

# DAILY STOCK MARKET HIGHLIGHTS

Friday, 01 February 2019



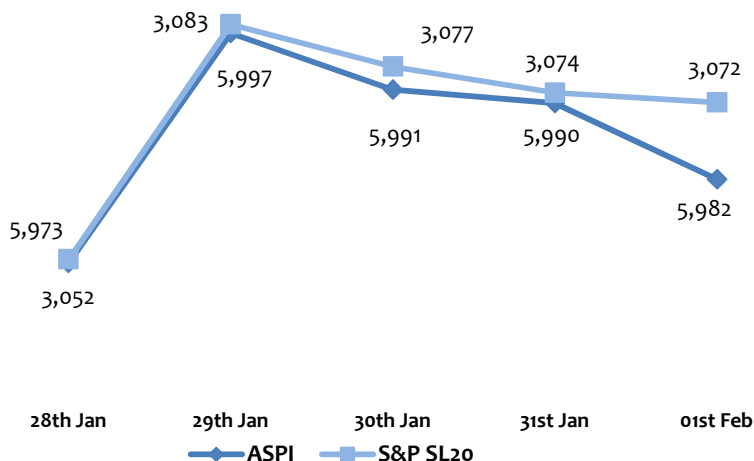
**ASHA PHILLIP  
SECURITIES LTD**

Sri Lanka

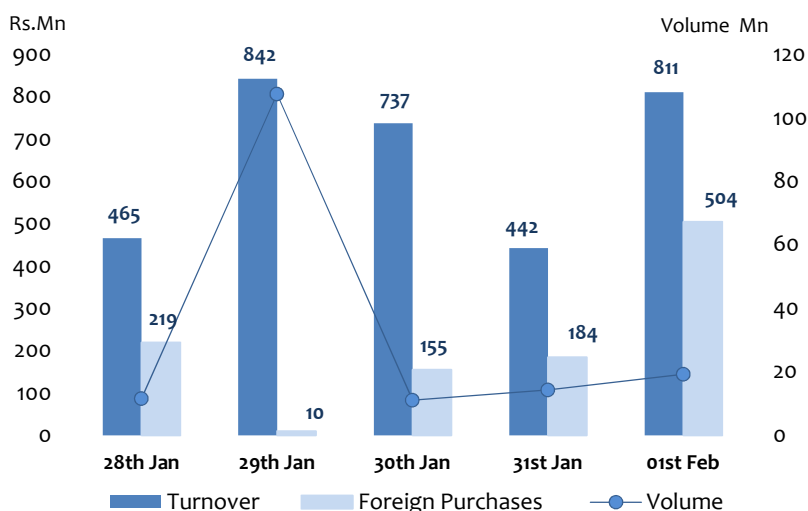
## Daily Market Statistics

Index	01st Feb	31st Jan	Change	% Change
ASPI	5,982.05	5,989.90	↓ (7.85)	↓ -0.13%
S&P SL20	3,072.46	3,073.71	↓ (1.25)	↓ -0.04%
Market Stats (LKR, Mn)		01st Feb	31st Jan	% Change
Turnover		810.58	442.00	↑ 83.4%
Domestic Purchases		306.10	257.89	↑ 18.7%
Domestic Sales		140.40	175.40	↓ -20.0%
Foreign Purchases		504.47	184.11	↑ 174.0%
Foreign Sales		670.17	266.59	↑ 151.4%
Share Volume		19.20	14.28	↑ 34.4%
Market capitalization (Bn)		2,795.73	2,799.40	↓ -0.13%
PER		9.36	9.37	↓ -0.11%
PBV		1.18	1.18	↓ 0.00%

## Market Indices



## Turnover, Volume and Foreign Purchase



## Performance of the Market

- Release of lower than expected financial results by investor favorite counters JKH and LFIN made Colombo bourse to settle on negative terrain. Likely negative effect of debt repayment levy on financials of banks and financial institutions, resulted price reduction among majority of Banking & Finance sector counters.
- Benchmark index ASPI moved between 5,966.85 - 5,997.96 points and settled the day at 5,982.05 with a loss of 7.85 points (-0.13%).
- Major contributors for the movement in ASPI were **DIAL (+3.5)**, **DFCC (+1.8)**, **COCR (+0.7)**, **LVEN (+0.7)**, **EXPO (+0.4)**, **JKH (-5.4)**, **DIST (-3.0)**, **CFIN (-2.3)**, **SAMP (-0.7)** & **HNB (-0.6)**
- S&P SL20 index also followed a same trend and settled the day at 3,072.46 with a loss of 1.25 points (-0.04%).
- The day's turnover recorded as LKR 810.58Mn, up by 83% from its previously recorded LKR 442Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.80Tn, indicating an YTD loss of 1.54%.
- The market PER & PBV were at 9.36x & 1.18x respectively.

## Top Contributors – Turnover

1. Ceylon Tobacco Company PLC (CTC) contributed 29% (238.86Mn) of the turnover. CTC traded and settled the day at LKR 1,400.00 on par with its previous closing; majority 99.9% (238.84Mn) of its turnover was contributed through two off board trades of 168,199 shares negotiated at the prices of LKR 1,420.00
2. Commercial Bank of Ceylon PLC (COMB) had contributed LKR 207.38Mn. COMB traded between LKR 113.90 & 114.80 and settled the day at LKR 114.00 on par with its previous closing. majority 98.36% (203.98Mn) of its turnover was contributed through an off board trade of 1.79Mn shares negotiated at the prices of LKR 114.00
3. John Keells Holdings PLC (JKH) contributed LKR 197.19Mn. JKH traded between LKR 156.00 & 158.00 and settled the day at LKR 156.00 with a loss of LKR 1.90 (-1.2%).

