

**Policy rates
maintained at
current levels**

In Apr'26

**Exports
surpassed USD
1.2Bn up by 1%
YoY**

In Mar'26

**Trade gap
widened by 13%
MoM to USD
880Mn**

In Mar'26

**CCPI inflation
increased to
5.4% YoY**

In Apr'26

**Worker
remittances up
by 18% YoY to
USD 815Mn**

In Mar'26

**Tourist arrivals
reached 0.1Mn
down by 43%
YoY**

In Apr'26

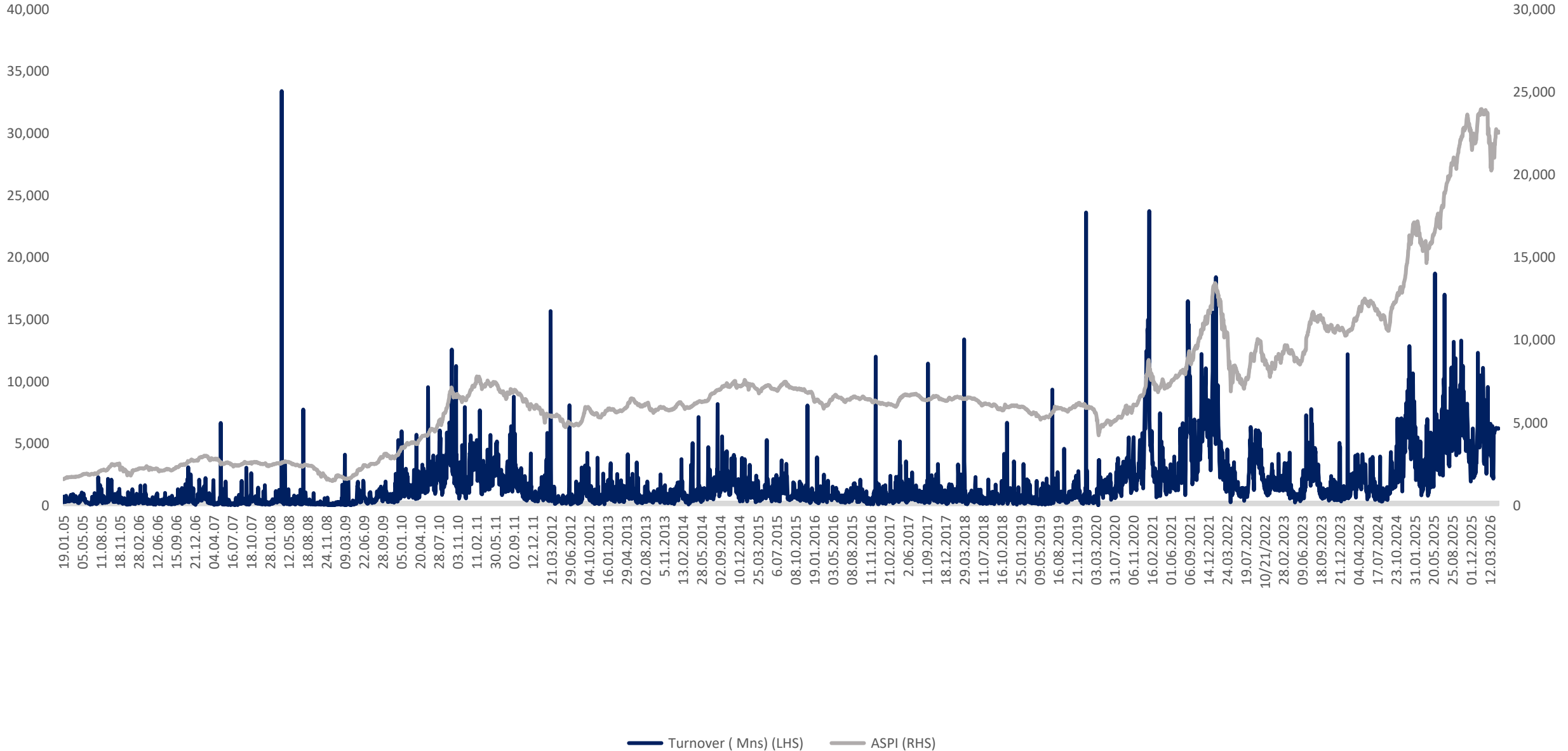


Key events for Apr'26

- The Central Bank of Sri Lanka maintained policy rates at current levels during Apr'26 , signaling confidence in the existing monetary stance to guide inflation toward the 5% target while stabilizing the economic recovery.
- Cumulative exports surpassed USD 3.4Bn by the end of March 2026, reflecting a 3% YoY increase. This growth was mainly driven by textile and garment exports, as well as tea exports, which recorded USD 1277Mn and USD 352Mn respectively. For Mar'26, exports saw a modest 1% YoY increase, which is 18% higher than the previous month.
- Sri Lanka's trade deficit widened by 13% year-on-year to USD 880Mn in March 2026, driven by a sharp increase in imports. Export earnings recorded only a modest growth of 1% YoY to USD 1,254 Mn, while import expenditure surged significantly by 30% YoY to USD 2,134Mn. The relatively weaker performance in exports compared to the strong growth in imports exerted significant pressure on the external sector, leading to a substantial expansion in the overall trade deficit.
- Worker remittances continued to record strong inflows by rising 18% YoY to USD 815Mn in Mar'26 , providing sustained support to Sri Lanka's external sector. Tourist arrivals reached to 0.1Mn in Apr'26, driven by demand from India, the UK, Australia, and China. However, arrivals dipped in April amid the Middle East crisis. Meanwhile, tourism earnings stood at USD 224Mn in Mar '26.
- CCPI inflation accelerated to 5.4% YoY in Apr'26 compared with 2.2% YoY in Mar'26. Food inflation surged to 2.8% YoY, and non-food inflation climbed to 6.8% YoY.

