



MONTHLY ECONOMIC WRAP | NOV 2025

AMBEON
SECURITIES

11.12.2025



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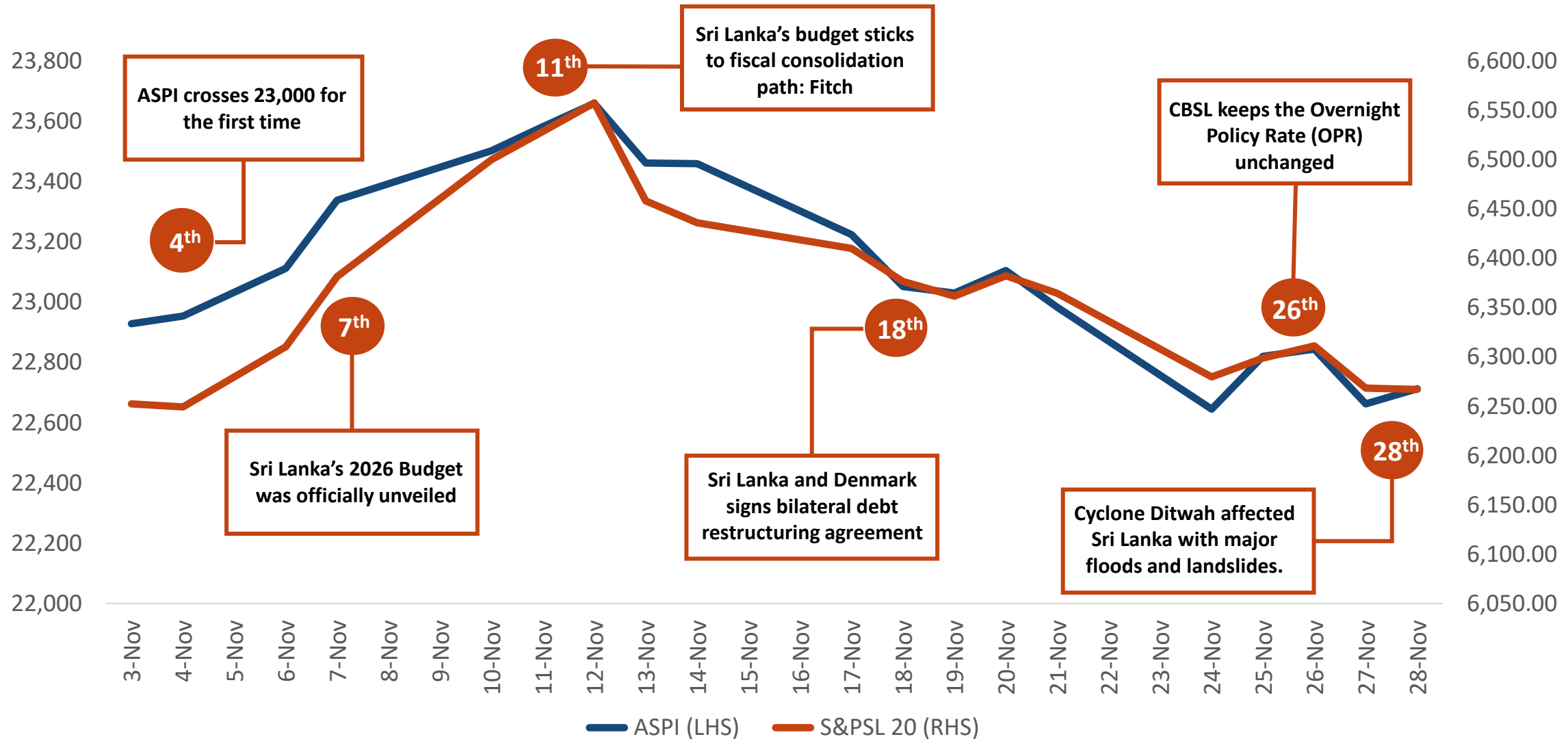


CSE PERFORMANCE

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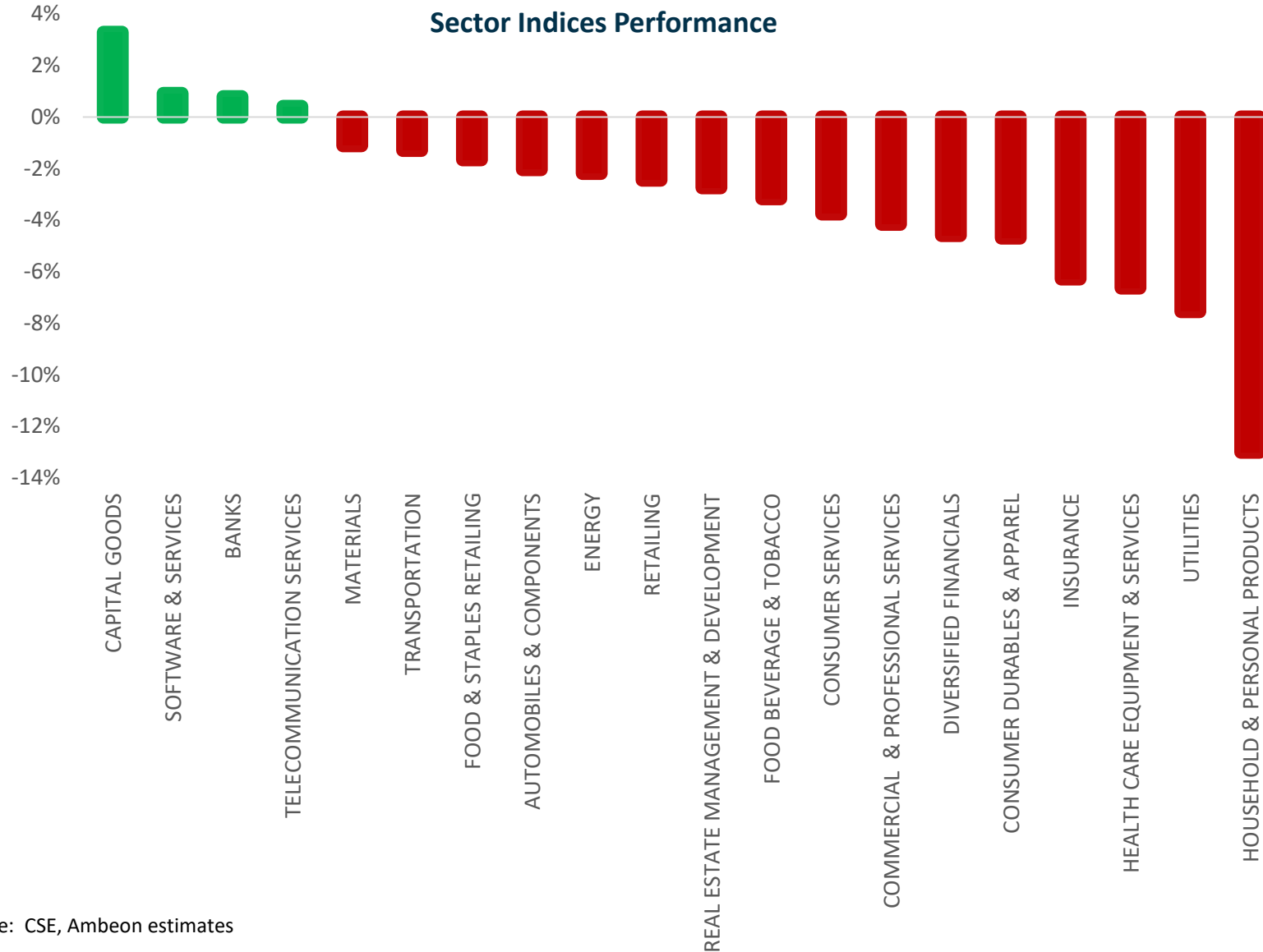


ASPI dropped by 0.94% and S&PSL20 increased by 0.23% in Nov 2025



Note: Returns are calculated up to 30th November 2025
 Source: CSE, Ambeon estimates

In Nov 2025, most sectors experienced a decline

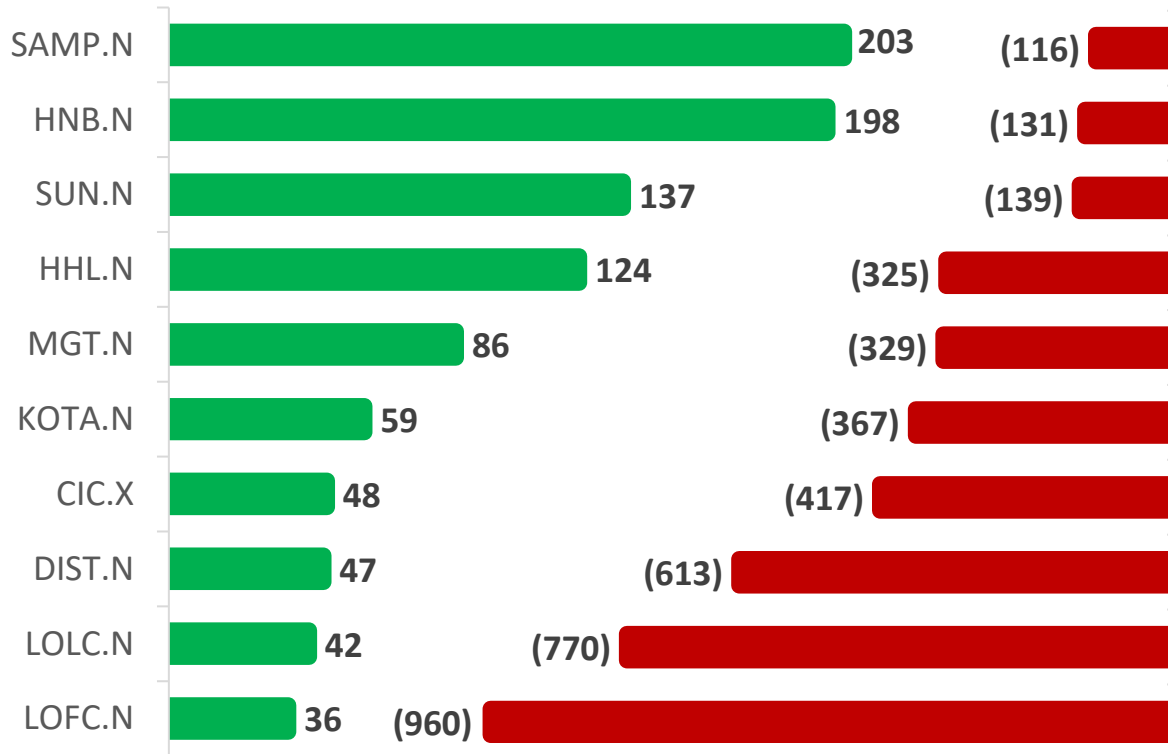


The **Capital Goods** had **the highest increase of 3.29%** this month, while the **household and personal products** sector experienced **the largest decline of -13.01 %**.

Source: CSE, Ambeon estimates

Total net foreign outflow for Nov 2025 was LKR -3,667 Mn

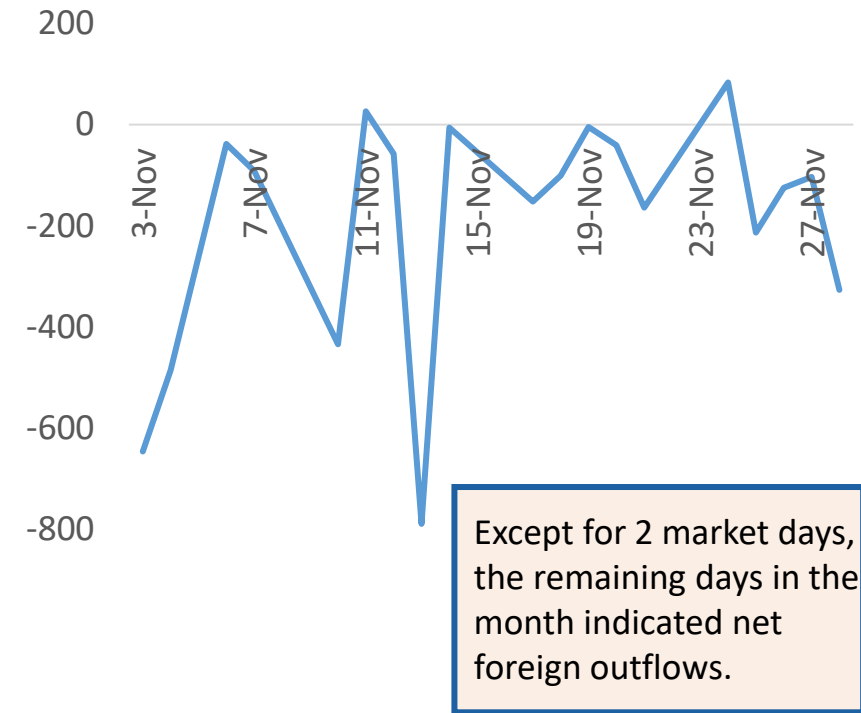
**Top 10 Counters
Net Foreign Inflows (LKR Mn)**



**Top 10 Counters
Net Foreign outflows (LKR Mn)**

JKH.N
COMB.N
HDFC.N
TKYO.N
PLC.N
MELS.N
ACL.N
DIAL.N
TKYO.X
SPEN.N

Net Foreign Flow (LKR Mn)

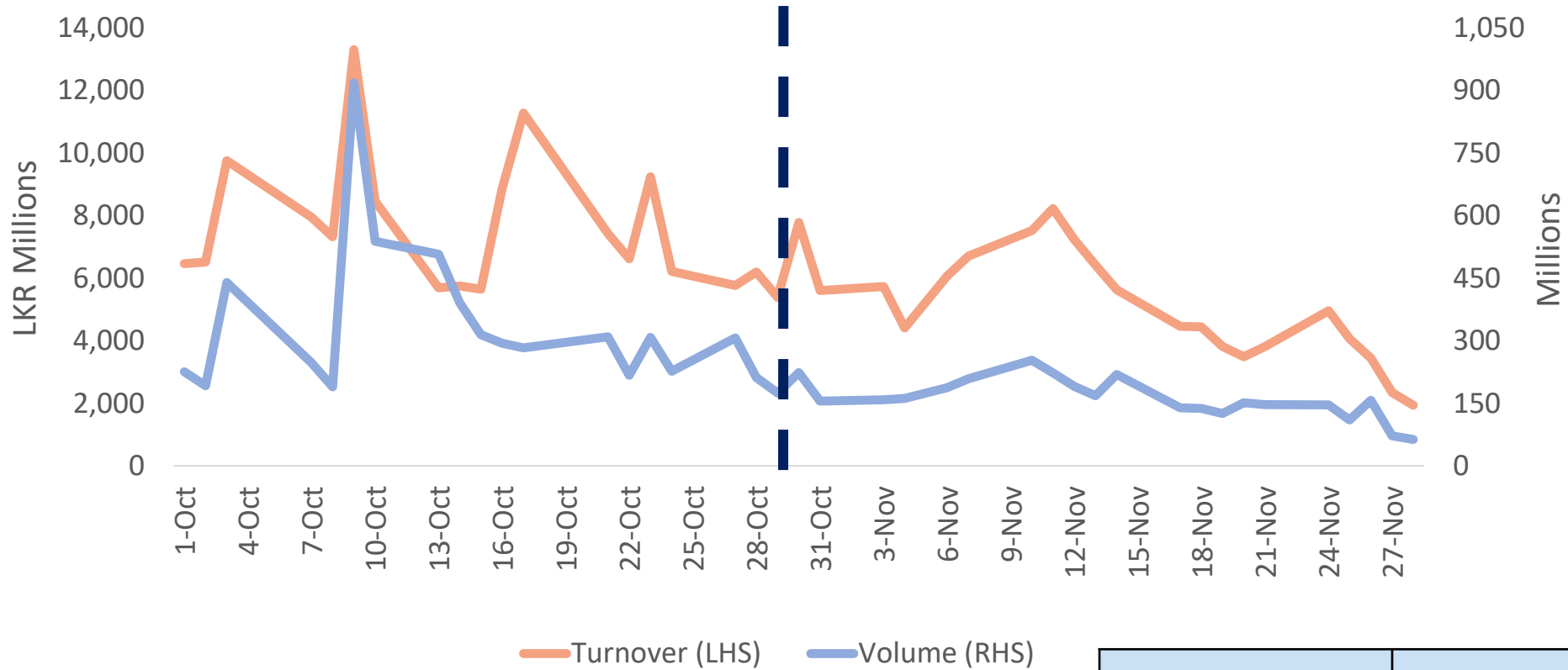


Nov 25 Total Net Foreign Flow LKR -3,667.07 Mn | Year-to-date Net Foreign Flow* LKR -38,675.85 Mn

Source: CSE, Ambeon estimates
*Year-to-date calculated as of 28th Nov 2025

In Nov 2025, average daily turnover and volume declined

Average turnover declined by 33% MoM while average volume declined by 50% MoM.



