

# Economic Review and Outlook

July 2025

Presented by, Saumya Amarasiriwardane  
Economic Intelligence Unit  
The Ceylon Chamber of Commerce



The  
Ceylon  
Chamber of  
Commerce

EIU

# EIU

Economic Intelligence Unit  
of The Ceylon Chamber  
of Commerce

## Make Better Informed Strategic Decisions.

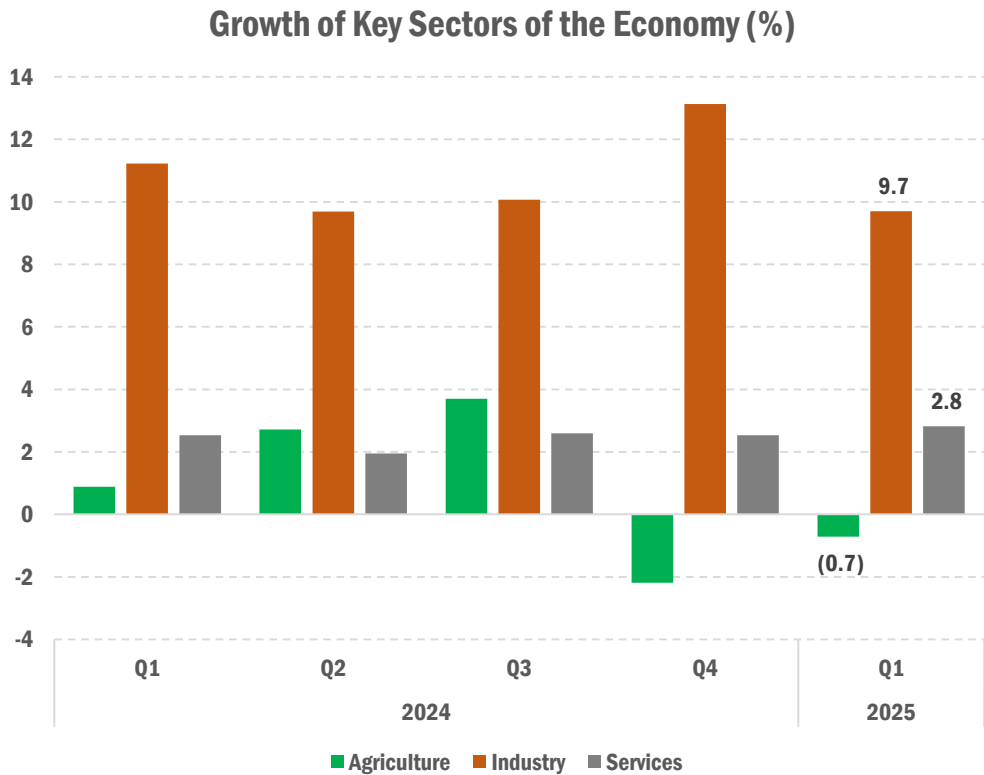
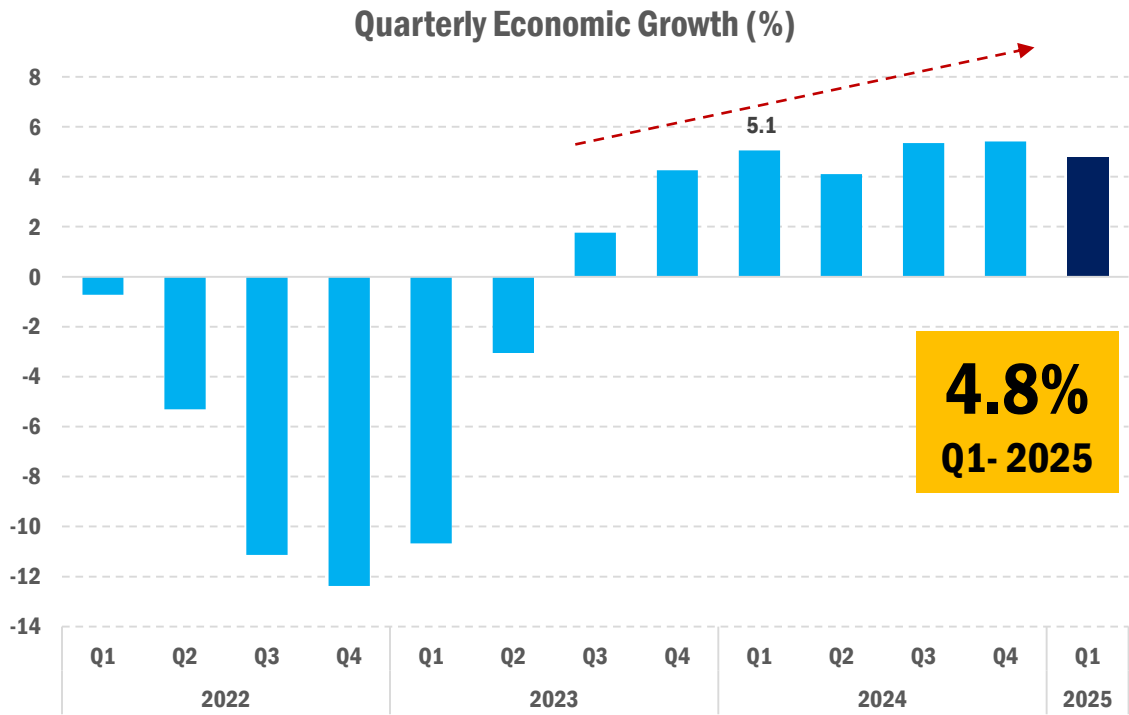
Leverage the wide business network of The Ceylon Chamber of Commerce to gain a more comprehensive understanding of the Sri Lankan economy.



