



SRI LANKA WEEKLY

19 July – 25 July 2026

BY Shrishti Chauhan

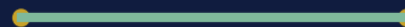


Reserves



FX reserves slip to \$6.4bn on imports

8.75%



policy rate held

Central bank holds rate at 8.75%



\$715m outflow plugged

Parliament moves on \$715m leakage

POLITICS

- Parliament takes up new regulations under the Import and Export (Control) Act to curb illicit outflows after police found over \$715 m had left via advance import payments; the opposition warns of red tape.
- The central bank holds the overnight policy rate at 8.75% (July 22) and says it likely met its revised end-June net-international-reserves target.
- The CBSL appeals to media to verify advertisers' deposit-taking licences before running ads soliciting public deposits.

ECONOMY

- Gross official reserves fall to \$6.4 bn on higher imports; the central bank expects recovery via market purchases and multilateral receipts.
- The rupee holds around 336.30-336.40/USD; the ASPI firms late-week — 21,228 (July 22) and 21,235 (July 23).
- Foreign investors post a net inflow of over Rs 55.2 bn (\$167.2 m) across four straight weeks into rupee securities.
- Customs stays on track to beat monthly targets for a seventh straight month, cushioning fiscal goals.

FOREIGN AFFAIRS

- The proposed 12.5% US tariff over imported inputs and forced-labour concerns keeps exporters seeking clarity.
- IMF-programme engagement continues around reserves and revenue targets.
- Sustained foreign portfolio inflows signal improving external confidence.

INTERNAL SECURITY

- Police investigations reveal over \$715 m left the country through advance import payments, prompting new export-import controls.
- The CBSL warns media and the public over unlicensed deposit-soliciting advertisers.

DEFENCE

- Post-Ditwah reconstruction stays a standing security-services priority; no major new operations reported.
- India defence-training cooperation under the USD 7 m programme continues in the background.

HEALTH

- A fatal fire at an unregistered Horana elderly-care home and Cyclone Ditwah's toll expose a care-sector crisis, an advocacy group says.
- Cost-of-living pressure from elevated fuel prices persists.

EDUCATION

- Skills and vocational themes stay central ahead of the October Economic and Investment Summit.
- Care-sector standards draw scrutiny after the Horana fire.

