# Weekly Economic Indicators

05 December 2014

Statistics Department

# Real Sector & Inflation

Key Highlights

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI)(2006/07=100), which is computed by the Department of Census and Statistics, decreased from 1.6 per cent in October 2014 to 1.5 per cent in November 2014, on a YoY basis,which is the lowest recorded since November 2009 . Annual average inflation also declined to 3.5 per cent in November 2014 from 3.8 per cent recorded in the previous month.Downward revision of administered prices in the Non-Food Category,contributed mainly to the decline in inflation.Core inflation, which reflects the underlying inflation in the economy, remained unchanged in November 2014 at 3.6 per cent on a year on year basis as recorded in the previous month.Anual average core inflation during November 2014 was 3.4 per cent,compared to 3.3 per cent recorded in October 2014.

The economy continued its growth momentum by recording a 7.8 per cent growth in real terms during the second quarter of 2014, supported by the 12.2 per cent growth of the Industry sector, 6.5 per cent growth in Agriculture sector and 5.8 per cent growth of Services sector.

While the production of tea recorded an increase of 1.4 per cent during the first ten months of 2014, the rubber production showed a decline of 15.6 per cent during the same period. Meanwhile, it is noted that the coconut production during the first nine months of the year recorded an increase of 12 per cent.

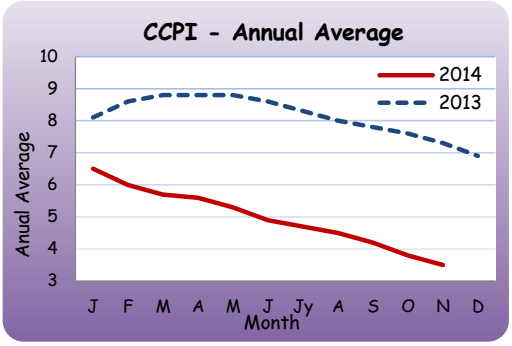
The FIPI increased by 6.7 per cent on year-on-year basis in August 2014. This growth was mainly supported by increased output of beverages, tobacco as well as rubber and plastic products sectors . They have recorded a significant growth of 14.0, 37.0 and 15.8 per cent due to increased domestic and international demand during this period.

During the week Brent crude oil spot prices declined. Price declines were supported after OPEC decided not to cut production and Iraq's government said it reached an agreement with Kurdish authorities to export 550,000 barrels per day of oil. In the meantime, WTI prices increased on signals that U.S. shale oil producers are starting to slow down output. New data suggested that a much anticipated slowdown in shale may have finally arrived. Price declines were limited as U.S. crude inventories fell by 3.7 million barrels last week, compared with analysts' expectations for an increase of 1.3 million barrels. Price declines towards the end of the week were mainly supported after Wall Street Journal reported that Saudi Arabia, OPEC's biggest oil producer, believed crude oil prices could stabilize at around $60 a barrel and Saudi Arabia announced deep discounts for the crude it sells to Asian and U.S. buyers in an apparent attempt to defend market share. News that Libya's El Sharara oil field might be ready to resume output soon also supported the price declines.

# REAL SECTOR & INFLATION

## 1.1 Price Indices

| Item | Nov 2014 | Month Ago | Year Ago |
|---|---|---|---|
| (2006 / 07 = 100) | | | |
| Colombo Consumers' Price Index (CCPI ) | 179.2 | 179.0 | 176.5 |
| Annual Average Change % | 3.5 | 3.8 | 7.3 |
| Year - on - Year Change % | 1.5 | 1.6 | 5.6 |
| Core Inflation - ( CCPI ) | 173.2 | 172.9 | 167.2 |
| Annual Average Change % | 3.4 | 3.3 | 4.9 |
| Year - on - Year Change % | 3.6 | 3.6 | 2.4 |

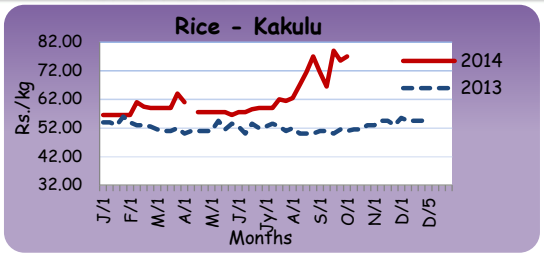


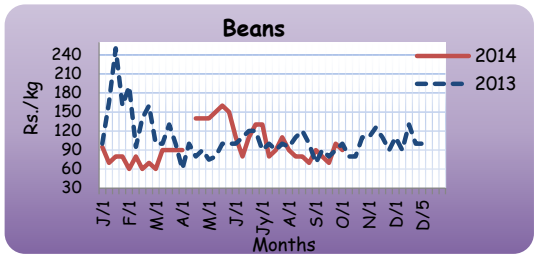

## 1.2 Pettah Market

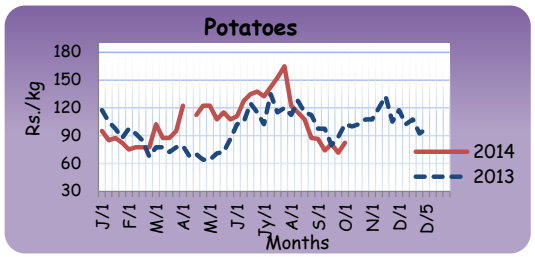
| Item | Average Wholesale Prices | | | | Average Retail Prices | | | |
|---|---|---|---|---|---|---|---|---|
| | Week Ending 02nd Dec | Week Ago | Month Ago | Year Ago Annual Avg | Week Ending 02nd Dec | Week Ago | Month Ago | Year Ago Annual Avg |
| | Rs / Kg | | | | Rs / Kg | | | |
| **Rice** | | | | | | | | |
| Samba | 89.00 | 88.50 | 90.38 | 66.57 | 92.00 | 92.00 | 94.25 | 70.46 |
| Kekulu (Red) | 85.50 | 85.50 | 82.50 | 52.39 | 90.00 | 95.00 | 92.00 | 59.60 |
| **Vegetables** | | | | | | | | |
| Beans | 180.00 | 110.00 | 112.50 | 107.69 | 220.00 | 160.00 | 150.00 | 134.42 |
| Cabbage | 70.00 | 80.00 | 70.00 | 64.76 | 100.00 | 120.00 | 102.50 | 92.88 |
| Carrots | 170.00 | 200.00 | 182.50 | 108.94 | 200.00 | 240.00 | 220.00 | 133.46 |
| Tomatoes | 160.00 | 200.00 | 142.50 | 67.84 | 200.00 | 240.00 | 180.00 | 99.81 |
| Pumpkins | 35.00 | 30.00 | 32.50 | 37.12 | 60.00 | 60.00 | 57.50 | 57.60 |
| Snake Gourd | 110.00 | 80.00 | 80.00 | 55.69 | 140.00 | 100.00 | 105.00 | 80.77 |
| Brinjals | 170.00 | 70.00 | 57.50 | 61.42 | 200.00 | 100.00 | 85.00 | 85.58 |
| Ash-Plantains | 90.00 | 110.00 | 97.50 | 63.27 | 120.00 | 140.00 | 125.00 | 84.23 |
| **Other Foods** | | | | | | | | |
| Red-Onions (Local) | 135.00 | 115.00 | 106.25 | 148.68 | 150.00 | 140.00 | 132.50 | 182.38 |
| Big-Onions (Local) | 75.00 | 75.00 | 76.88 | 97.21 | 90.00 | 100.00 | 102.50 | 127.22 |
| Potatoes (N'Eliya) | 125.00 | 132.50 | 117.50 | 96.95 | 150.00 | 160.00 | 137.50 | 117.31 |
| Dried Chilies (Imported) | 220.00 | 220.00 | 223.25 | 176.50 | 250.00 | 270.00 | 265.00 | 219.71 |
| Dhal (Indian) | 142.00 | 143.00 | 146.50 | 131.39 | 160.00 | 160.00 | 161.25 | 148.85 |
| Eggs (Red) | 12.00 | 12.00 | 11.38 | 13.39 | 12.50 | 12.50 | 11.88 | 13.89 |
| Coconut (Each) | 44.00 | 45.50 | 43.50 | 37.62 | 55.00 | 55.00 | 55.00 | 43.98 |
| **Fish*** | | | | | | | | |
| Kelawalla | 540.00 | 540.00 | 492.50 | 387.27 | 590.00 | 600.00 | 570.00 | 477.31 |
| Balaya | 350.00 | 260.00 | 265.00 | 280.00 | 420.00 | 300.00 | 317.50 | 341.76 |
| Salaya | 140.00 | 140.00 | 110.00 | 134.71 | 180.00 | 170.00 | 142.50 | 179.04 |
| Paraw (Small) | 400.00 | 480.00 | 445.00 | 442.60 | 460.00 | 520.00 | 515.00 | 505.60 |

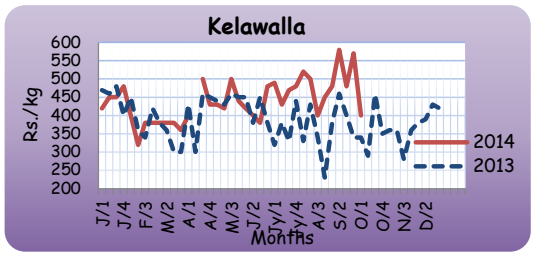
* Prices collected from the Fisheries Trade Centre, Peliyagoda.

