

# DAILY STOCK MARKET HIGHLIGHTS

Monday, 19 November 2018



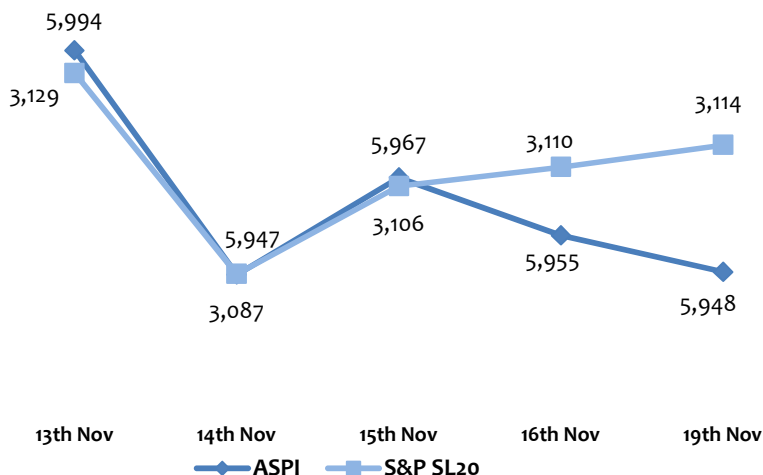
**ASHA PHILLIP  
SECURITIES LTD**

SriLanka

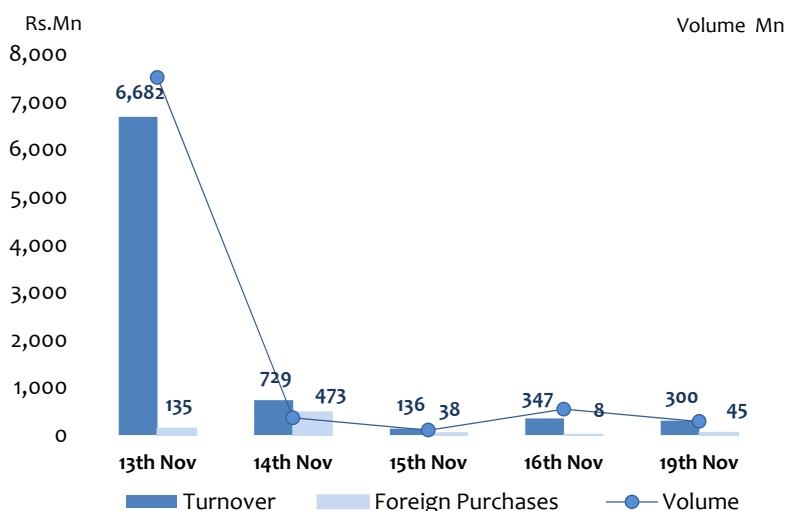
## Daily Market Statistics

Index	19th Nov	16th Nov	Change	% Change
ASPI	5,947.90	5,955.43	↓ (7.53)	↓ -0.13%
S&P SL20	3,114.06	3,109.50	↑ 4.56	↑ 0.15%
Market Stats (LKR, Mn)	19th Nov	16th Nov	% Change	
Turnover	299.57	346.60	↓	-13.6%
Domestic Purchases	254.08	339.04	↓	-25.1%
Domestic Sales	107.02	283.56	↓	-62.3%
Foreign Purchases	45.49	7.57	↑	501.2%
Foreign Sales	192.55	63.04	↑	205.4%
Share Volume	10.63	20.27	↓	-47.6%
Market capitalization (Bn)	2,790.43	2,793.97	↓	-0.13%
PER	9.37	9.39	↓	-0.21%
PBV	1.16	1.17	↓	-0.85%

## Market Indices



## Turnover, Volume and Foreign Purchase



## Performance of the Market

- Political issues continued to weigh on the performance of Colombo Bourse. The benchmark index ASPI moved between 5,947.90-5,960.59 points and settled the day at 5,947.90 with a loss of 7.53 points (-0.13%).
- Major contributors for the movement in ASPI were **MELS (+2.5)**, **SAMP (+2)**, **HNB (+1.1)**, **SPEN (+0.9)**, **HHL (+0.9)**, **SINS (-2.3)**, **COMB (-2.2)**, **UAL (-2.1)**, **DIAL (-1.7)** & **LOFC (-0.9)**
- S&P SL20 index also followed a same trend but settled the day at 3,114.06 with a gain of 4.56 points (+0.15%).
- The day's turnover was recorded as LKR 299.57Mn, down by 14% from its previously recorded LKR 346.6Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.79Tn, indicating an YTD loss of 3.75%.
- The market PER & PBV were at 9.37x & 1.16x respectively.

