

DAILY STOCK MARKET HIGHLIGHTS

Tuesday, 18 December 2018



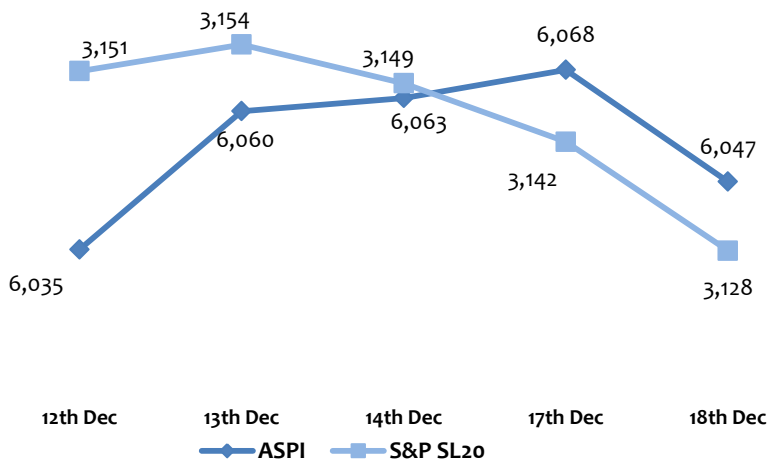
ASHA PHILLIP
SECURITIES LTD

SriLanka

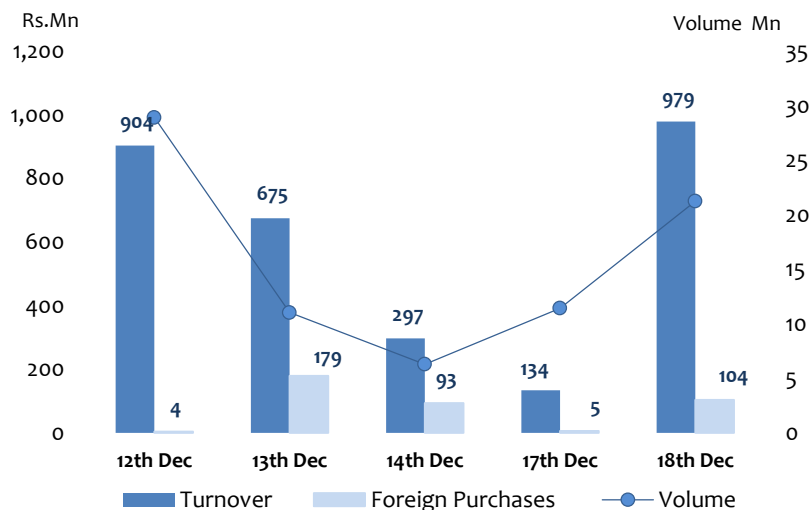
Daily Market Statistics

Index	18th Dec	17th Dec	Change	% Change
ASPI	6,047.48	6,067.63	↓ (20.15)	↓ -0.33%
S&P SL20	3,127.89	3,141.91	↓ (14.02)	↓ -0.45%
Market Stats (LKR, Mn)		18th Dec	17th Dec	% Change
Turnover		979.28	133.81	↑ 631.9%
Domestic Purchases		875.61	128.44	↑ 581.7%
Domestic Sales		90.65	110.37	↓ -17.9%
Foreign Purchases		103.67	5.36	↑ 1832.4%
Foreign Sales		888.64	23.44	↑ 3691.3%
Share Volume		21.26	11.44	↑ 85.8%
Market capitalization (Bn)		2,837.15	2,846.61	↓ -0.33%
PER		9.64	9.67	↓ -0.31%
PBV		1.18	1.18	↓ 0.00%

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Sell-off on JKH & DIAL by foreign investors directed the Bourse towards negative terrain; both accounted for 85% of the day's turnover. Adverse developments on global economy and continuous depreciation of the local currency weighed on the investor sentiments. ASPI moved between 6,047.48 - 6,071.81 points and settled the day at 6,047.48 with a loss of 20.15 points (-0.33%).
- Major contributors for the movement in ASPI were CTCE (+5.3), TJL (+0.6), AAIC (+0.6), CFIN (+0.6), SLTL (+0.4), DIAL (-6.9), DIST (-2.9), CARG (-2.7), JKH (-2.7) & HNB (-1.8)
- S&P SL20 index also followed the same trend and settled the day at 3,127.89 with a loss of 14.02 points (-0.45%).
- The day's turnover was recorded as LKR 979.28Mn, up by 632% from its previously recorded LKR 133.81Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.84Tn, indicating an YTD loss of 2.14%.
- The market PER & PBV were at 9.64x & 1.18x respectively.

