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Sri Lanka Weekly Summary

Gross official reserves top USD 7 bn in Oct'26

FISCAL

- T-bill auction cover **1.7x** (Rs 65.9 bn accepted of Rs 90 bn)
- Foreign holdings of T-bills and T-bonds **-3.2%** WoW
- Secondary T-bond yields **+8 to +44 bps** WoW; turnover **+14.1%**

EXTERNAL

- Gross official reserves **surpassed USD 7 bn** (**USD 7.09 bn**, Oct'26)
- Oct'26: arrivals **168,625** (**+2.1%** YoY); remittances **USD 735.6 mn** (**+3.3%**)
- USD/LKR **332.53** (-6.7% YTD); CBSL net FX purchases **USD 191 mn** in Oct

MONETARY

- OPR **8.75%** unchanged; AWPR **11.01%** (**-22 bps** WoW)
- Private credit **+23.6%** YoY; M2b **+11.1%** YoY (Sep'26)
- Liquidity surplus **Rs 422.3 bn**; ASPI **+5.45%** WoW to **21,240**

REAL

- Brent crude **-15.3%** WoW to **USD 99.7**; WTI **-USD 13.38**
- Pettah retail WoW: Mainly stemming from higher vegetable prices
- Peak power demand **2,927 MW** on 5 Nov (2,885 MW on 2 Nov)

AMBEON VIEW

Gross official reserves surpassed USD 7 bn and equities rallied into the 12 Nov Budget, while a sharp fall in Brent eased external and inflation pressure.

Sources: Ambeon Research, CBSL, CSE, News articles

Fiscal Sector

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T-bill cover 1.7x; foreign holdings -3.2% WoW

Overall balance, Jan-Aug 2026

+Rs 35.4 bn

vs Rs 411.0 bn deficit, Jan-Aug 2025

Revenue & grants, Jan-Aug 2026

Rs 4,002 bn

+21.2% vs Jan-Aug 2025

Expenditure, Jan-Aug 2026

Rs 3,967 bn

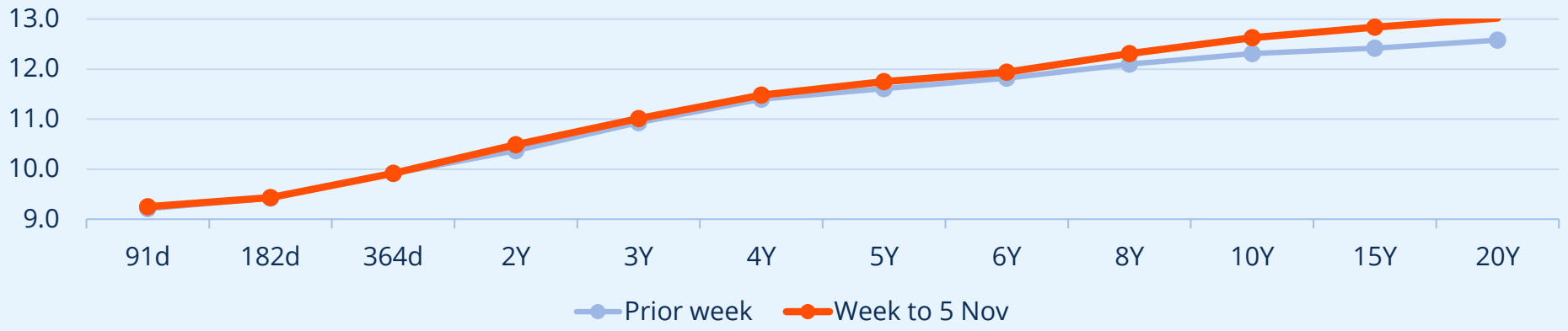
+6.9% vs Jan-Aug 2025; capex +31.6%

Total Govt debt, H1 2026

Rs 31.3 tn

+4.3% YTD vs end Dec 2025

Secondary yield curve, week to 5 Nov (%): T-bonds +8 to +44 bps



Primary surplus **Rs 1,645 bn** (Jan-Aug 2026) vs Rs 1,277 bn 8M 2025

T-bill auction **1.7x** (Rs 65.9 bn); no T-bond auction; foreign holdings **-3.2%** WoW

Debt: domestic **Rs 18.8 tn**, foreign **Rs 12.5 tn** (end Jun 2026)

AMBEON VIEW

T-bill demand softened, with Rs 65.9 bn accepted of the Rs 90 bn offered (cover 1.7x), whilst foreign holdings of government securities fell 3.2% WoW. Secondary T-bond yields rose 8 to 44 bps WoW.

