

# Weekly Economic Indicators

31 March 2017



Statistics Department  
Central Bank of Sri Lanka

# 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 8.2 per cent in February 2017 from 6.5 per cent in January 2017, on year-on-year basis. Both Food and Non-food categories contributed towards the year-on-year inflation in February 2017. The low base that prevailed in February 2016 was the significant contributor to the sharp increase in year-on-year inflation in February 2017, in addition to the monthly price increase observed. The change in the NCPI measured on an annual average basis increased to 5.1 per cent in February 2017 from 4.6 per cent in January 2017. When the monthly change is considered, the NCPI increased from 119.3 index points to 119.9 index points from January 2017 to February 2017. 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 7.1 per cent in February 2017. Annual average NCPI Core inflation increased to 6.4 per cent in February 2017 from 6.2 per cent in January 2017

Inflation, as measured by the change in the Colombo Consumer's Price Index (CCPI) (2013=100), which is compiled by the Department of Census and Statistics, increased to 7.3 per cent in March 2017 from 6.8 per cent in February 2017, on year-on-year basis. Annual average inflation increased to 5.0 per cent in March 2017 from 4.6 per cent in February 2017. The monthly decrease in CCPI was 0.2 per cent. CCPI Core inflation, which reflects the underlying inflation in the economy increased to 7.3 per cent in March 2017 from 7.1 per cent in February 2017. Annual average CCPI Core inflation increased to 5.3 per cent in March 2017 from 5.0 per cent in February 2017

The GDP grew by 4.4 per cent in real terms in 2016, mainly attributable to 4.2 per cent growth in Services activities and 6.7 per cent growth in Industry activities while Agriculture activities contracted by 4.2 per cent, in value added terms

During the months of January 2017 production of tea declined due to dry weather conditions and while production of rubber declined due to the slowdown of tapping activities. Meanwhile, the coconut production also marginally declined during the similar period

The FIPI increased by 8.5 per cent on a year-on-year basis in January 2017. This increase was mainly due to increased production of beverages, wearing apparel, chemicals and chemical products, rubber and plastic products and other non-metallic mineral products sub-sectors. This was mainly attributed to increased domestic and international demand

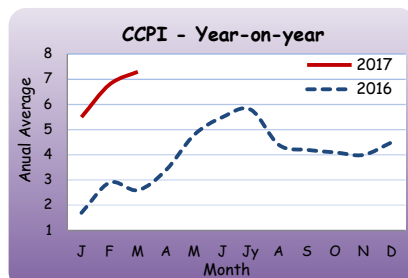
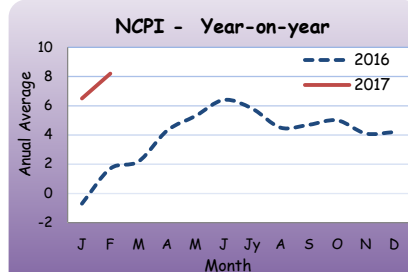
During the week crude oil prices largely followed an increasing trend, recording an increase in Brent and WTI prices by US\$ 2.30 per barrel and US\$ 3.00 per barrel, respectively, within the week. Price increases were largely supported by the discussions that the OPEC-led production cut, which was initially due to end in mid-2017, may be extended. On 26 March, a committee of ministers from the OPEC and outside producers agreed to look at prolonging the deal, while Kuwait backed this production extension. Further, severe disruption to Libyan oil supplies was reported as armed faction has blocked production at the Western Libyan oilfields, reducing output by 252,000 barrels per day. Further, as reported by the U.S. Energy Information Administration, U.S. crude inventories have risen by 867,000 barrels last week, nearly half the build that was expected

## Highlights

# REAL SECTOR

## 1.1 Price Indices

Item	February 2017	Month Ago	Year Ago
(2013 = 100)			
National Consumer Price Index (NCPI)	119.9	119.3	110.8
Monthly Change %	0.5	1.1	-1.1
Annual Average Change %	5.1	4.6	2.6
Year - on - Year Change %	8.2	6.5	1.7
Core Inflation - ( NCPI )	122.0	121.4	113.9
Annual Average Change %	6.4	6.2	4.4
Year - on - Year Change %	7.1	7.1	4.6
Item	March 2017	Month Ago	Year Ago
(2013 = 100)			
Colombo Consumers' Price Index (CCPI)	116.5	116.7	108.6
Annual Average Change %	5.0	4.6	2.2
Year - on - Year Change %	7.3	6.8	2.6
Core Inflation - ( CCPI )	121.8	121.6	113.5
Annual Average Change %	5.3	5.0	5.0
Year - on - Year Change %	7.3	7.1	3.7

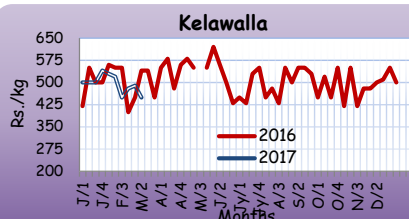
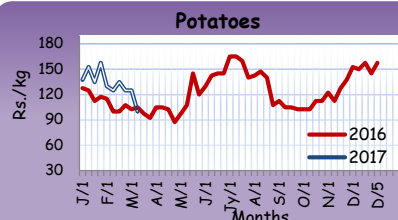
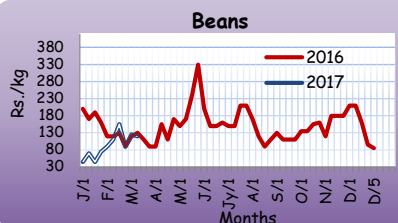
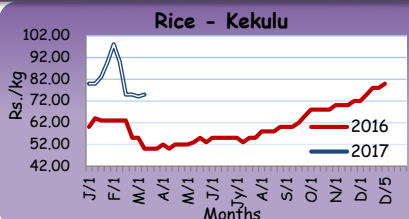


