



Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:



- 1Q 2015 GDP growth revised to 5.1% from 6.4% on change of base year.
- Moody's commends Sri Lanka's growth but cautions on high government debt.
- US GSP restored.
- Construction sector gets into gear after months of tepid activity.
- Sri Lanka drops to 62nd in the Global Change Readiness Index.
- Total, Shell and ExxonMobil shows interest in oil exploration in Sri Lanka.
- Deflation in Sri Lanka as prices decline 0.2% YoY in July.
- Rupee ends July at 132.01/135.21 vs. USD (stronger 0.1% MoM).
- All Share Price Index closes at 7,332.05 in July (+4.4% MoM).

In Business news:

- Tourist arrivals in June up 11.9% to 115,467; Bartleet Religare bares industry woes impacted by room requirements and low high-end shopping avenues.
- Vehicle registrations up 90.6% YoY in June with three wheelers reaching another high.
- Trade deficit in May expands to USD 702.9m (+49.7% YoY).
- Tea production reduces to 32.2m kgs in May (-17.2% YoY) albeit from a higher base, but trade union action impacts.
- LMD-Nielsen business confidence index in June at 159 (+5 pts MoM).

In Consumer news:

- Gas prices reduced.
- Nielsen consumer confidence index at 79 in June (flat MoM).

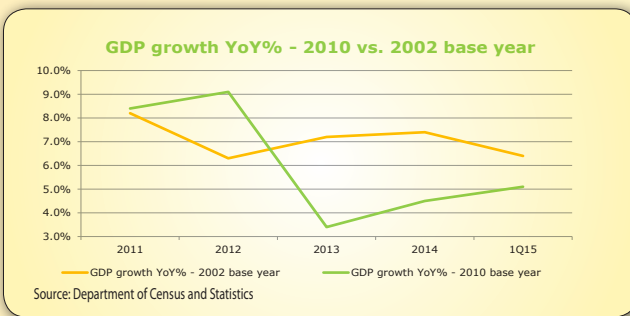


Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:

1Q 2015 GDP growth revised down to 5.1%. The Department of Census and Statistics rebased Sri Lanka's national accounts, moving the base year to 2010 from 2002. This resulted in 1Q15 GDP growth restated to 5.1% Year over Year (YoY) from 6.4%.



The department noted "structural composition of the economy has changed after the rebasing due to revision of the reference year and other improvements made to the system in the rebasing process".

This caused significant changes to segmental contribution, reducing agriculture and industrial sector contribution in the first

Moody's commends Sri Lanka's growth but cautions of high government debt.

Moody's Investors Service states that Sri Lanka's B1 government rating is supported by its record of strong growth, but constrained by high government debt ratios. Key points;

- Since the end of its 27-year long civil war in 2009, Sri Lanka's economy has reaped a peace dividend in the form of GDP growth averaging around 7.5% annually and strong inflows of both foreign direct and portfolio investment.

Although growth has slowed in recent quarters, Moody's expects average growth to continue to compare favourably to peers over the rating horizon.

- Sovereign credit profile faces challenges posed by government debt ratios, which, even though they have declined over the last decade, remain higher than the median for similarly rated peers.



quarter to 7.8% and 28.7% from 13.3% and 32.6%. Services sector contribution increased to 66.5% from 54.1%.

Rebasing caused GDP growth in 2014 to reduce to 4.5% from 7.4% and 2013 growth to 3.4% from 7.2%, with 2012 revised upwards to 9.1% from 6.3%. However according to Mr. Ajith Nivard Cabral, former Governor of the Central Bank of Sri Lanka

"2012 was a year where the economy was deliberately controlled to some extent, with the credit squeeze that we had as well as the rupee being allowed to depreciate further, so there were certain controls.

So that year the growth could have not gone up from 6.3% to 9.1%. It's not reasonable. So the growth actually would have taken place in the later years".

- Consequently, interest payments consume almost a third of government revenues, and limit the fiscal flexibility to increase spending on infrastructure or to introduce fiscal measures to offset a slowdown in growth.

