

# DAILY STOCK MARKET HIGHLIGHTS

Friday, 22 February 2019



**ASHA PHILLIP  
SECURITIES LTD**

Sri Lanka

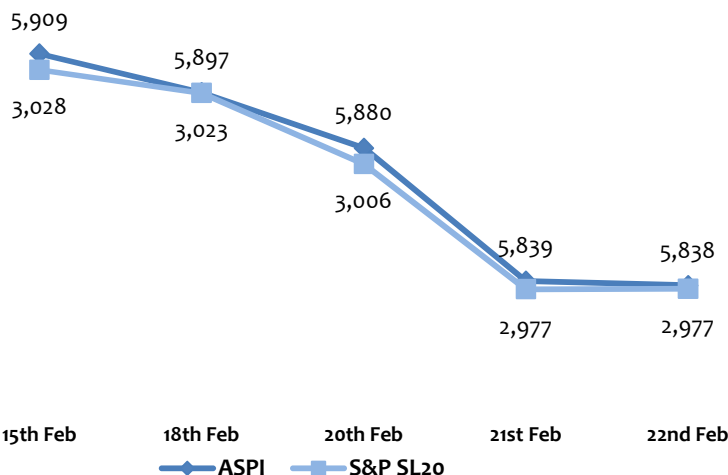
## Daily Market Statistics

Index	22nd Feb	21st Feb	Change	% Change
ASPI	5,837.72	5,839.04	↓ (1.32)	↓ -0.02%
S&P SL20	2,977.47	2,977.35	↑ 0.12	↑ 0.00%
Market Stats (LKR, Mn)		22nd Feb	21st Feb	% Change
Turnover		489.34	1,003.97	↓ -51.3%
Domestic Purchases		431.84	972.41	↓ -55.6%
Domestic Sales		131.64	929.32	↓ -85.8%
Foreign Purchases		57.50	31.56	↑ 82.2%
Foreign Sales		357.69	74.66	↑ 379.1%
Share Volume		12.17	35.24	↓ -65.5%
Market capitalization (Bn)		2,728.60	2,729.22	↓ -0.02%
PER		9.13	9.13	↓ 0.00%
PBV		1.15	1.15	↓ 0.00%

## Performance of the Market

- Bourse was negative during most parts of the session. Central Bank of Sri Lanka's decision to reduce the Statutory Reserve Ratio to 5%, failed to boost the interest of anxious investors.
- Benchmark index ASPI moved between 5,824.42 - 5,844.98 points and settled the day at 5,837.72 with a loss of 1.32 points (-0.02%).
- Major contributors for the movement in ASPI were **DIST (+4.9)**, **JKH (+4.2)**, **CARG (+2.2)**, **MELS (+1.2)**, **LOLC (+1.2)**, **SLTL (-3.9)**, **LLUB (-2.1)**, **CLC (-1.4)**, **SINS (-1)** & **PLC (-1)**
- S&P SL20 index followed the same trend, but settled the day at 2,977.47 with a marginal gain of 0.12 points (+0.00%).
- The day's turnover was recorded as LKR 489.34Mn, down by 51% from its previously recorded LKR 1,003.97Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.73Tn, indicating an YTD loss of 3.90%.
- The market PER & PBV were at 9.13x & 1.15x respectively.

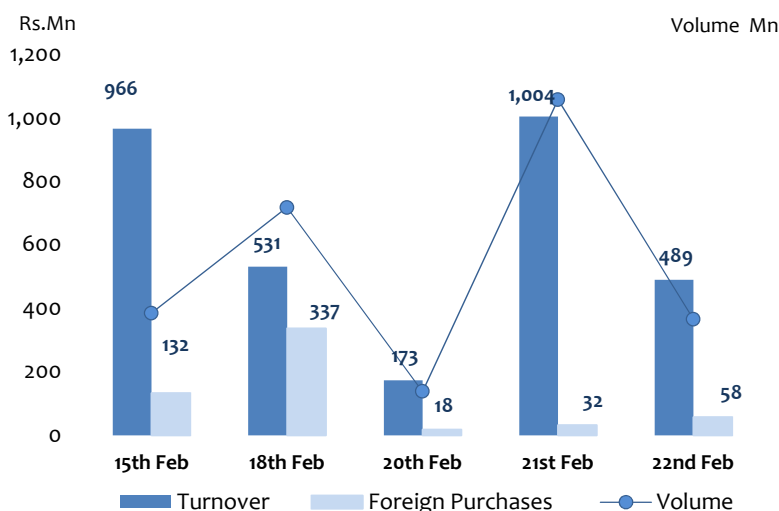
## Market Indices



## Top Contributors - Turnover

- LOLC Holdings PLC (LOLC) contributed 70% (343.13Mn) of the turnover. LOLC traded between LKR 87.20 & 91.00 and settled the day at LKR 89.00 with a gain of LKR 1.20 (+1.37%); about 99.9% (342.67Mn) of its turnover was contributed through an off board trade of 3.8Mn shares negotiated at the price of LKR 90.00.
- Tokyo Cement Company (Lanka) PLC (TKYO) had contributed LKR 31.97Mn. TKYO traded between LKR 22.80 & LKR 24.00 and settled the day LKR 23.00 on par with its previous closing; about 66% (21.14Mn) of its turnover was contributed through an off board trade of 0.92Mn shares negotiated at the price of LKR 23.00
- John Keells Holdings PLC (JKH) contributed LKR 29.03Mn. JKH traded between LKR 153.00 & LKR 156.00 and settled the day LKR 154.50 with a gain of LKR 1.50 (+0.98%).