## 1.2 Pettah Market

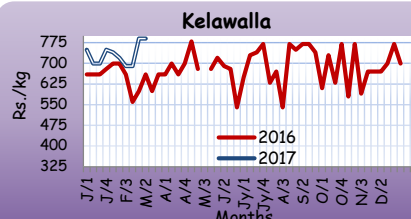
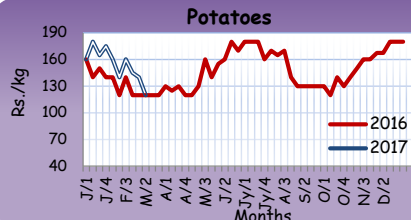
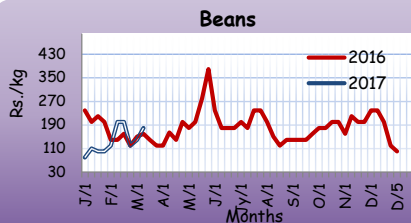
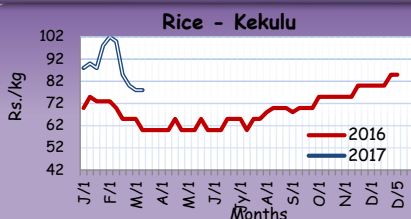
Item	Average Wholesale Prices				Average Retail Prices			
	Week Ending 30 <sup>th</sup> Mar 2017	Week Ago	Month Ago	Year Ago Annual Avg	Week Ending 30 <sup>th</sup> Mar 2017	Week Ago	Month Ago	Year Ago Annual Avg
	Rs / Kg				Rs / Kg			
<b>Rice</b>								
Samba	85.00	87.50	91.60	80.97	90.00	90.00	95.75	90.39
Kekulu (Red)	76.00	75.00	85.60	60.29	78.00	78.00	91.75	68.73
<b>Vegetables</b>								
Beans	110.00	110.00	111.25	147.16	160.00	200.00	160.00	179.12
Cabbage	30.00	17.50	20.00	76.62	80.00	60.00	53.75	115.10
Carrots	75.00	85.00	48.75	121.42	120.00	120.00	83.75	158.24
Tomatoes	115.00	110.00	42.50	75.00	180.00	160.00	77.50	107.06
Pumpkins	70.00	60.00	46.25	60.29	120.00	80.00	73.75	83.33
Snake Gourd	85.00	95.00	76.25	76.18	120.00	140.00	98.75	112.94
Brinjals	50.00	17.50	44.38	66.57	100.00	60.00	75.00	103.92
Ash-Plantains	80.00	60.00	63.75	67.65	100.00	100.00	86.25	95.69
<b>Other Foods</b>								
Red-Onions (Local)	125.00	90.00	116.25	92.66	150.00	145.00	155.00	131.74
Big-Onions (Local)	n.a.	n.a.	n.a.	74.50	n.a.	n.a.	n.a.	96.47
Potatoes (N'Eliya)	122.50	97.50	128.00	122.58	135.00	120.00	151.25	146.23
Dried Chillies (Imported)	170.00	175.00	217.50	293.68	220.00	230.00	267.50	350.78
Dhal (Indian)	138.00	135.00	142.50	160.16	150.00	158.00	155.75	171.41
The Eggs	13.00	12.80	12.69	14.30	13.50	13.00	13.25	14.79
Coconut (Each)	60.00	60.00	55.13	34.69	75.00	75.00	65.00	47.60
<b>Fish*</b>								
Kelawalla	450.00	450.00	495.00	508.20	680.00	760.00	710.00	682.00
Balaya	290.00	230.00	310.00	327.29	380.00	360.00	405.00	424.79
Salaya	90.00	80.00	90.00	141.43	140.00	140.00	145.00	197.14
Paraw (Small)	550.00	480.00	565.00	540.36	650.00	560.00	720.00	638.54

\* 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 30 <sup>th</sup> Mar 2017	
	Wholesale (Average)	Retail (Average)
<b>Rice</b>		
Samba	86.00	91.00
Kekulu (Red)	75.50	80.38
<b>Vegetables</b>		
Beans	122.50	145.00
Carrot	85.63	105.63
Tomatoes	93.13	115.63
Pumpkins	61.88	81.25
Snake Gourd	63.75	83.75
Ash-Plantains	63.75	83.75
<b>Other Foods</b>		
Red-Onions (Local)	96.88	114.38
Big-Onions (Local)	n.a.	n.a.
Potatoes (N'Elia)	105.00	120.83
Dried Chilies(Imported)	188.13	206.88
Coconut (Each)	58.75	68.13

### 1.5 Maradagamula Market

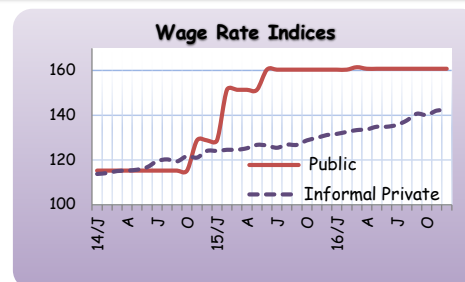
Average wholesale price of Rice				
Item (Rs / Kg)	Week Ending 31 <sup>st</sup> Mar	Week Ago	Month Ago	Year Ago
Samba	84.40	82.90	88.97	77.58
Sudu Kekulu	74.50	74.30	83.81	62.91
Raw Red	74.80	74.90	84.50	59.59
Nadu	76.10	75.50	86.81	66.62

### 1.4 Narahenpita Economic Centre

Item (Rs / Kg)	Average Retail Prices	
	30 <sup>th</sup> Mar 2017	Week Ago
<b>Rice</b>		
Samba	90.00	90.00
Kekulu (Red)	78.00	78.00
<b>Vegetables</b>		
Beans	198.33	196.67
Cabbage	116.67	116.67
Carrots	158.33	118.33
Tomatoes	158.33	138.33
Pumpkins	116.67	98.33
Snake Gourd	158.33	158.33
Brinjals	98.33	68.33
Ash-Plantains	138.33	138.33
<b>Other Foods</b>		
Red-Onions (Imported)	126.67	n.a.
Big-Onions (Imported)	88.33	78.33
Potatoes (Imported)	88.33	88.33
Dried Chilies (Imported)	236.67	196.67
Dhal (Indian)	158.33	137.00
Eggs (Red)(Each)	13.67	13.67
Coconut (Each)	56.67	48.33
<b>Fish</b>		
Kelawalla	856.67	843.33
Balaya	416.67	390.00
Salaya	103.33	106.67
Paraw (Small)	916.67	690.00

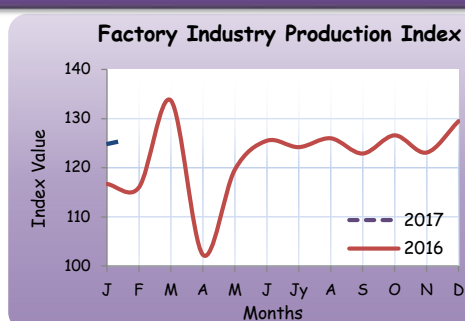
## 1.6 Wage rate Indices

Item	2017 January	2016 January	% Change
Public Sector Employees (2012 = 100)	160.8	160.4	0.2
Informal Private Sector Employees (2012 = 100)	143.5	131.7	9.0
Agriculture	144.5	135.1	7.0
Industry	148.7	134.1	10.9
Services	138.1	128.1	7.8



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

Item	2017 (b) January	2016 January	% Change
Factory Industry- Production Index	126.6	117.0	8.2
Food products	100.8	102.6	-1.8
Beverages	111.3	106.6	4.4
Tobacco products	61.5	88.1	-30.3
Wearing apparel	187.7	165.6	13.3
Chemicals and chemical products	89.8	38.5	133.1
Rubber and plastic products	148.0	132.9	11.4
Other non-metallic mineral products	143.9	132.6	8.5

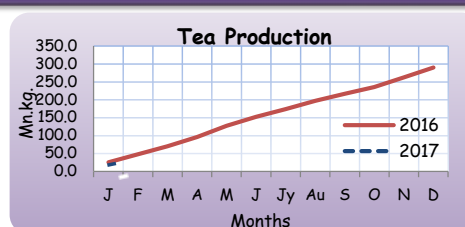


(a) Major 7 sub divisions of FIPI out of 17 sub divisions.