**Top contributors - Traded Volume**

1. Piramal Glass Ceylon PLC traded a total of 10.05Mn shares.
2. Commercial Bank of Ceylon PLC (1.82Mn shares)
3. John Keells Holdings PLC (1.27Mn shares).

**Sectorial Overview**

1. Bank Finance & Insurance (BFI) stood on top providing LKR 268.73Mn capturing 33% of the total turnover.
2. Beverage Food & Tobacco (BFT) provided LKR 258.64Mn to the daily aggregated turnover.
3. Diversified Holdings (DIV) provided LKR 198.43Mn

**Daily Foreign Transactions**

**Net Foreign Purchases**

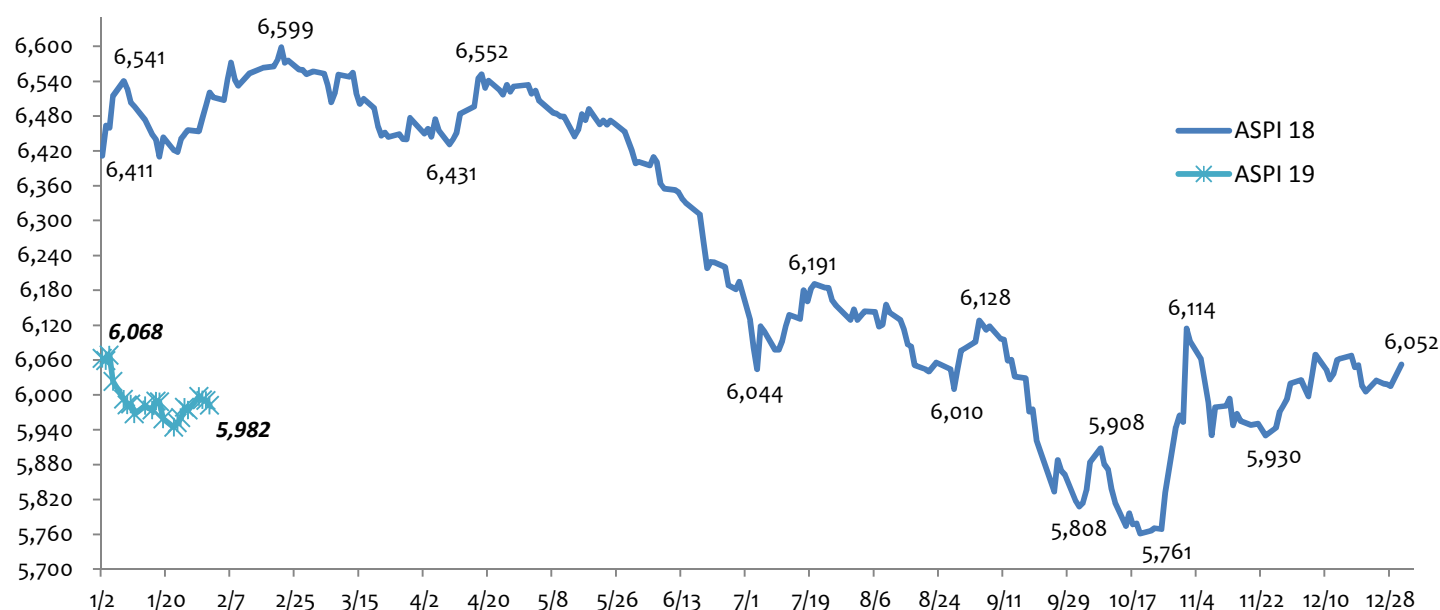
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
PIRAMAL GLASS	4.10	10,006,905	41,028,311
ORIENT FINANCE	17.40	76,625	1,333,275
CARGILLS	200.00	6,000	1,200,000
GRAIN ELEVATORS (+)	57.00	7,530	429,210
MULTI FINANCE	17.70	21,299	376,992
COMMERCIAL BANK[X]	96.90	1,500	145,350
RENUKA HOLDINGS	19.0	7,413	140,847
JANASHAKTHI INS. (+)	29.10	4,600	133,860
OVERSEAS REALTY (+)	15.50	7,500	116,250
SEYLAN BANK[X]	44.00	1,114	49,016

**Net Foreign Sales**

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
JKH	156.00	(1,261,380)	(196,775,280)
SAMPATH (+)	238.00	(30,000)	(7,140,000)
MTD WALKERS	19.00	(195,763)	(3,719,497)
COMMERCIAL BANK (+)	114.00	(18,619)	(2,122,566)
DFCC BANK PLC	84.90	(7,000)	(594,300)
CHEVRON (+)	73.10	(2,000)	(146,200)
COLD STORES	620.00	(101)	(62,620)
MALWATTE (+)	9.50	(5,000)	(47,500)
RENUKA AGRI	2.30	(20,000)	(46,000)
LMF	136.00	(1)	(136)

- **Aggregate foreign buying** for the day totaled up to **LKR 504.47Mn.**
- **Foreign sales** for the day amounted to **LKR 670.17Mn.**
- **Net foreign outflow** for the day was **LKR 165.70Mn**, **YTD net foreign outflow** presently stands at **LKR 2.49Bn.**
- **GLASS** notched the “Top Net Purchasers” slot with a net inflow of **LKR 41.03Mn** whilst **JKH** notched the “Top net Sellers” slot with a net outflow of **LKR 196.78Mn.**