- The rating outlook is stable, incorporating Moody's expectation that the ongoing growth slowdown and political uncertainty around the August parliamentary elections is unlikely to lead to medium term credit deterioration".





Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:

Sri Lanka 62nd in the Global Change Readiness Index 2015. Overall Sri Lanka was placed 62nd but was South Asia's best equipped to respond to growing political, economic and social changes in the region, according to KPMG's latest Global Change Readiness Index (CRI).

CRI highlights the impact of inclusive growth and income inequality on the capacity for responding to change.

- Sri Lanka, which is in a year of political transition, was ranked 62nd among 127 countries globally and five places above India.
- Sri Lanka has shown immense growth in terms of change and has surpassed most of the Millennium Development Goals targets set for 2015, outperforming nearby countries.
- With a new president arriving in office in January on a mandate

Overall CRI	Country	Enterprise capability	Government capability	People and Civil Society capability
62	Sri Lanka	53	68	73
67	India	51	69	83
76	Bhutan	93	47	88
86	Bangladesh	81	88	91
94	Pakistan	57	113	99
103	Nepal	116	109	84
124	Afghanistan	123	124	122

Source: KPMG

of political and economic change, Sri Lanka has emerged as a high growth market with a marked fall in inflation and a narrowed down current account deficit.

- Since the civil war ended, growth during the past five years has been in the form of a peace dividend resulting from reconstruction efforts and increased consumption.

90% of businesses in Sri Lanka are sole ownership. According to a survey conducted by the Department of Census and Statistics 90% of businesses in the country are sole ownership businesses while 25% of the establishments are run by women entrepreneurs.

It noted, "The census has listed all the economic activities (both formal and informal, excluding a few micro scale activities) except for the activities, which were operated for the sole purpose of own consumption." Key points

- Country's economy comprises of around 1.02 million establishments
- About three million people are engaged in industry trade and services sector of the country.
- 45% of the micro enterprises and 10% of the small enterprises are not registered.
- While 25% of the establishments are run by women entrepreneurs or decision makers, it is higher in rural areas (35%) than urban areas (28%).

Category	Total	Number of establishments			Persons engaged
		% registered	% run by females	% with sole ownership	
Micro	935,736	54.6%	26.3%	93.1%	1,338,675
Small	71,126	89.1%	8.3%	64.5%	529,751
Medium	10,405	100.0%	6.1%	35.9%	386,756
Large	2,414	100.0%	4.6%	20.3%	747,937
Total	1,019,681	57.6%	24.8%	90.4%	3,003,119

Source: DCS





Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:

Marketing & Sales

We provide all the fuel needs in Sri Lanka through about **850 dealers**.



Record losses at CPC as reduced pricing cause mayhem. Losses at Ceylon Petroleum Corporation (CPC) during Jan to May 2015 rose to Rs.6.9bn due to significant reduction in petrol, diesel and kerosene prices in January 2015.

While low global prices during the first few months of the year helped CPC make a profit, subsequent pickup in prices contributed to its' losses. Moreover it was reported that CPC also pays steep customs and excise duties on petrol and diesel.

The Sunday Times citing an anonymous source noted that

- "The Treasury is supposed to subsidise the CPC but it does not seem to have sufficient funds. We are running on bank borrowings. Our losses have increased to Rs.6.9bn for the first five months of 2015 alone.
- Don't forget that we also had ten years' of accumulated losses amounting to Rs.238bn up to last year. The Treasury owes us Rs.309bn in subsidies. Not a single cent was paid.
- On top of that, the Government took Rs.10bn as a 'special levy' towards the end of last year, saying it will be paid back or set off against taxes. That never happened".

Currently excise duty on petrol is Rs.27 a litre and customs duty is Rs.35 a litre. Excise duty on diesel is Rs. 3 a litre and the customs duty is Rs. 15 a litre. Moreover, an additional 5% "port and airport development levy" is applied to both products.