(b) Provisional

## 1.8 Agriculture Production

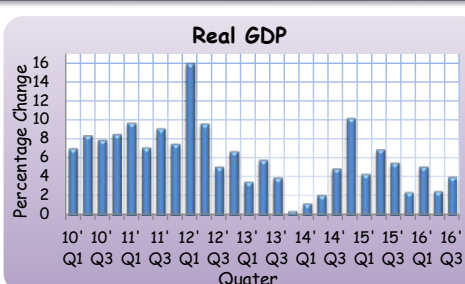
Item	Unit	2017(a) Jan	2016 Jan	% Change
Tea	(Mn Kg)	21.3	25.1	-15.3
Rubber	(Mn Kg)	6.5	9.5	-31.8
Coconuts	(Mn Nuts)	240.5	242.6	-0.9



(a) Provisional

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

Item	2015 4th Qtr (a)(b)	2016 4th Qtr (a)	2015 Annual (a)(b)	2016 Annual (a)
Agriculture	0.5	-8.4	4.8	-4.2
Industry	1.1	9.2	2.1	6.7
Services	3.2	4.6	5.7	4.2
Taxes less subsidies on products	5.5	8.0	7.5	6.2
<b>GDP</b>	<b>2.8</b>	<b>5.3</b>	<b>4.8</b>	<b>4.4</b>



(a) Provisional (b) Revised

Source: Department of Census and Statistics

## 1.10 Employment (a)(b)

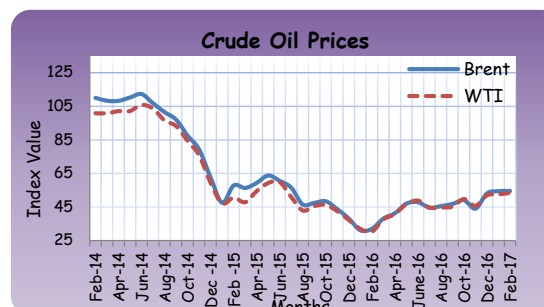
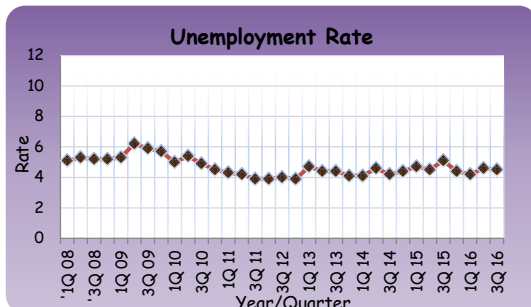
Item	2015 (c)(d) 3 <sup>rd</sup> Quarter	2016 (c) 3 <sup>rd</sup> Quarter	2015 Annual
Labour Force Participation rate	53.8	53.8	53.8
Unemployment rate	5.1	4.5	4.7
<b>Employed Persons by Sectors (e) (as a % of total employment)</b>			
Agriculture	27.8	27.1	28.7
Industry	27.0	26.8	25.8
Services	45.3	46.1	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	2016			2017		
	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	31.10	31.96	31.87	54.41	52.50	56.64
February	31.93	30.32	35.36	54.50	53.41	
March	38.06	37.55	36.85			
April	41.25	40.75	44.05			
May	47.00	46.69	48.84			
June	47.82	48.76	50.95			
July	44.54	44.65	46.10			
August	45.50	44.72	46.71			
September	46.80	45.20	46.99			
October	49.01	49.70	52.70			
November	44.01	45.66	47.66			
December	53.07	51.96	55.69			
	2016			2017		
24 March	37.78	38.14		49.92	47.30	
27 March	-	-		50.07	47.02	
28 March	37.47	37.99		50.82	48.36	
29 March	36.35	36.91		51.33	49.47	
30 March	37.3	36.91		52.22	50.30	

Sources: Reuters

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 31 March 2017 increased by 47 bps to 11.79% compared to the previous week

Broad money (M2b) expanded by 17.7%, on a year-on-year basis, in January 2017

Net Credit to the Government from the banking system showed an increase of Rs. 140.9 bn in January 2017

Credit to public corporations recorded an increase of Rs. 23.0 bn in January 2017

Credit extended to the private sector increased by Rs. 17.9 bn in January 2017

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 short position of Rs. 10.84 bn by end of the week, compared to a position of Rs. 10.05 bn by the end of last week

By 31 March 2017, the All Share Price Index (ASPI) increased by 1.10% to 6,062 points and the S&P SL20 Index increased by 0.65% to 3,439 points, compared to the previous week

## Highlights

# MONETARY SECTOR

## 2.1 Interest Rates

Item	Week Ending 2017 Mar 31	Week Ago	Year Ago
<b>Policy Interest Rates</b>			
Standing Deposit Facility Rate	7.25	7.25	6.50
Standing Lending Facility Rate	8.75	8.75	8.00
<b>Average Weighted Call Money Rate (AWCMR)(Weekly Average)</b>	8.75	8.55	8.04
<b>Sri Lanka Inter Bank Offered Rate (SLIBOR)</b>			
1-day	8.75	8.75	8.10
7-day	9.90	9.80	8.46
1-Month	10.82	10.70	9.07
3-Month	11.26	11.18	9.33
6-Month	11.87	11.71	9.64
12-Month	12.35	12.18	10.12
<b>Treasury Bill Yields (Excluding 10% withholding tax)</b>			
91-day	9.63	9.57	8.90
182-day	10.62	10.46	9.76
364-day	10.98	10.82	10.64
<b>Licensed Commercial Banks</b>			
Average Weighted Prime Lending Rate (AWPR)	11.79	11.32	9.19
	Jan 2017	Month Ago	Year Ago
Savings Deposits	0.50-9.00	0.50-9.00	0.50-8.50
One Year Fixed Deposits	4.89-15.00	4.50-15.00	3.95-15.00
	Mar 2017	Month Ago	Year Ago
Average Weighted Deposit Rate (AWDR)	8.81	8.66	6.44
Average Weighted Fixed Deposit Rate (AWFDR)	11.38	11.15	7.92
	Feb 2017	Month Ago	Year Ago
Average Weighted Lending Rate (AWLR)	13.29	13.28	11.30
<b>National Savings Bank (NSB)</b>	Feb 2017	Month Ago	Year Ago
Savings Deposits	4.25	4.25	4.50
One Year Fixed Deposits	11.00	11.00	8.25
<b>Treasury Bond Auction</b>		01 Y & 10 Months	07 Y & 05 Months
		13/03/2017	13/03/2017
Coupon rate		10.75	11.00
Weighted Average Yield (Excluding 10% withholding tax)		12.30	13.14

