

# DAILY STOCK MARKET HIGHLIGHTS

Thursday, 21 February 2019



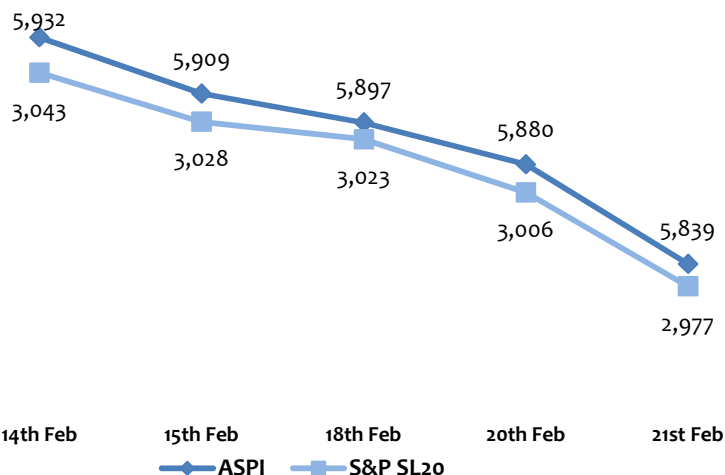
**ASHA PHILLIP  
SECURITIES LTD**

SriLanka

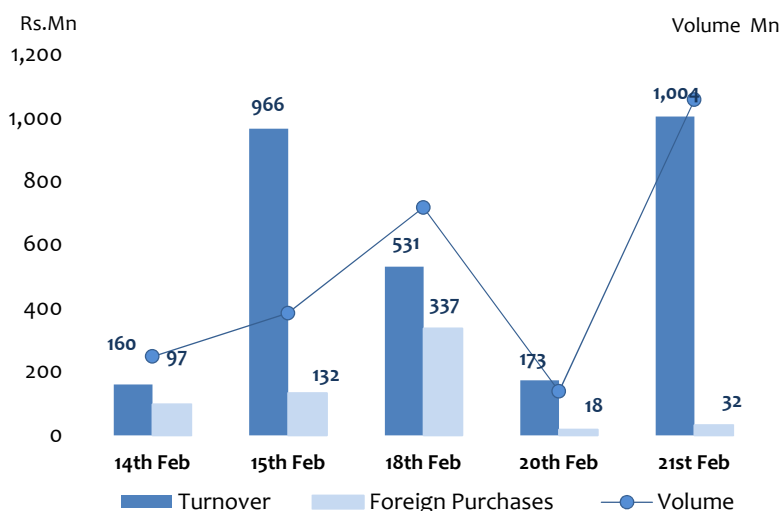
## Daily Market Statistics

Index	21st Feb	20th Feb	Change	% Change
ASPI	5,839.04	5,880.17	↓ (41.13)	↓ -0.70%
S&P SL20	2,977.35	3,006.41	↓ (29.06)	↓ -0.97%
Market Stats (LKR, Mn)		21st Feb	20th Feb	% Change
Turnover		1,003.97	172.78	↑ 481.1%
Domestic Purchases		972.41	155.24	↑ 526.4%
Domestic Sales		929.32	119.42	↑ 678.2%
Foreign Purchases		31.56	17.53	↑ 80.0%
Foreign Sales		74.66	53.36	↑ 39.9%
Share Volume		35.24	4.60	↑ 666.5%
Market capitalization (Bn)		2,729.22	2,748.44	↓ -0.70%
PER		9.13	9.20	↓ -0.76%
PBV		1.15	1.16	↓ -0.86%

## Market Indices



## Turnover, Volume and Foreign Purchase



## Performance of the Market

- Biggest Profit Dip in Seylan Bank and prevailing cloudy economic conditions further dampened the investor confidence.
- Benchmark index ASPI moved between 5,829.72-5,874.67 points and settled the day at 5,839.04 with a loss of 41.13 points (-0.70%).
- Major contributors for the movement in ASPI were **CLC (+1.4)**, **LAMB (+1)**, **BIL (+0.8)**, **SINS (+0.7)**, **RIL (+0.3)**, **LION (-5.1)**, **COMB (-2.8)**, **JKH (-2.8)**, **BRWN (-2.7)** & **CARG (-2.2)**
- S&P SL20 index followed the same trend and settled the day at 2,977.35 with a loss of 29.06 points (-0.97%).
- The day's turnover was recorded as LKR 1,003.97Mn, up by 481% from its previously recorded LKR 172.78Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.73Tn, indicating an YTD loss of 3.88%.
- The market PER & PBV were at 9.13x & 1.15x respectively.

## Top Contributors – Turnover

1. The Kingsbury PLC (SERV) contributed 50% (501.46Mn) of the turnover. SERV traded between LKR 14.00 & 16.00 and settled the day at LKR 14.20 on par with its previous closing; majority (500Mn) of its turnover was contributed through an off board trade of 25Mn shares negotiated at the price of LKR 20.00
2. Sampath Bank PLC (SAMP) had contributed LKR 228.73Mn. SAMP traded between LKR 230.00 & LKR 233.50 and settled the day LKR 230.10 with a loss of LKR 3.40 (-1.46%); about 53% (121.5Mn) of its turnover was contributed through an off board trade of 0.5Mn shares negotiated at the price of LKR 243.00
3. Ceylon Tobacco Company PLC (CTC) contributed LKR 150.24Mn. CTC traded between LKR 1,350.00 & LKR 1,400.00 and settled the day LKR 1,350.00 on par with its previous closing; majority (150.18Mn) of its turnover was contributed through an off board trade of 104,654 shares negotiated at the price of LKR 1,435.00

**Top contributors - Traded Volume**

1. The Kingsbury PLC traded a total of 25.1Mn shares.
2. Asia Siyaka Commodities PLC (3.14Mn shares)
3. Sampath Bank PLC (0.96Mn shares).

