00%2033B	20	1-Nov-33	6,150	71.80	13.21	72.37	13.10	0.57
13.25%2034A	20	1-Jan-34	6,211	100.17	13.23	100.77	13.14	0.61
11.50%2035A	20	15-Mar-35	6,649	89.19	13.06	91.06	12.77	1.87
12.00%2041A	25	1-Jan-41	8,768	90.89	13.27	92.91	12.97	2.02
09.00%2043A	30	1-Jun-43	9,649	68.60	13.33	69.12	13.23	0.52
13.50%2044A	30	1-Jan-44	9,863	100.43	13.44	101.12	13.35	0.69
13.50%2044B	30	1-Jun-44	10,015	100.15	13.48	100.88	13.38	0.73
12.50%2045A	30	1-Mar-45	10,288	93.58	13.38	96.67	12.94	3.09

External Sector

During the year up to 30 December 2016 the Sri Lanka rupee depreciated against the US dollar (3.8 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the pound sterling (16.0 per cent) and depreciated against euro (0.3 per cent) Indian rupee (1.7 per cent) and Japanese yen (7.0 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 November 2016, accounting for 51.9 per cent of total tourist arrivals upto the month of November 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.

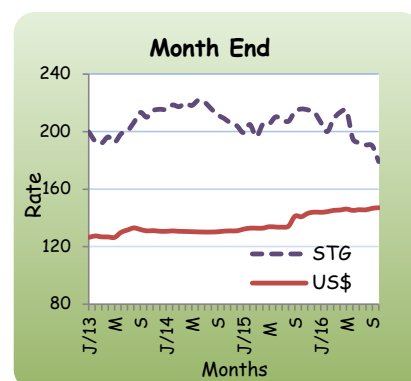
Further, the import prices of rice, wheat and crude oil prices declined compared to the corresponding month of 2015.

Highlights

EXTERNAL SECTOR

4.1 Exchange Rates

Item (Rs Per Unit)(a)	Week Ending - 30 Dec 2016			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	147.84	151.66	149.75	150.49	143.91
STG	181.02	187.28	184.15	184.92	213.27
Yen	1.27	1.31	1.29	1.28	1.19
Euro	154.93	160.92	157.93	157.18	157.11
INR ⁽¹⁾			2.21	2.20	2.17
SDR (As at 29 Dec 2016)			200.74	200.08	199.50
Central Bank purchases and sales(b) (US\$ Mn.)			November 2016	Month Ago	Year Ago
Purchases			9.45	88.33	-
Sales			116.91	163.78	306.00



	Week Ending 30 Dec 2016	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	22.86	18.34	27.59
Forward Transactions			
Forward Rates (US\$) ⁽²⁾			
1 Month	150.64	150.40	144.42
3 Months	152.69	152.20	145.46
Average Daily Interbank Forward Volume (US\$ mn)	44.36	31.90	35.10
Outstanding Forward Volume (US\$ mn) (As at 29 Dec 2016)	1,272.78	1,249.26	1,537.69

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

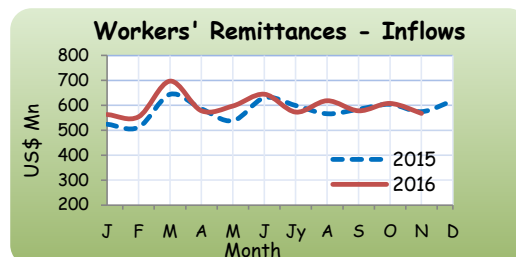
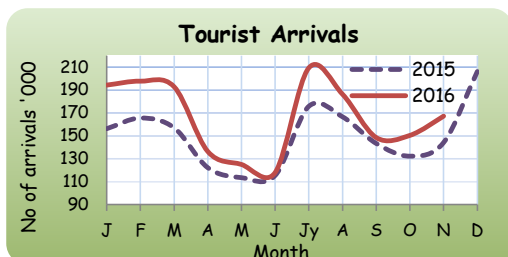
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