## Our Services Include:

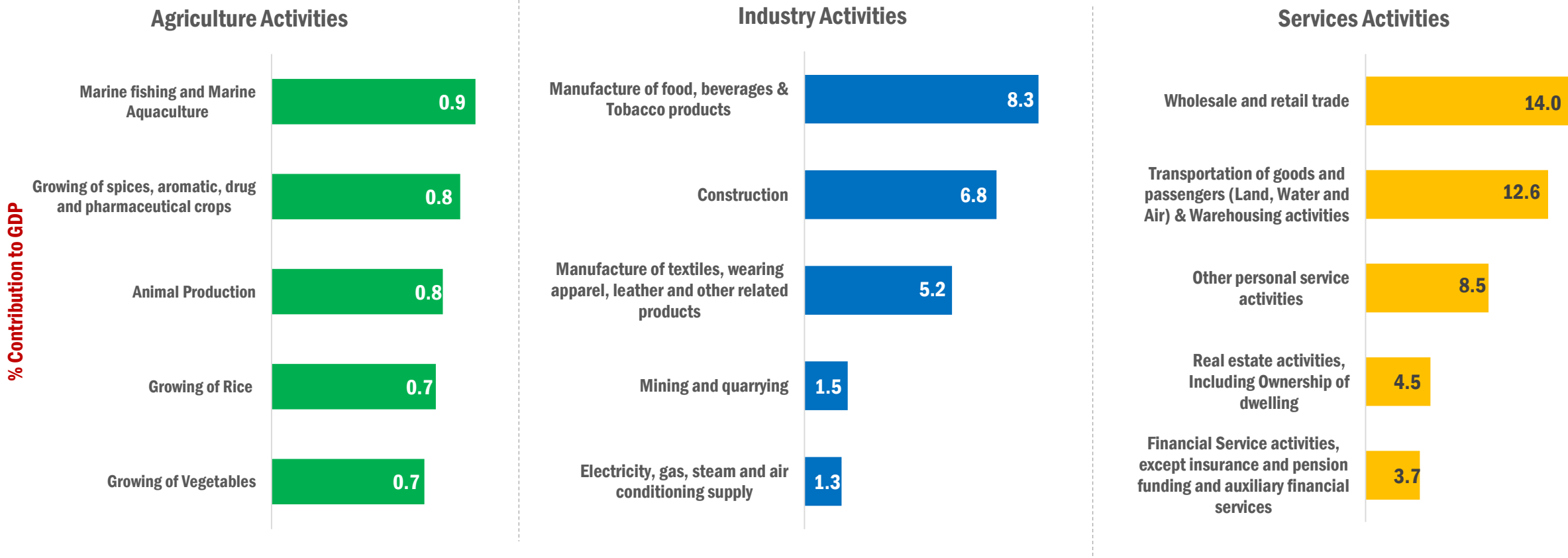
- ▶ Policy Advocacy
- ▶ Macroeconomic and Sector Reports/Presentations
- ▶ Curated Trade and Sector Data Analysis and Updates
- ▶ Bilateral / Regional Trade and Investment Reports
- ▶ Industry and Sector Surveys
- ▶ Consultancy for Donor/Development Agency Related Projects
- ▶ Economic Business Consultancy Services

# Summary of the Economy



Data Sources: Department of Census and Statistics

Top 5 Activities with the Highest Contribution to GDP by Economic Sector: Q1-2025



Data Sources: Department of Census and Statistics



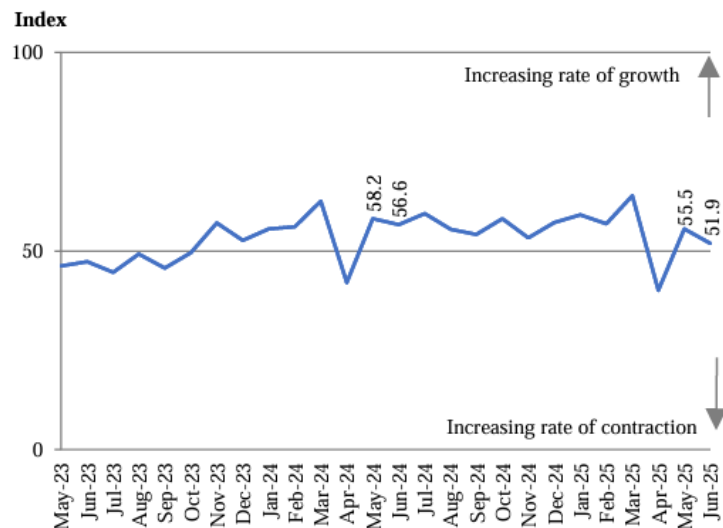
# GROWTH

## Movements of the Purchasing Managers' Index

**PMI**  
**Manufacturing**  
**June 2025**

**51.9**

PMI - Manufacturing

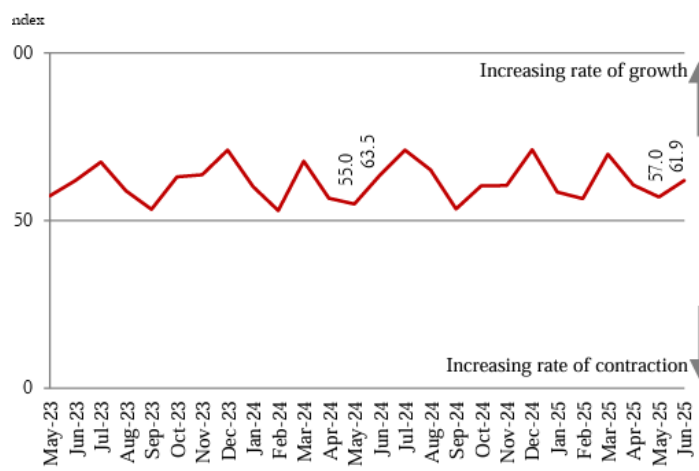


Source: Central Bank of Sri Lanka

**PMI**  
**Services**  
**Business Activity Index**  
**June 2025**

**61.9**

PMI - Services (Business Activity Index)

