

# DAILY STOCK MARKET HIGHLIGHTS

Wednesday, 06 February 2019



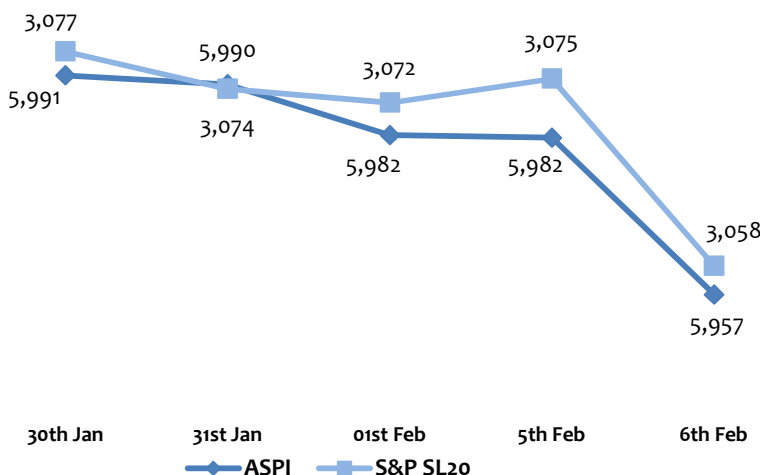
**ASHA PHILLIP  
SECURITIES LTD**

Sri Lanka

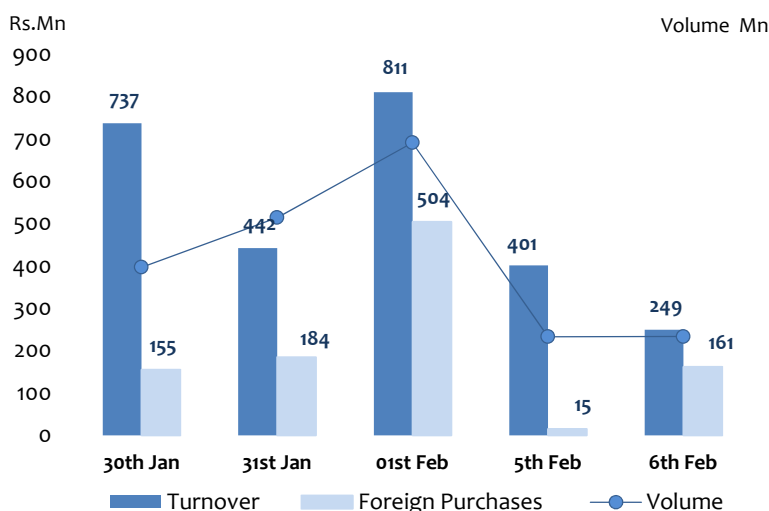
## Daily Market Statistics

Index	6th Feb	5th Feb	Change	% Change
ASPI	5,957.41	5,981.65	↓ (24.24)	↓ -0.41%
S&P SL20	3,057.75	3,074.62	↓ (16.87)	↓ -0.55%
Market Stats (LKR, Mn)		6th Feb	5th Feb	% Change
Turnover		249.22	401.50	↓ -37.9%
Domestic Purchases		87.93	386.72	↓ -77.3%
Domestic Sales		81.16	125.92	↓ -35.5%
Foreign Purchases		161.28	14.78	↑ 991.2%
Foreign Sales		168.06	275.58	↓ -39.0%
Share Volume		6.48	6.47	↑ 0.0%
Market capitalization (Bn)		2,784.26	2,795.59	↓ -0.41%
PER		9.32	9.36	↓ -0.43%
PBV		1.17	1.18	↓ -0.85%

## Market Indices



## Turnover, Volume and Foreign Purchase



## Performance of the Market

- Ex-Dividend profit taking on Commercial Bank, Standard & Poor's warning of "Sri Lankan banks have high credit risks due to slow economic growth" has affected the finance sector; prevailing volatile political environment weighed on the Bourse. Average T-Bill yields declined during the auction.
- Benchmark index ASPI moved between 5,955.02-5,982.75 points and settled the day at 5,957.41 with a loss of 24.24 points (-0.41%).
- Major contributors for the movement in ASPI were JKH (+2.5), LOFC (+1.8), DIAL (+1.7), CLC (+1.4), CTCE (+1.1), CTC (-12), SLTL (-3.9), COMB (-3.4), CINS (-3.4) & SINS (-1.4)
- S&P SL20 index also followed a same trend and settled the day at 3,057.75 with a loss of 16.87 points (-0.55%).
- The day's turnover was recorded as LKR 249.22Mn, down by 38% from its previously recorded LKR 401.5Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.78Tn, indicating an YTD loss of 1.94%.
- The market PER & PBV were at 9.32x & 1.17x respectively.

