

ECONOMY GROWS 7.7% IN THIRD QUARTER

Sri Lanka's gross domestic product (GDP) grew 7.7 percent in the third quarter of 2014 (3Q14) compared with 7.9 percent in the same period of the previous year, the data released by the Census and Statistics Department showed.

The total economic output measured by the GDP for the quarter under review was Rs.911,064 million against Rs.846,102 million in the same period of the previous year.

The agriculture sector recorded a minus 2 percent growth from 7.2 percent a year ago. The industry sector, continuing its upswing, reported a growth of 12.6 percent against 8.1 percent with the services sector growing at 7 percent against 7.9 percent.

The contribution of the three main pillars of the economy to the GDP - agriculture, industry and services - was at 10.1 percent, 31.2 percent and

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58.7 percent, respectively in 3Q14. Sri Lanka's full year GDP growth target is 7.8 percent. The economy grew 7.8 percent in 2Q14 and 7.6 percent in 1Q14.

The agriculture, livestock and forestry sub sector grew at 3.6 percent in 3Q14 compared to 11.1 percent in the corresponding period of the previous year, amid rubber and paddy recording minus growths of 52.5 percent and 14.7 percent, respectively. The tea sector

grew at a positive 11.7 percent compared to 3.3 percent in the previous year.

The fishing sub sector reported a growth of just 0.6 percent against 28.5 percent in the previous year.

The growth in the industry sector was driven mainly by significantly better performance of the construction sector, which grew at 43.1 percent in 3Q14 against 19.4 percent in the same period of the previous year.

The apparel and mining (sans gem) sectors also recorded growths of 16.2 percent against 14.7 percent and 15.6 percent against 8.2 percent.

The growth of the services sector was led by wholesale and retail trade, which grew at 11.9 percent against 6.9 percent.

Import trade grew significantly at 12.8 percent from minus 0.4 percent. Export trade grew at a lesser pace of 5.3 percent against 16.2 percent in the previous year.



Economy grows...

The hotels and restaurants sector grew at 15.4 percent compared to 28.5 percent while the transport sector reported a growth of 13.2 percent against 25.3 percent in the previous year. The banking, insurance and real estate sector grew at 16.3 percent against 14.2 percent.

The government services recorded a minus growth of 13.6 percent in 3Q14 against 12.3 percent in the previous year.



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