



News Release

National Accounts Estimates of Sri Lanka

Third Quarter - 2022

Production Approach

Base year - 2015

Department of Census and Statistics

Ministry of Finance, Economics Stabilization and National Policies

The Department of Census and Statistics (DCS) Sri Lanka, has released the estimated Gross Domestic Product (GDP) at current price and at constant (2015) price in Production approach and the other macroeconomic indicators for the third quarter (July 01st to September 30th) of 2022.

The Gross Domestic Product for Sri Lanka for the third quarter of year 2022 at current price reported as Rs. 6,417,031 million.

The Gross Domestic Product for Sri Lanka for the third quarter of year 2022 at constant price (2015) reported as Rs. 2,884,018 million.

In the third quarter of year 2022, the percentage change of current price GDP reported as 45.2 percent and the year on year GDP growth rate reported as negative 11.8 percent.

The overall Agriculture, Industry and Services activities declined by 8.7 percent, 21.2 percent and 2.6 percent respectively, in the third quarter of 2022.

Inside

Executive summary - 2

Background - 3

Performance in Agricultural Activities – 3

Performance in Industrial Activities – 3

Performance in Services Activities - 4

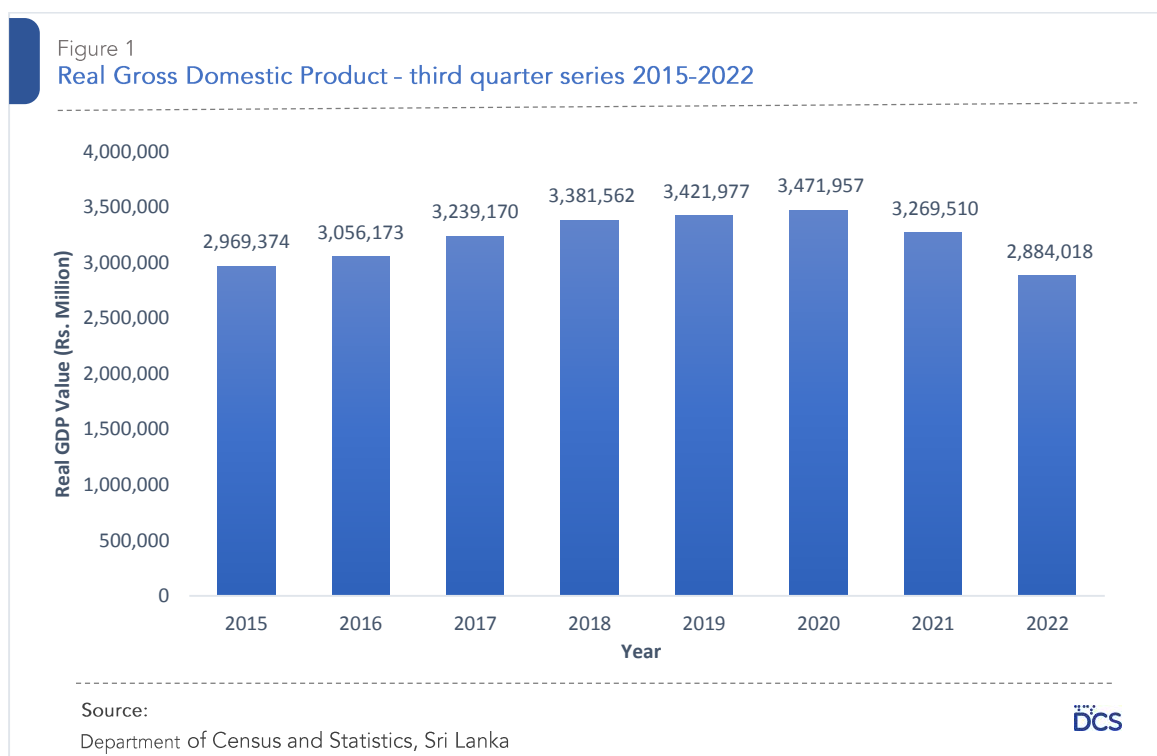
Source Publication

<http://www.statistics.gov.lk/NationalAccounts/StaticInformation/GDP2015>

Executive summary

Issuing a communiqué, on releasing National Accounts Estimates, the DCS states that the year on year GDP growth rate for the third quarter of 2022 has been estimated as 11.8 percent of negative growth rate.

Accordingly, the Gross Domestic Product for Sri Lanka for the third quarter of year 2022 at constant price (2015) has declined up to Rs. 2,884,018 million from Rs. 3,269,510 million which recorded in the third quarter of year 2021. The following Figure 1 reflects the changes in the real GDP levels in the third quarter GDP series from the year 2015 to year 2022.



In addition, the Gross Domestic Product for Sri Lanka for the third quarter of 2022 at current price has increased up to Rs. 6,417,031 million from Rs. 4,418,108 million which recorded in the same quarter in year 2021 registering 45.2 percent of positive change in the current price GDP. This expansion of the GDP at current prices clearly indicates the influence of the high inflation prevailed throughout this quarter.

The three major economic activities of the economy; 'Agriculture', 'Industry' and 'Services' have contributed their share to the GDP at current prices by 8.7 percent, 34.5 percent and 54.1 percent respectively, while 'Taxes less subsidies on products' component has contributed 2.7 percent of share to the GDP in the third quarter of year 2022.

During this quarter, all three major economic activities; Agricultural, Industrial and Services activities have recorded negative growth rates of 8.7 percent, 21.2 percent and 2.6 percent respectively.