## Top Contributors - Turnover

1. Hatton National Bank PLC (HNB) contributed 62% (154.35Mn) of the turnover. HNB traded between LKR 202.50 & 204.00 and settled the day at LKR 203.00 with a loss of LKR 1.500 (-0.73%); about 83% (127.52Mn) of its turnover was contributed through an off board trade of 0.63Mn shares negotiated at the prices of LKR 203.00
2. Commercial Bank of Ceylon PLC (COMB) had contributed LKR 8.94Mn. COMB traded between LKR 112.00 & 113.00 and settled the day at LKR 112.30 with a loss of LKR 1.70 (-1.49%).
3. Hemas Holdings PLC (HHL) contributed LKR 7.32Mn. HHL traded between LKR 84.60 & 87.40 and settled the day at LKR 86.00 on par with previous closing.

**Top contributors - Traded Volume**

1. LOLC Finance PLC traded a total of 1.32Mn shares.
2. Hatton National Bank PLC (0.76Mn shares)
3. Browns Capital PLC (0.43Mn shares).

**Sectorial Overview**

1. Bank Finance & Insurance (BFI) sector stood on top providing LKR 202.39Mn capturing 81% of the total turnover.
2. Diversified Holdings (DIV) sector provided LKR 16.7Mn to the daily aggregated turnover.
3. Manufacturing (MFG) sector provided LKR 7.07Mn

**Daily Foreign Transactions**

**Net Foreign Purchases**

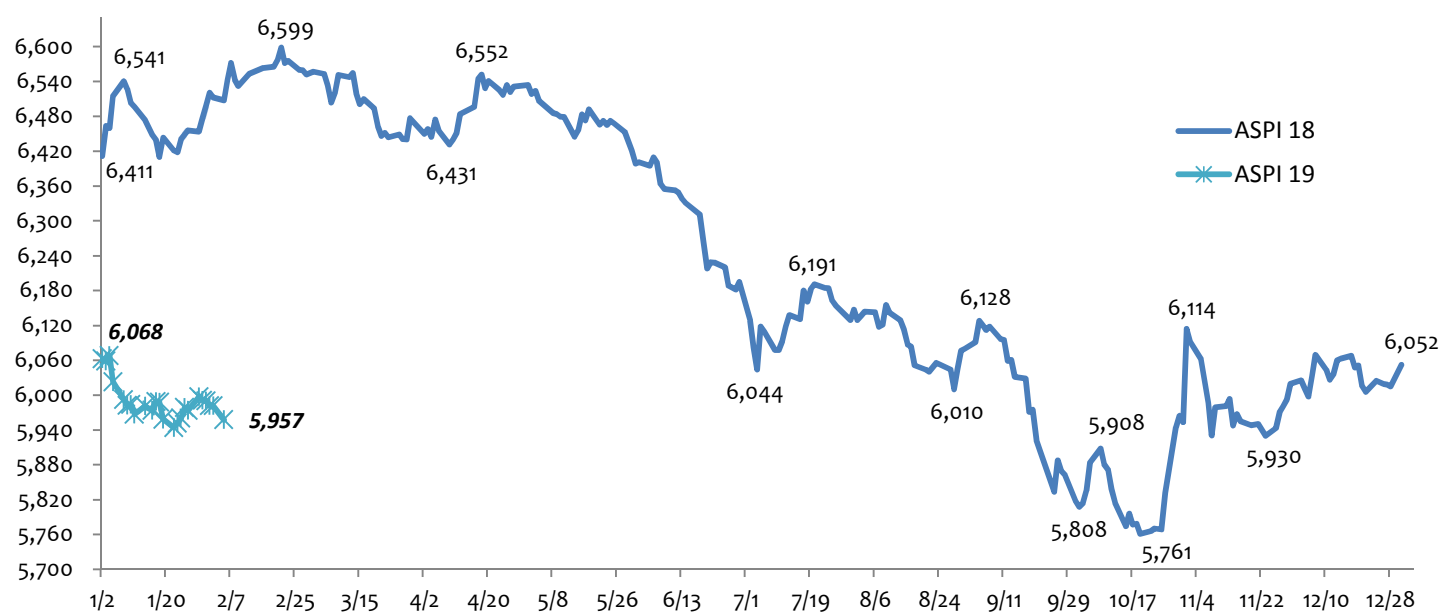
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
VALLIBEL FINANCE	71.90	87,713	6,306,565
EAST WEST	14.40	82,000	1,180,800
COMMERCIAL BANK (+)	112.30	5,550	623,265
EDEN HOTEL LANKA	14.50	25,000	362,500
LOLC FINANCE	3.70	51,100	189,070
COMMERCIAL BANK[X.0000] (+)	95.00	1,700	161,500
SEYLAN BANK[X.0000] (+)	43.0	3,186	136,998
BPPL HOLDINGS	10.90	9,550	104,095
BROWNS CAPITAL	3.60	10,250	36,900
RENUKA CAPITAL	4.10	8,137	33,362