To improve efficiency at CPC the following has been proposed for a while but has not made sufficient headway;

- A draft cost-reflective tariff formula has been approved by the Cabinet and forwarded to the Treasury for observations.
- According to Mr. Champika Ranawaka, former Minister of Power and Energy Minister the Government would set up an independent regulatory body to monitor the energy sector.
- CPC cancelled all fuel import "term contracts" signed by the previous administration and called for fresh, open bids. A term contract describes a fixed duration.
- CPC's outstanding borrowings from two state commercial banks decreased to Rs.350bn as at April 2015 from Rs.375bn at 2014. It is proposed that Treasury bonds amounting to Rs.100 billion would be issued to strengthen CPC's financial position.



Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:

Construction sector gets into gear after months of tepid activity.

July saw construction sector generating positive news after months of stagnation caused by temporary stoppages to much hyped large scale infrastructure projects. Key announcements were;

- Construction work on the extension of the Southern Expressway from Matara to Hambantota commenced. The 75km, Rs.45 billion project is funded by China. The road will connect Matara-Godagama to Hambantota Harbour via Beliatta, Andarawewa, and Mattala.
- Shreepati Edifice from India is to construct a USD 300 million mixed development hybrid project on a two-acre land at Rajagiriya. The tower is to be built as a tubular structure in a tribute to Sri Lanka's 1996 Cricket World cup triumph.

The tower will be the tallest building in the country comprising 97 floors with 376 residential apartments, 92 penthouses and modern amenities such as entertainment desk, business centre,

US GSP restored. The United States (US) restored the Generalised System of Preferences (GSP) to Sri Lanka with effect from 29.06.2015.

The programme which expired July 2013 will now provide preferential duty free entry into US market for nearly 5000 products and run until December 2017.

US importers will be eligible to claim the import duty paid for the select products under the US GSP Programme. Sri Lankan exporters will gain duty free access for select products under the US GSP programme. According to Verite Research;

- Expiration or renewal of US GSP had nothing to do with Sri Lanka

Expiration of the US GSP scheme on 31 July 2013 or the renewal of the scheme on 29 June 2015 had nothing to do with Sri Lanka. The US GSP program is subject to periodic renewal by Congress. This is not a country specific review.

The GSP program was most recently extended until 31 July 2013, and congress failed to renew it on the due date, therefore the GSP scheme expired. As a result all 122 GSP beneficiary countries lost duty free access given by the scheme for selected products

swimming pool, gymnasium, spa, outdoor yoga and sky decks. Doors to open in four years and land was leased to Wills Relators by the Urban Development Authority.



- The Highways and Investment Promotion Ministry is to prioritise road development already identified to be developed by the former government under a USD 100 million loan from the China Development Bank

exported to the United States.

- Only 8% of Sri Lankan exports to USA benefits from US GSP scheme

According to statistics published by the United States International Trade Commission (USITC) the percentage of exports from Sri Lanka that benefits from US GSP is very low.

As a percentage of total exports from Sri Lanka to the US, it is about 8%. US GSP renewal, while benefiting some exporters to US is not going to give a big boost to overall exports from Sri Lanka to the US.

- Textile and apparel is not eligible for GSP concessions

The US GSP scheme does not give concessions to certain "import sensitive" products such as textile and apparel exports from developing countries. Apparel account for nearly 80% of total exports from Sri Lanka to the United States. This is the key reason for the low level of utilisation of GSP concessions by Sri Lankan exporters.



Gradient Alliance

Monthly Bulletin: July 2015

In Economic news:

Total, Shell and ExxonMobil shows interest in oil exploration in Sri Lanka. With Cairn Lanka pulling out of Sri Lanka's oil exploration in the Mannar basin, Total, Shell and ExxonMobil expressed interest to continue Cairn Lanka's work.

According to Mr. B.M.S Batagoda, secretary, power and energy, bids had been received after an open tender was called. The new tender is to be awarded for 20 blocks in the Mannar basin and a separate tender for work on the data obtained by Cairns during

its exploration.