**Sectorial Overview**

1. Hotels & Travels (H&T) sector stood on top providing LKR 504.92Mn capturing 50% of the total turnover.
2. Bank Finance & Insurance (BFI) sector provided LKR 300.56Mn to the daily aggregated turnover.
3. Beverage Food & Tobacco (BFT) sector provided LKR 154.60Mn

**Daily Foreign Transactions**

**Net Foreign Purchases**

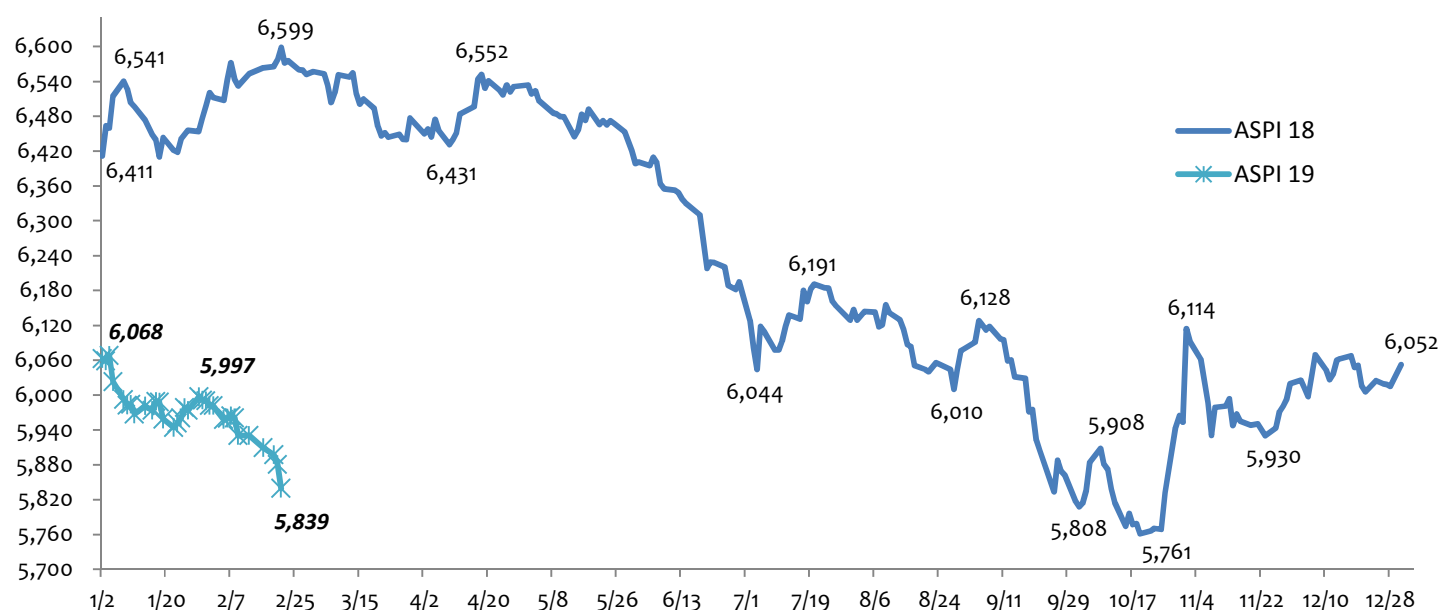
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
OVERSEAS REALTY (+)	15.80	60,251	951,966
UNION ASSURANCE (+)	324.60	2,665	865,059
JKH	153.00	3,157	483,021
EXPOLANKA	4.10	87,498	358,742
AITKEN SPENCE	45.00	7,500	337,500
ACL	34.50	3,471	119,750
SEYLAN BANK[X.0000] (+)	41.0	2,400	98,400
R I L PROPERTY	6.70	13,160	88,172
PEOPLE'S INS (+)	19.20	4,000	76,800
EAST WEST	14.10	5,000	70,500

**Net Foreign Sales**

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
SAMPATH (+)	230.10	(68,797)	(15,830,190)
COMMERCIAL BANK[X.0000] (+)	90.10	(148,000)	(13,334,800)
COMMERCIAL BANK (+)	106.70	(109,173)	(11,648,759)
HNB (+)	200.00	(15,228)	(3,045,600)
AMANA BANK (+)	3.00	(666,667)	(2,000,001)
KEELLS FOOD	140.00	(5,547)	(776,580)
TOKYO CEMENT	23.00	(4,412)	(101,476)
DIPPED PRODUCTS	80.10	(1,000)	(80,100)

- **Aggregate foreign buying** for the day totaled up to **LKR 31.56Mn**.
- **Foreign sales** for the day amounted to **LKR 74.66Mn**.
- **Net foreign outflow** for the day was **LKR 43.09Mn**, **YTD net foreign outflow** presently stands at **LKR 5.17Bn**.
- **OSEA** notched the “Top Net Purchasers” slot with a net inflow of **LKR 0.95Mn** whilst **SAMP** notched the “Top net Sellers” slot with a net outflow of **LKR 15.83Mn**.