**Net Foreign Sales**

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
HNB (+)	203.00	(36,981)	(7,507,143)
HEMAS HOLDINGS	86.00	(83,001)	(7,138,086)
JKH	156.90	(6,500)	(1,019,850)
DFCC BANK PLC	83.50	(3,000)	(250,500)
OVERSEAS REALTY (+)	15.80	(7,682)	(121,376)
DILMAH CEYLON	620.00	(172)	(106,640)
MADULSIMA (+)	7.00	(6,053)	(42,371)
COLD STORES	626.90	(64)	(40,122)
TOKYO CEMENT	23.00	(1,200)	(27,600)
RENUKA AGRI	2.40	(3,000)	(7,200)

- **Aggregate foreign buying** for the day totaled up to **LKR 161.28Mn**.
- **Foreign sales** for the day amounted to **LKR 168.06Mn**.
- **Net foreign outflow** for the day was **LKR 6.77Mn**, **YTD net foreign outflow** presently stands at **LKR 2.75Bn**.
- **VFIN** notched the “Top Net Purchasers” slot with a net inflow of **LKR 6.31Mn** whilst **HNB** notched the “Top net Sellers” slot with a net outflow of **LKR 7.51Mn**.

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



## Key Announcements

- **Ambeon Holdings PLC (GREG)** Said, its Subsidiary - **Dankotuwa Porcelain PLC (DPL)**, upon the acquisition of **Taprobane Capital (Private) Limited** and **Royal Fernwood Porcelain Limited** (Acquiree), agreed to assume the debt liabilities of Acquiree amounting to LKR 253.6Mn together with interest towards **Browns Investments PLC (BIL)**, **S.F.L. Services (Pvt) Ltd** and **Brown & Company PLC (BRWN)** by way of a "Debt Novation Agreement". Accordingly DPL transferred the said debt obligation of LKR 329.6Mn to GREG. Upon the completion of the novation, GREG exercised the option to swap shares with BRWN as per the Agreement, to Swap Shares of BIL for the liabilities owed to BRWN dated 31st December 2013. Accordingly 97.7Mn shares of BIL were swapped against the liability amounting to LKR 329.7Mn as at 31st December 2018. The transaction took place on 29th January 2019.

## 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
ASCO	8-Feb-19	FLCH	8-Mar-19
ALUF	15-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	CTEA	20.00	Interim	15.Feb.2019	25.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	1,400.00	187,323,751	262,253,251,400	10.15
JOHN KEELLS HOLDINGS PLC	JKH.No000	156.90	1,318,152,225	206,818,084,103	8.00
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	112.30	945,709,403	106,203,165,957	4.11
NESTLE LANKA PLC	NEST.No000	1,724.80	53,725,463	92,665,678,582	3.59
DIALOG AXIATA PLC	DIAL.No000	10.10	8,143,778,405	82,252,161,891	3.18
HATTON NATIONAL BANK PLC	HNB.No000	203.00	395,451,248	80,276,603,344	3.11
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	15.80	4,600,000,000	72,680,000,000	2.81
SAMPATH BANK PLC	SAMP.No000	237.90	280,902,248	66,826,644,799	2.59
CEYLON COLD STORES PLC	CCS.No000	626.90	95,040,000	59,580,576,000	2.31
AIA INSURANCE LANKA PLC	CTCE.No000	1,862.20	30,749,370	57,261,476,814	2.22