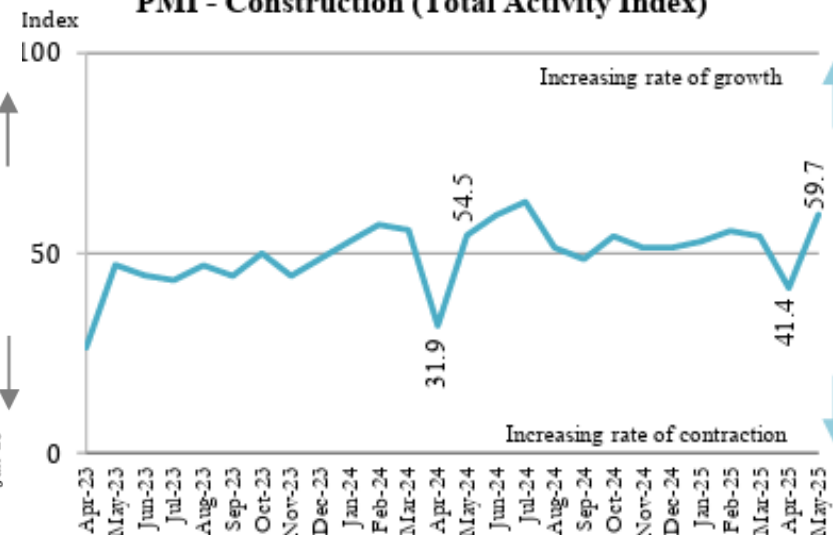





Source: Central Bank of Sri Lanka

**PMI**  
**Construction**  
**Total Activity Index**  
**May 2025**

**59.7**

PMI - Construction (Total Activity Index)



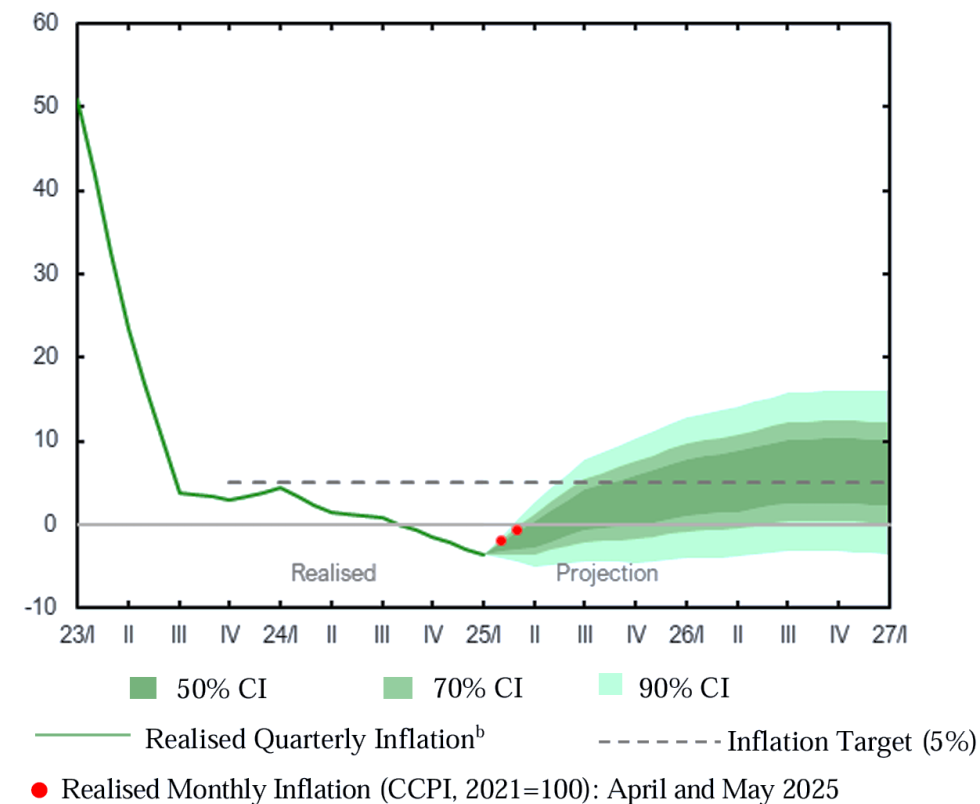
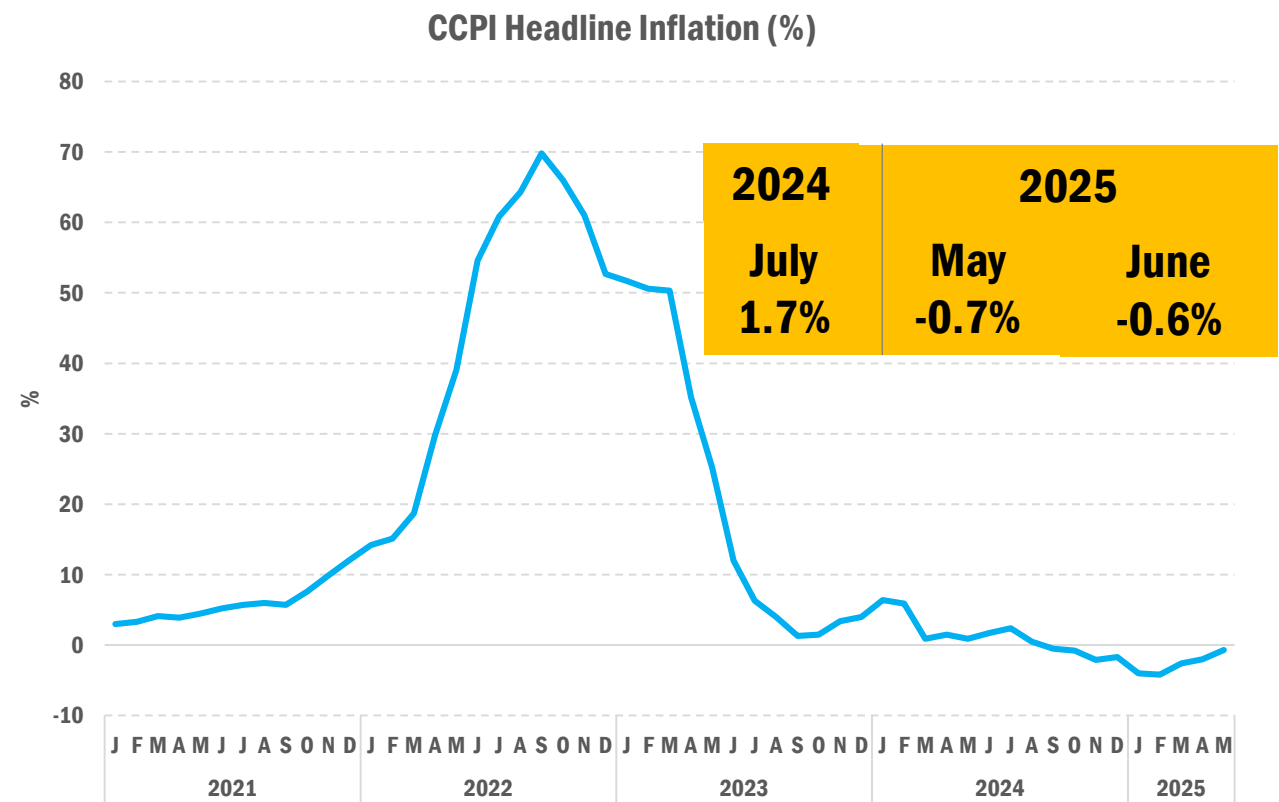
Latest Growth Projections for Sri Lanka	2025	2026
	3.5%	3.1%
	3.0%	3.0%
	3.9%	3.4%