## Pettah Market - Wholesale Prices

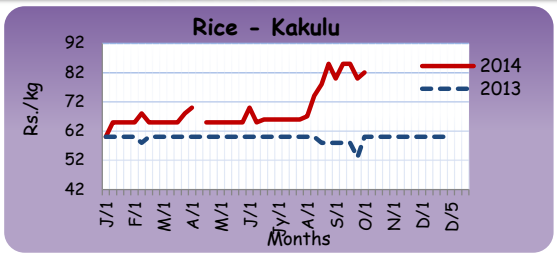


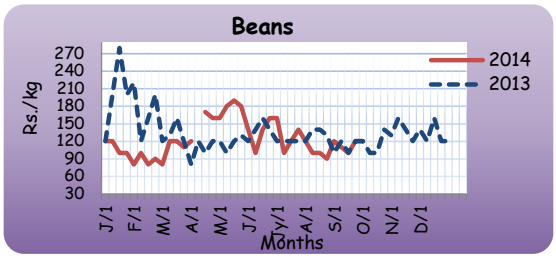



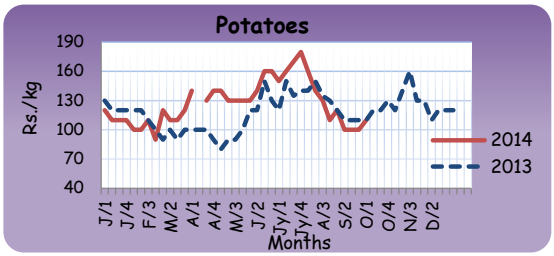



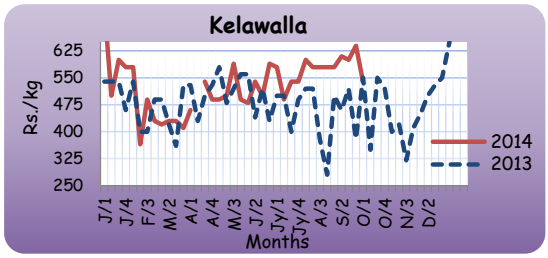




## Pettah Market - Retail Prices




## 1.3 Dambulla Market

| Item (Rs / Kg) | Week Ending 04th Dec | |
|---|---|---|
| | Wholesale (Average) | Retail (Average) |
| **Rice** | | |
| Samba | 84.50 | 88.00 |
| Kekulu (Red) | 84.50 | 88.00 |
| **Vegetables** | | |
| Beans | 122.00 | 159.00 |
| Carrot | 152.50 | 191.00 |
| Tomatoes | 135.00 | 172.00 |
| Pumpkins | 25.00 | 44.50 |
| Snake Gourd | 74.00 | 102.00 |
| Ash-Plantains | 72.50 | 94.00 |
| **Other Foods** | | |
| Red-Onions (Local) | 110.00 | 143.00 |
| Big-Onions (Local) | 78.50 | 92.50 |
| Potatoes (N'Eliya) | 133.00 | 153.00 |
| Dried Chilies(Imported) | 225.50 | 265.00 |
| Coconut (Each) | 42.50 | 53.00 |

## 1.4 Narahenpita Economic Centre

| Item (Rs / Kg) | Average Retail Prices | |
|---|---|---|
| | 03rd Dec | Week Ago |
| **Rice** | | |
| Samba | 88.67 | 89.33 |
| Kekulu (Red) | 83.33 | 90.00 |
| **Vegetables** | | |
| Beans | 166.67 | 120.00 |
| Cabbage | 130.00 | 120.00 |
| Carrots | 260.00 | 240.00 |
| Tomatoes | 226.67 | 180.00 |
| Pumpkins | 80.00 | 93.33 |
| Snake Gourd | 140.00 | 120.00 |
| Brinjals | 106.67 | 83.33 |
| Ash-Plantains | 140.00 | 140.00 |
| **Other Foods** | | |
| Red-Onions (Imported) | n.a | 100.00 |
| Big-Onions (Imported) | n.a | 100.00 |
| Potatoes (Imported) | n.a | 103.33 |
| Dried Chilies (Imported) | 230.00 | 223.33 |
| Dhal (Indian) | 163.33 | 163.33 |
| Eggs (Red)(Each) | 13.00 | 13.00 |
| Coconut (Each) | 48.33 | 48.33 |
| **Fish** | | |
| Kelawalla | 690.00 | 660.00 |
| Balaya | 400.00 | n.a |
| Salaya | 170.00 | 120.00 |
| Paraw (Small) | 680.00 | 680.00 |

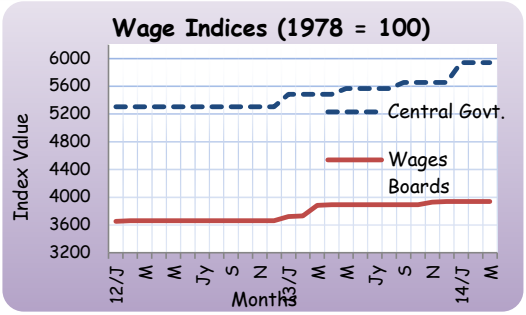
## 1.5 Maradagahamula Market

| Average wholesale price of Rice | | | | |
|---|---|---|---|---|
| Item (Rs / Kg) | Week Ending 05th Dec | Week Ago | Month Ago | Year Ago |
| Samba | 83.94 | 84.44 | 84.31 | 62.64 |
| Sudu Kekulu | 76.30 | 77.80 | 77.26 | 52.03 |
| Raw Red | 83.02 | 82.80 | 82.03 | 49.55 |
| Nadu | 75.40 | 77.70 | 77.07 | 53.71 |

## 1.6 Wage rate Indices

| Item | 2014(a) Sep | 2013 Sep | % Change |
|---|---|---|---|
| (1978 = 100) | | | |
| Central Government Employees (b) | 5,939.0 | 5,653.3 | 5.1 |
| | | | |
| Workers in Wages Boards Trades | 4,099.2 | 3,890.0 | 5.4 |
| Agriculture | 4,692.3 | 4,434.9 | 5.8 |
| Industry & Commerce | 3,459.1 | 3,248.1 | 6.5 |
| Services | 2,313.2 | 2,313.2 | 0.0 |

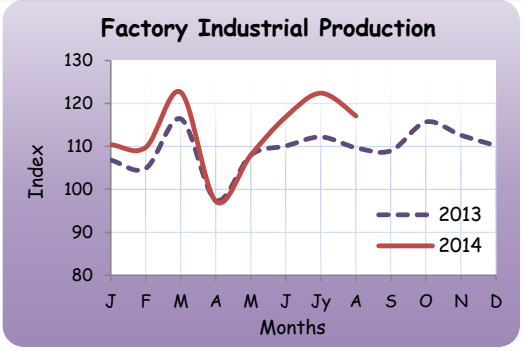
(a) Provisional




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

| Item | 2014 (b) August | 2013 August | % Change |
|---|---|---|---|
| **Factory Industry- Production Index** | **117.1** | **109.7** | **6.7** |
| Food products | 101.1 | 103.6 | -2.4 |
| Beverages | 104.9 | 92.1 | 14.0 |
| Tobacco products | 93.5 | 68.3 | 37.0 |
| Wearing apparel | 148.7 | 136.2 | 9.2 |
| Chemicals and chemical products | 73.3 | 86.5 | -15.2 |
| Rubber and plastic products | 139.3 | 120.3 | 15.8 |
| Other non-metallic mineral products | 109.6 | 112.0 | -2.1 |

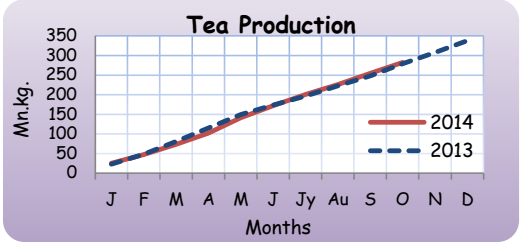
(a) Major 7 sub divisions of FIPI out of 17 sub divisions.
(b) Provisional




## 1.8 Agriculture Production

| Item | Unit | 2014* Jan - Oct | 2013 Jan - Oct | % Change |
|---|---|---|---|---|
| Tea | (Mn Kg) | 282.9 | 279.0 | 1.4 |
| Rubber | (Mn Kg) | 87.3 | 103.4 | -15.6 |
| | | Jan - Sep | Jan - Sep | |
| Coconuts | (Mn Nuts) | 2,151.6 | 1,921.6 | 12.0 |