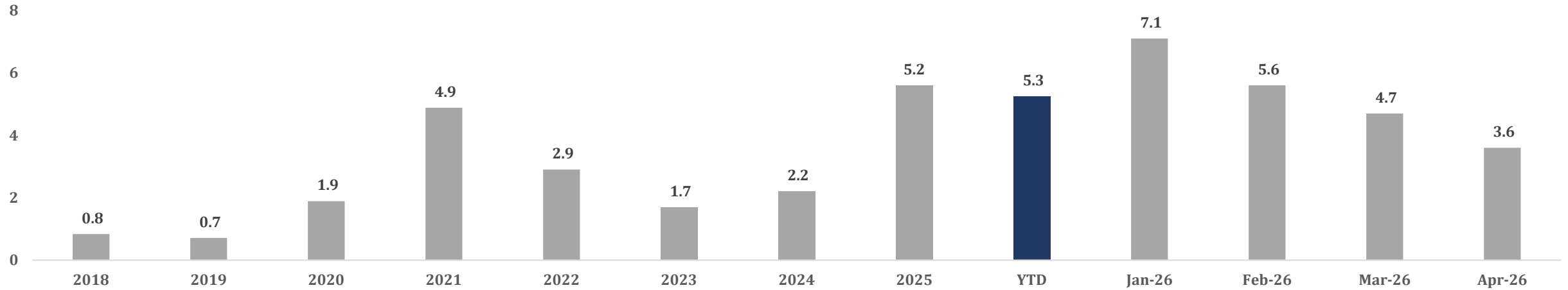


ASPI gain 82 points (7.6% YTD) in Apr'26

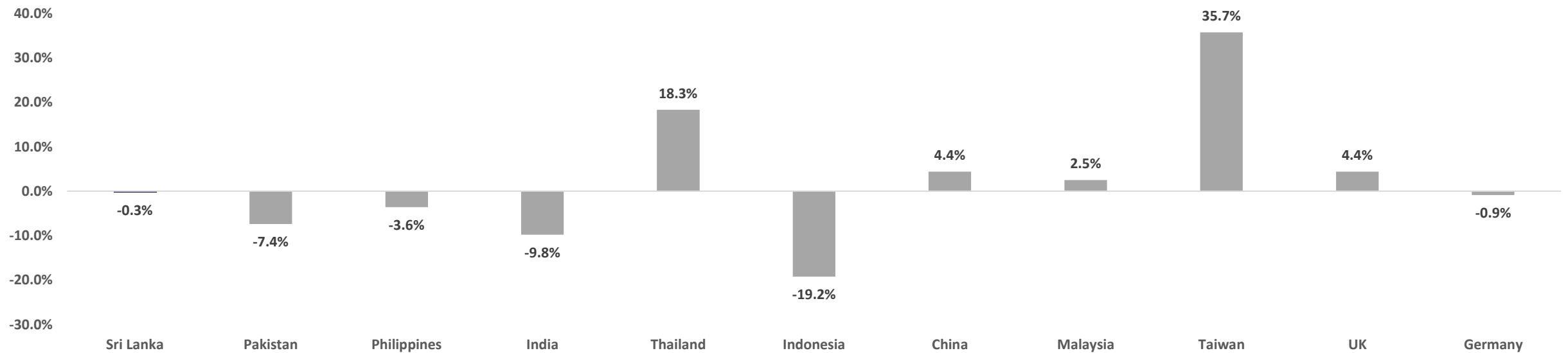


Average daily turnover stood at LKR 3.6Bn in Apr'26

Avg YTD turnover levels stands above LKR 5.3Bn



SL's returns declined by 0.3% YTD

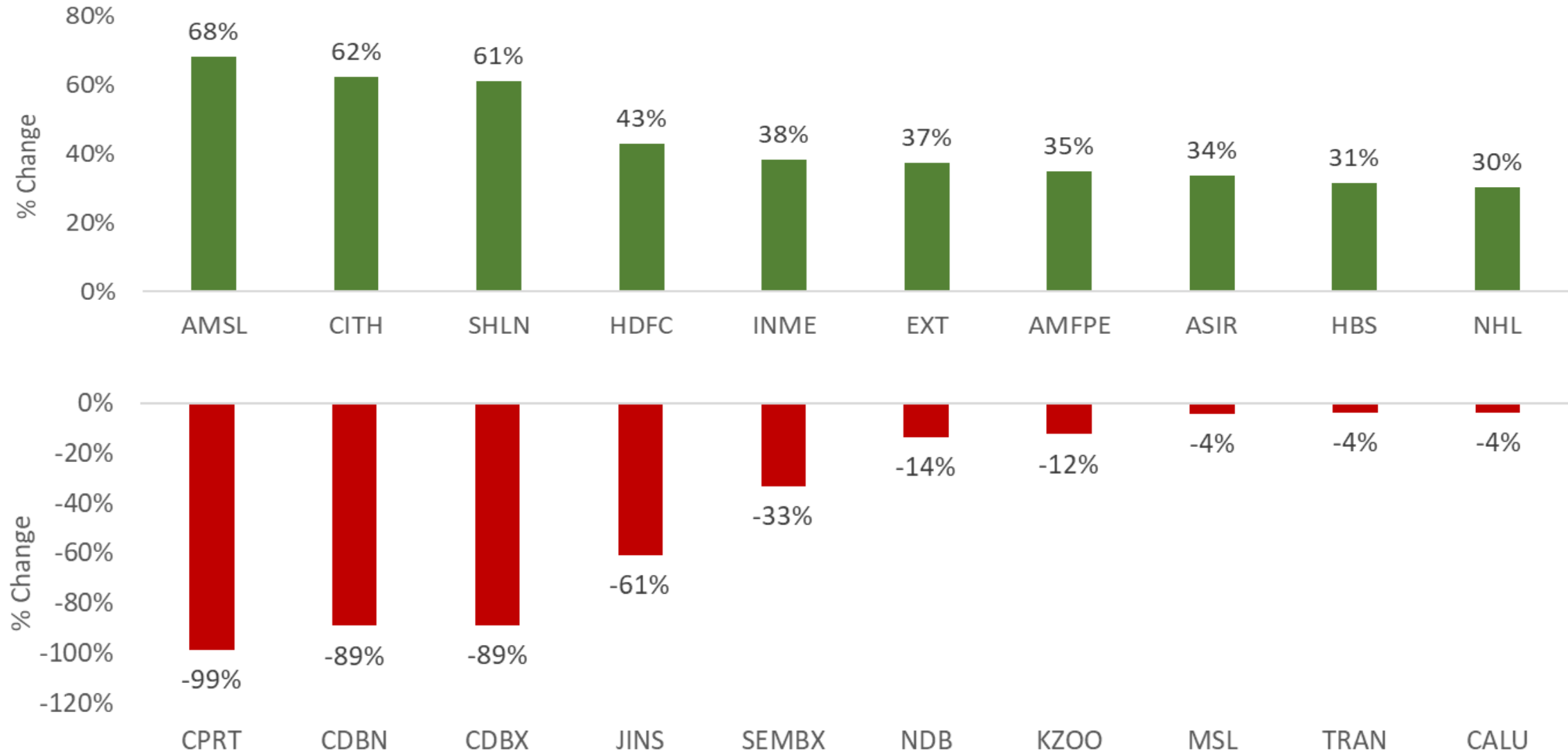


Source : CSE, Bloomberg



Top ten gainers and losers for the month

AMSL, CITH & SHLN recorded the highest monthly gains.