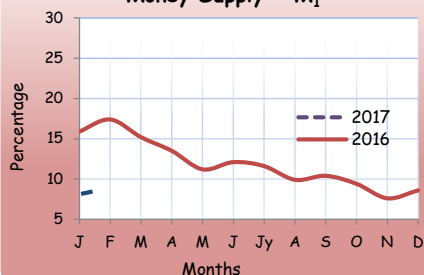
Bankwise- AWPR	Week ending 2017 Mar 31	Week Ago	Bankwise- AWPR	Week ending 2017 Mar 31	Week Ago
Bank of Ceylon	12.05	12.11	HSBC	9.48	9.48
People's Bank	11.93	12.04	Standard Chartered Bank	11.33	11.05
Hatton National Bank	11.82	12.00	Citi Bank	11.95	9.42
Commercial Bank of Ceylon	12.39	12.65	Deutsche Bank	9.95	10.12
Sampath Bank	11.91	13.59	Habib Bank	11.11	10.84
Seylan Bank	12.44	12.68	Indian Bank	13.00	13.00
Union Bank of Colombo	14.21	13.98	Indian Overseas Bank	13.55	13.55
Pan Asia Banking Corporation	16.29	16.08	MCB Bank	11.81	12.24
Nations Trust Bank	12.01	12.28	State Bank of India	12.73	12.73
DFCC Bank	14.15	14.19	Public Bank	12.00	11.50
NDB Bank	13.75	12.00	ICICI Bank	12.26	12.26
Amana Bank	12.49	12.34	Axis Bank	12.05	12.55
Cargills Bank	14.24	13.35			

## 2.2 Money Supply

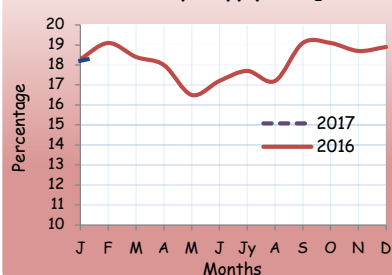
Item	Rs. bn			Annual Change (%)		
	2017 (a) January	Month Ago	Year Ago	2017 (a) January	Month Ago	Year Ago
<b>Reserve Money</b>	828.5	856.1	718.6	15.3	27.1	24.7
M <sub>1</sub>	742.9	776.6	692.4	7.3	8.6	15.9
M <sub>2</sub>	4,866.0	4,823.6	4,103.0	18.6	18.9	18.3
M <sub>2b</sub>	5,460.4	5,405.6	4,638.3	17.7	18.4	19.1
<b>Net Foreign Assets of the Banking System (b)</b>	-327.7	-231.2	-360.4	9.1	22.4	-204.7
Monetary Authorities	502.4	558.6	489.5	2.6	-3.1	-20.2
Commercial Banks	-830.2	-789.8	-849.8	2.3	9.7	-16.1
Domestic Banking Units (DBUs)	-325.1	-325.7	-298.0	-9.1	-10.1	-21.2
Offshore Banking Units (OBUs)	-505.1	-464.2	-551.9	8.5	19.8	-13.6
<b>Net Domestic Assets of the Banking System (b)</b>	5,788.2	5,636.8	4,998.7	15.8	15.9	24.5
Net Credit to the Government	2,113.1	1,972.1	1,868.0	13.1	12.1	19.9
Monetary Authorities	410.7	413.0	336.5	22.0	79.6	39.7
Commercial Banks	1,702.3	1,559.1	1,531.5	11.2	1.9	16.3
DBUs	1,369.7	1,254.5	1,155.8	18.5	8.3	8.9
OBUs	332.6	304.6	375.7	-11.5	-18.0	47.2
Credit to Public Corporations	518.1	495.1	527.6	-1.8	-5.3	12.5
DBUs	298.3	289.7	249.8	19.4	14.0	29.1
OBUs	219.8	205.4	277.9	-20.9	-23.6	0.9
Credit to the Private Sector	4,222.3	4,204.4	3,493.1	20.9	21.9	25.7
DBUs	3,905.3	3,891.9	3,215.7	21.4	22.2	27.6
OBUs	317.1	312.6	277.5	14.3	18.6	7.0
Other Items (Net)	-1,065.3	-1,034.8	-890.1	-19.7	-19.2	-12.5

(a) Provisional (b) In relation to M<sub>2b</sub>

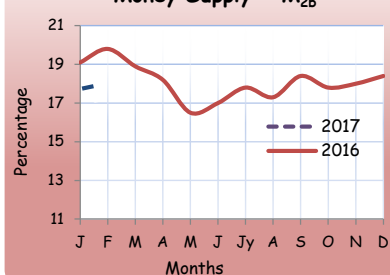
Money Supply - M<sub>1</sub>



Money Supply - M<sub>2</sub>



Money Supply - M<sub>2b</sub>



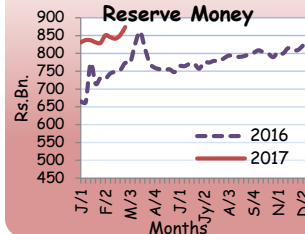
## 2.3 Weekly change in Reserve Money

Item	30 Mar 2017	Week Ago	Change
Reserve Money (Rs.Mn.)	873,690	874,608	-919

## 2.4 Money Market Activity (Overnight)

Item	27.03.2017	28.03.2017	29.03.2017	30.03.2017	31.03.2017
<b>Call Money Market</b>					
Weighted Average Rate (% p.a.)	8.75	8.75	8.75	8.75	8.75
Gross Volume (Rs. Mn)	15,020	17,880	19,915	22,290	13,675
<b>Repo Market</b>					
Weighted Average Rate (% p.a.)	8.80	8.80	8.81	8.78	8.81
Gross Volume (Rs. Mn)	37,482	30,574	28,723	36,710	31,665

Weekly change in Reserve Money



## 2.5 CBSL Security Portfolio

Item	27.03.2017	28.03.2017	29.03.2017	30.03.2017	31.03.2017
CBSL Treasury Bill Holdings -Face Value (Rs.mn)	236,887	236,887	236,887	236,887	233,323
CBSL Treasury Bill Holdings -Book Value (Rs.mn)	228,954	229,028	229,048	229,118	225,410

## 2.6 Open Market Operations

Item	27.03.2017	28.03.2017	29.03.2017	30.03.2017	31.03.2017
<b>Short-Term Auction</b>					
Repo Amount Offered (Rs. bn)	13.00	15.00	0.00	0.00	0.00
Reverse Repo Amount Offered (Rs. bn)	0.00	0.00	6.00	0.00	10.00
Tenure (No. of Days)	1	1	1	0	1
Bids Received (Rs. bn)	18.38	29.52	20.09	0.00	27.65
Amount Accepted (Rs. bn)	13.00	15.00	6.00	0.00	10.00
Weighted Average Yield Rate (% p.a.)	7.75	7.73	8.73	0.00	8.74
<b>Term Auction</b>					
Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
Reverse Repo Amount Accepted (Rs. bn)	0.00	0.00	0.00	0.00	0.00
<b>Standing Facility</b>					
Standing Deposit Facility (Rs. bn)	15.28	15.02	13.76	17.69	26.95
Standing Lending Facility (Rs. bn)	14.09	16.68	19.66	14.97	27.79
<b>Total Outstanding Market Liquidity (Rs. bn)</b>	14.20	13.34	-11.90	2.72	-10.84