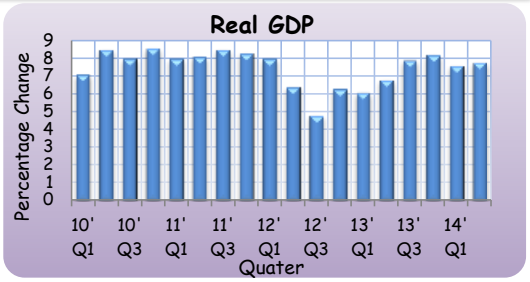
* Provisional




## 1.9 GDP by Industrial Origin at Constant (2002) Prices - Growth Rates

| Item | 2014* 2nd Quarter | 2013 2nd Quarter | 2013 Annual |
|---|---|---|---|
| Agriculture | 6.5 | -1.1 | 4.7 |
| Industry | 12.2 | 10.1 | 9.9 |
| Services | 5.8 | 6.6 | 6.4 |
| **GDP** | **7.8** | **6.8** | **7.3** |

* Provisional Source: Department of Census and Statistics



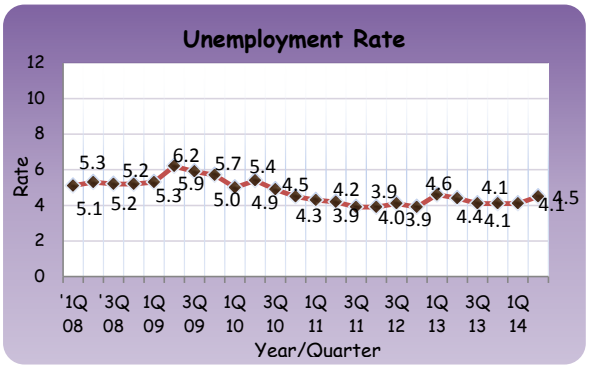
## 1.10 Employment (a)

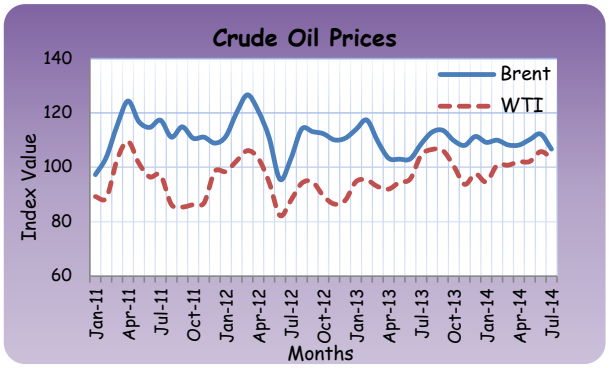
| Item | 2014 2nd Quarter | 2013 2nd Quarter | 2013 Annual |
|---|---|---|---|
| Labour Force Participation rate | 53.6 | 54.2 | 53.8 |
| Unemployment rate | 4.5 | 4.4 | 4.4 |
| **Employed Persons by Sectors % (b)** | | | |
| Agriculture | 28.2 | 31.5 | 29.7 |
| Industry | 26.0 | 26.2 | 26.2 |
| Services | 45.8 | 42.4 | 44.1 |

(a) The working age population aged 15 and above

Source: Department of Census and Statistics

(b) Based on the International Standard Industrial Classification (ISIC) - Revision 4




## 1.11 Average Crude Oil Prices

| Month | 2013 Spot Prices (US $/bbl) Brent (Benchmark price) | 2013 Spot Prices (US $/bbl) WTI (Benchmark price) | 2013 CPC Import Prices (C&F) (US$/bbl)(*) | 2014 Spot Prices (US $/bbl) Brent (Benchmark price) | 2014 Spot Prices (US $/bbl) WTI (Benchmark price) | 2014 CPC Import Prices (C&F) (US$/bbl)(*) |
|---|---|---|---|---|---|---|
| January | 113.95 | 94.76 | 111.22 | 109.21 | 94.71 | 113.84 |
| February | 117.39 | 95.32 | 111.16 | 110.01 | 100.82 | 110.62 |
| March | 109.63 | 92.94 | 106.57 | 108.28 | 100.82 | 111.17 |
| April | 103.40 | 92.02 | 111.17 | 108.22 | 102.07 | 110.25 |
| May | 103.04 | 94.51 | 108.91 | 110.22 | 102.18 | 109.80 |
| June | 103.16 | 95.77 | 105.29 | 112.27 | 105.79 | 113.42 |
| July | 108.62 | 104.51 | - | 106.73 | 103.54 | 110.30 |
| August | 112.94 | 106.58 | 113.48 | 101.51 | 96.54 | 111.21 |
| September | 113.63 | 106.19 | 111.01 | 97.02 | 93.19 | 100.08 |
| October | 109.88 | 100.54 | - | 87.51 | 84.40 | 99.39 |
| November | 108.10 | 93.77 | 110.39 | 79.28 | 75.79 | |
| December | 111.37 | 97.62 | 112.13 | | | |
| | 2013 | | | 2014 | | |
| 28 November | 111.93 | 92.01 | | 72.14 | 65.94 | |
| 01 December | - | - | | 71.12 | 68.98 | |
| 02 December | 112.19 | 93.61 | | 71.38 | 66.99 | |
| 03 December | 113.76 | 95.83 | | 70.38 | 67.30 | |
| 04 December | 113.97 | 96.97 | | 68.73 | 66.73 | |

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

Key Highlights

Weekly AWPR for the week ending 05 December 2014 increased marginally by 1 bps to 6.36 per cent compared to the previous week.

Broad money (M2b) expanded by 12.8 per cent in September 2014.
NFA of the banking system declined by Rs. 63.1 billion in September 2014 compared to August 2014.
NCG from the banking system showed a significant increment of Rs. 26.4 billion in September 2014 compared to August 2014, where credit to public corporations increased by Rs. 26.0 billion.
Credit extended to the private sector increased by Rs. 52.3 in September 2014, compared to August 2014 .

The reserve money increased compared to the previous week mainly due to increase in currency in circulation and deposits by the commercial banks with the Central Bank.

The total outstanding market liquidity increased to Rs. 368.27 bn by end of the week, compared to Rs. 363.54 bn by the end of last week. Majority of the liquidity has been absorbed through the Term Repo auctions and Short-term Repo auctions.

By 05 December 2014, the All Share Price Index (ASPI) increased by1.19 per cent to 7,239 points while the S&P SL 20 Index increased by 2.28 per cent to 4,062 points compared to the previous week.

# MONETARY SECTOR

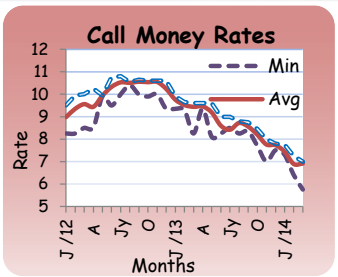
## 2.1 Interest Rates

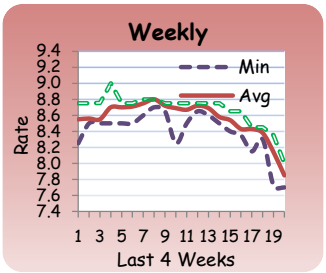
| Item | Week Ending Dec 05 | Week Ago | Year Ago |
|---|---|---|---|
| Commercial Bank Average Weighted Prime Lending Rate (AWPR) | 6.36 | 6.35 | 10.54 |
| Treasury Bill Yield (Excluding 10% withholding tax) | | | |
| - 91 days | - | - | 7.97 |
| - 182 days | 5.84 | 5.84 | 8.65 |
| - 364 days | 5.99 | 6.00 | 9.50 |
| Standing Deposit Facility | 6.50 | 6.50 | 6.50 |
| Standing Lending Facility | 8.00 | 8.00 | 8.50 |
| Call Money Weekly Average (CMR) | 6.04 | 6.00 | 7.78 |
| Sri Lanka Inter Bank Offer Rate ( SLIBOR ) | | | |
| 1 day | 6.03 | 6.00 | 7.82 |
| 7 days | 6.23 | 6.22 | 8.46 |
| 1 Month | 6.45 | 6.42 | 9.21 |
| 3 Months | 6.67 | 6.64 | 9.93 |
| 6 Months | 6.91 | 6.89 | 10.58 |
| 12 Months | 7.14 | 7.14 | 11.58 |
| Commercial Banks | July 2014 | Month Ago | Year Ago |
| Saving Deposits - | 0.75-8.00 | 1.25-8.00 | 0.75-11.00 |
| One Year Fixed Deposits - | 4.55-13.00 | 4.75-14.50 | 5.00-16.00 |
| | Nov 2014 | Month Ago | Year Ago |
| Commercial Bank Average Weighted Deposit Rate (AWDR) | 6.42 | 6.72 | 9.52 |
| Commercial Bank Average Weighted Fixed Deposit Rate (AWFDR) | 7.63 | 8.09 | 11.96 |
| | Oct 2014 | Month Ago | Year Ago |
| Commercial Bank Average Weighted Lending Rate (AWLR) | 12.57 | 12.98 | 15.52 |
| NSB | June 2014 | Month Ago | Year Ago |
| Saving Deposits - | 5.00 | 5.00 | 5.00 |
| One Year Fixed Deposits - | 7.50 | 7.50 | 11.50 |
| **Treasury Bonds Auction** | (08 Years) 29/09/2014 | (14 Y & 07 Months) 29/09/2014 | (14 Y & 10 Months) 10/07/2014 |
| Coupon rate | 10.00 | 13.00 | 13.00 |
| Weighted Average Yield (Excluding 10% withholding tax) | 7.15 | 8.63 | 10.58 |