Top Contributors - Turnover

- John Keells Holdings PLC (JKH) topped the turnover list with 72% (704.14Mn) contribution to the day's total turnover. JKH traded between LKR 160 & 161 and settled the day at LKR 160 with a loss of LKR 0.90 (-0.56%); about 91% (640Mn) of its turnover was contributed through two off board trades of 4Mn shares negotiated at the price of LKR 160.
- Dialog Axiata PLC (DIAL) stood second by adding LKR 122.97Mn to the day's total turnover. DIAL traded between LKR 9.90 & 10.40 and settled the day at LKR 10.00 with a loss of LKR 0.40 (-3.85%); about 16% (20Mn) of its turnover was contributed through two off board trades of 2Mn shares negotiated at the price of LKR 10.00
- Sampath Bank PLC (SAMP) contributed LKR 54.56Mn to the total turnover and secured the third slot. SAMP traded between LKR 236.50 & 238.00 and settled the day at LKR 237.30 with a gain of LKR 0.10 (+0.04%).

Traded Volume

- Dialog Axiata PLC traded a total of 12.29Mn shares dominating the traded volumes.
- John Keells Holdings PLC (4.4Mn shares) and Expolanka Holdings PLC (0.88Mn shares) were next in line under the top contributors to the daily volumes.

Sectorial Overview

- Diversified Holdings (DIV) stood on top providing LKR 709.48Mn capturing 72% of the day’s total turnover.
- Telecommunications (TLE) and Bank Finance & Insurance (BFI) provided LKR 122.98Mn and LKR 122.29Mn respectively to the daily aggregated turnover.

Daily Foreign Transactions

Net Foreign Purchases

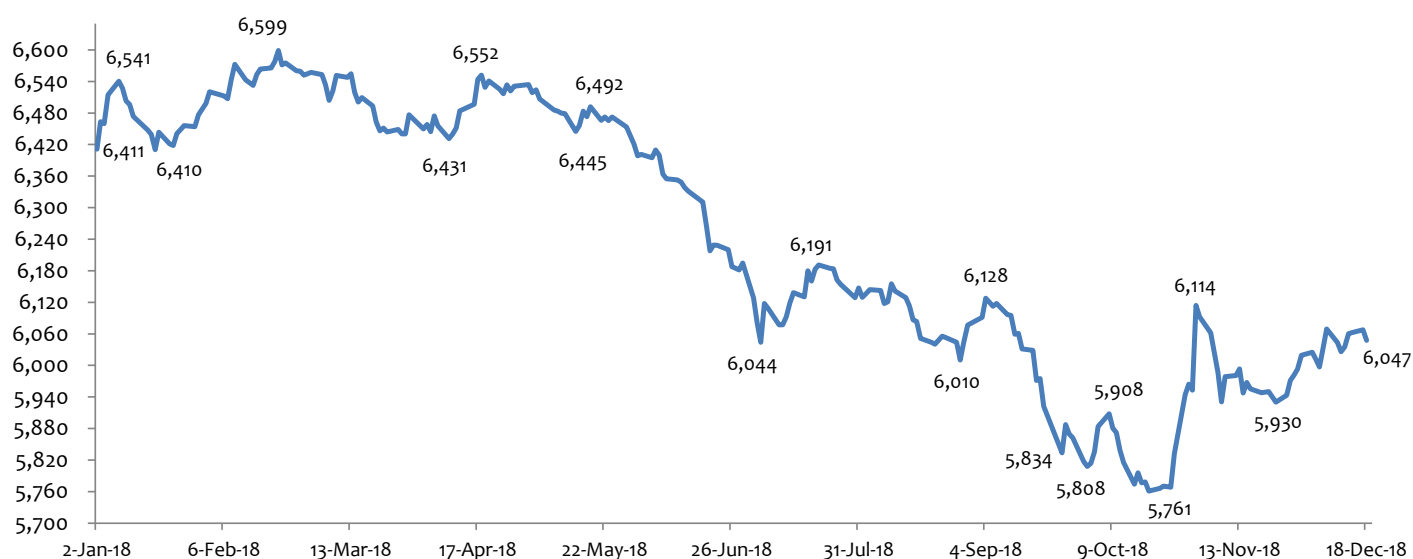
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
HNB (+)	210.00	36,821	7,732,410
LB FINANCE	122.00	31,000	3,782,000
HNB ASSURANCE (+)	125.10	26,795	3,352,055
L O L C HOLDINGS	88.50	24,765	2,191,703
NATIONS TRUST (+)	90.00	6,936	624,240
CENTRAL FINANCE	91.00	3,000	273,000
LMF	131.0	1,999	261,869
CARSONS	170.00	1,103	187,510
ACL PLASTICS	73.10	1,900	138,890
PEOPLES LEASING	16.00	4,000	64,000

Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
JKH	160.04	(4,355,481)	(697,051,179)
DIALOG (+)	10.00	(5,904,711)	(59,047,110)
SAMPATH (+)	237.00	(162,956)	(38,620,572)
COMMERCIAL BANK (+)	115.60	(37,637)	(4,350,837)
CHEVRON (+)	73.00	(21,949)	(1,602,277)
LANKA IOC	24.50	(58,103)	(1,423,524)
DOCKYARD (+)	56.90	(7,280)	(414,232)
RICH PIERIS EXP	205.00	(2,000)	(410,000)
NAT. DEV. BANK (+)	105.50	(2,692)	(284,006)
CEYLINCO INS.[X] (+)	930.60	(225)	(209,385)

- **Aggregate foreign buying** for the day totaled up to **LKR 103.67Mn.**
- **Foreign sales** for the day amounted to **LKR 888.64Mn.**
- **Net foreign outflow** for the day was **LKR 784.96Mn**, **YTD net foreign outflow** presently stands at **LKR 20.78Bn.**
- **HNB** notched the “Top Net Purchasers” slot with a net inflow of **LKR 7.73Mn** whilst **JKH** notched the “Top net Sellers” slot with a net outflow of **LKR 697.05Mn.**

Year-to-Date ASPI Movement



Key Announcements

- **Dialog Axiata PLC (DIAL)** said, Mr. Thandalam Veeravalli Thirumala Chari (Chari), Non- Independent, Non-Ex Director, completed his tenure as a **nominee director of Axiata Group** Berhad on the Board of DIAL and accordingly **resigned** from the Board effective 13 Dec 2018; by virtue of being a Nominee Director, Mr. Chari had a Relevant Interest in 6.79Bn (83.32%) ordinary shares of DIAL as at the date of his resignation. The said shares are held by Axiata Investment Labuan Limited which is a wholly owned subsidiary of Axiata.

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	RGEM
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	RGEM	MEL	JANA	HVA	PMB	MBSL	ALHP	TFC
SIRA	MSL	CHOU	EAST						
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
SFL	20-Dec-18
EAST	17-Jan-19
BLUE	28-Jan-19

Company	Date
COMB	28-Mar-19
DFCC	28-Mar-19

Company	Date
HASU	28-Mar-19
HNB	29-Mar-19

Company	Date
SAMP	29-Mar-19
PABC	29-Mar-19

EGMs

Company	Date
BOPL	31-Dec-18

Key Announcements

Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
HNB	1.50	Interim	10. Dec.2018	19. Dec.2018	PAP	0.06	Interim	21. Dec.2018	02.Jan.2019
AEL	0.25	Interim	11. Dec.2018	20. Dec.2018	KHL	0.15	Interim	21. Dec.2018	03.Jan.2019
OFEQ	1.50	Final	13.Dec.2018	21.Dec.2018	CFIN	2.00	Interim	27.Dec.2018	01.Jan.2019

Capitalization of Reserves

Company	Proportion	EGM / Allotment	XC Date	Consideration (RS.)
Ceylon & Foreign Trades PLC (CFT)	1 for 1	To be notified	To be notified	4.00

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

Repurchase of Shares

Company	Price	Proportion	Entitle	Offer Open	Offer closing	Payment
John Keells Holdings PLC (JKH)	LKR 160.00	1 for 20	03 Dec 2018.	14 Dec 2018.	10 Jan 2019.	25 Jan 2019.

Rights Issues with pending dates

Company,	Issue Price	Proportion	Company,	Issue Price	Proportion
Agalawatte Plantations (AGAL) LKR 15.3	LKR 2.01Bn	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

Market Highlights & Statistics

Market Capitalisation

Company Name	Symbol	Price	Issued Quantity	Market Capitalisation	(as a % of MKT Cap.)
CEYLON TOBACCO COMPANY PLC	CTC.No000	1,496.70	187,323,751	280,367,458,122	10.63
JOHN KEELLS HOLDINGS PLC	JKH.No000	160.00	1,387,528,658	222,004,585,280	8.42
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	115.90	945,709,403	109,607,719,808	4.15
NESTLE LANKA PLC	NEST.No000	1,700.10	53,725,463	91,338,659,646	3.46
HATTON NATIONAL BANK PLC	HNB.No000	210.00	395,451,248	83,044,762,080	3.15
DIALOG AXIATA PLC	DIAL.No000	10.00	8,143,778,405	81,437,784,050	3.09
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	15.90	4,600,000,000	73,140,000,000	2.77
CEYLON COLD STORES PLC	CCS.No000	720.00	95,040,000	68,428,800,000	2.59
SAMPATH BANK PLC	SAMP.No000	237.30	280,902,248	66,658,103,450	2.53
MELSTACORP PLC	MELS.No000	51.90	1,165,397,072	60,484,108,037	2.29

