

PART I

KEY ECONOMIC INDICATORS

	1991	1992	1993	1994	1995*
DEMOGRAPHY					
Mid Year Population (million persons)	17.2	17.4	17.6	17.9	18.1
Population Density (persons per sq.km.)	277	279	283	287	292
Population Growth Rate (per cent)	1.5	1.0	1.2	1.4	1.4
Labour Force (million persons)**	5.9	6.0	6.1	6.1	6.1
Labour Force Participation Rate (per cent)**	49.3	48.9	49.5	48.1	47.9
Unemployment Rate (per cent)**	13.8	13.3	13.8	12.1	12.7
OUTPUT					
GDP at Constant (1982) Factor Cost Prices (Rs. billion)	135.2	141.0	150.8	159.3	168.0
GDP at Current Market Prices (Rs. billion)	372.3	425.3	499.8	579.1	661.9
GNP at Current Market Prices (Rs. billion)	369.3	424.3	499.6	575.5	658.5
Per Capita GNP at Market Prices (Rs.)	21,410	24,379	28,357	32,215	36,357
Per Capita GNP at Market Prices (US dollars)	518	556	588	652	709
Per Capita GDP at Market Prices (Rs.)	21,589	24,435	28,365	32,418	36,545
Per Capita GDP at Market Prices (US dollars)	522	557	588	656	713
REAL OUTPUT (percentage change)					
GNP	4.6	4.4	7.7	5.3	5.9
GDP	4.6	4.3	6.9	5.6	5.5
Agriculture, Forestry and Fishing	1.9	-1.6	4.9	3.3	3.3
Mining and Quarrying	-10.0	-6.0	11.9	6.0	3.4
Manufacturing	6.8	8.8	10.5	9.1	9.2
Construction	3.1	8.1	6.5	6.0	4.9
Services	6.2	5.3	6.3	5.2	5.1
AGGREGATE DEMAND AND SAVINGS (per cent of GDP)					
Consumption					
Private	77.4	75.4	74.8	75.1	74.0
Government	9.8	9.6	9.2	9.7	10.5
Investment	22.9	24.3	25.6	27.0	25.1
Government	4.3	3.2	4.2	3.1	3.2
Private (including public corporations)	18.6	21.1	21.4	24.0	22.0
Exports of Goods and Non-Factor Services	28.7	31.8	33.8	33.8	35.9
Imports of Goods and Non-Factor Services	38.9	41.0	43.3	45.6	45.6
Savings					
Domestic Savings	12.8	15.0	16.0	15.2	15.5
National Savings	15.2	17.9	20.3	19.1	19.7
Foreign Savings	2.4	2.9	4.3	3.9	4.2
PRICES AND WAGES (percentage change)					
Colombo Consumers' Price Index (1952 = 100)	12.2	11.4	11.7	8.4	7.7
Greater Colombo Consumers' Price Index (1989 = 100)	11.5	9.4	8.4	4.8	3.9
Wholesale Price Index (1974 = 100)	9.2	8.8	7.6	5.0	8.9
GNP Deflator	11.1	10.0	9.5	9.4	8.4
GDP Deflator	11.0	10.0	9.5	9.3	8.4
Nominal Wage Rate Index for Workers in All Wages Boards	14.4	13.7	16.2	3.9	3.8
Nominal Wage Rate Index for Central Government Employees	12.1	4.3	21.1	8.9	7.7
GOVERNMENT FINANCE (per cent of GDP)					
Revenue	20.4	20.2	19.7	19.0	20.6
Grants	2.1	1.9	1.6	1.4	1.4
Expenditure and Net Lending	32.1	27.5	28.1	29.0	28.9
Current	22.5	21.1	20.5	22.0	22.1
Capital and Net Lending	9.6	6.4	7.6	7.0	6.8
Budget Deficit after Grants	-9.5	-5.4	-6.8	-8.5	-7.0
Deficit Financing					
Foreign	5.2	1.7	2.0	2.0	1.9
Domestic	4.3	3.7	4.8	6.5	5.1
Government Debt	98.4	95.4	96.9	95.1	95.4
Foreign	57.6	55.4	54.1	52.1	52.2
Domestic	40.8	40.0	42.8	43.0	43.2

* Provisional

** 3rd quarter data in 1995 and 4th quarter data for all other years.

KEY ECONOMIC INDICATORS (contd.)

