

DAILY STOCK MARKET HIGHLIGHTS

Wednesday, 19 December 2018



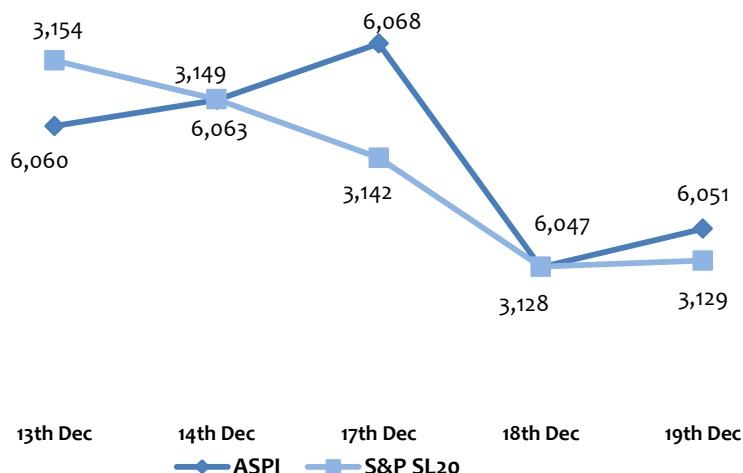
ASHA PHILLIP
SECURITIES LTD

SriLanka

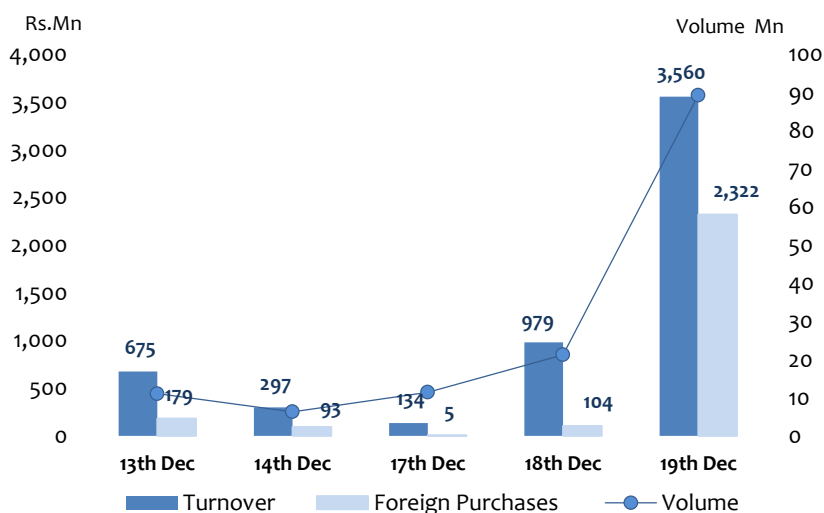
Daily Market Statistics

Index	19th Dec	18th Dec	Change	% Change
ASPI	6,050.95	6,047.48	↑ 3.47	↑ 0.06%
S&P SL20	3,128.67	3,127.89	↑ 0.78	↑ 0.02%
Market Stats (LKR, Mn)		19th Dec	18th Dec	% Change
Turnover		3,559.85	979.28	↑ 263.5%
Domestic Purchases		1,238.27	875.61	↑ 41.4%
Domestic Sales		904.72	90.65	↑ 898.1%
Foreign Purchases		2,321.58	103.67	↑ 2139.3%
Foreign Sales		2,655.13	888.64	↑ 198.8%
Share Volume		89.37	21.26	↑ 320.4%
Market capitalization (Bn)		2,838.78	2,837.15	↑ 0.06%
PER		9.64	9.64	↓ 0.00%
PBV		1.18	1.18	↓ 0.00%

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Transactions on Softlogic Life (AAIC) boosted the turnover; increased level of institutional investor participation noted. ASPI moved between 6,039.48-6,057.23 points and settled the day at 6,050.95 with a gain of 3.47 points (+0.06%).
- Major contributors for the movement in ASPI were **DIST (+2.9)**, **JKH (+2.4)**, **SAMP (+2.2)**, **CTHR (+1.7)**, **CLC (+1.4)**, **MELS (-3)**, **COMB (-1.8)**, **OSEA (-1.6)**, **HAYL (-1.2)** & **AAIC (-0.8)**
- S&P SL20 index also followed the same trend and settled the day at 3,128.67 with a gain of 0.78 points (+0.02%).
- The day's turnover was recorded as LKR 3,559.85Mn, up by 264% from its previously recorded LKR 979.28Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.84Tn, indicating an YTD loss of 2.09%.
- The market PER & PBV were at 9.64x & 1.18x respectively.