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
DIALOG AXIATA PLC	122,974,994	12,294,415
JOHN KEELLS HOLDINGS PLC	704,135,078	4,399,816
EXPOLANKA HOLDINGS PLC	3,606,083	879,555
RENUKA AGRI FOODS PLC	969,714	484,782
RAIGAM WAYAMBA SALTERNS PLC	501,532	251,021
TESS AGRO PLC	125,183	249,926
SAMPATH BANK PLC	54,559,774	230,261
PIRAMAL GLASS CEYLON PLC	761,843	201,171
ACCESS ENGINEERING PLC	2,609,112	184,549
HATTON NATIONAL BANK PLC	29,317,699	139,564

Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
JOHN KEELLS HOLDINGS PLC	4,399,816	704,135,078
DIALOG AXIATA PLC	12,294,415	122,974,994
SAMPATH BANK PLC	230,261	54,559,774
HATTON NATIONAL BANK PLC	139,564	29,317,699
AIA INSURANCE LANKA PLC	3,785	6,759,215
COMMERCIAL BANK OF CEYLON PLC	40,950	4,735,064
L B FINANCE PLC	34,592	4,220,144
LION BREWERY CEYLON PLC	7,041	3,907,755
HNB ASSURANCE PLC	29,676	3,713,424
SEYLAN BANK PLC [X]	83,794	3,693,611

Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
TEA SMALLHOLDER	26.00	3.00	13.04	22,545
ANILANA HOTELS	1.30	0.10	8.33	131
MARAWILA RESORTS	1.80	0.10	5.88	2,830
RENUKA AGRI	2.00	0.10	5.26	969,714
RAIGAM SALTERNS	2.00	0.10	5.26	501,532
THE FINANCE CO.	2.20	0.10	4.76	53,262
A I A INSURANCE	1770.80	80.30	4.75	6,759,215
SEYLAN DEVTS	10.90	0.40	3.81	1,145
CEYLON TEA BRKRS	2.80	0.10	3.70	28,003
BANSEI RESORTS	6.20	0.20	3.33	308,515

Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
S M B LEASING	0.50	(0.10)	(16.67)	65,302
MALWATTE	7.20	(0.70)	(8.86)	19,502
CITRUS HIKKADUWA	3.70	(0.30)	(7.50)	111,183
KEGALLE	55.00	(4.00)	(6.78)	5,500
LMF	131.00	(9.00)	(6.43)	261,869
LAUGFS GAS	18.00	(1.00)	(5.26)	399,863
BROWNS INVSTMNTS	1.80	(0.10)	(5.26)	124,273
HVA FOODS	4.20	(0.20)	(4.55)	347,673
RENUKA FOODS [X]	10.50	(0.50)	(4.55)	1,145
ODEL PLC	28.20	(1.20)	(4.08)	32,737

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
John Keells Holdings PLC	JKH.No000	160.00	2	4,000,000	640,000,000.00
Dialog Axiata PLC	DIAL.No000	10.00	1	2,000,000	20,000,000.00

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,441.62	16,426.79	122,292,381	1,159,410	774	5.40	0.90
BEVERAGE FOOD AND TOBACCO	24,737.82	24,845.50	6,239,317	833,700	120	18.10	6.10
CONSTRUCTION AND ENGINEERING	1,388.04	1,394.10	4,130,669	263,733	255	22.30	0.60
CHEMICALS AND PHARMACEUTICALS	5,260.67	5,251.60	71,565	2,447	15	5.80	0.70
DIVERSIFIED HOLDINGS	1,585.51	1,593.57	709,483,417	5,440,851	222	10.60	0.90
FOOTWEAR AND TEXTILE	931.78	965.55	630,167	66,046	28	74.60	1.00
HOTELS AND TRAVELS	2,641.09	2,640.94	528,391	93,010	61	63.90	1.60
HEALTH CARE	797.80	807.91	493,425	85,566	19	15.30	1.80
INVESTMENT TRUSTS	9,429.84	9,459.70	583,395	40,583	32	31.80	0.40
INFORMATION TECHNOLOGY	27.75	27.75	0	0	0	0.00	0.00
LAND AND PROPERTY	547.00	544.56	798,083	56,160	41	5.40	0.60
MANUFACTURING	2,834.75	2,825.49	5,772,650	310,776	238	7.70	0.90
MOTORS	13,048.05	13,046.80	157,830	1,885	12	12.20	0.50
OIL PALMS	50,146.81	50,718.06	20,020	100	3	28.50	1.00
POWER & ENERGY	106.99	107.64	4,446,300	325,342	133	79.30	1.30
PLANTATIONS	706.86	714.17	372,880	13,823	38	6.40	0.70
STORES SUPPLIES	28,408.28	28,408.28	0	0	0	13.10	0.50
SERVICES	16,257.21	16,363.42	93,067	11,300	5	11.30	1.20
TELECOMMUNICATIONS	134.06	137.50	122,981,746	12,294,132	568	7.60	0.90
TRADING	12,253.31	12,258.66	128,304	252,272	28	31.60	0.90

GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	471.85	478.55	65,198	1,850	7	4.70	0.60
Banks	831.33	833.39	99,714,288	618,910	313	6.00	0.80
Capital Goods	857.52	860.86	710,557,760	4,769,170	449	11.10	0.90
Commercial & Professional Services	781.51	781.51	164	1	1	0.00	1.00
Consumer Durables & Apparel	794.08	789.99	1,140,457	89,431	55	25.40	1.00
Consumer Services	247.19	247.15	528,391	93,010	61	66.40	1.60
Diversified Financials	771.61	774.53	10,260,385	458,597	223	5.30	0.80
Energy	617.13	626.78	3,228,587	138,490	85	0.00	1.00
Food & Staples Retailing	1,210.00	1,228.44	165,959	252,023	28	14.70	2.10
Food, Beverage & Tobacco	951.19	955.19	7,478,859	936,035	203	15.90	2.50
Health Care Equipment & Services	857.78	868.49	493,425	85,566	19	15.40	1.80
Household & Personal Products	1,012.04	1,012.04	0	0	0	13.80	1.90
Insurance	2,135.72	2,099.22	12,499,846	87,434	265	4.30	1.70
Materials	541.01	540.56	4,060,020	246,105	145	7.10	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	0	0	0	4.70	1.40
Real Estate	744.59	741.46	798,273	56,169	43	5.00	0.60
Retailing	781.56	788.49	279,005	14,786	21	15.50	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	700.44	718.41	122,981,744	12,294,132	572	7.60	0.90
Transportation	702.71	702.71	3,606,083	879,555	40	20.30	0.70
Utilities	742.74	737.62	1,217,713	186,852	53	8.80	0.70

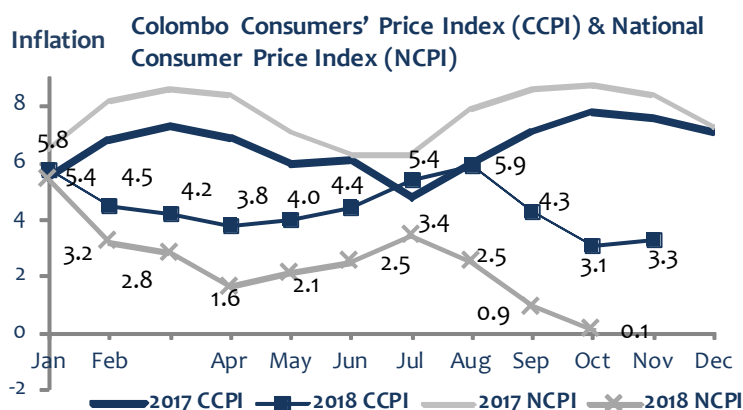
Economic Indicators & Other Statistics

Exchange Rates

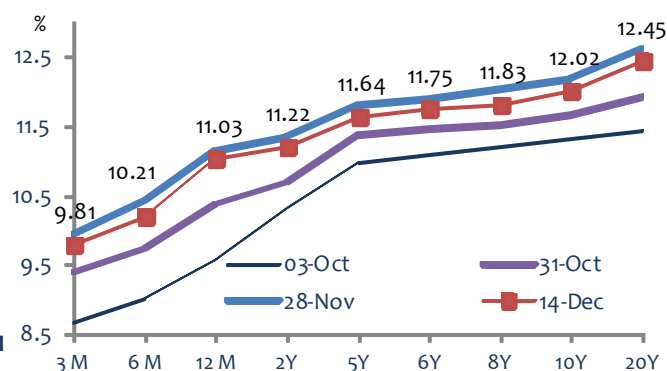
Currency	18th Dec		17th Dec	
	Buying	Selling	Buying	Selling
Dollar (USA)	177.74	181.70	177.67	181.63
Pound (UK)	223.30	230.67	222.45	229.79
Euro (EU)	200.52	207.67	199.66	206.81
Dollar (Australia)	126.59	132.01	126.27	131.69
Dollar (Canada)	131.73	136.68	131.93	136.88
Franc (Switzerland)	177.84	184.56	176.83	183.51
Renminbi (China)	25.49	26.71	25.45	26.67
Yen (Japan)	1.5683	1.6265	1.5559	1.6136
Dollar (Singapore)	128.96	133.40	128.55	132.98

Indicative Rates

Currency	18th Dec	17th Dec
	Ind: Value	Ind: Value
Yuan (Offshore)	26.0976	26.0690
Rupee (India)	2.5115	2.5010
Won (Korean)	0.1593	0.1590
Dinar (Kuwait)	591.3283	591.5754
Ringgit (Malay)	43.0461	42.9383
Rial (Oman)	467.1583	467.2152
Riyal (Qatar)	49.3847	49.3975
Riyal (KSA)	47.9482	47.9426
Dirham (UAE)	48.9625	48.9685



