

# Economic growth in 2018 understated: Central Bank

- Governor Coomaraswamy says statistics office lacks resources to capture data to support new methodology adopted in 2015
- Says 2018 economic growth will be around 3%; but adds in his view growth is somewhere between 3.5 and 4%
- Growth projections for this year to be announced at monetary policy press conference in February

Sri Lanka's gross domestic product (GDP) is possibly

## SL to halve foreign holdings in govt. securities to 5%

(COLOMBO) REUTERS: Sri Lanka plans to restrict foreign holdings of government securities to a maximum 5 percent from the current 10 percent to prevent possible hot money flows and improve the quality of reserves, the country's central bank chief said yesterday.

**MORE ON P4**

understated by over 0.5 percent last year as the Department of Census and Statistics (DCS) lacks resources to capture required data to support the new methodology adopted in 2015, according to the country's central bank.

Central Bank Governor Dr.

Indrajit Coomaraswamy yesterday cast his doubts on the GDP growth figures for 2018, where he noted that Sri Lanka is likely to have recorded a GDP growth of 3 percent.

According to the national accounts published by the DCS, Sri Lanka's economy grew at 2.9 percent in the third quarter of 2018 while the second quarter growth was estimated at 3.6 percent.

"My view is that we need to look carefully whether we are recording GDP accurately. I don't think this is a 3 percent growth economy at the moment." Dr. Coomaraswamy made these remarks yesterday at a press conference held at the Central Bank, following the launch of the 'Road Map: Monetary and Financial Sector Policies for 2019 and Beyond' report.

**MORE ON P4**