## Top Contributors – Turnover

- Commercial Bank of Ceylon PLC (COMB) topped the turnover list with 41% (123.48Mn) contribution to the day's total turnover. COMB traded between LKR 112.90 & 114.00 and settled the day at LKR 113.00 with a loss of LKR 1.10 (-0.96%)
- John Keells Holdings PLC (JKH) stood second by adding LKR 57.88Mn to the day's total turnover. JKH traded between LKR 152.50 & 155.00 and settled the day at LKR 153.10 with a gain of LKR 0.20 (+0.13%); about 84% (48.36Mn) of its turnover was contributed through an off board trade of 0.31Mn shares negotiated at the price of LKR 154.
- Dialog Axiata PLC (DIAL) contributed LKR 26.13Mn to the total turnover and secured the third slot. DIAL traded between LKR 11.50 & 11.70 and settled the day at LKR 11.50 with a loss of LKR 0.10 (-0.86%);

**Traded Volume**

- R I L Property PLC traded a total of 3.67Mn shares dominating the traded volumes.
- Dialog Axiata PLC (2.27Mn shares) and Commercial Bank of Ceylon PLC (1.09Mn shares) were next in line under the top contributors to the daily volumes.

**Sectorial Overview**

- Bank Finance & Insurance (BFI) stood on top providing LKR 148.35Mn capturing 50% of the day’s total turnover.
- Diversified Holdings (DIV) and Land & Property (L&P) provided LKR 63.58Mn and LKR 26.17Mn respectively to the daily aggregated turnover.

**Daily Foreign Transactions**

**Net Foreign Purchases**

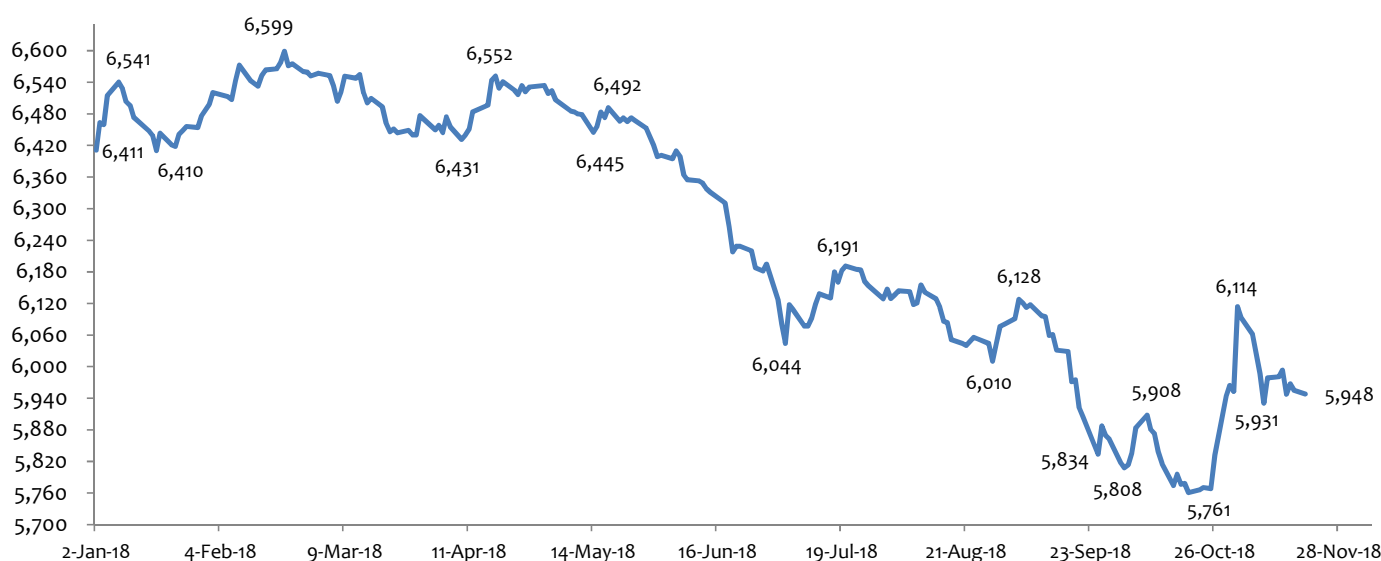
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
CARSONS	165.00	24,782	4,089,030
SEYLAN BANK[X] (+)	42.90	39,146	1,679,363
NAT. DEV. BANK (+)	103.70	4,465	463,021
ROYAL CERAMIC	75.20	3,000	225,600
HNB ASSURANCE (+)	108.00	1,459	157,572
L O L C HOLDINGS	87.50	213	18,638
DANKOTUWA PORCEL	6.7	2,024	13,561