In April 2015, Cairn Lanka, a subsidiary of Cairn India quit oil exploration in Sri Lanka following a nearly 50% drop in global crude oil prices. On a separate note SundayTimes reports that the Cabinet has given the tender for the exploration for oil and natural gas off the eastern coast of Sri Lanka to Total.



Sri Lanka to be fully "Wi-fied" thanks to Google.

Exports in May 2015 declined 0.1% YoY to USD Google's Project Loon is set to provide free internet covering the entire island.

A network of high-altitude balloons is to be launched in March



2016 making Sri Lanka the first country in the world to have universal internet access.

13 balloons will be positioned above Sri Lanka and internet service providers will connect to this network through these 'floating towers' thus reducing transmission costs.

According to Mr. Mangala Samaraweera, Minister, "Sri Lanka is on its way to becoming the very first country in the world to have network connectivity cover the entire country. . . .we are at the cusp of reclaiming our heritage of being connected to each other and connected to the world. In a few months we will truly be able to say: Sri Lanka. Covered".

Project Loon was initiated in 2011 and has put its balloons through millions of miles of tests to optimise coverage. Mr. Nick Cassidy, Project leader stated that the entire country will be covered by the 3G "floating cell towers"

Trade deficit in May 2015 expands to USD 702.9m (+49.7% YoY).

Exports in May 2015 declined 0.1% YoY to USD 882.5m with imports increasing 17.2% YoY to USD 1.6bn. The resulting trade deficit was partly financed by USD 537.7m (-3.6% YoY) of worker remittances.

• Agriculture exports (~22% of exports) were USD 217.1m down 9.5% YoY with tea exports declining (USD 123.6,-12.1% YoY) on lower international prices. Sea food exports were USD 14.9m (-39.2% YoY) due to the EU ban effected since January 2015.

• Industrial exports (~77% of exports) were USD 661.3m, up 3.3% YoY as apparel exports increased to USD 392.9m, +7.6% YoY.

• Consumer goods imports (~18% of imports) were USD 348.8m, up 25.6% YoY, driven by food and beverages (excluding dairy

products) which grew to USD 115.9m (+4.8% YoY) and vehicle imports rising to USD 93.0m (+87.1% YoY)

• Intermediate goods imports (~59% of imports) were USD 889.2m, up 11.9% YoY, as textile and textile article imports increased to USD 205.2m (+16.3% YoY) offsetting fuel imports which reduced to USD 264.3m (-7.8% YoY).

• Investment goods imports were USD 345.8m, up 23.6% YoY. Imports of machinery and equipment were USD 174.1m,+21.8% YoY and transport equipment were USD 71.6m, +117.0% YoY on ever increasing rise in three wheelers.