## 2.7 Credit Cards (a)

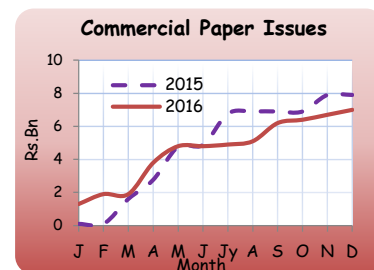
Item	2017 End Jan (b)	2016 End Dec	2015 End Dec
<b>Total Number of Active Cards</b>	1,509,798	1,309,248	1,142,231
Local (accepted only locally)	28,968	29,109	30,902
Global (accepted globally)	1,480,830	1,280,139	1,111,329
<b>Outstanding balance (Rs.mn)</b>	75,003	74,892	63,010
Local (accepted only locally)	819	839	1,226
Global (accepted globally)	74,184	74,053	61,784

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

## 2.8 Commercial Paper Issues (a)

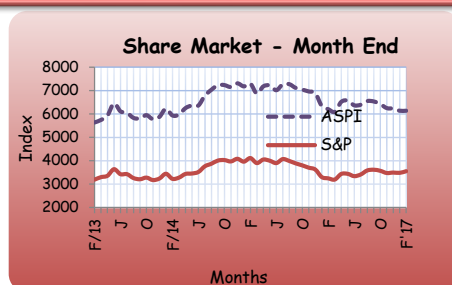
Item (Rs. bn.)	2017 End Jan (b)	2016 End Dec	2015 End Dec
Total Issues - Cumulative (c)	1.0	7.0	7.9
Outstanding (as at end of the period)	2.2	2.2	4.5

(a) Based on the information provided by LCBs and Licensed Specialised Banks (LSBs) (b) Provisional (c) During the year



## 2.9 Share Market

Item	Week Ending 31 Mar 2017	Week Ago	Year Ago
All Share Price Index (1985 = 100) (ASPI)	6,062	5,996	6,072
S&P Sri Lanka 20 Index (2004 = 1,000) (S&P SL20)	3,439	3,417	3,204
Average Daily Turnover (Rs. mn)	1,213	861	533
Market Capitalisation (Rs.bn)	2,663	2,633	2,586



## 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.

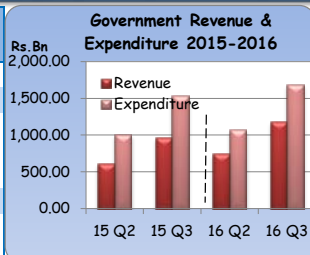
Total outstanding debt increased by Rs. 898.7 billion to Rs. 9,402.0 billion as at end September 2016 from Rs. 8,503.2 billion at end 2015. Foreign debt increased by Rs. 525.7 billion to Rs. 4,069.7 billion, while domestic debt increased by Rs. 373.1 billion to Rs. 5,332.3 billion.

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)

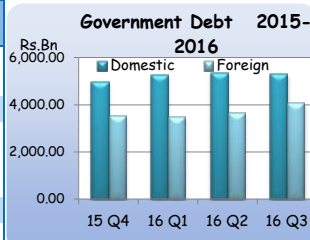
Item	2015 Jan - Sep	2016 Jan - Sep(a)
<b>Revenue and Grants</b>	<b>959.6</b>	<b>1,180.0</b>
<b>Revenue</b>	<b>958.9</b>	<b>1,179.3</b>
Tax	888.2	1,067.3
Non tax	70.7	112.0
<b>Grants</b>	<b>0.7</b>	<b>0.7</b>
<b>Expenditure &amp; Lending Minus Repayments</b>	<b>1,532.5</b>	<b>1,686.0</b>
Current	1,213.1	1,308.3
Capital & Lending Minus Repayments	319.5	377.7



(a) Provisional

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

Item	End 2015 Sep	2016 End Sep (a)
<b>Total domestic debt</b>	<b>4,959.2</b>	<b>5,332.3</b>
of which		
Treasury bills	658.2	699.6
Treasury bonds	3,305.2	3,663.2
Rupee loans	24.1	24.1
<b>Total foreign debt</b>	<b>3,544.0</b>	<b>4,069.7</b>
<b>Total outstanding govt. debt</b>	<b>8,503.2</b>	<b>9,402.0</b>



(a) Provisional

### 3.3 Government Securities - Primary and Secondary Market Yield Rates for the week ending - 29<sup>th</sup> March 2017

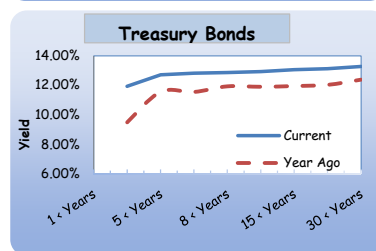
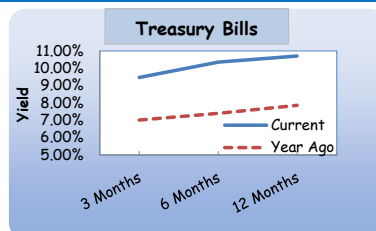
Security	Maturity	Primary Market(a)		Secondary Market			
		This Week	Last Week	This Week			Last Week Average
				Buying	Selling	Average	
Treasury Bills	3 Months	9.63%	9.57%	9.61%	9.42%	9.51%	9.46%
	6 Months	10.62%	10.46%	10.51%	10.33%	10.42%	10.36%
	12 Months	10.98%	10.82%	10.86%	10.64%	10.75%	10.71%
Treasury Bonds(b)	< 2 Years	-	-	11.81%	11.66%	11.74%	11.94%
	< 5 Years	-	-	12.59%	12.48%	12.53%	12.72%
	< 6 Years	-	-	12.76%	12.62%	12.69%	12.83%
	< 8 Years	-	-	12.76%	12.65%	12.71%	12.87%
	< 10 Years	-	-	12.85%	12.72%	12.79%	12.94%
	< 15 Years	-	-	12.94%	12.83%	12.89%	13.07%
	< 20 Years	-	-	13.07%	12.94%	13.01%	13.14%
	< 30 Years	-	-	13.29%	13.09%	13.19%	13.28%

(a) Primary market transactions during the week ending 29/03/2017

(b) Weighted Average Yield Rate is calculated, if there are two or more yield rates within same maturity Period

The secondary market yield rates of all T-Bills have increased whereas the secondary market yield rates of all T-Bonds have decreased during the reporting week.