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



## Key Announcements

- **The Kingsbury PLC (SERV)** said **Hayleys PLC (HAYL)** has sold 25 Mn **SERV** shares (10.33% stake) to its subsidiary **Carbotels (Pvt) Ltd.**
- Chairman of **MTD Walkers PLC**, as a clarification to CSE on the press notice published in the Island on 15<sup>th</sup> February 2019 said, “It has come to our notice that **Commercial Bank of Ceylon PLC** has published the captioned notice on the basis that **Walkers Colombo Shipyard (Private) Limited (WCS)** has defaulted payment of USD 4Mn due under a Bond executed by WCS in favour of the Bank. We have made inquiries in this regard and WCS has confirmed that it appears that the said Notice has been published on a misconception and it is presently obtaining legal advice with regard to this matter to evaluate the legal remedies available to WCS in this regard to protect and safeguard its rights.

Further he said, **Enjoining orders have been obtained preventing KAPI from transferring the shares** held by KAPI in **Walkers Shipyards Limited, Northern Power Company (Private) Limited and Colombo Fort Heritage Company (Private) Limited (Shares)** to any person until the full amount prayed by the Plaintiff is settled, pending the hearing and determination of the respective applications for interim injunction. The said Plaintiffs have also filed applications for sequestration for court to temporarily seize the Shares.

The matters were taken up in the Commercial High Court yesterday (20.02.2019), the Court granted time till 07.03.2019 to file objections. As the **said matters in no way affect or impede a transfer of KAPI shares.** In fact, MTD Capital Berhad, which is the major shareholder of KAPI, has not been named as a party to any of the said matters and there are **no orders made by court in relation to KAPI shares.**

## 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	TFC	KAPI
From	7-Sep 18.	25-Sep 18.	26-Nov-18.	10-12-2018.			18-Feb-19.	14-Feb-19.	
Reason	AQO	AQO	***	Non-submission of Annual Reports			AQO	For clarification	

\*\*\*Non-submission of Interim Financial Statements 30th Jun 2018

Auditor's Qualified Opinion (AQO)

## Companies on WATCH LIST

Non Submission of Annual Reports, Financial Statements									Default Board
MIRA	LCEM	CIFL	PCH	PCP	SING	HDEV	LLMP	PCHH	SFS
SINH	LLMP	CFT	SFL						
Qualified Opinion in the Independent Auditor's Report									
AINV	ESL	EAST	MEL	JANA	HVA	PMB	MBSL	ALHP	TFC
SIRA	MSL	CHOU							
Non-compliance of CSE Listing Rules, minimum public holding & Corporate Governance									
HUEJ	LOFC	ACAP	ARPI	ASPH	BBH	COMD	CPRT	DIST	CLC
ASPM	GOOD	HPFL	INDO	KAPI	LAMB	MADU	MORI	OFEQ	NIFL
PARA	PDL	SELI	MERC	SHAL	LHCL	SLND	AFSL	AMCL	ODEL
SFCL	TAP	MERC	TFIL						

### Annual general Meetings (AGMs)

Company	Date	Company	Date
COMB	28-Mar-19	UBC	28-Mar-19
DFCC	28-Mar-19	SEYB	28-Mar-19
HASU	28-Mar-19	HNB	29-Mar-19

### EGMs

Company	Date	Company	Date
PABC	29-Mar-19	SEYB	7-Mar-19
SAMP	29-Mar-19	FLCH	8-Mar-19
		BIL	8-Mar-19
		HDFC	14-Mar-19

## Key Announcements

### Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
JKH	2.00	2nd Interim	12.Feb.2019	22.Feb.2019	SEYB	0.50	Final	29.Mar.2019	08.Apr.2019
VPEL	0.40	Interim	13.Feb.2019	22.Feb.2019	HASU	7.00	Final	29.Mar.2019	08.Apr.2019
CTEA	20.00	Interim	15.Feb.2019	25.Feb.2019	CSD	1.00	First & Final	29.Mar.2019	08.Apr.2019
TJL	0.85	1st Interim	18.Feb.2019	28.Feb.2019	OSEA	1.25	First & Final	01.Apr.2019	09.Apr.2019
TYRE	2.50	2nd Interim	21.Feb.2019	05.Mar.2019	SAMP	5.00	First & Final	01.Apr.2019	09.Apr.2019
KFP	4.00	Interim	22.Feb.2019	06.Mar.2019	NEST	25.00	Final	09.May.2019	17.May.2019
LLUB	1.50	4th Interim	28.Feb.2019	12.Mar.2019	CTC	15.77	Final	Dates to be notified	
DFCC	3.50	First & Final	28.Feb.2019	12.Mar.2019	DIAL	0.37	Final	Dates to be notified	
CONN	2.50	2nd Interim	05.Mar.2019	13.Mar.2019	PINS	1.10	2nd Interim	Dates to be notified	
NEST	25.00	Interim	05.Mar.2019	14.Mar.2019					

### Scrip Dividends

CODE	CMP	Cash Value	Propotion : 1 Voting for	Propotion : 1 Non-Voting for	XD DATE	PAYMENT DATE
SAMP	240.00	9.87	24.322912170	na	01.Apr.19	09.Apr.19
SEYB	70.00, 43.00	1.72	40.872092894	25.581392492	29.Mar.19	08.Apr.19

### Amalgamation [A]

Transferee	Transferor	Proportion	Effective Date
[A] Browns investments PLC (BIL)	Browns Capital PLC (FLCH)	2 BIL for every 1 FLCH	29 Mar 19.