ASPI plummeted 0.3% YTD and S&P SL20 surged 1.4% YTD

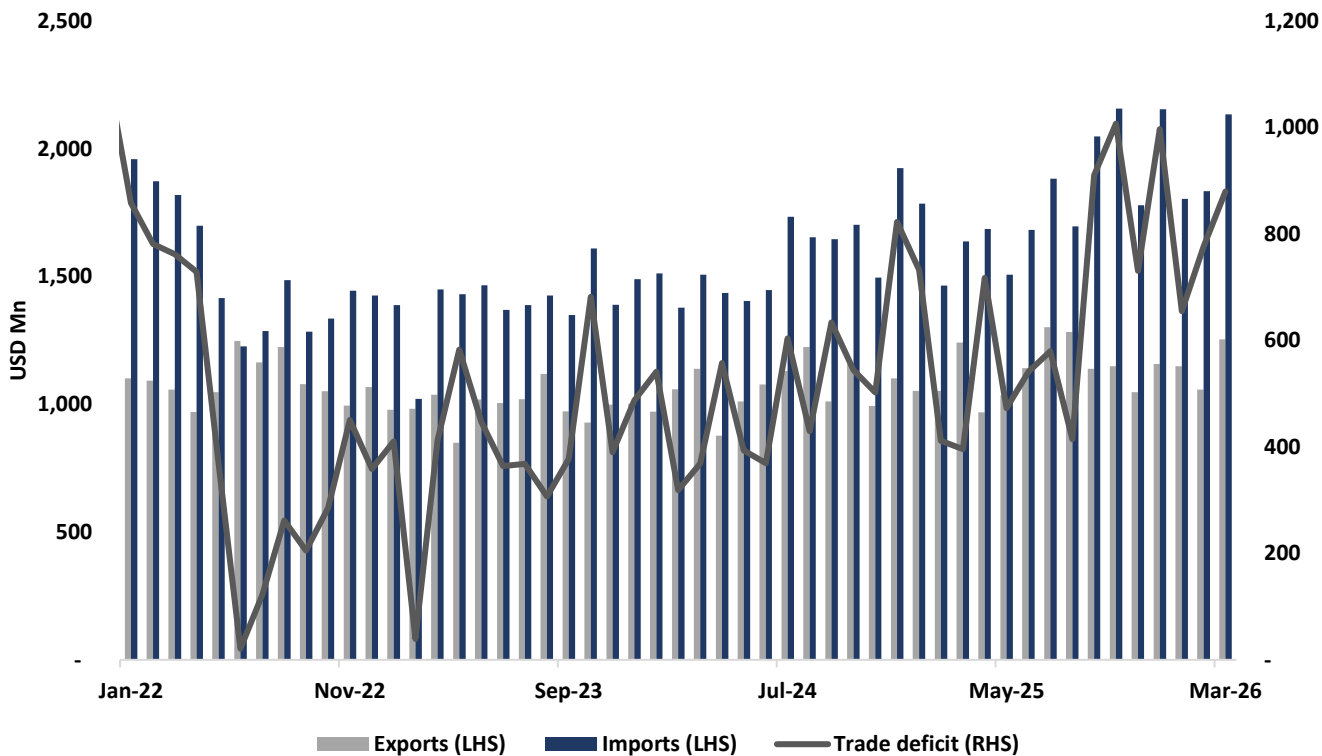
Total net foreign selling stood at LKR 5.3Bn for the month

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | YTD |
|-----------------------------------|-----------------|-------------------|-------------------|-------------------|-------------------|-----------------|----------------|------------------|-------------------|-------------------|
| ASPI (Year End) | 6369.3 | 6052.4 | 6129.2 | 6774.2 | 12226.0 | 8489.7 | 10654.2 | 15944.6 | 22624.3 | 22549.5 |
| ASPI Return (%) | 2.3% | -5.0% | 1.3% | 10.5% | 80.5% | -30.6% | 25.5% | 49.7% | 41.9% | -0.3% |
| S&P SL20 | 3671.7 | 3135.2 | 2937.0 | 2638.1 | 4233.3 | 2635.6 | 3068.4 | 4862.1 | 6157.4 | 6244.6 |
| S&P SL20 Return (%) | 5.0% | -14.6% | -6.3% | -10.2% | 60.5% | -37.7% | 16.4% | 58.5% | 26.6% | 1.4% |
| Average Daily Turnover (LKR Mn) | 915 | 834 | 711 | 1899 | 4888 | 2972 | 1697 | 2240 | 5239 | 5275 |
| YoY Growth | 24.2% | -8.8% | -14.8% | 167.0% | 157.4% | -39.2% | -42.9% | 32.0% | 133.9% | 0.7% |
| Avg USD =LKR | 152.5 | 162.5 | 178.8 | 185.4 | 203.0 | 371.6 | 328.8 | 292.6 | 300.9 | 319.3 |
| Average Daily Turnover (USD Mn) | 6.0 | 5.1 | 4.0 | 10.2 | 24.1 | 8.0 | 5.2 | 7.7 | 17.4 | 16.5 |
| Foreign Purchases (LKR Mn) | 113,276.0 | 76,621.5 | 56,649.0 | 53,901.0 | 34,084.6 | 67,507.9 | 41,471.2 | 49,797.1 | 57,117.0 | 17,810.0 |
| Foreign Sales (LKR Mn) | 95,052.0 | 99,979.3 | 68,366.5 | 104,233.0 | 86,687.0 | 36,906.3 | 37,123.6 | 59,721.9 | 95,595.0 | 43,938.0 |
| Net Foreign flows (LKR Mn) | 18,223.5 | (23,357.9) | (11,717.5) | (50,332.1) | (50,283.8) | 30,601.0 | 4,347.8 | (9,924.8) | (38,477.0) | (26,127.5) |
| Foreign Purchases (USD Mn) | 742.8 | 471.4 | 316.8 | 290.7 | 167.9 | 181.7 | 126.1 | 170.2 | 189.8 | 55.8 |
| Foreign Sales (USD Mn) | 623.3 | 615.1 | 382.3 | 562.1 | 427.0 | 99.3 | 112.9 | 204.1 | 317.7 | 137.6 |
| Net Foreign Flows (USD Mn) | 119.5 | (143.7) | (65.5) | (271.4) | (247.7) | 82.3 | 13.2 | (33.9) | (127.9) | (81.8) |
| Market Cap (LKR Bn) | 2,899.0 | 2,839.4 | 2,851.3 | 2,959.5 | 5,489.0 | 3,888.2 | 4,248.9 | 5,695.6 | 8,068.6 | 8,174.6 |
| Market Cap (USD Mn) | 19,009.8 | 17,468.9 | 15,944.3 | 15,959.0 | 27,039.4 | 10,463.3 | 12,923.7 | 19,466.7 | 26,811.4 | 25,598.4 |
| CSE - PER (Year End) | 10.7 | 9.7 | 11.5 | 15.2 | 13.6 | 5.0 | 11.1 | 8.9 | 10.7 | 11.6 |

Economic Indicators – Apr'26



A modest rise in exports of 1% YoY contrasted with a sharp increase in imports of 30% YoY, widening the trade deficit.



