

ECONOMY OF SRI LANKA

PERFORMANCE

IN THE FIRST HALF OF 1992

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General Trends

The drop in the rate of growth from 6.4% in 1990 to 4.2% in 1991 was a major setback to the economic reform process that is underway. Growth of the agricultural sector was down to 2.9% in 1991 from 8.5% in 1990 mainly due to a slow growth of its sub sectors. The registered decline of growth in the sub sectors are as follows: (Table I)

Table I
Growth of the Agricultural Sector 1990 & 1991

	1990	1991
Tea	12.6%	3.2%
Rubber	3.0%	-8.8%
Coconut	1.6%	-13.3%
Paddy	21.3%	-1.2%

Further, Mining and Quarrying dropped to -10.0% from 9.1% and Manufacturing dropped to 6.9% from 9.5%. "Agricultural Forestry and Fishing" and "Services" recorded positive growth rates in 1991 compared to 1990, from 5.2% to 8.0% and 4.3% to 6.1% respectively. The deficit trade went up -725 ('91) from -518 ('90). So did Current Account balance -375 ('91) from -192 ('90). The budget deficit in 1991 was -11.6% of the GDP compared to -9.9% of the GDP in 1990. A significant drop in the rate of inflation to 12% from the abnominal highs of 21% in 1990 and an increase in the growth of export

earnings from non traditional, brought some relief to the economy.

High Lights of the Economy during 1st half of 1992

The policy changes in the first half of the year 1992 reflects the government's commitment to activate further liberalisation and to get the private sector, to act as the engine of growth.

Some of the major policy changes undertaken to achieve this objective were: (a) Abolition of wealth tax, (b) Reduction of withholding tax from 20% to 15%, and corporate tax from 50% to 45%, (c) Reduction of maximum marginal rate of personnel income tax from 40% to 35% and the increase of tax free allowance for various purposes required by the private sector.

Government also declared the year 1992 as the year of exports and incentives are being provided for the export oriented industries infrastructure development projects.

Furthermore, a package of incentives were declared for export oriented industries established in areas outside Colombo city in order to provide employment opportunities to the rural youth in their native areas.

According to the budget for 1992, the deficit of Rs. 39,010 million (before grants) was expected to be financed by non-inflationary measures as in the previous year. The decrease in the rate of inflation is believed to be a result of this policy (for example restriction of government borrowing from the banking sector and reduction in government money supply).

The financing of the budget deficit through sale of treasury bills by the government has also helped to mop up excess liquidity in the economy, thus curbing the inflation still further. However, high rates of interest paid by the government in order to encourage investment in treasury bills has pushed up the entire interest structure which can fuel inflation in the short term.

Another important policy move during the period under review was the handing over of the management of a number of tea estates (hitherto controlled Janatha Estate Development Board (JEDB) and Sir Lanka State Plantations Corporation (SLSPC) to the private sector. As a result the management of 449 out of about 500 estates were handed over to 22 private companies.

Cost of Living / Inflation

The increase in the Colombo Consumer Price Index (CCPI) recorded a 10.8% increase during the period of January to June 1992. This is an improvement in comparison to the 12.2% rate of increase of the COL in 1991. If the economy can maintain its monetary activities at the present level of operation during the next 6 months, inflation may not be a major issue affecting the economic performance in the year 1992.

Table II indicates the Cost of Living Index for the two periods.

The salient feature is that, while in 1991 COL Index increased continuously, in 1992 it fluctuated.

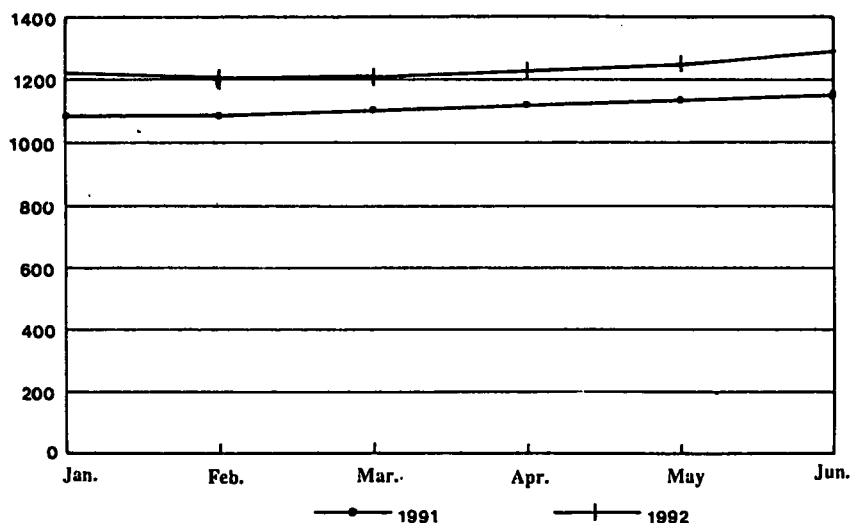
The drop recorded in the Cost of living Index during the months of February, and March of 1992 can be the cause for the drop in average inflation in the period under review.