Daily average	Oct 2025	Nov 2025	YTD Average
Turnover (LKR Mn)	7,487	4,983	5326
Volume (LKR Mn)	318	159	204

Source: CSE, Ambeon estimates
 Note: Daily average turnover and volume for the month

Regional valuation comparison

Frontier Markets (Asia)

Index	PE	PBV
ASPI (Sri Lanka)	11.22	1.62
KSE 100 (Pakistan)	9.51	1.49
VNI (Vietnam)	14.34	2.01

US & European Markets

Index	PE	PBV
S&P 500 (US)	25.47	5.47
DJIA (US)	23.21	4.89
FTSE 100 (UK)	14.45	2.26

Other Markets (Asia)

Index	PE	PBV
Nikkei 225 (Japan)	22.46	2.47
CSI 300 (China)	17.07	1.77
HSI (Hong Kong)	12.03	1.39
BSE 500 (India)	23.90	3.64
NIFTY 50 (India)	21.66	3.56
Indonesia (JCI)	21.18	2.21

Note: Figures are as of 01st December 2025

Source: Bloomberg

Key economic news & events

04th Nov

ASPI crosses 23,000
for the first time

The Colombo Stock Exchange (CSE) briefly crossed the **23,000 point mark** during a highly volatile trading session, marking a significant market milestone before profit-taking pulled the index back down. Although the ASPI touched this historic level early in the day, it eventually closed at **22,953.49 points**, reflecting only a modest gain. Trading activity remained strong, with turnover reaching **LKR 4.4 billion** and the Capital Goods sector leading market contributions.

11th Nov

Sri Lanka's budget
sticks to fiscal
consolidation path:
Fitch

Sri Lanka's latest budget has received a cautiously positive assessment from **Fitch Ratings**, which says the government is broadly maintaining its path toward **fiscal consolidation** despite a slightly higher deficit target for 2026. The budget aims for a **5.1% of GDP fiscal deficit** and a solid **2.5% primary surplus**, keeping it aligned with IMF commitments. Fitch notes that revenue is expected to ease slightly next year, making strong tax collection crucial to meeting fiscal targets.

18th Nov

Debt restructuring:
Sri Lanka-Denmark
signs bilateral
agreement

Sri Lanka has signed a **bilateral debt restructuring agreement** with the Government of **Denmark**, covering **USD 39 million** in outstanding debt. The agreement follows discussions held after Sri Lanka concluded its MoU with the Official Creditor Committee (OCC). Under the deal, Denmark has agreed to **reschedule Sri Lanka's debt**, providing relief and easing repayment pressure.

26th Nov

CBSL keeps the
Overnight Policy Rate
(OPR) unchanged

Sri Lanka's Monetary Policy Board has kept the **Overnight Policy Rate** unchanged at **7.75%**, emphasizing stability as inflation trends continue to evolve. The Central Bank noted that while headline inflation has risen for the third consecutive month, it is expected to moderate gradually and reach the 5% target by the second half of 2026. Core inflation is also anticipated to increase at a mild pace as economic demand improves, with overall inflation expectations remaining firmly anchored around the target.

Economic impact of Cyclone Ditwah is estimated to be USD 6 – 7 Bn

Damage Assessment

Sri Lanka has suffered an estimated **USD 6–7 billion** in economic losses from **Cyclone Ditwah**, amounting to roughly 3–5% of GDP, according to senior officials leading the recovery effort. The cyclone has caused widespread devastation across all 25 districts, affecting more than 1.4 million people.

The country faced severe flooding, landslides, and major infrastructure damage, leaving several regions isolated and stretching disaster-response systems.

Relief Allocation

From the **national budget, Rs. 30 billion** is set aside for disaster management.

- Rs. 25,000 – for cleaning
- Rs. 50,000 – for damaged kitchens
- Up to Rs. 25,000/month – for temporary shelter
- Up to Rs. 5 Mn – for fully destroyed houses
- Up to Rs. 250,000 – for partially damaged houses
- Small industries - Rs. 200,000 per damaged unit
- Rs. 15,000 – for schoolchildren
- Rs. 1 Mn – for families of deceased or permanently disabled individuals

Aid Received

Rebuild Sri Lanka	- Rs. 1,893 Mn
ADB (Loan)	- \$ 100 Mn
ADB (Grant)	- \$ 3 Mn
UN	- \$ 4.5 Mn
IMF	- \$ 200 Mn

Aid received from other countries:





MONETARY SECTOR

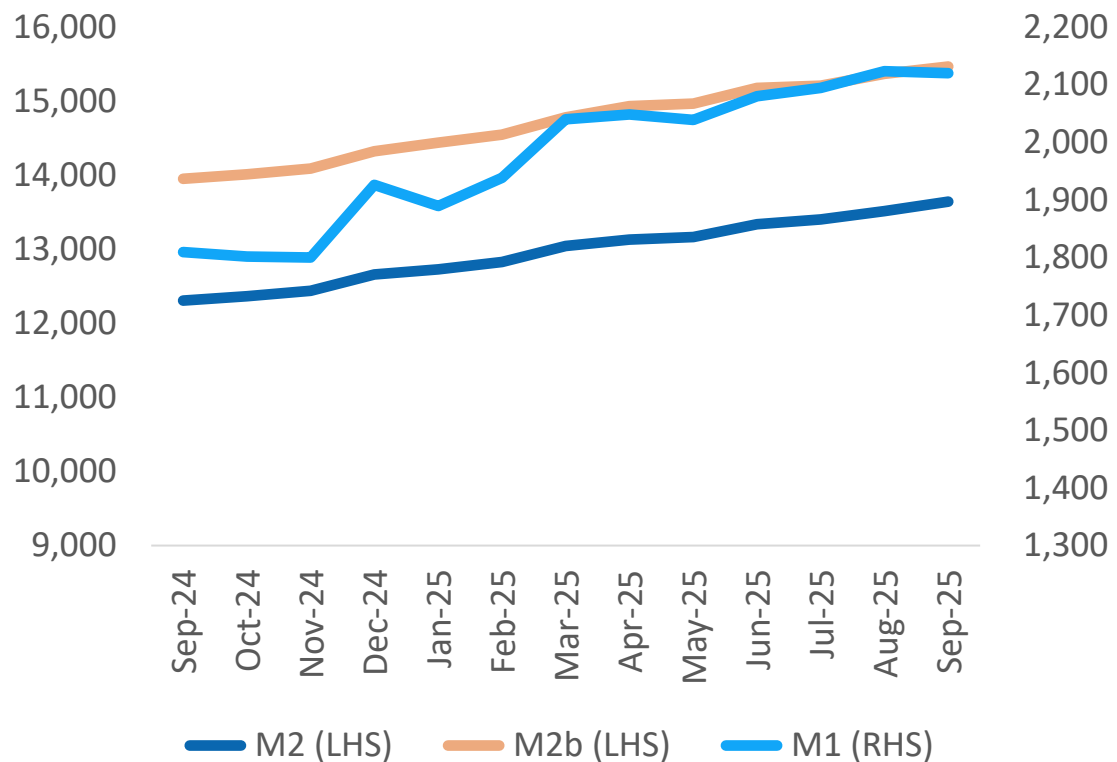
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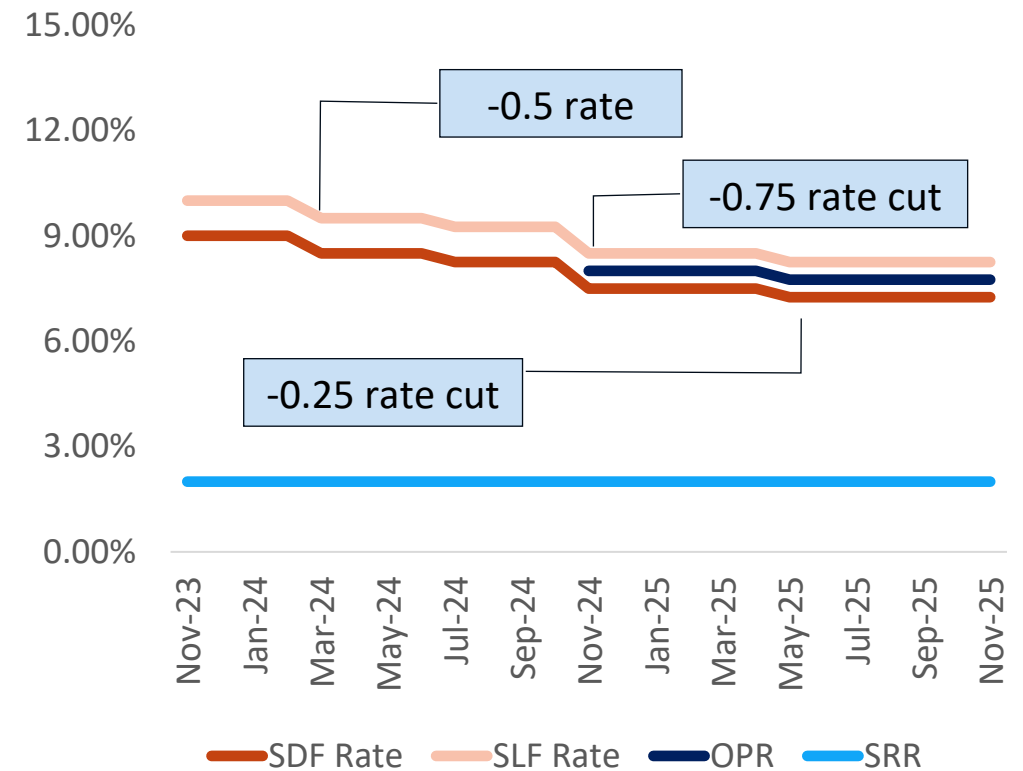
Overnight Policy Rate of 7.75% unchanged in Nov 2025

By the end of September 2025, Sri Lanka's narrow money supply (M1) rose to LKR 2,119.4 billion, while the consolidated broad money supply (M2b) expanded to LKR 15,465 billion, marking an increase from August 2025. Policy rates remained unchanged in November 2025 at 7.75%, indicating a continuation of the monetary stance maintained since May.

Money Supply (LKR Bn)



