



News Release

Economy of Sri Lanka grew by 2.9 percent in the third quarter of 2018

National Accounts Estimates: 3rd Quarter of 2018

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The Department of Census and Statistics (DCS) Sri Lanka, has released the estimated Gross Domestic Product (GDP) at current prices and at constant (2010) prices in Production approach and other macroeconomic indicators for the third quarter of 2018 (July, August, September).

Issuing a communiqué, on releasing National Accounts estimates for the third quarter of 2018, DCS states that economic growth rate of the country is estimated as 2.9 percent for the third quarter of 2018. The Gross Domestic Product at constant (2010) prices for the third quarter of 2018 recorded as Rs. 2,431,627 million and GDP reported for third quarter of 2017 was Rs. 2,362,698 million.

The four major components of the economy viz. Agriculture, Industry, Services and Taxes less subsidies on products have contributed their shares to the GDP at current price by 7.5 percent, 27.4 percent, 56.8 percent and 8.3 percent respectively.

In this quarter, Agricultural activities expanded favorably by 3.3 percent compared to the contraction of 3.0 percent reported in the third quarter of 2017. The Industrial activities recorded positive growth rate of 1.9 percent and Service activities expanded further by 3.9 percent during the third quarter of 2018, compared to the third quarter of 2017.

Among the sub activities of Agriculture, the 'Growing of Rice' which recorded 32.8 percent of negative growth rate in the third quarter of year 2017, has reported striking positive growth rate of 46.9 percent during this quarter. In addition, 'Growing of Oleaginous fruits including coconut', 'Growing of Cereals', 'Growing of Vegetables', 'Growing of Rubber', 'Animal production', 'Growing of fruits' and 'Growing of Spices' have expanded substantially by 11.9 percent, 10.6 percent, 9.9 percent, 5.2 percent, 5.1 percent, 4.0 percent and 3.1 percent respectively. The sub activities of 'Fresh water fishing' and 'Growing of Tea' have recorded a substantial decline by 19.1 percent and 14.9 percent respectively in this quarter.

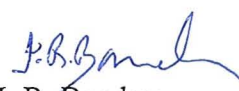
The 'Industrial activities', which shared the GDP by 27.4 percent at current price, has continued to expand further at a rate of 1.9 percent. The overall manufacturing activities have grown by 2.2 percent during the third quarter of 2018, supported mainly by the sub activities of 'Manufacture of food, beverages and tobacco' and 'Manufacture of textile and wearing apparels', which recorded positive growth rates of 3.7 percent and 3.2 percent respectively

during this period. In addition, 'Manufacture of coke and refined petroleum products' and 'Manufacture of other non-metallic mineral products' have reported significant positive growth rates of 16.7 percent and 3.9 percent respectively. However, 'Manufacture of wood and products of woods' and 'Manufacture of paper products' activities reported negative growth rate of 13.1 percent and 7.5 percent during this quarter.

Among the 'Industrial activities', 'Electricity, gas, steam and air conditioning supply' and 'Water collection, treatment and supply' have recorded 3.3 percent and 5.0 percent of positive growth rates respectively, while 'Mining and quarrying' has declined by 2.2 percent. The 'Construction' activity, which corresponds to the second highest share (7.0 percent) within the industry sector, grew by rate of 2.5 percent during this quarter when compared to the third quarter of 2017.

Among the three major activities, the Services activities, which gave the highest contribution (56.8 percent) to the GDP, has grown by 3.9 percent during the third quarter of 2018, when compared to the same quarter in the year 2017. Performance of the service activities were strengthened by the sub activities of 'Telecommunication services', 'Financial services', 'Insurance services', 'Information Technology services', 'Human health activities', 'Accommodation, food and beverage services', 'Wholesale and retail trade' and 'Other personal services' expanded by 14.8 percent, 12.4 percent, 8.3 percent, 7.5 percent, 5.7 percent, 5.4 percent, 5.0 percent and 4.8 percent respectively compared to the third quarter of 2017. The activity of 'Programming and broadcasting' and 'Transportation' activities contracted substantially by 9.0 percent and 0.7 percent within this quarter compared to the respective quarter in 2017.

DCS stated that a detailed report on the National Accounts estimates for the third quarter of 2018 has been published in the DCS website: www.statistics.gov.lk.


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