**Year-to-Date ASPI Movement - 2018 & 2019**



## Key Announcements

- Board of **On'ally Holdings PLC** (ONAL – CMP LKR 100.00) recommends shareholders to **sub divide existing every 1 existing share in to 5 shares**, which will increase current 17.5Mn shares in issue to 87.5Mn shares. Further Board Recommends **Rights Issue** of 5.83Mn new shares at a proportion of **1 new share for post sub-division 15 shares** at a consideration of LKR 19.00 per share. Objective of the Rights Issue is to increase the public holding percentage of ONAL, and therefore the two major shareholders, namely Urban **Development Authority** and **Renuka Capital PLC** (KZOO) will not be subscribing for any shares in the Rights Issue. The proceeds of the Issue will be utilized for the **refurbishment of the Unity Plaza Building** owned by the Company.
- Extra Ordinary General Meeting in connection with the proposed **Amalgamation of Browns Capital PLC** (FLCH) **with Browns Investments PLC** (BIL), would be held on 8th March 2019 at 10 a.m.
- Net asset value per unit of the **Candor Opportunities Fund** as at 31st January 2019, LKR 8.80
- Net Asset Value of **NAMAL Acuity Value Fund** as at 31st January 2019 is LKR 96.60 per unit.
- **Singhe Hospitals PLC** (SINH) has **converted the loan** of LKR 50.65Mn given by its Chairman Mr.A.M. Weerasinghe together with the interest in to 33.08Mn shares via a **Private Placement** at a consideration of LKR 2.00 per share; those shares **will be listed on 5th February 2019**.
- **Cargo Boat Development Company PLC** (CABO) is **planning renovate its Office Building** located at No 41, Janadhipathi Mawatha, Colombo 01, to **improve facilities** of the building and **to charge higher rental**. Tenants have vacated the building in January 2019, to allow renovation, which is expected to take 12 months to complete; further announcement will be made regarding the cost.

## Companies under Trading Suspension

Company	MIRA	CIFL	ESL	PCH	PCP	SING	CIFL	SFS
From	26-Feb-15	23-Nov-17	5-Jan-16	2-Apr-18			23-Nov-17	2-July 18.
Reason	SEC Directive	status	Weak position	as per CSE Listing Rules			CBSL	Listing Rules
Company	LCEM	MEL	HUEJ	AINV	CFT	LLMP	PCHH	
From	7-Sep 18.	25-Sep 18.	26-Nov-18.	10-Dec-2018 for Non-submission of				
Reason	Auditor's Qualified Opinion		***	Non-submission of Annual Reports				

\*\*\*Non-submission of Interim Financial Statements 30th Jun 2018

## Companies on WATCH LIST

Non Submission of Annual Reports, Financial Statements									Default Board
MIRA	LCEM	CIFL	PCH	PCP	SING	HDEV	LLMP	PCHH	SFS
SINH	LLMP	CFT	SFL						
Qualified Opinion in the Independent Auditor's Report									
AINV	ESL	EAST	MEL	JANA	HVA	PMB	MBSL	ALHP	TFC
SIRA	MSL	CHOU							
Non-compliance of CSE Listing Rules, minimum public holding & Corporate Governance									
HUEJ	LOFC	ACAP	ARPI	ASPH	BBH	COMD	CPRT	DIST	CLC
ASPM	GOOD	HPFL	INDO	KAPI	LAMB	MADU	MORI	OFEQ	NIFL
PARA	PDL	SELI	MERC	SHAL	LHCL	SLND	AFSL	AMCL	ODEL
SFCL	TAP	MERC	TFIL						

### Annual general Meetings (AGMs)

Company	Date	Company	Date	Company	Date
COMB	28-Mar-19	UBC	28-Mar-19	SEYB	29-Mar-19
DFCC	28-Mar-19	HNB	29-Mar-19	SAMP	29-Mar-19
HASU	28-Mar-19	PABC	29-Mar-19		

### EGMs

Company	Date	Company	Date
ALUF	15-Feb-19	FLCH	8-Mar-19
ASCO	8-Feb-19	BIL	8-Mar-19
NDB	18-Feb-19		

## Key Announcements

### Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
SFCL	0.80	Interim	30.Jan.2019	11.Feb.2019	JKH	2.00	2nd Interim	12.Feb.2019	22.Feb.2019
COMB	3.00	2nd Interim	06.Feb.2019	15.Feb.2019	VPEL	0.40	Interim	13.Feb.2019	22.Feb.2019
BPPL	0.24	2nd Interim	07.Feb.2019	18.Feb.2019					

### Amalgamation [A]

Transferee	Transferor	Proportion	Offer Closing Date
[A] Browns investments PLC (BIL)	Browns Capital PLC (FLCH)	2 BIL for every 1 FLCH	To be notified

### Consolidation of Shares

Company	Proportion	EGM & Entitlement Date	Dealings Suspension	Trading start
Asia Asset Finance PLC (AAF.N)	10 into 1	31 Jan 2019.	01 FEB to 06 FEB 2019	7th Feb 2019

### Rights Issues

T = Tranche

Company,	Issue Price	Issue Value	Proportion	XR Date	Letter Dispatch	Trading of Rights	Acceptance
Asia Asset Finance (AAF) T-1 @ LKR 10.0		LKR 252Mn	03 for 10	14 Feb 2019.	20 Feb 2019.	26 Feb - 06 Mar.	07 Mar 19.
Asia Asset Finance (AAF) T-2 @ LKR 10.0		LKR 218Mn	02 for 10	3 Apr 2019.	8 Apr 2019.	12 Apr - 23 Apr.	24 Apr 19.