- The trade deficit widened by 13% to USD 880Mn in Mar’26 from USD 776Mn recorded in Feb’26.
- In Mar’26, export income edged up by 1% YoY to USD 1.2Bn, reflecting a modest performance. This growth was largely supported by increase of food, beverages and tobacco exports and petroleum products exports by 3% YoY to USD 89Mn and 51% YoY to USD 157Mn respectively. Furthermore, coconut exports grew by 14% YoY to USD 50Mn.
- Meanwhile, total imports expenditure notably grew by 30% YoY to USD 2.1Bn in Mar’26. Growth was primarily driven by a 75% YoY surge in fuel imports to USD 630Mn and 423% YoY increase of personal vehicle imports to USD 148Mn. Further, textiles imports grew by 10% YoY to USD 236Mn.



Cumulative tea exports improved by 3%YoY while cumulative import bill surged by 18%YoY.

Contribution to Exports

| USD Mn | Mar'25 | Mar'26 | Variance | Jan-Mar 2025 | Jan- Mar 2026 | Variance | Contribution to Exports |
|-----------------------------|--------------|--------------|-----------|--------------|---------------|-----------|-------------------------|
| Total Exports | 1,242 | 1,254 | 1% | 3,347 | 3,461 | 3% | |
| Industrial Exports | 977 | 1007 | 3% | 2,627 | 2,705 | 3% | 78% |
| Textiles and garments | 497 | 442 | -11% | 1,387 | 1,277 | -8% | 37% |
| Rubber Products | 90 | 89 | -1% | 242 | 240 | -1% | 7% |
| Agricultural Exports | 260 | 244 | -6% | 711 | 740 | 4% | 21% |
| Tea | 139 | 115 | -17% | 371 | 352 | -5% | 10% |

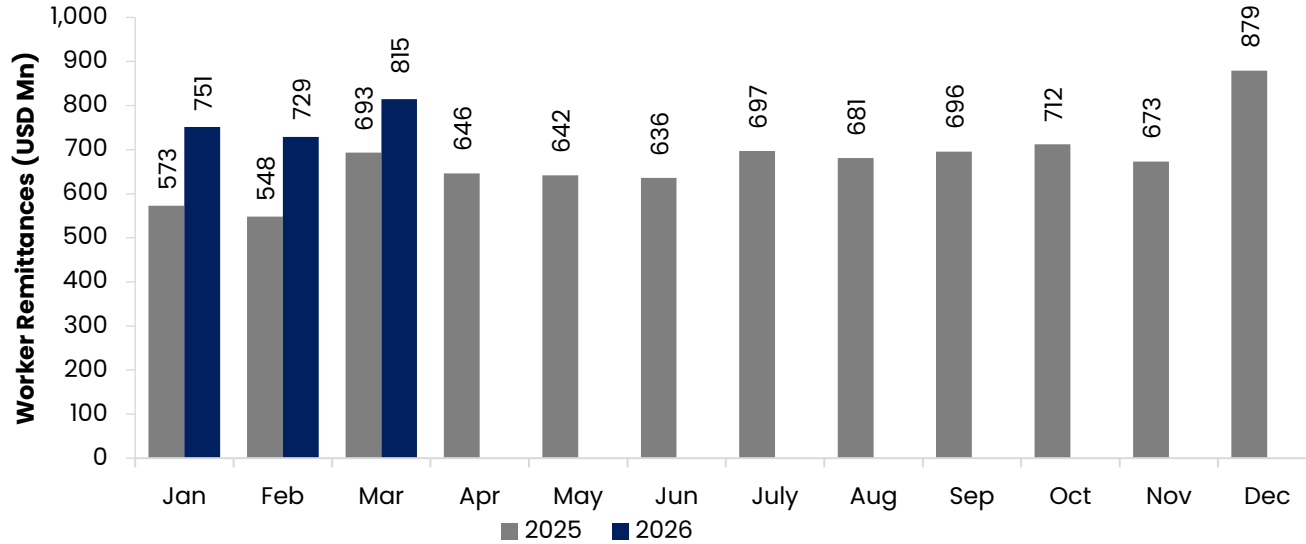
Contribution to Imports

| USD Mn | Mar;25 | Mar'26 | Variance | Jan-Mar 2025 | Jan- Mar 2026 | Variance | Contribution to Imports |
|--------------------------------|--------------|--------------|------------|--------------|---------------|------------|-------------------------|
| Total Imports | 1,637 | 2,134 | 30% | 4,887 | 5,771 | 18% | |
| Consumer Goods | 366 | 498 | 36% | 1,097 | 1,450 | 32% | 25% |
| Food and beverages | 194 | 187 | -3% | 634 | 510 | -20% | 9% |
| Non-food consumer goods | 172 | 311 | 80% | 80 | 463 | 476% | 8% |
| Medical and pharmaceuticals | 53 | 57 | 7% | 145 | 181 | 25% | 3% |
| Personal vehicles | 28 | 148 | 423% | 35 | 460 | 1225% | 8% |
| Intermediate goods | 956 | 1261 | 32% | 2,857 | 3,190 | 12% | 55% |
| Fuel | 361 | 630 | 75% | 1,057 | 1,282 | 21% | 22% |
| Textiles and textile articles | 214 | 236 | 10% | 678 | 708 | 4% | 12% |
| Investment goods | 316 | 375 | 19% | 933 | 1,132 | 21% | 20% |
| Machinery and equipment | 213 | 220 | 3% | 630 | 685 | 9% | 12% |