**Net Foreign Sales**

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
COMMERCIAL BANK (+)	113.00	(718,570)	(81,198,410)
JKH	154.00	(336,127)	(51,763,558)
DIALOG (+)	11.50	(1,381,685)	(15,889,378)
ACCESS ENG SL	16.00	(170,228)	(2,723,648)
CEYLON TOBACCO (+)	1,403.00	(1,055)	(1,480,165)
SAMPATH (+)	233.60	(1,700)	(397,120)
DISTILLERIES	16.90	(101)	(1,707)

- **Aggregate foreign buying** for the day totaled up to **LKR 45.49Mn**.
- **Foreign sales** for the day amounted to **LKR 192.55Mn**.
- **Net foreign outflow** for the day was **LKR 147.06Mn**, **YTD net foreign outflow** presently stands at **LKR 17.24Bn**.
- **CARS** notched the “Top Net Purchasers” slot with a net inflow of **LKR 4.09Mn** whilst **COMB** notched the “Top net Sellers” slot with a net outflow of **LKR 81.2Mn**.

**Year-to-Date ASPI Movement**



## Key Announcements

- Boards of **Citrus Leisure PLC (REEF)**, **Hikkaduwa Beach Resort PLC (CITH)** & **Waskaduwa Beach Resort PLC (CITW)**, resolved to recommend to their Shareholders **Rights Issues** of Shares on each of the above companies. Accordingly **REEF** plans to issue 173.97Mn shares at a proportion of **9 new Ordinary Shares for every 5** Ordinary Shares held at **LKR 5.00** each, **CITH** plans to issue 81.91Mn shares at a proportion of **2 new Ordinary Shares for every 5** Ordinary Shares held at **LKR 3.90** each & **CITW** plans to issue 363.14Mn shares at a proportion of **9 new Ordinary Shares for every 5** Ordinary Shares held at **LKR 2.40** each. Proceeds to be utilized towards settling loans.

## 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						
From	7-Sep 18.		25-Sep 18.						
Reason	Qualified Opinion on Auditor's Report								

## Companies on WATCH LIST

Non Submission of Annual Reports, Financial Statements									Default Board
MIRA	LCEM	CIFL	PCH	PCP	SING	HDEV	LLMP	PCHH	SFS
ALHP	LLMP	CFT	SFL	SINH	EAST				
Qualified Opinion in the Independent Auditor's Report									
AINV	ESL	RGEM	MEL	JANA	AGST	PMB	MBSL	SHAW	TFC
EMER	IDL	CHOU	MSL	HVA	SIRA				
Non-compliance of CSE Listing Rules, minimum public holding & Corporate Governance									
HUEJ	BLUE	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	LOFC					

## Annual general Meetings (AGMs)

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

## EGMs

Company	Date
Nil	

## Key Announcements

### Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
LLUB	2.00	3rd Interim	08.Nov.2018	19.Nov.2018	CTLD	1.00	Interim	16.Nov.2018	29.Nov.2018
JKH	2.00	Interim	08.Nov.2018	19.Nov.2018	CTC	19.00	Interim	21.Nov.2018	29.Nov.2018
COMB	1.50	1st Interim	09.Nov.2018	21.Nov.2018	HHL	0.40	Interim	26.Nov.2018	05.Dec.2018
NAVF	1.00		12.Nov.2018	26.Nov.2018	BFL	4.00	Interim	27.Nov.2018	06.Dec.2018
LVEF	0.34	Interim	14.Nov.2018	26.Nov.2018	ONAL	1.20	Interim	28.Nov.2018	07.Dec.2018
VLL	0.15	Interim	15.Nov.2018	27.Nov.2018	COMD	2.00	Interim	28.Nov.2018	07.Dec.2018
CARG	1.90	Interim	15.Nov.2018	28.Nov.2018	RFL	0.50	Interim	30. Nov.2018	11.Dec.2018
CTHR	1.80	Interim	16.Nov.2018	29.Nov.2018					

### 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] / De-Listing [D] / Mandatory Offer [M] / Voluntary Offer [V]

Transferee	Transferor	Proportion	Offer Closing Date
[A] Browns investments PLC (BIL)	Browns Capital PLC (FLCH)	2 BIL for every 1 FLCH	To be notified
Type	Offeror	Offeree	Offer Price per Share
[V] Janashakthi PLC		Dunamis Capital PLC (CSEC)	LKR 36.60