### Risks to the Growth Outlook

- US Tariffs on Exports
- Israel- Iran Conflict
- Volatility of Global Commodity Prices
- Delays in Policy Reforms

# INFLATION

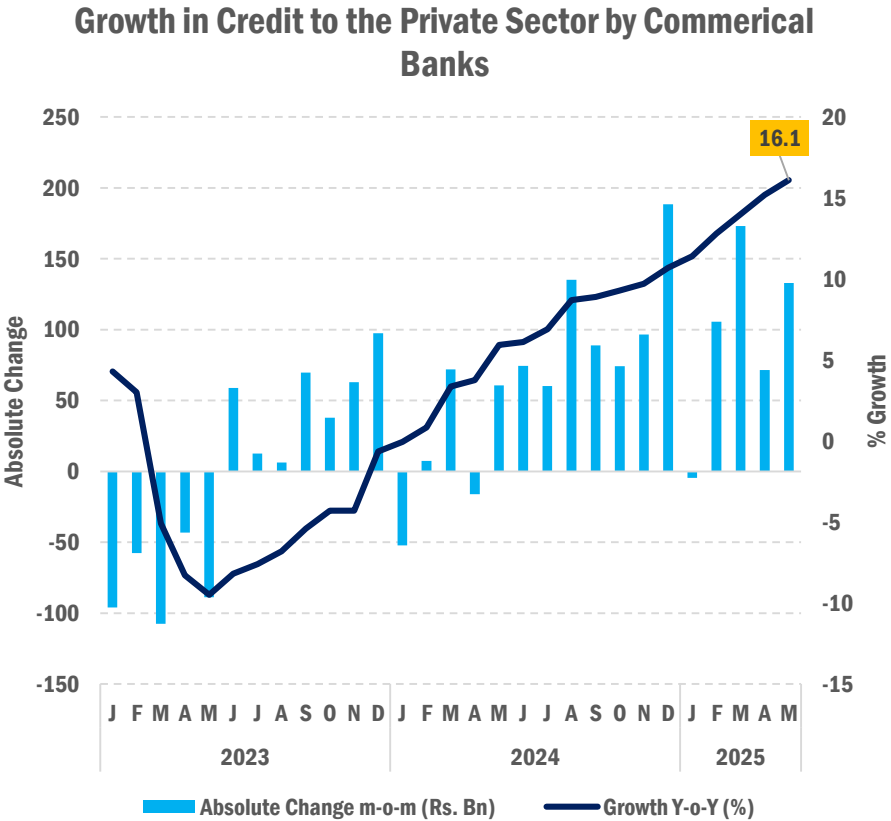
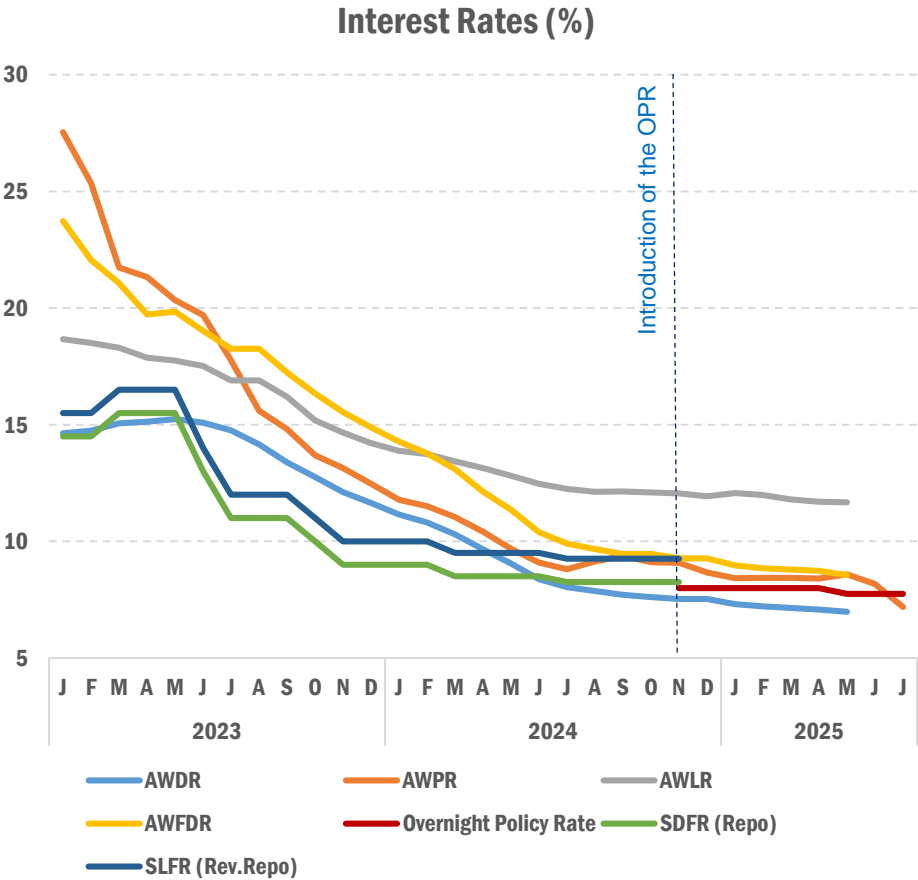
Inflation is Improving