Top Contributors - Turnover

- Softlogic Life Insurance PLC (AAIC) topped the turnover list with 62% (2,192Mn) contribution to the day's total turnover. AAIC traded between LKR 30.70 & 39.00 and settled the day at LKR 37.40 with a loss of LKR 1.0 (-2.60%); two equal transactions comprising of 71.25Mn shares were executed at LKR 30.70 & 30.80
- Sampath Bank PLC (SAMP) stood second by adding LKR 712.13Mn to the day's total turnover. SAMP traded between LKR 236 & 242 and settled the day at LKR 240.90 with a gain of LKR 3.60 (+1.52%); about 97% (688.21Mn) of its turnover was contributed through two off board trades of 2.81Mn shares negotiated at the price of LKR 245.0
- John Keells Holdings PLC (JKH) contributed LKR 373.38Mn to the total turnover and secured the third slot. JKH traded between LKR 160 & 160.90 and settled the day at LKR 160.80 with a gain of LKR 0.80 (+0.50%); about 69% (256.88Mn) of its turnover was contributed through two off board trades of 1.6Mn shares negotiated at the price of LKR 160 & 160.80

Traded Volume

- Softlogic Life Insurance PLC traded a total of 71.28Mn shares dominating the traded volumes.
- Union Bank of Colombo PLC (4.01Mn shares) and Sampath Bank PLC (2.92Mn shares) were next in line under the top contributors to the daily volumes.

Sectorial Overview

- Bank Finance & Insurance (BFI) stood on top providing LKR 3,113.54Mn capturing 87% of the day's total turnover.
- Diversified Holdings (DIV) and Beverage Food & Tobacco (BFT) provided LKR 382.13Mn and LKR 26.73Mn respectively to the daily aggregated turnover.

Daily Foreign Transactions

Net Foreign Purchases

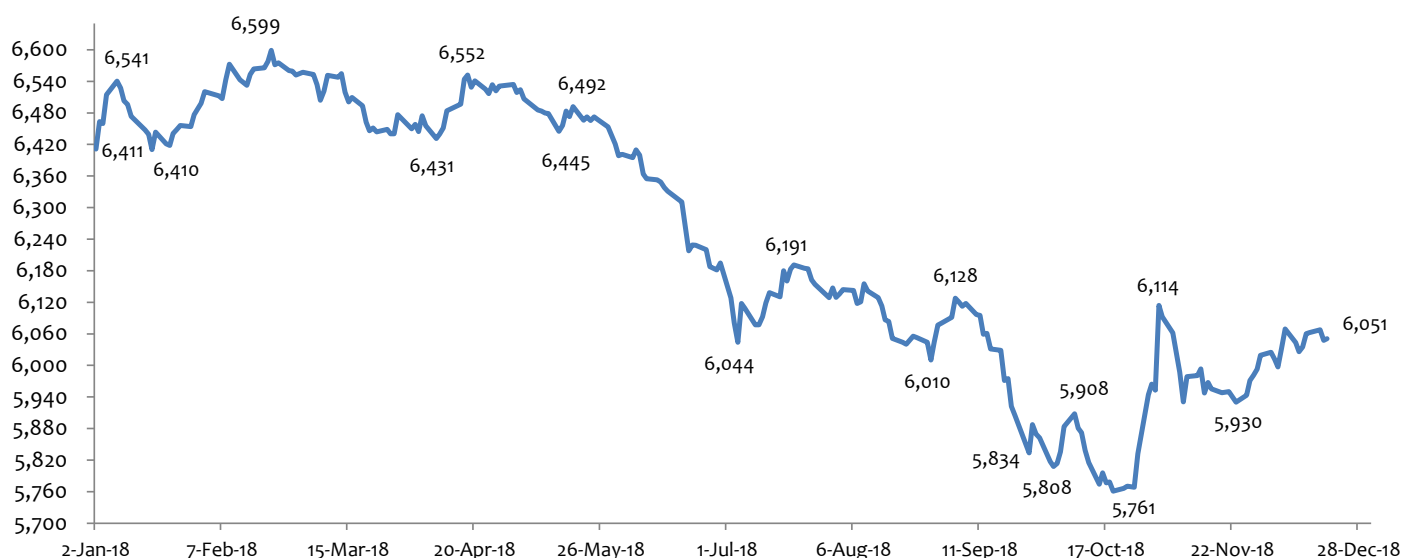
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
HNB (+)	210.00	100,000	21,000,000
TEEJAY LANKA	33.00	122,166	4,031,478
RICHARD PIERIS	10.20	275,000	2,805,000
VALLIBEL FINANCE	70.00	13,030	912,100
HEMAS HOLDINGS	88.00	2,642	232,496
EXPOLANKA	4.10	53,200	218,120
GRAIN ELEVATORS (+)	58.1	2,200	127,820
R I L PROPERTY	6.90	15,000	103,500
LAUGFS GAS[X.0000]	15.00	6,736	101,040
WATAWALA	19.70	4,000	78,800

Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
JKH	160.47	(2,023,771)	(324,754,532)
DISTILLERIES	15.90	(1,635,563)	(26,005,452)
DIALOG (+)	10.00	(418,638)	(4,186,380)
COMMERCIAL BANK (+)	115.00	(33,847)	(3,892,405)
CEYLON TEA BRKRS	2.80	(600,000)	(1,680,000)
TOKYO CEMENT	25.00	(42,200)	(1,055,000)
CHEVRON (+)	73.00	(7,649)	(558,377)
LANKA IOC	24.50	(16,349)	(400,551)
PEOPLE'S INS (+)	19.00	(11,741)	(223,079)
LAUGFS GAS	18.40	(12,000)	(220,800)

- **Aggregate foreign buying** for the day totaled up to **LKR 2,321.58Mn**.
- **Foreign sales** for the day amounted to **LKR 2,655.13Mn**.
- **Net foreign outflow** for the day was **LKR 333.55Mn**, **YTD net foreign outflow** presently stands at **LKR 21.11Bn**.
- **HNB** notched the "Top Net Purchasers" slot with a net inflow of **LKR 21Mn** whilst **JKH** notched the "Top net Sellers" slot with a net outflow of **LKR 324.75Mn**.

Year-to-Date ASPI Movement



Key Announcements

- **LeapFrog Investments (LFI)** through Dalvik Inclusion (Pvt) Limited **has purchased 71.25Mn ordinary shares of Softlogic Life Insurance PLC (AAIC)**, amounting to 19% of the shareholding.
LFI is a leading Profit with Purpose investor, made USD \$12Mn investment in AAIC; acquired the shares from FMO, the Dutch development Bank (an Investor in AAIC since Dec 2012). LFI invests in extraordinary businesses in Africa and Asia, partnering with their leaders to achieve leaps of growth, profitability and impact. LFI's investments have an annual growth rate of more than 40% and its companies reach 157.4Mn people across 149 countries with healthcare and financial services.

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	10.62
JOHN KEELLS HOLDINGS PLC	JKH.No000	160.80	1,387,528,658	223,114,608,206	8.45
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	115.00	945,709,403	108,756,581,345	4.12
NESTLE LANKA PLC	NEST.No000	1,700.10	53,725,463	91,338,659,646	3.46
HATTON NATIONAL BANK PLC	HNB.No000	210.40	395,451,248	83,202,942,579	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	16.20	4,600,000,000	74,520,000,000	2.82
CEYLON COLD STORES PLC	CCS.No000	720.00	95,040,000	68,428,800,000	2.59
SAMPATH BANK PLC	SAMP.No000	240.90	280,902,248	67,669,351,543	2.56
MELSTACORP PLC	MELS.No000	50.70	1,165,397,072	59,085,631,550	2.24

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
SOFTLOGIC LIFE INSURANCE PLC	2,192,000,077	71,277,504
UNION BANK OF COLOMBO PLC	44,149,278	4,013,559
SAMPATH BANK PLC	712,134,953	2,918,241
JOHN KEELLS HOLDINGS PLC	373,379,110	2,326,837
DISTILLERIES COMPANY OF SRI LANKA PLC	26,101,015	1,641,566
CEYLON TEA BROKERS PLC	4,007,205	1,431,148
COMMERCIAL BANK OF CEYLON PLC	104,526,479	908,817
EXPOLANKA HOLDINGS PLC	2,727,072	666,510
DIALOG AXIATA PLC	5,184,693	518,485
SMB LEASING PLC	256,122	510,203

Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
SOFTLOGIC LIFE INSURANCE PLC	71,277,504	2,192,000,077
SAMPATH BANK PLC	2,918,241	712,134,953
JOHN KEELLS HOLDINGS PLC	2,326,837	373,379,110
COMMERCIAL BANK OF CEYLON PLC	908,817	104,526,479
UNION BANK OF COLOMBO PLC	4,013,559	44,149,278
DISTILLERIES COMPANY OF SRI LANKA PLC	1,641,566	26,101,015
HATTON NATIONAL BANK PLC	110,892	23,289,860
JANASHAKTHI INSURANCE COMPANY PLC	495,435	14,388,292
TEEJAY LANKA PLC	335,216	11,062,128
NATIONAL DEVELOPMENT BANK PLC	55,031	5,778,274

Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS [X]	0.30	0.10	50.00	2,370
S M B LEASING [X]	0.30	0.10	50.00	7,389
MULLERS	0.70	0.10	16.67	5,810
DIALOG FINANCE	45.80	4.50	10.90	38,206
HUNAS FALLS	83.00	7.90	10.52	8,300
HOTELS CORP.	12.00	0.90	8.11	1,200
ON'ALLY	100.00	7.20	7.76	130,500
LANKA REALTY	21.40	1.40	7.00	61,917
CITRUS HIKKADUWA	3.90	0.20	5.41	9,746
CITY HOUSING	4.80	0.20	4.35	22,800

Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
AMANA LIFE	9.10	(2.70)	(22.88)	120,120
ASIA ASSET	0.80	(0.10)	(11.11)	129,347
SERENDIB ENG.GRP	6.00	(0.50)	(7.69)	30,237
HAYCARB	125.20	(9.70)	(7.19)	554,554
E - CHANNELLING	4.40	(0.30)	(6.38)	4,400
ARPICO	150.00	(10.00)	(6.25)	43,650
BIMPUTH FINANCE	30.40	(1.60)	(5.00)	121,076
RENUKA AGRI	1.90	(0.10)	(5.00)	2,570
RENUKA CAPITAL	4.10	(0.20)	(4.65)	42,878
LANKA WALLTILE	70.20	(3.20)	(4.36)	7,020

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Sampath Bank PLC	SAMP.No000	245.00	2	2,809,022	688,210,390.00
John Keells Holdings PLC	JKH.No000	160.80	7	1,600,520	256,883,200.00
Commercial Bank Of Ceylon PLC	COMB.No000	115.00	2	835,003	96,025,345.00
Union Bank Of Colombo PLC	UBC.No000	11.00	1	4,000,000	44,000,000.00
Hatton National Bank PLC	HNB.No000	210.00	1	100,000	21,000,000.00