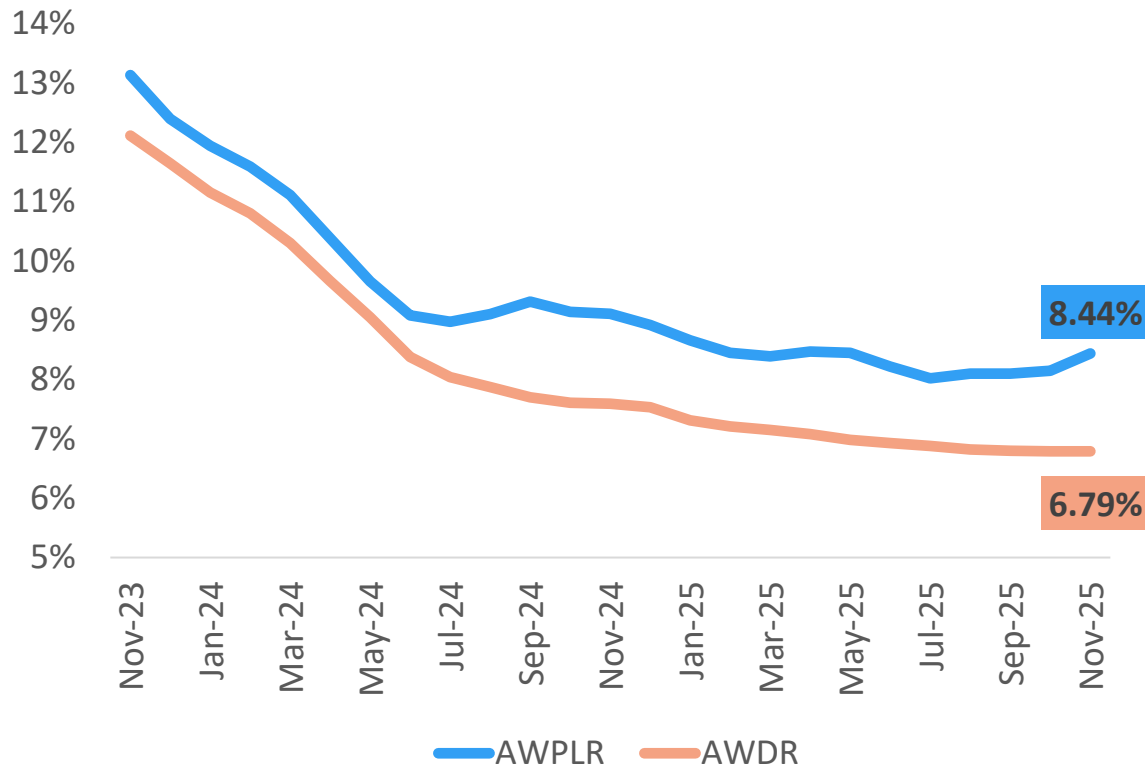
Policy Rates



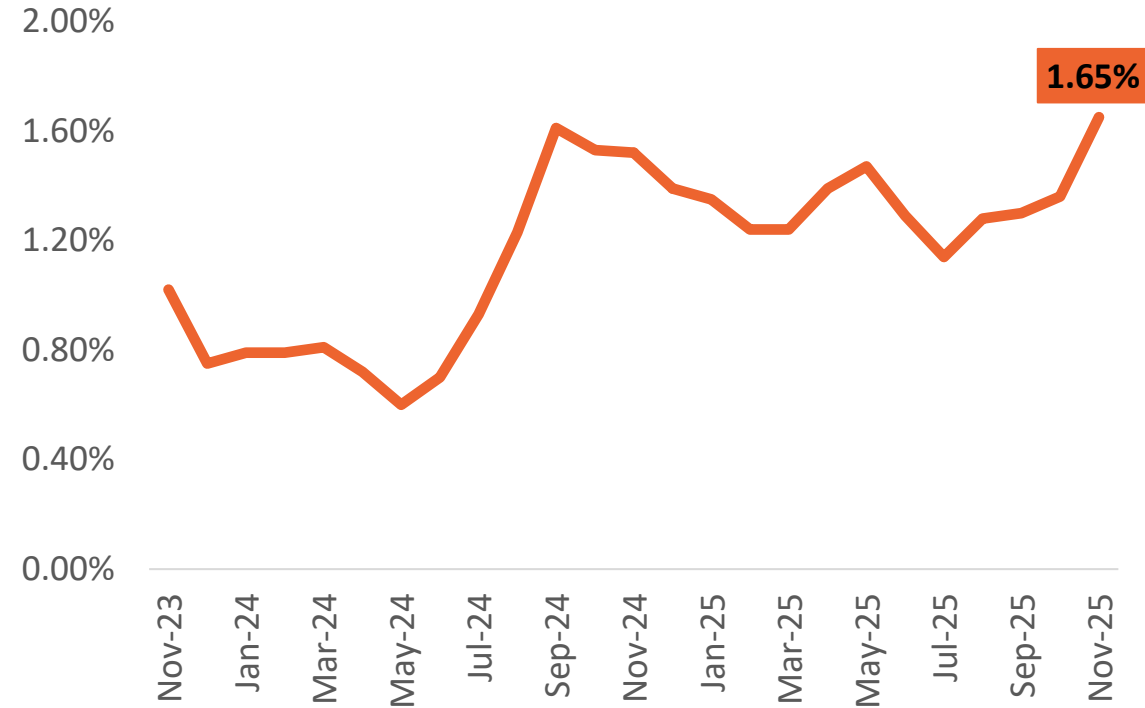
Source: CBSL

Lending rates experienced a slight increase in Nov 2025

Lending and Deposit Rates

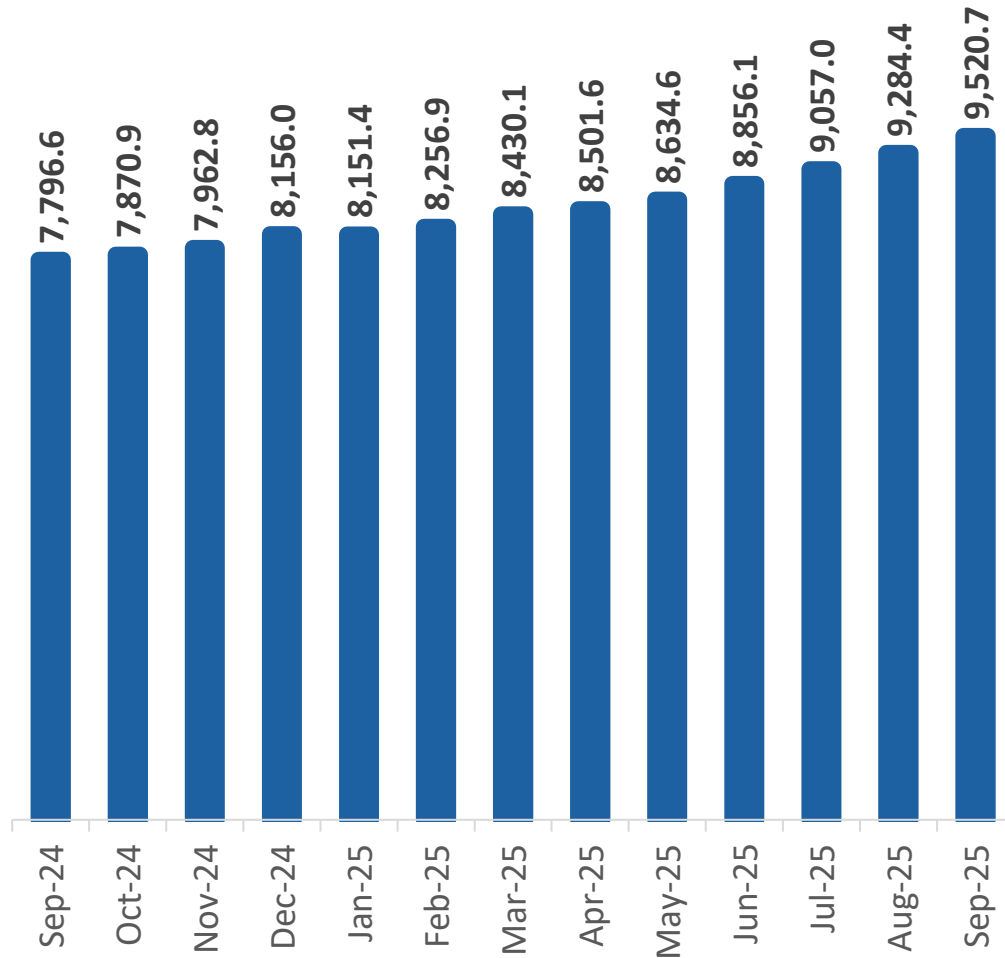


Interest Spread

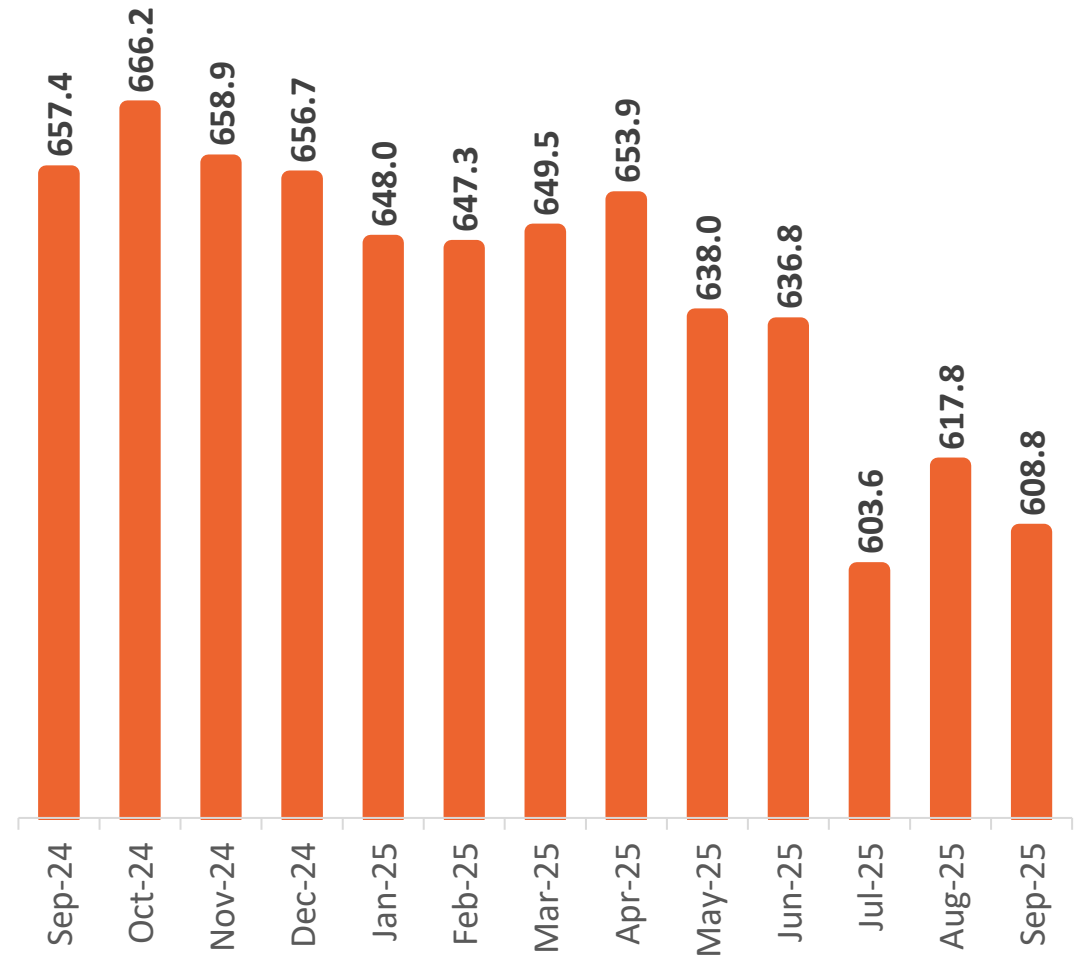


Private sector credit displayed a gradual upward movement

Credit to Private Sector (LKR Bn)

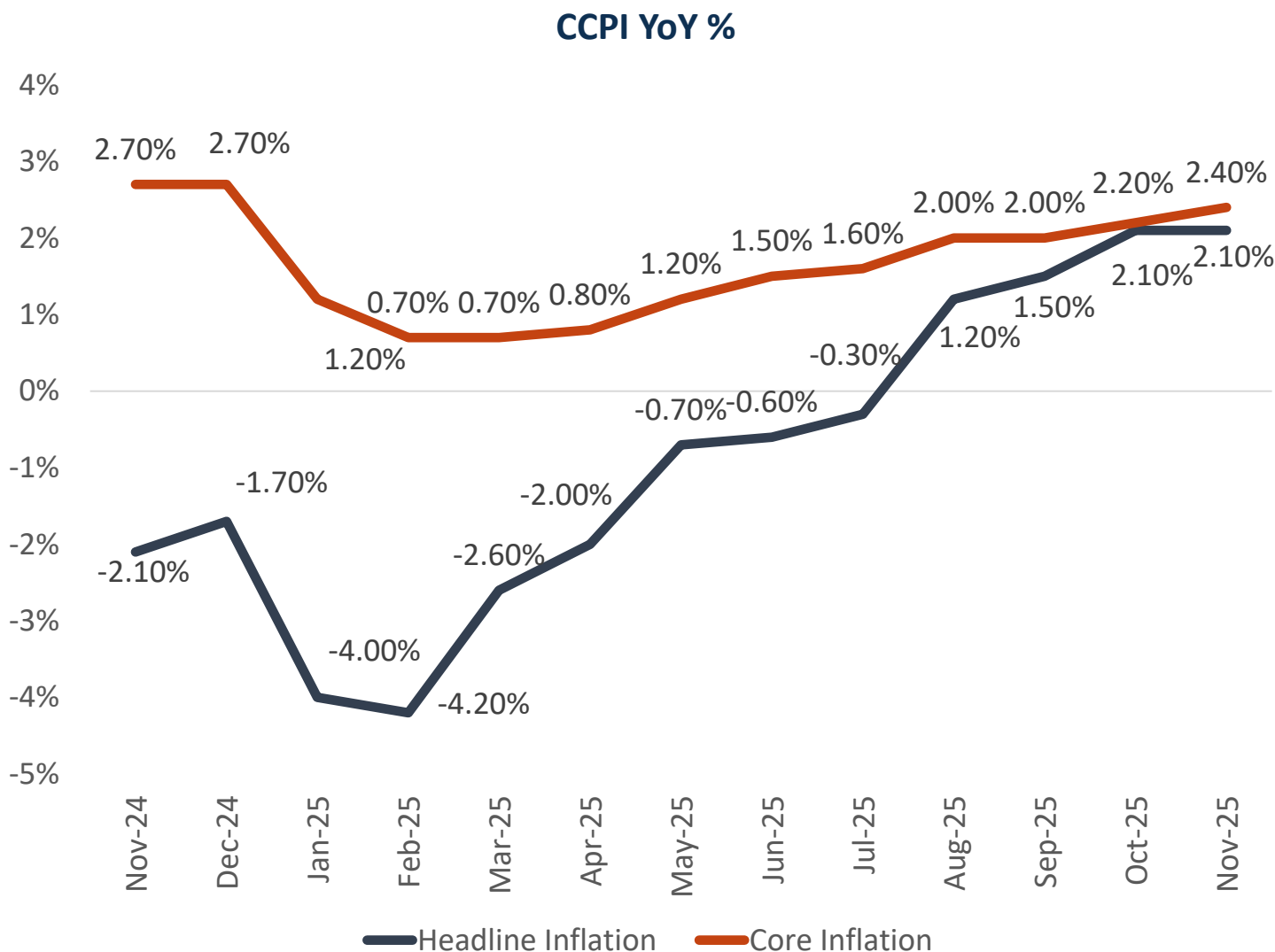


Credit to Public Sector (LKR Bn)



Source: CBSL

CCPI based headline inflation remained unchanged in November 2025



Headline inflation, measured by the YoY CCPI, remained steady at 2.1% in November 2025, unchanged from October.

On a MoM basis, the CCPI declined by 0.23%, driven mainly by reductions in both food and non-food prices. The Food category contributed -0.18 percentage points, and the Non-Food category contributed -0.05 percentage points to the monthly fall.

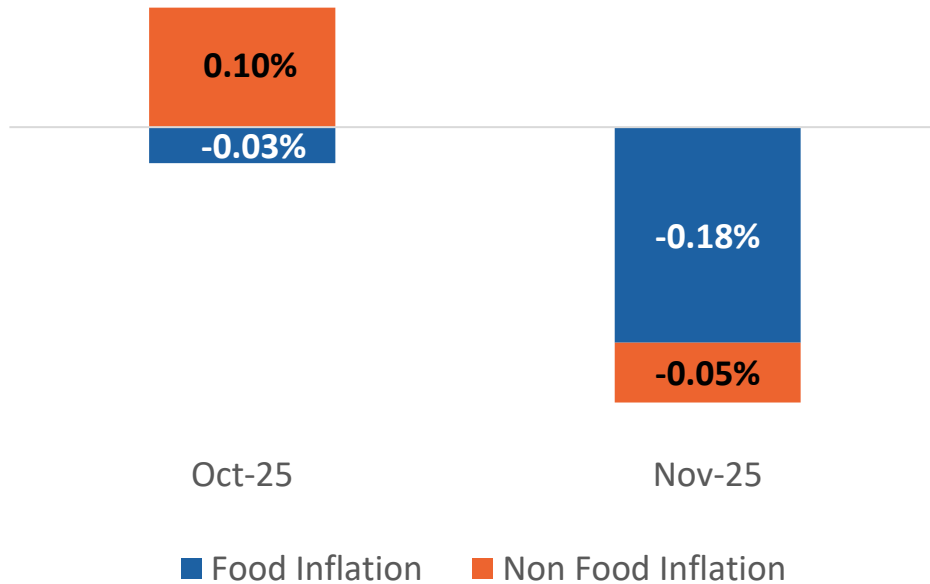
Meanwhile, core inflation edged up to 2.4% in November from 2.2% in October, indicating a mild strengthening in underlying price pressures.

Inflation projections from the November 2025 monetary policy round continue to signal a gradual rise toward the 5% inflation target in the period ahead, supported by appropriate policy actions.