Sources: Ambeon Research, CBSL, CSE, News articles

External Sector

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Reserves topped USD 7 bn and arrivals +2.1% YoY in Oct'26

USD/LKR average, 6 Nov 2026

332.53

YTD depreciation 6.7%

Trade deficit, Jan-Sep 2026

USD 7.91 bn

YoY: exports +5.3%; imports +21.3%

Remittances, Jan-Oct 2026

USD 7.60 bn

+16.5% vs Jan-Oct 2025

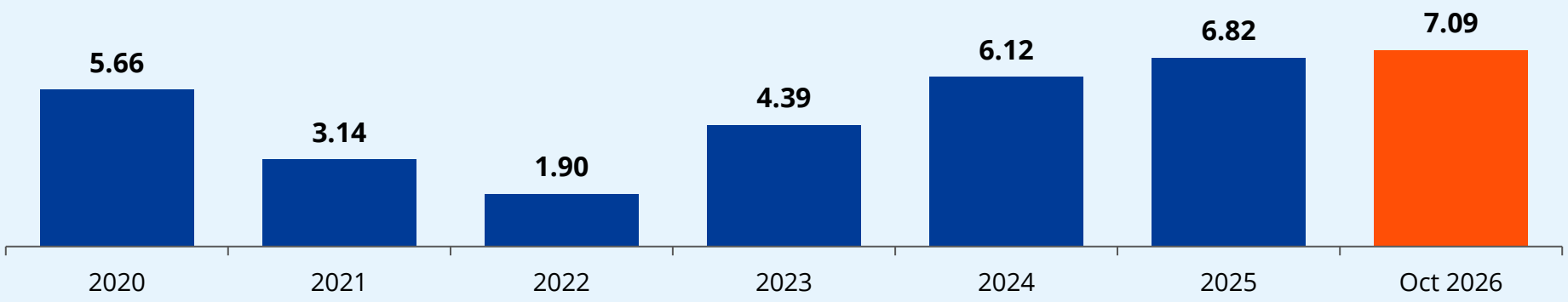
Apparel exports, Jan-Sep 2026

USD 3.51 bn

-5.4% YoY; Sep'26 +3.4% YoY

- Remittances **USD 735.6 mn** in Oct 2026, **+3.3%** YoY
- Tourist arrivals **168,625** in Oct 2026, **+2.1%** YoY (Jan-Oct **-1.5%**)
- Tourism earnings **-9.2% YoY** to **USD 2,245 mn** (Jan-Sep 2026)
- Sep'26 exports a record **USD 1,377 mn**, **+21% YoY**
- Reserves **USD 7.09 bn** (end Oct 2026), **+3.2%** vs Sep
- Terms of trade **-3.0% YoY** to **84.5** index points (Sep 2026)

Gross official reserves, 2020 to Oct 2026 (USD bn)