### Sub-Division of Shares

Company	Proportion	EGM & Entitlement Date	Dealings Suspension	Trading start
On'ally Holdings PLC (ONAL)	1 for 5		To be notified	

### Rights Issues

T = Tranche

Company,	Issue Price	Issue Value	Proportion	XR Date	Letter Dispatch	Trading of Rights	Acceptance
Asia Asset Finance (AAF) T-1 @ LKR 10.0		LKR 252Mn	03 for 10	14 Feb 2019.	20 Feb 2019.	26 Feb - 06 Mar.	07 Mar 19.
Asia Asset Finance (AAF) T-2 @ LKR 10.0		LKR 218Mn	02 for 10	3 Apr 2019.	8 Apr 2019.	12 Apr - 23 Apr.	24 Apr 19.

### Rights Issues with pending dates

Company,	Issue Price	Proportion	Company,	Issue Price	Proportion
Agalawatte Plantations (AGAL)	LKR 15.3	21 for 4	Adam Investments PLC (AINV)	LKR 1.00	01 for 01
Adam Capital PLC (PCHH)	LKR 1.50	02 for 01	Blue Diamonds Jewellery (BLUE)	LKR 1.00	01 for 04
DFCC Bank PLC (DFCC)	LKR 72.00	02 for 05	On'ally Holdings PLC (ONAL)	LKR 19.00	01 for 15

### Upcoming Listings

Company	Issue Size	Coupon Rate	Price	Issue Opening	Tenure	Nature
Commercial Bank of Ceylon PLC (COMB)	LKR 15Bn	To be notified	100.00	To be Notified	5 - 10 Years	BASEL III
National Development Bank (NDB)	LKR 6.5Bn	To be notified	100.00	To be Notified	5 Years	BASEL III
Seylan Bank PLC (SEYB)	LKR 5Bn	To be notified	100.00	To be Notified	5 Years	BASEL III
Hatton National Bank PLC (HNB)	LKR 10Bn	To be notified	100.00	To be notified	5, 7 Years	BASEL III
Bogawantalawa Tea Estates (BOPL)	LKR 0.85Bn	To be notified	85.00	To be notified	5, 6 & 7 Years	Normal

## Market Highlights & Statistics

### Market Capitalisation

Company Name	Symbol	Price	Issued Quantity	Market Capitalisation	(as a % of MKT Cap.)
CEYLON TOBACCO COMPANY PLC	CTC.No000	1,420.00	187,323,751	265,999,726,420	10.51
JOHN KEELLS HOLDINGS PLC	JKH.No000	153.00	1,318,167,659	201,679,651,827	7.97
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	106.70	945,943,226	100,932,142,214	3.99
NESTLE LANKA PLC	NEST.No000	1,710.00	53,725,463	91,870,541,730	3.63
DIALOG AXIATA PLC	DIAL.No000	9.90	8,143,778,405	80,623,406,210	3.19
HATTON NATIONAL BANK PLC	HNB.No000	200.00	395,451,248	79,090,249,600	3.13
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	15.40	4,600,000,000	70,840,000,000	2.80
SAMPATH BANK PLC	SAMP.No000	230.10	280,902,248	64,635,607,265	2.55
CEYLON COLD STORES PLC	CCS.No000	609.70	95,040,000	57,945,888,000	2.29
AIA INSURANCE LANKA PLC	CTCE.No000	1,800.00	30,749,370	55,348,866,000	2.19

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
THE KINGSBURY PLC	501,458,711	25,100,534
ASIA SIYAKA COMMODITIES PLC	6,280,704	3,140,352
SAMPATH BANK PLC	228,729,161	962,088
AMANA BANK PLC	2,285,320	761,777
PANASIAN POWER PLC	1,509,303	503,101
ACCESS ENGINEERING PLC	6,696,315	489,558
EXPOLANKA HOLDINGS PLC	1,622,958	387,529
COMMERCIAL BANK OF CEYLON PLC	30,597,426	336,298
EAST WEST PROPERTIES PLC	3,857,265	261,366
UNION BANK OF COLOMBO PLC	2,686,438	244,221

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
THE KINGSBURY PLC	25,100,534	501,458,711
SAMPATH BANK PLC	962,088	228,729,161
CEYLON TOBACCO COMPANY PLC	104,700	150,241,030
COMMERCIAL BANK OF CEYLON PLC	336,298	30,597,426
COMMERCIAL BANK OF CEYLON PLC [X]	155,356	14,001,269
ACCESS ENGINEERING PLC	489,558	6,696,315
HATTON NATIONAL BANK PLC	32,443	6,490,877
ASIA SIYAKA COMMODITIES PLC	3,140,352	6,280,704
CHEVRON LUBRICANTS LANKA PLC	69,584	4,734,253
EAST WEST PROPERTIES PLC	261,366	3,857,265