### 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 2018.	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	1,403.00	187,323,751	262,815,222,653	10.14
JOHN KEELLS HOLDINGS PLC	JKH.No000	153.10	1,387,528,658	212,430,637,540	8.19
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	113.00	945,709,403	106,865,162,539	4.12
DIALOG AXIATA PLC	DIAL.No000	11.50	8,143,778,405	93,653,451,658	3.61
NESTLE LANKA PLC	NEST.No000	1,642.20	53,725,463	88,227,955,339	3.40
HATTON NATIONAL BANK PLC	HNB.No000	215.30	395,451,248	85,140,653,694	3.28
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	16.90	4,600,000,000	77,740,000,000	3.00
CEYLON COLD STORES PLC	CCS.No000	730.00	95,040,000	69,379,200,000	2.68
SAMPATH BANK PLC	SAMP.No000	233.60	280,902,248	65,618,765,133	2.53
MELSTACORP PLC	MELS.No000	53.00	1,165,397,072	61,766,044,816	2.38

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
R I L PROPERTY PLC	25,700,536	3,671,503
DIALOG AXIATA PLC	26,129,565	2,272,057
COMMERCIAL BANK OF CEYLON PLC	123,478,491	1,090,150
ACCESS ENGINEERING PLC	9,881,285	617,193
JOHN KEELLS HOLDINGS PLC	57,875,339	376,096
ORIENT FINANCE PLC	2,711,956	191,436
TESS AGRO PLC	90,313	179,876
JANASHAKTHI INSURANCE COMPANY PLC	3,917,865	171,384
ANILANA HOTELS AND PROPERTIES PLC	171,535	142,939
ASIA ASSET FINANCE PLC	108,022	120,022

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
COMMERCIAL BANK OF CEYLON PLC	1,090,150	123,478,491
JOHN KEELLS HOLDINGS PLC	376,096	57,875,339
DIALOG AXIATA PLC	2,272,057	26,129,565
R I L PROPERTY PLC	3,671,503	25,700,536
ACCESS ENGINEERING PLC	617,193	9,881,285
CARSON CUMBERBATCH PLC	24,782	4,089,030
JANASHAKTHI INSURANCE COMPANY PLC	171,384	3,917,865
BAIRAHA FARMS PLC	27,425	3,480,794
NATIONAL DEVELOPMENT BANK PLC	33,530	3,456,755
ORIENT FINANCE PLC	191,436	2,711,956

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
TESS AGRO [X]	0.50	0.10	25.00	4,385
MULLERS	0.80	0.10	14.29	808
CHEMANEX	55.50	6.50	13.27	73,841
YORK ARCADE	94.40	7.80	9.01	9,538
BANSEI RESORTS	5.90	0.40	7.27	970
ALUFAB	17.00	1.10	6.92	1,887
RENUKA HOLDINGS [X]	12.70	0.70	5.83	10,744
SIERRA CABL	2.10	0.10	5.00	2,162
RENUKA HOTELS	50.00	2.00	4.17	1,442,500
FORT LAND	16.10	0.60	3.87	21,944

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
ADAM INVESTMENTS	0.10	(0.10)	(50.00)	10,102
MORISONS [X]	432.20	(99.50)	(18.71)	57,480
CITRUS LEISURE	5.40	(0.70)	(11.48)	511,636
CITRUS HIKKADUWA	4.20	(0.50)	(10.64)	401,241
ASIA ASSET	0.90	(0.10)	(10.00)	108,022
SINGER SRI LANKA	29.00	(2.90)	(9.09)	414,278
SINGHE HOSPITALS	1.30	(0.10)	(7.14)	6,742
CITRUS WASKADUWA	2.70	(0.20)	(6.90)	185,205
BOGALA GRAPHITE	13.00	(0.80)	(5.80)	261,126
ARPICO	160.00	(9.80)	(5.77)	48,200

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
John Keells Holdings PLC	JKH.No000	154.00	1	314,000	48,356,000.00
R I L Property Limited	RIL.No000	7.00	1	3,571,428	24,999,996.00

## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	15,715.76	15,732.11	148,353,449	1,959,231	769	5.10	0.90
BEVERAGE FOOD AND TOBACCO	24,178.35	24,161.61	5,387,508	33,958	68	17.70	6.00
CONSTRUCTION AND ENGINEERING	1,532.26	1,539.01	11,069,580	717,727	354	20.40	0.60
CHEMICALS AND PHARMACEUTICALS	5,235.91	5,197.75	488,688	7,687	29	5.40	0.60
DIVERSIFIED HOLDINGS	1,562.86	1,557.07	63,581,862	541,007	236	10.20	0.90
FOOTWEAR AND TEXTILE	876.23	895.38	549,544	55,612	40	70.10	0.90
HOTELS AND TRAVELS	2,638.32	2,640.32	3,011,326	455,771	313	61.10	1.60
HEALTH CARE	803.53	802.31	130,188	11,430	20	15.50	1.80
INVESTMENT TRUSTS	9,346.51	9,453.98	3,001,112	91,063	71	19.90	0.40
INFORMATION TECHNOLOGY	26.63	27.75	61,384	13,851	16	0.00	0.00
LAND AND PROPERTY	556.51	551.98	26,167,519	3,709,581	70	5.40	0.60
MANUFACTURING	2,832.95	2,865.45	8,356,151	219,284	254	7.00	0.90
MOTORS	12,985.90	12,975.24	26,150	224	4	11.30	0.50
OIL PALMS	49,292.96	49,590.48	41,286	201	3	28.20	0.90
POWER & ENERGY	106.12	105.37	1,939,043	160,689	84	0.00	1.30
PLANTATIONS	716.13	720.37	448,734	37,750	82	6.10	0.70
STORES SUPPLIES	28,752.54	28,752.54	9,060	12	2	14.10	0.50
SERVICES	16,409.01	16,307.70	285,205	131,229	18	11.50	1.30
TELECOMMUNICATIONS	147.11	148.02	26,146,026	2,272,836	92	8.40	0.90
TRADING	11,774.81	12,273.82	513,496	205,874	63	28.50	0.80

### GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	493.30	495.98	49,345	1,335	7	5.10	0.60
Banks	821.51	821.19	137,272,640	1,305,814	351	5.90	0.80
Capital Goods	841.19	840.98	71,386,232	1,156,524	562	10.40	0.80
Commercial & Professional Services	744.42	744.42	0	0	0	0.00	0.90
Consumer Durables & Apparel	798.27	805.36	2,589,308	181,315	87	25.60	1.10
Consumer Services	245.19	246.98	3,011,326	455,771	316	63.40	1.60
Diversified Financials	769.03	772.57	9,197,718	666,145	345	5.30	0.80
Energy	608.81	601.43	1,341,655	57,473	64	0.00	1.00
Food & Staples Retailing	1,259.17	1,259.10	94,698	190,646	25	15.30	2.20
Food, Beverage & Tobacco	933.30	931.88	11,460,594	139,627	205	15.30	2.50
Health Care Equipment & Services	868.39	863.05	192,380	26,291	38	15.60	1.80
Household & Personal Products	1,022.82	1,038.99	11,700	1,000	1	14.60	1.90
Insurance	1,696.80	1,707.83	4,892,170	201,092	162	3.40	1.40
Materials	531.10	536.24	4,453,143	96,564	152	6.00	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,745.59	1,806.84	57,480	133	9	4.60	1.40
Real Estate	754.73	751.07	26,178,316	3,709,619	74	5.10	0.60
Retailing	774.33	797.40	536,239	33,577	58	14.50	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	768.65	773.40	26,146,026	2,272,836	93	8.40	1.00
Transportation	702.71	685.99	48,615	12,150	7	20.30	0.70
Utilities	739.22	742.50	597,388	103,216	22	11.50	0.70

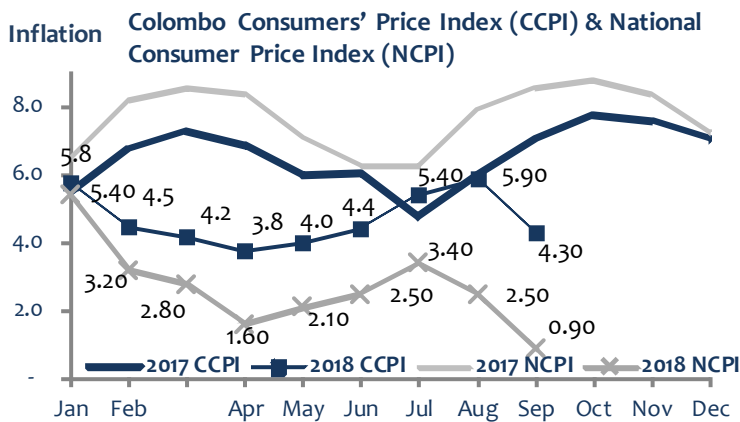
## Economic Indicators & Other Statistics