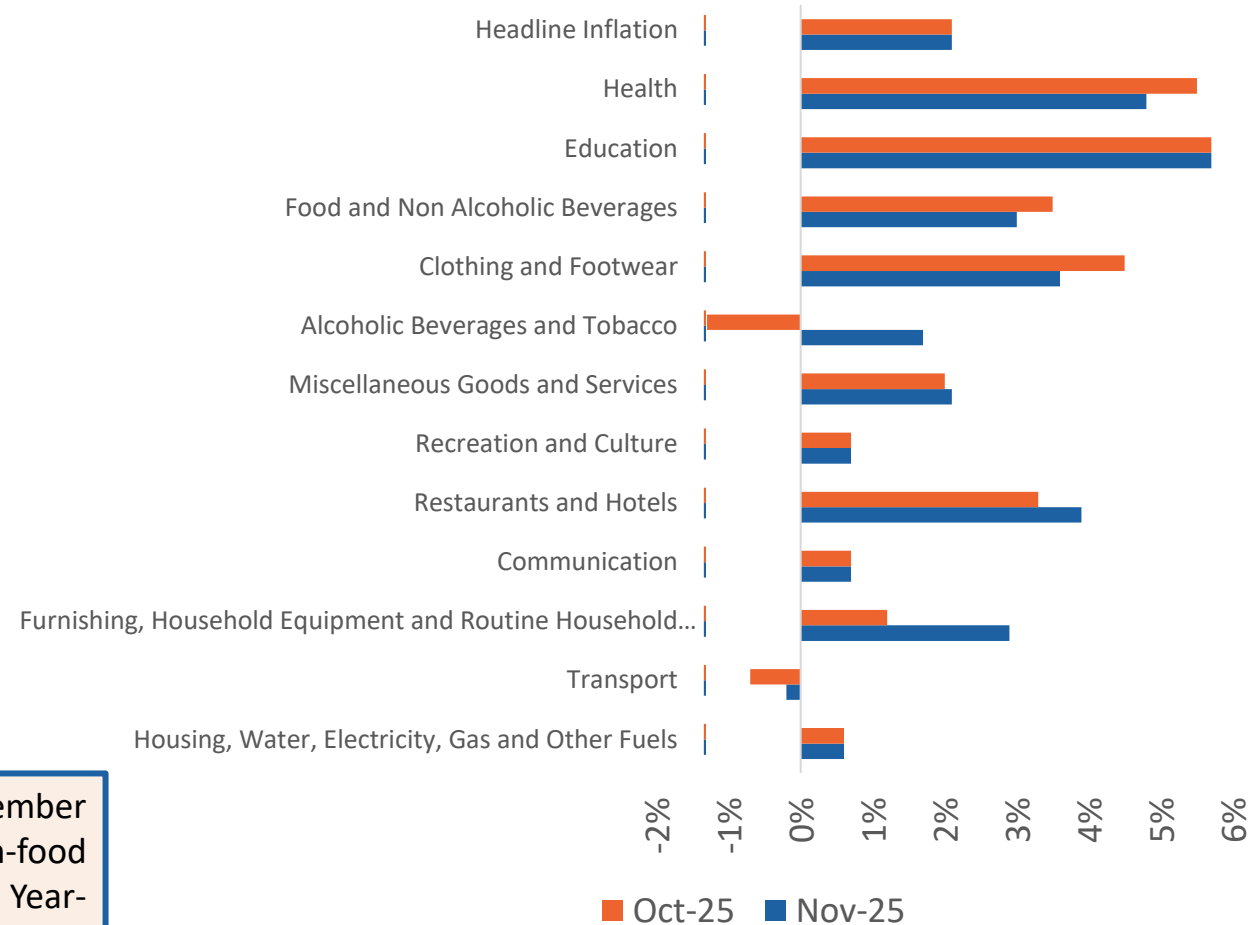
However, authorities have noted that the trajectory may be influenced by potential price adjustments arising from recent cyclone-related disruptions, the full effects of which are still being assessed.

Nov 2025, CCPI decreased by 0.2% MoM mainly due to food category

Contribution to monthly change in CCPI



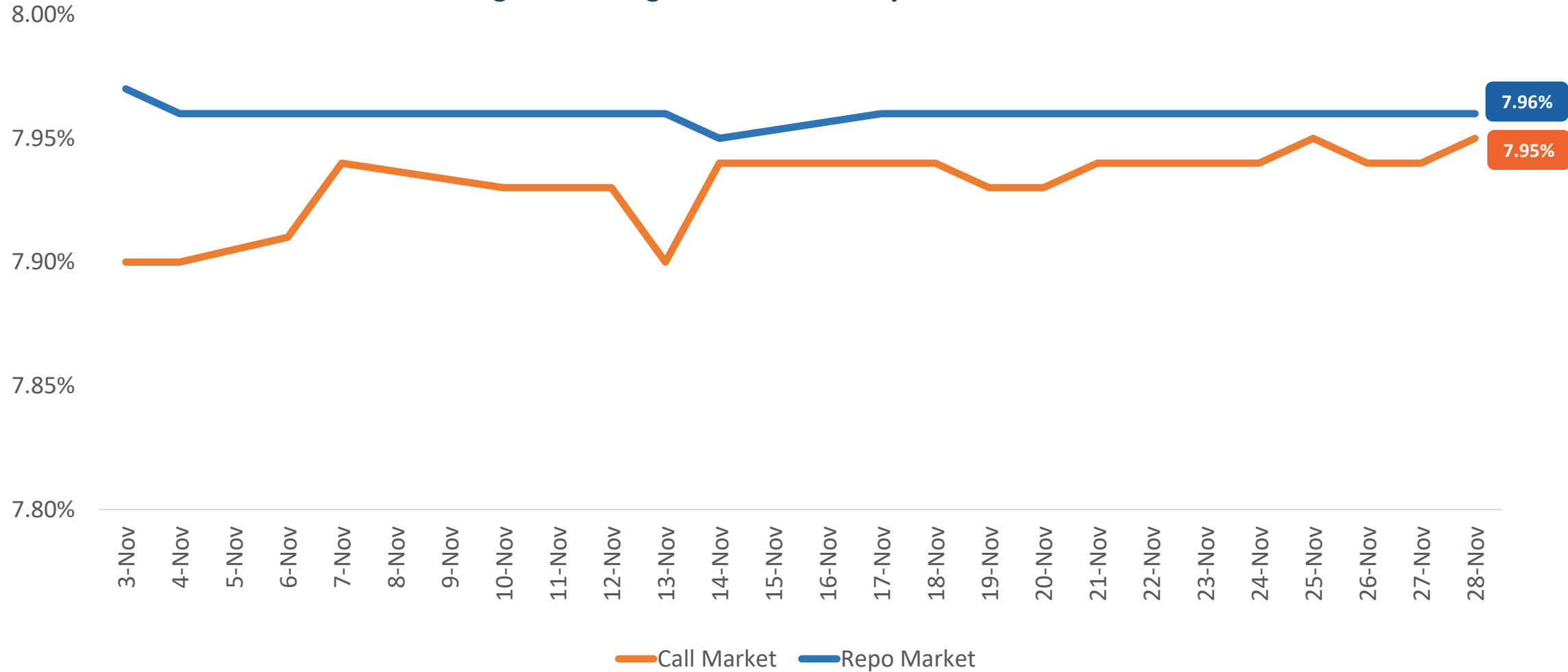
On a month-on-month basis, the CCPI declined by 0.2% in November 2025, with food prices contributing -0.18 percentage points and non-food prices contributing -0.05 percentage points to the overall decrease. Year-on-year, headline inflation remained unchanged at 2.1% in November, maintaining the same rate recorded in October. Food inflation (Y-o-Y) eased to 3.0% from 3.5% in October, while non-food inflation (Y-o-Y) picked up to 1.7% from 1.4% in the previous month.



Prices decelerated for Health, Food & Non -Alcoholic Beverages, Clothing & Footwear while they accelerated for Restaurants and Hotels, Miscellaneous Goods and Services, Alcoholic Beverages & Tobacco and Furnishing.

Call and Repo Rates Remain Steady in the month of November

Weighted Averaged Yields of Money Market Rates

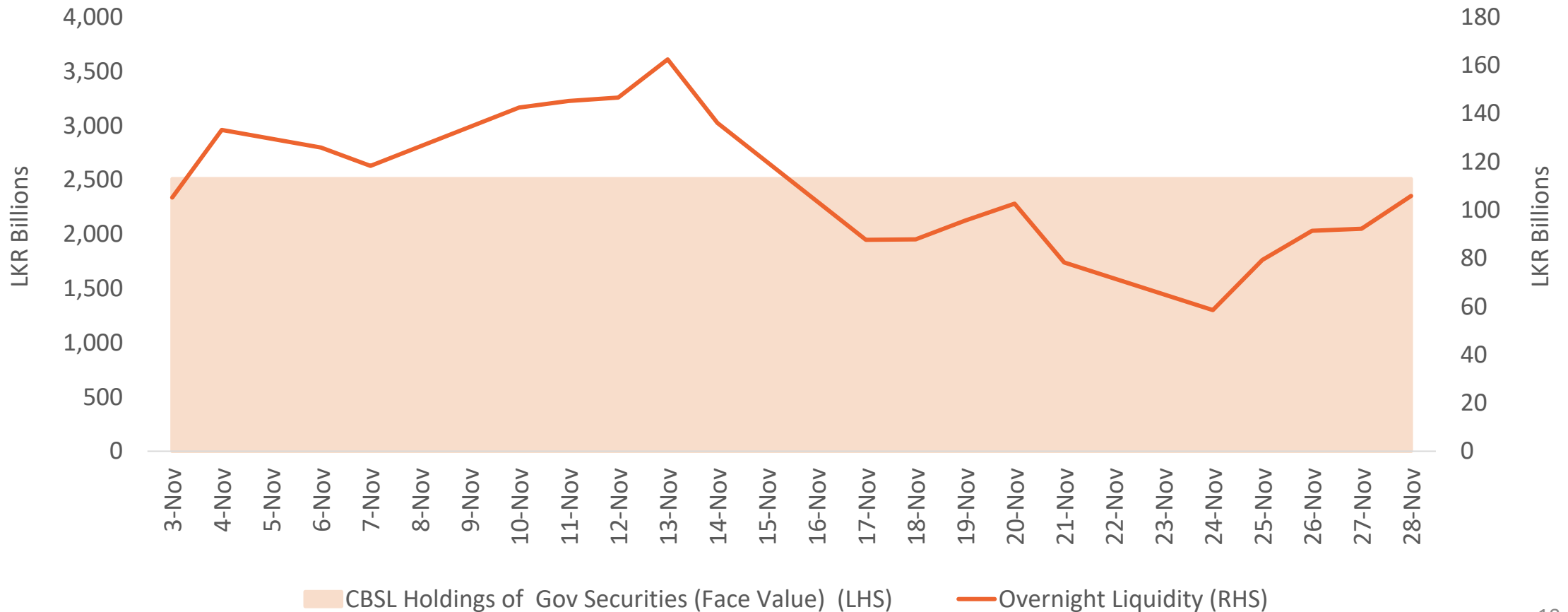


Source: CBSL

CBSL's G-Sec holdings were stable; overnight liquidity remained positive

During November 2025, the Central Bank of Sri Lanka's (CBSL) holdings of government securities remained broadly stable at LKR 2508.92 billion, indicating limited new monetary financing. Meanwhile, overnight liquidity in the banking system showed fluctuations, dipping mid-month but rising sharply towards end-November to about LKR 106 billion.

Liquidity and CBSL Holdings



Source: CBSL



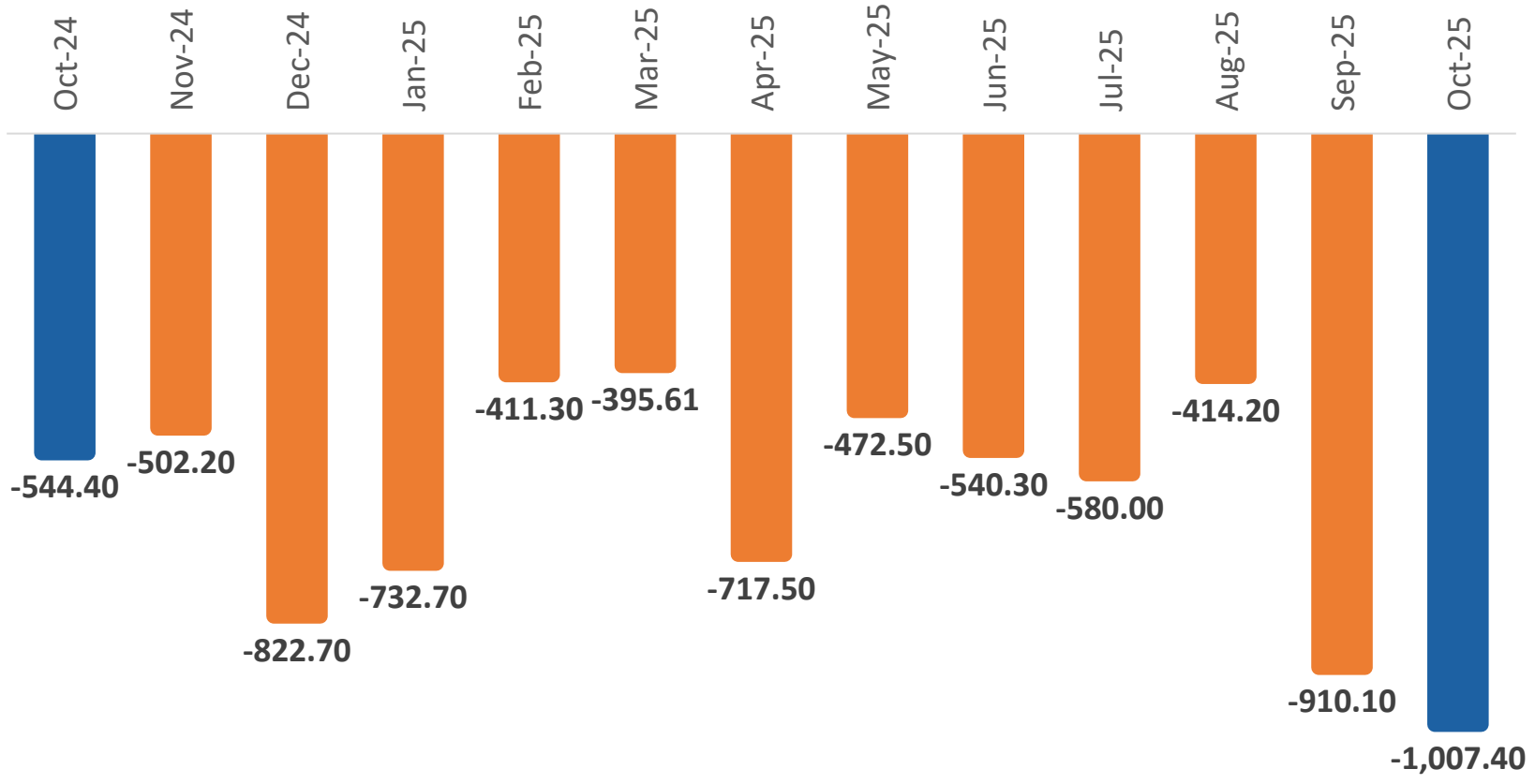
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Trade Balance worsened by 85% YoY in Oct 2025

Trade Balance (USD Mn)



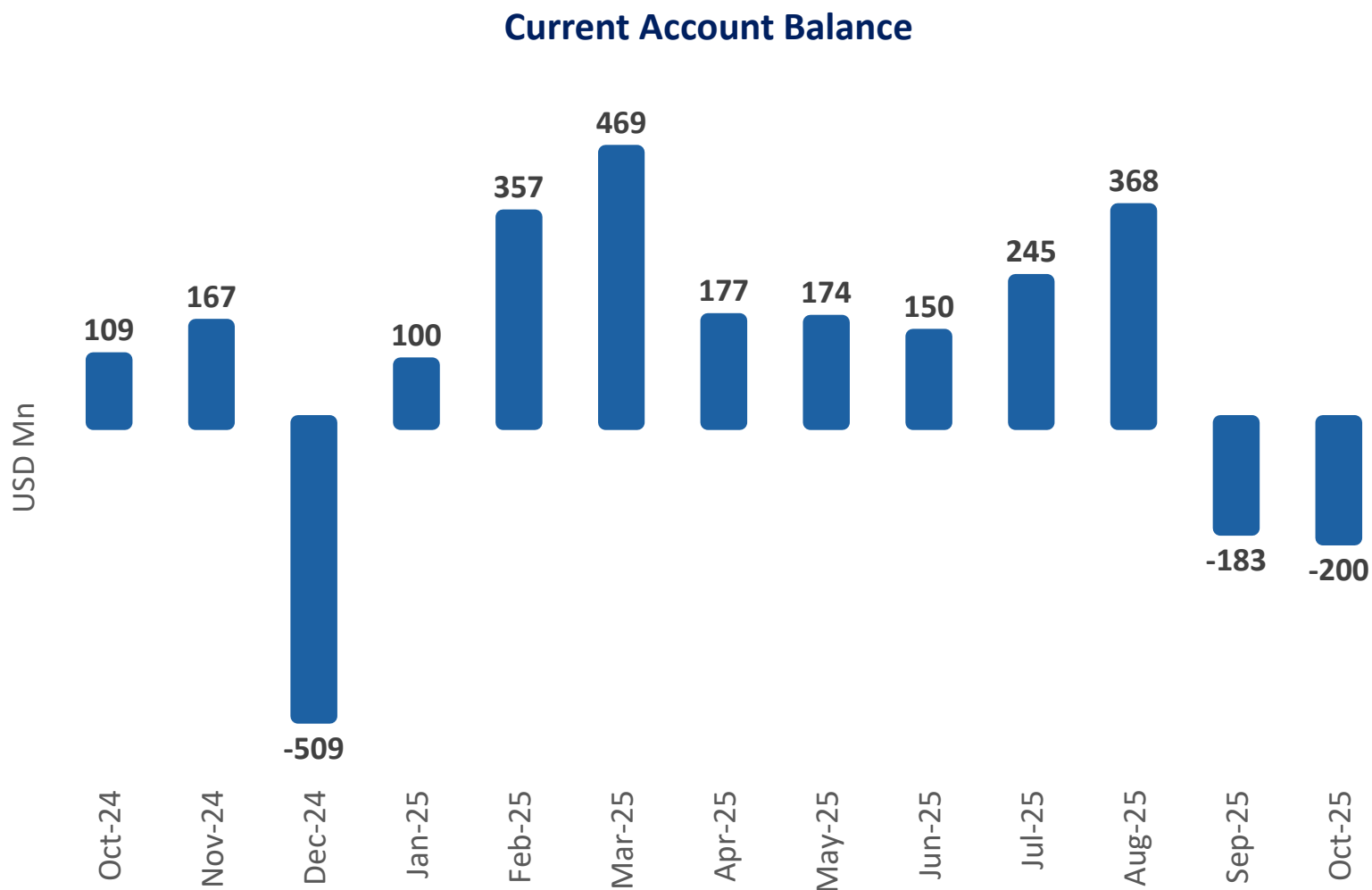
In October 2025, Sri Lanka’s trade deficit widened to USD 1,007.4 million, reflecting an 85% increase compared to October 2024 and a 10.7% rise from the previous month.