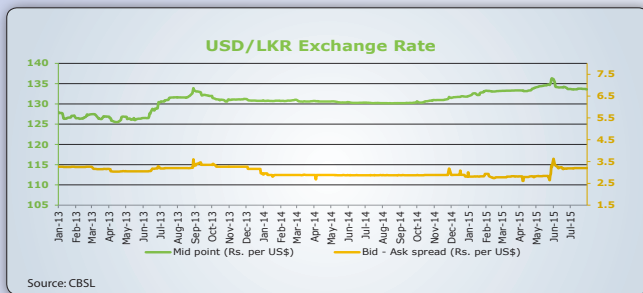


Gradient Alliance

Monthly Bulletin: July 2015

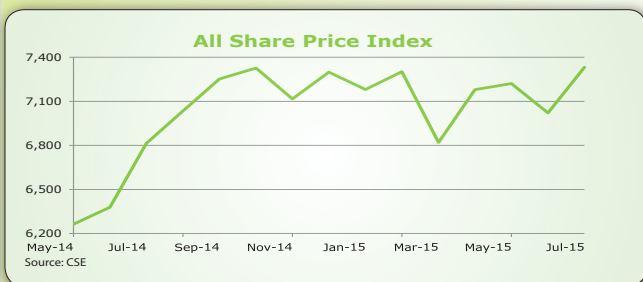
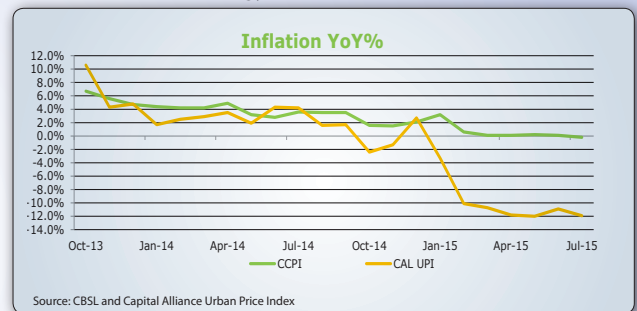
In Economic news:

Rupee ended July 15 at 132.01/135.21 vs. USD (Rupee stronger 0.1% MoM).



Deflation in July 2015. Sri Lanka experienced deflation for the first time in over 20 years as the Colombo Consumer price index recorded a decline of 0.2% YoY. Inflation has been in a steady decline over recent months with prices of electricity, kerosene and transport reducing.

CAL's Urban Price Index declined by about 11.8% YoY in July. According to CAL "Food and Beverage (F&B) prices saw a decrease of c.3% during the month while transportation, communication and energy prices saw a decrease of c.0.4% MoM. During the last 12-months, F&B decreased c.0.2% and transportation, communication and energy declined c.22%".



All Share Price Index closes at 7,332.05, up 4.4% MoM. Baring oil palms (-0.6% MoM) all other sectors recorded positive growth during the month. Best performing sectors in the month were chemical & pharmaceuticals (+11.1% MoM), construction & engineering (+10.1% MoM) and manufacturing (+8.6% MoM).

ADVERTISEMENT

Fruit Market



For your fresh fruit requirements:
Mangoes (Karuthakolumban), Cashew Nuts, Pineapples
 – free delivery within city limits
Coconuts – free weekly delivery to
restaurants/caterers/hotels

+94777508323
fruitmarketlk@gmail.com



Gradient Alliance

Monthly Bulletin: July 2015

In Business news:



Tourist arrivals up 11.9% YoY in June 2015. Tourist arrivals in June were 115,467 up 11.9% YoY. According to Sri Lanka Tourism Development Authority key sector performance during the month;

- Indian arrivals were 25,860 (+29.9% YoY).
- Western Europe: U.K: 8,580 (+10.1% YoY), Germany: 5,649 (+30.5% YoY) and France: 3,012 (+4.5% YoY).
- East Asia arrivals: China and Hong Kong 15,487 (+85.6% YoY).
- Russian arrivals increased 7.8% YoY to 2,239 while North America traffic was 7,028 (+2.0% YoY).

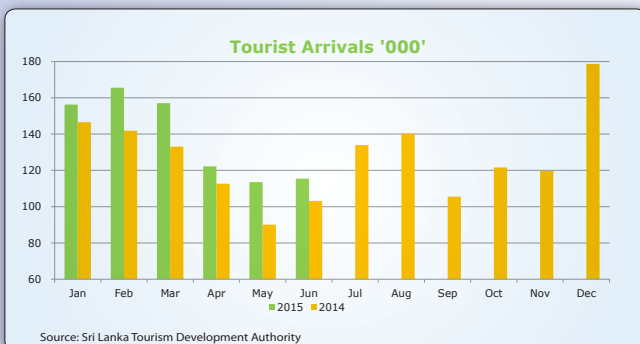
In tourism related news:

- Sri Lanka Tourism Promotion Bureau called for Expression of Interests for media spend of almost Rs.200m.

According to Mr. Rohantha Athukorala, Chairman, Sri Lanka Tourism Promotion Bureau "given the strengthened Sri Lanka Tourism Promotions Bureau marketing team, with 31 midcareer professionals selected purely on merit as per government regulations, it is now ready to launch an aggressive multimedia campaign".