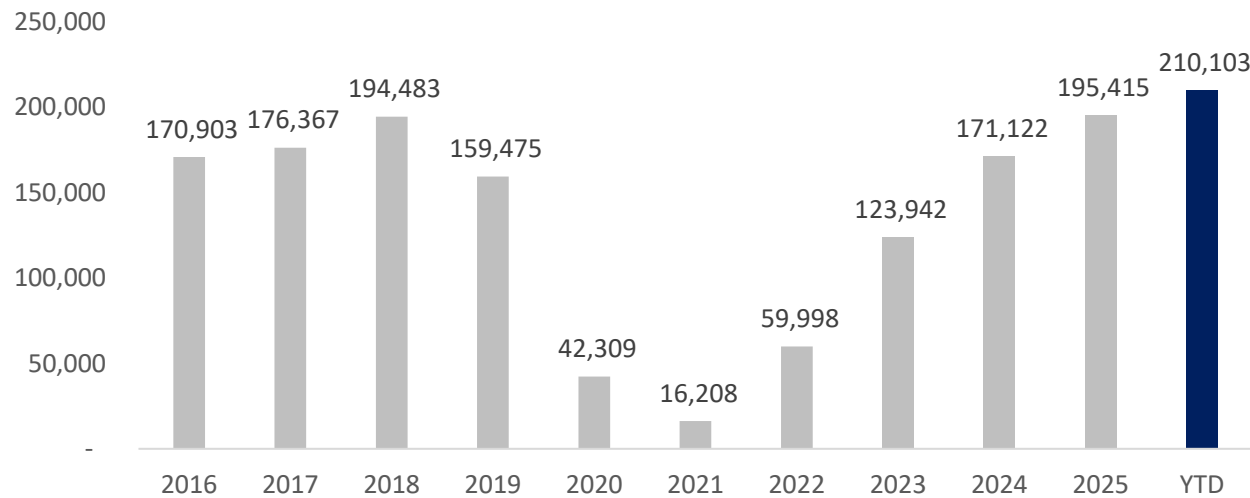
| USD Mn | Mar'25 | Mar'26 | Variance | Jan-Mar 2025 | Jan- Mar 2026 | Variance |
|--------------------------------|------------|-----------|-------------|--------------|---------------|----------|
| Trade balance | -396 | -880 | 122% | -1540 | -2,310 | 50% |
| Earnings from tourism | 354 | 224 | -37% | 1,122 | 954 | -15% |
| Workers' remittances | 693 | 815 | 18% | 1,814 | 2,295 | 26% |
| Current Account Balance | 479 | 45 | -91% | 948 | 532 | |



Remittances soared by 18%YoY in Mar'26 while tourist arrivals reached 100,000 in Apr'26

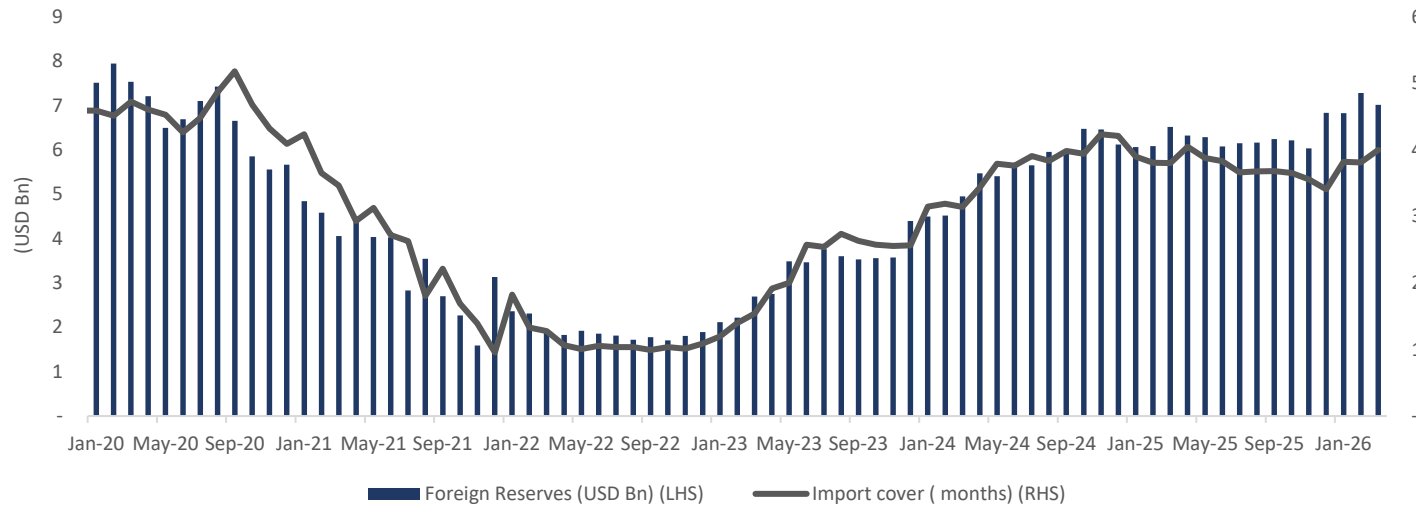


Average Monthly Tourist Arrivals

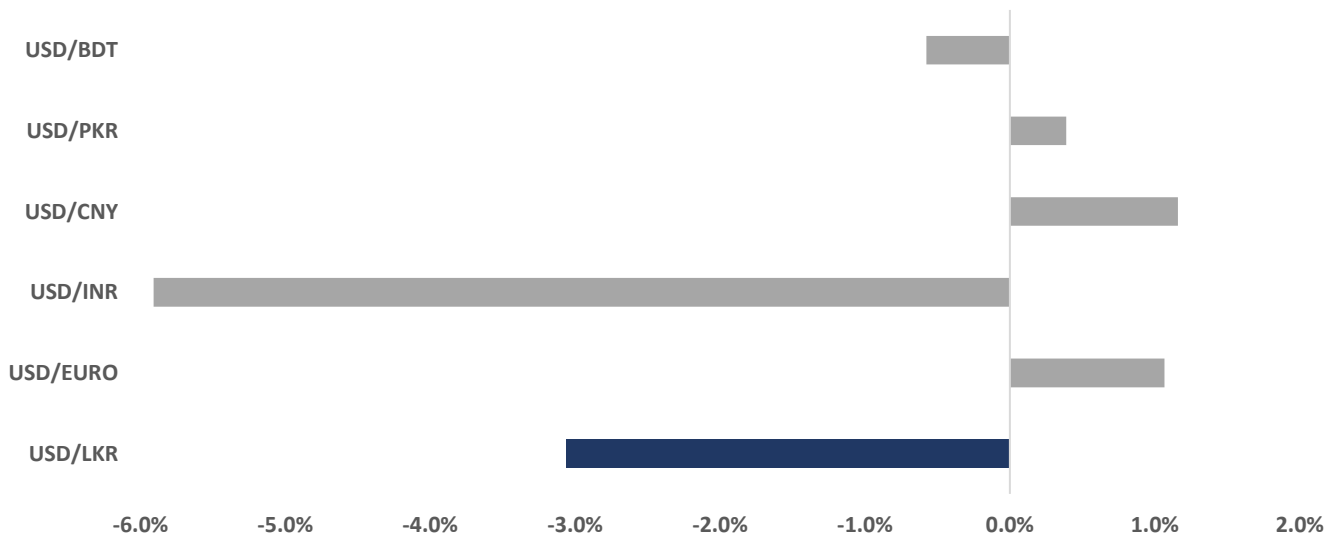


- Workers' remittances in Mar'26 have recorded a USD 815Mn, reflecting a YoY increase of 18% compared to USD 693Mn in Mar'25. This marks a continued upward trend, with remittances exceeding USD 600Mn since Mar'25. The foreign employment departures for March 2026 dropped to 14,326, a significant decline from the first two months of the year primarily due to flight disruptions and heightened security concerns stemming from the Middle East crisis.
- Sri Lanka's tourism sector showed signs of cooling in April as arrivals reached nearly 100,000 in the first 25 days, reflecting a 46% decline compared to Mar'26 due to flight disruptions and geopolitical tensions from the Middle East crisis. India remained the leading source market followed by the UK, Australia, and China while tourism earnings for Mar'26 fell by 37% YoY to USD 224Mn.