Table II
Cost of Living Index (1952=100)

	1991	1992	% change
January	1082.0	1213.4	+12.1
February	1083.1	1199.3	+10.7
March	1102.3	1207.0	+09.4
April	1114.2	1224.4	+09.9
May	1129.4	1245.1	+10.2
June	1146.2	1289.2	+12.5
Monthly average	1142.2	1265.5	+10.8

Source: Central Bank of Sri Lanka

THE COST OF LIVING INDEX



The increase in government defence levy, fuel adjustment charges and continued depreciation of the rupee against international currencies, the increase in world market price of our imports are among the major factors which contributed to the increase in the cost of living.

Wage Rate Index

The wage rate index of 559.7 and real wage rate was 111.7 at the end of February 1992 (Dec. 1978=100) compared to 490.4

and 108.3 in the same period of the previous year. This is equivalent to a further 2% decrease in the real wage. The Government Employees Nominal Wage Rate Index for March 1991 was at 557.6 while the real wage rate index was at 110.5. This means that the value of real wage of government employees was only 19.8% of the nominal wage (1978=100). This recorded a further 1.7% drop compared to the same month in the previous year.

Money Supply

The narrow money supply (M1) consisting of currency and demand deposits held by the public registered an increase of 14.8% in the first five months of 1992 against the first five months of the previous year. The quasi money, consisting of time and saving deposits held by Commercial Banks has recorded a significant increase of 32.6%. The Broad Money Supply (M2) consisting of both M1 and quasi money rose by 24.7% which slightly exceeds the annual increase of 23% in 1991.

The decrease in M1 and increase in quasi money means that the money held by the public for transactional purposes (or day to day expenses) has gone down, while savings in Commercial Banks has increased. This will be conducive for the creation of a healthy economic situation – because the decrease in M1 will cause a reduction in the demand for goods and services and thereby lessens the inflationary pressures. On the other hand, the increase in time and saving deposits will help Commercial Banks to increase their financing for public and private sector investment requirements.

The unchanging situation in the total money supply (M2) by the Central Bank (Table III) would also be effective in controlling inflation.

Exchange Rate Movements

During the period under review the Sri Lanka rupee depreciated against all major foreign currencies. The registered depreciations were 5.6% against US Dollar, 12.2%, against Sterling Pound, 14.6%, against Deutsche Mark 13.2% against Japanese Yen and 5.9% against SDR. The highest depreciation was recorded against Deutsche Mark and Sterling Pound. Table IV demonstrates the average depreciation of Sri Lanka rupee against some major currencies during the first half of years 1991 and 1992.

The continuous depreciation of Sri Lanka rupee against all major currencies caused the rapid increase of national price level. However, it is a boost for exporters as their rupee income will go up. Table IV indicates the recorded exchange rate movement of the Sri Lankan rupee.

This situation could exacerbate further during the second half of 1992 as the World

Table III
Money Supply (Rs. Million)

	Narrow Money Supply (M1) by Comm. Banks		Time & Savings Deposits held		Broad Money Supply M2 (1) +(2)	
	1991	1992	1991	1992	1991	1992
Jan	39,912.6	44,839.8	50,248.7	67,534.3	90,161.3	11,2367.1
Feb.	40,415.7	46,127.6	50,450.8	67,444.3	90,866.5	11,3591.9
Mar.	41,875.5	48,312.0	51,938.7	67,881.1	93,814.2	11,6193.1
Apr.	41,411.2	48,492.4	52,880.9	70,217.8	94,292.1	11,8710.2
May.	41,189.9	47,304.5	54,127.2	71,093.6	95,317.2	11,8398.1
Monthly Avg.	40,961.0	47,013.9	51,929.3	68,834.2	92,890.3	11,5852.1
% Incr.		14.8%		32.6%		24.7%

Source: Central Bank of Sri Lanka

Table IV
Exchange Rate Movement - first 6 months average (1991&1992)
(Rates in Rs. per year)

Year	US Dollar	Sterling Pound	Deutsche Mark	Japanese Yen	SDR
1991	40.91	68.98	23.35	0.295	56.61
1992	43.25	77.37	26.77	0.334	59.94
% Increase over previous half year	+5.6	+12.2	+14.6	+13.2	+5.9

Table V
The Crop share of three elevational categories

	1991 Jan-June	1992 Jan-June
High grown	34%	32%
Medium grown	22%	22%
Low grown	44%	46%

Bank is pressing us to devalue the Sri Lanka rupee still further.