- Hettigoda Group is to construct a Rs.1.4bn a mixed development project comprising a city hotel and a commercial space in Mount Lavinia. The 10 storey structure construction will include 148 rooms on 100 perches of land with 98 rooms targeting medical tourists.

- China-based global hotel chain Plateno Group took over management of Ranna 212 resort in Tangalle. The resort will become part of Plateno's Portofino Brand as Portofino Resort Tangalle commencing September 2015. This is Plateno's second hotel in Sri Lanka, after city hotel ZMAX which will open its' doors in Colombo in 2017.





Gradient Alliance

Monthly Bulletin: July 2015

In Business news:

Bartleet Religare Securities' view on the Tourism and leisure industry in Sri Lanka.

• "At present Sri Lanka's road network is improving at a slow but steady pace with some of the key areas within the Colombo city and Kandy been the main points of road congestion.

The proposed Colombo-Kandy expressway is expected to ease a tourist's travel time. Completion of the Katunayake expressway and the Southern expressway contributed immensely in reducing the travel time from the Airport to the beach resorts in the Southern coastal region.

• Along with regional countries such as Malaysia, Thailand and China, Sri Lanka too charges a two-tier price system whereby foreigners are charged a higher price. However, the difference between local and foreign ratio is much higher in Sri Lanka.

A local would be charged Rs.100 per adult to enter the national zoological gardens whereas a foreigner would be charged Rs. 2,500 per adult. Tourists belonging to the SAARC region are given a concessionary rate of Rs.700 per adult.

All payments are made at point of entry and there are no facilities to pre-book these over the internet or to make payments via

Vehicle registrations up 90.6% YoY in June 2015.

According to JB Securities total vehicle registrations were 55,624 in the month.

• Motor cars registrations were a record high 7,641 (+238.7% YoY). "Brand new car registrations were 4,358 units (vs.3,228 units in May and 689 in June 2014). Preowned car registrations were 3,283 units in June. Hybrids accounted for 2,877 units. Nissan Leaf accounted for 250 units."

• 3 wheeler registrations were 11,349 (+84.5% YoY). "Bajaj maintained its strong market share at 90.7% followed equally by Piaggio and TVS with 6.9% and 6.4% share respectively. Financing share was 90.7%."

• Motor cycle registrations grew to 30,222 (+81.2% YoY). "In terms of brand share Bajaj claimed 38.2%, Honda claimed 23.2%, Hero

credit cards. This makes visiting many of the country's national parks, archeological and cultural sites pricier than in other regional destinations.

• Achieving 2.5 million tourists by 2016 is not a pragmatic goal. For the country to reach 2.5 million visitors by 2016 the annual arrivals should increase by approximately 28% per annum. The country over the past considerably lagged in promotional campaigns in the correct source markets.

However, the authorities are now taking steps and working towards fostering and attracting more awareness to the island nation thereby contributing to the arrivals growth,"

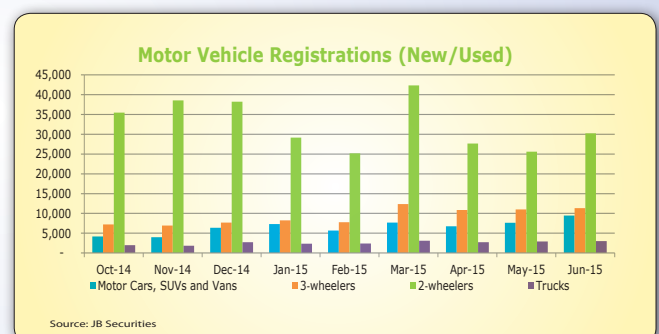
We believe the industry needs around 25,000 more graded rooms to accommodate this target". There were 18,078 graded rooms available in 2014, which is set to increase by around 5,100 by 2019.

• Despite the growth in retail options the city still lacks high-end shopping malls to entice the affluent travelers by providing them a holistic retail experience within one luxury shopping mall.