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
NATION LANKA	0.70	0.10	16.67	48,501
KOTMALE HOLDINGS	185.80	14.90	8.72	57,791
BROWNS INVSTMNTS	1.80	0.10	5.88	241,353
SIERRA CABL	1.90	0.10	5.56	21,851
COMM LEASE & FIN	2.60	0.10	4.00	884
NAMUNUKULA	72.90	2.80	3.99	14,718
SINGER SRI LANKA	28.80	0.90	3.23	18,368
R I L PROPERTY	6.70	0.20	3.08	103,846
LANKA REALTY	22.50	0.60	2.74	369,753
SINHAPUTHRA FIN	9.90	0.20	2.06	1,336,767

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS [X]	0.20	(0.10)	(33.33)	27,703
MULLERS	0.60	(0.10)	(14.29)	12,006
SINGHE HOSPITALS	1.30	(0.20)	(13.33)	650
CITRUS LEISURE	4.00	(0.60)	(13.04)	281,264
ARPICO	170.10	(22.90)	(11.87)	223,164
TEA SMALLHOLDER	23.00	(3.00)	(11.54)	5,290
BROWNS	50.00	(6.00)	(10.71)	59,871
FORT LAND	14.40	(1.60)	(10.00)	14,400
MULTI FINANCE	18.00	(1.70)	(8.63)	61,598
CITRUS WASKADUWA	2.30	(0.20)	(8.00)	28,932

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
The Kingsbury PLC	SERV.No000	20.00	1	25,000,000	500,000,000.00
Ceylon Tobacco Company PLC	CTC.No000	1,435.00	1	104,657	150,182,795.00
Sampath Bank PLC	SAMP.No000	243.00	1	500,000	121,500,000.00



## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	15,790.48	15,921.90	300,564,211	3,365,200	1,061	4.80	0.90
BEVERAGE FOOD AND TOBACCO	23,885.50	24,018.29	154,598,629	321,310	130	17.20	5.80
CONSTRUCTION AND ENGINEERING	1,380.29	1,388.97	7,383,066	617,716	175	15.30	0.50
CHEMICALS AND PHARMACEUTICALS	5,187.95	5,197.42	27,024	20,165	17	7.60	0.80
DIVERSIFIED HOLDINGS	1,508.57	1,517.07	6,963,460	665,994	235	10.60	0.90
FOOTWEAR AND TEXTILE	920.44	922.46	144,733	16,206	18	54.50	0.90
HOTELS AND TRAVELS	2,617.03	2,626.30	504,922,476	25,322,441	279	97.30	1.60
HEALTH CARE	810.53	815.52	1,240,642	45,095	21	16.50	1.80
INVESTMENT TRUSTS	8,938.25	9,146.77	1,548,342	43,307	107	0.00	0.40
INFORMATION TECHNOLOGY	24.96	24.96	21	5	1	0.00	0.00
LAND AND PROPERTY	537.15	536.97	6,394,110	450,580	286	5.40	0.60
MANUFACTURING	2,675.19	2,741.76	9,137,647	398,608	529	8.30	0.80
MOTORS	12,152.14	12,234.08	258,948	3,138	17	16.80	0.50
OIL PALMS	49,335.27	49,335.27	3,832	6	5	59.10	1.30
POWER & ENERGY	94.59	95.83	3,339,433	697,266	171	83.30	1.10
PLANTATIONS	754.37	766.01	691,060	61,578	90	25.20	0.70
STORES SUPPLIES	28,210.71	28,210.71	1,275	4	3	17.40	0.50
SERVICES	15,746.37	15,878.96	6,339,054	3,151,506	28	14.60	1.20
TELECOMMUNICATIONS	134.56	134.56	323,845	32,498	40	5.70	0.90
TRADING	11,020.21	11,452.46	89,207	23,252	26	50.60	0.60

### GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	466.49	494.64	41,947	1,205	8	4.80	0.60
Banks	786.51	794.23	288,952,416	2,496,879	519	5.40	0.70
Capital Goods	815.72	824.14	13,189,807	670,989	407	10.50	0.80
Commercial & Professional Services	787.74	788.23	25,714	403	5	0.00	1.00
Consumer Durables & Apparel	749.93	774.29	1,039,428	214,685	99	38.90	1.00
Consumer Services	240.56	243.11	504,922,464	25,322,441	279	103.10	1.60
Diversified Financials	748.39	755.59	14,739,075	3,893,595	441	5.20	1.00
Energy	516.36	527.21	997,861	53,869	74	0.00	0.80
Food & Staples Retailing	1,235.47	1,250.22	37,710	20,924	6	22.40	2.10
Food, Beverage & Tobacco	913.63	917.46	156,298,320	655,251	321	16.20	2.70
Health Care Equipment & Services	870.25	876.02	1,252,669	65,110	26	16.60	1.80
Household & Personal Products	931.21	931.21	137,473	13,746	12	12.70	1.70
Insurance	2,084.91	2,089.36	2,848,047	54,314	103	3.50	1.60
Materials	510.95	522.74	6,796,453	152,021	366	8.30	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,757.29	1,757.29	9,141	14	5	5.10	1.40
Real Estate	734.38	733.96	7,595,745	465,467	350	5.10	0.60
Retailing	758.65	754.76	306,852	13,505	34	17.30	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	703.06	703.06	323,845	32,498	40	5.70	0.90
Transportation	702.71	719.44	1,622,958	387,529	30	7.70	0.70
Utilities	710.62	712.70	2,341,572	643,397	97	10.00	0.70