Data Sources: Department of Census and Statistics



# INTEREST RATES



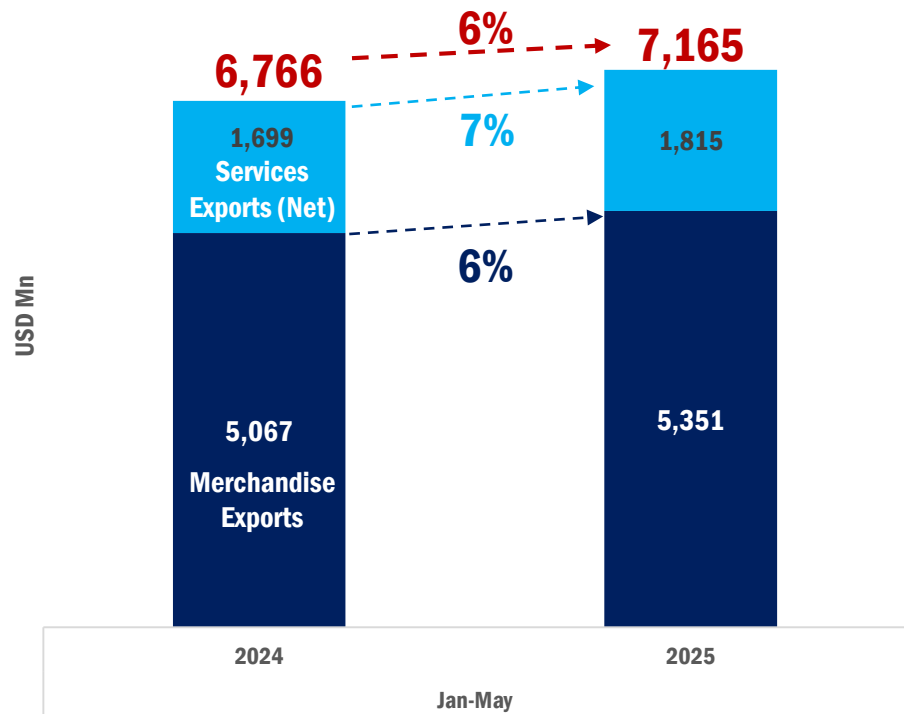
Share of Outstanding Private Sector Credit- 1Q 2025

Agriculture: 9%  
Industry: 39%  
Services: 38%  
Personal Loans and Advances: 24%

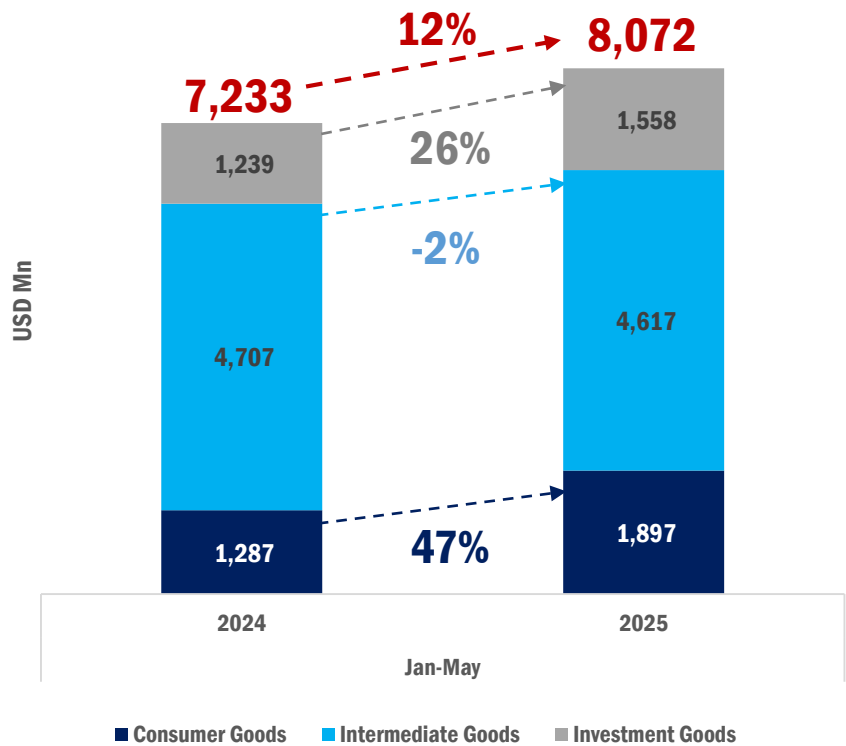
Data Source: Central Bank of Sri Lanka

# EXTERNAL SECTOR

Total Exports (Jan-May)



Total Imports (Jan-May)



Trade Deficit  
(Jan-May)