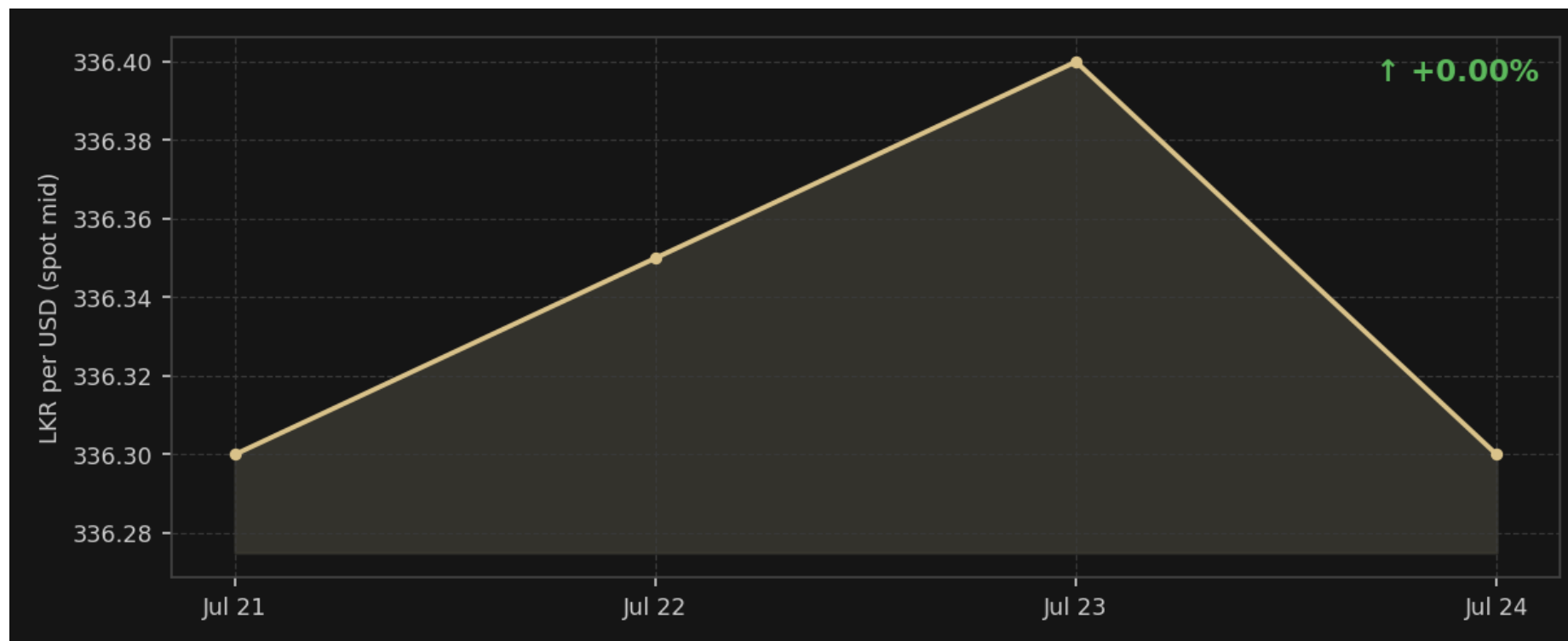
SOCIETY

- The Horana care-home fire spotlights gaps in Sri Lanka's elderly-care and disability protection.
- Foreign inflows and a firming ASPI lift market sentiment late in the week.
- Investor interest in Port City and special economic zones continues amid stability.
- Rain continues to disrupt Sri Lanka's white-ball tour of the West Indies.

Sr No	Date	Sector	News Headlines	Source
1	21 Jul 2026	Economy	Rupee holds near 336.30/USD as bond yields stay broadly steady	EconomyNext
2	22 Jul 2026	Politics	Central bank keeps the overnight policy rate unchanged at 8.75%	EconomyNext
3	22 Jul 2026	Economy	Gross official reserves fall to \$6.4 bn on higher imports; CB expects recovery	EconomyNext
4	22 Jul 2026	Economy	ASPI trends up 0.39% to 21,228.39 with Rs 2.7 bn turnover	EconomyNext
5	22 Jul 2026	Health	Horana care-home fire and Ditwah's toll reveal a care-sector crisis, advocates say	EconomyNext
6	23 Jul 2026	Politics	Parliament moves to plug a \$715 m advance-payment leakage; opposition warns of red tape	EconomyNext
7	23 Jul 2026	Internal Security	Police probe finds over \$715 m left the country via advance import payments	EconomyNext
8	23 Jul 2026	Internal Security	CBSL appeals to media to verify advertisers' deposit-taking licences	EconomyNext

Sr No	Date	Sector	News Headlines	Source
9	23 Jul 2026	Economy	ASPI trends up 0.40% to 21,235.16 as sentiment improves	EconomyNext
10	19 Jul 2026	Foreign Affairs	Foreign investors post a net inflow of over Rs 55.2 bn across four straight weeks	EconomyNext
11	20 Jul 2026	Economy	Customs stays on track to beat monthly targets for a seventh straight month	EconomyNext
12	22 Jul 2026	Economy	Central bank says it likely met its revised end-June NIR target	EconomyNext
13	24 Jul 2026	Foreign Affairs	Proposed 12.5% US tariff keeps exporters seeking an implementation framework	EconomyNext
14	24 Jul 2026	Society	Foreign inflows and a firming ASPI lift late-week market sentiment	EconomyNext
15	25 Jul 2026	Society	Investor interest in Port City and special economic zones continues amid stability	EconomyNext
16	25 Jul 2026	Society	Rain continues to disrupt Sri Lanka's white-ball tour of the West Indies	Ada Derana