Sri Lanka is currently promoting itself to the growing number of Chinese tourists and studies show that most Chinese tourists are shopping centric and tech savvy with a love for major brands. New high end shopping malls are set to enter the city's landscape via development projects only by 2018."

with 18.4% and TVS with 12%.

• Truck registrations were 2,993 (+58.9% YoY). "Pickup trucks recorded 383 units in June with Toyota accounting for 102 units.





Gradient Alliance

Monthly Bulletin: July 2015

In Business news:

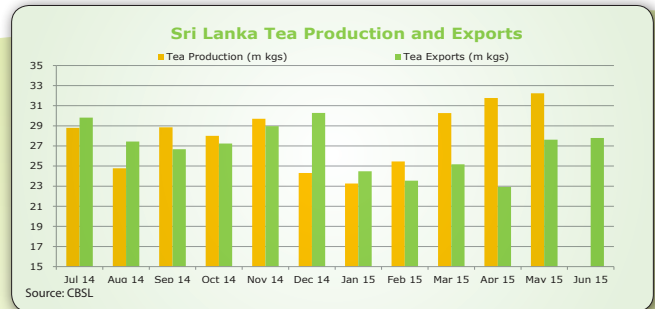
Tea production at 32.2m kgs in May 2015.

According to the Sri Lanka Tea Board tea production in May was 32.2m kgs (-17.2% YoY, May 2014 was a record production month of about 39m kgs).

During the month estate workers resorted to “go slow” trade union action, working to fill up minimum work quotas demanding higher wages. The union demanded an increase of Rs.400 from the current daily wage rate of Rs. 620.

However Planters’ Association (PA) states that further wage increases must be linked to productivity to ensure producers could absorb the cost.

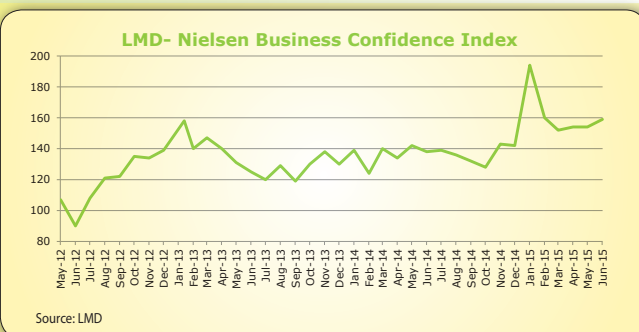
Sri Lanka has one of the highest tea related labour costs among key global producers, with about 67% of total production accounted for by wages and benefits. Kenya’s daily wage equivalent is Rs.443.3 and South India is about Rs.426, with productivity per worker being low in Sri Lanka (SL 18 kgs per worker per day, Kenya 48kgs and India 38kgs)



According to PA “The Association wishes to highlight that if implemented, the demand of the unions for an unconditional increase of the daily wage to Rs.1,000 would lead to RPCs incurring a massive Rs.18bn additionally per annum”.

Regional Plantation Companies proposed an 11% increase in the basic wage to Rs.500 (from Rs.450 at present) for a minimum daily plucking average of 15kg of tea leaves. Each additional kg to be paid Rs.40 enabling a worker who plucks 25 kg of tea leaves to earn Rs.1,000 a day.

Moreover, tea exports in June 2015 declined to 27.7m kgs (-9.4% YoY) as FOB price in the month declined to Rs. 587.50 a kg from Rs. 648.24 a year earlier.



LMD-Nielsen business confidence index in June at 159 (+5 pts MoM). According to Nielsen’s Managing Director Shaheen Cader,

- Business confidence has picked up slightly, on the basis of good company financials, combined with short-term (the next three months) optimism.
- Declining concerns over inflation, as consumers start spending more, has also impacted positively on business sentiment. Businesses are, however, increasingly concerned about whether

the economy would slow down, which has dampened the increase in the BCI!”. Key points:

BIZ PROSPECTS: Nearly seven-in-10 (up from 59%, in April) of corporates spoken to are confident that business (sales volumes) ‘will get better’ in the year ahead. Accordingly, only 11% of respondents have a negative outlook of business prospects, along with a fifth who feel that the status quo will be maintained.

