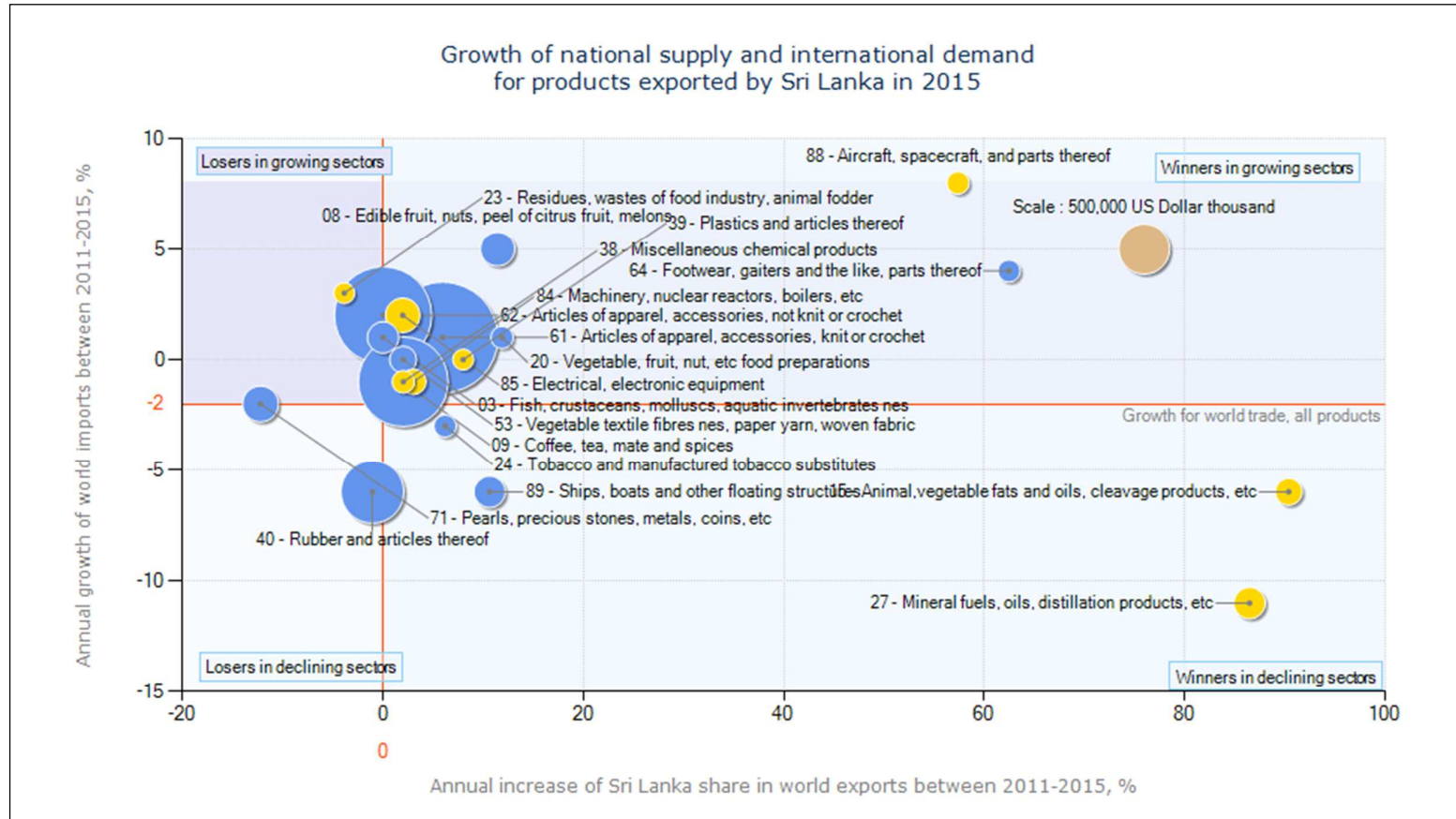


## 20. Current trend in Global demand for Sri Lanka's Products

The following Chart presents the performance of 20 leading export products of Sri Lanka in the international market. The bubble denotes a particular product and the size of the bubble represents the amount of that product (in US terms) we export to the world market.



Source: ITC Trade Map

If the bubbles fall into the “Winners in growing sectors”, it means that the world demand for the product denoted by the bubble is increasing and also Sri Lanka’s share of that product in world exports is also increasing. Most of our export products, Footwear, gaiters and the like, parts thereof, Edible fruit, nuts, peel of citrus fruit, melons, Vegetable, fruit, nut, etc. food preparations, Coffee, tea, mate and spices, Articles of apparel, accessories, knit or crochet, Articles of apparel, accessories, not knit or crochet, Fish, crustaceans, molluscs, aquatic invertebrates nes, Electrical, electronic equipment, Vegetable textile fibres nes, paper yarn, woven fabric, Miscellaneous chemical products, Machinery, nuclear reactors, boilers, etc. and Aircraft, spacecraft, and parts thereof; fall into this category. Trade promotion efforts for this product should aim to broaden the supply capacity to cater to the markets with increasing demand.

If the bubbles fall into the “Losers in growing sectors”, it means that the world demand for the product denoted by the bubble is increasing but Sri Lanka’s share of that product in world exports is declining. Only our export product, Residues, wastes of food industry, animal fodder; Fall into this category. As this product face supply side bottlenecks, it is important to identify and remove the constraints in order to regain the market share.

If the bubbles fall into the “Losers in declining sectors”, it means that the world demand for the product denoted by the bubble is falling and Sri Lanka’s share of that product in world exports is also falling. Our export products such as Rubber and articles thereof and Pearls, precious stones, metals, coins, etc.; fall into this category. Trade promotion efforts for these products in this group should adopt an integrated approach to remove both the demand and supply side constraints.

If the bubbles fall into the “Winners in declining sectors”, it means that the world demand for the product denoted by the bubble is falling but Sri Lanka’s share of that product in world exports is increasing. Our export products such as Animal, vegetable fats and oils, cleavage products, etc., Tobacco and manufactured tobacco substitutes, Mineral fuels, oils, distillation products, etc. and Ships, boats and other floating structures; fall into this category. From a trade promotion perspective, niche marketing strategies are required to be adopted for these products.

The behavior of exports of Sri Lanka as indicated above shows the importance of adopting product specific trade promotion strategies and measures to remove the specific demand or supply related constraints, which impede a more dynamic expansion of exports of the country. Such strategies would enable Sri Lanka to maximize on the opportunities generated in the global market and reap the maximum benefits from trade opportunities available for our export products.