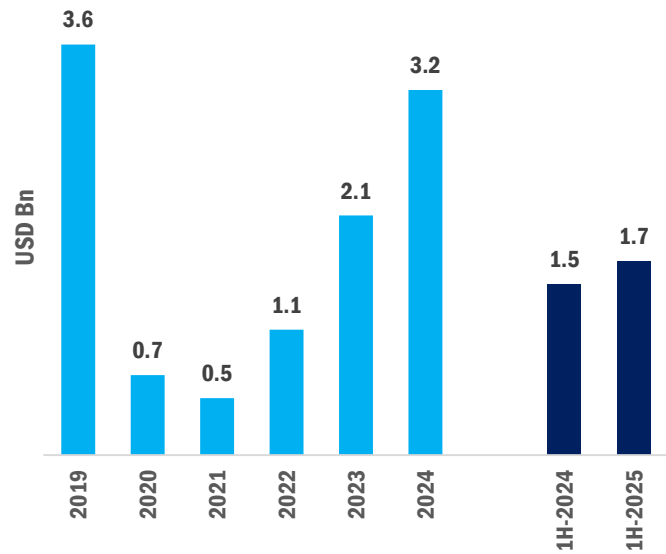
↑ 26%

2025: USD 2,730 Mn  
2024: USD 2,170 Mn

Data Source: Central Bank of Sri Lanka

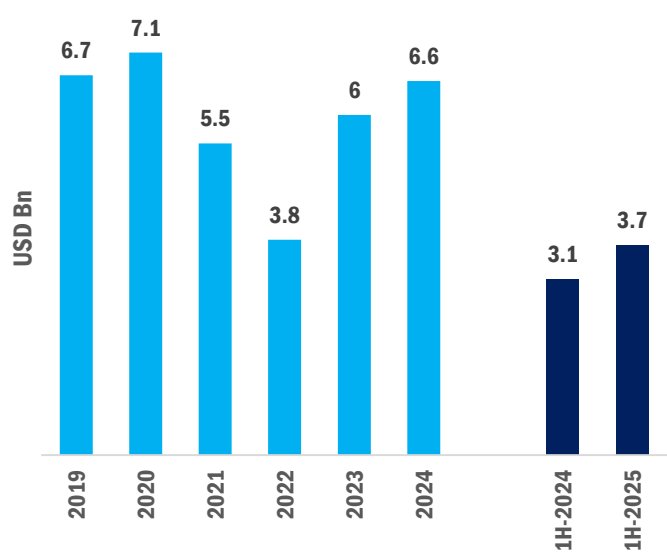
# EXTERNAL SECTOR

Tourism Earnings



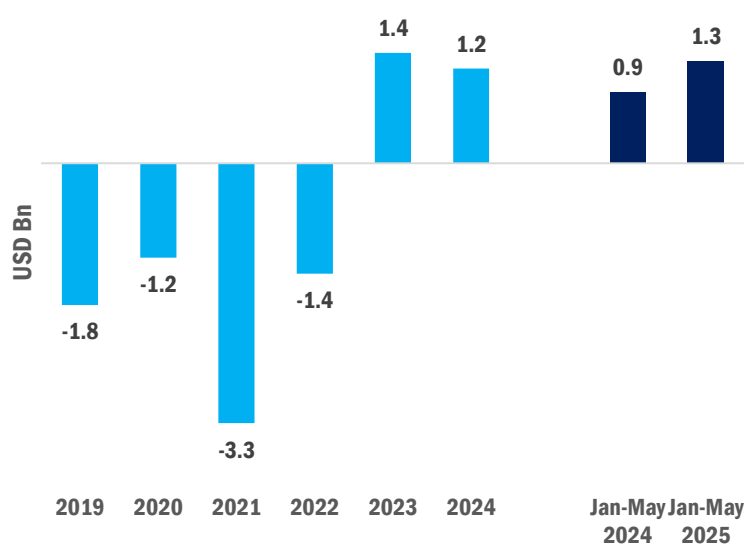
Arrivals: 1H 2025: 1.16 Mn  
15.6% Growth y-o-y