Government Securities - Secondary Market Yield



Central Bank's Policy Rates

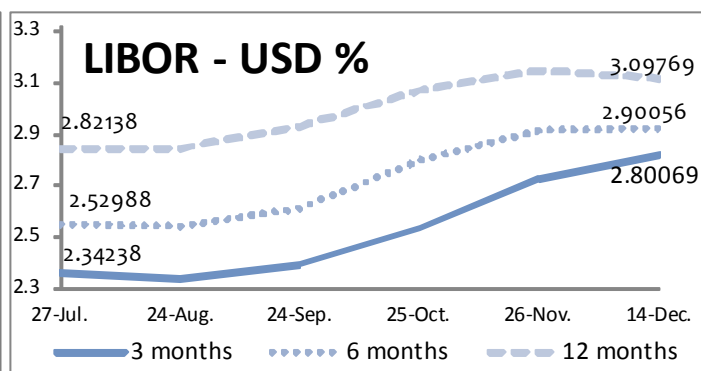
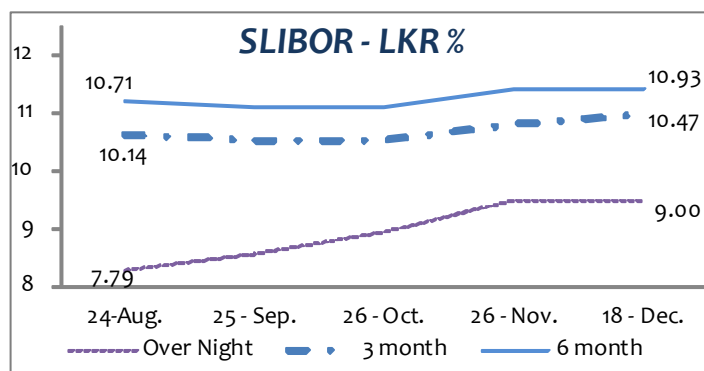
Description	Present	Previous		12.12.2018	05.12.2018	28.11.2018	19.11.2018
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	na	10.01
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	10.03	10.01	na	na
Bank Rate	15.00%	15.00%	364 Days %	11.24	11.20	11.20	11.21
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	23Bn	19Bn	18Bn	15.5Bn

Treasury Bill Issuance

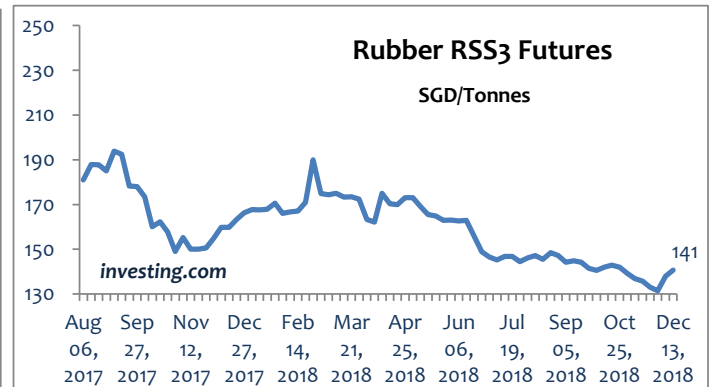
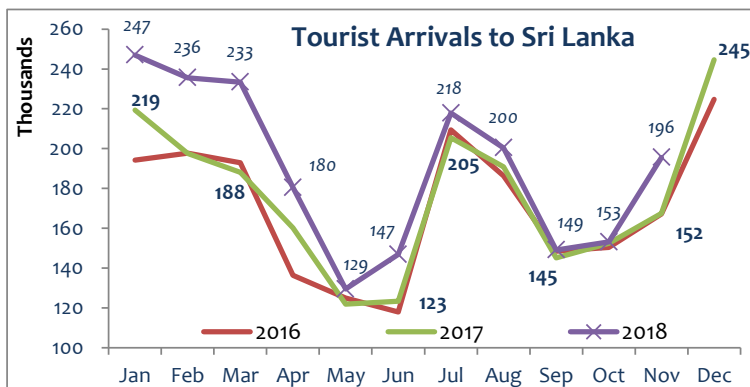
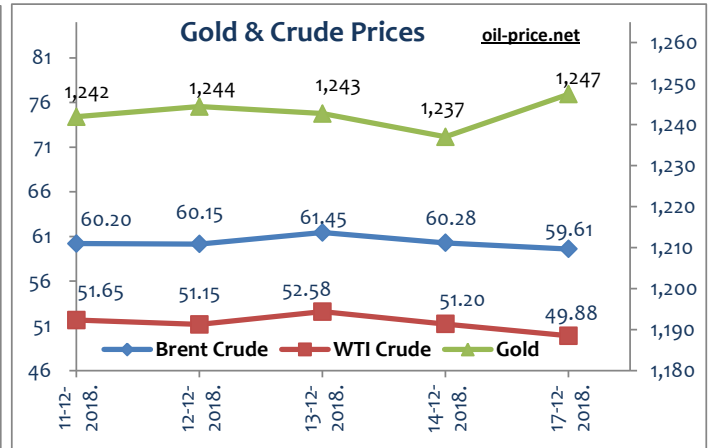
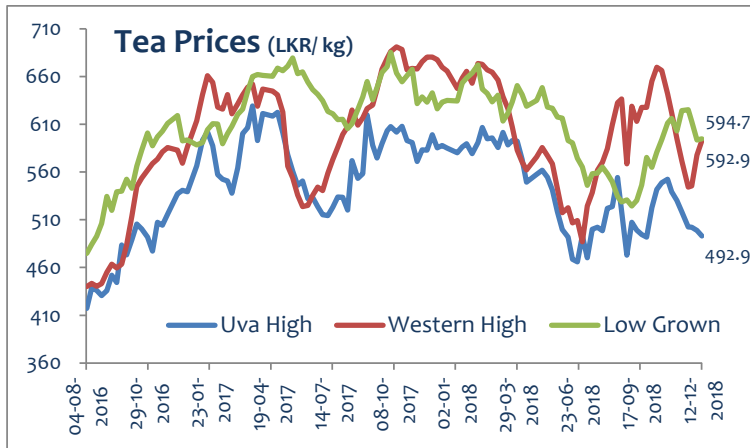
Date	13.12.2018	17.07.2016	15.10.2018	17.07.2016	17.09.2018	13.12.2018	15.08.2018	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	11.88	11.14	11.69	11.21	10.32	12.23	10.20	11.90
Previous Auction	17.09.2018	15.06.2017	15.08.2018	15.06.2017	16.07.2018	02.01.2018	01.06.2018	16.07.2018
Previous Yield	10.03	11.37	9.91	11.38	10.53	10.06	10.72	10.88