| Bankwise- AWPR | Week ending Dec 05 | Week Ago |
|---|---|---|
| Bank of Ceylon | 7.43 | 7.96 |
| People's Bank | 6.64 | 6.64 |
| Hatton National Bank | 6.18 | 6.38 |
| Commercial Bank of Ceylon | 5.95 | 6.07 |
| Sampath Bank | 6.09 | 6.05 |
| Seylan Bank | 6.90 | 6.34 |
| Union Bank of Colombo | 6.37 | 6.35 |
| Pan Asia Banking Corporation | 7.00 | 7.00 |
| Nations Trust Bank | 6.13 | 6.07 |
| DFCC Vardhana Bank | 6.85 | 6.45 |
| NDB Bank | 6.79 | 6.37 |
| Amana Bank | 7.95 | 7.93 |
| Cargills Bank | 7.13 | 6.96 |

| Bankwise- AWPR | Week ending Dec 05 | Week Ago |
|---|---|---|
| HSBC | 6.27 | 6.28 |
| Standard Chartered Bank | 5.91 | 6.04 |
| Citi Bank | 6.27 | 6.96 |
| Deutsche Bank | 7.58 | 6.83 |
| Habib Bank | 5.49 | 5.44 |
| Indian Bank | 7.99 | 8.58 |
| Indian Overseas Bank | 8.49 | 8.93 |
| MCB Bank | 6.45 | 6.41 |
| State Bank of India | 8.98 | 8.69 |
| Public Bank | 8.00 | 8.30 |
| ICICI Bank | 8.13 | 8.13 |
| Axis Bank | - | - |

Interest Rates - Call Money

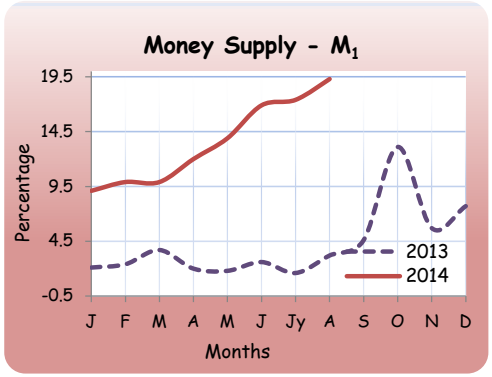


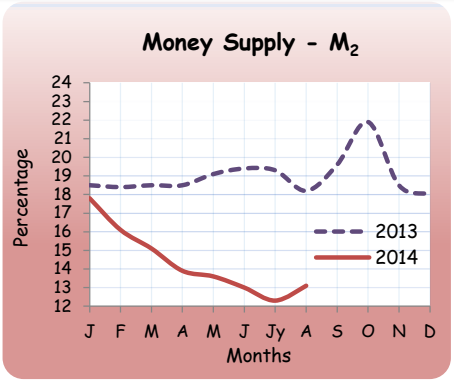



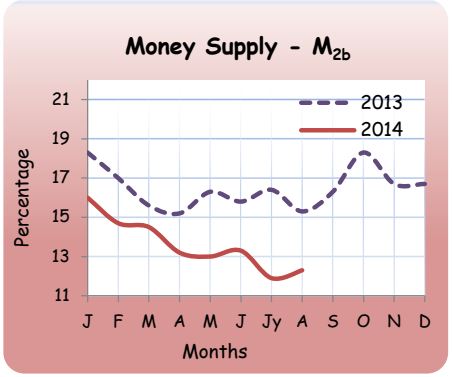
## 2.2 Money Supply

| Item | Rs. Bn. | | | Annual Change (%) | | |
|---|---|---|---|---|---|---|
| | 2014 (a) September | Month Ago | Year Ago | 2014 (a) September | Month Ago | Year Ago |
| M1 | 540.0 | 540.7 | 459.8 | 17.4 | 19.3 | 4.6 |
| M2 | 3,316.8 | 3,259.8 | 2,937.2 | 12.9 | 13.1 | 19.6 |
| M2b | 3,709.6 | 3,642.2 | 3,289.1 | 12.8 | 12.3 | 16.3 |
| Net Foreign Assets of the Banking System (b) | 149.5 | 212.7 | -87.9 | 270.1 | 198.2 | -191.0 |
| Monetary Authorities | 768.9 | 791.4 | 479.5 | 60.4 | 99.5 | 38.8 |
| Domestic Banking Units (DBUs) | -248.9 | -237.4 | -189.1 | -31.6 | -31.2 | -68.8 |
| Foreign currency Banking Units (FCBUs) | -370.5 | -341.3 | -378.2 | 2.1 | 21.1 | -43.5 |
| Net Domestic Assets of the Banking System (b) | 3,560.1 | 3,429.5 | 3,377.0 | 5.4 | -0.9 | 18.1 |
| DBUs | 3,054.4 | 2,952.0 | 2,881.1 | 6.0 | 1.7 | 16.2 |
| FCBUs | 505.7 | 477.5 | 496.0 | 2.0 | -14.4 | 30.7 |
| Net Credit to Government | 1,388.7 | 1,362.2 | 1,292.3 | 7.5 | 1.5 | 24.8 |
| Monetary Authorities | 138.5 | 145.7 | 134.3 | 3.2 | -22.1 | -59.6 |
| DBUs | 1,052.4 | 1,019.2 | 967.9 | 8.7 | 5.7 | 70.9 |
| FCBUs | 197.8 | 197.4 | 190.1 | 4.0 | 3.1 | 39.1 |
| Credit to Corporations | 363.9 | 337.9 | 339.3 | 7.2 | -7.2 | 24.8 |
| DBUs | 176.6 | 166.9 | 123.7 | 42.7 | 28.2 | 81.4 |
| FCBUs | 187.3 | 171.0 | 215.6 | -13.1 | -26.9 | 5.9 |
| Credit to the Private Sector | 2,581.9 | 2,529.6 | 2,469.5 | 4.6 | 2.6 | 7.6 |
| DBUs | 2,339.5 | 2,286.2 | 2,271.1 | 3.0 | 1.6 | 7.5 |
| FCBUs | 242.4 | 243.4 | 198.4 | 22.2 | 13.9 | 8.8 |
| Reserve Money | 536.9 | 532.1 | 465.7 | 15.3 | 14.0 | -1.6 |

(a) Provisional (b) In relation to M2b

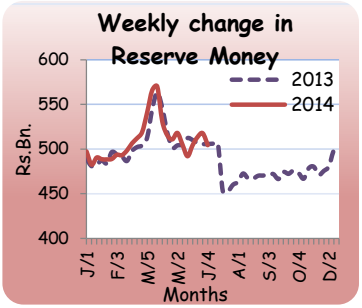



## 2.3 Weekly change in Reserve Money

| Item | 04 Dec 2014 | Week Ago | Change |
|---|---|---|---|
| Reserve Money (Rs.Mn.) | 574,455 | 552,602 | 21,853 |




## 2.4 Money Market Activity (Overnight)

| Item | 01.12.2014 | 02.12.2014 | 03.12.2014 | 04.12.2014 | 05.12.2014 |
|---|---|---|---|---|---|
| **Call Money Market** | | | | | |
| Weighted Average Rate (% p.a.) | 6.01 | 6.06 | 6.13 | 6.03 | 5.99 |
| Gross Volume (Rs. Mn) | 9,215 | 7,300 | 7,070 | 11,335 | 9,855 |
| **Repo Market** | | | | | |
| Weighted Average Rate (% p.a.) | 5.76 | 5.83 | 6.14 | 5.57 | 5.55 |
| Gross Volume (Rs. Mn) | 9,653 | 9,136 | 9,084 | 5,435 | 4,267 |

## 2.5 CBSL Security Portfolio

| Item | 01.12.2014 | 02.12.2014 | 03.12.2014 | 04.12.2014 | 05.12.2014 |
|---|---|---|---|---|---|
| CBSL T-Bill Holding (Rs. Mn) | 12,319 | 10,326 | 10,328 | 10,331 | 9,102 |

## 2.6 Open Market Operations

| Item | 01.12.2014 | 02.12.2014 | 03.12.2014 | 04.12.2014 | 05.12.2014 |
|---|---|---|---|---|---|
| **Short-Term Auction** | | | | | |
| Repo Amount Offered (Rs. bn) | 40.00 | 25.00 | 0.00 | 0.00 | 40.00 |
| Reverse Repo Amount Offered (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Tenure (No. of Days) | 4 | 3 | 0 | 0 | 7 |
| Bids Received (Rs. bn) | 12.87 | 2.00 | 0.00 | 0.00 | 19.15 |
| Amount Accepted (Rs. bn) | 12.87 | 2.00 | 0.00 | 0.00 | 19.15 |
| Weighted Average Yield Rate (% p.a.) | 5.99 | 5.97 | 0.00 | 0.00 | 6.02 |
| **Term Auction** | | | | | |
| Repo Amount Accepted (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 7.60 |
| Reverse Repo Amount Accepted (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Standing Facility** | | | | | |
| Standing Deposit Facility (Rs. bn) | 34.00 | 34.15 | 34.99 | 13.58 | 40.49 |
| Standing Lending Facility (Rs. bn) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total Outstanding Market Liquidity (Rs. bn)** | 375.85 | 378.00 | 378.84 | 357.43 | 368.27 |