## Economic Indicators & Other Statistics

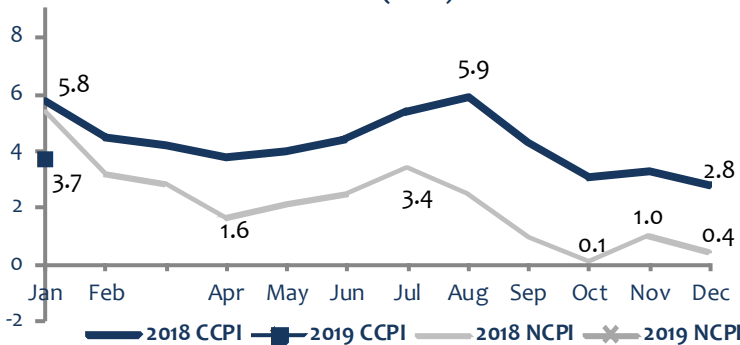
### Exchange Rates

Currency	21st Feb		20th Feb	
	Buying	Selling	Buying	Selling
Dollar (USA)	177.51	181.37	177.64	181.50
Pound (UK)	230.30	237.74	231.01	238.47
Euro (EU)	199.97	207.03	200.30	207.37
Dollar (Australia)	125.81	131.15	126.09	131.44
Dollar (Canada)	133.85	138.82	133.79	138.76
Franc (Switzerland)	176.17	182.43	176.34	182.58
Renminbi (China)	26.11	27.35	26.09	27.33
Yen (Japan)	1.5923	1.6512	1.5922	1.6511
Dollar (Singapore)	130.66	135.12	130.76	135.22

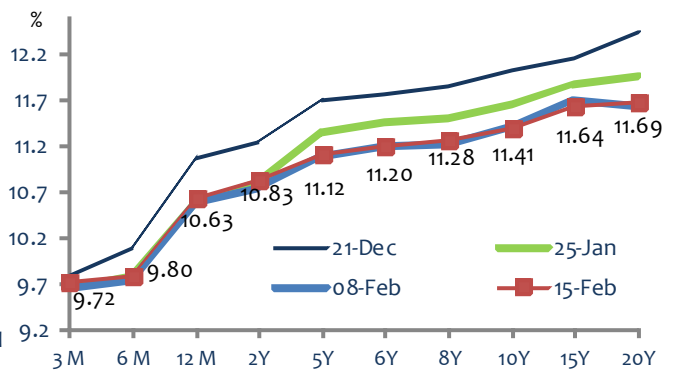
### Indicative Rates

Currency	21st Feb	20th Feb
	Ind: Value	Ind: Value
Yuan (Offshore)	26.7212	26.7032
Rupee (India)	2.5271	2.5154
Won (Korean)	0.1596	0.1603
Dinar (Kuwait)	591.1922	592.6085
Ringgit (Malay)	44.1017	43.7548
Rial (Oman)	466.5044	466.6984
Riyal (Qatar)	49.3249	49.3366
Riyal (KSA)	47.8900	47.9086
Dirham (UAE)	48.8965	48.9168

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



### Government Securities - Secondary Market Yield



### Central Bank's Policy Rates

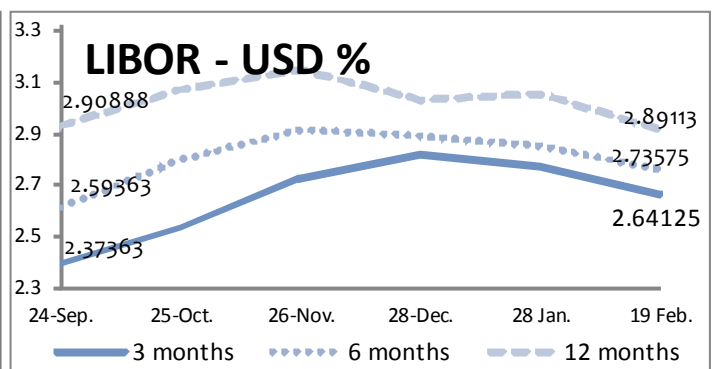
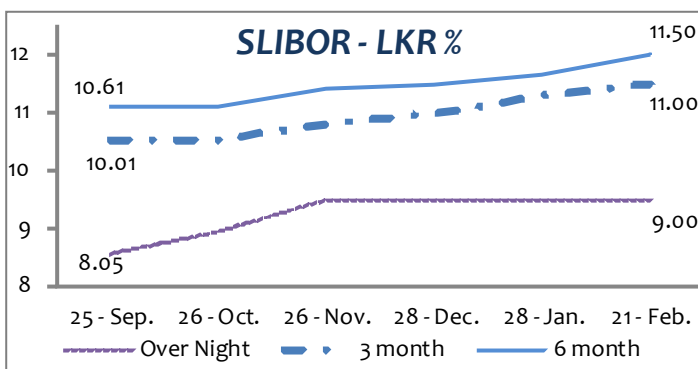
Description	Present	Previous		20.02.2019	13.02.2019	06.02.2019	30.01.2019
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	9.55	na
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	9.87	na	9.87	na
Bank Rate	15.00%	15.00%	364 Days %	10.73	10.72	10.69	10.69
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	22.5Bn	21Bn	24Bn	21Bn