Workers' Remittances



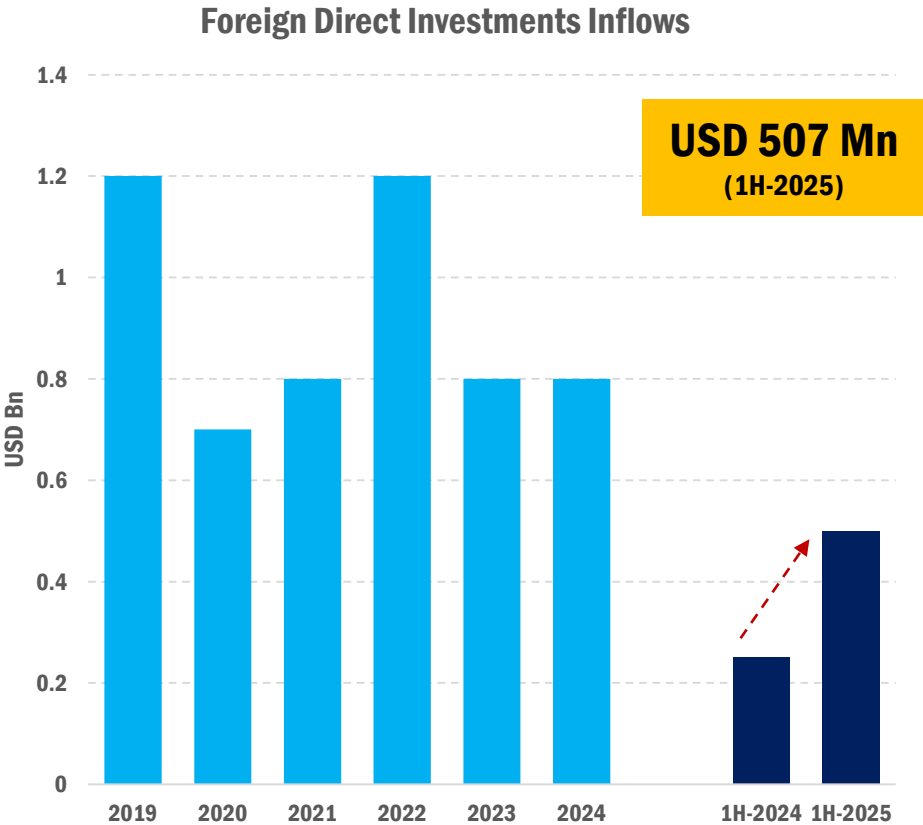
1H-2025: 18.9% Growth y-o-y

Current Account Balance

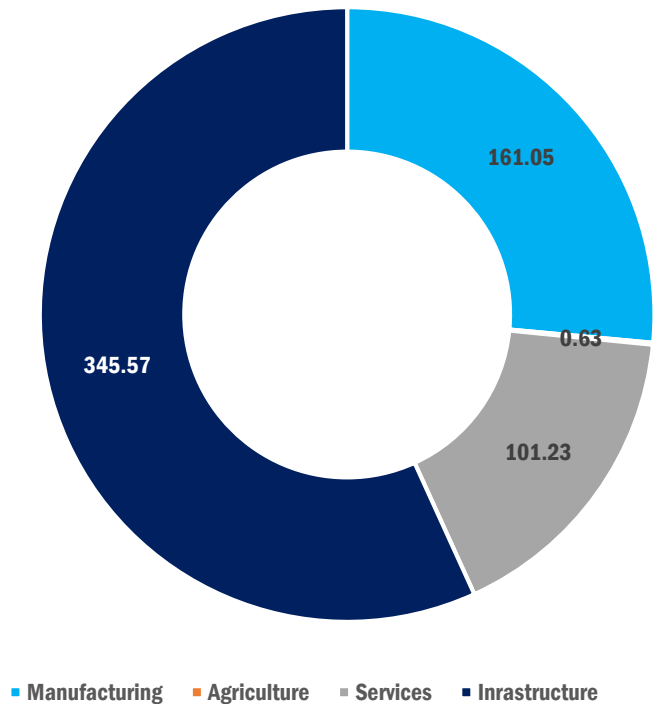


Data Source: Central Bank of Sri Lanka

# EXTERNAL SECTOR



Sector-wise FDI Inflows-1H: 2025

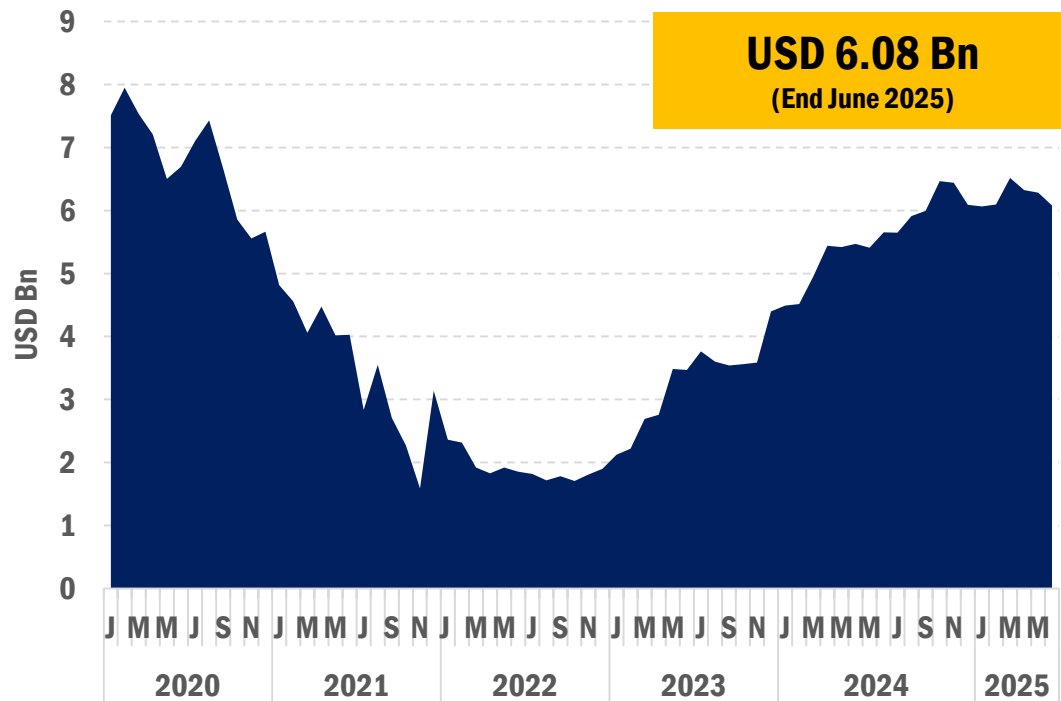


USD mn	
Manufacturing	161.05
Food, Beverages & Tobacco	1.27
Textile, Wearing Apparel & Leather Prod.	45.06
Wood and Wood Products	-
Paper, Paper Products, Printing & Publishing	1.03
Chemical, Coal, Petroleum,	6.40
Rubber Products	80.51
Non-Metallic Mineral Products	17.17
Fabricated Metal, Machinery & Transport Eq.	4.54
Other Manufactured Products	5.08
Agriculture	0.63
Services	101.23
Hotels & Restaurant	66.09
IT & BPO	5.03
Other Services	30.12
Infrastructure	244.34
Housing Property Development & Shop Office	7.55
Telephone & Telecommunication Network	16.98
Power Generation	0.47
Fuel, Gas, Petroleum & others	1.16
Port Container Terminals	218.19
Total	507.25