## 2.7 Credit Cards *

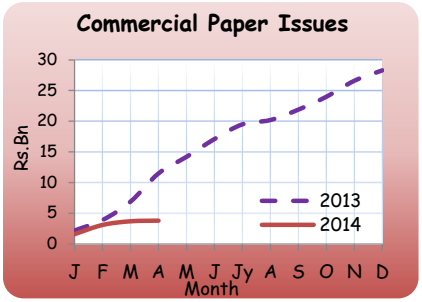
| Item | 2014 (a) End June | 2014 End May | 2013 End Dec |
|---|---|---|---|
| **Total Number of Active Cards** | 974,144 | 967,942 | 951,625 |
| Local (accepted only locally) | 34,397 | 34,776 | 35,990 |
| Global (accepted globally) | 939,747 | 933,166 | 915,635 |
| **Outstanding balance (Rs. Mn.)** | 53,613 | 52,935 | 51,172 |
| Local (accepted only locally) | 1,244 | 1,221 | 1,260 |
| Global (accepted globally) | 52,369 | 51,714 | 49,913 |

(a) Provisional

## 2.8 Commercial Paper Issues (1)

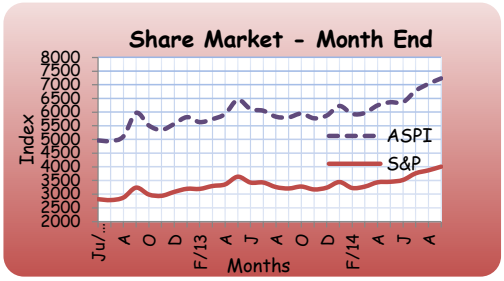
| Item ( Rs. bn.) | 2014 End June* | 2014 End May | 2013 End Dec |
|---|---|---|---|
| Total Issues - Cummulative | 5.4 | 4.0 | 28.3 |
| Outstanding (as at end of the period ) | 4.8 | 5.9 | 7.4 |

* provisional
(1) Based on the information provided by Licensed Commercial Banks and Licensed Specialised Banks




## 2.9 Share Market

| Item | Week Ending 05 Dec 2014 | Week Ago | Year Ago |
|---|---|---|---|
| All Share Price Index (1985 = 100) (ASPI) | 7,239 | 7,154 | 5,781 |
| S & P Sri Lanka 20 Index (S&P SL20) | 4,062 | 3,971 | 3,162 |
| Average Daily Turnover (Rs. Mn) | 1,241 | 1,579 | 833 |
| Market Capitalisation (Rs.Bn.) | 3,075 | 3,039 | 2,405 |



# Fiscal Sector

During the first half of 2014, total revenue as a percentage of estimated GDP declined marginally to 5.4 per cent from 5.6 per cent in the corresponding period of 2013. However, in nominal terms, total revenue increased to Rs. 536.4 billion during the first half of the year from Rs. 487.9 billion recorded during the same period in 2013 reflecting an increase in both tax revenue and non- tax revenue . Tax revenue increased to Rs. 484.4 billion during the first half of 2014 compared to Rs. 441.5 billion recorded during the corresponding period in 2013 mainly due to the increase in revenue from corporate and non corporate income tax, VAT revenue generated from both imports and domestic economic activities, excise tax on motor vehicles and PAL. Meanwhile, non tax revenue increased during the period mainly due a significant increase in profit and dividend transfers from State Owned Business Enterprises.

Total expenditure and net lending as a percentage of estimated GDP during the first half of 2014 declined to 9.2 per cent compared to 10 per cent recorded in the corresponding period in 2013 due to the decline in both recurrent expenditure and capital expenditure and net lending.

Total outstanding debt increased by Rs. 548 billion to Rs. 7,341.3 billion as at end June 2014 from Rs. 6,793.2 billion at end 2013.

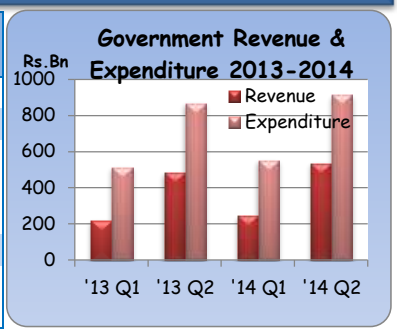
Foreign debt increased by Rs. 312.3 billion to Rs. 3,272.7 billion and domestic debt increased by Rs. 235.7 billion to Rs. 4,068.6 billion as at end June 2014 from end December 2013.

The government made several changes to the Special Commodity Levy (SCL) during the second quarter of the year with a view to maintaining stable prices in the domestic market. SCL of 10 per cent per kg was imposed in April 2014 for a period of two months on the importation of sorghum and maize in place of 15 per cent of Customs duty, 12 per cent of VAT, 2 per cent of NBT, 5 per cent of PAL and 35 per cent of Cess and was extended till July. Further, SCL of Rs.5 per kg was imposed in April 2014 for a period of three months on the importation of rice in place of customs duty of Rs. 20 per kg, 12 per cent of VAT, 2 per cent of NBT and 5 per cent of PAL. SCL on the importation of potatoes was reduced from Rs. 25 per kg to Rs. 15 per kg for a period of seven months while SCL on the importation of Sugar was reduced from Rs. 30 per kg to Rs. 25 per kg. SCL on the importation of the whole massor dhal was reduced to Rs. 5 per kg from Rs. 10 per kg for a period of seven months and SCL on the importation of the split massor dhal was extended for a period of seven months. In June 2014, the duty waiver applicable on imported milk powder was reduced by Rs. 25 per kg, hence the applicable duty rate was increased to Rs. 82 per kg.

# FISCAL SECTOR

## 3.1 Government Finance (Rs.bn)

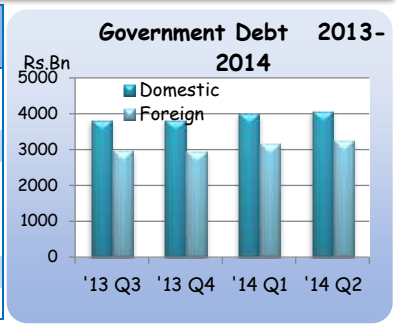
| Item | 2014 * 1st Half | 2013 1st Half |
|---|---|---|
| **Revenue and Grants** | **543.6** | **490.2** |
| **Revenue** | **536.4** | **487.9** |
| Tax | 484.4 | 441.5 |
| Non tax | 52.0 | 46.3 |
| **Grants** | 7.2 | 2.3 |
| **Expenditure & Lending Minus Repayments** | **915.4** | **868.5** |
| Current | 637.2 | 600.1 |
| Capital & Lending Minus Repayments | 278.2 | 268.4 |




* Provisional **Revised

## 3.2 Government Debt (Rs.bn)

| Item | 2014* End Jun | 2013 End Dec |
|---|---|---|
| **Total domestic debt** | **4,068.6** | **3,832.8** |
| of which | | |
| Treasury bills | 667.1 | 700.1 |
| Treasury bonds | 2,671.9 | 2,452.4 |
| Rupee loans | 55.5 | 55.5 |
| **Total foreign debt** | 3,272.7 | 2,960.4 |
| **Total outstanding govt. debt** | **7,341.3** | **6,793.2** |