External Trade

Data for the first three months of 1992 reveal that the country's imports have re-

corded a 16.9% rise to reach to Rs. 32,025.9 million compared to Rs. 27,407.4 million for the same period in the previous year. In SDR terms imports rose by 57.9 million or 11.9% compared to the same period last year. This is a relative improvement when compared to

the 13% increase of imports in 1991 against 1990. Textiles and allied products remained at 24.3% (Rs. 7,767.7 million) at the top of all imports while machinery and equipment took the second place at 12% (Rs. 3,833.4 million). These two sectors recorded an increase of 24.3% and 12% respectively, during the three month period under consideration in comparison to the same period of last year.

Available data for the first three months of 1992 record the value of exports as Rs. 24,737.6 million or SDR 420.7 million. The total exports for the first three months in 1991 was Rs. 6,846.9 million or SDR 365.2 million. Therefore exports have increased by SDR 55.5 million or 15.2% between these two periods. The increase in the export of non traditional products was the main contributor for this improvement.

External trade as a whole, during the period under review registered an increase of 6.5% or SDR 7.9 million. In absolute terms the balance of trade deficit during this period was Rs. 7,288.3 million (SDR 129.5 million) against Rs. 6,846.9 million (SDR 121.6 million) in 1991.

Tea

The total tea production of the first half of 1992 was only 85.5 million kgs against 126.9 million kgs for the same period in 1991 ie. a decrease of 32.6%.

The fall in production of tea grown at different elevations show that the highest fall was in low grown.

High grown tea showed a crop deficit of 11.5 million kgs, or 28.4% fall, while Mid grown showed a crop deficit of 8.9 million kgs, or 31.8% decrease. Low grown showed a deficit of 21.2 million kgs ie. a fall of 36.3%. Table V indicates the crop share of three elevational categories.

The drought experienced during the first half of 1992 could be identified as the main reason for this drastic drop of production. The total export earnings from tea during the first three months in 1992 also dropped by 28% to SDR 58 mn. (Rs. 3,421 mn) in comparison to the same period in 1991. The average tea production of major tea producing and exporting countries are given in the table VI.

Table VI indicates that the drop of tea production in the first half of 1992, was a

Table VI
Tea productions in major tea exporting countries. (Mn. Kgs.)

Country	Period	1992	1991
Sri Lanka	upto June	85.5	126.9
Kenya	upto May	76.8	87.5
Malawi	do	21.8	26.2
N. India	do	97.7	103.6
S. India	do	54.1	76.8
Zimbabwe	do	6.0	10.0
Bangladesh	do	9.1	8.6
Uganda	do	2.0	2.9

Source: John Keels Ltd.

Table VII
Exports of Coconut Products

	Volume (MT)			Value Rs. Million		
	1991	1992	% change	1991	1992	% change
Kernal Products	89.50	104.45	+16.0	408.33	696.25	+70
Fibre Products	16,634.00	17,387.00	- 04.0	139.12	174.70	+21
Shell Products	7,084.00	7,095.00	+0.1	161.77	207.11	+28
Total value of all products	-	-	-	738.53	1,119.75	+52

Source: Coconut Development Authority

Table VIII
Tourist Arrivals

	1991	1992	% Increase
January	28,932	35,730	23.5
February	28,080	38,859	38.4
March	27,153	33,399	23.0
April	20,541	28,410	38.3
May	17,745	21,024	18.5
June	17,394	23,157	33.1
Total:	13,9845	18,0579	29.1

Source: Ceylon Tourist Board

global phenomena. But the 32.6% drop in Sri Lanka's tea production, is the highest and is due to specific conditions present in our country.

Coconut

In 1991 coconut production fell sharply

to 2,184 million nuts in comparison to 1990 production of 2532 million nuts (a decrease of 14%). But during the first quarter of 1992, it registered a 6% increase to 599 million nuts from 561 million nuts for the same period in 1991. The desiccated coconut and coconut oil production rose by 40 percent

and 14 percent respectively during the same period.