4.2 Tourism & Workers' Remittances

Item		2015 Nov (a)(c)	2016 Nov (b)(d)	2015(a) Jan-Nov (c)	2016(b) Jan-Nov (d)	% Change
Tourist Arrivals	Number	144,147	167,217	1,592,266	1,826,041	14.7
Earnings from Tourism(d)	US\$ Mn.	238.9	277.1	2,639.0	3,026.5	14.7
	Rs.bn.	33.9	41.0	356.5	439.5	23.3
		2015 Nov (a)	2016 Nov (b)	2015(a) Jan-Nov	2016 Jan-Nov(b)	% Change
Workers' Remittances (Inflows)	US\$ Mn.	574.5	567.4	6,361.8	6,556.9	3.1
	Rs. bn.	81.6	83.8	860.2	952.6	10.7

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



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

Official Reserve Assets (USD mn)				
Official Reserve Assets				5,644.13
(1) Foreign currency reserves				4,727.60
(a) Securities				2,515.35
(b) Total currency and deposits with				2,212.25
(i) other national central banks, BIS				946.17
(ii) banks headquartered inside the reporting country of which located abroad				1.14
(iii) banks headquartered outside the reporting country				1,264.93
(2) Reserve position in the IMF				64.78
(3) SDRs				2.04
(4) Gold				848.73
(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	-3,605.66	-57.35	-786.94	-2,761.36
Interest	-1,035.46	-50.5	-227.69	-757.26
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)	-2,883.65	-70.00	-582.22	-2,231.43
(b) Long positions (+)				
3. Other (specify)	-3.39	-3.39		
inflows related to reverse repos (+)				
other accounts payable (-)	-3.39	-3.39		

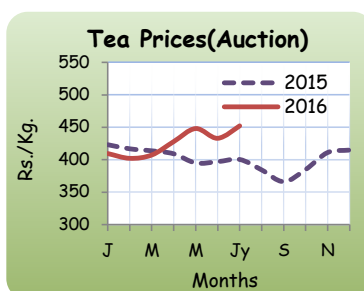
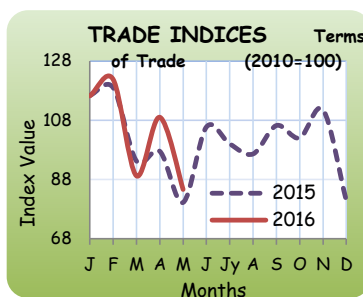
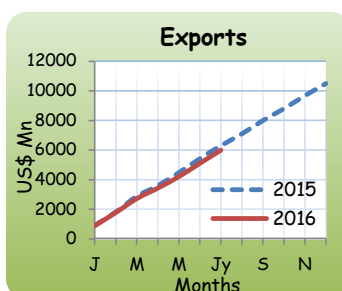
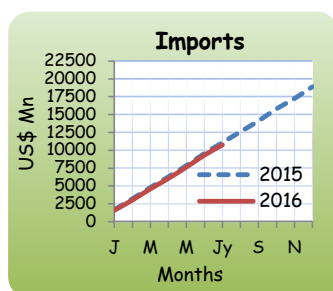
(a) Provisional

(b) This mainly includes only the predetermined outflows

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

4.4 External Trade

Item	US\$ Mn			Rs Mn		
	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

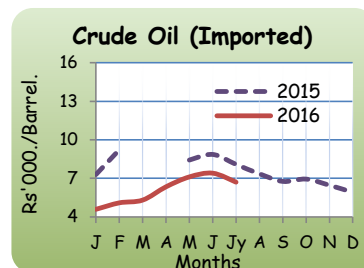
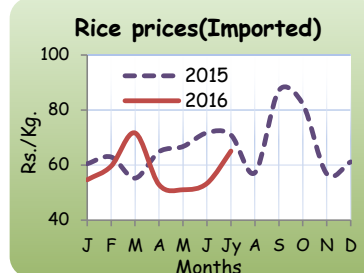


4.5 Trade Indices (2010= 100) (a)

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



4.6 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