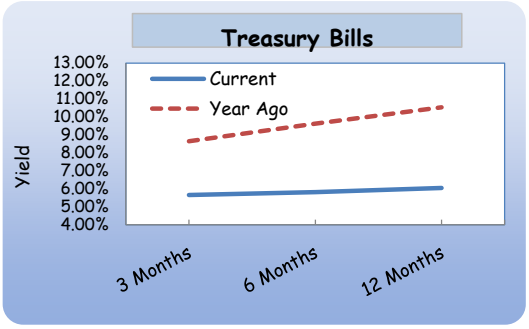

* Provisional

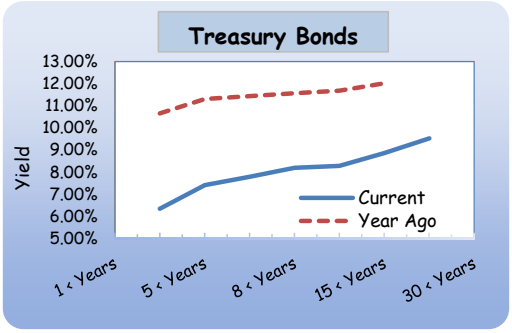
## 3.3 Government Securities - Primary and Secondary Market Yield Rates as for the week ending - 03rd December 2014

| Security | Maturity | Primary Market* | | Secondary Market | | | |
|---|---|---|---|---|---|---|---|
| | | This Week | Last Week | This Week | | | Last Week |
| | | | | Buying | Selling | Average | Average |
| Treasury Bills | 3 Months | - | - | 5.69% | 5.61% | 5.65% | 5.58% |
| | 6 Months | 5.84% | 5.84% | 5.86% | 5.75% | 5.81% | 5.77% |
| | 12 Months | 5.99% | 6.00% | 6.10% | 6.00% | 6.05% | 5.97% |
| Treasury Bonds | 2 < Years | - | - | 6.42% | 6.28% | 6.35% | 6.34% |
| | 5 < Years | 6.61% | - | 7.49% | 7.36% | 7.43% | 7.35% |
| | 6 < Years | - | - | 7.89% | 7.72% | 7.80% | 7.66% |
| | 8 < Years | - | - | 8.26% | 8.14% | 8.20% | 8.07% |
| | 10 < Years | 7.78% | - | 8.35% | 8.23% | 8.29% | 8.16% |
| | 15 < Years | - | - | 8.97% | 8.77% | 8.87% | 8.95% |
| | 20 < Years | - | - | 9.64% | 9.45% | 9.54% | 9.84% |
| | 30 < Years | - | - | 9.82% | 9.62% | 9.72% | 9.98% |

* Primary market transactions during the week ending 03/12/2014

The secondary market rates of T-bonds and T-bills remained marginally elevated during the week.



## 3.4 Government Securities - Weekly Summary of Primary and Secondary Market Transactions (Week Ended - 03rd December 2014 )

| Item | Volume in Rs Mn | |
|---|---|---|
| | This Week | Last Week |
| Outstanding Stock of Government Securities | | |
| Treasury Bills | 744,470.56 | 726,210.85 |
| Treasury Bonds (a) | 3,235,364.52 | 3,227,615.93 |
| **Total** | **3,979,835.08** | **3,953,826.78** |
| Government Securities held by Foreigners | 458,270.98 | 459,821.45 |
| Sri Lanka Development Bonds (SLDB) | 390,283.06 | 390,283.06 |

The outstanding stock of T-bills and T-bonds increased with new issuances during the week .

| Primary Market Activities | Volume in Rs Mn | |
|---|---|---|
| | This Week | Last Week |
| **Treasury Bills** | | |
| Amount Offered | 10,000.00 | 12,000.00 |
| Total Bids Received | 28,633.00 | 26,419.00 |
| Total Bids Accepted | 14,686.00 | 10,553.00 |
| **Treasury Bonds** | | |
| Amount Offered | | |
| Total Bids Received | No auction held | No auction held |
| Total Bids Accepted | | |

The primary market offers remained substantially oversubscribed continuing the market interest for governement securities.

| Secondary Market Activities | Volume in Rs Mn | |
|---|---|---|
| | This Week | Last Week |
| **Treasury Bills** | | |
| Outright Transaction (Sales / Purchases) | 20,993.14 | 21,640.29 |
| Repo Transaction (Sales / Purchases) | 227,943.52 | 157,817.79 |
| **Treasury Bonds** | | |
| Outright Transaction (Sales / Purchases) | 32,957.93 | 20,554.03 |
| Repo Transaction (Sales / Purchases) | 594,665.33 | 467,198.19 |

Secondary market transactions on T-bills and T-bonds increased during the week.

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

## 3.5 Two way Quotes (Treasury Bills) - 05/12/2014

| Remaining Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|---|---|---|---|---|---|
| 1-7 Days | 99.89 | 5.75 | 99.89 | 5.52 | 0.00 |
| 1 Month | 99.52 | 5.80 | 99.54 | 5.64 | 0.01 |
| 2 Month | 99.04 | 5.84 | 99.06 | 5.70 | 0.02 |
| 3 Month | 98.55 | 5.87 | 98.58 | 5.75 | 0.03 |
| 4 Month | 98.05 | 5.92 | 98.10 | 5.79 | 0.05 |
| 5 Month | 97.55 | 5.96 | 97.60 | 5.83 | 0.05 |
| 6 Month | 97.04 | 6.00 | 97.11 | 5.86 | 0.07 |
| 7 Month | 96.53 | 6.04 | 96.59 | 5.92 | 0.07 |
| 8 Month | 96.02 | 6.06 | 96.09 | 5.95 | 0.07 |
| 9 Month | 95.50 | 6.08 | 95.58 | 5.98 | 0.07 |
| 10 Month | 94.98 | 6.11 | 95.06 | 6.02 | 0.08 |
| 11 Month | 94.45 | 6.14 | 94.53 | 6.05 | 0.08 |
| 12 Month | 93.91 | 6.17 | 94.02 | 6.06 | 0.11 |

