



Weekly News Bulletin
I B S L Library

delivered solid results in a challenging market



Weekly News Bulletin on Banking & Finance

Click to Read



The content used in this document is intended for educational and informational purposes only.
All rights to the images, news used belong to their respective owners.

Use the link to access the full text of the article

[Child's Guide To Debt & Debt Restructuring – Part V](#)

Aseni and Sarath Mahattaya are continuing their interactive conversation on debt and debt restructuring. They have concluded that a country should borrow from foreign sources – savings made by people in other countries by curtailing their consumption – to finance the high investments which cannot be met through inadequate domestic savings. In the case of Sri Lanka, the savings made by the private sector have been reduced by dissaving made by the Government by consuming more than the revenue. That latter dissaving had been about 1% of GDP in the post-independence period and about 7% of GDP in the recent years.

[No law is perfect! Embracing Change: The Economic Transformation Bill](#)

Economic Transformation Bill aims to transform Sri Lanka into a competitive, export-oriented, digital economy

Concerns have emerged about the absence of penalties in the Bill for failing to meet the 'ambitious' targets set for the future, raising questions about accountability and enforcement

The goals and policies reflected in the Bill appear quite broad: however, it is crucial to recognise that no law is perfect or capable of achieving all its outcomes

[Who holds Sri Lanka's external debt and how China is assisting Sri Lanka](#)

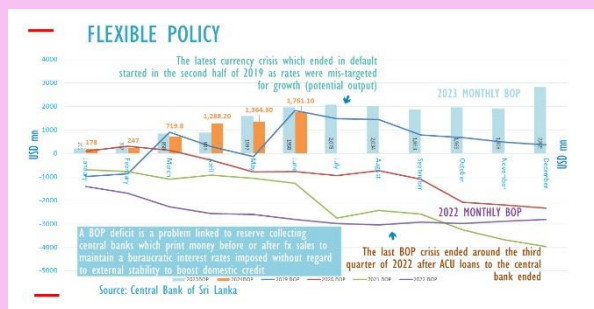


Sri Lanka reached a debt restructuring agreement with commercial creditors in July 2024 to restructure \$ 12.5 billion in the country's outstanding International Sovereign Bonds (ISBs). The parties agreed on core financial terms of restructuring the ISBs, which are now embodied in a joint working debt treatment framework (the Joint Working Framework).

[Why is IMF here? Sri Lanka needs new governance model to avoid them in the future](#)

The IMF may have their own agendas. But they are in the country because our politicians and officials failed to manage the economy leading it to bankruptcy. Some degree of economic and financial discipline is evident today, thanks to the presence of the IMF. Any proposed renegotiations should be on the basis of even greater discipline, and sustainable discipline, and not pandering to populism.

Sri Lanka BOP surplus to June 2024 running slightly behind last year



Sri Lanka's balance of payments is still strongly in surplus in 2024 under the current interest rate structure, but is running slightly behind 2023, official data show.

Sri Lanka had recorded a BOP surplus (as defined) of 1,761 million US dollars by June 2024, down from 1,957.6 million dollars a year earlier.

Market wraps cautious ahead of bond auction

The secondary market yield curve remained broadly unchanged amidst limited trading activity and thin trading volumes as market participants remained on the sidelines ahead of the upcoming Rs.60.0 billion worth bond auction announced yesterday.

On the bond auction that will be taking place on August 13, 2024, the CBSL is expected to raise Rs. 45.0 billion from 15.06.29 and Rs.15.0 billion from 01.10.32, respectively.

Entrepreneurial confidence grows as private company registrations expand in 2024

- Company registrations from January 01 to June 30 total 12,651, up 20.2% YoY
- 2Q24 registrations up 19% from 2Q23 and 41.4% up from 2Q22

The number of new private company registrations in the country has shown a significant year-on-year (YoY) increase since the economic crisis in 2022, official data showed.

Sri Lanka rupee opens stronger, bonds yield up

Sri Lanka's rupee was quoted stronger at 300.45/60 to the US dollar Friday and bond markets continued to be hit by policy uncertainty leading to reduced interest in longer term tenors, market participants said.

The rupee closed at 300.80/301.05 on Thursday.

The 6-month bill was quoted at 9.75/85 and the 12-month 10.15 percent.

FIU SL-Registrar General partner to track money laundering via trusts

Sri Lanka's Financial Intelligence Unit (FIU) has partnered with the Registrar General's Department to monitor trusts and property registrations for the potential money laundering activities.

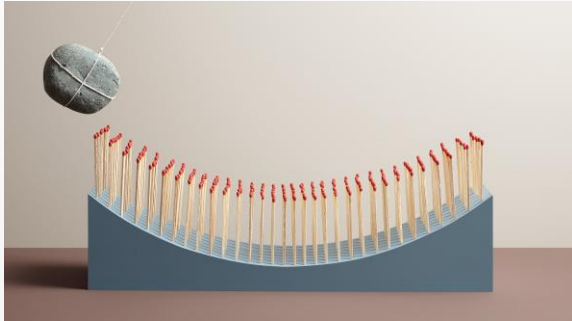
The collaboration, formalised through a memorandum of understanding (MoU) on August 6, 2024, grants the FIU access to relevant data, enhancing efforts to combat money laundering and terrorist financing (ML/TF) and related crimes.

Click to give: Future of digital fundraising in Sri Lanka

- Digital fundraising is gaining momentum in Sri Lanka
- Doing Good Index 2024 reveals level of digital technology adoption in Sri Lanka and 17 other Asian economies, among other indicators of philanthropic activities
- Enhancing cybersecurity awareness, digital capacity development and improving existing digital infrastructure are key to promoting digital fundraising in country

This milestone reflects the growing trend of online fundraising and digital rallying for social welfare delivery in Sri Lanka.

How to Assess True Macroeconomic Risk



by Philipp Carlsson-Szlezak and Paul Swartz

In this article, adapted from the forthcoming book *Shocks, Crises, and False Alarms*, the authors explain how economic analysis works in the real world. They lay out three principles for navigating the rising number of economic risks: (1) Don't put too much stock in any one economic model. (2) Ignore the doomsayers in the financial press. (3) Cultivate rational optimism and an eclectic form of judgment that draws on multiple sources. That involves identifying the critical drivers of potential risk, building a narrative, and pressure-testing it from multiple perspectives.

These are the two new books you need to read about AI



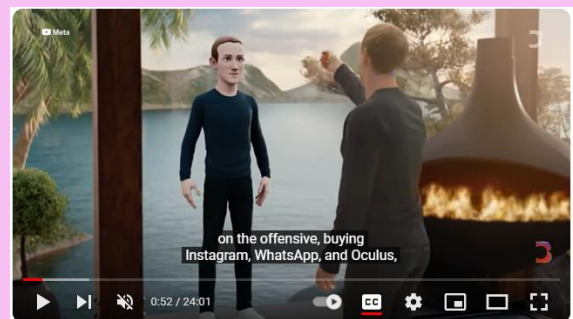
Feeding the Machine. By James Muldoon, Mark Graham and Callum Cant.

Co-Intelligence. By Ethan Mollick.

It is not only the business world that is excited about generative artificial intelligence (AI). So, too, are publishers. In the past 12 months at least 100 books about AI have been published in America, reckons Thad McIlroy, a contributing editor at *Publishers Weekly*, and many multiples of that have been self-published. At the top of the pile are two new titles, which represent opposing sides of a noisy debate: whether enthusiasm about AI's benefits should outweigh concerns about its downsides.

Inside Mark Zuckerberg's AI Era | The Circuit

Click to Watch



Inside Mark Zuckerberg's AI Era | The Circuit