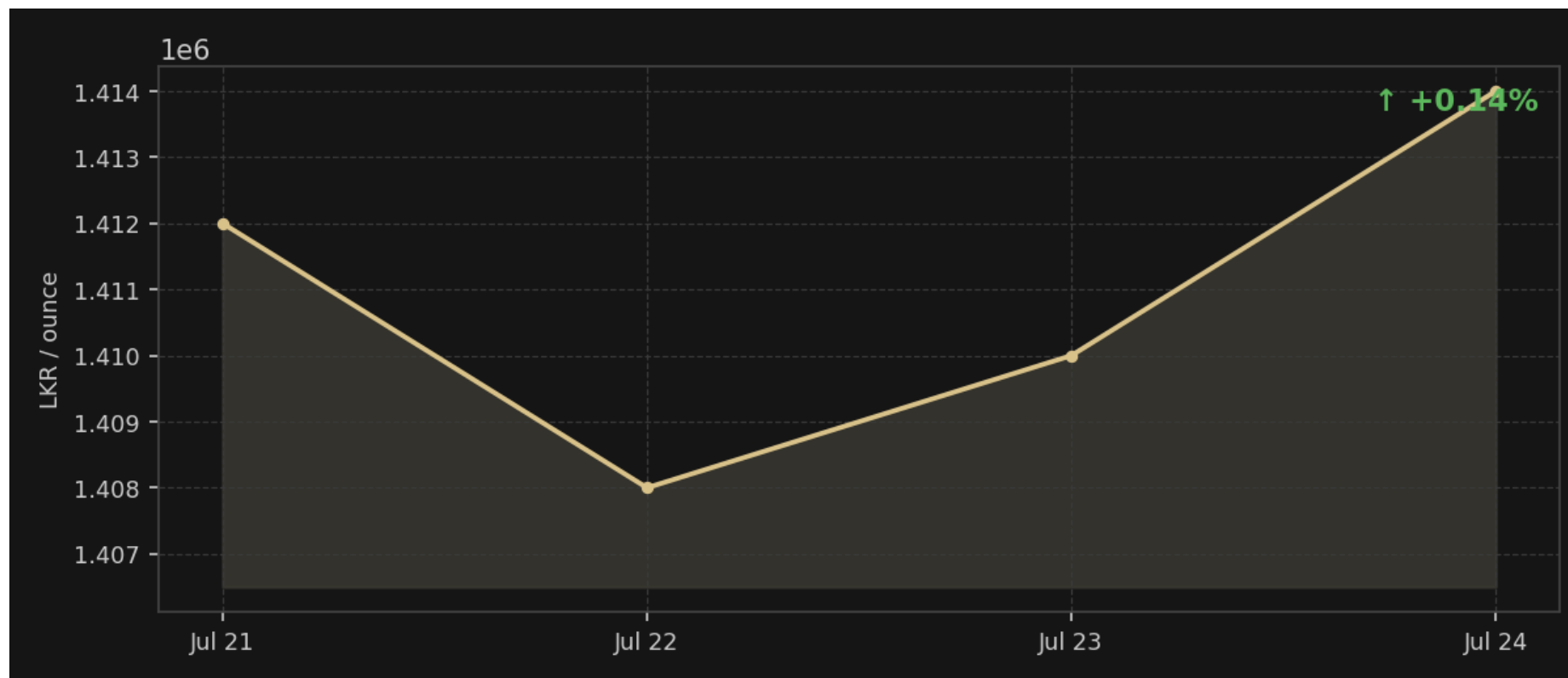
USD/LKR Exchange Rate (Spot Mid)



The rupee held in a tight 336.30-336.40/USD band through the week.

Indicative weekly series compiled from reported market data; interim points are approximations where official daily closes were unavailable.

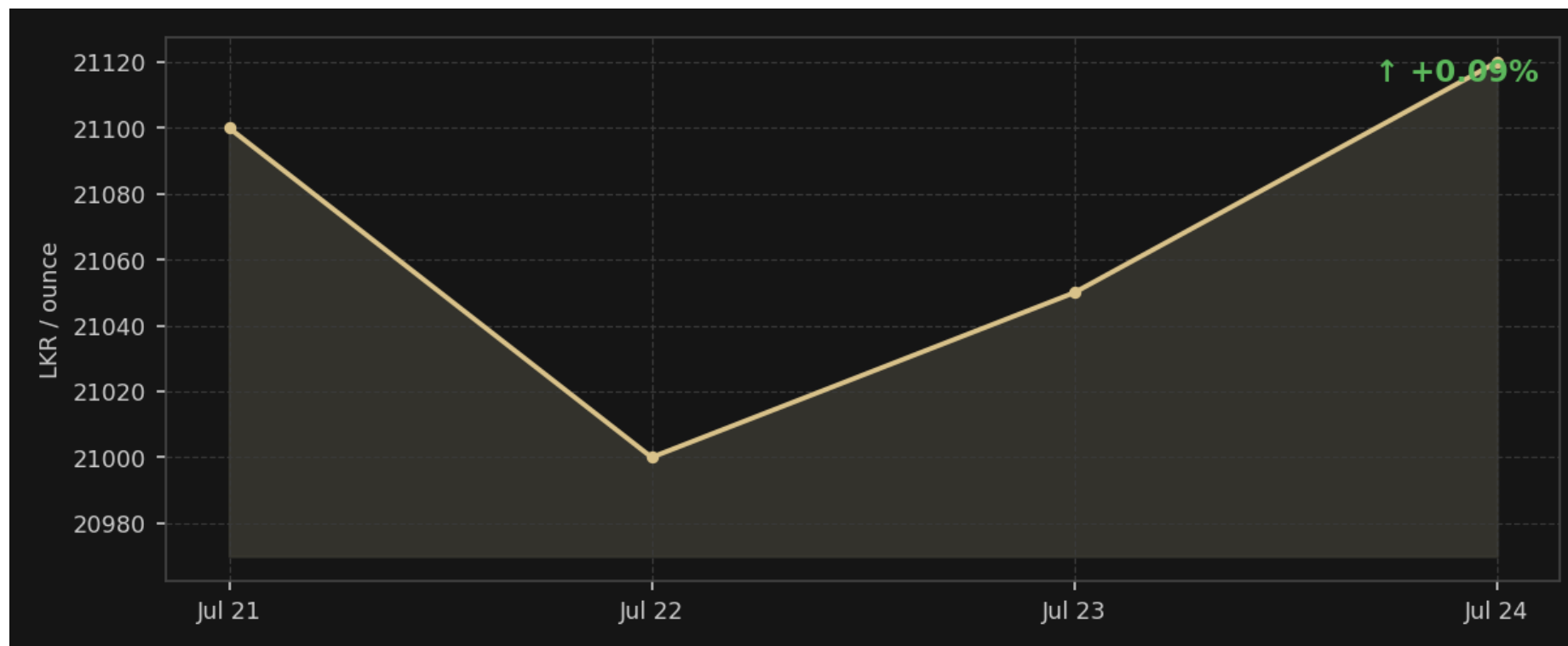
Gold Prices (in Sri Lankan Rupees/Ounce)