## 3.6 Two way Quotes (Treasury Bonds)- 05/12/2014

| Treasury Bond By Series | Maturity Period (Years) | Maturity Date (DD/MM/YY) | Days to Maturity | Average Buying Price | Yield % | Average Selling Price | Yield % | Buying & Selling Spread |
|---|---|---|---|---|---|---|---|---|
| 06.20%2015A | 4 | 15-Jan-15 | 41 | 100.04 | 5.73 | 100.05 | 5.63 | 0.01 |
| 11.75%2015A | 6 | 15-Mar-15 | 100 | 101.56 | 5.84 | 101.60 | 5.71 | 0.04 |
| 06.20%2015B | 4 | 15-Jun-15 | 192 | 100.21 | 5.80 | 100.25 | 5.70 | 0.05 |
| 06.50%2015A | 5 | 15-Jul-15 | 222 | 100.32 | 5.95 | 100.39 | 5.83 | 0.07 |
| 11.00%2015A | 6 | 1-Aug-15 | 239 | 103.13 | 6.05 | 103.24 | 5.87 | 0.12 |
| 11.00%2015B | 6 | 1-Sep-15 | 270 | 103.45 | 6.11 | 103.60 | 5.91 | 0.15 |
| 12.50%2015A | 2 | 20-Sep-15 | 289 | 104.83 | 6.12 | 104.96 | 5.95 | 0.13 |
| 08.50%2015A | 3 | 1-Nov-15 | 331 | 101.91 | 6.29 | 102.05 | 6.13 | 0.15 |
| 07.25%2016A | 6 | 1-Apr-16 | 483 | 100.83 | 6.58 | 101.05 | 6.40 | 0.22 |
| 08.00%2016B | 4 | 1-Jun-16 | 544 | 101.90 | 6.64 | 102.10 | 6.50 | 0.20 |
| 06.40%2016A | 6 | 1-Aug-16 | 605 | 99.53 | 6.70 | 99.79 | 6.53 | 0.27 |
| 08.00%2016A | 5 | 1-Sep-16 | 636 | 102.04 | 6.72 | 102.30 | 6.57 | 0.26 |
| 06.40%2016B | 6 | 1-Oct-16 | 666 | 99.36 | 6.77 | 99.57 | 6.65 | 0.20 |
| 08.00%2017A | 5 | 1-Jan-17 | 758 | 101.99 | 6.95 | 102.29 | 6.79 | 0.30 |
| 05.80%2017A | 6 | 15-Jan-17 | 772 | 97.93 | 6.87 | 98.15 | 6.75 | 0.22 |
| 08.25%2017A | 3 | 1-Mar-17 | 817 | 102.50 | 7.02 | 102.74 | 6.90 | 0.24 |
| 08.75%2017A | 4 | 15-May-17 | 892 | 103.77 | 7.04 | 104.04 | 6.92 | 0.28 |
| 08.00%2017B | 5 | 15-Jun-17 | 923 | 102.13 | 7.06 | 102.39 | 6.95 | 0.26 |
| 05.80%2017B | 6 | 15-Jul-17 | 953 | 96.98 | 7.08 | 97.21 | 6.98 | 0.23 |
| 08.50%2018A | 15 | 1-Feb-18 | 1,154 | 103.79 | 7.13 | 104.03 | 7.05 | 0.24 |
| 08.50%2018C | 5 | 1-Apr-18 | 1,213 | 103.73 | 7.21 | 104.02 | 7.11 | 0.30 |
| 08.50%2018D | 5 | 1-Jun-18 | 1,274 | 103.99 | 7.19 | 104.23 | 7.11 | 0.23 |
| 08.50%2018B | 15 | 15-Jul-18 | 1,318 | 103.84 | 7.27 | 104.16 | 7.17 | 0.32 |
| 07.50%2018A | 15 | 15-Aug-18 | 1,349 | 100.56 | 7.32 | 100.92 | 7.21 | 0.36 |
| 08.00%2018A | 6 | 15-Nov-18 | 1,441 | 102.36 | 7.30 | 102.61 | 7.23 | 0.26 |
| 05.65%2019A | 8 | 15-Jan-19 | 1,502 | 94.10 | 7.34 | 94.36 | 7.26 | 0.25 |
| 08.50%2019A | 10 | 1-May-19 | 1,608 | 104.07 | 7.40 | 104.64 | 7.25 | 0.57 |
| 10.60%2019A | 6 | 1-Jul-19 | 1,669 | 112.21 | 7.40 | 112.78 | 7.26 | 0.57 |
| 10.60%2019B | 5 | 15-Sep-19 | 1,745 | 112.20 | 7.51 | 112.73 | 7.38 | 0.53 |
| 08.00%2019A | 8 | 1-Nov-19 | 1,792 | 101.47 | 7.63 | 102.12 | 7.47 | 0.65 |
| 08.00%2020A | 8 | 1-Jun-20 | 2,005 | 100.99 | 7.78 | 101.54 | 7.65 | 0.56 |
| 06.20%2020A | 10 | 1-Aug-20 | 2,066 | 92.42 | 7.88 | 93.28 | 7.68 | 0.86 |
| 09.00%2021A | 8 | 1-May-21 | 2,339 | 105.12 | 7.96 | 105.88 | 7.81 | 0.77 |
| 11.00%2021A | 7 | 1-Aug-21 | 2,431 | 114.95 | 8.05 | 115.51 | 7.95 | 0.56 |
| 08.00%2022A | 10 | 1-Jan-22 | 2,584 | 99.20 | 8.15 | 100.08 | 7.98 | 0.88 |
| 11.20%2022A | 9 | 1-Jul-22 | 2,765 | 116.51 | 8.23 | 117.39 | 8.08 | 0.88 |
| 10.00%2022A | 8 | 1-Oct-22 | 2,857 | 109.86 | 8.26 | 110.62 | 8.14 | 0.76 |
| 09.00%2023A | 10 | 1-Sep-23 | 3,192 | 104.36 | 8.29 | 105.22 | 8.15 | 0.86 |
| 11.20%2023A | 9 | 1-Sep-23 | 3,192 | 117.71 | 8.31 | 118.43 | 8.20 | 0.72 |
| 07.00%2023A | 20 | 1-Oct-23 | 3,222 | 92.00 | 8.29 | 92.87 | 8.15 | 0.86 |
| 11.40%2024A | 10 | 1-Jan-24 | 3,314 | 119.04 | 8.36 | 120.01 | 8.23 | 0.97 |
| 09.00%2025A | 12 | 1-May-25 | 3,800 | 103.39 | 8.50 | 104.09 | 8.40 | 0.70 |
| 09.00%2026A | 13 | 1-Feb-26 | 4,076 | 102.27 | 8.68 | 103.36 | 8.53 | 1.08 |
| 05.35%2026A | 15 | 1-Mar-26 | 4,104 | 75.77 | 8.78 | 76.87 | 8.60 | 1.09 |
| 09.00%2028B | 15 | 1-May-28 | 4,896 | 100.25 | 8.97 | 101.54 | 8.80 | 1.29 |
| 09.00%2028A | 15 | 1-Jul-28 | 4,957 | 99.60 | 9.05 | 101.29 | 8.83 | 1.69 |
| 13.00%2029A | 15 | 1-Jan-29 | 5,141 | 130.11 | 9.15 | 132.20 | 8.93 | 2.09 |
| 13.00%2029B | 15 | 1-May-29 | 5,261 | 130.46 | 9.15 | 132.78 | 8.91 | 2.32 |
| 08.00%2032A | 20 | 1-Jan-32 | 6,236 | 88.20 | 9.40 | 90.02 | 9.17 | 1.82 |
| 09.00%2032A | 20 | 1-Oct-32 | 6,510 | 95.64 | 9.51 | 96.88 | 9.36 | 1.25 |
| 09.00%2033A | 20 | 1-Jun-33 | 6,753 | 95.26 | 9.55 | 96.97 | 9.35 | 1.71 |
| 13.25%2033A | 20 | 1-Jul-33 | 6,783 | 131.02 | 9.63 | 132.68 | 9.48 | 1.67 |
| 09.00%2033B | 20 | 1-Nov-33 | 6,906 | 94.05 | 9.69 | 95.38 | 9.53 | 1.33 |
| 13.25%2034A | 20 | 1-Jan-34 | 6,967 | 130.04 | 9.75 | 131.75 | 9.59 | 1.72 |
| 09.00%2043A | 30 | 1-Jun-43 | 10,405 | 92.50 | 9.79 | 93.72 | 9.65 | 1.22 |
| 13.50%2044A | 30 | 1-Jan-44 | 10,619 | 135.15 | 9.82 | 136.85 | 9.69 | 1.71 |
| 13.50%2044B | 30 | 1-Jun-44 | 10,771 | 133.64 | 9.95 | 136.45 | 9.73 | 2.82 |

# External Sector

Key Highlights

During the year so far (up to 05 December 2014) the rupee depreciated against the US dollar (0.20 per cent). Given the cross currency exchange rate movements, the Sri Lanka rupee appreciated against the euro (11.28 per cent), pound sterling (5.08 per cent) and the Japanese yen (14.02 per cent) and depreciated against the Indian rupee (0.42 per cent) during this period.

Earnings from exports increased by 0.5 per cent, year-on-year, in September 2014 to US dollars 903 million while the cumulative earnings increased by 13.0 per cent to US dollars 8,288 million during the first nine months of 2014. The largest contribution to the export growth in September 2014 was from textiles and garments followed by coconut and printing industry products.

Expenditure on imports increased by 12.2 per cent, year-on-year, to US dollars 1,667 million in September 2014, while on a cumulative basis, imports grew by 5.4 per cent to US dollars 14,222 million during the first nine months of 2014. The increase in import expenditure in September 2014 was mainly due to the significant increase in imports of transport equipment particularly a dredger vessel followed by imports of vehicles such as motor cycles and motor cars for personal use.

The increase in export prices at a higher rate than import prices resulted in an improvement in the terms of trade in August 2014. The import price index declined marginally by 0.4 per cent, year-on-year, to 113.2 index points mainly due to the decrease in the average price level of consumer goods.

Meanwhile, the average price levels of agricultural and mineral export items, increased in August 2014, leading to an overall increase in the export price index by 1.4 per cent to 105.8 index points.

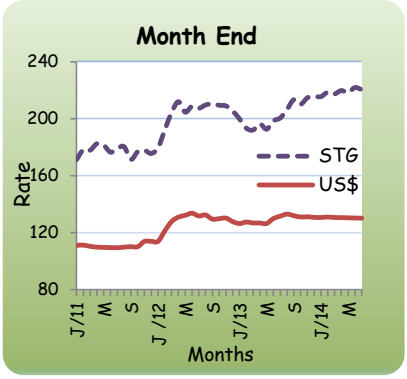
India, UK, China, Germany and Maldives were the top five sources of tourist arrivals upto November 2014, accounting for 46.5 per cent of total tourist arrivals during the year upto November 2014.

The average price of tea in the Colombo auction decrease in September 2014 compared to the corresponding month of 2013, but the prices averaged at Colombo Auction is higher than the prices at other two auctions namely Kolkata and Mombasa, due to higher demand for Ceylon tea.

# EXTERNAL SECTOR

## 4.1 Exchange Rates

| Item (Rs Per Unit)* | Week Ending - Dec 05 | | | Average Rate | |
|---|---|---|---|---|---|
| | Buying Rate | Selling Rate | Average Rate | Week Ago | Year Ago |
| US$ | 130.20 | 133.09 | 131.65 | 131.59 | 130.85 |
| STG | 203.17 | 208.99 | 206.08 | 206.85 | 214.31 |
| Yen | 1.08 | 1.12 | 1.10 | 1.11 | 1.28 |
| Euro | 160.22 | 165.48 | 162.85 | 163.85 | 177.62 |
| INR(1) | | | 2.12 | 2.12 | 2.11 |
| SDR | ( As at 04 Dec 2014) | | 190.67 | 191.82 | 200.81 |
| **Central Bank purchases and sales** (US$ Mn. )** | | | **November 2014** | **Month Ago** | **Year Ago** |
| Purchases | | | 30.00 | 1.50 | 20.00 |
| Sales | | | 79.85 | 200.15 | 51.38 |




| | Week Ending Dec 05 | Week Ago | Year Ago |
|---|---|---|---|
| Average Daily Interbank Volume (US$ Mn.) (spot, tom and cash transactions among commercial banks) | 13.55 | 22.80 | 41.19 |
| **Forward Transactions** | | | |
| Forward Rates (US$) (2) | | | |
| 1 Month | 132.08 | 131.63 | 131.69 |
| 3 Months | 132.87 | 132.73 | 133.21 |
| Average Daily Interbank Forward Volume (US$ mn) | 25.08 | 28.78 | 22.91 |
| Outstanding Forward Volume (US$ mn) ( As at 04 Dec 2014 ) | 1,256.44 | 1,331.80 | 836.02 |

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

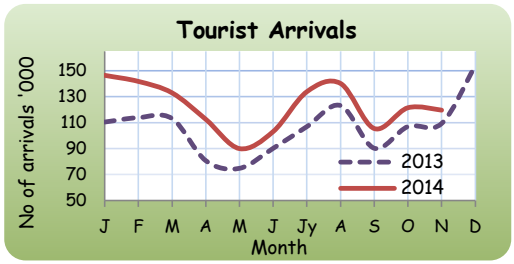
**Central Bank purchases and sales of foreign exchange from commercial banks at market rates total for the Month

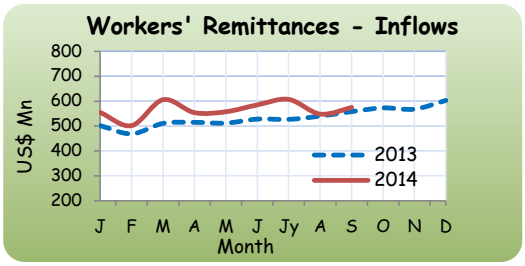
(1) Central Bank indicative rate (2) Weekly average based on actual transactions.