The year-on-year deterioration in the trade balance was driven mainly by a 27% rise in import expenditure relative to October 2024, while export earnings decreased by 0.74% YoY.

The cumulative trade deficit from January to October 2025 expanded to USD 6,181.6 million, marking a 30.3% increase compared to the corresponding period in the previous year.

Source: CBSL

Current Account Balance worsened by 284% YoY in Oct 2025

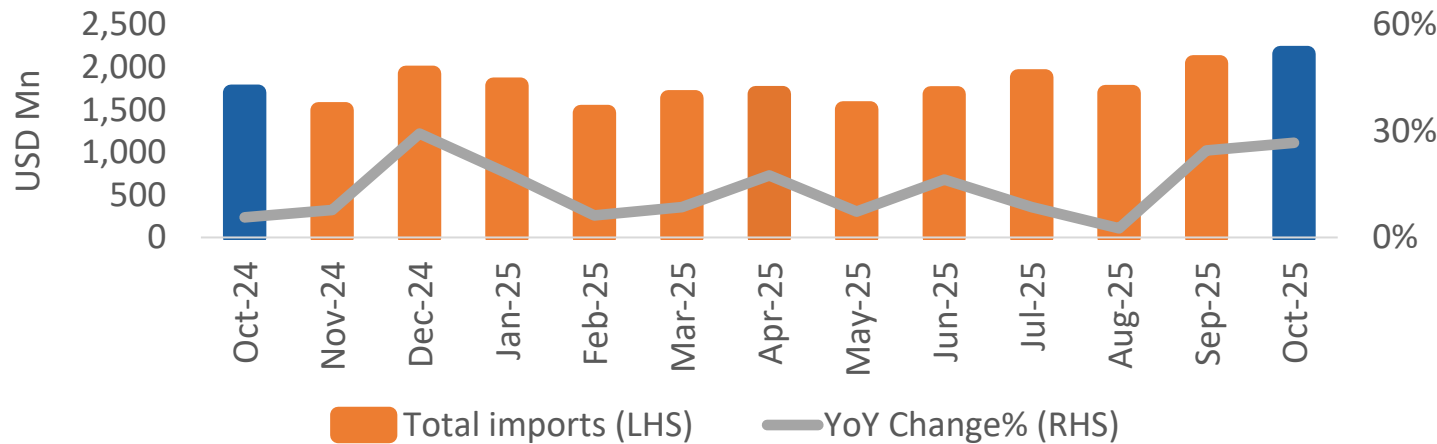


In Oct 2025, the current account balance worsened by 284% YoY, falling to a deficit of USD 200 million. Meanwhile, the balance deteriorated by 9.4% compared to the previous month. Despite the October deficit, the cumulative current account surplus for the first ten months of 2025 is estimated at around USD 1.7 billion.

The current account balance is composed of four key components: the trade balance, the services account, the primary income account and the secondary income account. In October 2025, the trade balance worsened by 85.05% YoY, the services account increased by 14.96% YoY, the primary income account increased by 3.57% YoY, and the secondary income account rose by 20.35% YoY.

Oct 2025 import expenditure increased by 26.7% YoY

Total Imports and Growth



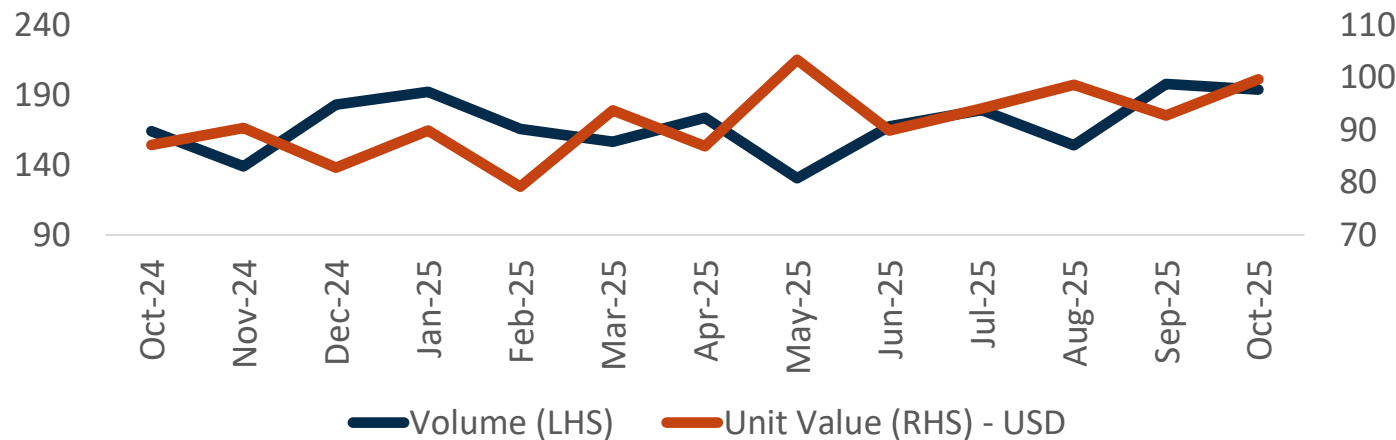
In October 2025, imports increased by 26.7% YoY to USD 2,156.8 million marking an 5.3% increase from previous month. The YoY growth was driven by the rise in consumer goods imports, intermediate goods and investment goods.

Imports of consumer goods increased MoM, driven mainly by higher spending on food items. Within food items, imports of vegetables, sugar and confectionery, cereals, dairy products, seafood rose, while oils and fats declined. Non-food consumer goods imports declined, led by a sharp decrease in personal vehicle imports, household items, clothing, rubber products.

Expenditure on intermediate goods slightly declined MoM, reflecting moderation in demand for selected raw materials

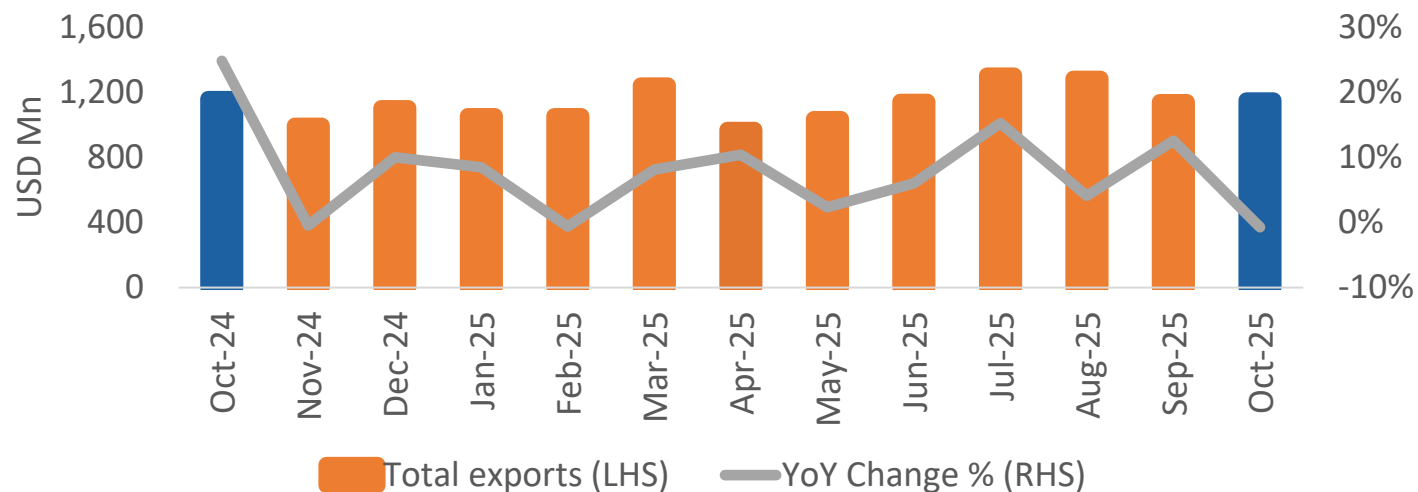
In October 2025, the Import Volume Index rose by 18% YoY and the Import Unit Value Index increased by 14.3% YoY.

Import Indices



Oct 2025 export earnings declined by 0.7% YoY

Total Exports and Growth



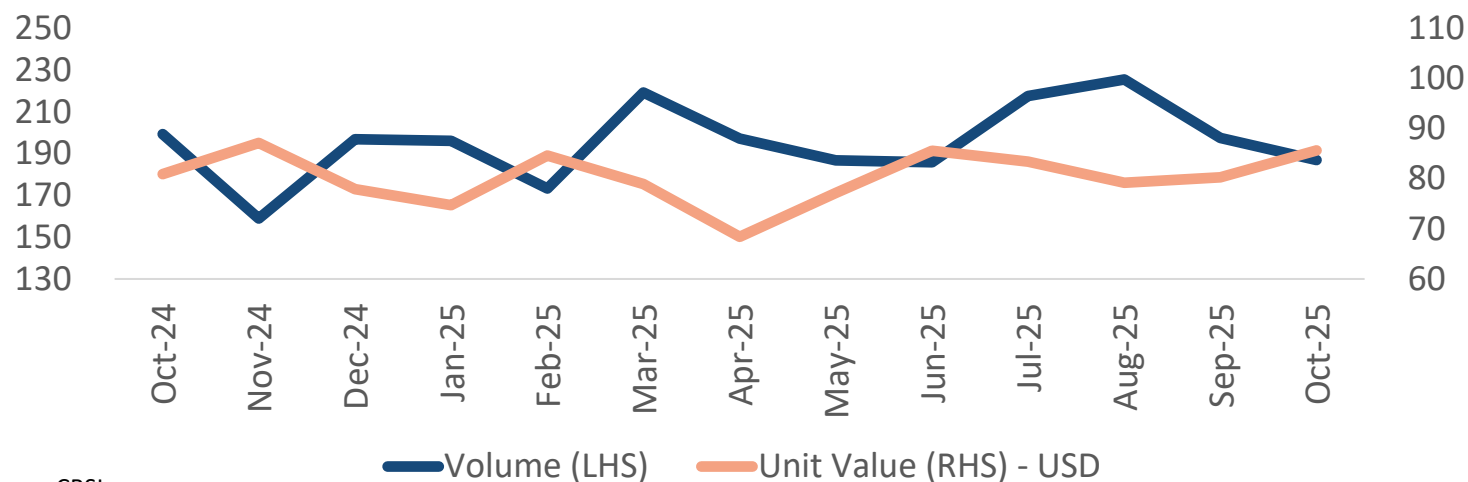
In October 2025, export earnings decreased by 0.7% YoY to USD 1,149.4 million, which is a 1.0% increase compared to September 2025. The YoY decrease was mainly driven by decrease in industrial exports.

Earnings from agricultural goods exports dropped in October compared to September, due to low number of exports in majority of product types.

Industrial goods exports increased in the month mainly due to increased exports of food, textile & garments, gems, machinery, petroleum products and rubber products compared to previous month.

In October 2025, the Export Volume Index declined by 6.2% YoY, while Export Unit Value Index increased by 5.8% YoY during the same period.

