

# DAILY STOCK MARKET HIGHLIGHTS

Thursday, 20 December 2018



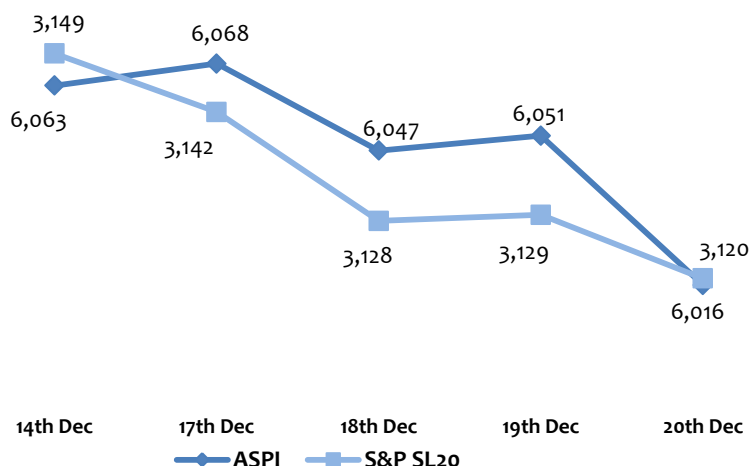
ASHA PHILLIP  
SECURITIES LTD

SriLanka

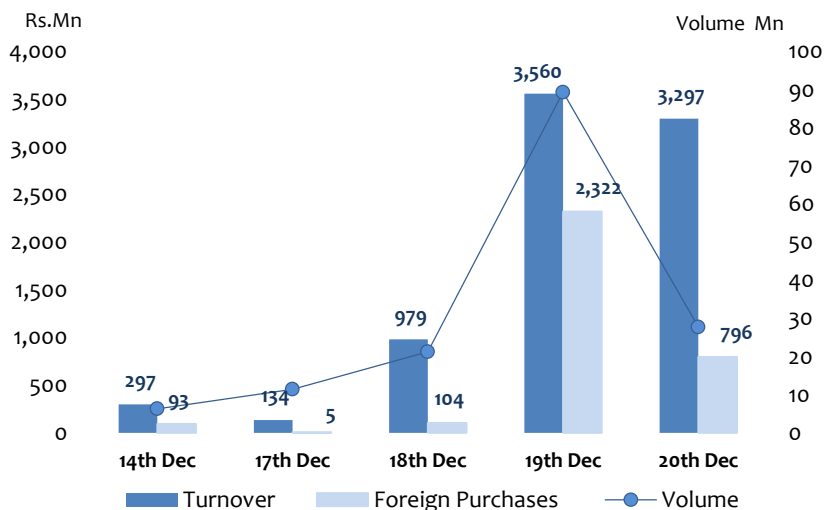
## Daily Market Statistics

Index	20th Dec	19th Dec	Change	% Change
ASPI	6,016.36	6,050.95	↓ (34.59)	↓ -0.57%
S&P SL20	3,120.49	3,128.67	↓ (8.18)	↓ -0.26%
Market Stats (LKR, Mn)		20th Dec	19th Dec	% Change
Turnover		3,296.91	3,559.85	↓ -7.4%
Domestic Purchases		2,500.75	1,238.27	↑ 102.0%
Domestic Sales		674.84	904.72	↓ -25.4%
Foreign Purchases		796.16	2,321.58	↓ -65.7%
Foreign Sales		2,622.07	2,655.13	↓ -1.2%
Share Volume		27.78	89.37	↓ -68.9%
Market capitalization (Bn)		2,822.55	2,838.78	↓ -0.57%
PER		9.59	9.64	↓ -0.52%
PBV		1.17	1.18	↓ -0.85%

## Market Indices



## Turnover, Volume and Foreign Purchase



## Performance of the Market

- Bullish participation of institutional investors continued for the 2<sup>nd</sup> consecutive day; decline in CTC directed the Bourse to red terrain. ASPI moved between 6,016.36-6,064.11 points and settled the day at 6,016.36 with a loss of 34.59 points (-0.57%).
- Major contributors for the movement in ASPI were **CARG (+2.7)**, **COMB (+2)**, **HHL (+1.2)**, **UBC (+0.9)**, **RICH (+0.9)**, **CTC (-29)**, **SAMP (-2.5)**, **JKH (-2.4)**, **LLUB (-1.2)** & **LOLC (-1.2)**
- S&P SL20 index also followed the same trend and settled the day at 3,120.49 with a loss of 8.18 points (-0.26%).
- The day's turnover was recorded as LKR 3,296.91Mn, down by 7% from its previously recorded LKR 3,559.85Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.82Tn, indicating an YTD loss of 2.65%.
- The market PER & PBV were at 9.59x & 1.17x respectively.