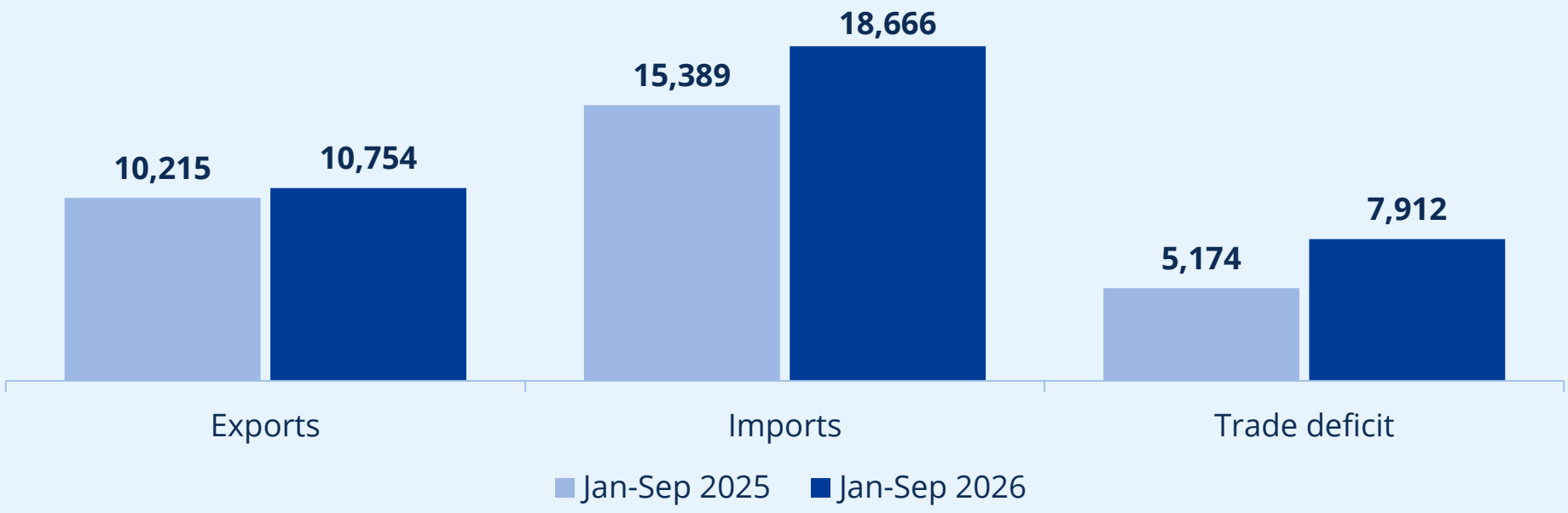
Sources: Ambeon Research, CBSL, CSE, News articles

External Sector

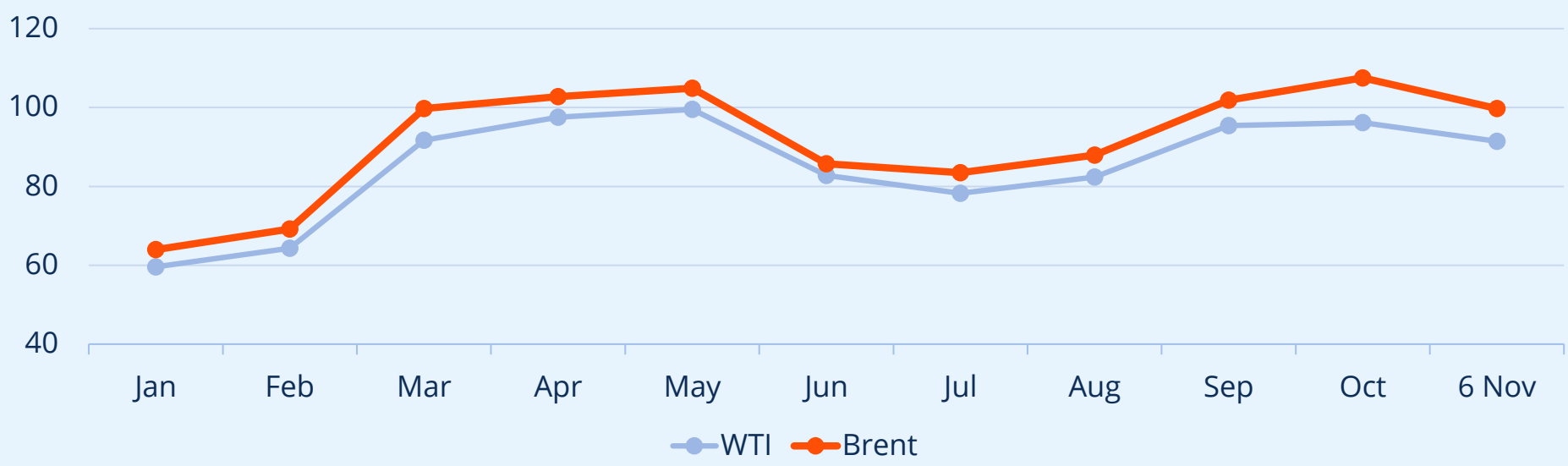
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Brent -15.3% WoW; imports +21.3% YoY (Jan-Sep)