Export Indices

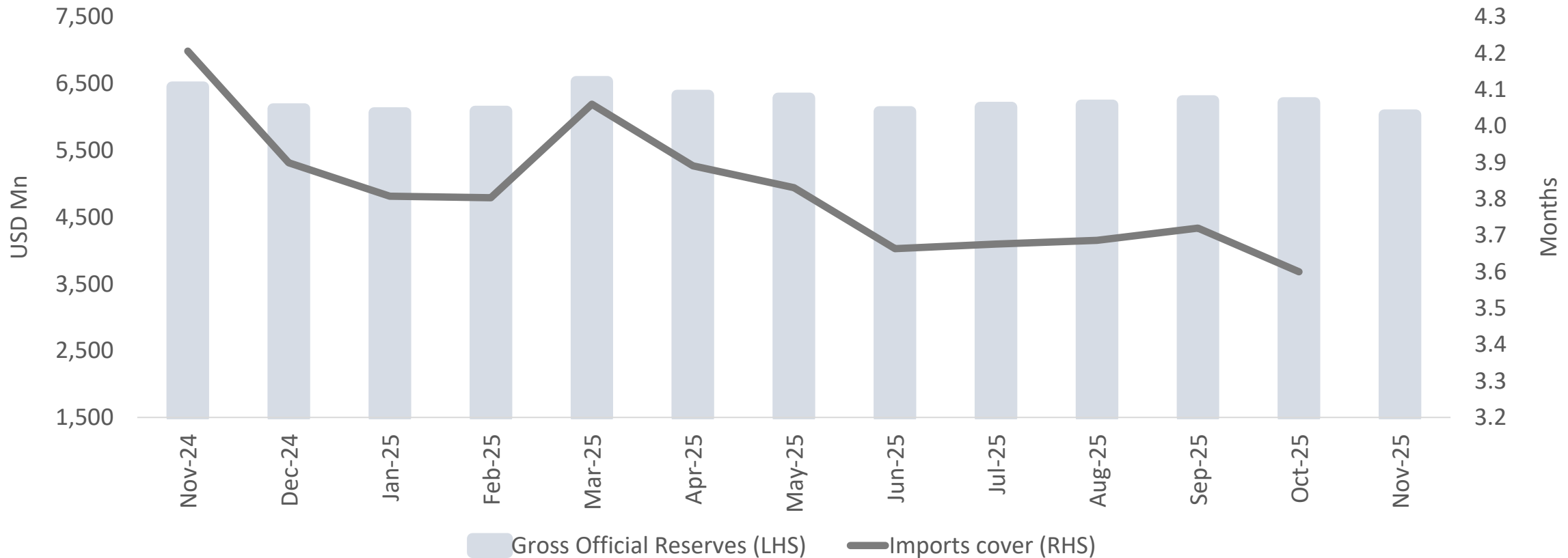


Source: CBSL

In Nov 2025 gross official reserves recorded a decline

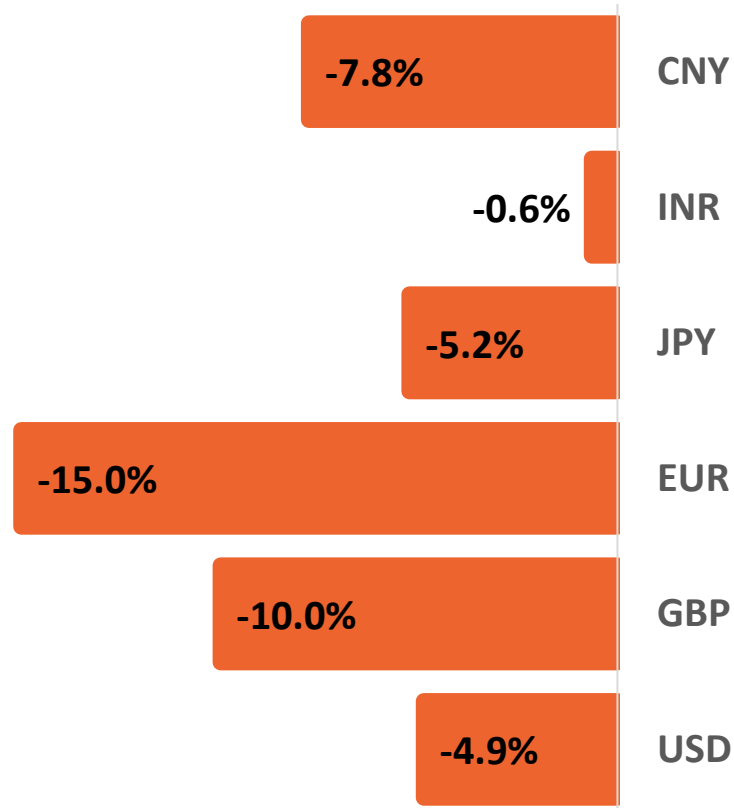
Sri Lanka's gross official reserves recorded a decline, averaging around USD 6 billion. The reserves fell by 6.48% year-on-year and 2.94% month-on-month. Import cover which measures how many months of imports the reserves can finance slightly declined to around 3.6 months by October 2025, reflecting continued external sector pressures.

Foreign Reserves

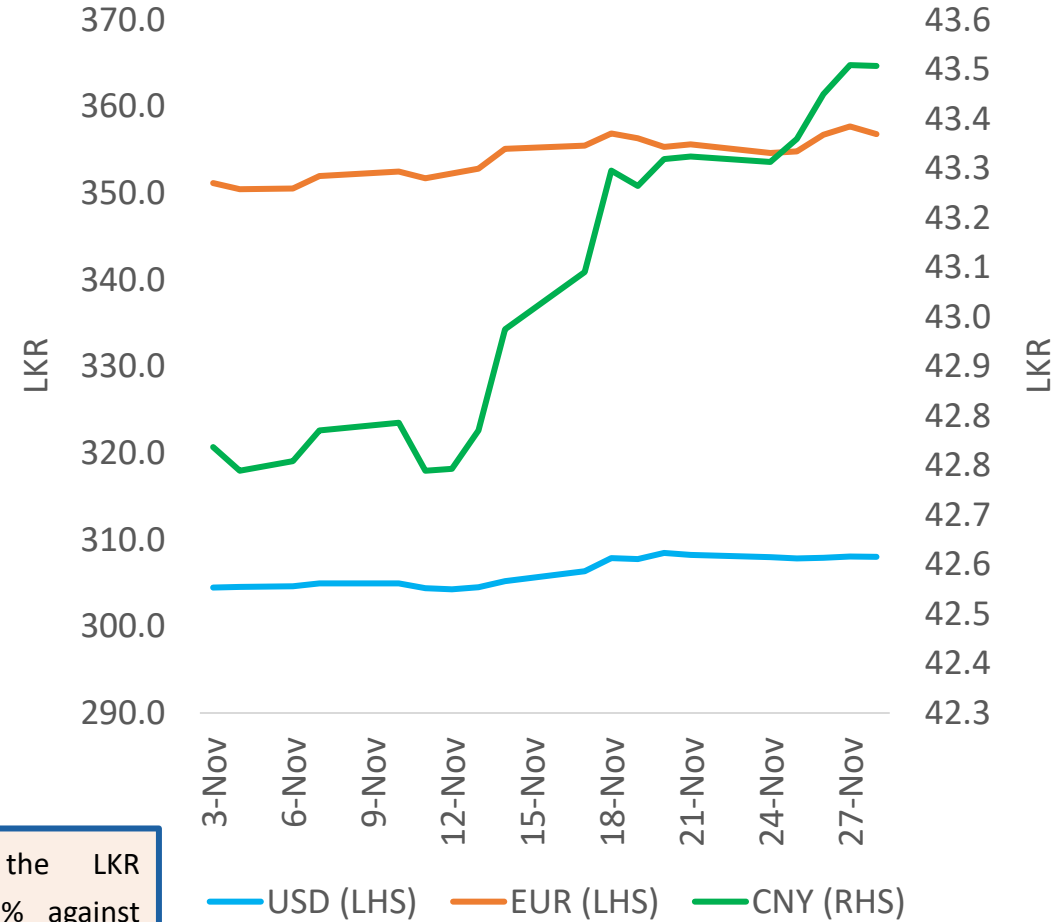


In Nov 2025 major currencies depreciated against the LKR

LKR depreciation against major currencies
YTD end of Nov 2025



Monthly movement of major currencies



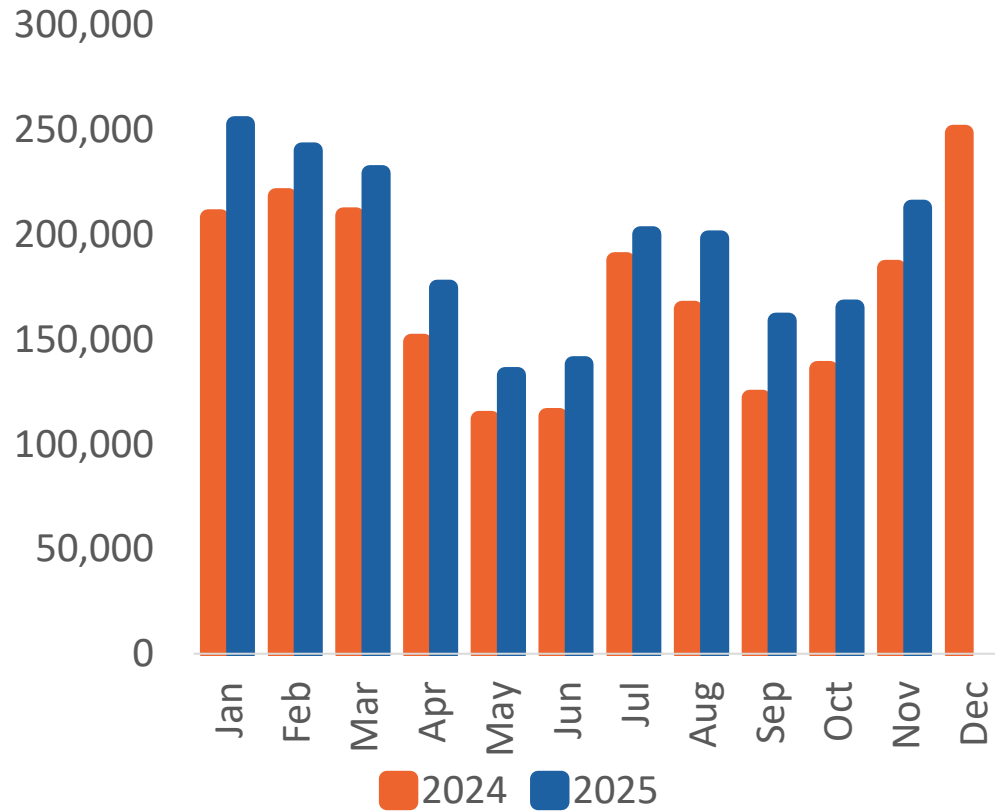
In Nov 2025, the LKR depreciated by 4.9% against the USD, 15% against the EUR and 7.8% against the CNY.

Source: CBSL

Nov 2025 tourist arrivals rose by 15.6% YoY

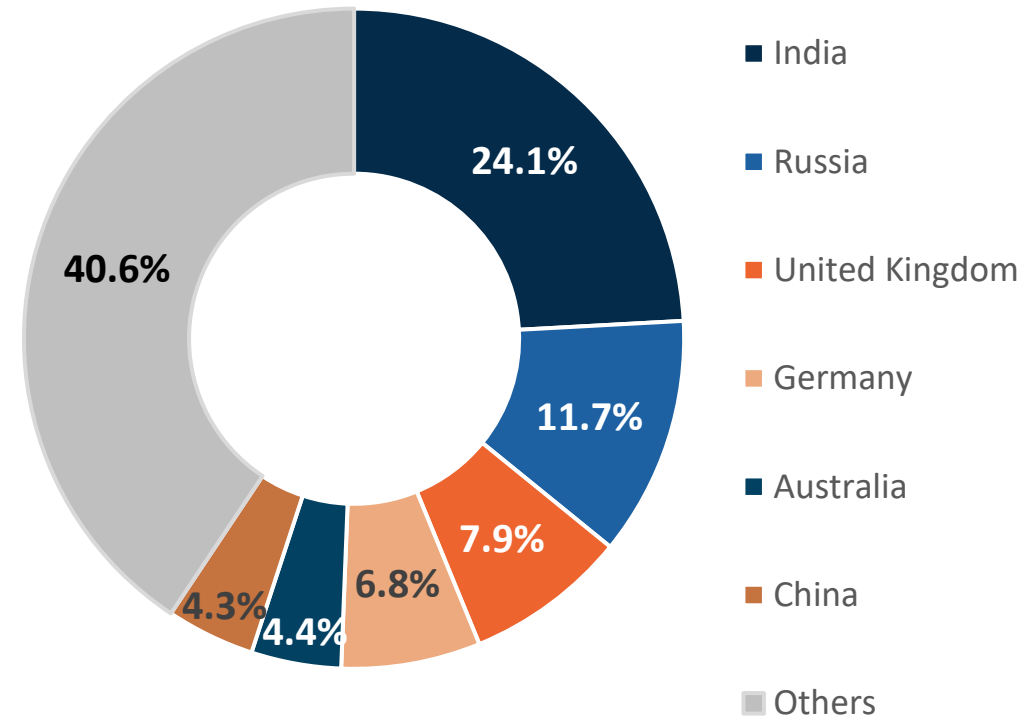
In Nov 2025, Sri Lanka welcomed 212,906 tourists, marking a 15.6% YoY growth and a 28.9% increase compared to Oct 2025. Key source markets included India, Russia, United Kingdom, Germany, Australia and China.

Monthly Tourists Arrivals



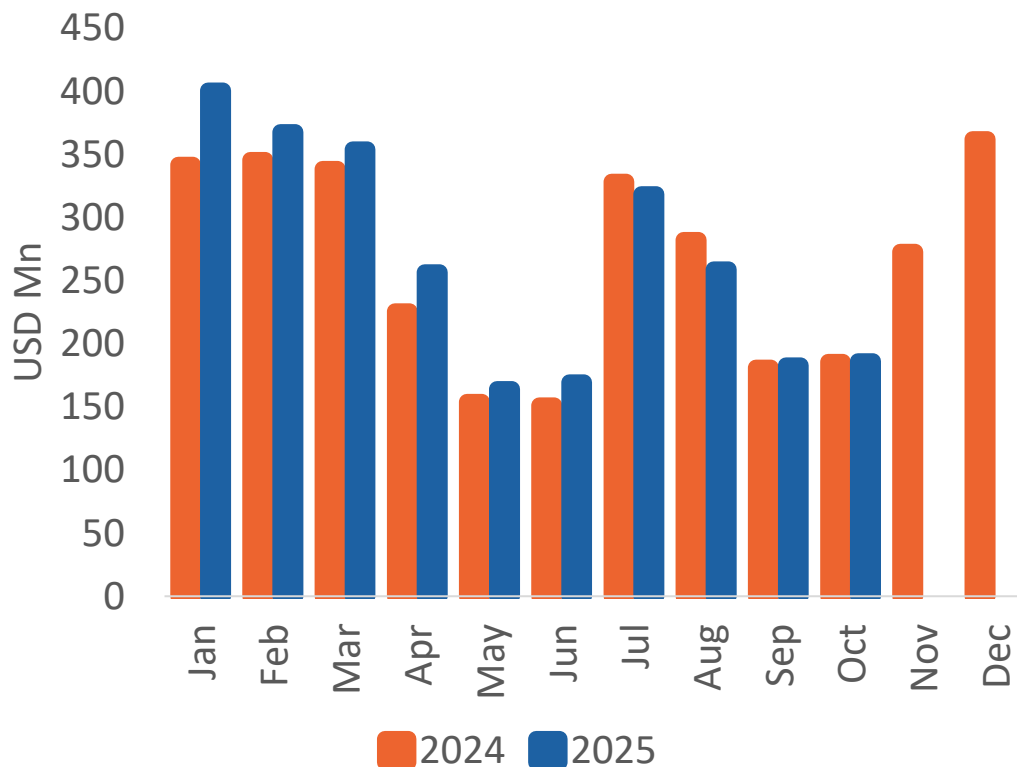
YTD Tourist Arrivals = 2,103,593

Arrival % by Country in Nov 25



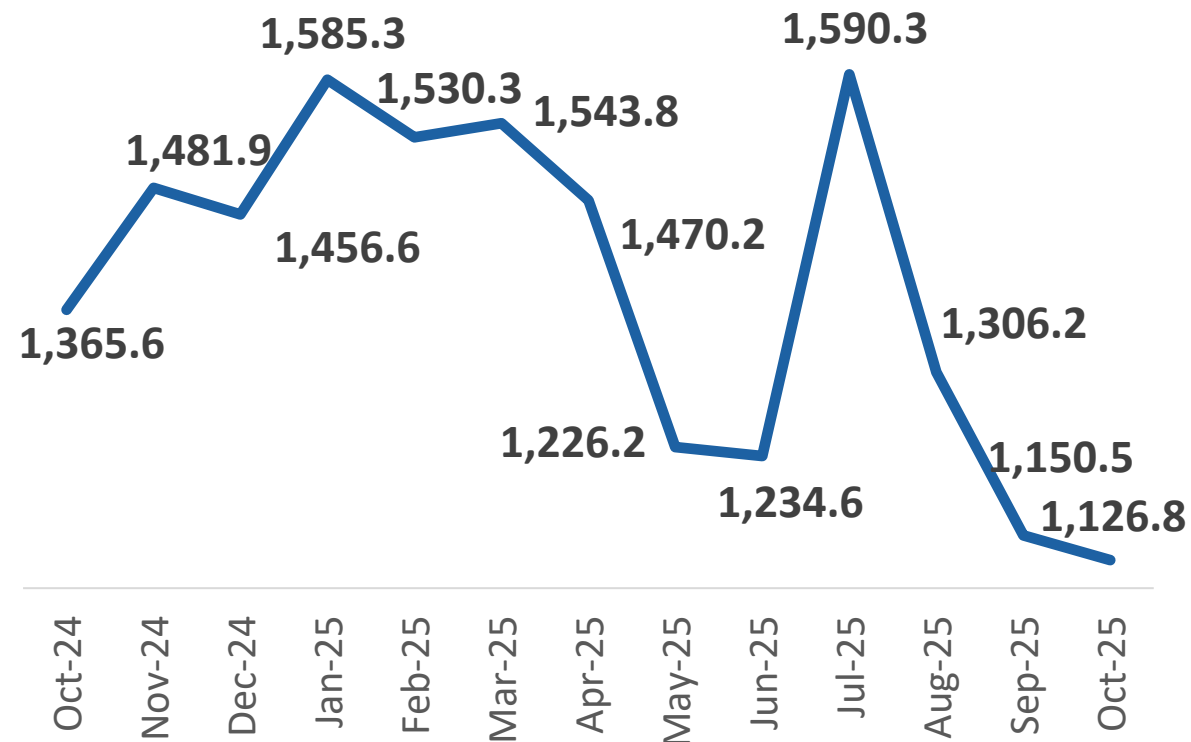
Oct 2025 tourism earnings increased by 0.3% YoY