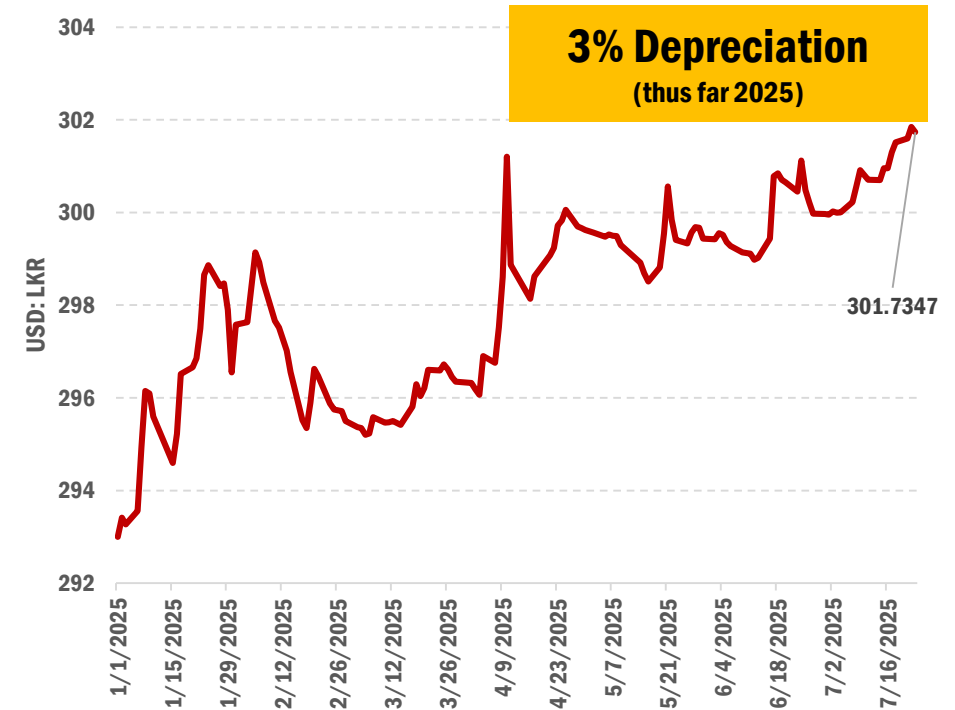
Data Source: Board of Investments

# EXTERNAL SECTOR

Gross Official Reserves



Exchange Rate Movements (USD: LKR)



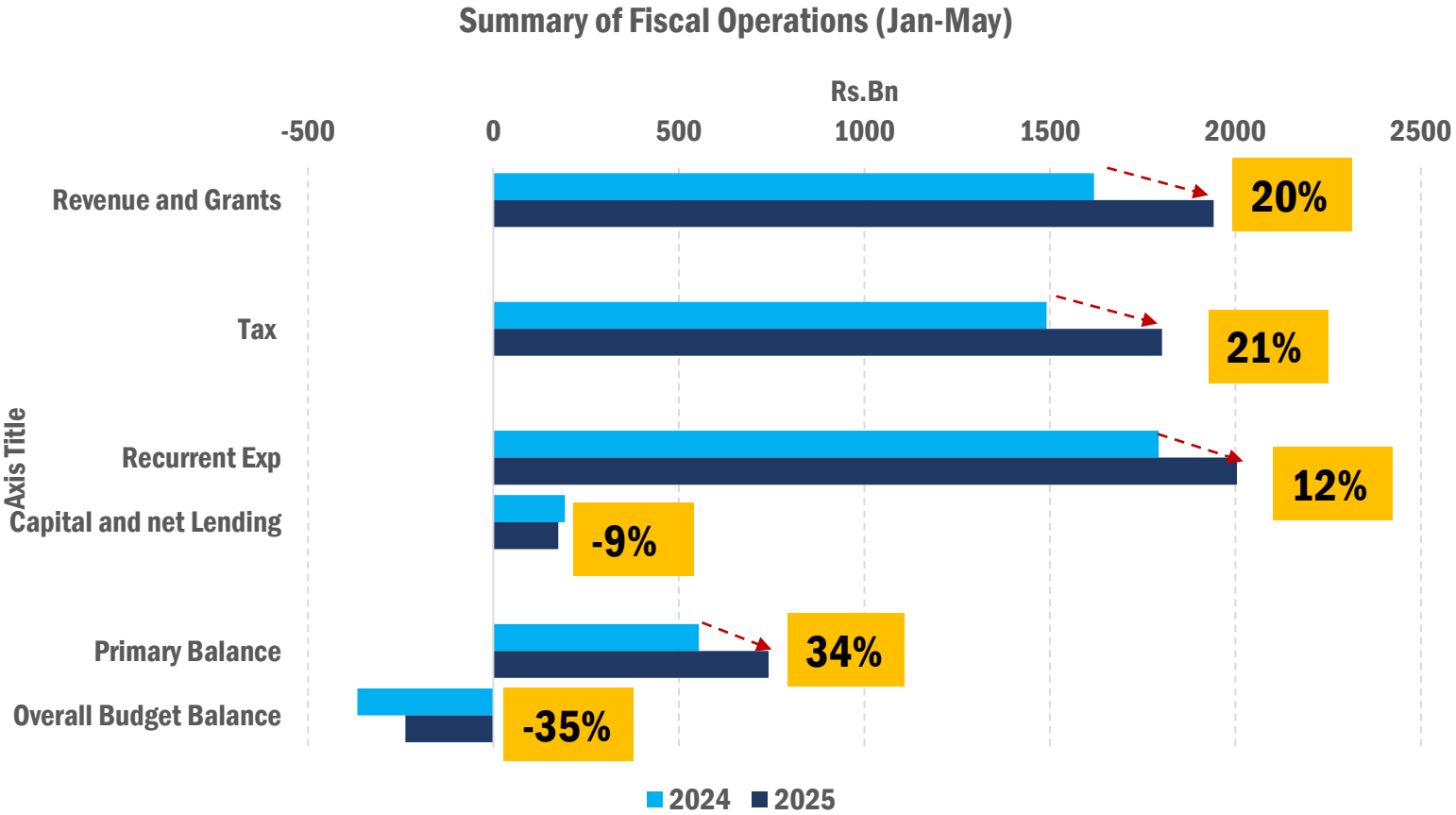
Data Source: Central Bank of Sri Lanka

© All rights reserved  
Economic Intelligence Unit  
The Ceylon Chamber of Commerce



EIU

# FISCAL SECTOR



Data Source: Central Bank of Sri Lanka



**THANK YOU**

**DISCLAIMER:**

All information collected and analyzed is derived from sources, which we consider reliable and a sincere effort is made to report accurate information. The EIU does not warrant the completeness or accuracy of information derived from secondary sources. Details published herein are intended for information purposes only.



**EIU**



**Unlock the power of foresight for your firm's success.**

**When it comes to navigating the ever-changing landscape of economic indicators, including currency and interest rates, look no further than our expert services. Experience the difference with our meticulously crafted presentations and reports, tailored exclusively for your business needs. Don't miss out on the invaluable insights that could shape your strategic decisions.**

**Reach out to us  
and embark on a journey towards informed,  
data-driven decision making.**



**ei@chamber.lk**



**011-55 888 09/68/83/96**