The total exports of kernal production which includes 5 varieties such as oil, desiccated, copra, fresh nuts, poonac and cream has recorded a 16% increase to 104.45 metric tons during the first quarter of 1992. The registered increase in value term was 70% or Rs. 696.25 million. The highest increase of 16% from Rs. 0.09 million to Rs. 14.55 million was recorded in export of coconut oil. In volume terms, coconut oil export increased to 297 metric tons from 5 million metric tons from the same period in 1991.

The total value of exports of coconut fibre products recorded a 21% increase while coconut by-products recorded a 28% increase, in comparison to the first three months of 1991.

Accordingly the total value of coconut production in the first quarter of 1992 recorded an increase of 52% from Rs. 738.53 million to Rs. 1,119.75 million in comparison to the same period of 1991. Table VII shows volumes and values of coconut products.

Rubber

In the first three months of 1992 rubber production recorded a 7.6% increase to 28,136 metric tons from 26,146 metric tons for the same period in 1991. The total rubber exports during the first three months in 1992 was 25,414 metric tons and total local consumption was 6,909 metric tons. The recorded increase of exports and local consumption was 16.0% and 19.9% respectively.

The increase in the local consumption can be regarded as a positive development because it indicates that more rubber is being used as raw material in local industries rather than being exported as a primary product.

The export prices for rubber in the international market was stable during the year 1991, while by mid 1992 prices have shown an appreciating trend.

Tourism

The tourist industry recovered considerably during 1991 and this trend continued during the first half of 1992. Table VIII provides the data on tourist arrivals in Sri Lanka for the period under review and the corresponding period in 1991.

Table IX
Stock Market Trading Turnover

	Monthly Turnover Rs. Million		Daily Turnover Rs. Million	
	1991	1992	1991	1992
January	69.3	870.5	3.5	41.5
February	75.2	387.7	4.2	21.5
March	161.1	519.0	8.5	24.7
April	462.7	437.8	23.1	25.8
May	448.3	517.9	23.6	28.8
June	397.0	413.5	20.9	18.8
Total for 6 months	1613.6	3147.3		

Source: Colombo Stock Exchange

Table X
Stock Market Trading Volumes (No.)

	Number of Shares (‘000)		Number of Transactions (No)	
	1991	1992	1991	1992
January	1,076	12,884	2,063	12,913
February	1,578	6,504	2,261	7,290
March	3,178	8,069	3,888	9,044
April	6,799	5,481	4,340	7,783
May	8,506	8,615	6,332	9,355
June	5,344	6,608	7,547	9,970