## 4.2 Tourism & Workers' Remittances

| Item(a) | | 2013 Nov (b) | 2014 Nov | 2013 Jan-Nov (b) | 2014 Jan-Nov | % Change |
|---|---|---|---|---|---|---|
| Tourist Arrivals | Number | 109,420 | 119,727 | 1,120,675 | 1,348,481 | 20.3 |
| Earnings from Tourism | US$ Mn. | 147.3 | 173.0 | 1,508.3 | 1,948.30 | 29.2 |
| | Rs.bn. | 19.3 | 22.6 | 194.6 | 254.3 | 30.7 |
| | | **2013 Oct (b)** | **2014 Oct** | **2013 Jan-Oct(b)** | **2014 Jan-Oct** | **% Change** |
| Workers' Remittances (Inflows) | US$ Mn. | 573.0 | 600.1 | 5,236.3 | 5,689.7 | 8.7 |
| | Rs. bn. | 75.1 | 78.4 | 674.4 | 742.4 | 10.1 |

(a) Provisional (b) Revised



## 4.3 International Reserves & Foreign Currency Liquidity as at 30 September 2014[a]

| Official Reserve Assets (USD mn) | |
|---|---|
| **Official Reserve Assets[b]** | **8,821.80** |
| (1) Foreign currency reserves | 7,837.25 |
| (a) Securities | 3,643.23 |
| (b) Total currency and deposits with | 4,194.02 |
| (i) other national central banks, BIS | 1,371.95 |
| (ii) banks headquartered inside the reporting country of which located abroad | 1.12 |
| (iii) banks headquartered outside the reporting country of which located in the repoprting country | 2,820.96 |
| (2) Reserve position in the IMF | 70.95 |
| (3) SDRs | 8.95 |
| (4) Gold | 903.67 |
| (5) Other reserve assets | 0.98 |

**Predetermined Short-Term Net Drains on Foreign Currency Assets[c]**

| 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 | -3,523.45 | -65.25 | -517.03 | -2,941.17 |
| | Interest | -1,030.13 | -96.85 | -41.85 | -891.43 |
| 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 (-)[d] | | -2,291.15 | -414.47 | -337.00 | -1,539.68 |
| (b) Long positions (+) | | | | | |
| 3. Other (specify) | | -0.28 | -0.28 | | |
| inflows related to reverse repos (+) | | | | | |
| other accounts payable (-) | | -0.28 | -0.28 | | |

(a) Provisional

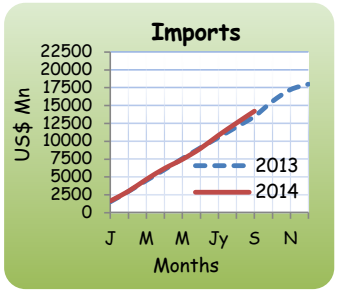
(b) By end September 2014 gross official reserves were equivalent to 5.6 months of imports

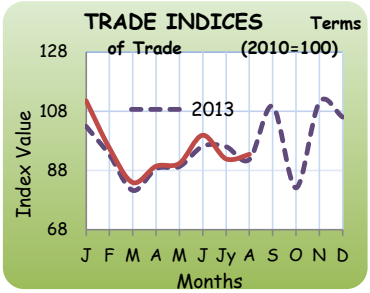
(c) This mainly includes only the predetermined outflows

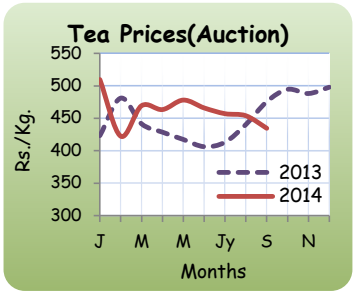
(d) A major share of SWAP outstanding will be rolled over. This mainly includes SWAP arrangements with state banks which mobilised long-term foreign finance from international bond issuances

## 4.4 External Trade

| Item | US$ Bn | | | Rs Bn | | |
|---|---|---|---|---|---|---|
| | Jan-Sep 2014 | Jan-Sep 2013 | % Change | Jan-Sep 2014 | Jan-Sep 2013 | % Change |
| **Exports** | **8.29** | **7.33** | **13.0** | **1,081.30** | **943.07** | **14.7** |
| Agricultural | 2.08 | 1.84 | 13.2 | 271.39 | 236.50 | 14.8 |
| Industrial | 6.15 | 5.46 | 12.6 | 801.73 | 701.77 | 14.2 |
| Food, Beverages and Tobacco | 0.22 | 0.17 | 31.1 | 28.54 | 21.48 | 32.9 |
| Textiles and Apparel | 3.66 | 3.13 | 17.1 | 477.47 | 402.03 | 18.8 |
| Petroleum Products | 0.26 | 0.34 | -23.8 | 33.56 | 43.33 | -22.5 |
| Leather, Rubber etc | 0.77 | 0.67 | 16.1 | 100.87 | 85.65 | 17.8 |
| Other | 1.24 | 1.16 | 6.4 | 161.28 | 149.27 | 8.0 |
| Mineral | 0.05 | 0.03 | 86.1 | 6.82 | 3.65 | 86.9 |
| Other | 0.01 | 0.01 | 16.2 | 1.36 | 1.15 | 17.9 |
| **Imports** | **14.22** | **13.49** | **5.4** | **1,855.45** | **1,731.74** | **7.1** |
| Consumer Goods | 2.65 | 2.33 | 13.8 | 346.17 | 299.70 | 15.5 |
| Intermediate Goods | 8.61 | 7.97 | 8.0 | 1,123.27 | 1,023.08 | 9.8 |
| Investment Goods | 2.95 | 3.18 | -7.2 | 384.57 | 407.67 | -5.7 |
| Other | 0.01 | 0.01 | 9.5 | 1.44 | 1.29 | 11.2 |
| **Trade Balance** | **-5.93** | **-6.15** | **-3.6** | **-774.16** | **-788.67** | **-1.8** |



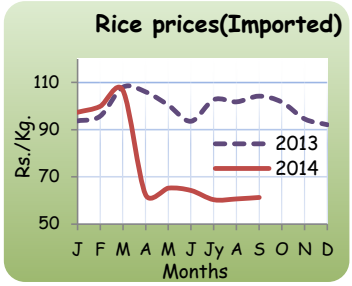


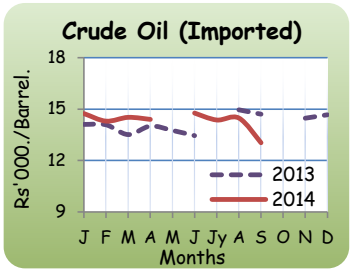




## 4.5 Trade Indices (2010= 100 )

| Item | 2014** Aug | Month Ago | Year Ago |
|---|---|---|---|
| **Total Exports** | | | |
| Value | 137.96 | 132.88 | 127.85 |
| Quantity | 130.41 | 136.32 | 122.57 |
| Unit Value | 105.79 | 97.48 | 104.31 |
| **Total Imports** | | | |
| Value | 154.34 | 165.15 | 132.00 |
| Quantity | 136.33 | 155.69 | 116.10 |
| Unit Value | 113.21 | 106.08 | 113.69 |
| **Terms of Trade** | 93.44 | 91.89 | 91.74 |

* In US$ Terms ** Provisional




## 4.6 International Commodity Prices

| Item | Sep 2014 | Sep 2013 | % Change | Sep 2014 | Sep 2013 | % Change |
|---|---|---|---|---|---|---|
| **Colombo Auction Price** | US$ / Kg | | | Rs / Kg | | |
| Tea Prices | 3.34 | 3.59 | -7.10 | 434.65 | 475.64 | -8.60 |
| **Imports (C I F)** | US$ / MT | | | Rs / MT | | |
| Rice | 470.33 | 786.70 | -40.20 | 61,265.37 | 104,212.97 | -41.20 |
| White Sugar | 497.47 | 501.62 | -0.80 | 64,800.15 | 66,449.31 | -2.50 |
| Wheat | 307.77 | 318.73 | -3.40 | 40,089.98 | 42,222.11 | -5.00 |
| | US$ / Barrel | | | Rs / Barrel | | |
| Crude Oil | 100.08 | 111.01 | -9.90 | 13,036.24 | 14,705.91 | -11.40 |