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,446.25	16,441.62	3,113,539,204	80,822,627	874	5.40	0.90
BEVERAGE FOOD AND TOBACCO	24,788.74	24,737.82	26,726,745	1,682,855	74	18.10	6.10
CONSTRUCTION AND ENGINEERING	1,420.62	1,388.04	1,141,759	84,887	113	22.80	0.60
CHEMICALS AND PHARMACEUTICALS	5,171.19	5,260.67	639,094	14,542	27	5.70	0.60
DIVERSIFIED HOLDINGS	1,586.99	1,585.51	382,133,756	3,481,065	354	10.60	0.90
FOOTWEAR AND TEXTILE	949.68	931.78	128,184	12,943	20	76.00	1.00
HOTELS AND TRAVELS	2,642.77	2,641.09	731,841	91,007	71	64.00	1.60
HEALTH CARE	795.92	797.80	1,983,632	96,269	36	15.20	1.80
INVESTMENT TRUSTS	9,361.11	9,429.84	718,139	35,730	43	31.50	0.40
INFORMATION TECHNOLOGY	26.08	27.75	4,400	1,000	2	0.00	0.00
LAND AND PROPERTY	539.65	547.00	1,291,430	74,480	66	5.30	0.60
MANUFACTURING	2,824.58	2,834.75	19,649,769	747,748	246	7.60	0.90
MOTORS	12,994.37	13,048.05	100,077	411	19	12.10	0.50
OIL PALMS	50,146.81	50,146.81	11,304	19	3	28.50	1.00
POWER & ENERGY	107.45	106.99	1,502,619	235,530	66	79.60	1.30
PLANTATIONS	705.04	706.86	154,820	6,779	52	6.40	0.70
STORES SUPPLIES	28,408.28	28,408.28	0	0	0	13.10	0.50
SERVICES	16,156.01	16,257.21	4,058,095	1,445,856	65	11.20	1.20
TELECOMMUNICATIONS	134.46	134.06	5,323,321	524,972	111	7.60	0.90
TRADING	12,247.96	12,253.31	7,461	6,266	11	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	470.51	471.85	21,078	600	4	4.70	0.60
Banks	831.94	831.33	898,837,570	8,115,255	316	6.00	0.80
Capital Goods	860.16	857.52	380,275,968	2,853,898	379	11.10	0.90
Commercial & Professional Services	781.51	781.51	0	0	0	0.00	1.00
Consumer Durables & Apparel	792.32	794.08	11,911,454	390,136	84	25.40	1.00
Consumer Services	247.65	247.19	731,841	91,007	71	66.40	1.60
Diversified Financials	774.05	771.61	6,230,011	893,373	289	5.30	0.80
Energy	620.78	617.13	801,951	38,859	38	0.00	1.00
Food & Staples Retailing	1,221.61	1,210.00	181,256	6,561	7	14.90	2.10
Food, Beverage & Tobacco	951.25	951.19	27,606,624	1,733,145	166	15.90	2.50
Health Care Equipment & Services	855.65	857.78	1,993,842	105,569	42	15.40	1.80
Household & Personal Products	1,012.04	1,012.04	18,468	1,605	3	13.80	1.90
Insurance	2,120.49	2,135.72	2,208,942,850	71,835,898	307	4.30	1.70
Materials	535.86	541.01	7,931,505	356,136	175	7.00	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	0	0	0	4.70	1.40
Real Estate	736.23	744.59	1,323,111	72,390	62	5.00	0.60
Retailing	782.95	781.56	4,112,864	1,432,730	70	15.50	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	702.54	700.44	5,323,321	524,972	111	7.60	0.90
Transportation	702.71	702.71	2,727,072	666,510	27	20.30	0.70
Utilities	744.06	742.74	700,668	196,671	28	8.80	0.70

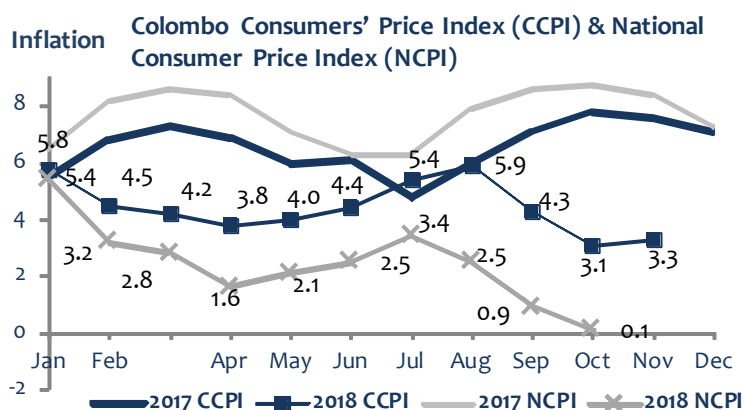
Economic Indicators & Other Statistics

Exchange Rates

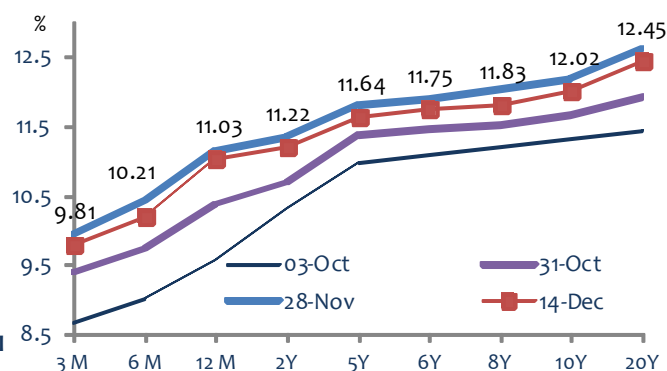
Currency	19th Dec		18th Dec	
	Buying	Selling	Buying	Selling
Dollar (USA)	177.91	181.87	177.74	181.70
Pound (UK)	224.31	231.69	223.30	230.67
Euro (EU)	201.25	208.41	200.52	207.67
Dollar (Australia)	126.78	132.21	126.59	132.01
Dollar (Canada)	131.39	136.32	131.73	136.68
Franc (Switzerland)	178.06	184.81	177.84	184.56
Renminbi (China)	25.51	26.73	25.49	26.71
Yen (Japan)	1.5729	1.6312	1.5683	1.6265
Dollar (Singapore)	129.33	133.79	128.96	133.40