## Top Contributors - Turnover

- John Keells Holdings PLC (JKH) topped the turnover list with 78% (2.58Bn) contribution to the day's total turnover. JKH traded between LKR 159.90 & 160.90 and settled the day at LKR 160 with a loss of LKR 0.80 (-0.50%); about 90% (2.33Bn) of its turnover was contributed through 12 off board trades of 14.53Mn shares negotiated at the price of LKR 160.0
- National Development Bank PLC (NDB) stood second by adding LKR 278.52Mn to the day's total turnover. NDB traded between LKR 105.00 & 107.90 and settled the day at LKR 105.10 with a gain of LKR 0.10 (+0.10%); about 90% (251.89Mn) of its turnover was contributed through 3 off board trades of 2.4Mn shares negotiated at the price of LKR 105.00
- Sampath Bank PLC (SAMP) contributed LKR 256.26Mn to the total turnover and secured the third slot. SAMP traded between LKR 236 & 240.50 and settled the day at LKR 236.80 with a loss of LKR 4.10 (-1.70%); about 88% (226.34Mn) of its turnover was contributed through 2 off board trades of 0.96Mn shares negotiated at the price of LKR 236.00 & 236.50

### Traded Volume

- John Keells Holdings PLC traded a total of 16.14Mn shares dominating the traded volumes.
- Richard Pieris and Company PLC (4.04Mn shares) and National Development Bank PLC (2.65Mn shares) were next in line under the top contributors to the daily volumes.

### Sectorial Overview

- Diversified Holdings (DIV) stood on top providing LKR 2.63Bn capturing 80% of the day's total turnover.
- Bank Finance & Insurance (BFI) and Beverage Food & Tobacco (BFT) provided LKR 587.15Mn and LKR 54.2Mn respectively to the daily aggregated turnover.

## Daily Foreign Transactions

### Net Foreign Purchases

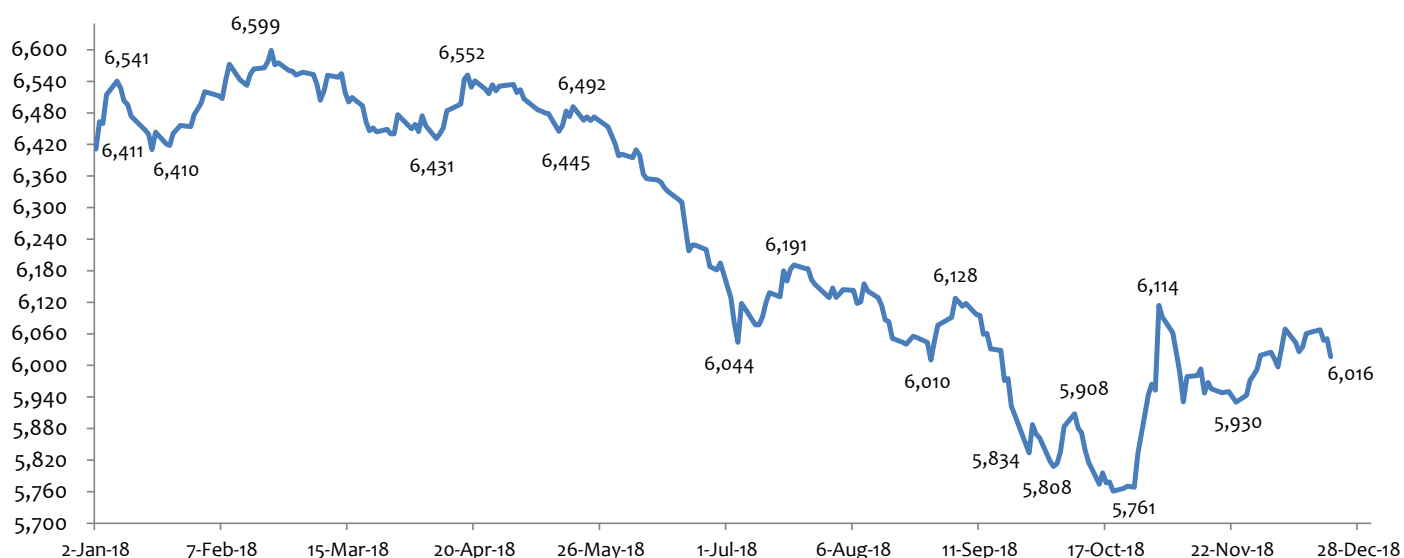
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
SAMPATH (+)	236.26	958,000	226,338,000
RICHARD PIERIS	10.40	3,032,201	31,534,890
HNB (+)	210.00	31,529	6,621,090
NAMUNUKULA	58.60	400	23,440

### Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
JKH	160.00	(12,988,130)	(2,078,100,800)
DIALOG (+)	10.00	(668,102)	(6,681,020)
CHEVRON (+)	71.00	(35,596)	(2,527,316)
CEYLON TOBACCO (+)	1,424.00	(1,000)	(1,424,000)
LANKA IOC	24.50	(25,558)	(626,171)
CEYLON TEA BRKRS	2.80	(200,000)	(560,000)
PEOPLE'S INS (+)	19.00	(15,805)	(300,295)
UNION BANK (+)	11.40	(16,000)	(182,400)
HNB ASSURANCE (+)	127.50	(500)	(63,750)
NESTLE (+)	1,700.10	(1)	(1,700)

- **Aggregate foreign buying** for the day totaled up to **LKR 796.16Mn**.
- **Foreign sales** for the day amounted to **LKR 2,622.07Mn**.
- **Net foreign outflow** for the day was **LKR 1,825.92Mn**, **YTD net foreign outflow** presently stands at **LKR 22.94Bn**.
- **SAMP** notched the “Top Net Purchasers” slot with a net inflow of **LKR 226.34Mn** whilst **JKH** notched the “Top net Sellers” slot with a net outflow of **LKR 2,078.1Mn**.

## Year-to-Date ASPI Movement



## Key Announcements

- Board of **Commercial Bank of Ceylon PLC (COMB)** has **decided to issue** 75Mn listed unsecured rated redeemable subordinated **Basel III compliant debentures** of LKR 100/- each with a non-viability conversion feature amounting to LKR 7.5Bn with an option to issue up to a further 75Mn debentures amounting to LKR 7.5Bn in the event of an oversubscription, tenure will be 5 - 10 years, issue is subject to necessary approvals.

## 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	Company	Date	Company	Date	Company	Date
EAST	17-Jan-19	COMB	28-Mar-19	HASU	28-Mar-19	SAMP	29-Mar-19
BLUE	28-Jan-19	DFCC	28-Mar-19	HNB	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
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
PAP	0.06	Interim	21. Dec.2018	02. Jan.2019	PLC	0.75	Interim	02. Jan.2019	11. 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	1,424.00	187,323,751	266,749,021,424	10.17
JOHN KEELLS HOLDINGS PLC	JKH.No000	160.00	1,387,528,658	222,004,585,280	8.46
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	116.00	945,709,403	109,702,290,748	4.18
NESTLE LANKA PLC	NEST.No000	1,700.10	53,725,463	91,338,659,646	3.48
HATTON NATIONAL BANK PLC	HNB.No000	210.00	395,451,248	83,044,762,080	3.17
DIALOG AXIATA PLC	DIAL.No000	10.00	8,143,778,405	81,437,784,050	3.10
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	16.10	4,600,000,000	74,060,000,000	2.82
CEYLON COLD STORES PLC	CCS.No000	720.00	95,040,000	68,428,800,000	2.61
SAMPATH BANK PLC	SAMP.No000	236.80	280,902,248	66,517,652,326	2.54
MELSTACORP PLC	MELS.No000	50.70	1,165,397,072	59,085,631,550	2.25

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
JOHN KEELLS HOLDINGS PLC	2,582,962,539	16,143,512
RICHARD PIERIS AND COMPANY PLC	41,974,513	4,035,982
NATIONAL DEVELOPMENT BANK PLC	278,515,325	2,652,501
SAMPATH BANK PLC	256,256,253	1,082,913
DIALOG AXIATA PLC	6,866,732	686,847
CEYLON TEA BROKERS PLC	1,142,733	408,124
SOFTLOGIC CAPITAL PLC	1,408,697	230,934
PANASIAN POWER PLC	532,008	177,325
LANKEM DEVELOPMENTS PLC	715,345	173,344
RENUKA AGRI FOODS PLC	322,824	161,202