### Exchange Rates

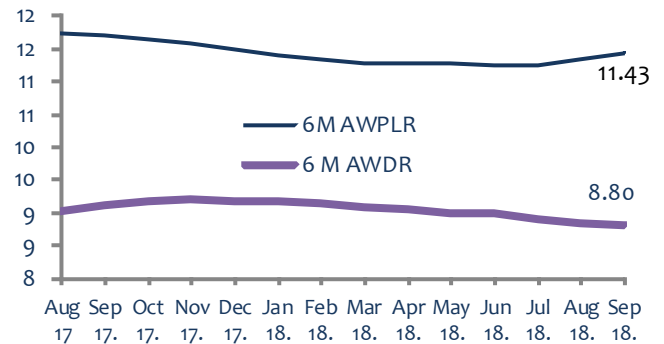
Currency	19th Nov		16th Nov	
	Buying	Selling	Buying	Selling
Dollar (USA)	174.34	178.27	174.21	178.14
Pound (UK)	222.73	230.12	221.69	229.04
Euro (EU)	197.63	204.76	196.23	203.28
Dollar (Australia)	126.37	131.82	125.44	130.80
Dollar (Canada)	131.62	136.62	131.60	136.57
Franc (Switzerland)	173.14	179.76	171.89	178.45
Renminbi (China)	24.82	26.02	24.81	26.00
Yen (Japan)	1.5376	1.5953	1.5266	1.5836
Dollar (Singapore)	126.33	130.73	126.01	130.37

### Indicative Rates

Currency	19th Nov	16th Nov
	Ind: Value	Ind: Value
Yuan (Offshore)	25.4662	25.4615
Rupee (India)	2.4534	2.4540
Won (Korean)	0.1568	0.1563
Dinar (Kuwait)	581.5795	579.8735
Ringgit (Malay)	42.1723	42.1046
Rial (Oman)	458.7044	458.3938
Riyal (Qatar)	48.4989	48.4740
Riyal (KSA)	47.0698	47.0386
Dirham (UAE)	48.0777	48.0464



### Average Weighted Prime Lending & Deposit Rate

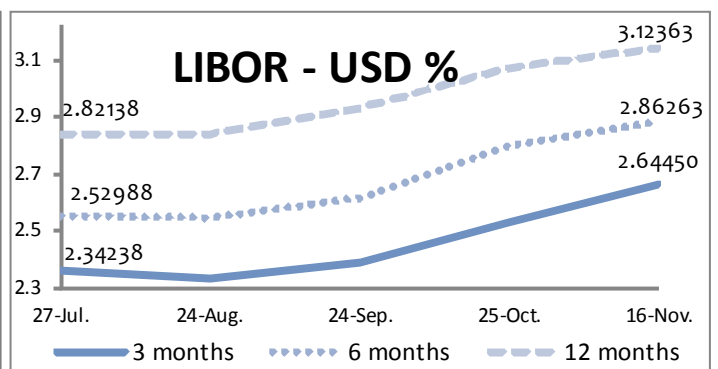
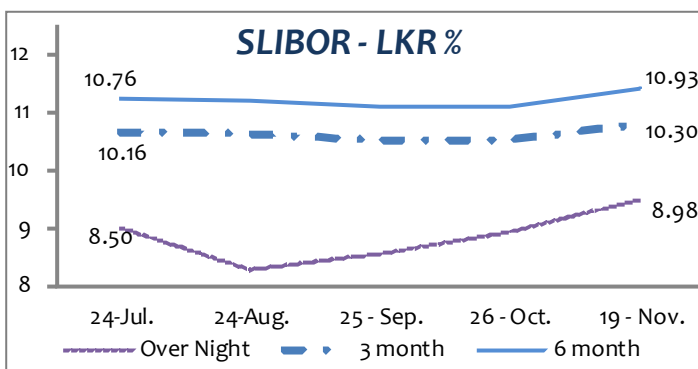