### Treasury Bill Issuance

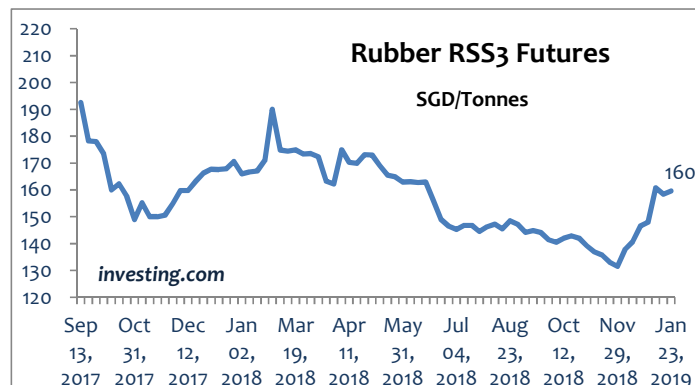
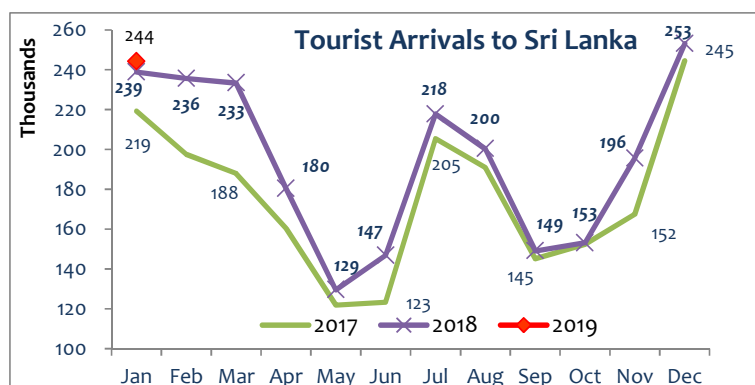
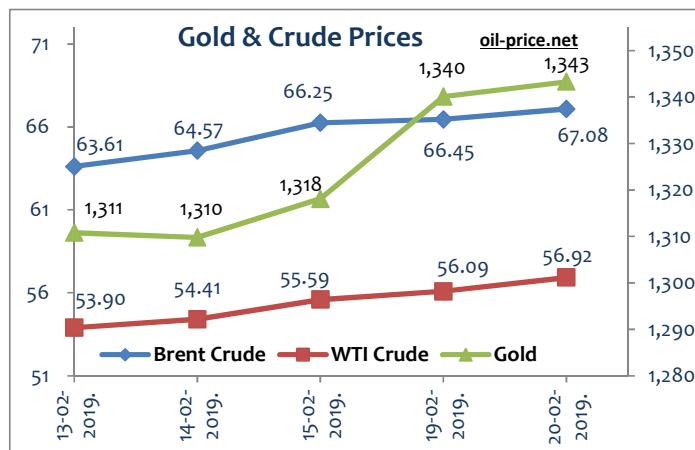
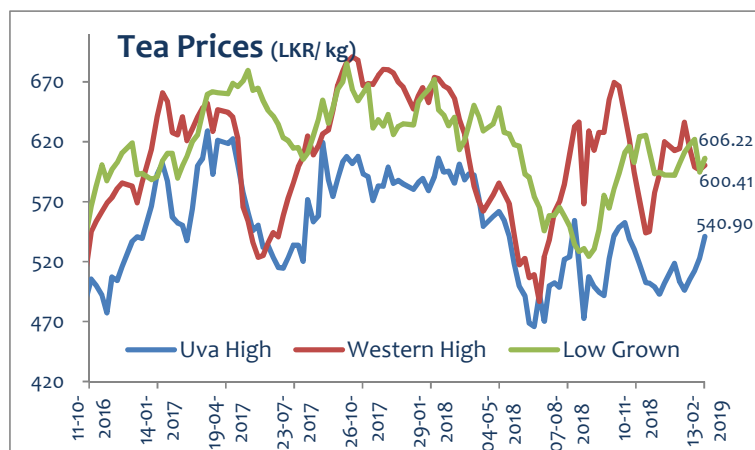
Date	05.02.2019	17.07.2016	11.01.2019	17.07.2016	17.09.2018	05.02.2019	11.01.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	10.85	11.14	11.58	11.21	10.32	11.30	11.73	11.90
Previous Auction	13.12.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	13.12.2018	15.08.2018	16.07.2018
Previous Yield	11.88	11.37	11.69	11.38	10.53	12.23	10.20	10.88

### Treasury Bond Issuance

Date	05.02.2019	17.07.2016	11.01.2019	17.07.2016	17.09.2018	05.02.2019	11.01.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	10.85	11.14	11.58	11.21	10.32	11.30	11.73	11.90
Previous Auction	13.12.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	13.12.2018	15.08.2018	16.07.2018
Previous Yield	11.88	11.37	11.69	11.38	10.53	12.23	10.20	10.88



## Economic Indicators & Other Statistics



## Local News

### Sri Lanka raises borrowing limit for dollar denominated bonds-govt sources

(Reuters) - Sri Lanka has increased its borrowing limit for dollar denominated bonds to \$3 billion and chosen seven lead managers to tap the international market as soon as possible, three government sources said on Tuesday. The decision followed a delay in a pledged loan from Bank of China, the sources, who are familiar with the matter, told Reuters. If market conditions are conducive, the sovereign bond could be raised to \$3 billion, they said. The bonds would be in multiple tranches and the tenure would vary between five and 30 years, the sources said.

