



News Release

National Accounts Estimates of Sri Lanka; Third Quarter - 2023 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 1st to September 30th) of 2023.

The GDP for the third quarter of 2023 at constant price (2015) has increased up to Rs. 2,946,107 million from Rs. 2,900,654 million which recorded in the third quarter of 2022.

The year-on-year GDP growth rate for the third quarter of year 2023 has been reported as 1.6 percent of positive growth rate.

The Agricultural, Industrial and Services activities expanded by 3.0 percent, 0.3 percent and 1.3 percent respectively in the third quarter of 2023.

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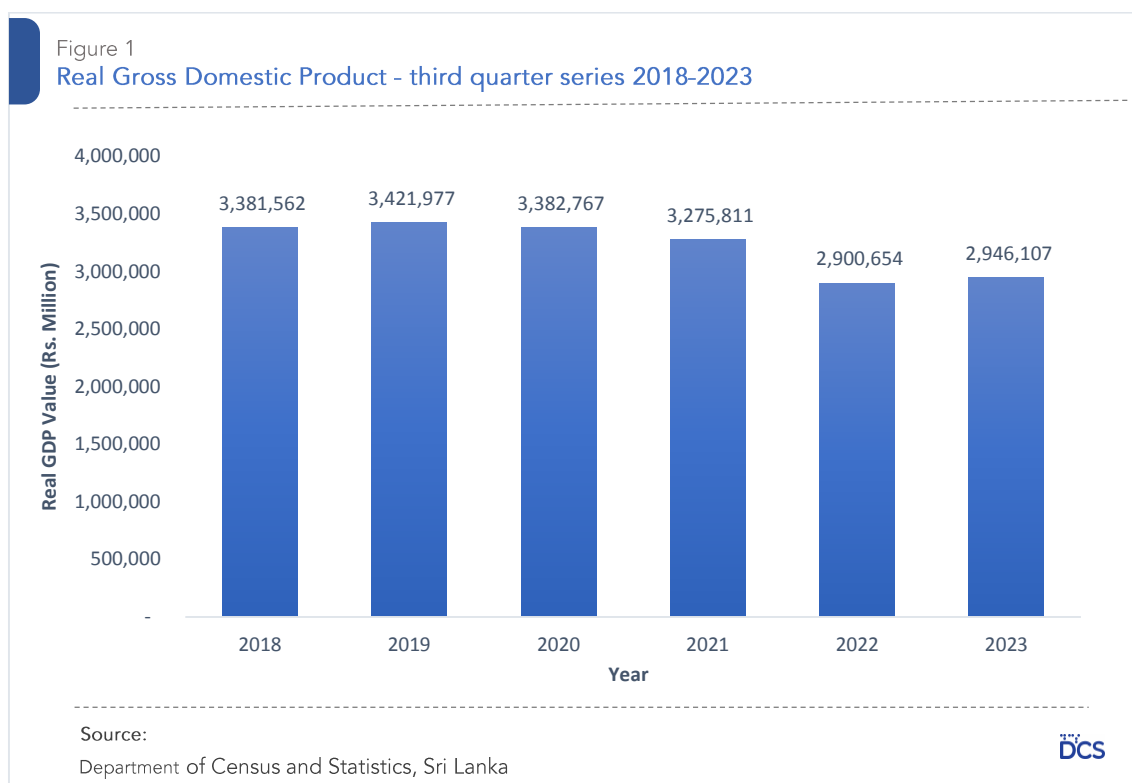
Source Publication

<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 2023 has been estimated as 1.6 percent of positive growth rate.

Accordingly, the Gross Domestic Product for Sri Lanka for the third quarter of the year 2023 at constant price (2015) has increased up to Rs 2,946,107 million from Rs. 2,900,654 million which recorded in the third quarter of the year 2022. The following Figure 1 reflects the changes in the real GDP levels in the third quarter GDP series from the year 2018 to year 2023.



In addition, the Gross Domestic Product for Sri Lanka for the third quarter of 2023 at current price has increased up to Rs. 6,906,891 million from Rs. 6,586,602 million which recorded in the same quarter in year 2022 registering 4.9 percent of positive change in the current price GDP.

The three major economic activities of the economy; ‘Agriculture’, ‘Industry’ and ‘Services’ have contributed their share to the GDP at current prices by 7.8 percent, 28.1 percent and 57.5 percent respectively, while ‘Taxes less subsidies on products’ component has contributed 6.5 percent of share to the GDP in the third quarter of year 2023.

Meanwhile, Agriculture, Industry and Services sectors expanded by 3.0 percent, 0.3 percent and 1.3 percent respectively in the third quarter of 2023.

Background

The year-on-year GDP growth rate of the third quarter of the year 2023, is calculated compared to the real GDP value reported in the same quarter (third quarter) of the previous year.

The third quarter of year 2023 began with the favorable change in uncertainties in foreign exchange which were observed in previous quarters and the economy and its expectations about the future had been growing at a lower rate, was transformed into a positive state. The input costs were declined parallel to the favorable change in exchange rate and the demand for debts which were at a lower level, showed a positive indication in this quarter along with the reduction in interest rate. With the expansion of the tourism sector, a positive impact could be observed in the service exports during this quarter. Accordingly, Accommodation, food and beverage service activities have recorded a high positive growth while Agricultural activities have also recorded a positive growth rate in the third quarter of 2023. Moreover, some of the manufacturing industries have also recorded expansions in this quarter.