Security	Maturity Date	Coupon Rate	Secondary Market	
			This Week	Last Week
International Sovereign Bonds	4-Oct-20	6.250%	4.52%	4.56%
	27-Jul-21	6.250%	4.81%	4.83%
	18-Jan-22	5.750%	5.08%	5.10%
	25-Jul-22	5.875%	5.25%	5.27%
	14-Jan-19	6.000%	3.82%	3.85%
	11-Apr-19	5.125%	3.78%	3.77%
	3-Jun-25	6.125%	6.11%	6.13%
	3-Nov-25	6.850%	6.32%	6.33%
	18-Jul-26	6.825%	6.33%	6.36%



### 3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 29<sup>th</sup> March 2017 )

Item	Volume in Rs Mn	
	This Week	Last Week
Outstanding Stock of Government Securities		
Treasury Bills	793,330.68	793,951.14
Treasury Bonds (a)	3,963,919.14	3,963,919.14
<b>Total</b>	<b>4,757,249.82</b>	<b>4,757,870.28</b>
T-bills and T-bonds held by Foreigners	196,402.04	197,352.01
Sri Lanka Development Bonds (SLDB)	641,327.09	640,963.51

The outstanding stock of T-bills and T-bonds held by Foreigners decreased by 0.48 per cent during the reporting week.

Primary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Amount Offered	25,500.00	27,000.00
Total Bids Received	48,267.00	39,414.00
Total Bids Accepted	17,067.00	4,079.00
<b>Treasury Bonds</b>		
Amount Offered	-	-
Total Bids Received	-	-
Total Bids Accepted	-	-

The weekly T-bill auction was over subscribed by 1.9 times during the reporting week.

Secondary Market Activities	Volume in Rs Mn	
	This Week	Last Week
<b>Treasury Bills</b>		
Outright Transaction (Sales / Purchases)	14,294.21	6,615.71
Repo Transaction (Sales / Purchases)	245,952.19	281,526.87
<b>Treasury Bonds</b>		
Outright Transaction (Sales / Purchases)	65,612.43	37,370.15
Repo Transaction (Sales / Purchases)	912,697.47	847,114.44

The total secondary market transactions of T-bills and T-bonds increased by 5.62 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) - 31/03/2017

Remaining Maturity	Average Buying Price	Yield %	Average Selling Price	Yield %	Buying & Selling Spread
1-7 Days	99.83	8.96	99.83	8.72	0.00
1 Month	99.25	9.18	99.26	8.96	0.02
2 Month	98.47	9.33	98.50	9.15	0.03
3 Month	97.62	9.67	97.67	9.47	0.05
4 Month	96.75	9.88	96.81	9.70	0.06
5 Month	95.81	10.19	95.92	9.93	0.11
6 Month	94.78	10.58	94.87	10.40	0.09
7 Month	93.90	10.59	94.01	10.42	0.10
8 Month	93.01	10.63	93.12	10.47	0.11
9 Month	92.09	10.69	92.23	10.51	0.13
10 Month	91.18	10.73	91.32	10.56	0.14
11 Month	90.26	10.78	90.42	10.60	0.16
12 Month	89.13	11.02	89.42	10.72	0.30

### 3.6 Two way Quotes (Treasury Bonds) - 31/03/2017

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
08.75%2017A	4	15-May-17	45	99.80	10.03	99.83	9.78	0.03
08.00%2017B	5	15-Jun-17	76	99.50	10.20	99.56	9.93	0.06
05.80%2017B	6	15-Jul-17	106	98.66	10.40	98.74	10.13	0.08
08.50%2018A	15	1-Feb-18	307	98.12	10.87	98.38	10.54	0.25
08.50%2018C	5	1-Apr-18	366	97.56	11.14	97.70	10.98	0.15
08.50%2018D	5	1-Jun-18	427	96.97	11.31	97.14	11.15	0.17
08.50%2018B	15	15-Jul-18	471	96.56	11.41	96.75	11.24	0.19
07.50%2018A	15	15-Aug-18	502	95.16	11.38	95.33	11.24	0.17
08.75%2018A	4	15-Oct-18	563	96.29	11.44	96.45	11.32	0.15
08.00%2018A	6	15-Nov-18	594	94.82	11.58	95.08	11.39	0.26
05.65%2019A	8	15-Jan-19	655	90.34	11.77	90.49	11.67	0.15
10.75%2019A	2	15-Jan-19	655	98.34	11.78	98.56	11.64	0.22
08.50%2019A	10	1-May-19	761	93.75	11.97	93.99	11.83	0.25
10.60%2019A	5	1-Jul-19	822	97.24	12.02	97.57	11.84	0.33
10.60%2019B	5	15-Sep-19	898	96.96	12.06	97.24	11.92	0.28
08.00%2019A	8	1-Nov-19	945	91.23	12.04	91.48	11.92	0.25
09.25%2020A	5	1-May-20	1,127	92.03	12.43	92.33	12.30	0.30
08.00%2020A	8	1-Jun-20	1,158	89.15	12.22	89.31	12.16	0.16
06.20%2020A	10	1-Aug-20	1,219	83.84	12.23	84.06	12.14	0.22
09.50%2020A	5	15-Dec-20	1,355	91.99	12.24	92.21	12.16	0.22
10.75%2021A	5	1-Mar-21	1,431	94.56	12.54	95.02	12.39	0.46
09.00%2021A	8	1-May-21	1,492	88.95	12.53	89.35	12.39	0.40
11.00%2021A	7	1-Aug-21	1,584	94.84	12.57	95.24	12.44	0.41
09.45%2021A	7	15-Oct-21	1,659	89.82	12.45	90.10	12.36	0.29
11.50%2021A	5	15-Dec-21	1,720	96.07	12.62	96.55	12.48	0.49
08.00%2022A	10	1-Jan-22	1,737	84.16	12.51	84.51	12.40	0.36
11.20%2022A	9	1-Jul-22	1,918	94.32	12.70	94.80	12.57	0.47
10.00%2022A	8	1-Oct-22	2,010	89.24	12.78	89.77	12.64	0.53
09.00%2023A	10	1-Sep-23	2,345	84.46	12.60	84.84	12.50	0.38
11.20%2023A	9	1-Sep-23	2,345	93.23	12.77	93.79	12.64	0.56
07.00%2023A	20	1-Oct-23	2,375	75.48	12.64	75.83	12.55	0.36
11.40%2024A	10	1-Jan-24	2,467	94.05	12.73	94.44	12.64	0.39
11.00%2024A	8	1-Aug-24	2,680	91.06	12.91	91.55	12.80	0.49
06.00%2024A	10	1-Dec-24	2,802	67.80	12.69	68.19	12.58	0.40
10.25%2025A	10	15-Mar-25	2,906	87.82	12.73	88.28	12.62	0.46
09.00%2025A	12	1-May-25	2,953	81.58	12.71	82.04	12.60	0.46
11.00%2025A	10	1-Aug-25	3,045	90.86	12.81	91.43	12.69	0.57
09.00%2026A	13	1-Feb-26	3,229	80.32	12.77	80.93	12.64	0.62
05.35%2026A	15	1-Mar-26	3,257	61.22	12.75	61.66	12.64	0.44
11.00%2026A	11	1-Jun-26	3,349	90.12	12.86	90.65	12.75	0.54
11.50%2026A	10	1-Aug-26	3,410	92.27	12.94	92.92	12.81	0.65
09.00%2028B	15	1-May-28	4,049	77.49	12.86	78.11	12.74	0.62
09.00%2028A	15	1-Jul-28	4,110	77.42	12.84	77.83	12.76	0.42
11.50%2028A	13	1-Sep-28	4,172	91.58	12.93	92.28	12.80	0.70
13.00%2029A	15	1-Jan-29	4,294	100.35	12.93	100.91	12.84	0.56
13.00%2029B	15	1-May-29	4,414	100.61	12.90	101.06	12.82	0.46
11.00%2030A	15	15-May-30	4,793	87.27	13.05	88.25	12.87	0.98
08.00%2032A	20	1-Jan-32	5,389	67.63	12.97	68.04	12.89	0.41
09.00%2032A	20	1-Oct-32	5,663	73.61	13.00	74.07	12.91	0.45
09.00%2033A	20	1-Jun-33	5,906	73.13	13.02	73.58	12.93	0.46
13.25%2033A	20	1-Jul-33	5,936	101.26	13.05	101.96	12.95	0.70
09.00%2033B	20	1-Nov-33	6,059	72.64	13.07	73.18	12.97	0.54
13.25%2034A	20	1-Jan-34	6,120	101.02	13.09	101.78	12.98	0.75
11.50%2035A	20	15-Mar-35	6,558	88.77	13.14	90.32	12.89	1.55
12.00%2041A	25	1-Jan-41	8,677	90.83	13.27	92.74	12.99	1.91
09.00%2043A	30	1-Jun-43	9,558	68.97	13.26	69.80	13.10	0.83
13.50%2044A	30	1-Jan-44	9,772	101.28	13.32	102.04	13.21	0.77
13.50%2044B	30	1-Jun-44	9,924	101.19	13.33	101.95	13.23	0.77
12.50%2045A	30	1-Mar-45	10,197	94.18	13.29	96.36	12.98	2.18