External trade, Jan-Sep (USD mn)



Global oil prices, 2026 monthly average to 6 Nov (USD/bbl)



Brent crude, 6 Nov	WoW (-USD 18.03)	vs Jan avg (USD 63.96)	Brent-WTI gap, 6 Nov
USD 99.71	-15.3%	+55.9%	USD 8.26

AMBEON VIEW

Gross official reserves rose 3.2% to USD 7.09 bn in October, supported by CBSL net FX purchases of USD 191 mn, whilst the rupee remained broadly stable at Rs 332.53 per USD. A 15.3% WoW fall in Brent crude may ease forward import-bill pressure.

Sources: Ambeon Research, CBSL, CSE, News articles

Monetary Sector

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AWPR -22 bps WoW to 11.01%; liquidity Rs 422.3 bn

Policy rate (OPR), 6 Nov 2026

8.75%

Unchanged vs prior week

364-day T-bill, week to 5 Nov

9.95%

Unchanged vs prior week

AWPR, week ending 6 Nov 2026

11.01%

-22 bps vs prior week

Liquidity surplus, 6 Nov 2026

Rs 422.29 bn

vs Rs 392.68 bn, 30 Oct

AWCMR **9.04%** (unchanged); repo **9.13%** (6 Nov 2026)

AWDR **7.62%** (+10 bps); AWLR **12.66%** (Sep 2026)

Primary T-bill yields: 91-day **9.35%**, 182-day **9.44%** (5 Nov)

T-bond Yields; secondary 10Y yield **12.63%** (+32 bps WoW)

Private credit **+23.6%** YoY; M2b **+11.1%** YoY (Sep 2026, latest)

Reserve money **Rs 1,923.3 bn** (5 Nov), down Rs 13.4 bn WoW

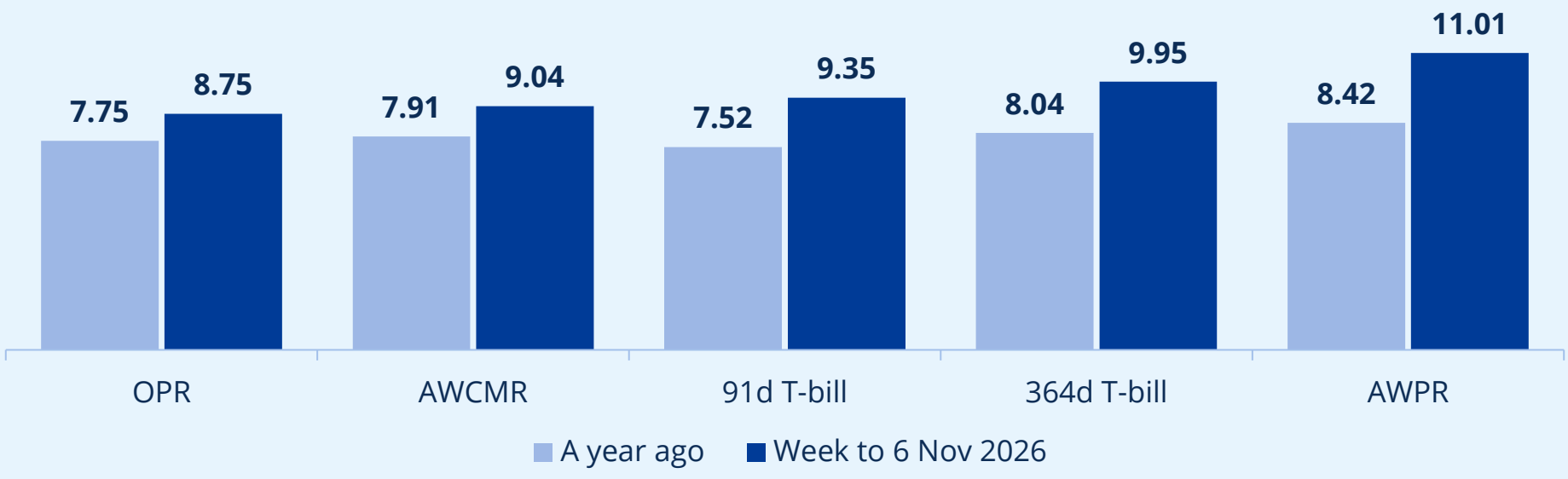
Sources: Ambeon Research, CBSL, CSE, News articles