### Rights Issues with pending dates

Company,	Issue Price	Proportion	Company,	Issue Price	Proportion
Agalawatte Plantations (AGAL)	LKR 15.3	21 for 4	Adam Investments PLC (AINV)	LKR 1.00	01 for 01
Adam Capital PLC (PCHH)	LKR 1.50	02 for 01	Blue Diamonds Jewellery (BLUE)	LKR 1.00	01 for 04
DFCC Bank PLC (DFCC)	LKR 72.00	02 for 05			

### Upcoming Listings

Company	Issue Size	Coupon Rate	Price	Issue Opening	Tenure	Nature
Commercial Bank of Ceylon PLC (COMB)	LKR 15Bn	To be notified	100.00	To be Notified	5 - 10 Years	BASEL III
National Development Bank (NDB)	LKR 6.5Bn	To be notified	100.00	To be Notified	5 Years	BASEL III
Seylan Bank PLC (SEYB)	LKR 5Bn	To be notified	100.00	To be Notified	5 Years	BASEL III
Sampath Bank PLC (SAMP)	LKR 7Bn	To be notified	100.00	To be Notified	5 Years	BASEL III
Hatton National Bank PLC (HNB)	LKR 10Bn	To be notified	100.00	To be notified	5, 7 Years	BASEL III
Bogawantalawa Tea Estates (BOPL)	LKR 0.85Bn	To be notified	85.00	To be notified	5, 6 & 7 Years	Normal

## Market Highlights & Statistics

### Market Capitalisation

Company Name	Symbol	Price	Issued Quantity	Market Capitalisation	(as a % of MKT Cap.)
CEYLON TOBACCO COMPANY PLC	CTC.No000	1,430.00	187,323,751	267,872,963,930	10.32
JOHN KEELLS HOLDINGS PLC	JKH.No000	156.00	1,318,152,225	205,631,747,100	7.92
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	114.00	945,709,403	107,810,871,942	4.15
NESTLE LANKA PLC	NEST.No000	1,724.80	53,725,463	92,665,678,582	3.57
DIALOG AXIATA PLC	DIAL.No000	10.10	8,143,778,405	82,252,161,891	3.17
HATTON NATIONAL BANK PLC	HNB.No000	204.30	395,451,248	80,790,689,966	3.11
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	16.00	4,600,000,000	73,600,000,000	2.84
SAMPATH BANK PLC	SAMP.No000	238.00	280,902,248	66,854,735,024	2.58
CEYLON COLD STORES PLC	CCS.No000	620.00	95,040,000	58,924,800,000	2.27
AIA INSURANCE LANKA PLC	CTCE.No000	1,840.80	30,749,370	56,603,440,296	2.18

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
PIRAMAL GLASS CEYLON PLC	41,209,926	10,055,327
COMMERCIAL BANK OF CEYLON PLC	207,379,763	1,819,120
JOHN KEELLS HOLDINGS PLC	197,194,618	1,266,903
ORIENT FINANCE PLC	18,942,440	1,128,182
MTD WALKERS PLC	16,750,320	883,368
LANKEM DEVELOPMENTS PLC	2,220,100	494,092
ACCESS ENGINEERING PLC	3,129,804	226,756
JANASHAKTHI INSURANCE COMPANY PLC	6,349,947	214,030
BERUWALA RESORTS PLC	143,640	205,200
RENUKA AGRI FOODS PLC	451,339	188,278

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
CEYLON TOBACCO COMPANY PLC	168,209	238,856,580
COMMERCIAL BANK OF CEYLON PLC	1,819,120	207,379,763
JOHN KEELLS HOLDINGS PLC	1,266,903	197,194,618
PIRAMAL GLASS CEYLON PLC	10,055,327	41,209,926
ORIENT FINANCE PLC	1,128,182	18,942,440
MTD WALKERS PLC	883,368	16,750,320
CEYLON COLD STORES PLC	26,958	16,713,960
DFCC BANK PLC	142,225	12,071,610
SAMPATH BANK PLC	36,282	8,632,512
JANASHAKTHI INSURANCE COMPANY PLC	214,030	6,349,947

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS [X]	0.30	0.10	50.00	426
NATION LANKA	0.70	0.10	16.67	10,416
LANKA VENTURES	45.00	6.10	15.68	354,106
THE FINANCE CO. [X]	1.00	0.10	11.11	300
CITY HOUSING	5.00	0.50	11.11	726,926
ON'ALLY	107.60	7.60	7.60	345,405
ACL PLASTICS	76.50	5.40	7.59	15,377
SINHAPUTHRA FIN	8.80	0.60	7.32	37,648
C M HOLDINGS	46.20	3.10	7.19	6,935
SINHAPUTHRA FIN [P]	5.20	0.30	6.12	52,588

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS	0.50	(0.10)	(16.67)	85,012
BIMPUTH FINANCE	27.50	(1.50)	(5.17)	117,929
CENTRAL FINANCE	95.00	(5.00)	(5.00)	3,258,405
LAXAPANA	11.70	(0.60)	(4.88)	23,384
ASIA SIYAKA	2.10	(0.10)	(4.55)	53,277
ASIA CAPITAL	6.50	(0.30)	(4.41)	85,060
RENUKA AGRI	2.30	(0.10)	(4.17)	451,339
HOTEL SIGIRIYA	62.50	(2.50)	(3.85)	139,413
SOFTLOGIC FIN	22.80	(0.90)	(3.80)	27,954
TALAWAKELLE	54.10	(2.10)	(3.74)	132,427