Indicative Rates

Currency	19th Dec	18th Dec
	Ind: Value	Ind: Value
Yuan (Offshore)	26.1356	26.0976
Rupee (India)	2.5600	2.5115
Won (Korean)	0.1599	0.1593
Dinar (Kuwait)	592.1105	591.3283
Ringgit (Malay)	43.0800	43.0461
Rial (Oman)	467.5649	467.1583
Riyal (Qatar)	49.4421	49.3847
Riyal (KSA)	47.9949	47.9482
Dirham (UAE)	49.0128	48.9625



Government Securities - Secondary Market Yield



Central Bank's Policy Rates

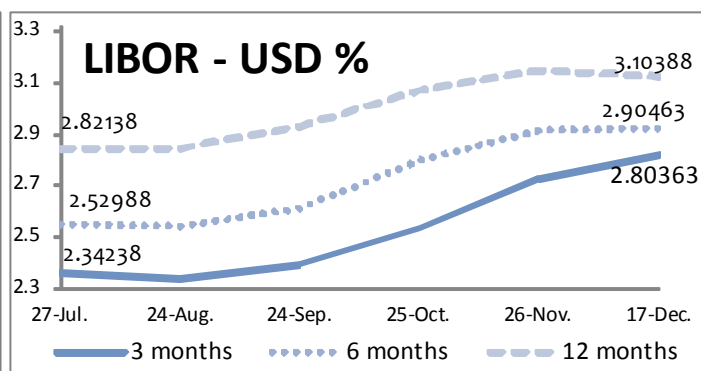
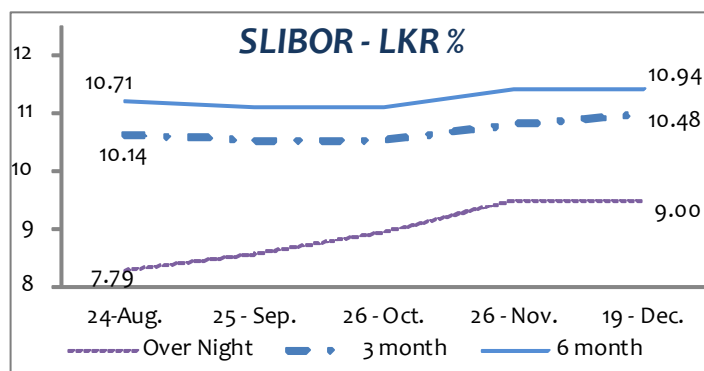
Description	Present	Previous		19.12.2018	12.12.2018	05.12.2018	19.11.2018
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	na	10.01
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	9.99	10.03	10.01	na
Bank Rate	15.00%	15.00%	364 Days %	11.20	11.24	11.20	11.21
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	18Bn	23Bn	19Bn	15.5Bn