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
LOLC FINANCE PLC	5,039,896	1,319,249
HATTON NATIONAL BANK PLC	154,351,418	760,350
BROWNS CAPITAL PLC	1,525,282	427,008
VALLIBEL ONE PLC	6,167,085	383,160
NATION LANKA FINANCE PLC	198,471	330,618
EAST WEST PROPERTIES PLC	4,370,987	304,580
ANILANA HOTELS AND PROPERTIES PLC	225,125	222,850
MARAWILA RESORTS PLC	255,092	150,054
EDEN HOTEL LANKA PLC	1,876,045	129,391
MTD WALKERS PLC	2,151,206	128,362

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
HATTON NATIONAL BANK PLC	760,350	154,351,418
COMMERCIAL BANK OF CEYLON PLC	79,304	8,939,180
HEMAS HOLDINGS PLC	85,097	7,316,247
VALLIBEL FINANCE PLC	93,460	6,728,755
VALLIBEL ONE PLC	383,160	6,167,085
CITIZENS DEVELOPMENT BUSINESS FINANCE PLC	61,942	5,265,049
LOLC FINANCE PLC	1,319,249	5,039,896
EAST WEST PROPERTIES PLC	304,580	4,370,987
HNB ASSURANCE PLC	31,282	4,236,071
SAMPATH BANK PLC	16,666	3,969,291

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
SERENDIB HOTELS [X]	13.50	1.40	11.57	1,350,000
THE FINANCE CO.	2.00	0.20	11.11	514
RENUKA FOODS [X]	12.90	1.20	10.26	21,788
TRADE FINANCE	53.80	3.50	6.96	63,538
ACL PLASTICS	74.90	4.80	6.85	12,728
ABANS	63.00	3.90	6.60	107,929
BROWNS CAPITAL	3.60	0.20	5.88	1,525,282
LOLC FINANCE	3.70	0.20	5.71	5,039,896
BROWNS INVSTMNTS	1.90	0.10	5.56	13,745
CIC [X]	30.00	1.50	5.26	608,031

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS [X]	0.20	(0.10)	(33.33)	1,600
BLUE DIAMONDS	0.50	(0.10)	(16.67)	6,375
NATION LANKA	0.60	(0.10)	(14.29)	198,471
JETWING SYMPHONY	10.30	(1.20)	(10.43)	33,231
THE FINANCE CO. [X]	0.90	(0.10)	(10.00)	14,500
ANILANA HOTELS	1.00	(0.10)	(9.09)	225,125
MTD WALKERS	16.50	(1.50)	(8.33)	2,151,206
ON'ALLY	105.50	(8.20)	(7.21)	50,345
NAWALOKA	4.30	(0.30)	(6.52)	439,298
E - CHANNELLING	4.30	(0.30)	(6.52)	1,075

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Hatton National Bank PLC	HNB.No000	203.00	1	628,171	127,518,713.00

## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,321.01	16,377.83	202,392,280	3,152,169	1,012	4.90	0.90
BEVERAGE FOOD AND TOBACCO	23,983.58	24,175.36	991,620	43,446	110	17.20	5.80
CONSTRUCTION AND ENGINEERING	1,411.94	1,435.63	3,678,872	274,472	225	15.60	0.50
CHEMICALS AND PHARMACEUTICALS	5,253.14	5,265.12	1,031,479	40,089	52	7.70	0.80
DIVERSIFIED HOLDINGS	1,539.75	1,536.13	16,702,933	957,993	260	10.80	0.90
FOOTWEAR AND TEXTILE	902.06	907.35	694,013	73,608	22	53.40	0.90
HOTELS AND TRAVELS	2,645.17	2,658.88	6,121,816	822,441	225	98.30	1.70
HEALTH CARE	813.45	810.78	1,764,683	181,686	42	16.60	1.80
INVESTMENT TRUSTS	9,212.85	9,402.29	600,857	32,492	59	0.00	0.40
INFORMATION TECHNOLOGY	25.52	27.19	1,075	250	1	0.00	0.00
LAND AND PROPERTY	543.58	544.11	5,432,685	358,549	279	5.40	0.60
MANUFACTURING	2,835.23	2,850.87	7,073,581	209,103	383	8.80	0.80
MOTORS	12,441.41	12,441.41	10,123	103	10	17.20	0.50
OIL PALMS	49,418.58	49,418.58	66,320	52	31	59.20	1.30
POWER & ENERGY	99.69	100.22	1,516,155	176,590	97	87.80	1.20
PLANTATIONS	782.85	779.75	556,860	68,302	87	26.20	0.80
STORES SUPPLIES	28,152.16	28,152.16	2,414	7	4	17.40	0.50
SERVICES	16,157.17	16,207.77	149,693	54,250	31	15.00	1.30
TELECOMMUNICATIONS	136.38	137.49	405,398	25,937	52	5.80	0.90
TRADING	11,301.76	11,614.93	24,181	4,134	19	51.90	0.70

### GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	462.47	469.17	101,138	2,894	10	4.80	0.60
Banks	808.54	815.48	172,992,384	965,059	327	5.50	0.70
Capital Goods	838.79	837.80	19,361,804	762,888	471	10.80	0.80
Commercial & Professional Services	835.93	835.93	1,967	36	5	0.00	1.00
Consumer Durables & Apparel	804.16	813.72	2,801,675	148,979	169	41.70	1.10
Consumer Services	248.32	252.10	6,121,816	822,441	232	104.20	1.70
Diversified Financials	774.91	769.43	22,311,108	2,194,510	604	5.40	1.00
Energy	549.51	554.99	684,474	33,972	39	0.00	0.90
Food & Staples Retailing	1,251.16	1,251.16	20,420	1,403	11	22.70	2.20
Food, Beverage & Tobacco	918.09	923.43	2,014,939	173,689	279	16.20	2.70
Health Care Equipment & Services	873.99	871.80	1,776,958	197,936	46	16.60	1.80
Household & Personal Products	979.71	985.10	211,144	19,299	30	13.40	1.80
Insurance	2,178.49	2,196.21	7,475,026	51,723	137	3.70	1.70
Materials	536.89	538.70	5,034,057	118,498	219	8.70	1.00
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	745	1	1	5.20	1.40
Real Estate	740.12	740.62	5,369,400	351,537	270	5.10	0.60
Retailing	753.88	767.66	46,297	3,530	28	17.20	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	712.58	718.36	405,398	25,937	53	5.80	0.90
Transportation	685.99	719.44	129,332	31,715	17	7.50	0.70
Utilities	736.73	736.25	831,681	142,618	61	10.30	0.70

## Economic Indicators & Other Statistics

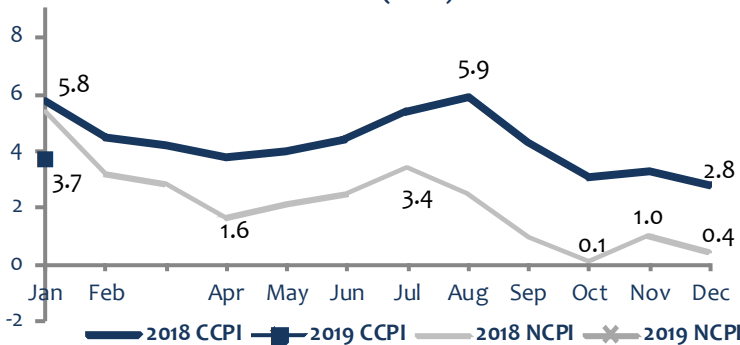
### Exchange Rates

Currency	6th Feb		5th Feb	
	Buying	Selling	Buying	Selling
Dollar (USA)	176.12	179.98	174.98	178.84
Pound (UK)	227.05	234.43	227.13	234.48
Euro (EU)	199.51	206.57	198.88	205.91
Dollar (Australia)	125.02	130.35	124.90	130.23
Dollar (Canada)	133.13	138.10	132.55	137.49
Franc (Switzerland)	175.09	181.32	174.26	180.44
Renminbi (China)	25.79	27.03	25.62	26.85
Yen (Japan)	1.5934	1.6526	1.5811	1.6393
Dollar (Singapore)	129.57	134.01	128.76	133.17