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Ceylon Tobacco Company PLC	CTC.No000	1,420.00	2	168,199	238,842,580.00
Commercial Bank Of Ceylon PLC	COMB.No000	114.00	1	1,789,304	203,980,656.00
Piramal Glass Ceylon PLC	GLAS.No000	4.10	2	10,000,000	41,000,000.00

## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,354.97	16,388.67	268,730,608	3,839,697	1,745	4.90	0.90
BEVERAGE FOOD AND TOBACCO	24,199.73	24,255.17	258,638,186	445,571	169	17.40	5.90
CONSTRUCTION AND ENGINEERING	1,445.48	1,451.77	22,100,224	1,603,216	835	16.00	0.60
CHEMICALS AND PHARMACEUTICALS	5,283.43	5,277.94	512,579	13,887	33	7.80	0.80
DIVERSIFIED HOLDINGS	1,537.05	1,544.59	198,425,150	1,387,002	174	10.80	0.90
FOOTWEAR AND TEXTILE	907.35	909.37	754,715	80,074	33	53.80	0.90
HOTELS AND TRAVELS	2,658.74	2,654.93	3,872,877	523,968	334	98.80	1.70
HEALTH CARE	811.57	808.95	205,784	15,547	26	16.50	1.80
INVESTMENT TRUSTS	9,427.49	9,520.52	769,968	42,627	58	0.00	0.40
INFORMATION TECHNOLOGY	26.63	26.63	9	2	2	0.00	0.00
LAND AND PROPERTY	538.57	538.16	4,073,806	393,977	344	5.40	0.60
MANUFACTURING	2,854.78	2,861.86	47,928,415	10,428,935	338	8.80	0.90
MOTORS	12,406.04	12,408.37	295,856	3,986	10	17.20	0.50
OIL PALMS	49,418.58	49,418.58	124,402	89	19	59.20	1.30
POWER & ENERGY	99.54	99.36	530,855	48,109	69	87.70	1.20
PLANTATIONS	786.85	783.93	3,227,967	233,313	231	26.30	0.80
STORES SUPPLIES	28,152.16	28,152.16	2,856	5	5	17.40	0.50
SERVICES	16,000.37	15,598.12	103,277	41,089	33	14.90	1.20
TELECOMMUNICATIONS	138.40	136.58	160,693	15,988	22	5.90	0.90
TRADING	11,471.14	11,496.59	120,094	81,622	25	52.60	0.70

### GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	469.17	478.55	244,919	6,985	17	4.80	0.60
Banks	814.72	814.72	233,380,416	2,104,267	401	5.60	0.70
Capital Goods	838.80	844.88	221,042,768	2,591,409	951	10.80	0.80
Commercial & Professional Services	835.93	859.44	44,842	1,344	24	0.00	1.00
Consumer Durables & Apparel	812.76	821.30	3,625,336	369,395	138	42.20	1.10
Consumer Services	252.06	251.01	3,872,877	523,968	340	104.70	1.70
Diversified Financials	768.80	772.10	25,685,484	1,488,634	1,085	5.40	1.00
Energy	552.92	553.30	331,092	17,326	42	0.00	0.90
Food & Staples Retailing	1,250.49	1,250.49	1,265,367	71,297	17	22.70	2.20
Food, Beverage & Tobacco	924.98	926.70	264,048,768	1,212,885	633	16.40	2.80
Health Care Equipment & Services	872.42	869.65	207,908	18,570	31	16.60	1.80
Household & Personal Products	1,006.65	1,006.65	127,387	11,178	6	13.70	1.90
Insurance	2,187.63	2,195.33	9,687,408	262,962	280	3.70	1.70
Materials	539.59	536.75	43,071,276	10,112,504	129	8.70	1.00
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	13,858	21	6	5.20	1.40
Real Estate	733.53	732.87	2,923,512	273,315	292	5.10	0.60
Retailing	759.55	757.59	436,587	35,974	48	17.40	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	723.12	713.60	160,693	15,988	22	5.90	0.90
Transportation	702.71	685.99	111,717	27,248	16	7.70	0.70
Utilities	729.17	725.88	199,764	30,783	27	10.20	0.70

# Economic Indicators & Other Statistics

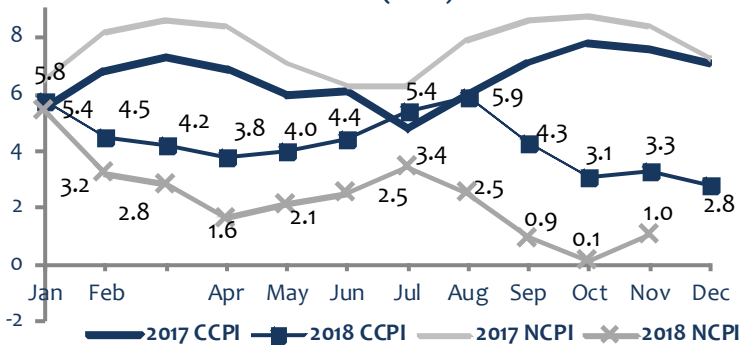
## Exchange Rates

Currency	01st Feb		31st Jan	
	Buying	Selling	Buying	Selling
Dollar (USA)	176.34	180.20	177.42	181.28
Pound (UK)	229.90	237.31	231.80	239.24
Euro (EU)	200.50	207.54	202.73	209.84
Dollar (Australia)	126.53	131.88	127.60	132.98
Dollar (Canada)	133.44	138.39	134.20	139.16
Franc (Switzerland)	176.26	182.50	177.62	183.90
Renminbi (China)	25.90	27.13	26.14	27.38
Yen (Japan)	1.6101	1.6690	1.6195	1.6787
Dollar (Singapore)	130.17	134.59	131.12	135.57