Performance in Agricultural Activities

In the third quarter of year 2023, the agriculture activities have recorded an expansion of 3.0 percent when compared to the 6.7 percent of negative growth recorded in the same quarter in the year 2022.

The expansion in the agricultural activities were mainly driven by ‘Growing of cereals’ (33.2 percent), ‘Marine fishing and marine aquaculture’ (27.5 percent), ‘Growing of rice’ (23.2 percent), ‘Agricultural supporting activities’ (20.9 percent), ‘Animal production’ (5.4 percent), ‘Growing of fruits’ (5.4 percent), ‘Growing of coffee, cocoa and other beverage crops’ (3.8 percent), ‘Growing of vegetables’ (3.2 percent) and ‘Growing of sugarcane’ (3.1 percent). However, some agricultural economic activities such as ‘Plant propagation’ (36.8 percent), ‘Forestry and logging’ (30.7 percent), ‘Fresh water fishing and fresh water aquaculture’ (10.3 percent), ‘Growing of oleaginous fruits’ (6.1 percent), ‘Growing of other perennial crops’ (3.9 percent), ‘Growing of spices’ (3.6 percent), ‘Growing of rubber’ (2.8 percent), and ‘Growing of tea (1.4 percent) have recorded negative growth rates in this quarter.

Performance in Industrial Activities

During the third quarter of year 2023, the overall industrial activities have reported an expansion of 0.3 percent compared to the 21.3 percent negative growth rate reported in the same quarter in the year 2022.

Among the ‘Industrial activities’, the ‘Construction’ activity has recorded negative growth rate of 5.5 percent while ‘Mining and quarrying’ activity has expanded slightly by 0.7 percent during this quarter. The overall manufacturing industry has grown by 2.1 percent during this quarter. Some manufacturing activities have reported expansions in this quarter with respect to the same quarter of the year 2022 including ‘Manufacture of coke and refined petroleum products’(168.6 percent), ‘Manufacture of basic metal and fabricated metal products’ (29.9 percent), ‘Manufacture of furniture’ (28.7 percent), ‘Manufacture of other non-metallic mineral products’ (17.5 percent), ‘Manufacture of food, beverages and tobacco products’ (11.8 percent) and ‘Manufacture of chemical products and basic pharmaceutical products’ (4.2 percent).

However, manufacturing activities such as ‘Manufacture of wood and wood products’ (19.0 percent), ‘Other manufacturing and repair and installation of machinery and equipment’ (18.9 percent), ‘Manufacture of rubber and

plastic products' (16.5 percent), 'Manufacture of textiles, wearing apparel, leather and other related products' (10.1 percent), 'Manufacture of machinery and equipment' (11.4 percent) and 'Manufacture of paper and paper products' (1.5 percent) have recorded declines in this quarter compared to the third quarter of the year 2022.

The 'Electricity, gas, steam and air conditioning supply' and 'Water collection, treatment and supply' activities have recorded expansions by 4.2 percent and 11.9 percent respectively in this quarter.

Performance in Services Activities

In the third quarter of the year 2023, the performance of the service sector has also expanded by 1.3 percent when compared to 4.2 percent shrinkage reported in the same quarter of year 2022.

According to the quarterly review of this quarter, 'Financial service activities' has reported 0.5 percent decline while 'Insurance services' have reported 29.6 percent positive growth. Further, 'Accommodation, food and beverage serving activities' (34.9 percent), 'Programming and broadcasting activities' (10.9 percent), 'Transportation of goods and passengers including warehousing' (5.7 percent), 'Postal and courier services' (3.3 percent), 'Professional services' (1.9 percent), 'Educational services' (1.8 percent), 'Human health services' (1.0 percent), 'Wholesale and retail trade' (0.9 percent) and 'Other personal services' (0.6 percent) have reported considerable positive growth rates during this quarter.

Moreover, activities such as 'IT programming consultancy and related activities' (20.1 percent), 'Real estate activities and ownership of dwelling' (5.7 percent) and 'Telecommunication' (2.6 percent) have reported negative growth rates during the third quarter of 2023.


According to the DCS, detailed information of GDP estimates for the third quarter of 2023 has been published in the DCS website: <http://www.statistics.gov.lk/NationalAccounts/StaticalInformation/GDP2015>



P.M.P. Anura Kumara,
Director General

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"To be the leader in the region in producing timely statistical information to achieve the country's development goals."

 **Department of Census & Statistics,**
Sankyana Mandiraya
No. 306/71, Polduwa
Road, Battaramulla

 info@statistics.gov.lk
 +94 11 2147000
 +94 11 2147011
 statistics.gov.lk

The Mission of DCS

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This publication is produced by the National Accounts Division
 **3rd floor, Department of Census and Statistics**
 National.accounts@statistics.gov.lk
 +94 112147071  +94 112877938