Treasury Bill Issuance

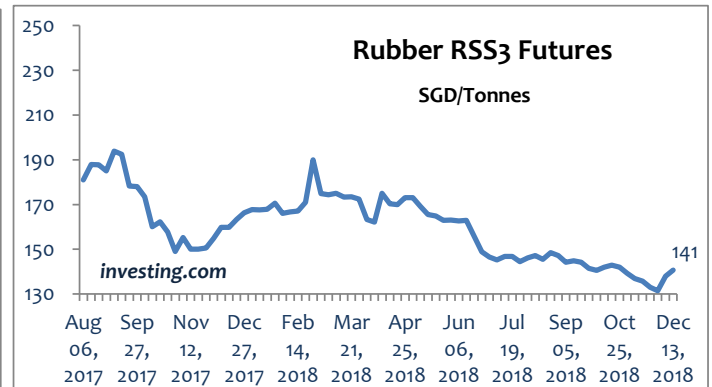
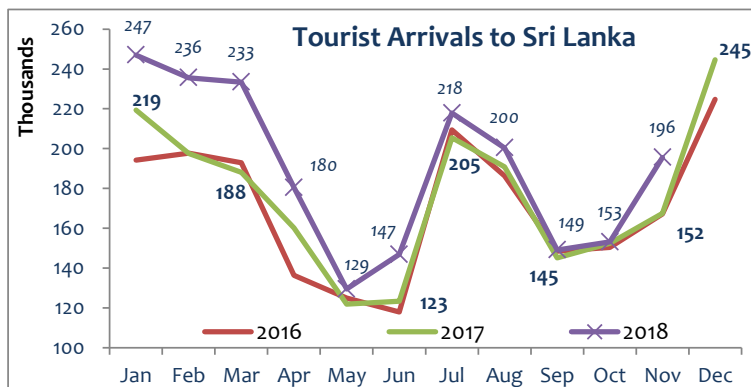
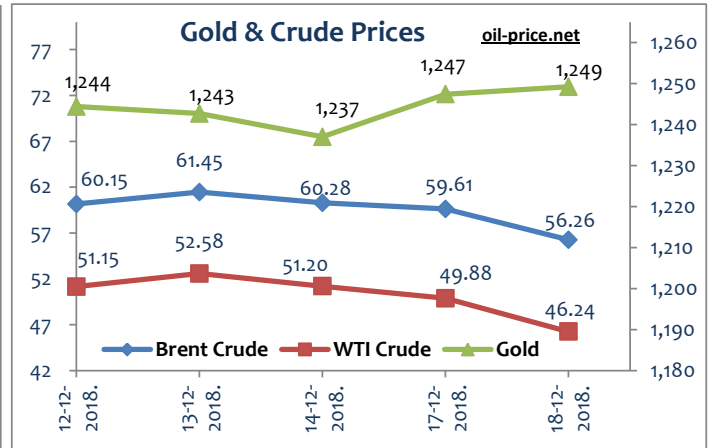
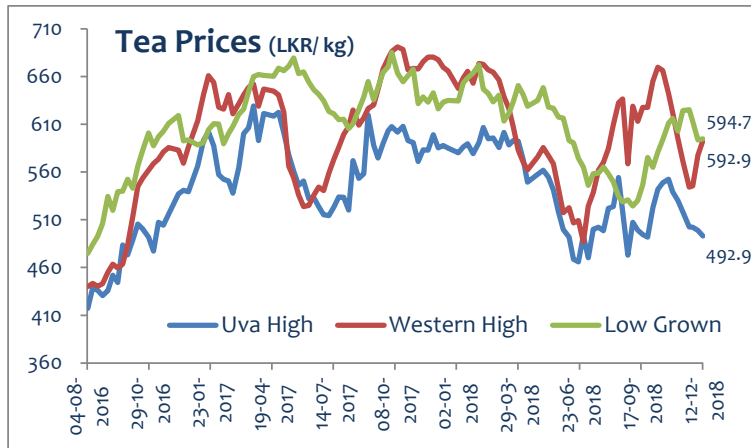
Date	13.12.2018	17.07.2016	15.10.2018	17.07.2016	17.09.2018	13.12.2018	15.08.2018	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	11.88	11.14	11.69	11.21	10.32	12.23	10.20	11.90
Previous Auction	17.09.2018	15.06.2017	15.08.2018	15.06.2017	16.07.2018	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

GDP growth slumps to 2.9% in 3Q

The country's economic growth in the 3rd quarter had slumped to a low of 2.9% in the third quarter in comparison to 3.2% a year earlier reaffirming the continuous struggle. The 3Q growth was lower in comparison to 3.7% achieved in the 2Q. Agricultural activities expanded favourably by 3.3% compared to the contraction of 3.0% reported in the third quarter of 2017. The **Industrial activities** recorded positive **growth rate of 1.9%, sharply down from 5.3% a year earlier** and Service activities expanded further by 3.9% up from 2.8% a year ago. The four major components of the economy viz. Agriculture, Industry, Services and Taxes less subsidies on products have contributed their shares to the GDP at current price by 7.5%, 27.4%, 56.8% and 8.3% respectively.