Rupee gold steadied after the earlier global pullback.

Indicative weekly series compiled from reported market data; interim points are approximations where official daily closes were unavailable.

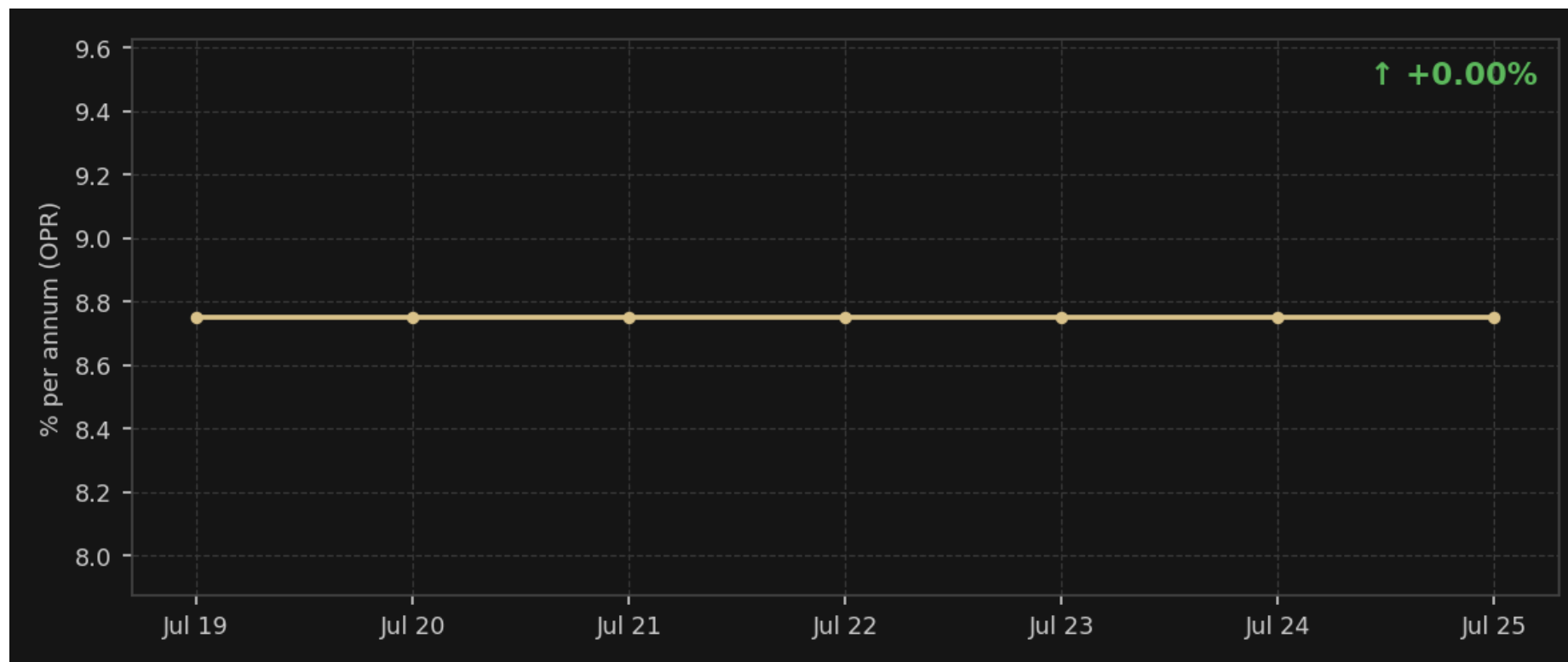
Silver Prices (in Sri Lankan Rupees/Ounce)