	1991	1992	1993	1994	1995*
EXTERNAL TRADE (percentage change)					
Export Price Index (1990 = 100)	5.0	25.3	10.0	4.5	14.1
Import Price Index (1990 = 100)	3.9	4.7	5.3	5.6	15.5
Terms of Trade	1.0	19.8	4.4	-1.0	-1.3
Export Volume	1.2	4.0	14.3	7.8	7.7
Import Volume	13.2	15.7	17.1	12.2	0.8
EXTERNAL FINANCE (SDR million)					
Trade Balance	-726	-740	-825	-1089	-921
Exports	1,491	1,745	2,046	2,235	2,504
Imports	2,217	2,485	2,872	3,324	3,425
Services Account (net)	-66	-24	28	8	8
Private Transfers (net)	293	328	402	438	448
Official Transfers (net)	148	130	115	117	107
Current Account Balance	-350	-306	-280	-526	-358
Overall Balance	152	133	375	173	-62
Current Account Balance (per cent of GDP)	-5.4	-4.5	-3.8	-6.5	-4.2
External Assets (months of same year imports)	4.4	5.1	6.5	6.5	6.1
Overall Debt Service Ratio (per cent of exports of goods and services)	18.5	17.1	13.8	13.3	13.8
External Debt (per cent of GDP)	74.1	73.9	75.4	75.4	75.8
EXCHANGE RATES					
Annual Average					
Rs. per US dollar	41.37	43.83	48.25	49.42	51.25
Rs. per SDR	56.61	61.75	67.39	70.75	77.74
End Year					
Rs. per US dollar	42.58	46.00	49.56	49.98	54.05
Rs. per SDR	60.85	63.33	68.19	72.76	80.39
MONETARY AGGREGATES (percentage change Dec. to Dec.)					
Narrow Money (M ₁)	17.7	7.4	18.6	18.7	6.7
Broad Money (M ₂)	22.1	17.4	23.4	19.7	19.2
Net External Assets of the Banking System	258.5	70.8	129.8	34.0	3.2
Net Domestic Assets	12.8	10.7	2.9	13.6	27.4
Domestic Credit from the Banking System to					
Government (net)	0.1	-6.6	-18.4	4.3	25.1
Public Corporations	-10.0	4.8	-47.3	-33.6	65.2
Private Sector	20.5	22.9	20.5	21.2	28.2
Reserve Money	26.8	12.0	25.9	20.5	15.5
Money Multiplier for M ₂	2.76	2.89	2.84	2.82	2.91
Velocity of M ₁	3.82	3.60	3.47	3.35	3.23
INTEREST RATES (per cent per annum at end year)					
Treasury Bill Rate					
3 Month	16.33	17.67	18.09	18.73	19.26
12 Month	17.43	18.99	19.38	19.43	18.97
Discount Rate (overnight)	14.75	15.30	16.06	16.09	17.00
Rediscount Rate (overnight)	16.75	18.00	18.12	19.15	20.00
Deposit Rates					
Commercial Banks Weighted Average Deposit	14.1	13.8	13.6	12.6	12.4
Commercial Banks 12 Months Fixed Deposit (maximum)	20.0	20.0	17.5	17.0	17.5
NSB Savings	14.0	14.0	14.0	14.0	12.0
NSB 12 Months Fixed Deposit	17.0	17.0	16.0	14.0	16.0
Lending Rates					
Commercial Banks Weighted Average Prime Lending	19.6	20.0	20.4	18.5	20.1
Bills Purchased and Discounted	10.0-30.0	14.5-30.0	14.5-30.0	11.0-30.0	11.0-30.0
CAPITAL MARKET					
All Share Price Index (1985 = 100)	837.8	605.3	979.0	986.7	663.7
Sensitive Price Index (1985 = 100)	1,198.6	826.6	1,442.4	1,438.8	990.5
Value of Shares Traded (Rs. million)	4,304.0	4,974.0	18,568.0	34,522.0	11,249.0
Net Purchases by Non-Nationals (Rs. million)	1,125.6	817.7	3,239.0	1,334.3	-89.7
Market Capitalisation (Rs. billion)	81.8	66.2	123.8	143.2	106.9

*Provisional