Treasury Bond Issuance

Date	13.12.2018	17.07.2016	15.10.2018	17.07.2016	17.09.2018	13.12.2018	15.08.2018	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	11.69	11.21	10.32	12.23	10.20	11.90
Previous Auction	17.09.2018	15.06.2017	15.08.2018	15.06.2017	16.07.2018	02.01.2018	01.06.2018	16.07.2018
Previous Yield	10.03	11.37	9.91	11.38	10.53	10.06	10.72	10.88



Economic Indicators & Other Statistics



Local News

Sri Lanka apparel exports down 1-pct in Oct

ECONOMYNEXT - Sri Lankan apparel exports fell 1% from a year earlier to \$ 403Mn in October 2018 due to a slow US market, an industry body said. Sri Lanka Apparel Exporters Association data showed the US market fell 6.5% for local apparel manufacturers from a year earlier to \$ 188Mn. "It's not a serious fall. There's always been a slowdown in that month," Joint Apparel Association Forum Secretary General Tuli Cooray said. The US market has been fluctuating for local apparel manufacturers over the past two years due to weakening of the L Brands Group, whose lingerie subsidiary Victoria's Secret dominates US sales for Sri Lanka, industry experts have previously said. L Brands is currently in trouble with declining consumer interest in Victoria's Secret products, and thousands have taken to social media over the past month to boycott the flagship Victoria's Secret Fashion Show, due to the brand's refusal to include size diversify of women. Many Sri Lankan manufacturers are now switching production volumes more towards Victoria's Secret's competitors.

Meanwhile, the European market for Sri Lankan apparel grew 3% from a year earlier to \$ 167Mn. Apparel exports for the first 10 months of 2018 grew 4.4% from a year earlier to \$ 4.1Bn. January through October, exports to the US grew 4.5% to \$ 1.9Bn, while exports to the EU grew 4.2% to \$ 1.7Bn.