Monetary Sector

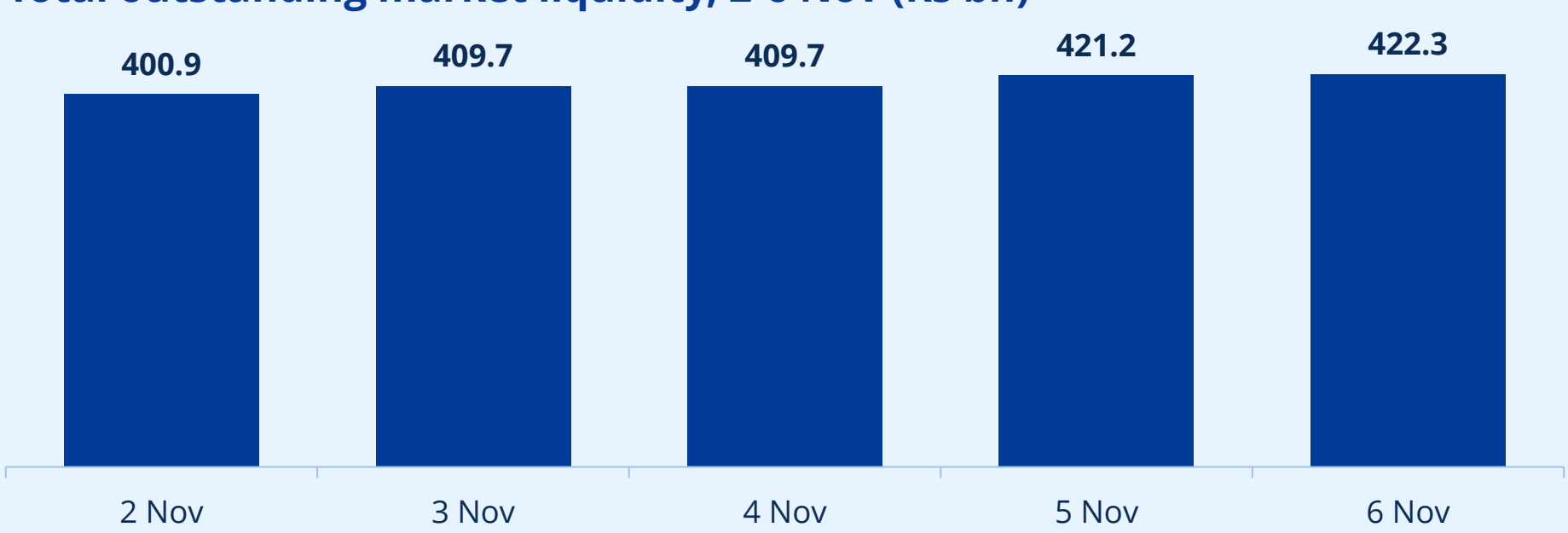
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Liquidity surplus up Rs 21.4 bn during 2-6 Nov

Key rates: a year ago vs week to 6 Nov 2026 (%)



Total outstanding market liquidity, 2-6 Nov (Rs bn)



AMBEON VIEW

Policy and money market rates were broadly unchanged, whilst the AWPR eased 22 bps WoW to 11.01% and the liquidity surplus widened to Rs 422.3 bn (cf. Rs 392.7 bn). However, the secondary 10-year T-bond yield rose 32 bps WoW to 12.63%, indicating upward pressure on longer-term yields and limited room for further easing.