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
JOHN KEELLS HOLDINGS PLC	16,143,512	2,582,962,539
NATIONAL DEVELOPMENT BANK PLC	2,652,501	278,515,325
SAMPATH BANK PLC	1,082,913	256,256,253
CEYLON TOBACCO COMPANY PLC	55,237	53,057,908
RICHARD PIERIS AND COMPANY PLC	4,035,982	41,974,513
HATTON NATIONAL BANK PLC	133,163	27,964,231
COMMERCIAL BANK OF CEYLON PLC [X]	107,979	10,216,328
DIALOG AXIATA PLC	686,847	6,866,732
ON'ALLY HOLDINGS PLC	49,040	4,904,000
CHEVRON LUBRICANTS LANKA PLC	45,039	3,216,940

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS	0.60	0.10	20.00	19,680
TESS AGRO	0.60	0.10	20.00	30,600
EQUITY TWO PLC	54.70	6.70	13.96	45,176
ASIA ASSET	0.90	0.10	12.50	96,241
RENUKA AGRI	2.10	0.20	10.53	322,824
SINGHE HOSPITALS	1.40	0.10	7.69	700
MALWATTE	7.70	0.50	6.94	1,540
BIMPUATH FINANCE	32.30	1.90	6.25	66,042
KOTAGALA	7.50	0.40	5.63	482,572
ASIA SIYAKA	2.10	0.10	5.00	6,290

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
AUTODROME	74.40	(7.70)	(9.38)	8,667
HUNAS FALLS	76.00	(7.00)	(8.43)	7,600
DIALOG FINANCE	43.00	(2.80)	(6.11)	26,528
CITRUS LEISURE	4.90	(0.30)	(5.77)	7,845
MARAWILA RESORTS	1.70	(0.10)	(5.56)	19,143
DUNAMIS CAPITAL	37.60	(2.10)	(5.29)	48,500
CEYLON TOBACCO	1424.00	(72.70)	(4.86)	53,057,908
MALWATTE [X]	4.00	(0.20)	(4.76)	113,201
RENUKA FOODS	13.20	(0.60)	(4.35)	13,220
ELPITIYA	19.00	(0.80)	(4.04)	84,809

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
John Keells Holdings PLC	JKH.No000	160.00	12	14,533,110	2,325,297,600.00
National Development Bank PLC	NDB.No000	105.00	3	2,398,932	251,887,860.00
Sampath Bank PLC	SAMP.No000	236.50	2	958,000	226,338,000.00
Ceylon Tobacco Company PLC	CTC.No000	1,422.50	2	36,296	51,631,060.00

## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,411.92	16,446.25	587,154,103	4,826,128	751	5.40	0.90
BEVERAGE FOOD AND TOBACCO	24,311.72	24,788.74	54,200,115	209,993	67	17.70	6.00
CONSTRUCTION AND ENGINEERING	1,392.32	1,420.62	3,061,533	338,759	187	22.30	0.60
CHEMICALS AND PHARMACEUTICALS	5,249.69	5,171.19	944,220	8,641	17	5.80	0.70
DIVERSIFIED HOLDINGS	1,584.53	1,586.99	2,626,110,221	20,378,414	204	10.60	0.90
FOOTWEAR AND TEXTILE	929.14	949.68	439,722	46,435	40	74.40	1.00
HOTELS AND TRAVELS	2,642.30	2,642.77	984,939	130,690	115	64.00	1.60
HEALTH CARE	798.12	795.92	51,956	2,837	12	15.30	1.80
INVESTMENT TRUSTS	9,383.10	9,361.11	49,022	2,303	20	31.60	0.40
INFORMATION TECHNOLOGY	26.08	26.08	386	85	4	0.00	0.00
LAND AND PROPERTY	546.02	539.65	5,756,989	95,637	67	5.30	0.60
MANUFACTURING	2,806.96	2,824.58	6,064,285	171,582	296	7.60	0.80
MOTORS	12,923.20	12,994.37	507,223	7,280	20	12.10	0.50
OIL PALMS	50,146.81	50,146.81	15,847	31	10	28.50	1.00
POWER & ENERGY	106.79	107.45	2,585,111	294,564	109	79.10	1.30
PLANTATIONS	702.70	705.04	861,017	106,703	122	6.40	0.70
STORES SUPPLIES	28,408.28	28,408.28	960	10	2	13.10	0.50
SERVICES	16,623.65	16,156.01	1,179,969	417,371	38	11.50	1.30
TELECOMMUNICATIONS	134.06	134.46	6,888,240	687,847	82	7.60	0.90
TRADING	12,268.78	12,247.96	57,225	57,154	7	31.70	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	470.51	3,516	100	6	4.70	0.60
Banks	830.96	831.94	575,711,420	4,110,063	337	6.00	0.80
Capital Goods	858.61	860.16	2,628,475,900	20,380,464	318	11.10	0.90
Commercial & Professional Services	781.51	781.51	1,124	11	3	0.00	1.00
Consumer Durables & Apparel	788.50	792.32	902,957	118,012	96	25.30	1.00
Consumer Services	247.52	247.65	984,939	130,690	115	66.40	1.60
Diversified Financials	771.83	774.05	3,853,753	579,780	240	5.30	0.80
Energy	617.13	620.78	1,560,587	65,788	85	0.00	1.00
Food & Staples Retailing	1,240.54	1,221.61	391,319	52,802	9	15.10	2.20
Food, Beverage & Tobacco	933.87	951.25	57,174,940	620,196	270	15.60	2.50
Health Care Equipment & Services	857.97	855.65	52,342	2,922	16	15.40	1.80
Household & Personal Products	1,012.04	1,012.04	0	0	0	13.80	1.90
Insurance	2,111.31	2,120.49	7,698,331	147,277	215	4.30	1.70
Materials	532.65	535.86	4,456,458	68,478	216	6.90	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	0	0	0	4.70	1.40
Real Estate	744.44	736.23	5,756,924	95,631	65	5.00	0.60
Retailing	780.57	782.95	1,699,913	422,286	51	15.50	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	700.44	702.54	6,888,240	687,847	82	7.60	0.90
Transportation	702.71	702.71	181,794	44,340	14	20.30	0.70
Utilities	739.70	744.06	1,024,524	228,776	24	8.70	0.70



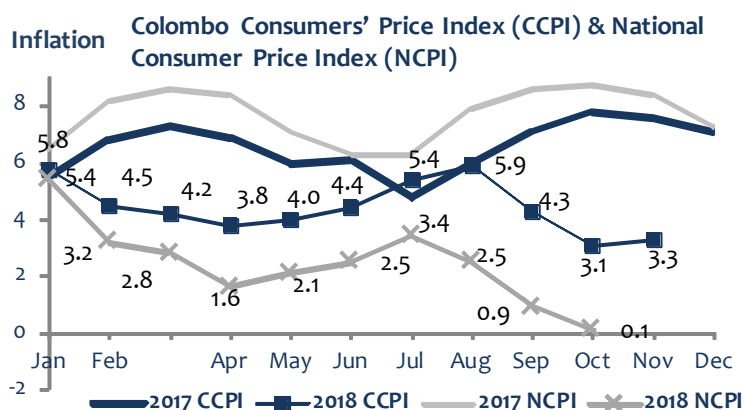
## Economic Indicators & Other Statistics

### Exchange Rates

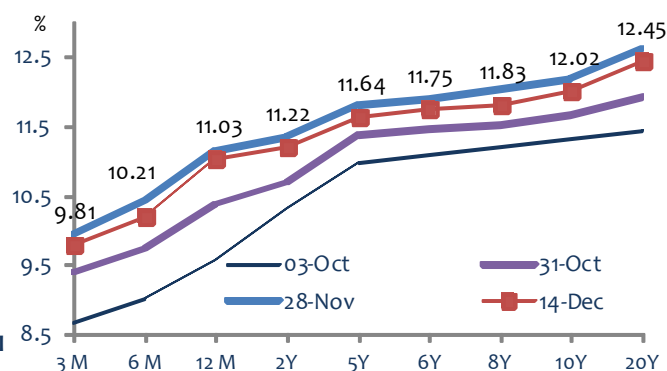
Currency	20th Dec		19th Dec	
	Buying	Selling	Buying	Selling
Dollar (USA)	178.26	182.22	177.91	181.87
Pound (UK)	223.87	231.24	224.31	231.69
Euro (EU)	201.58	208.75	201.25	208.41
Dollar (Australia)	125.46	130.86	126.78	132.21
Dollar (Canada)	131.21	136.13	131.39	136.32
Franc (Switzerland)	177.91	184.63	178.06	184.81
Renminbi (China)	25.49	26.71	25.51	26.73
Yen (Japan)	1.5751	1.6334	1.5729	1.6312
Dollar (Singapore)	129.25	133.70	129.33	133.79