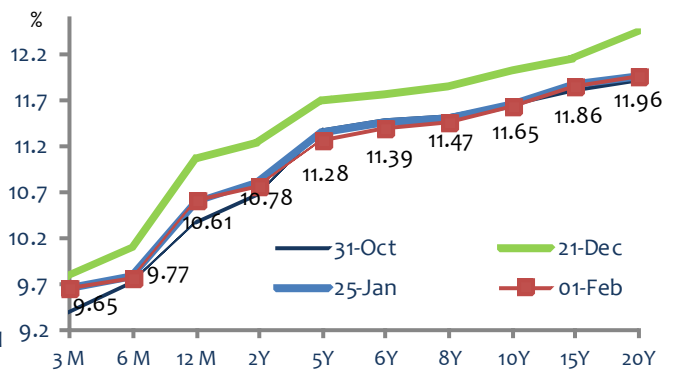
### Indicative Rates

Currency	6th Feb	5th Feb
	Ind: Value	Ind: Value
Yuan (Offshore)	26.2869	26.2411
Rupee (India)	2.4862	2.4767
Won (Korean)	0.1588	0.1582
Dinar (Kuwait)	586.1621	585.5475
Ringgit (Malay)	43.4406	43.3736
Rial (Oman)	461.8805	461.1681
Riyal (Qatar)	48.8360	48.7673
Riyal (KSA)	47.4153	47.3409
Dirham (UAE)	48.4119	48.3372

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



### Government Securities - Secondary Market Yield

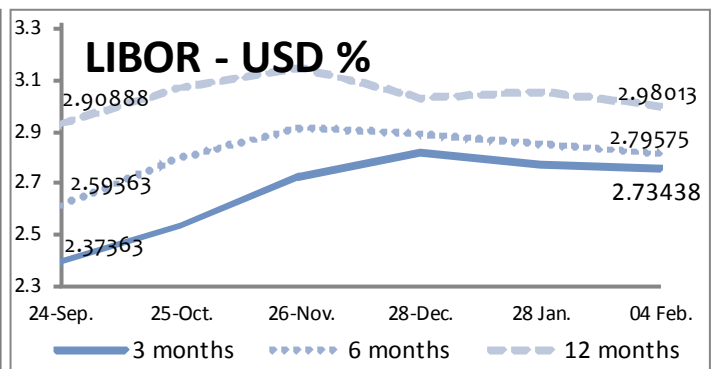
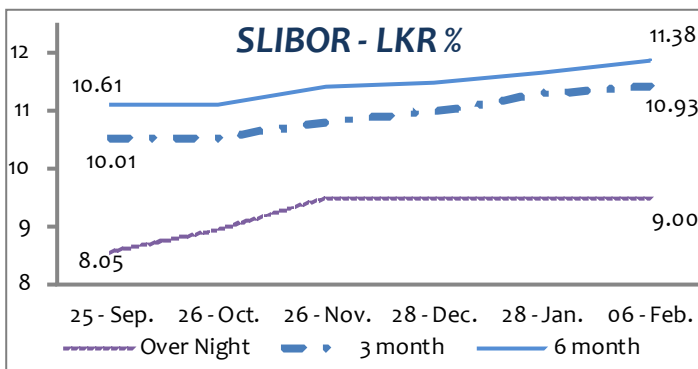