Monthly Tourists Earnings



YTD Tourism Earnings = USD 2,659 Mn

Earnings per Tourist (USD)

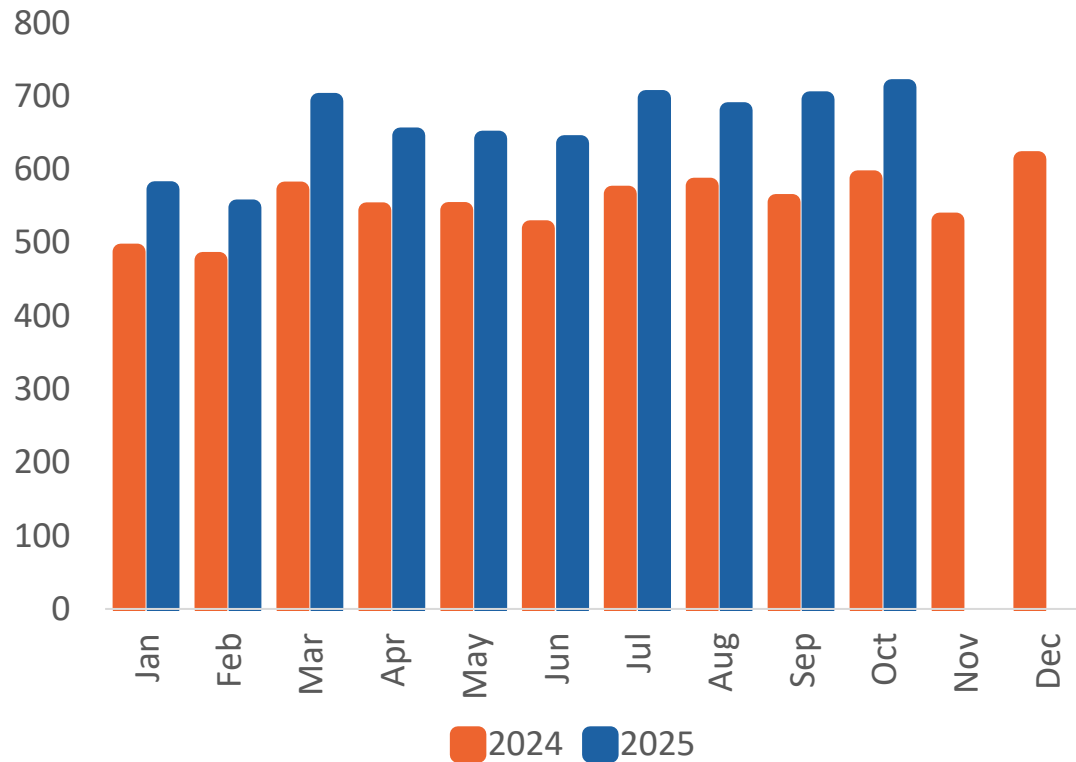


In Oct 2025, tourism earnings increased by 0.3% YoY to USD 186.1 million and rose by 1.8% compared to the previous month. Earnings per tourist was USD 1,126.8, reflecting a 17.5% YoY decline and a 2.1% decline from the previous month.

Oct 2025 worker remittances increased by 21.2% YoY

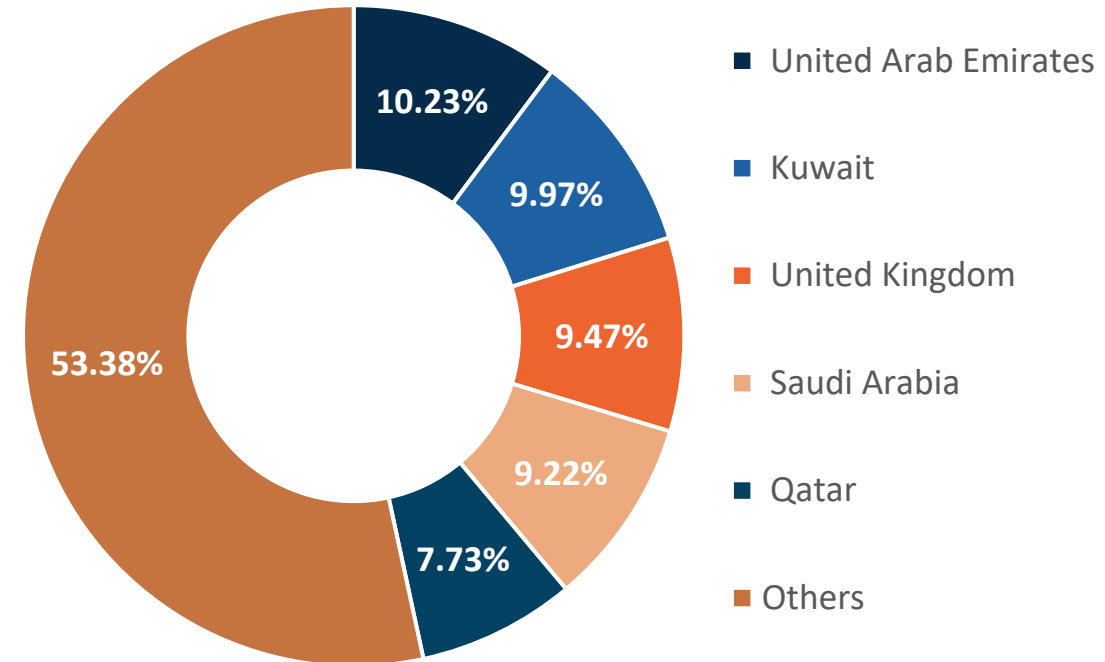
In Oct 2025, remittance inflows reached USD 712 million, reflecting a 21.2% YoY growth and a 2.3% MoM growth. Cumulatively, worker remittances for the year up to October reached USD 6,523.7 million, reflecting a 20.1% rise compared to the same period in 2024.

Workers' Remittances (USD Mn)



YTD Remittances = USD 6523.7 Mn

Remittance Earnings % by country in Q3 of 2025



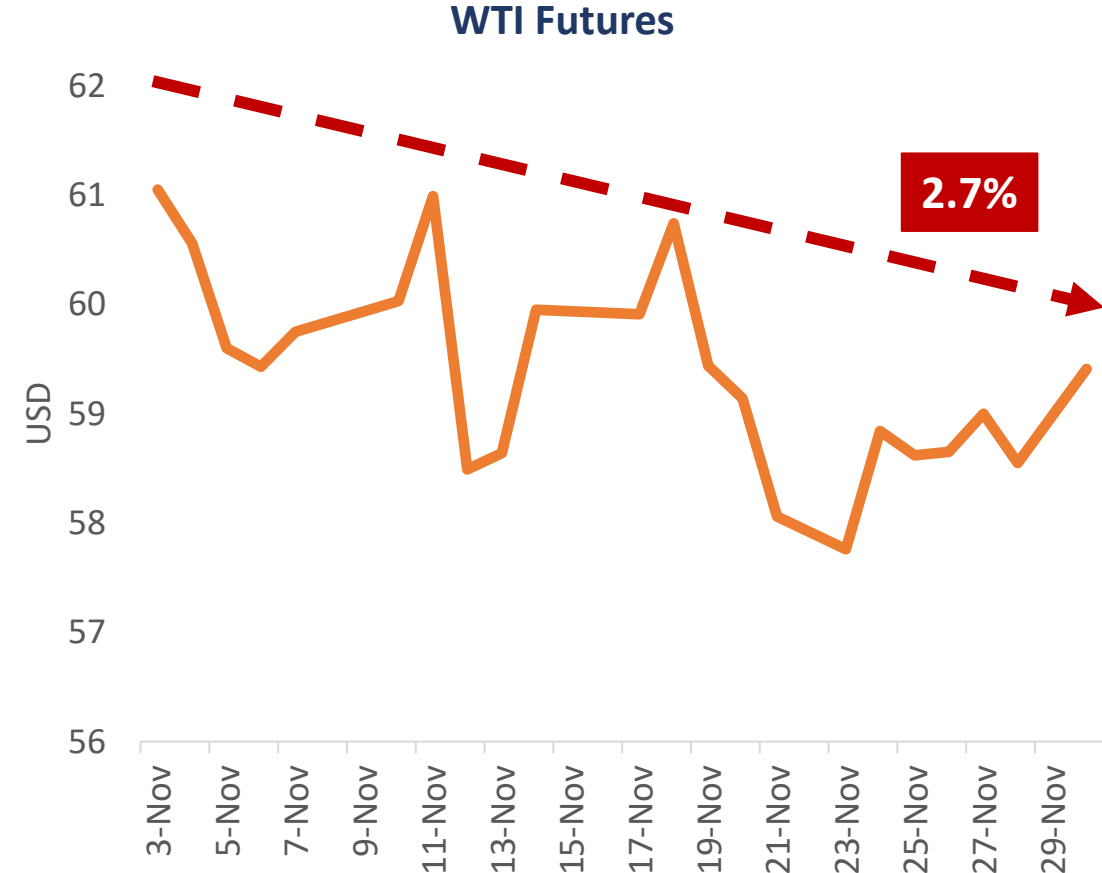
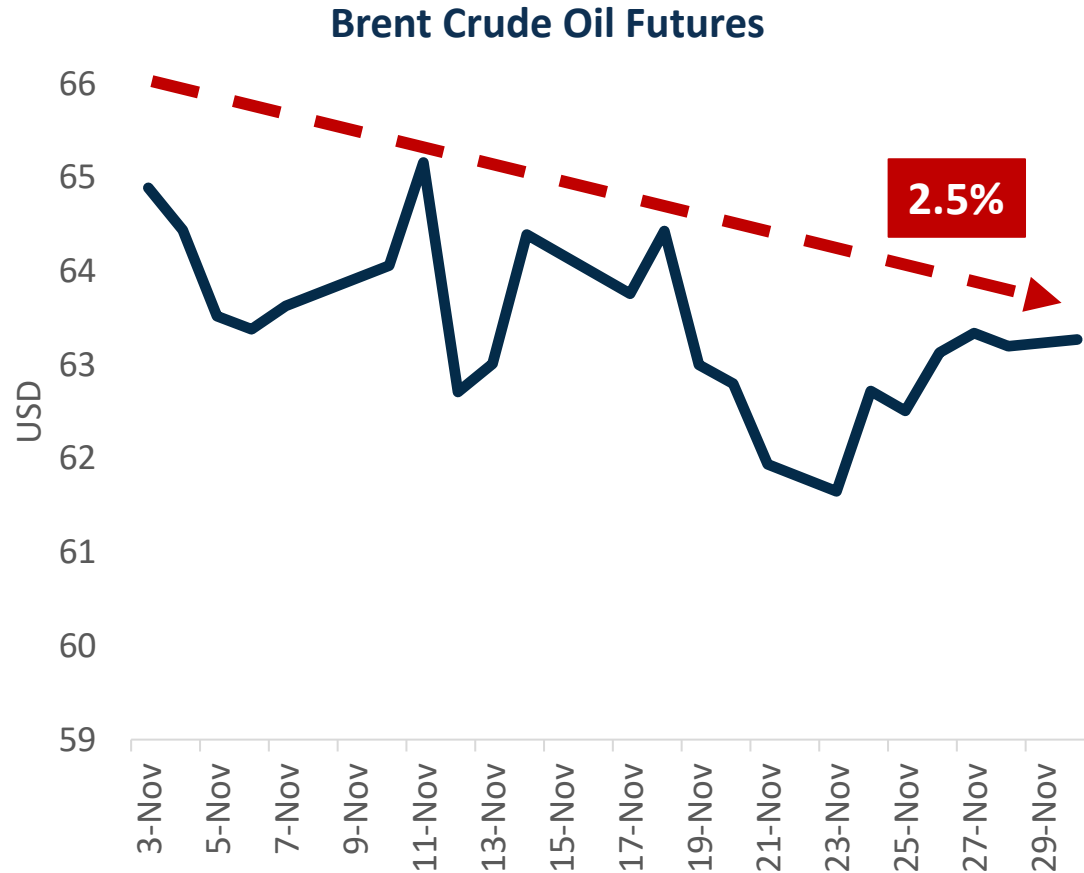


COMMODITIES AND OTHER

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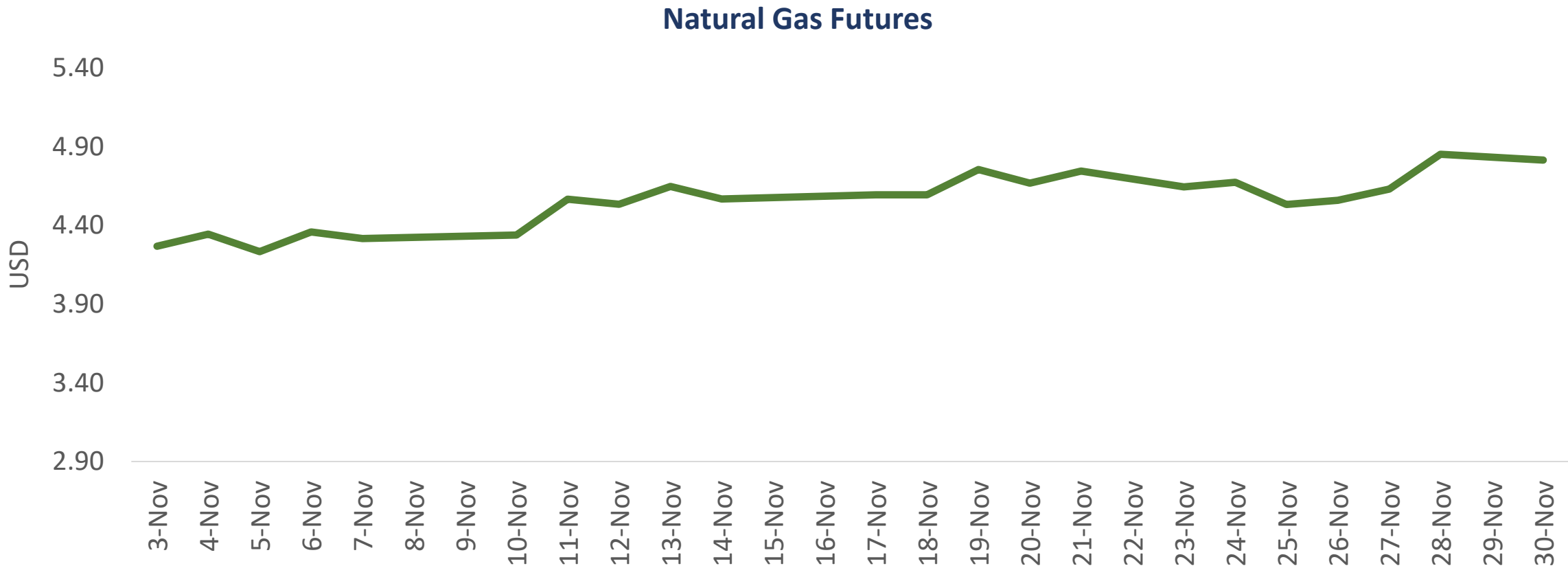
Crude oil prices decreased in Nov 2025



In Nov 2025, crude oil prices dropped, with Brent crude decreasing by 2.50% and WTI futures by 2.69%.