Background

In the third quarter of year 2022, the year on year GDP growth rate is calculated based on the real GDP value reported in the third quarter of previous year. The third quarter of the year 2021 was severely affected by the controls and restrictions which were taken against the covid-19-pandemic.

During the third quarter of year 2022, the influence of the covid-19 pandemic was comparatively low and several other factors were highly affected for the functioning of the economy of the country. The factors such as high inflation, energy crisis prevailed during the early stages of this quarter, high interest rates, shortage of inputs required for the manufacturing activities, high prices of inputs, shortage of cement, high prices of construction materials, problems associated with fertilizer usage and agrochemical sectors, increase of the transport cost, difficulties in distributing goods, decrease in the demand of essential and non-essential goods and services due to the reduction of the real income of the people have directed the economy towards this decline.

Due to the above effects, the major economic activities such as 'Construction', 'Mining and quarrying', 'Manufacturing activities', 'Financial services, 'Insurance, reinsurance and pension funding', 'Animal production', 'Growing of rice', 'Growing of cereals', 'Growing of vegetables' and 'Marine fishing and marine aquaculture' have recorded huge drawbacks of production during this quarter when compared to the same period of the previous year.

Performance in Agricultural Activities

In the third quarter of year 2022, the agriculture activities have contracted by 8.7 percent when compared to the 2.8 percent of negative growth recorded in the same quarter in the year 2021. The contraction in the agriculture activities were mainly driven by the 'Marine fishing and marine aquaculture' (33.5 percent), 'Growing of cereals' (26.1 percent), 'Growing of rice' (19.8 percent), 'Animal production' (19.5 percent), 'Growing of tea' (18.9 percent) and 'Growing of vegetables (9.4 percent), 'Growing of fruits' (6.0) and 'Growing of rubber' (3.5 percent). However, some agricultural economic activities such as 'Plant propagation' (39.8 percent), 'Fresh water fishing and fresh water aquaculture' (26.3 percent), 'Forestry and logging' (24.6 percent), 'Growing of oleaginous fruits' (6.0 percent), 'Growing of spices' (4.7 percent) have recorded positive growth rates in this quarter.

Performance in Industrial Activities

During the third quarter of year 2022, the overall industrial activities have reported a shrinkage of 21.2 percent compared to the 2.0 percent negative growth rate reported in the same quarter in the previous year.

Among the 'Industrial activities', the 'Construction' and 'Mining and quarrying' activities have recorded negative growth rates of 33.2 percent and 45.9 percent respectively during this quarter. The overall manufacturing industry contracted by 14.8 percent while most of manufacturing activities have reported contractions in this quarter with respect to the same quarter of year 2021. The manufacturing activities of 'Manufacture of coke and refined petroleum products' (56.3 percent), 'Manufacture of other non-metallic mineral products' (42.2 percent), 'Manufacture of basic metal and fabricated metal products' (42.1 percent), 'Manufacture of furniture' (37.9 percent), 'Manufacture of rubber and plastic products' (32.4 percent), 'Manufacture of machinery and equipment' (21.3 percent), 'Manufacture of food, beverages and tobacco products' (20.5 percent),

‘Manufacture of chemical products’ (11.9 percent), ‘Manufacture of wood and wood products’ (9.3 percent) and ‘Manufacture of paper products’ (1.6 percent) have reported considerable declines during this period. However, the main manufacturing activity of ‘Manufacture of textiles, wearing apparel and leather related products’ has managed to report an expansion of 9.3 percent during this quarter.

The ‘Electricity, gas, steam and air conditioning supply’ activity has reported positive growth rate of 3.8 percent while the ‘Water collection, treatment and supply’ activity has recorded 16.7 percent of positive growth rate in this quarter.

Performance in Services Activities

In the third quarter of year 2022, the performance of the service sector has declined by 2.6 percent when compared to the 1.7 percent drawback of the same quarter of year 2021.

According to the quarterly review of this quarter, the ‘Financial service activities’ and ‘Insurance services’ have reported downturns of 31.1 percent and 32.8 percent respectively. Further, ‘Programming and broadcasting activities’ (8.8 percent), ‘Professional services’ (7.0 percent), ‘Health Services’ (6.6 percent) ‘Real estate activities and ownership of dwelling’ (4.8 percent) and ‘Wholesale and retail trade’ (2.3 percent) activities have reported negative growth rates. Specially, ‘IT programming consultancy and related activities’ has declined further by 4.7 percent in this quarter.

Moreover, the activity of ‘Accommodation, food and beverage serving activities’ has managed to report 39.3 percent positive growth rate in this quarter when compared to the comparative quarter in the previous year. The sub activities of ‘Postal and courier services’ (6.8 percent), ‘Transportation of goods and passengers including warehousing’ (6.0 percent), ‘Educational services’ (3.9 percent), ‘Telecommunication services’ (3.3 percent) and ‘Other personal services’ (1.4 percent) have reported positive growth rates during the third quarter of 2022.

According to the DCS, detail information of GDP estimates for the third quarter of 2022 has been published in the DCS website: <http://www.statistics.gov.lk/NationalAccounts/StatisticalInformation/GDP2015>



P.M.P. Anura Kumara,
Director General

The Vision of DCS

“To be the leader in the region in producing timely statistical information to achieve the country’s development goals.”

The Mission of DCS

“Making contribution in the socioeconomic development of the country by providing accurate timely statistics, more Effectively by means of new technology, and utilising the services of dedicated staff under a strategic leadership to become a prosperous nation in the globalised environment.”



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