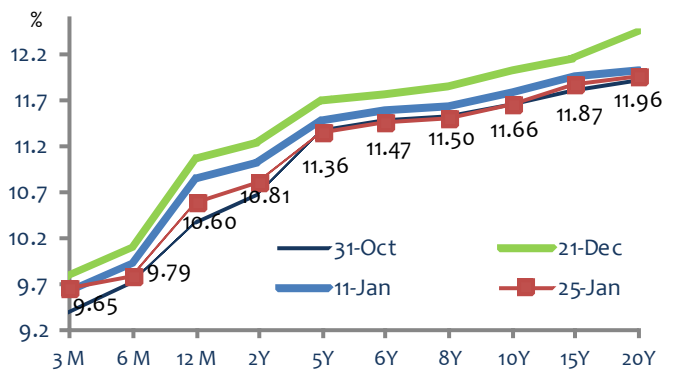
## Indicative Rates

Currency	01st Feb	31st Jan
	Ind: Value	Ind: Value
Yuan (Offshore)	26.5245	26.7893
Rupee (India)	2.5186	2.5252
Won (Korean)	0.1599	0.1616
Dinar (Kuwait)	589.6041	593.5723
Ringgit (Malay)	43.6330	43.9648
Rial (Oman)	464.2099	467.2262
Riyal (Qatar)	49.0823	49.3944
Riyal (KSA)	47.6506	47.9628
Dirham (UAE)	48.6560	48.9722

## Inflation Colombo Consumers' Price Index (CCPI) & National Consumer Price Index (NCPI)



## Government Securities - Secondary Market Yield



## Central Bank's Policy Rates

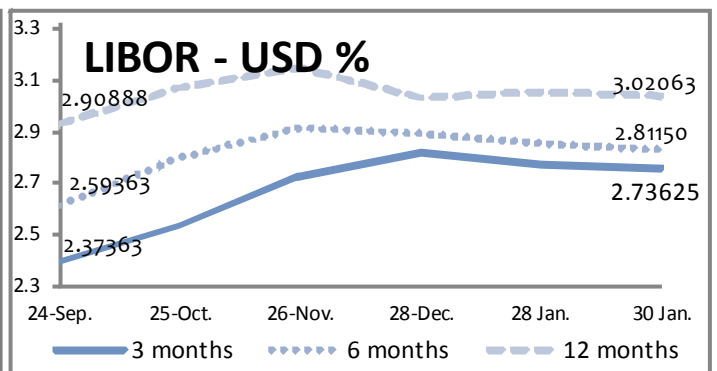
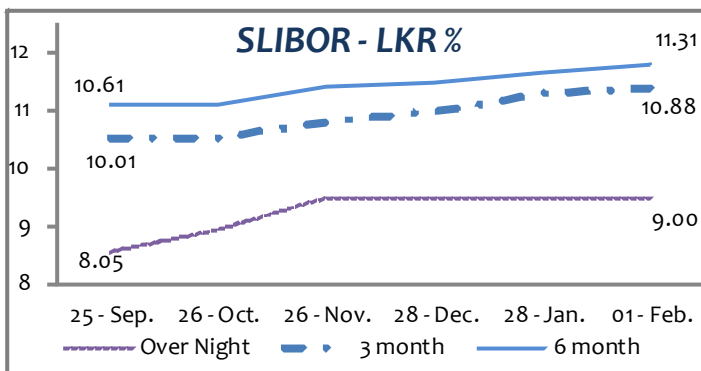
Description	Present	Previous		30.01.2019	23.01.2019	16.01.2019	09.01.2019
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	na	na
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	na	9.87	9.87	9.94
Bank Rate	15.00%	15.00%	364 Days %	10.69	10.70	10.75	10.85
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	21Bn	23.5Bn	26Bn	20Bn