Reserves stood at USD 7.0Bn in Mar'26, representing near 4 month's worth of imports.



- Sri Lanka's Gross Official Reserves stood at USD 7.0Bn at end Mar'26 reflecting strengthened external liquidity position. The average monthly import bill is also around USD 1.9Bn, which is comfortable to cover 4 months' worth of imports.



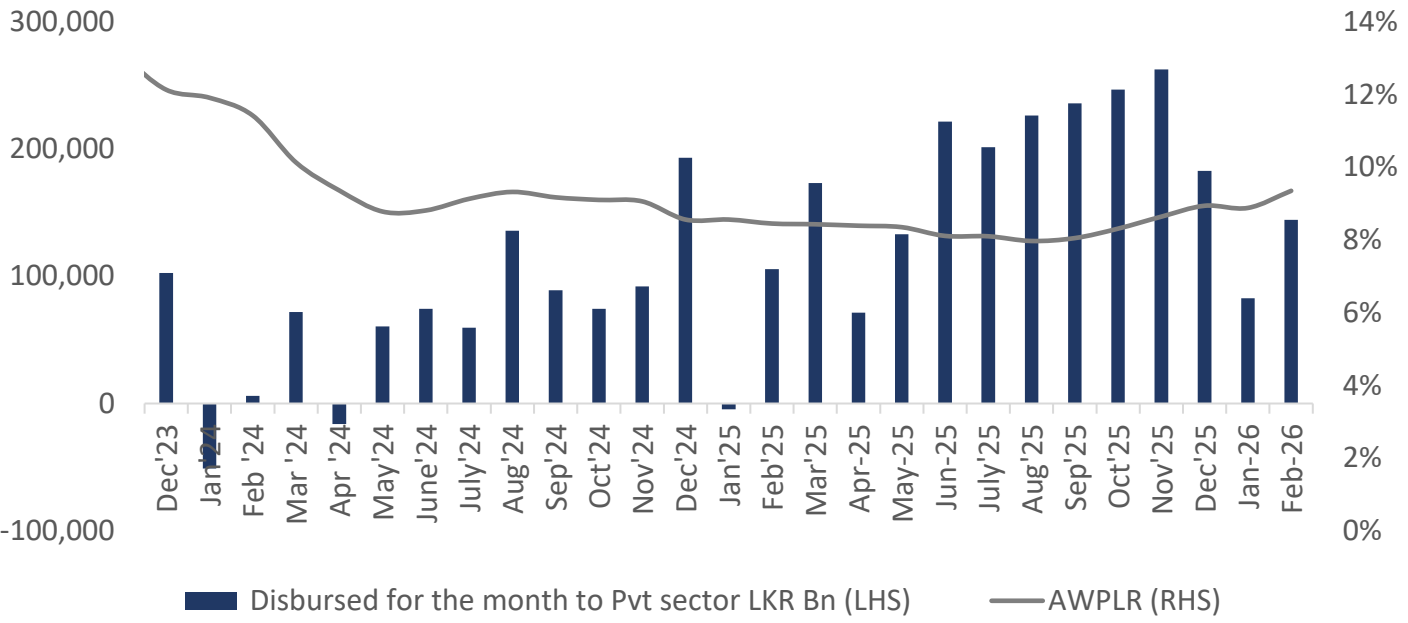
- Official exchange rate of LKR against USD depreciated by 3.1% YTD and the INR ,BDT depreciated by 5.9%,0.6% against USD. While the CNY, EURO and PKR appreciated by 1.2%, 1.1% and 0.4% YTD against USD.

Source : CBSL, Xe Currency,
 Note: LKR : Sri Lankan Rupee, EURO: Euro ,INR: Indian Rupee, CNY:Chinese yuan,
 PKR:Pakistan Rupee , and BDT:Bangladesh Taka

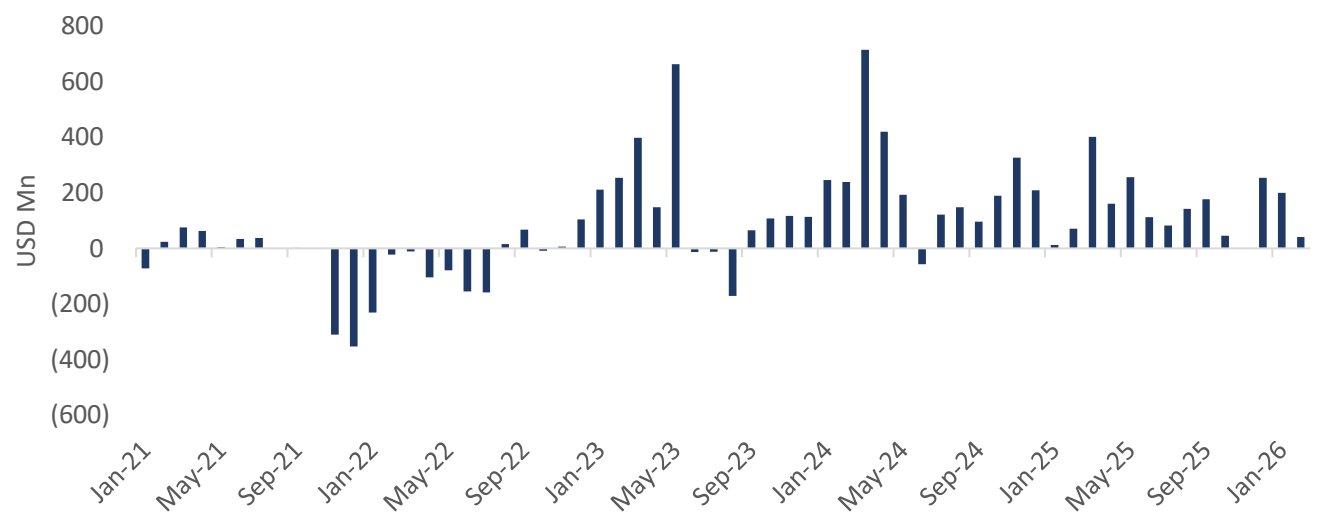


Pvt sector credit & Foreign Intervention

Private sector credit picks up by 26% YoY for Feb'26



- Private sector credit expanded by 26% YOY to LKR 10.4Tn, increasing by LKR 144Bn in Feb'26. The acceleration in credit growth was supported by lifting of vehicle import restrictions triggered a wave of leasing demand, while record-breaking tourism arrivals and high construction activity further drove the expansion in borrowing in Feb'26.