### Central Bank's Policy Rates

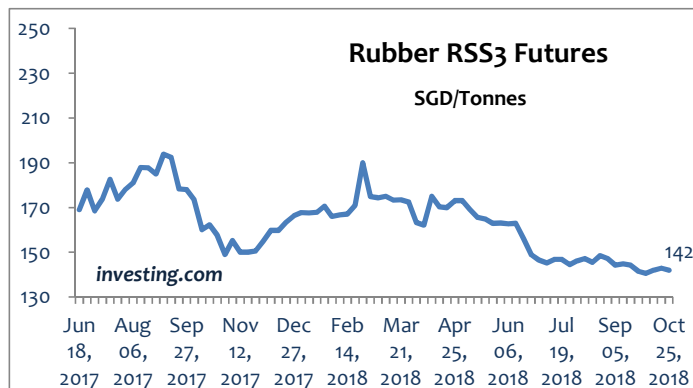
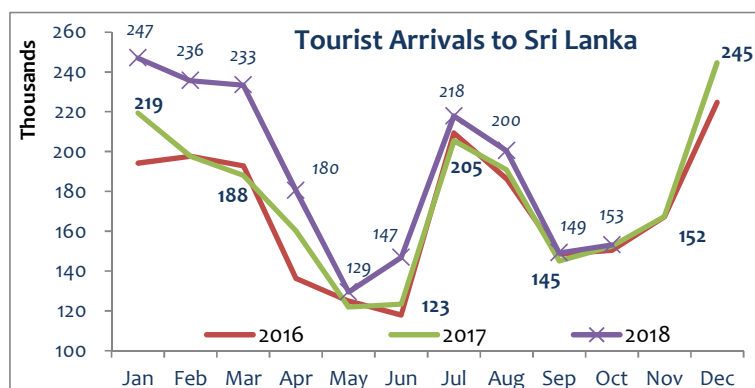
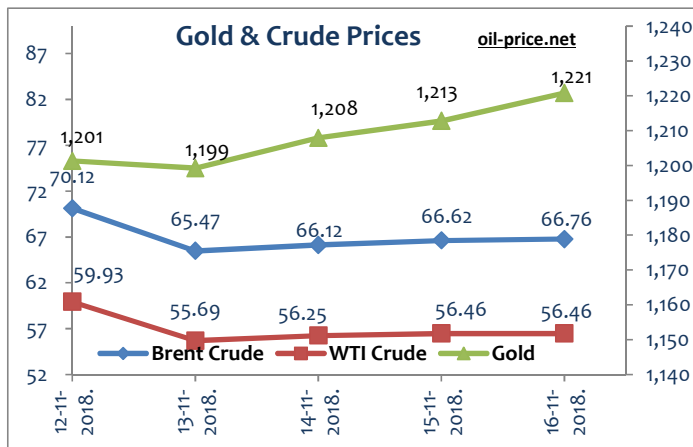
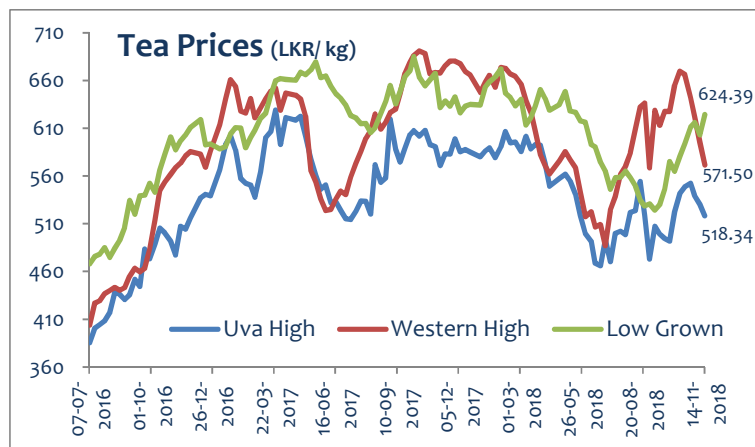
Description	Present	Previous	Treasury Bill				
			14.11.2018	07.11.2018	23.10.2018	17.10.2018	
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	10.07	9.65	na	9.48
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	na	9.99	na	9.75
Bank Rate	15.00%	15.00%	364 Days %	11.25	10.89	10.39	10.44
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	9.86Bn	15.37Bn	7.5Bn	7.9Bn

### Treasury Bond

Date	17.09.2018	17.07.2016	15.10.2018	17.07.2016	17.09.2018	02.01.2018	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	10.03	11.14	11.69	11.21	10.32	10.06	10.20	11.90
Previous Auction	02.03.2018	15.06.2017	15.08.2018	15.06.2017	16.07.2018	01.11.2017	01.06.2018	16.07.2018
Previous Yield	9.85	11.37	9.91	11.38	10.53	10.33	10.72	10.88



## Economic Indicators & Other Statistics



## Local News

### Sri Lanka private credit surges in Sept amid liquidity injections

ECONOMYNEXT - Sri Lanka's private credit surged 107.3 billion rupees, up from 46 billion rupees a month earlier, as central bank injected liquidity (printed money) to keep rates down and sterilize maturing swaps, and credit to the government also rose, official data showed. Private sector credit rose by 15.4 percent to 5,355 billion rupees accelerating from 14.3 percent a year earlier. Central Bank credit (printed money) rose by 122.6 billion rupees, 368.4 billion rupees in September from 245.8 billion rupees a year earlier as interventions in forex markets and maturing legacy swaps were sterilized with liquidity injections. Sri Lanka's credit to government from the banking system rose by 155.1 billion rupees in the month, driven by central bank credit. Credit to state enterprises rose 15.6 billion rupees to 656 billion rupees in the month.