### External ecstasy, domestic danger for SL

Global giant Standard Chartered Bank yesterday predicted external factors are likely to be less adversarial for the Sri Lankan economy in 2019, though domestic challenges remain, whilst prospects would be much better next year. Lower oil prices, dovish policy by the US Federal Reserve, a less robust US Dollar, and foreign investor focus on South and Southeast Asia resultant to the US-China trade war, are some of the factors that will have a positive impact on the Sri Lankan economy, according to Standard Chartered Bank Global Chief Economist David Mann. Sharing key highlights of its Global Research Briefing 2019 in Colombo, Mann said global growth and world trade were expected to be less buoyant this year.

SCB expects the Sri Lankan economy to grow by 4.2% this year, up from an estimated 3% in 2018 and to be bettered by 4.5% in 2020. However, he predicted 2019 will be a challenging year in terms of the looming debt-servicing challenge, and hence a reserves build-up would be necessary. "The Government will have to raise \$ 5 billion by March or April, whilst the debt repayment challenge coincides with the election cycle. (ft.lk)

### Sri Lanka's January tea export shipments up 13-pct

ECONOMYNEXT – Sri Lanka's tea exports in January 2019 rose almost 13 percent or by 2.7 million kilos to 23.6 million kilos from a year ago, brokers said. Tea bags and packeted tea have shown a growth during the period under review, while bulk tea exports decreased, Forbes & Walker Tea Brokers said. Total tea export revenue rose 17.5 percent or by three billion rupees to 20.1 billion rupees during the period. The broker said the FOB or free on board values of exports were up four per cent or 33.41 rupees to 852.14 rupees a kilo in January 2019 from the year before.



### Five new BOI projects to start in Jaffna

Among the existing investments under Board of Investment in the Northern Province are six apparel manufacturers and 15 other projects. When these are all operational the total investment will be Rs. 16.29Bn and the total employment generation will be for 837 workers. In addition to the existing projects in the Jaffna District, recently five new projects have been established in the province. Joule Power Ltd. with an investment of Rs. 2.95Bn and Beta Power Ltd. with an investment of Rs. 3.1Bn have already commenced their operations in power generation. These projects will contribute 10MW from each project to increase the share, by the end of next decade of electric generation by the renewable energy supply. Another two more power generation projects under the purview of the BOI are awaiting commercial operation. Vayu Sakthi Vitpannar Ltd. with an investment of Rs. 2.2Bn and Yarl Vayu Pagavan Ltd. with an investment of Rs. 2.2Bn will additionally contribute 10 MW of electricity to the national grid. Sakthi Agro International Ltd is awaiting commercial operation, will be engaged in the manufacture of coconut fibre products and will utilise 35,000-40,000 coconut husks per day for their manufacturing process. This will be a Rs. 72.75mn investment. The project will initially provide employment to nearly 35 staff. These coco peat fibre products will be exported to discerning markets such as the USA, Netherland, Malaysia and Japan. (ft.lk)

## Foreign News

### Asia shares rise on U.S.-China trade deal optimism, Aussie tumbles

(Reuters) - Asian shares pulled ahead to fresh 4-1/2-month highs and U.S. equity futures rose on a Reuters report that the United States and China have started to tackle the stickiest issues in their trade war. Australian shares gained 0.7 percent, closing at a six-month high, but the Australian dollar tumbled sliding on fears a ban on the country's coal by a Chinese port would hurt its already slowing economy. Japan's Nikkei ended 0.1 percent higher. Hong Kong's Hang Seng rose 0.1 percent, while Chinese blue-chips were last down 0.2 percent, giving up their gains after hitting their highest since early August last year.

Investors have been cheered over recent days by signs of progress in Sino-U.S. trade talks. The trade war between the economic giants has roiled financial markets over the past year.

Trump had suggested on Tuesday he was open to pushing off the deadline to complete negotiations, saying March 1 was not a "magical" date. Sentiment also got a lift after the U.S. Federal Reserve on Wednesday affirmed it would be "patient" on further interest rate rises.

On Wall Street, all three major U.S. equity indexes ended in positive territory on Wednesday after minutes from the Fed's Jan. 29-30 meeting indicated policymakers see little risk to leaving rates alone, for now.

The Fed signaled it will soon lay out a plan to stop letting go of \$4 trillion in bonds and other assets, though policymakers are still debating how long their newly adopted "patient" stance on U.S. rates will last.

Japanese manufacturing activity contracted in February for the first time in two-and-a-half years as factories cut output amid shrinking domestic and export orders, a private business survey showed on Thursday.

In the **commodity market**, crude prices rose more than 1 percent on Wednesday to their highest in 2019 on hopes that oil markets will balance later this year. Oil prices were also helped by output cuts from top producers and U.S. sanctions on the Organization of the Petroleum Exporting Countries (OPEC) members Iran and Venezuela. U.S. crude was last up 0.3 percent, or 17 cents, at \$57.33 per barrel. Brent was 0.1 percent, or 5 cents, higher at \$67.13. Gold was steady at \$1,338.50, close to a 10-month peak of \$1,346.70 scaled on Wednesday.

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