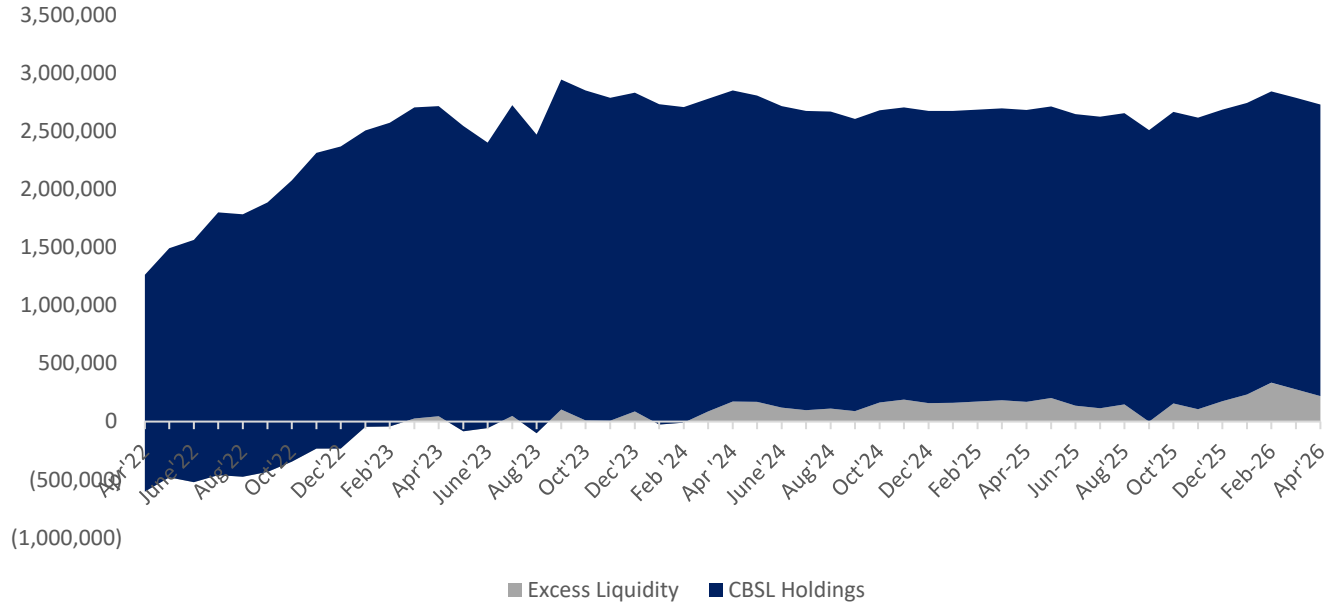
- The CBSL purchased USD 120.3Mn and USD 71.5Mn selling has reported in Mar'26, resulting in a net purchase of USD 49Mn.