## External Sector

During the year up to 31 March 2017 the Sri Lanka rupee depreciated against the US dollar (1.3 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee depreciated against the pound sterling (2.9 per cent), euro (2.6 per cent), Japanese yen (5.0 per cent) and Indian rupee (5.7 per cent) during this period

Earnings from exports amounted to US dollars 859 million in December 2016 registering a 4.7 per cent growth, year-on-year, reflecting increases in all major categories of exports.  
On a cumulative basis, exports earnings during 2016 at US dollars 10,310 million, contracted by 2.2 per cent, compared to the previous year, despite the positive growth recorded in the latter part of 2016

Expenditure on imports at US dollars 1,816 million increased by 10.4 per cent, year-on-year, during the month, due to the increase in expenditure on the import of intermediate goods followed by investment goods. On a cumulative basis, expenditure on imports during 2016 at US dollars 19,400 million, increased by 2.5 per cent, compared to the previous year, mainly due to higher imports of machinery and equipment, textiles and textile articles and gold

The terms of trade improved by 6.4 per cent in December 2016 compared to the corresponding month of previous year due to increase in export prices compared to imports prices during the month. The export unit value index in December 2016 increased by 2.2 per cent, year-on-year, due to the increase in prices of all major exports categories. Reflecting the decreases recorded in international price levels of consumer goods and investment goods, the import unit value index decreased by 4.0 per cent, year-on-year, in December 2016

India, China, UK, Germany and France were the top five sources of tourist arrivals, accounting for 49.4 per cent of total tourist arrivals in the month of February 2017

The average price of tea increased to US dollars 3.92 per kg in December 2016 from US dollars 2.89 per kg (in the Colombo auction) in December 2015

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

## EXTERNAL SECTOR

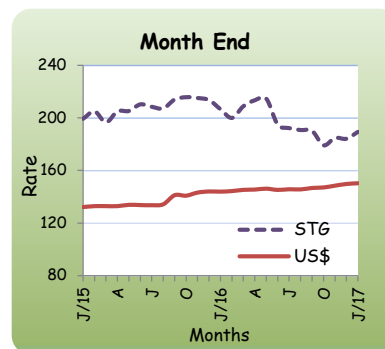
### 4.1 Exchange Rates

Item  (Rs Per Unit)(a)	Week Ending - 31 Mar 2017			Average Rate	
	Buying Rate	Selling Rate	Average Rate	Week Ago	Year Ago
US\$	150.06	153.91	151.99	151.88	144.69
STG	186.73	193.18	189.96	189.77	207.90
Yen	1.33	1.38	1.36	1.37	1.29
Euro	159.28	165.43	162.36	163.52	163.95
INR <sup>(1)</sup>			2.34	2.32	2.17
SDR	( As at 30 Mar 2017)		206.30	206.51	202.40
Central Bank purchases and sales(b) (US\$ Mn. )			February 2017	Month Ago	Year Ago
Purchases			145.09	64.66	-
Sales			297.25	204.50	189.05

Month End

Month	STG	US\$
J/15	200	120
A	200	125
J	205	125
O	210	135
J/16	200	140
A	210	140
J	190	140
O	180	145
J/17	190	150

	Week Ending 31 Mar 2017	Week Ago	Year Ago
Average Daily Interbank Volume (US\$ Mn.) (spot, tom and cash transactions among commercial banks)	13.80	30.85	36.97
Forward Transactions			
Forward Rates (US\$) <sup>(2)</sup>			
1 Month	153.17	152.99	144.96
3 Months	155.13	155.00	147.76
Average Daily Interbank Forward Volume (US\$ mn)	29.87	53.99	46.81
Outstanding Forward Volume (US\$ mn)	1,734.96	1,727.96	1,582.81
( As at 30 Mar 2017 )			



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

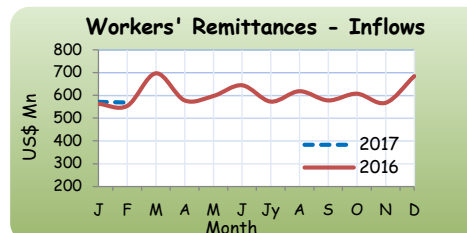
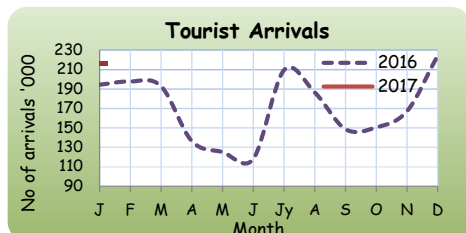
(b) Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

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

### 4.2 Tourism & Workers' Remittances

Item		2016 Feb (a)(b)	2017 Feb (c)(d)	2016 Jan-Feb(a)(b)	2017 Jan-Feb(c)(d)	% Change
Tourist Arrivals	Number	197,697	197,517	391,977	416,877	6.4
Earnings from Tourism(d)	US\$ Mn.	339.2	338.9	672.5	715.2	6.4
	Rs.bn.	48.8	51.1	96.8	107.6	11.2
		<b>2016 Feb</b>	<b>2017 Feb (b)</b>	<b>2016 Jan-Feb</b>	<b>2017 Jan-Feb (b)</b>	<b>% Change</b>
Workers' Remittances (Inflows)	US\$ Mn.	554.2	568.7	1,117.6	1,140.3	2.0
	Rs. bn.	79.8	85.8	160.9	171.6	6.7