Sources: Ambeon Research, CBSL, CSE, News articles

Real Sector

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CCPI at 8.3% in Oct'26; Pettah cabbage +24% WoW

CCPI inflation, Oct 2026 (YoY)

8.3%

YoY; Sep 2026: 8.0%

CCPI food, Oct 2026 (YoY)

8.8%

Non-food 8.0%; Sep food 8.0%

GDP growth, Q2 2026 (YoY)

4.2%

vs 5.0% in Q2 2025

PMI Mfg / Services, Sep 2026

53.0 / 60.5

Index; above 50 = expansion

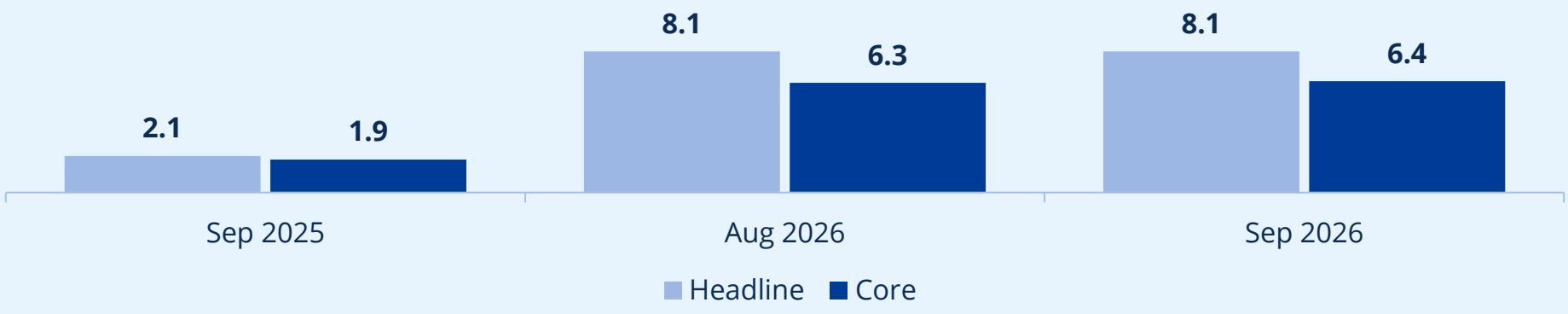
- Industrial production index **99.7** (2015=100), **+1.3% YoY** (Aug 2026)
- PMI Construction **57.8** index (Sep 2026); above 50 = expansion
- Tea **19.0 mn kg** (**-3.7% YoY**); rubber **6.0 mn kg** (**-2.2%**) (Aug 2026)
- Unemployment **4.0%** of labour force (Q2 2026)
- Wage Rate Index: informal private **+10.3%**, public **+5.0%** YoY (Sep 2026)
- Pettah retail WoW: cabbage **+24%** to Rs 670/kg, carrot **+31%** to Rs 510/kg, dried chilli **+21%** to Rs 1,560/kg