### Indicative Rates

Currency	20th Dec	19th Dec
	Ind: Value	Ind: Value
Yuan (Offshore)	26.1080	26.1356
Rupee (India)	2.5523	2.5600
Won (Korean)	0.1597	0.1599
Dinar (Kuwait)	593.3235	592.1105
Ringgit (Malay)	43.1218	43.0800
Rial (Oman)	468.5836	467.5649
Riyal (Qatar)	49.5434	49.4421
Riyal (KSA)	48.0842	47.9949
Dirham (UAE)	49.1132	49.0128



### Government Securities - Secondary Market Yield



### Central Bank's Policy Rates

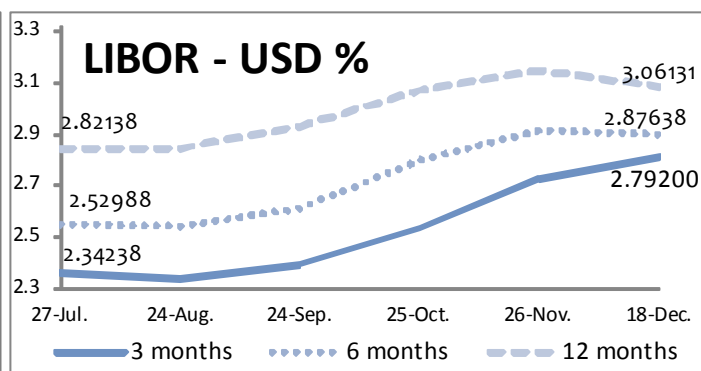
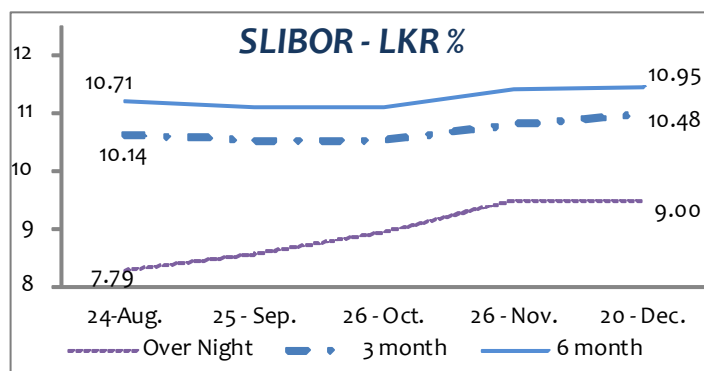
Description	Present	Previous		19.12.2018	12.12.2018	05.12.2018	19.11.2018
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	na	10.01
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	9.99	10.03	10.01	na
Bank Rate	15.00%	15.00%	364 Days %	11.20	11.24	11.20	11.21
Statutory Reserve Ratio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