### Sri Lanka manufacturing, service sectors accelerate in October

ECONOMYNEXT- Sri Lanka's manufacturing and service sectors grew faster in October 2018 from a month earlier, outpacing global averages of the Purchasing Managers' Index (PMI), the Central Bank said. The October manufacturing sector PMI grew to 58.2 points, up from 4.1 points in September, compared to 52.1 points in the global PMI, which was down 0.1 points. Employment in the sector slowed down 0.5 points to a 55 index value. "Even though the employment in the manufacturing of food and beverages activities has improved with seasonal trend, overall employment slowed down," the Central Bank said.

Service sector PMI grew 2.5 points to 55.5, while the global PMI read 53.4, up 0.5 points. Business activities sub-index grew 6.1 points to 57.1, while new business grew 3 points to 58.2 and expectations for activity grew 4 points to 63.6. "The expansion in business activities was seen mainly across financial services and transportation and warehousing sub sectors," the Central Bank said. "However, respondents cited that the depreciation of the local currency had an adverse impact on import volumes and thereby on their activity growth."



## Foreign News

### Stocks turn mixed, dollar faces rate hike uncertainty

(Reuters) - Share markets turned mixed in Asia on Monday amid conflicting signals on the prospects for a truce in the Sino-U.S. trade dispute, while the Federal Reserve's newly-found concerns over the global economy constrained the dollar. Chinese blue chips manage to add 0.5 percent, as did Japan's Nikkei.

Wall Street had firmed on Friday after U.S. President Donald Trump said that he may not impose more tariffs on Chinese goods after Beijing sent a list of measures it was willing to take to resolve trade tensions.

The comment stoked speculation of a deal when Trump meets Chinese President Xi Jinping on the sidelines of a G20 summit in Argentina later this month. However, Sino-U.S. tensions were clearly on display at an APEC meeting in Papua New Guinea over the weekend, where leaders failed to agree on a communique for the first time ever. U.S. Vice President Mike Pence said in a blunt speech that there would be no end to U.S. tariffs on \$250 billion of Chinese goods until China changed its ways.

Also **uncertain was the outlook for U.S. interest rates**. Federal Reserve policymakers are still signaling rate increases ahead but also sounded more concerned about a potential global slowdown, leading markets to suspect the tightening cycle may not have much further to run.

Yields on U.S. 10-year paper have duly declined to 3.06 percent, from a recent top of 3.25 percent. The dollar followed to hover at 96.509 against a basket of currencies, down from a peak of 97.693. The euro was parked at \$1.1400, while the dollar backed off to 112.72 yen.

British Prime Minister **Theresa May** said on Sunday that toppling her would risk delaying **Brexit** as she faces the possibility of a leadership challenge from within her own party. With both pro-EU and pro-Brexit lawmakers unhappy with the draft agreement, it is not clear she will be able to win the backing of parliament, raising the risk Britain leaves the EU without a deal.

In **commodity** markets, gold found support from the drop in the dollar and held at \$1,1220.19. Oil prices suffered their sixth straight week of losses last week, but have found some aid from expectations the Organization of the Petroleum Exporting Countries would cut output. Brent crude was up 54 cents at \$67.30 a barrel, while U.S. crude gained 70 cents to \$57.16. ([reuters.com](http://reuters.com))

### Australia's Fairfax gets green light to merge with Nine

Australia's Fairfax has got the green light from its shareholders to merge with television network Nine Entertainment in a massive shake-up of the nation's media industry. Fairfax shareholders gave "overwhelming" support for the multi-billion dollar merger. The deal was possible after Australia relaxed its media ownership laws last year. The new business will be called Nine, losing the well-known Fairfax name. The deal wraps in Nine's television network, one of the nation's biggest, and Fairfax newspapers including The Sydney Morning Herald, Melbourne's The Age and The Australian Financial Review.

Fairfax, which was founded in 1841, has struggled financially in recent years due to declining revenues. Many current and former Fairfax employees had previously expressed sadness about the deal, with some raising concerns about whether it would compromise future journalism. ([bbc.com](http://bbc.com))

### Wealthy investors don't expect to make changes to their portfolios, but think the bull market is coming to an end: E-Trade survey

Investors think the end of the record bull run is almost here — but they aren't blaming the change of power in Congress. Those are among the takeaways of a new report by E-Trade, which found that only 9 percent of investors with at least \$1 million in a self-directed brokerage account expect stock market volatility to decrease as a result of midterm election results that turned out as they expected.

More millionaires expect volatility to remain the same (47%) or increase (44%), according to a survey conducted by E-Trade Financial between Nov. 7 and Nov. 12 among 900 investors who trade their own accounts (the results for the more than 100 millionaires included in this survey are provided exclusively to CNBC). Sixty-seven percent plan to make no changes to their portfolios as a result of the elections, the E-Trade survey found. ([cnbc.com](http://cnbc.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, 2<sup>nd</sup> 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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