Sources: Ambeon Research, CBSL, CSE, News articles

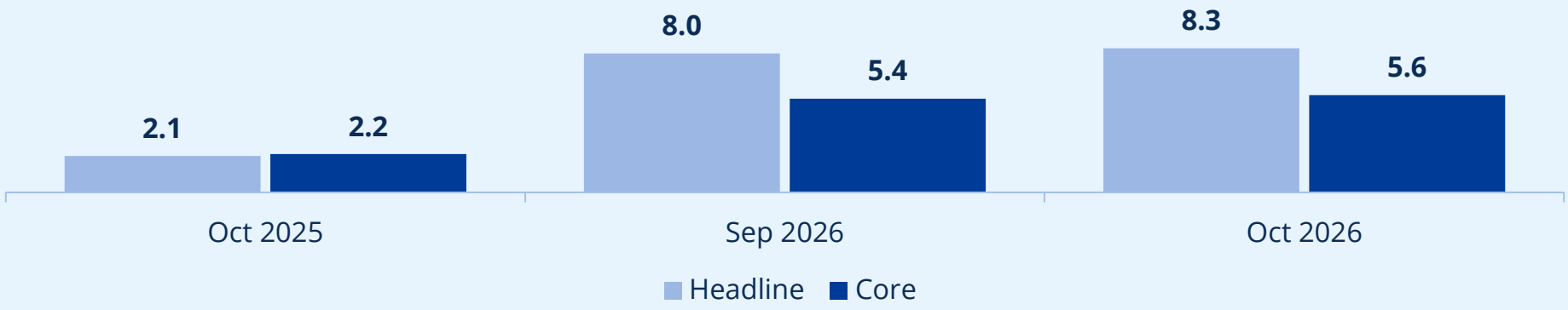
Real Sector

NCPI in Sep stood at 8.1% YoY; Q2 GDP 4.2%

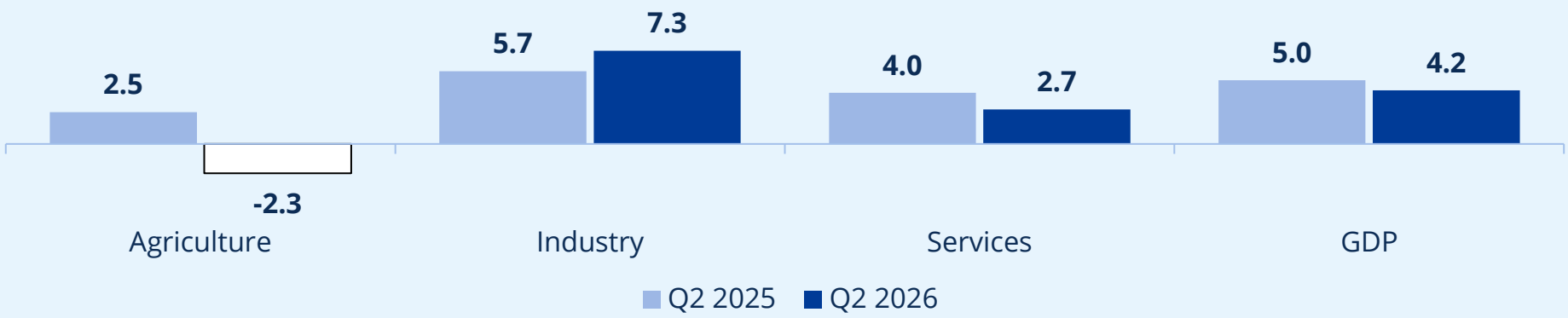
NCPI inflation, YoY: Sep 2025, Aug 2026, Sep 2026 (%)



CCPI inflation, YoY: Oct 2025, Sep 2026, Oct 2026 (%)



GDP growth by sector, Q2 2025 vs Q2 2026 (% YoY)



AMBEON VIEW

Lower global oil prices (Brent -15.3% WoW) are favourable for the inflation outlook, although sharp WoW increases in Pettah vegetable prices (cabbage +24%, carrot +31%) point to near-term food price pressure. Peak power demand rose to 2,927 MW on 5 Nov (cf. 2,885 MW on 2 Nov).

Sources: Ambeon Research, CBSL, CSE, News articles

The Week in News

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Budget on 12 Nov; ASPI +5.45% WoW to 21,240

BUDGET 2027 & POLICY

Budget 2027 to be presented on **12 Nov** (7 Nov)

EPF (over **Rs 6 tn**): private-sector pension, medical insurance and housing under discussion (7 Nov)

Rupee at **332.53** (-6.7% YTD); CBSL absorbed **USD 191 mn** in Oct (6 Nov)

One TRADE single window live from 5 Nov; **124** tariff lines at launch (6 Nov)

MARKETS & REFORMS

ASPI **+5.45%**, S&P SL20 **+5.20%** WoW; Friday turnover **Rs 2.89 bn** (6 Nov)

T-bill tap sale **Rs 3 bn** at **9.95%**; weekly T-bill sales Rs 68.9 bn vs Rs 90 bn offered (6 Nov)

Brent **-USD 18.03** WoW on Iran-Qatar talks; renewed tanker attacks late in week

Net foreign selling on the CSE **Rs 184 mn** on 6 Nov vs Rs 72 mn on 30 Oct

AMBEON VIEW

The equity rally and lower oil ahead of the 12 November Budget are supportive for investors, while elevated inflation limits room for rate cuts. Net foreign selling continues, so Budget measures on capital markets and reforms could be the next catalyst.

Sources: Ambeon Research, CBSL, CSE, News articles

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