Source : CBSL

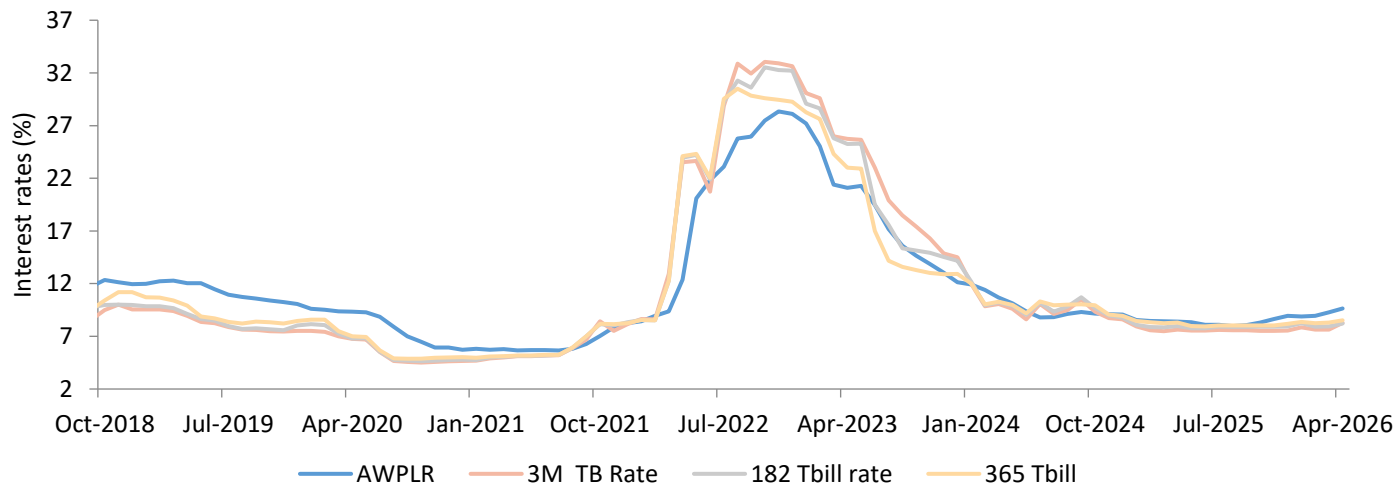


Liquidity & Rates

Tbill rates increased, AWPLR edges up marginally

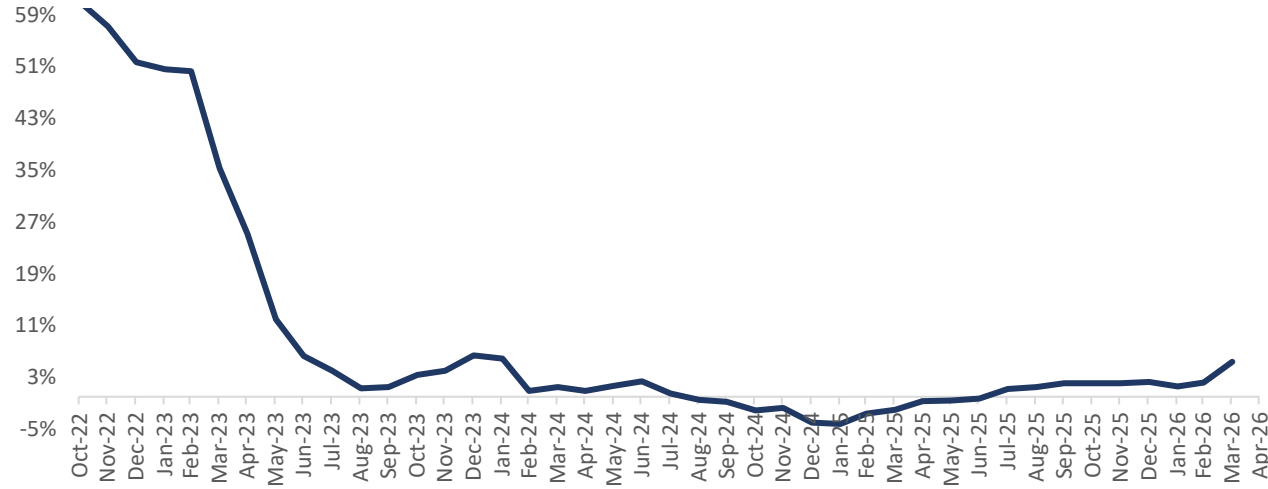


- Overnight liquidity levels meanwhile ended positive of LKR 218.7Bn. CBSL's holdings of government securities meanwhile remained at LKR 2.5Tn in Apr'26.



- In Apr'26, Treasury bill yields soared, with the 91-day, 182-day and 364-day bills reaching to 8.27%, 8.23% and 8.52%, respectively.
- Meanwhile, the Average Weighted Prime Lending Rate (AWPLR) edged up marginally to 9.63% during this month.

CCPI inflation accelerates to 5.4% YoY in Apr'26, exceeding 5% for the first time since Feb'24.



- Sri Lanka's CCPI inflation recorded at 5.4% YoY in Apr'26, marking an acceleration due to price pressures linked to the economic crisis and external uncertainties. Food inflation edged up to 2.8% YoY, while non-food inflation surged to 6.8% YoY, contributing to overall price pressures during the month.
- For the month of April 2026, on Y-on-Y basis, contribution to inflation by food commodities was 0.92%. The contribution of Non-Food items was 4.53%. This was mainly due to price increases in the groups of 'Transport' (1.72%), 'Housing, Water, Electricity, Gas and Other Fuels' (1.19%), 'Restaurants and Hotels' (0.67%), 'Education' (0.32%), 'Miscellaneous Goods and Services' (0.19%), 'Health' (0.15%), 'Clothing and Footwear' (0.10%), 'Furnishing Household Equipment and Routine Household Maintenance' (0.10%), 'Alcoholic Beverages Tobacco and Narcotics' (0.04%) 'Communication' (0.02%), and 'Recreation and Culture' (0.01%).

Food Inflation (Y-o-Y)



2.8%



Non-Food Inflation (Y-o-Y)

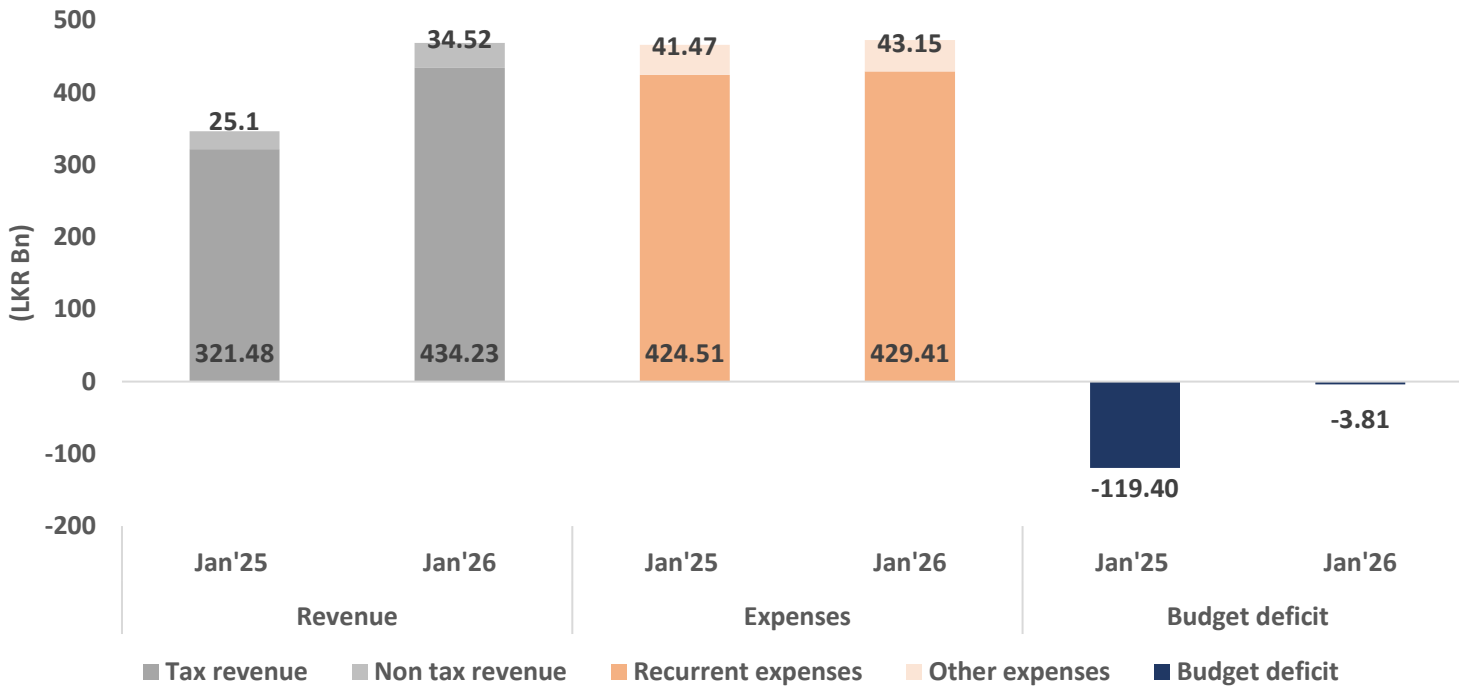


6.8%





Fiscal Position



- Government revenue increased by 35% YoY to LKR 468.8Bn during Jan'26. This growth was primarily driven by a strong rise in tax revenue, which expanded by 35% YoY to LKR 434.2Bn, while non-tax revenue increased by 38% YoY to LKR 34.5Bn.
- Further, Recurrent expenditure slightly increased by 1% YoY to LKR 429.4Bn, while capital and lending minus repayments increased by 4% YoY to LKR 43.2Bn. As a result of the significant improvement in revenue performance relative to expenditure growth, the budget deficit narrowed sharply by 97% YoY to LKR 3.8Bn in Jan'26.

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