Sri Lanka Government revenue up 7% to Rs. 1.4 Trillion, up to September 2018

Sri Lankan Government revenue and grants during the first 9 months of this year ended September reached Rs 1,422.4Bn, representing nearly 64% of the target for this year, the latest data shows. It is an increase of 7% compared to Rs 1,330.6Bn a year ago. The Government had received Rs 5.5Bn as grants during the first 9 months of 2018, up 130% compared to Rs 2.4Bn received during the same period last year. Meanwhile, tax revenue during the first 9 months of this year amounted to Rs 1,278.2Bn, representing 63% of the target for this year, up 3% compared to Rs 1,240Bn last year, data released by the Central Bank of Sri Lanka highlights. On the other hand Non-tax revenue of the Government reached Rs 138.7Bn during the period under consideration, representing 75% of the target, up 57% compared to Rs. 88.2Bn a year ago. (adaderana.lk)

ADB Funding for DFCC to Improve Access to Finance for MSMEs in Sri Lanka

The Asian Development Bank (ADB) and DFCC Bank PLC (DFCC), announced that a \$35Mn loan agreement signed recently between the two organizations would improve access to finance for the country's micro, small, and medium-sized enterprises (MSMEs). "MSMEs are an important part of the Sri Lankan economy, and to further boost their contributions to growth and development, it is crucial that they have sufficient access to finance," said ADB Director of Private Sector Financial Institutions Ms. Christine Engstrom. "ADB's loan to DFCC will open up these financing opportunities to MSMEs in Sri Lanka, providing more jobs and economic opportunities." (adaderana.lk)

Sri Lanka's PickMe mulls financial services

ECONOMYNEXT – Sri Lankan ride hailing service PickMe is considering going into financial services in the medium term after extending its existing taxi service into food delivery and logistics, its chairman Ajit Gunawardene said. Gunawardene said more mobile connectivity with higher adoption of smart phones will drive expansion along with economic growth which creates better levels of affordability and aspirations. "We've got two million downloads of our PickMe app as of now and doing about two million rides a month."

Foreign News

Corporate America gives out a record \$1 trillion in stock buybacks

(CNN Business) Corporate America celebrated the first full year under the new tax law by rolling out a record-setting \$1Tn of stock buybacks. US companies, led by Lowe's (LOW) and AbbVie (ABBV), rewarded shareholders by unveiling \$34.4Bn in buybacks last week, according to TrimTabs Investment Research. That lifted repurchase announcements above \$1Tn for the first time ever, TrimTabs said, exceeding the prior record of \$781Bn set in 2015. And the trend continued on Monday. Johnson & Johnson (JNJ), mired in a controversy over its iconic baby powder product, announced a \$5Bn buyback. Boeing (BA) also ramped up its buyback program. The buyback boom has been fueled by strong economic growth and the corporate tax overhaul that was signed into law a year ago. Companies have used a sizable chunk of that windfall to reward shareholders. Buyback announcements have spiked 64% so far this year, TrimTabs said.

Asia shares sink as global growth worries deepen

Asian share markets sank on Tuesday as heightened worries about a slowing global economy sent Wall Street stocks skidding to their lowest levels in more than a year. MSCI's broadest index of Asia-Pacific shares outside Japan shed 0.9% in mid-afternoon trade while Japan's **Nikkei lost 1.8%** to close at its lowest since late March.

Chinese shares slumped, with the blue-chip index dropping 1.1% and Hong Kong's Hang Seng index down 1.2%, while Australian shares also lost 1.2%.

On Monday, the S&P 500 lost 2.08% to hit its lowest since October 2017 as it breached lows reached during a sell-off in February, having wiped out about \$3.4Tn of market value since late September. The Nasdaq Composite dropped 2.27%, with Amazon, one of the best performing shares this year, sliding 4.5%. The 10-year U.S. Treasuries yield dropped to 2.841 percent, edging near a Dec. 10 low of 2.825 percent, its lowest level since late August.

On Monday, U.S. President Donald Trump and his top trade adviser ratcheted up their criticism of the central bank's monetary tightening. "It is incredible that with a very strong dollar and virtually no inflation, the outside world blowing up around us, Paris is burning and China way down, the Fed is even considering yet another interest rate hike. Take the Victory!" Trump wrote in a tweet.

Oil prices extended losses on signs of oversupply in the United States and as investor sentiment remained under pressure from concern over global economic growth and fuel demand. U.S. crude fell as low as \$48.52 per barrel on Tuesday, its lowest since September last year and last stood at \$49.00, down 1.8% on the day. Brent crude oil futures lost 92 cents, or 1.5%, to \$58.69 per barrel. (reuters.com)

Contact Information

Head Office

Sales

Thakshila Hulangamuwa
Upul Priyantha
Shanmugam Sudhagar
Vasanth Wicramasinghe

thakshi@ashaphillip.net
upul@ashaphillip.net
sudha@ashaphillip.net
vasantha@ashaphillip.net

+94 11 2429108
+94 11 2429106
+94 11 2429107
+94 11 2429114

Research

Visahan Arumainayaham
Nishani Ruwanpathirana

visahan@ashaphillip.net
nishani@ashaphillip.net

+94112429139
+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, 2nd Floor,
Anagarika Dharmapala Mw,
Matara.
Tel: 041 2235191-5

Jaffna

#147, 2/3
K.K.S. Road,
Jaffna.
Tel: 021 2221614

Kiribathgoda

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

Negombo

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

Kandy

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

Gampaha

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

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