## Treasury Bill Issuance

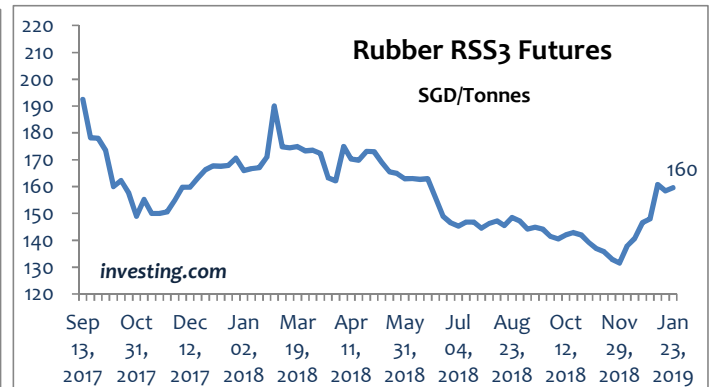
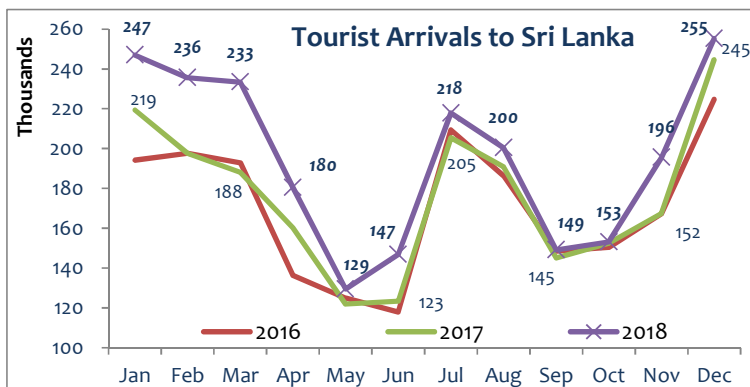
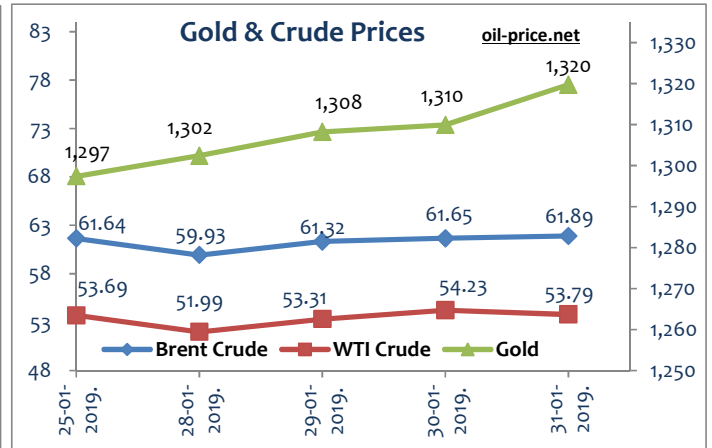
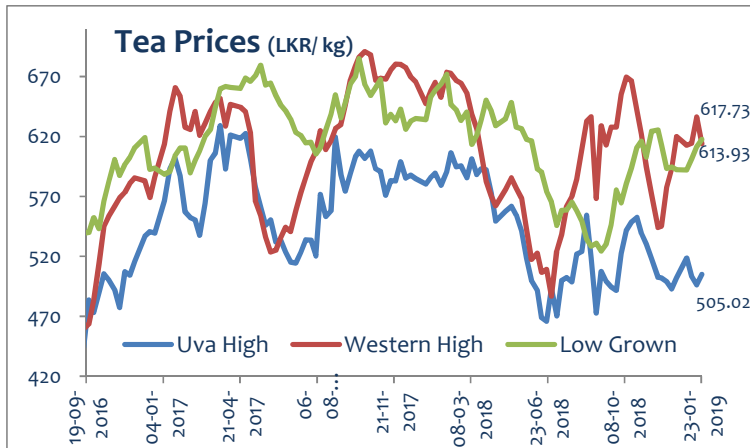
Date	13.12.2018	17.07.2016	11.01.2019	17.07.2016	17.09.2018	13.12.2018	11.01.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	11.88	11.14	11.58	11.21	10.32	12.23	11.73	11.90
Previous Auction	17.09.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	02.01.2018	15.08.2018	16.07.2018
Previous Yield	10.03	11.37	11.69	11.38	10.53	10.06	10.20	10.88

## Treasury Bond Issuance

Date	13.12.2018	17.07.2016	11.01.2019	17.07.2016	17.09.2018	13.12.2018	11.01.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	11.88	11.14	11.58	11.21	10.32	12.23	11.73	11.90
Previous Auction	17.09.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	02.01.2018	15.08.2018	16.07.2018
Previous Yield	10.03	11.37	11.69	11.38	10.53	10.06	10.20	10.88



## Economic Indicators & Other Statistics



## Local News

### SL ports should evolve beyond transshipment

Sri Lanka’s ports should reduce dependency on Indian transshipment and become global maritime hubs, the National Policy for Maritime and Logistics Sectors has recommended, as it would improve their competitiveness. The recommendations were outlined in the final draft of the National Policy for Maritime and Logistics Sectors that was presented to Minister of Ports and Shipping and Southern Development Sagala Ratnayaka by Ministry Secretary Dr. Parakrama Dissanayake.

According to the policy, “Major Sri Lankan ports need to transform themselves from ‘regional transshipment hubs’ to ‘global maritime hubs’ in order to face the competition from emerging new regional transshipment ports as well as traditional global competitors. Continued dependence on the Indian subcontinent for a major portion of business will no longer be possible, due to emerging regional competition, expansion of direct mainliner service to traditional feeder ports. and changes in cabotage laws, etc.”

One of the aims of this National Policy is to “encourage sustainable port development to cater to long-term forecasted growth in volumes of imports and exports and transshipment trades by sea, with a competitive and efficient port industry capable of meeting the needs of importers and exporters in a cost-effective and timely manner, thus contributing to long-term economic growth and prosperity of Sri Lanka,” Dr. Dissanayake said, quoting the final draft of the National Policy. The vision of this National Policy is to “become a leading global maritime and logistics hub while maintaining a premier status in regional maritime and logistics by affording and facilitating the best technology and convenience to all stakeholders thus facilitating the economic growth in Sri Lanka.” (ft.lk)



**Malik says more big ticket investments due in 2019**

Outlining major plans for 2019 and beyond, Development Strategies and International Trade Minister Malik Samarawickrama yesterday said the Ministry is targeting key investments from manufacturing and services sectors to attract over \$ 10 billion Foreign Direct Investments (FDIs) over the next few years.

The Minister stated two Singaporean firms have confirmed their interest to set up two oil refinery plants and a steel plant in Trincomalee, which is currently being fast tracked for implementation. This steel plant is a \$ 1 billion investment,” Samarawickrama said on the side-lines of the 17th Exporters Forum in Colombo yesterday.