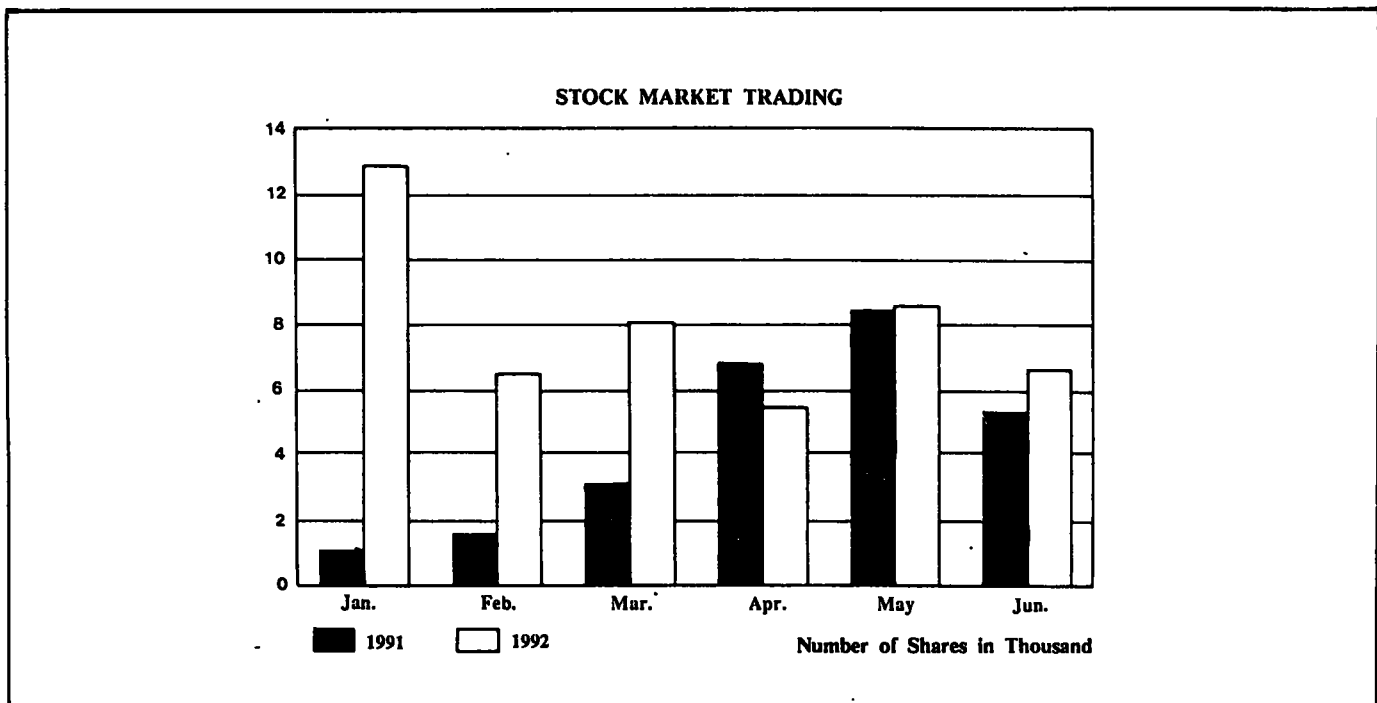
Source: Colombo Stock Exchange

Table VIII shows that tourist arrivals during this period has recorded an average 29.1% increase, while in February and April, it has recorded a very significant 38% increase. Most of the tourist arrivals, as in the previous years, were from Western European countries (66.4% of total arrivals compared to 57% and 60% in the first half of 1990 and 1991).

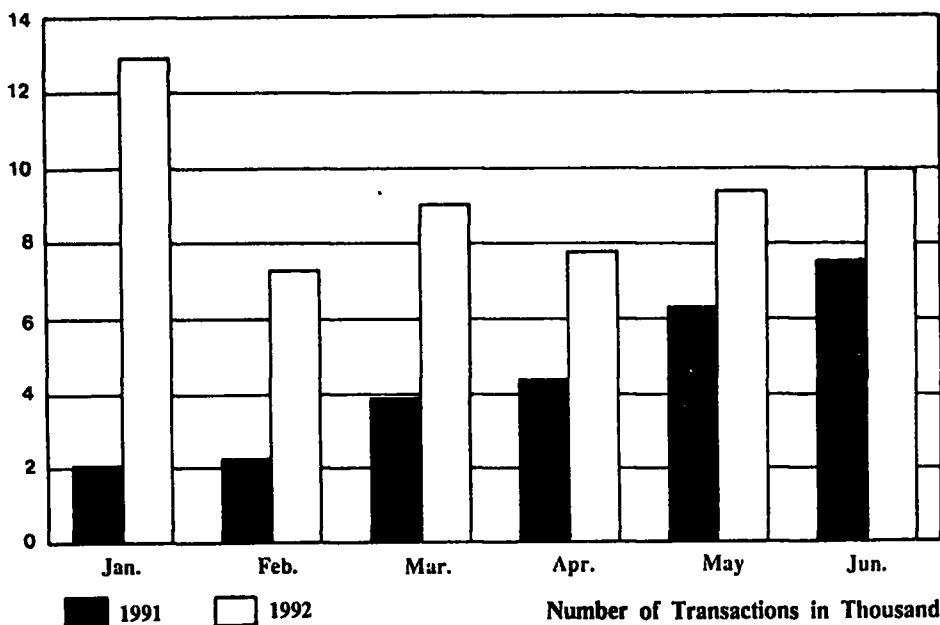
Stock Market

The trading activities during the six month period of 1992 compared to the same period in the previous year has recorded a sharp upsurge. The turnover increased from Rs. 1,538.4 million in 1991 to Rs. 3,147.3 million in 1992 (by 104.6%). The daily turnover has increased to Rs. 41.5 million (first half of '92) from Rs. 23.6 million (first half of 1991). The number of shares traded also registered a record increase of 81.9% from 26.5 million to 48.2 million during the same period. The table IX & X give detailed information regarding the share market activities in Sri Lanka during the first half of '91 and '92.

There are 185 companies and fifteen share brokering firms listed in the stock market. A study of the sectoral distribution of companies registered demonstrate that the service sector companies (such as the Banks, Finance & Insurance, beverages, food & tobacco, Hotel and Travel) dominate the share



STOCK MARKET TRADING



market. This indicates that the major investors are not very interested in the manufacturing sector. This has to be corrected and the interest of the investors should be diverted towards the manufacturing sector in order to ensure balanced economic development.

