



News Release

Economy of Sri Lanka grew by 2.3 percent in 2019

National Accounts Estimates of Sri Lanka 4th Quarter of 2019 and the year 2019

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The Department of Census and Statistics (DCS) has released the estimated Gross Domestic Product (GDP) and other macroeconomic indicators for the fourth quarter of 2019 and for the year of 2019.

The Gross Domestic Product for Sri Lanka for the year of 2019 (January to December) at constant (2010) price has reached up to Rs. 9,889,379 million while GDP value reported for the year of 2018 was Rs. 9,668,600 million. Issuing a communiqué, DCS states that economic growth rate for the year of 2019 has been estimated as 2.3 percent.

The four major components of the economy; Agriculture, Industry, Services and Taxes less subsidies on products have contributed their share to the GDP at current price by 7.4 percent, 27.4 percent, 58.2 percent and 6.9 percent respectively for the year of 2019.

During the year of 2019, Industrial activities expanded favorably by 2.7 percent compared to the 1.2 percent of growth recorded in the Industrial activities in the year of 2018. Meanwhile the Services activities grew by 2.3 percent further during the year of 2019. However, the Agricultural activities have reported slight positive expansion by 0.6 percent compared to the 6.5 percent of high growth recorded in the year of 2018.

Performance in Agriculture Activities

Among the sub activities of Agriculture, during the year of 2019, most of the key agricultural activities have reported contractions in their value added, compared to the previous year. Specially the 'Marine fishing' and 'Growing of rice' are the activities which shared the GDP comparatively by higher percentage than the other agricultural activities, have reported negative growth rates of 5.5 percent and 0.3 percent respectively during the year of 2019. In addition, 'Growing of cereals', 'Growing of rubber', 'Plant propagation', 'Forestry and logging', 'Growing of Tea' and 'Growing of Spices' have reported negative growth rate of 9.5 percent, 9.5 percent, 6.3 percent, 4.8 percent, 1.3 percent and 1.0 percent respectively. However, 'Growing of Oleaginous fruits; including coconut', 'Growing of fruits', 'Animal production', 'Fresh water fishing' and 'Growing of vegetables' have reported positive growth rates of 18.2 percent, 8.5 percent, 3.2 percent, 3.0 percent, and 1.5 percent respectively during the year of 2019, when compared to the previous year.

Performance in Industrial Activities

The 'Industrial activities', which shared the GDP by 27.4 percent at current price, has continued to expand further significantly by 2.7 percent, during the year of 2019, when compared to the year of 2018. The overall manufacturing activities have grown by 1.9 percent during the year of 2019, 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 3.4 percent and 3.9 percent respectively during the year of 2019. In addition, 'Manufacture of coke and refined petroleum products', 'Manufacture of chemical products and basic pharmaceuticals', 'Manufacture of machinery and equipment' and 'Manufacture of other non-metallic mineral products' have reported significant positive growth rates of 23.4 percent, 3.9 percent, 1.0 percent and 0.4 percent respectively. However, 'Manufacture of wood and products of wood and cork', 'Manufacture of rubber and plastic products', 'Manufacture of paper products' and 'Manufacture of basic metal and fabricated metal products' have reported negative growth rates of 7.9 percent, 5.8 percent, 4.4 percent and 3.7 percent during this year.

Among the 'Industrial activities', 'Electricity, gas, steam and air conditioning supply' and 'Water collection, treatment and supply' activities have recorded 4.0 percent and 5.5 percent positive growth rates respectively. Meanwhile the 'Mining and quarrying' has reported 2.8 percent of growth during the year 2019, when compared to the year of 2018. The 'Construction' activity, which corresponds to the highest share (7.5 percent) within the industry sector, grew by 4.0 percent during the year of 2019, when compared to the year of 2018.

Performance in Service Activities

Among the three major economic activities (Agriculture, Industries and Services), the Services activities which corresponds to the highest contribution (58.2 percent) to the GDP, recorded a positive growth rate of 2.3 percent during the year of 2019, when compared to the previous year. The performance of the Services sector was underpinned specially by the sub activities of 'Telecommunication', 'IT programming and consultancy', 'Insurance activities', 'Wholesale and Retail trade' and 'Other personal services' and which reported significantly higher growth rates of 17.2 percent, 13.1 percent, 5.8 percent, 3.0 percent and 2.1 percent respectively, when compared to the previous year. Meanwhile, 'Financial service activities' unlike in previous years, has reported a slight positive growth rate of 2.0 percent in the year of 2019, when compared to the previous year. However, the sub activity of 'Accommodation, food and beverage serving activities' have reported a contraction by 4.6 percent during this year when compared to the previous year of 2018, showing continuous adverse impact of Easter Sunday attack on tourism industry.

Performance in 4th quarter of 2019

The DCS revealed that the GDP at constant (2010) price for the 4th quarter of 2019 has been estimated as Rs. 2,737,830 million registering 2.0 percent of growth rate compared to the 4th quarter of 2018. During the 4th quarter of 2019, the Industrial activities have reported 1.4 percent of expansion and Services activities have recorded a positive growth rate of 2.7 percent. However, during the last quarter of 2019, the Agricultural activities have reported a negative growth rate of 4.1 percent.

Issuing a communiqué on releasing 2019 Annual and 4th Quarter National Accounts, DCS stated that a detailed reports on the National Accounts estimates for the year of 2019 and for the fourth quarter of 2019 have been published in the DCS website: www.statistics.gov.lk.

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