According to the Minister, the refinery projects are also massive investments that will run into a period of time. “The total investment of one of the refineries is around \$ 3 to \$ 4 billion and the second one is double that amount. However, these investments will come over a period of time,” he added. Subject to the final figures to be released by the BOI, the Minister noted that Sri Lanka has attracted around \$ 2.3 billion FDIs last year and is expecting to attract \$ 3 billion total FDIs by the end of 2019. *(ft.lk)*

## Foreign News

**Asian shares go flat as China data disappoints**

Asian shares crept back from four-month highs on Friday as a dismal survey on Chinese factory activity dulled optimism about the prospects for a Sino-U.S. deal on tariffs. MSCI's broadest index of Asia-Pacific shares outside Japan slipped 0.2 percent, though that followed a stellar 7.2 percent gain in January. Japan's Nikkei went flat, while Shanghai blue chips held onto a 0.7 percent gain. E-Mini futures for the S&P 500 eased 0.1 percent and spread betters pointed to a marginally mixed start for European bourses.

Stocks had taken heart after U.S. President Donald Trump said he would meet with Chinese President Xi Jinping soon to try to seal a comprehensive trade deal as the top U.S. negotiator reported “substantial progress” in the talks. Beijing's trade delegation said the talks made “important progress” for the current stage, China's official Xinhua news agency reported on Friday.

The optimism supported Wall Street with the S&P 500 ending Thursday with a gain of 0.86 percent. The Nasdaq jumped 1.37 percent on the back of a near 11 percent rise in Facebook Inc. The Dow slipped 0.06 percent. Over January, the S&P 500 rose 7.9 percent, its best monthly performance since late 2015 and its strongest start to a year since 1987. The Nasdaq gained 9.7 percent in the month and the Dow rose 7.2 percent.

Gold prices hovered just short of nine-month highs supported by the fall in bond yields and expectations for a softer dollar. Spot gold stood at \$1,318.44 per ounce, having touched a top of \$1,326.30. Oil prices were subdued as the poor China data offset signs major exporters were quickly reducing output in line with a pact to cut supply. U.S. crude futures edged up 5 cents to \$53.87 per barrel, while Brent rose 13 cents to \$60.97. *(reuters.com)*

**Fitch Ratings: Global Bank Rating Outlooks More Negative than in Mid-2018**

The number of bank ratings on Negative Outlook has increased since the middle of last year, Fitch Ratings says. The share of Negative Outlooks globally rose to 13% at end-2018 from 10% at end-1H18, following sovereign-driven Outlook revisions in Italy and Latin America, while the share of Positive Outlooks decreased slightly to 7% (end-1H18: 8%).

Emerging Markets Americas had the highest proportion of Negative Outlooks at end-2018 (29%), with banks in Argentina and Mexico accounting for half of these.

Our revision of Italy's Outlook to Negative in August led to Negative Outlooks on the ratings of five Italian banks rated in line with or above the sovereign. A reduction in the sovereign rating would most likely lead to downgrades of these banks, and other Italian bank ratings could also come under pressure if refinancing conditions become more difficult or if banks' asset quality weakens significantly. *(bizenglish.adaderana.lk)*

## Contact Information

### Head Office

#### Sales

Thakshila Hulangamuwa	thakshi@ashaphillip.net	+94 11 2429108
Upul Priyantha	upul@ashaphillip.net	+94 11 2429106
Shanmugam Sudhagar	sudha@ashaphillip.net	+94 11 2429107
Vasanth Wicramasinghe	vasantha@ashaphillip.net	+94 11 2429114

#### Research

Visahan Arumainayaham	visahan@ashaphillip.net	+94112429139
Nishani Ruwanpathirana	nishani@ashaphillip.net	+94 112429137

### Regional Offices

#### **Colombo (H/O)**

# 60, 5th Lane,  
Colombo 03.  
Tel - 94 112429100  
Fax - 94 112429199  
www.ashaphillip.net

#### **Matara**

#24-1/3A,  
E.H. Cooray Tower, 2<sup>nd</sup> Floor,  
Anagarika Dharmapala Mw,  
Matara.  
Tel: 041 2235191-5

#### **Kandy**

# 88, Ceybank House,  
Dalada Vidiya,  
Kandy.  
Tel. 081 2204750

#### **Gampaha**

#116,  
Sanasa Ideal Complex,  
Buddhaloka Mawatha,  
Gampaha.  
Tel. 033 2234888

#### **Negombo**

#72 A 2/1,  
Old Chilaw Road,  
Negombo.  
Tel. 031 2227474

#### **Kiribathgoda**

#94, Udeshi City Shopping Complex,  
2nd Floor, #2/12, Makola Road,  
Kiribathgoda.  
Tel. 011 2908511

### **Important Information**

This document has been prepared and issued by Asha Phillip Securities Ltd, on the basis of publicly available information, internally developed data and other sources, believed to be reliable. Whilst all responsible care has been taken to ensure that the facts stated are accurate and the opinions given are fair and reasonable neither Asha Phillip Securities Ltd, nor any Director Officer or employee, shall in any way be responsible for any decisions made on its contents. Asha Phillip Securities Ltd may act as a Broker in the investments which are the subject of this document or related investments and may have acted upon or used the information contained in this document, or the research or analysis on which it is based, before its publication. Asha Phillip Securities Ltd., Its Directors, Officers or Employees may also have a position or be otherwise interested in the investments referred to in this document. This is not an offer to sell or buy the investments referred to in this document.