### Central Bank's Policy Rates

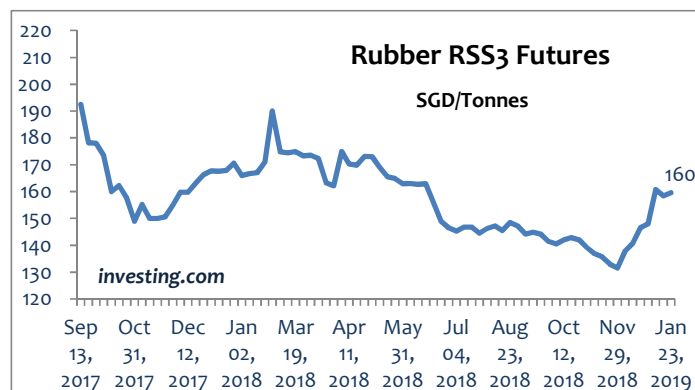
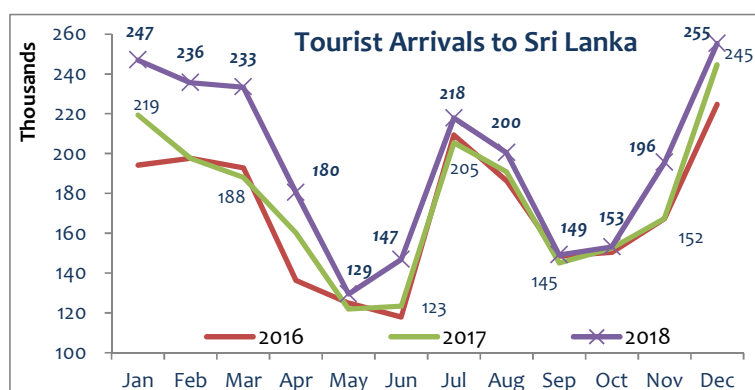
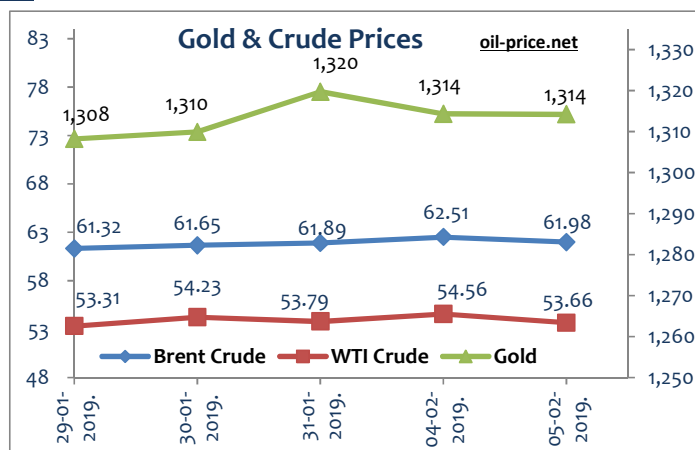
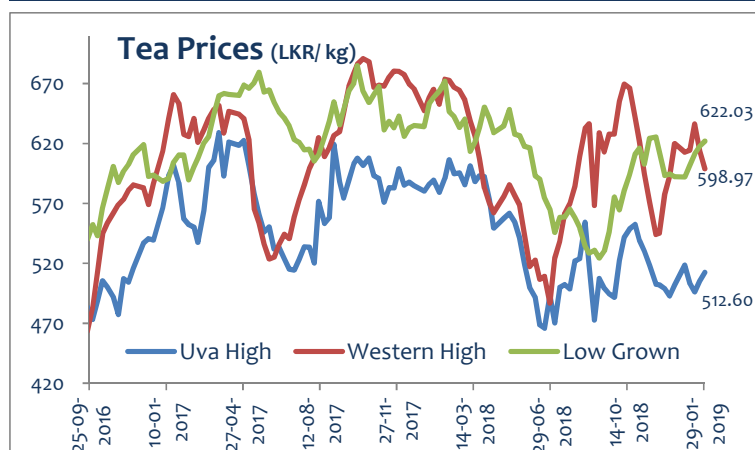
Description	Present	Previous		Treasury Bill Issuance			
				06.02.2019	30.01.2019	23.01.2019	16.01.2019
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	9.55	na	na	10.01
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	9.87	na	9.87	9.87
Bank Rate	15.00%	15.00%	364 Days %	10.69	10.69	10.70	10.75
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	24Bn	21Bn	23.5Bn	26Bn

### 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

### Appropriation Bill for 2019 presented in parliament

(LBO) – The Appropriation Bill for the year 2019 was presented in parliament by Minister Gayantha Karunathilaka, Tuesday. The Cabinet in early January approved the Appropriation Bill for 2019 with an annual expenditure of Rs 4,470Bn with the Ministry of Defence secured the highest allocation of 393Bn rupees. The Ministry of Education will receive an unchanged 105Bn while the Health Ministry will get 187Bn rupees for 2019. Other notable allocation include the Agriculture Ministry 114Bn rupees, Public Administration and Disaster Management 263Bn rupees, Provincial Councils and Local Government Ministry 292Bn rupees and Megapolis and Western Development Ministry 50Bn rupees. The budget deficit will be 4.8% of the GDP. The State revenue which was 11.5% of the GDP in the year 2014 was gradually increased in 2015 and, it is expected to be increased to 15% of the GDP this year.