### Treasury Bill Issuance

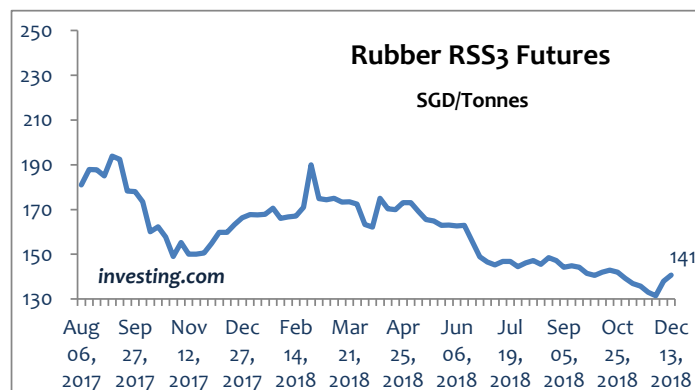
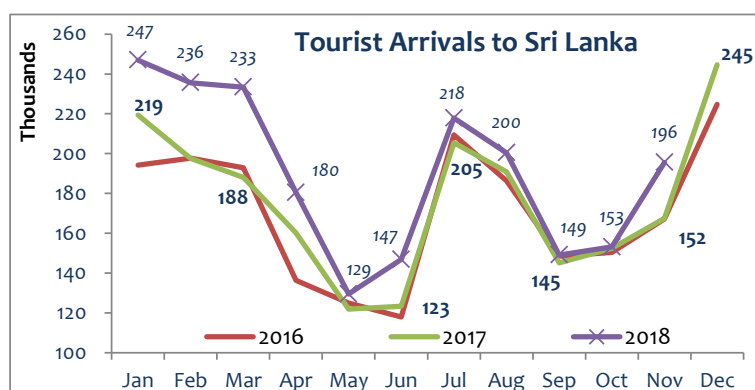
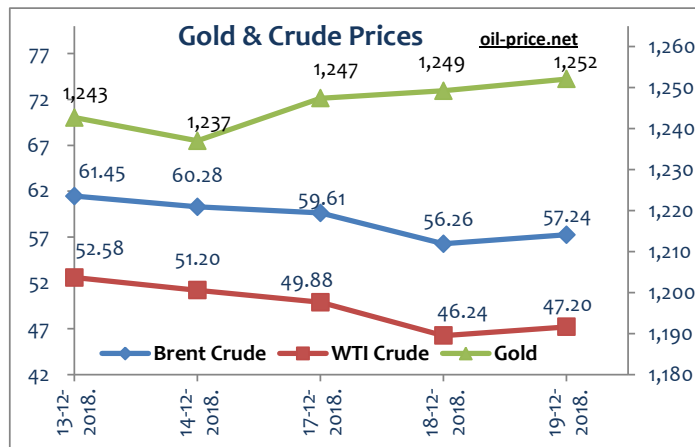
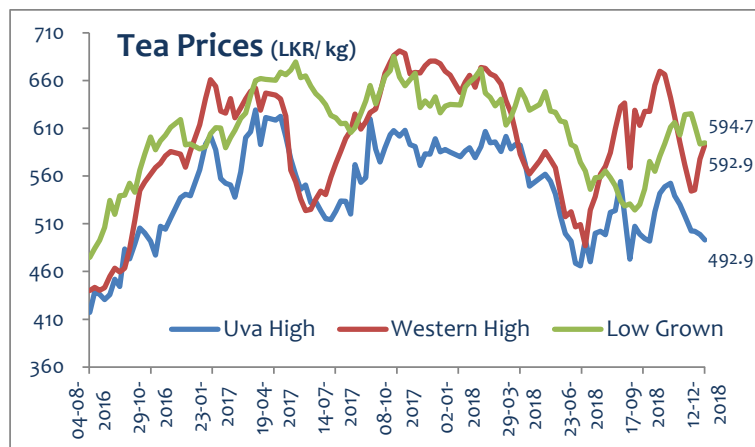
Date	13.12.2018	17.07.2016	15.10.2018	17.07.2016	17.09.2018	13.12.2018	15.08.2018	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	11.88	11.14	11.69	11.21	10.32	12.23	10.20	11.90
Previous Auction	17.09.2018	15.06.2017	15.08.2018	15.06.2017	16.07.2018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

### Vote on Account to be presented in Parliament tomorrow; 55-pct for debt repayments

(LBO) – Vote on Account to cover the expenditures of the first four months of 2019 to be presented in Parliament tomorrow, Mangala Samaraweera assuming duties as the Finance Minister told reporters. Accordingly, 1,765Bn rupees have been allocated for government expenditure from which 970Bn rupees have been allocated for debt servicing that includes interest and principal payments. 480Bn rupees have been allocated for recurring expenditure while 310Bn rupees have been allocated for capital expenditure. Mangala Samaraweera said around 55% of the expenditure has been allocated for debt repayment. He added that the budget for 2019 to be presented in the Parliament next month. Samaraweera further said that the **fuel price formula will be reintroduced** with the **fuel price revision** that will take place **tomorrow**. Newly appointed cabinet approved the vote on account just after the swearing-in ceremony held at the Presidential Secretariat.