Silver stabilised in rupee terms.

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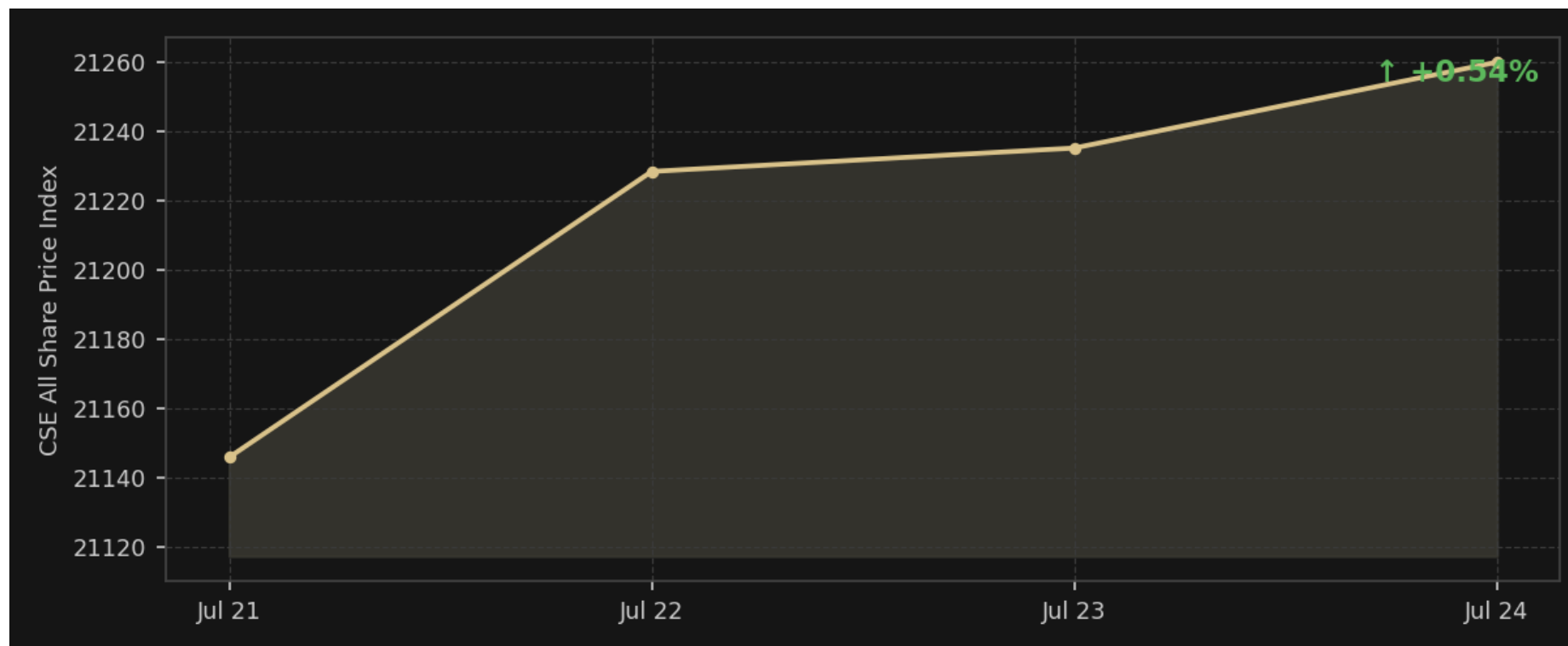
Central Bank of Sri Lanka — Overnight Policy Rate



The central bank held the OPR at 8.75% on July 22.

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CSE All Share Price Index (ASPI)



The ASPI firmed to 21,228 (July 22) and 21,235 (July 23) on improving sentiment.

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