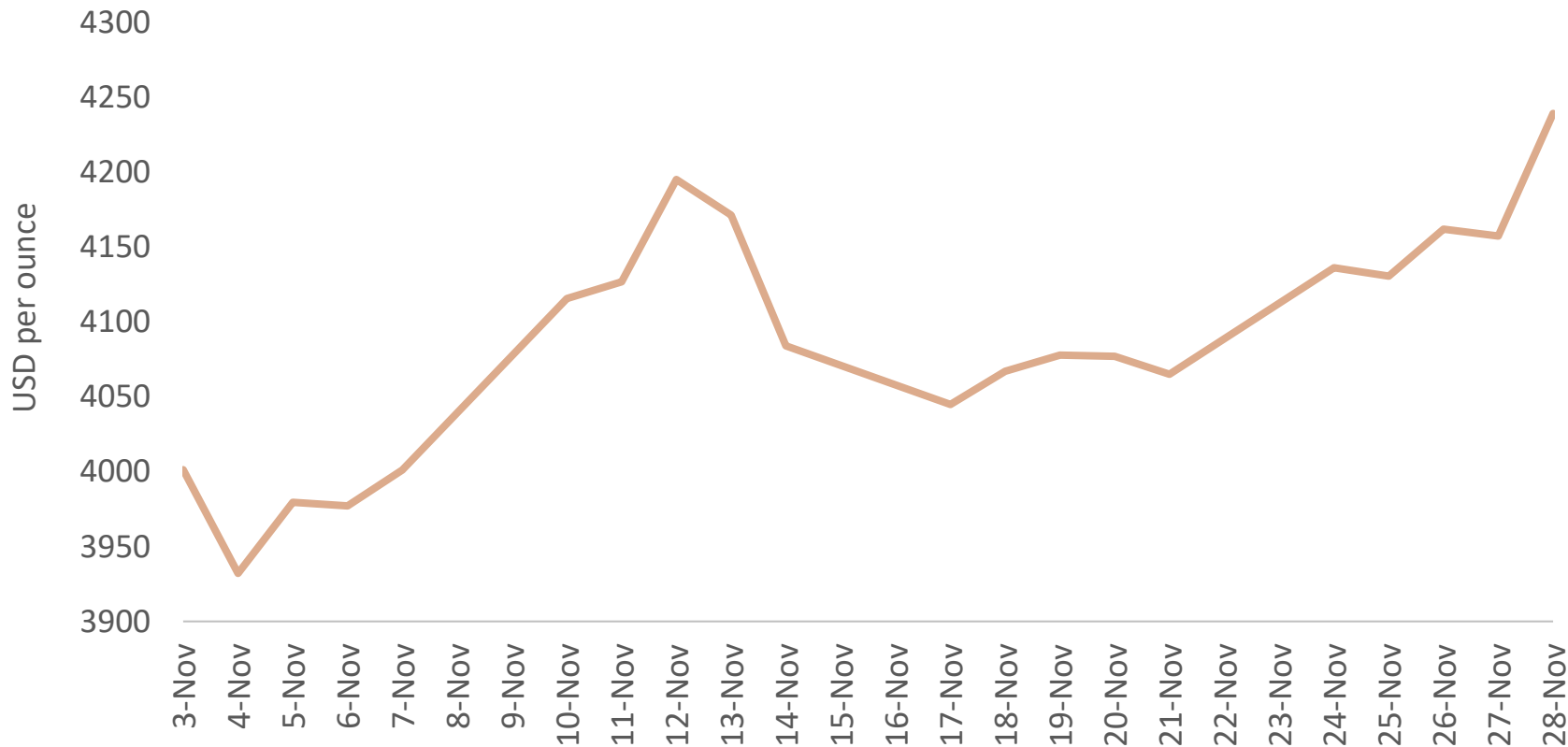
US natural gas prices rose by 12.8% in Nov 2025

In Nov 2025, U.S. natural gas prices rose by 12.8%, driven by seasonal demand softness, limited supply constraints, and shifting policy dynamics early in the month. Gas price remained broadly stable, averaging around USD 4.2 - 4.8.



Gold prices increased by 5.95% in Nov 2025

Gold Price Movement



In Nov 2025, the gold prices have risen by 5.95%.

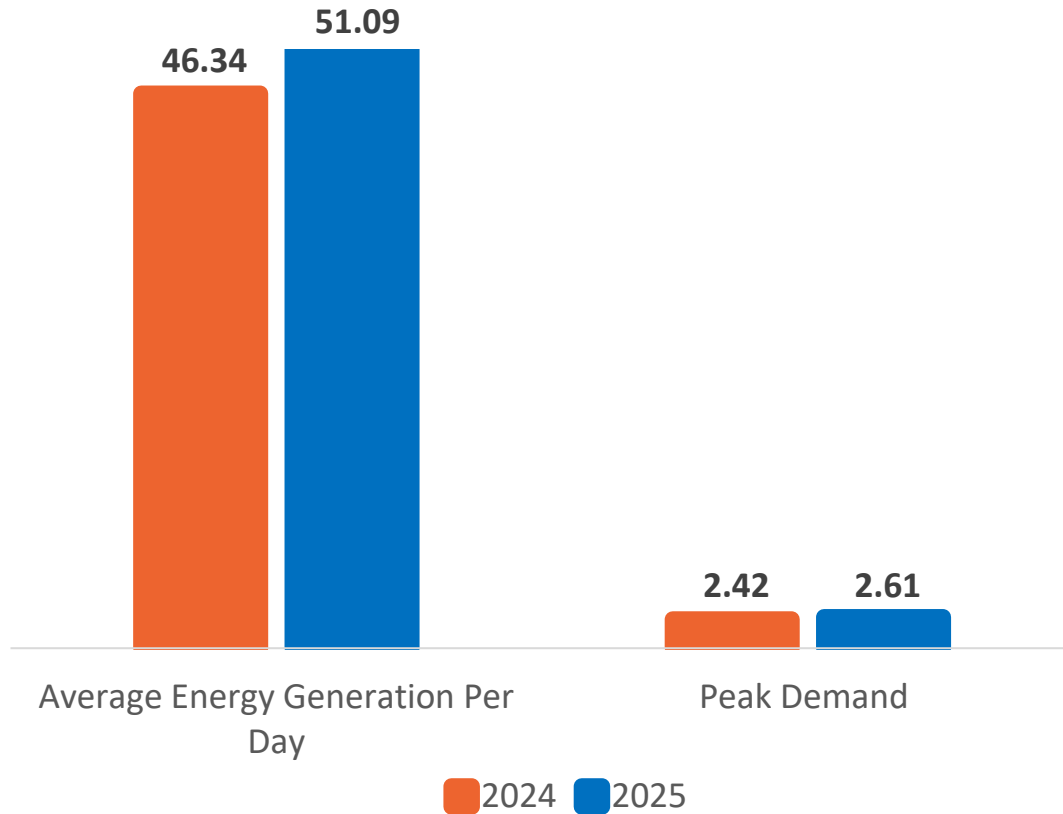
Gold futures settled near USD 4,240 per ounce on the 28th, marking the fourth consecutive monthly gain.

Gold prices continued their upward momentum as a weakening US dollar, expectations of sustained fiscal spending and government policies heading into 2026 provided additional support for bullion.

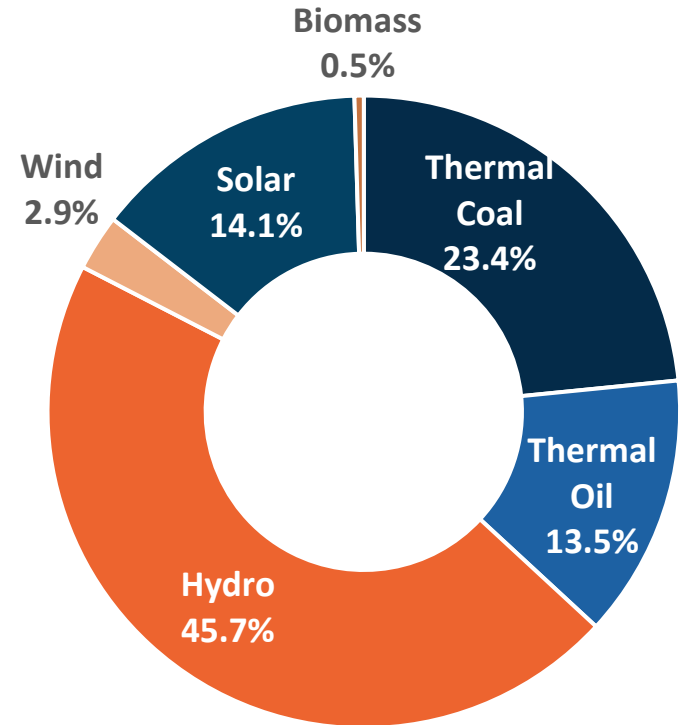
Nov 2025 daily electricity generation rose 10.3% YoY

In Nov 2025, average daily electricity generation reached 51.09 GWh, marking an 10.3% increase compared to the same month last year. The average daily peak demand during the month was 2.61 GWh.

Average Daily Electricity Generation in Nov (GWh)



Electricity Generation Composition by Category in Nov 2025



Oct 2025 tea production increased by 3% YoY

In October 2025, Sri Lanka's tea production experienced a significant increase of 3% YoY, totaling 21.78 million kilograms. Similarly, tea exports saw a growth, with volumes increasing by 5.3% compared to the previous year, reaching 21.89 million kilograms. Consequently, export earnings also rose by 3% YoY, amounting to LKR 38.36 billion.

Tea Exports

For Oct 25	Volume in Kgs	Value in LKR Mn
Tea in Bulk	8,265,624	11,878
Tea in Packets	10,424,895	17,236
Tea in Bags	2,561,378	6,843
Instant Tea	161,988	664
Green Tea	471,918	1,737
Total	21,885,803	38,358

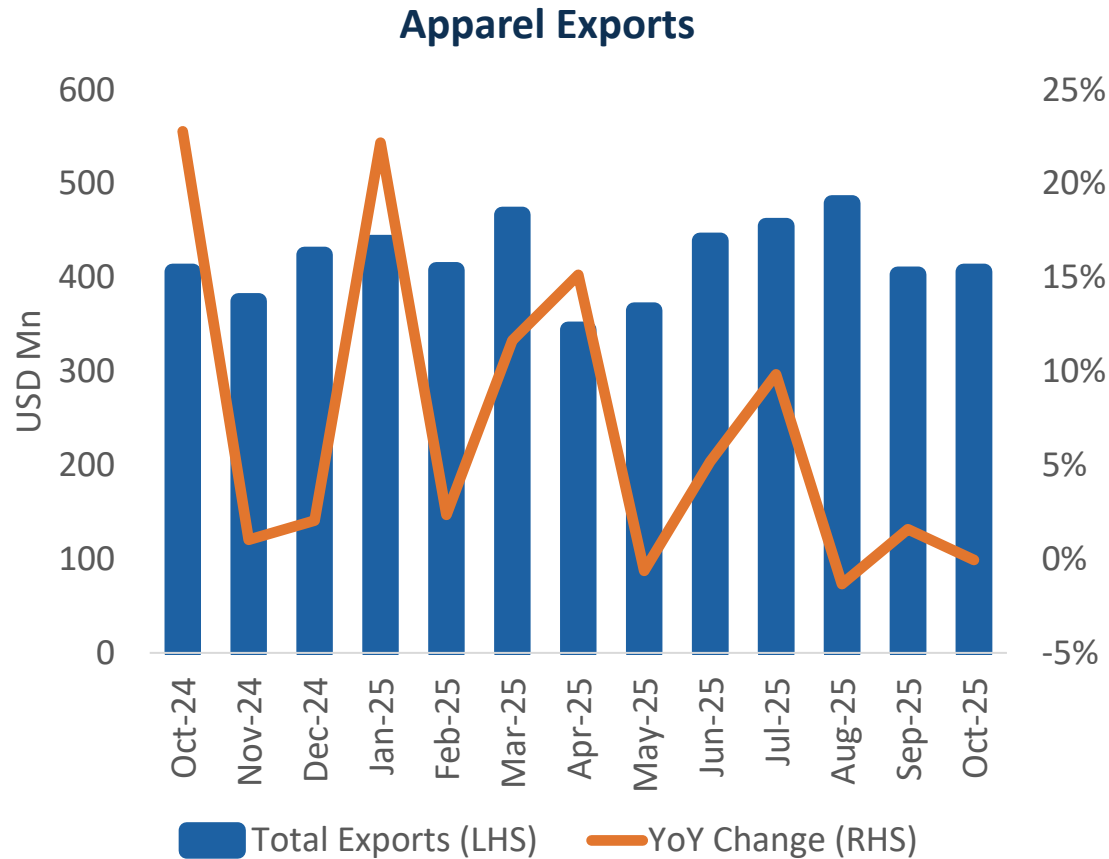
Average Tea Auction Prices (Monthly)

For Oct 25	LKR per Kg
High	1,155.81
Medium	1,034.10
Low	1,248.33
Total	1,191.62

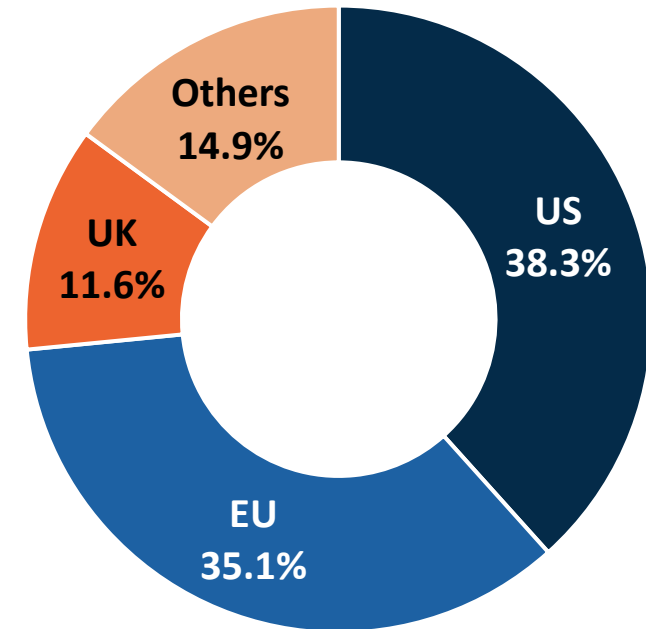
Tea Production

For Oct 25	Kgs
High	3,789,861
Medium	3,471,935
Low	14,343,676
Green Tea	176,195
Total	21,781,666

October 2025 apparel exports declined by 0.05% YoY



Top Export Markets - Oct 2025



Sri Lanka's apparel exports in November 2025 amounted to USD 406.14 million, reflecting a 0.05% YoY decrease, despite a 0.78% Increase MoM. Key export markets showed a decline, with exports to the US decreasing by 1.9% YoY, and exports to the United Kingdom dropping by 12% YoY.

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