INVESTMENT: greater number of businesspeople (42%, versus 38% in May) have a positive take on the investment climate. A fifth of those polled are in the naysayers’ camp, while 38% feel that investment conditions are merely ‘fair.’

SENSITIVITIES: The chief stumbling block in the way of an uptick in business sentiment appears to be the continuing uncertainty surrounding the political environment.

PROJECTIONS: The index is unlikely to make any notable headway sans a major shift in the political landscape – one that is likely to come about only in the aftermath of general elections. Until then, the status quo is likely to be the order of the day.



Gradient Alliance

Monthly Bulletin: July 2015

In Consumer news:



Gas prices reduced. Litro Gas Lanka, the state run utility company reduced the price of gas,

The new prices are as follows 12.5kg – Rs1,496.00, 5kg – Rs.632.00, 2.3 kg – Rs.300.00. According to Shalila Moonasinghe, Executive Chairman, Litro Gas

“We are pleased to inform our customers that due to the new policies and procedures adopted, we have obtained the necessary approval to reduce our prices of Litro Gas refills with effect from 15th July 2015.”

Nielsen consumer confidence index at 79 in June 2015. (flat MoM)



Consumer sentiment remains at a virtual standstill, amidst a somewhat gloomier outlook for personal finances, and in preparation for the potential impact of the upcoming general elections. Accordingly, the Nielsen Consumer Confidence Index (CCI) comes in at 79, in June.

More than a quarter of those polled voice optimism when it comes to future job prospects, although the majority (73%) continue to hold a negative view in this regard.

Only 21 percent (versus 30%, in May) of respondents say the state of their finances will be 'good' or better in the next 12 months. Conversely, nearly eight-in-10 consumers expect a pessimistic outlook for their personal funds.

Meanwhile, in terms of being able to buy essential items in the months ahead, just over a third of those surveyed are of an optimistic persuasion – the remaining 66 percent see much worse times ahead.

Q: What do you think the job prospects for Sri Lankans will be in the next 12 months?

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Excellent	4	1	8	2	4	7	8	2	3	2	5	8
Good	28	12	20	54	50	38	41	42	27	33	22	19
Not so good	49	65	53	24	35	47	45	47	52	53	52	49
Bad	19	22	19	20	11	8	6	9	18	12	21	24
Base	100	100	100	100	100	100	100	100	100	100	100	100

Q: What do you think your state of personal finances will be in the next 12 months?

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Excellent	0	0	0	0	2	1	5	2	1	3	5	3
Good	15	6	13	22	31	24	28	41	23	31	25	18
Not so good	66	68	63	56	51	55	48	43	58	50	58	66
Bad	19	26	24	22	16	20	19	14	18	16	12	13
Base	100	100	100	100	100	100	100	100	100	100	100	100

Q: How do you think the next 12 months will be for people to buy the things they need?

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Excellent	0	0	3	0	0	1	5	4	1	3	4	5
Good	15	5	7	21	35	28	29	45	25	30	30	29
Not so good	66	64	68	47	47	54	49	43	61	56	49	52
Bad	19	31	22	32	18	17	17	8	13	11	17	14
Base	100	100	100	100	100	100	100	100	100	100	100	100

“Consumer sentiment remains at a virtual standstill, amidst a somewhat gloomier outlook for personal finances...”

Gradient Alliance

Helping to shape your Business



We are a management consultancy and financial advisory services provider. Combining experience and comprehensive capabilities across many industries and business functions, we work with clients to achieve a higher level of excellence.

We carry out company and market research, developing company financial models, valuations and competitor analysis. Moreover we perform market surveys, feasibility & due diligences studies and construct business plans.

4A, Deal Place A,
Colombo 03
Sri Lanka

M: + 94 773 619800

P: + 94 11 5786787

roshaanr@gradientalliance.com

www.gradientalliance.com