There has been a significant increase in stock market operations during the first half of this year compared to last year. This can be identified as partly due to speculations in the stock market in addition to increase in new bidders in the market. Therefore this cannot be considered as a permanent phenomena. The general belief is that some stock prices are over priced as a result of speculation.

The reducing volume of monthly turnover as well as the daily turn over of the stock market (Table IX) recorded during the end of the first half of 1992 could have happened due to this reason. The number of shares dropped from 12,884 thousand to 6,608 thousand by almost half (49%) during January to May 1992, while the monthly turnover dropped from Rs. 870.5 million to Rs. 413.5 million. The recorded drop in daily turnover was 55%. Two clear factors can be identified as responsible for this decline.

OPENING OF NEW BANK BRANCHES

Month	Name of the Bank	Place
Jan. 1992	Commercial Bank of Cey. Ltd. People's Bank People's Bank	Pettah Kesbewa Kottawa
Feb. 1992	Regional Rural Dev. Bank (RRDB) Bank of Ceylon Commercial Bank of Cey. Ltd. Standard Chartered Bank National Savings Bank	Amparai Dis. Koggala FTZ Wennapuwa Wellawatte Mahabage
March 1992	Public Bank Berha Incorporated in Malaysia People's Bank Seylan Bank Ltd. Regional Rural Development Bank	Colombo Koggala FTZ Ja-ela
Apr. 1992	Hongkong & Shanghai Banking Corp. Ltd. 6 RRDP Branches	Kandy
May 1992	Hatton National Bank Ltd. Hatton National Bank Ltd. Seylan Bank Ltd.	Kirulapone Dehiatakandiya with its mobile banking centre at Manampitiya
Apr. 1992	Sampath Bank Ltd.	Maharagama
Apr. 1992	People's Bank	Colombo 11

(1) Overheating of the market. The market prices of some of the shares increased to a high level above the true value of the share capital owing to speculation. After climbing to the maximum now it has started to come down.

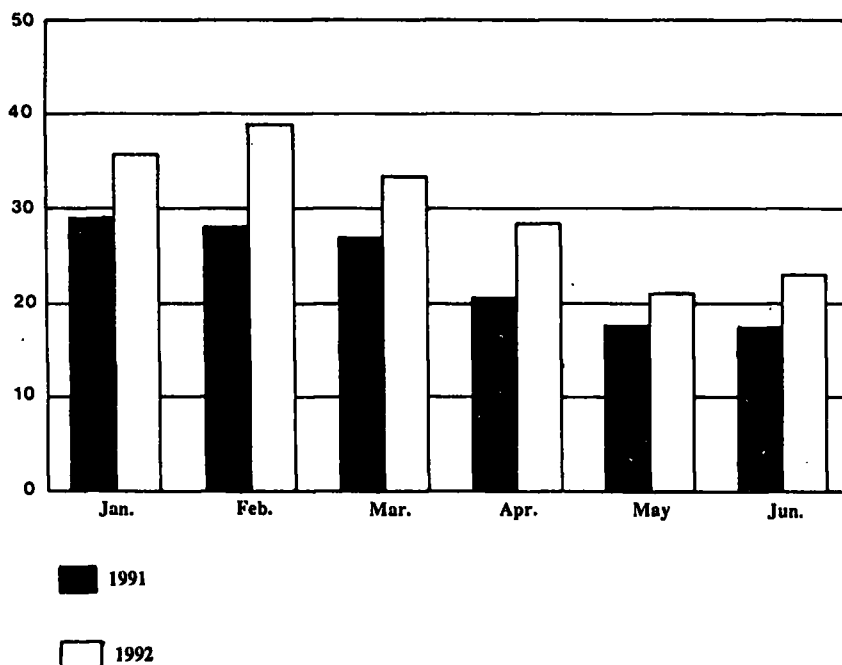
(2) Absorption of secondary market money by newly issued shares, after the Ceylon Oxygen experience. (The newly issued share prices of Ceylon Oxygen increased very sharply a few months after they were issued.)

Industrial Sector

The increase in the value of industrial output (estimated) in real terms was 10% in 1991. The private sector industries recorded an overall increase of 14% while public sector industries recorded a decline of 8%. However, the major contributions in industrial production was made by the government manufacturing sector and petroleum products.

In the 4 month period upto the end of April 1992, the output of public sector in real terms showed an increase of 24% compared to the corresponding period in 1991. The

TOURIST ARRIVALS



main contributor for this increase was the Petroleum Corporation. The value of exports of selected industrial products in SDR terms increased by 34% during this period, compared to the same period of the previous year.

