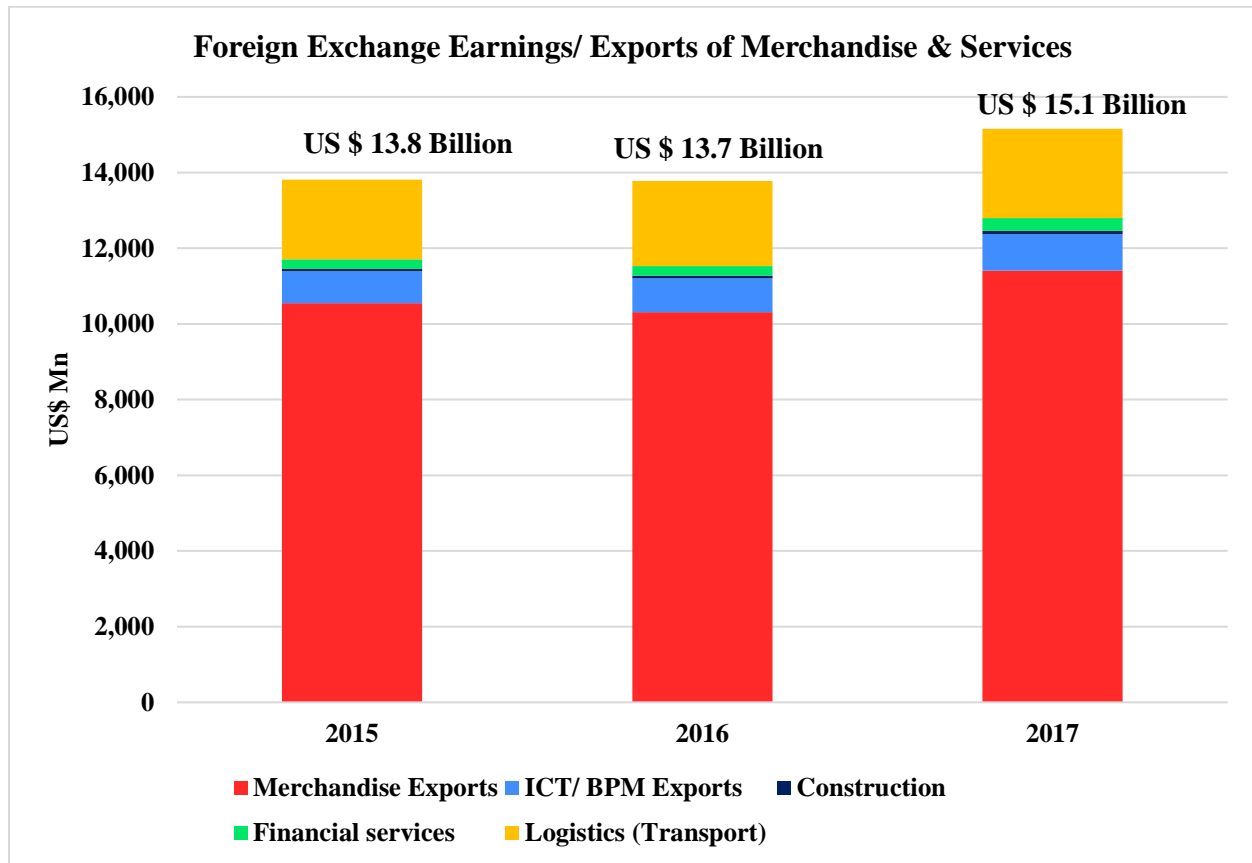


## Export Performance – 2017



Sri Lanka's foreign exchange earnings from exports of merchandise and services have grown by 10% during year 2017 reaching US \$ 15 Billion milestone, compared to US \$ 13.7 Billion in the year 2016, recording a substantial increase in exports in the year 2017. Merchandise export earnings have recorded US\$ 11.4 Billion for the year 2017, compared to US\$ 10.3 Billion last year. Estimates in the services exports of ICT/ BPM, Construction, Financial services and Logistics sectors show an overall growth of 8.1% to reach US \$ 3.7 Billion during.

Furthermore, during the year 2017, over US \$ 1billion monthly merchandize export earnings were recorded in the months of March (US \$1,036 Mn), June (US \$1,167Mn), September (US \$1,012Mn) & December (US \$1,009Mn) for the first time. The EDB expects a significant growth in merchandise & services exports to reach US \$ 16.6 Billion for the year 2018.

Within merchandise exports, agricultural exports have grown by 17.61%, fisheries by a substantial 40.24% as a result of the lift in the fish ban imposed by the European Union on Sri Lanka, and industrial exports by 7.46%. Strong performance is evident in some of the 'priority sectors' identified under the new National Export Strategy; notably, electronics and electrical exports

growing by 16.9%, spices by 29%, and boat building by over 50%. However, food and beverages exports have declined by 9.14%.

Apparel sector which accounts for 44% of merchandize exports recorded a modest 3.06% growth during 2017 as new orders from the EU were secured due to the GSP+ benefit of 12% duty exemption. Meanwhile, year 2018 is expected to be a strong year for the apparel manufacturers. Tea & rubber finished products exports which accounts for 13% & 8%, have increased significantly by 20.78% and by 8.71% respectively

By export destination, earnings from exports to the European Union have increased by 6.6%, and exports to USA have increased by 3.65%, compared to the year 2016. Exports to South Asian region have grown substantially, by 20.88%, to reach US\$ 996 Million (compared to US\$ 824 Million in year 2016). Especially, exports to India have performed strongly, growing at 25%, from US\$ 551 Million in 2016 to US\$ 689 Million in the year 2017. Meanwhile, exports to the UK have declined by 0.91%, largely due to the depreciation of the GBP and the consumer market uncertainty due to Brexit.