(a) Provisional (b) Revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2016 (c) Provisional (d) May be revised based on Sri Lanka Tourism Development Authority survey results on average stay period and average spending per day estimates for 2017



### 4.3 International Reserves & Foreign Currency Liquidity as at 28<sup>th</sup> February 2017 <sup>(a)</sup>

Official Reserve Assets (USD mn)					
Official Reserve Assets					5,634.66
(1) Foreign currency reserves					4,673.16
(a) Securities					2,251.21
(b) Total currency and deposits with					2,421.95
(i) other national central banks, BIS					1,325.48
(ii) banks headquartered inside the reporting country of which located abroad					1.14
(iii) banks headquartered outside the reporting country					1,095.33
(2) Reserve position in the IMF					64.79
(3) SDRs					0.15
(4) Gold					895.58
(5) Other reserve assets					0.98
Predetermined Short-Term Net Drains on Foreign Currency Assets <sup>(b)</sup>					
Item		Total	Maturity breakdown (residual maturity)		
			Up to 1 month	More than 1 and up to 3 months	More than 3 months and up to 1 year
1. Foreign currency loans, securities, and deposits					
outflows (-)	Principal	-3,795.18	-1190.88	-479.90	-2,124.40
	Interest	-1,044.26	-108.50	-140.76	-795.00
inflows (+)	Principal				
	Interest				
2. Aggregate short and long positions in forwards and futures in foreign currencies vis-à-vis the domestic currency (including the forward leg of currency swaps)					
(a) Short positions (-) <sup>(c)</sup>		-2,840.91	-500.00	-760.17	-1,580.74
(b) Long positions (+)					
3. Other (specify)					
inflows related to reverse repos (+)		-152.88	-152.88		
other accounts payable (-)		-152.88	-152.88		

(a) Provisional

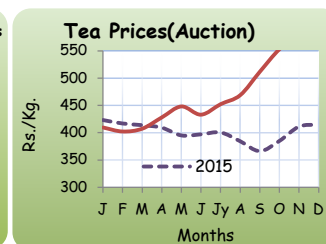
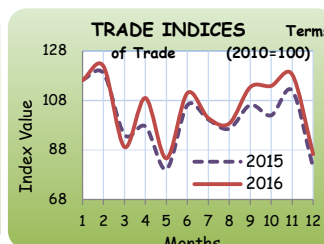
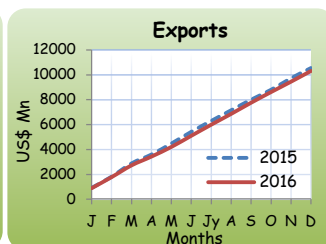
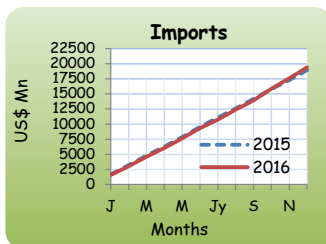
(b) This mainly includes only the predetermined outflows

(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-Dec 2016	Jan-Dec 2015	% Change	Jan-Dec 2016	Jan-Dec 2015	% Change
<b>Exports</b>	<b>10,309.7</b>	<b>10,546.5 (a)</b>	<b>-2.2</b>	<b>1,500,765.7</b>	<b>1,431,431.5 (a)</b>	<b>4.8</b>
Agricultural	2,326.1	2,481.5	-6.3	338,726.5	337,007.0	0.5
Industrial	7,940.1	8017.1 (a)	-1.0	1,155,706.3	1,087,938.4 (a)	6.2
Food, Beverages and Tobacco	323.7	306.8 (a)	5.5	47,087.0	41,703.6 (a)	12.9
Textiles and Apparel	4,884.1	4,820.2	1.3	710,767.9	654,793.7	8.5
Petroleum Products	286.9	373.9	-23.3	41,793.9	50,461.1	-17.2
Leather, Rubber etc	933.5	896.9	4.1	135,893.1	121,660.0	11.7
Other	1,512.0	1,619.4	-6.6	220,164.5	219,320.0	0.4
Mineral	29.0	28.4	2.1	4,218.9	3,825.6	10.3
Other	14.5	19.5	-25.5	2,114.0	2,660.4	-20.5
<b>Imports</b>	<b>19,400.1</b>	<b>18,934.6</b>	<b>2.5</b>	<b>2,826,260.4</b>	<b>2,572,466.5</b>	<b>9.9</b>
Consumer Goods	4,319.0	4,713.5	-8.4	628,861.8	640,351.9	-1.8
Intermediate Goods	9,870.0	9,638.2	2.4	1,438,156.5	1,309,233.9	9.8
Investment Goods	5,198.0	4,567.0	13.8	757,340.1	620,729.7	22.0
Other	13.1	15.9	-17.9	1,902.0	2,151.1	-11.6
<b>Trade Balance</b>	<b>-9,090.3</b>	<b>-8,388.1 (a)</b>	<b>8.4</b>	<b>-1,325,494.8</b>	<b>-1,141,035.1 (a)</b>	<b>16.2</b>

(a) Revised



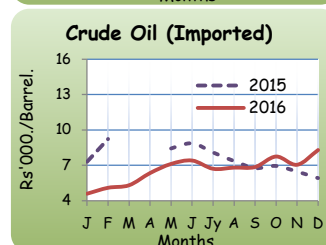
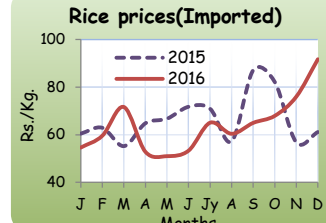
## 4.5 Trade Indices (2010= 100 ) (a)

Item	2016 Dec (b)	Month Ago	Year Ago
<b>Total Exports</b>			
Value	119.6	112.7	114.2 (c)
Quantity	158.9 (c)	103.0 (c)	155.1
Unit Value	75.3 (c)	109.4 (c)	73.6 (c)
<b>Total Imports</b>			
Value	162.5	154.9	147.2
Quantity	186.4	167.7	162.1
Unit Value	87.2	92.4	90.8
<b>Terms of Trade</b>	86.3 (c)	118.5 (c)	81.1 (c)

(a) In US\$ Terms

(b) Provisional

(c) Revised



## 4.6 International Commodity Prices

Item	December 2016	December 2015	% Change	December 2016	December 2015	% Change
			US\$ / Kg			
Tea Prices	3.92	2.89	35.6	584.01	414.91	40.8
			US\$ / MT			
Imports (C I F)						
Rice	615.69	426.19	44.5	91,665.48	61,135.55	49.9
White Sugar	596.87	416.50	43.3	88,863.45	59,745.82	48.7
Wheat	245.66	243.87	0.7	36,574.12	34,982.04	4.6
			US\$ / Barrel			
Crude Oil	55.69	41.21	35.2	8,291.73	5,910.84	40.3