### SAGT breaks through 2mn TEUs in 2018

South Asia Gateway Terminals (Pvt.) Ltd (SAGT), a flagship venture of the Board of Investment, today achieved an impressive 2Mn 20-foot equivalent container units (TEUs) in a calendar year, for the first time. The terminal’s original design capacity being assessed at just 1.1Mn TEUs. Over the last five years, SAGT has averaged around 1.7Mn TEUs per annum. Its previous highest volume was 1.9Mn TEUs achieved in 2009 and 2010. SAGT’s achievement of 2Mn TEUs generated over a 940-metre quay length provides the best operational yield per metre of quay length in the Port of Colombo and indeed in the South Asia region. SAGT is the first public-private partnership container terminal in Sri Lanka with approximately 60% Sri Lankan shareholding and commenced operations in 1999, launching the Port of Colombo as global trade’s preeminent gateway hub to South Asia. Today, the terminal is one of three operators in the Port of Colombo and continues to offer the international container shipping community a competitive best in class service. Its shareholders include John Keells, Maersk/APM Terminals, the SLPA and Evergreen Marine Corporation. ([dailymirror.lk](http://dailymirror.lk))



**Hayleys Advantis unveils Sri Lanka's largest distribution hub**

Hayleys Advantis Limited ceremonially unveiled Sri Lanka's largest distribution hub – Advantis 3PL Plus Logistics City – in Kotugoda, Ja-Ela recently. This is part of the company's strategic capacity-building and expansion efforts aimed at serving its clients better through greater efficiencies and economies of scale. With the first phase of development now complete, this new facility adds 335,000 square feet of space with 38,000 pallet positions and a holding capacity of up to 55,000 cubic metres to the company's warehousing footprint. The soon to commence second phase of development at the site will see this expand to approximately 500,000 square feet. Our newly unveiled 3PL Logistics City will help the nation move yet another step closer towards realizing its goal of emerging as a key logistics hub in the South Asian region," Hayleys PLC Chairman and Chief Executive Mohan Pandithage said. ([dailymirror.lk](#))

## Foreign News

**Fed raises interest rates, signals more hikes ahead**

After weeks of market volatility and calls by President Donald Trump for the Federal Reserve to stop raising interest rates, the U.S. central bank instead did it again, and stuck by a plan to keep withdrawing support from an economy it views as strong. Wednesday's rate increase, the fourth of the year, pushed the central bank's key overnight lending rate to a range of 2.25 percent to 2.50 percent. In a news conference after the release of the policy statement, Fed Chairman Jerome Powell said the central bank would continue trimming its balance sheet by \$50 billion each month, and left open the possibility that continued strong data could force it to raise rates to the point where they start to brake the economy's momentum. ([reuters.com](#))

**Stocks slump as Fed's outlook on rates disappoints**

Asian shares slid on Thursday after the U.S. Federal Reserve raised rates, as expected, and kept most of its guidance for additional hikes over the next two years, dashing investor hopes for a more dovish policy outlook. MSCI's broadest index of Asia-Pacific shares outside Japan dropped 1.1 percent, with Australian shares also declining 1.3 percent to a two-year closing low.

Markets across the region are nearing gloomy milestones, with Japan's Topix and South Korea's KOSPI falling into a bear market, which means they are down more than 20 percent from their recent highs, to join Shanghai and Hong Kong's Hang Seng.

Japan's Nikkei shed 2.8 percent to close at its lowest since September 2017. China's benchmark Shanghai Composite and the blue-chip CSI 300 fell 0.5 percent and 0.8 percent, respectively, while the Hang Seng was off 1.1 percent.

In New York, U.S. S&P 500 Index lost 1.54 percent to hit its lowest level since September 2017. U.S. stocks are on pace for their biggest December decline since 1931, the depths of the Great Depression.

The dollar initially gained as the Fed was seen as more hawkish but it lost steam against other safe-haven currencies, such as the yen. On Thursday, Japan kept its policy settings unchanged, as expected.

Later in the day, UK and Sweden will make policy announcements. Both are expected to keep their policies on hold, though the Swedish central bank's decision is seen as a close call, with some analysts expecting a rate hike.

**Oil prices fell on Thursday** to erase most of their gains from the day before, resuming declines seen earlier in the week amid worries about oversupply and the outlook for the global economy. The front-month U.S. crude contract dropped 2.1 percent to \$47.18 per barrel, while international benchmark Brent crude futures were down 1.5 percent at \$56.39 per barrel. ([reuters.com](#))

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