Table XI
Public Sector Major Industrial
Output Index

(1977 Jan. - April = 100)

Category	1991	1992 ^(a)
All categories	93.05	115.34
Excluding Petroleum	70.09	66.59

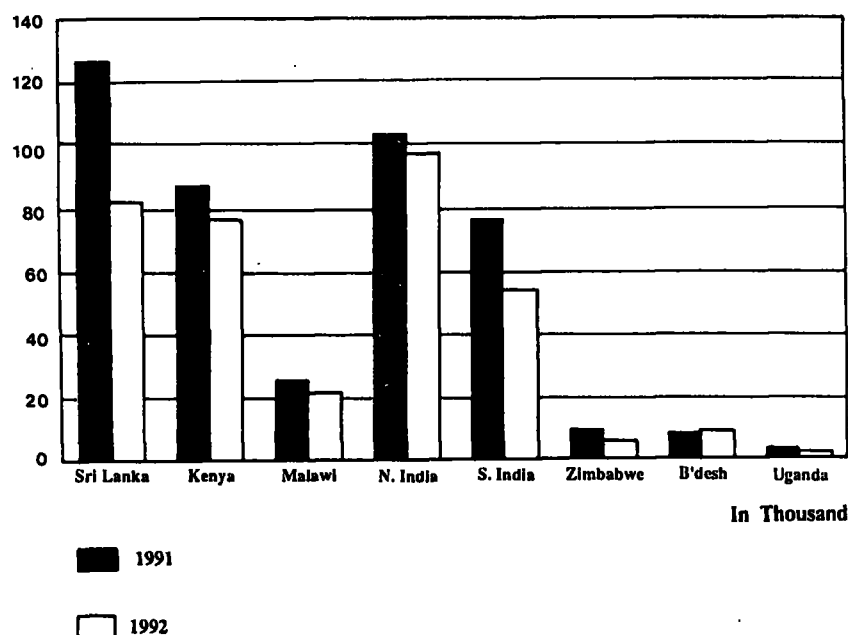
(a) Provisional

Source: Central Bank of Sri Lanka

Table XI will show that once petroleum products are excluded industrial sector shows a declining trend in 1992. The data with regard to the private sector is not available.

Though the government has declared a package of very generous incentives for private sector to invest in export oriented industries, there has not been a positive response except in the garment manufacturing industries. Most of the new ventures coming up are not new industries but subsidiaries of existing industrial companies who want benefit from the tax holidays and other incentives. They mostly produce household consumer items needed for the local market.

TEA PRODUCTION IN MAJOR TEA EXPORTING COUNTRIES
(Mn. Kgs.)



Banking
Refinance Facilities

The Central Bank refinance under category II of Export Credit Refinance Scheme was extended to cover publications, toiletries, personal accessories, kapok, furniture, fishing boats, chemicals, essential oils and extracts, household requisites, religious articles, cocoa fibre machinery and vegetable and flower seeds in January 1992.

Central Bank has approved a special refinance facility to commercial banks to cover their advances to seven Tea Brokering firms to be distributed amongst Tea Factory owners to maintain production and to pay arrears on accounts of green tea leaves supplied by small holders to tea factories in April.

Commercial Banks

The Seylan Bank Ltd. which managed the domestic banking operations of local branches of the Bank of Credit & Commerce International (BCCI) since July 1971 has been vested with the ownership of these