DCS states that economic growth rate of the country is estimated as 2.9% for the third quarter of 2018. The Gross Domestic Product at constant (2010) prices for the third quarter of 2018 recorded as Rs. 2.43Trillion and GDP reported for third quarter of 2017 was Rs. 2.36Trillion. ([ft.lk](#))

Estate Strike Cost RPCS Rs. 2 BN – Dr. Rajadurai

The recent eight day strike staged by the Ceylon Workers Congress – led estate workers unions has cost the Regional Plantation Companies a whopping Rs. 2Bn in eight days. There are almost all the RPCs which are operating in the upcountry plantation areas and each of them, though having plantation holdings in each of the other geographical expanses in other parts of Sri Lanka, have a significant presence in the upcountry areas, Immediate past Chairman of the Planters Association and Chairman of the Employers Federation of Ceylon Plantations Group Roshan Rajadurai told Daily News yesterday. There RPCs, collectively lost around Rs. 250Mn per day and the losses tantamount to Rs. 2Bn for the 8 days, he said. The RPCs which have an upcountry presence are: Agarapathana, Kotagala, Agalawate, Kelani Valley, Udapussellawa and Bogawanthalawa. ([dailynews.lk](#))

Sri Lanka seeks to strengthen settlement infrastructure with China

Sri Lanka's Central Depository Systems (Pvt) Ltd (CDS) and China Securities Depository and Clearing Corporation Limited (CSDC) recently committed towards pursuing a cooperative relationship in the areas of securities clearing and depository. This commitment was formalized with the signing of a MoU between the two depositories during a visit by CSDC officials to Sri Lanka recently. CSDC is a non-profit-oriented corporation with Shanghai Stock Exchange and Shenzhen Stock Exchange as its shareholders, each holding 50% equity. As CDS and CSDC work together in future, the MoU will pave the way for the depositories to exchange information and expertise on business operating models and other securities market developments. ([dailymirror.lk](#))

Foreign News

Asia tenses for Fed call, oil slide boosts bonds

Asian share markets played second string to bonds on Wednesday as a spectacular fall in the price of oil spurred speculation the U.S. Federal Reserve might be done with tightening after its policy meeting later in the session. MSCI's broadest index of Asia-Pacific shares outside Japan .MIAPJ0000PUS gained 0.5 percent, while Shanghai blue chips .CSI300 fell over 1 percent. Japan's Nikkei .N225 slipped 0.6 percent and E-Mini futures for the S&P 500 ESC1 added 0.6 percent.

Oil had stolen the show as a supply glut saw Brent shed almost 6% overnight. U.S. crude was last up 20 cents at \$46.55 a barrel, while Brent LCOc1 recouped 31 cents to fetch \$56.57. Brent's 35% plunge since October is sending a disinflationary pulse through the world at a time when trade and economic activity are already cooling.

U.S. President Donald Trump on Tuesday warned the central bank not to "make yet another mistake", while a Wall Street Journal editorial called for a pause.

Yields on two-year U.S. notes US2YT=TWEB touched a three-month trough of 2.629%, a massive turnaround from November's 2.977% peak. Yields in Japan and Australia also reached multi-month lows. The steep drop in Treasury yields undermined one of the U.S. dollar's major props and pulled its index back to 96.921 .DXY, from a recent top of 97.711.

The dollar fell to 112.39 yen JPY=, from a 113.70 high last week, while the euro nudged up to \$1.1383 EUR= from a \$1.1266 low.

In commodity markets, gold held near its recent five-month peak as the dollar eased and the threat of higher interest rates waned. Spot gold XAU= was a shade firmer at \$1,249.81 per ounce. ([reuters.com](#))

Panadol and Chapstick firms in mega-merger

Painkiller brands Panadol and Anadin will be bought under one roof under a giant deal between drug firms GlaxoSmithKline and Pfizer. The firms are combining their consumer healthcare businesses into one firm with annual sales of £9.8bn (\$12.7bn). Other brands involved in the deal include Aquafresh toothpaste and Chapstick lip balm. Once approved by shareholders and regulators, the deal is expected to take effect in the second half of 2019. GSK's consumer healthcare division used to operate as a joint venture with Swiss firm Novartis, but it acquired full control of the business nine months ago. GSK, which will have 68% of the new business, said the deal was a "compelling opportunity" to build on that earlier buyout of Novartis and deliver stronger sales. ([bbc.com](#))

France to introduce digital tax in New Year

France has said it will introduce its own tax on big technology firms from 1 January after EU-wide efforts stalled. French Finance Minister Bruno Le Maire said he expected it to bring in €500m (£450m) in 2019. France, along with Germany, had been pushing for the European Commission to agree measures by the end of this year. But it is opposed by countries including Ireland, the Czech Republic, Sweden and Finland. Earlier this year, the European Commission published proposals for a 3% tax on the revenues of large internet companies with global revenues above €750m (£675m) a year and taxable EU revenue above €50m. The move would affect companies such as Google, Apple, Facebook and Amazon. ([bbc.com](#))

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