### Sri Lanka Rupee appreciates against US Dollar by over 3% during the first 36 days of 2019

Sri Lanka's Rupee closed at Rs. 178.8381 per US Dollar (\$) on Tuesday whilst analysts said that Sri Lankan Rupee had appreciated by over 3% so far during the first 36 days of 2019. Sri Lankan Rupee closed at Rs. 184.6966 per US Dollar (\$) on 31st December 2018, recording over 19% depreciation against US Dollar during the entire year 2018. Further Sri Lankan Rupee had depreciated by over 30% against the US Dollar (\$), from Rs. 133 per US Dollar (\$) levels to Rs. 184 per US Dollar Levels from December 2014 to December 2018 in four years. (*adaderana.lk*)

### Sri Lankan Chevron unit wins three state lubricant tenders

ECONOMYNEXT- The Sri Lankan unit of Chevron has won several tenders to supply lubricants to state-owned power stations and transport services, the cabinet office said. The cabinet of ministers on February 05 approved Power and Renewable Minister Ravi Karunanayake's proposal to provide a 925,000 litre lubricant tender for barge mounted power generators to Chevron Lubricants Lanka Plc. The firm was also given a tender to supply 1.1Mn litres of lubricants to the Sapugaskanda power station. The tenders to supply diesel and lubricants for buses in the Sri Lanka Transport Board were awarded to Lanka IOC Plc, Chevron and McLaren's Lubricants Limited based on a proposal made by Transport and Civil Aviation Minister Arjuna Ranatunga.



### Sri Lanka's Alumex makes Rs 63mn loss in December quarter

ECONOMYNEXT – Alumex, the aluminium extrusions subsidiary of Sri Lanka's Hayleys group, said it lost 63.4Mn rupees in the December 2018 quarter compared with a net profit of 102Mn rupees the year before. Sales of the firm, which commissioned Sri Lanka's largest aluminium extrusion plant in 2018, rose 17% to 1.3Bn rupees in the period. Costs rose faster than net revenue during the period, the accounts showed, with net finance costs soaring to 147Mn rupees from 29Mn rupees the previous year. December quarter's loss per share was 21 cents. In the nine months to December 2018, the firm, which has a dominant market share, reported earnings per share of 10 cents with net profit down 87% to 29.3Mn rupees.

## Foreign News

### Asian shares subdued after Trump address, Aussie tumbles on RBA shift

(Reuters) - Asian shares were subdued on Wednesday after U.S. President Donald Trump's State of the Union address failed to give markets fresh trading catalysts, while the Australian dollar nosedived after the central bank opened the door to a possible rate cut.

Australian shares gained 0.3 percent, rising for the third session, while Japan's Nikkei closed up 0.1 percent. E-Mini futures for the S&P 500 last were a tad higher. The Australian dollar shed nearly 1.3 percent to hit a one week low of \$0.71435, putting it on course for its biggest intraday drop in more than five months.

The sharp selloff in the Aussie came after **Reserve Bank of Australia** (RBA) Governor Philip Lowe said the bank remained optimistic about the local economic outlook but acknowledged rates might fall if unemployment were to rise and inflation stay too low.

**Trump** vowed in his State of the Union speech on Tuesday to build a border wall that is a source of a deep partisan divide and said Democratic attempts at "ridiculous partisan investigations" could damage U.S. prosperity.

Trump used part of his address to offer a spirit of compromise, particularly in areas such as lowering the price of prescription drugs and funding a \$1 trillion upgrade in U.S. roads, bridges and other infrastructure.

Senior U.S. and Chinese officials are poised to start another round of trade talks in Beijing next week to push for a deal on American intellectual property and avert a March 2 increase in U.S. tariffs on Chinese goods, two people familiar with the plans said on Tuesday.

Dow Jones reported earlier that the talks next week would be led by U.S. Trade Representative Robert Lighthizer and Treasury Secretary Steve Mnuchin, citing an unidentified senior administration official.

**Wall Street** had already racked up gains courtesy of strong corporate results from Europe and the U.S., including a blockbuster from Estée Lauder Cos Inc. The Dow ended Tuesday up 0.68 percent, while the S&P 500 gained 0.47 percent and the Nasdaq 0.74 percent.

Treasury bonds also bounced, helped by data showing a surprisingly soft U.S. service sector index of 56.7, with new orders falling to a one-year low.

The **Federal Reserve** should leave interest rates where they are until the U.S. economic outlook is clearer, Dallas Fed President Robert Kaplan said on Tuesday, a process that could take several more months.

In **commodity markets**, the Wall Street Journal reported Saudi Arabia and its Persian Gulf allies were proposing a formal partnership with a 10-nation group led by Russia to try to manage the global oil market, an alliance that could transform the cartel. U.S. crude futures edged up 7 cents to \$53.73. Brent was also up 7 cents at \$62.05. Spot **gold** was a shade lower at \$1,314.30 per ounce, about 0.9 percent short of its recent peak at \$1,326.30. (reuters.com)

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