Table XII
GRANTS AGREEMENTS WITH DONOR COUNTRIES

Date	Country / Institution	Purpose	Amount
23.1.92	Govt. of Japan	Rehabilitation of Kirinda Fisheries Harbour	Jap. Yen 28 mn. (Rs. 10 mn.)
27.1.92	Govt. of Canada	Phase II of the "Localization of gem deposits" Research Project	Canadian D. 182,300 (Rs. 7 mn.)
27.2.92	Govt. Rep. of Germany	Technical Coop. "Study & export fund"	DM 1000000 (Rs. 26 mn)
28.2.92	Finnish Int. Dev. Agency	Phase II, Kandy water supply	Finnish Marks 35015 mn (Rs. 34 mn)
10.3.92	United State Agency for Int. Dev. (USAID) (PL 480-111 Progr.)	Import of M. Tons 193000 wheat	US\$ 45.9 (Rs. 1,975 mn)
23.3.92	Federal Rep. of Germany	To completion of Coastal Protection Project	DM 0.753 (Rs. 19 mn)
27.3.92	USAID	Mahaweli Agri. & Rural Dev. Project	US\$ 11000000
27.3.92	People's Rep. of China	Economic & Technical Cooperation	Renminbi Yuan 50 mn (Rs. 400 mn)
31.3.92	Japan	Part of Colombo extention GCEC Flood Control & Environment Project Upper Kothmale Hydro Power Project	Japanese Yen 33545 mn (Rs. 10957 million)
10.4.92	Govt. of Japan	Strengthen the Divisional Secretaries Division	J. Yen 622 m. (Rs. 201 m)
10.4.92	Govt. of Japan	Up-grade School Lab. facilities	Yen 426 million (Rs. 138 m)
29.4.92	USAID	Mahaweli Enterprise Development Project	US\$ 9600000
28.4.92	USAID	Dev. Studies & Training Project	US\$ 7550000
04.5.92	Govt. of UK	Sands Skipper Proj.	P. Sterling 0.068 MN (Rs. 5 mn)
21.5.92	Govt. of Sweden	IRDP of Matara & Badulla	Swedish 35.0 mn (Rs. 255 mn)
21.5.92	USAID	Agro Enterprise Project	US\$ 4.5 mn (Rs. 196 m)
28.5.92	USAID	Private Voluntary Organisation Confec. Project II	US\$ 11399196
28.5.92	USAID	Technology Initiative for Private Sector Project	US\$ 5734000
29.5.92	USAID	Agri Planning & Analysis Project	US\$ Dollars 5180000
28.5.92	Govt. of Japan	Kirindi Fisheries Harbour	Yen 2158.0 Mn (Rs. 731 m)
30.5.92	UNDP	Wildlife Conservation	US\$ 4 mn (Rs. 175 mn)
20.5.92	UNDP	Agri Planning & Analysing Project	US Dollars 1420000

branches. Accordingly, the number of commercial banks operating in the country decreased to 22 and the number of foreign banks to 16. Hatton National Bank Ltd. introduces a new Savings Scheme entitled "HNB saving Coupon Scheme" are 6 months, 12 months and 24 months with the face value ranging from Rs. 100 and 10,000.

Bank of Ceylon has introduced a credit scheme entitled "Chakreya Naya" (Revolving Credit) in February 1992. This credit scheme was designed to benefit the farming community permanently resident within the area of the Mahaweli Development Project. Under this scheme farmers do not have to repay one loan and obtain another loan every season. Loans upto Rs. 50,000/- will be granted to meet the expenses of input requirements for paddy and other crops.

The Public Bank incorporated in Malaysia opened a branch in Colombo increasing the total foreign banks operating in Sri Lanka to 17 and total number of commercial banks to 23.

In April Hatton National Bank Ltd. introduced a new savings scheme for minors. Under this scheme, Savings Accounts could be opened for minors with a minimum of Rs. 500/-.

Restructuring of State Banks

In the Budget of 1992 it was mentioned that the Bank of Ceylon and the People's Bank would be restructured and recapitalized. The government has decided to amend the People's Bank and the Bank of Ceylon Act to give operational autonomy to the two State Banks.

Therefore, the government announced that to comply the two banks with this requirement by the end of 1992, the Act of two banks will be amended with autonomy status.

DEBT SITUATION

The outstanding public domestic debt of Rs. 152,118.6 million at the end of 1991 declined to Rs. 149,722.2 million at the end of March 1992. This consisted of Rs. 69,366.4 million medium and long term debt, Rs. 80,355.8 million short term debt.

The foreign debt was to Rs. 210,969.3 million by the end of March 1992 and the total public debt was Rs. 360,691.5 million. This recorded a Rs. 6,006.2 million reduction from the total public debt by the end of 1991.

The foreign debt outstanding at the end of March 1992 consisted of Rs. 121,428.7 million of bilateral loans, Rs. 78,335.3 million of multilateral loans and Rs. 11,205.3 million of Commercial Bank loans.

A list of grant agreement signed by Sri Lanka with various donor countries and international agencies is given in Table XII.

TREASURY BILLS (TCs)

Central Bank has initiated action to appoint Accredited Primary Dealers to tender for Treasury Bills in the primary market with a view to developing and activating the secondary market. Accordingly with effect from March/April 1992 only those dealers will be permitted to tender for Treasury Bills and other applicants / investors should arrange with those dealers to purchase or sell Treasury Bills.

The outstanding Treasury Bills issued by the Government to the 21st May 1992 amounted to Rs. 75,967.7 million. The issue of new Treasury Bills during the period of 1st January 1992, to 21st May 1992 was Rs. 2,500 million which is equivalent to the issue of Treasury Bills during the same period of last year.