## Turnover, Volume and Foreign Purchase



**Top contributors - Traded Volume**

1. LOLC Holdings PLC traded a total of 3.81Mn shares.
2. Tess Agro PLC (1.9Mn shares)
3. Tokyo Cement Company (Lanka) PLC (1.39Mn shares).

**Sectorial Overview**

1. Bank Finance & Insurance (BFI) sector stood on top providing LKR 374.37Mn capturing 77% of the total turnover.
2. Manufacturing (MFG) sector provided LKR 55.44Mn to the daily aggregated turnover.
3. Diversified Holdings (DIV) sector provided LKR 34.90Mn

**Daily Foreign Transactions**

**Net Foreign Purchases**

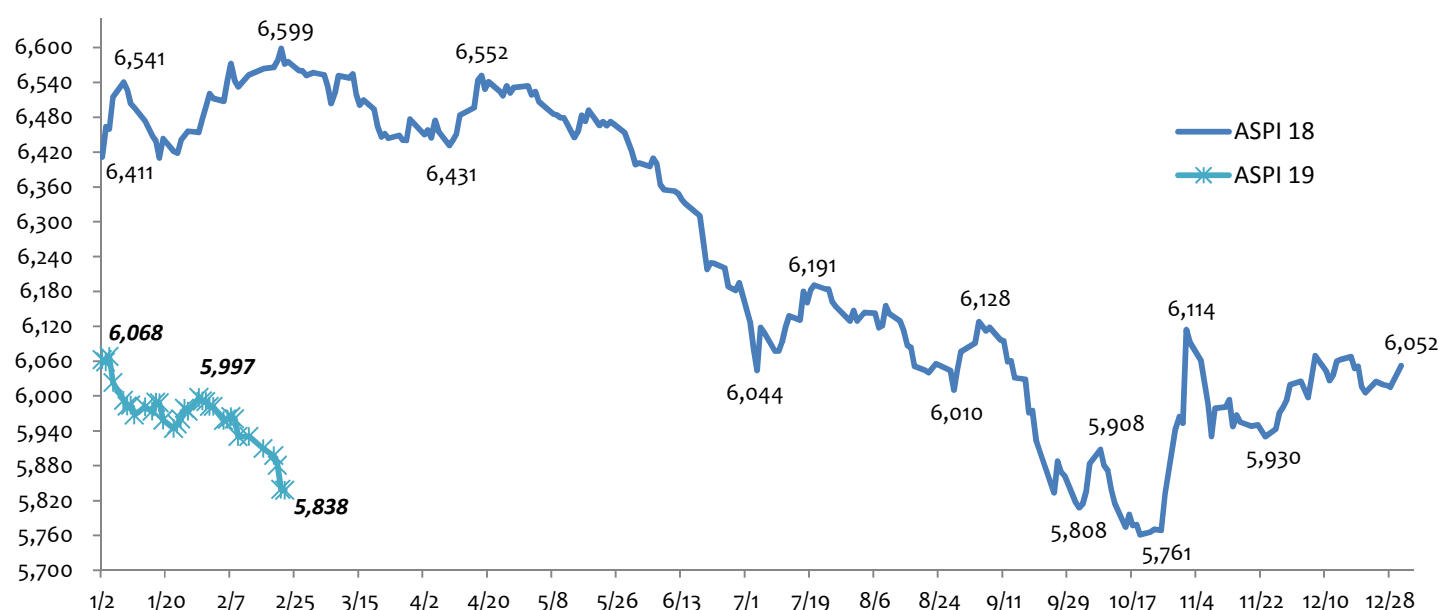
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
TOKYO CEMENT	23.00	1,136,305	26,135,015
JKH	154.50	88,521	13,676,495
HNB[X.0000] (+)	157.00	5,612	881,084
OVERSEAS REALTY (+)	16.00	39,074	625,184
DIALOG (+)	9.90	50,000	495,000
HNB (+)	199.00	2,119	421,681
CARGILLS	200.0	1,735	347,000
UNION ASSURANCE (+)	325.00	1,026	333,450
EXPOLANKA	4.20	33,509	140,738
VALLIBEL	6.10	13,617	83,064

**Net Foreign Sales**

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
LO L C HOLDINGS	90.00	(3,807,493)	(342,674,370)
CENTRAL FINANCE	90.00	(8,781)	(790,290)
CHEVRON (+)	62.90	(9,636)	(606,104)
LANKA TILES	73.00	(1,160)	(84,680)

- **Aggregate foreign buying** for the day totaled up to **LKR 57.5Mn**.
- **Foreign sales** for the day amounted to **LKR 357.69Mn**.
- **Net foreign outflow** for the day was **LKR 300.19Mn**, **YTD net foreign outflow** presently stands at **LKR 5.47Bn**.
- **TKYO** notched the “Top Net Purchasers” slot with a net inflow of **LKR 26.14Mn** whilst **LOLC** notched the “Top net Sellers” slot with a net outflow of **LKR 342.67Mn**.

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



## Key Announcements

### 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

### 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

## Key Announcements

### Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
CTEA	20.00	Interim	15.Feb.2019	25.Feb.2019	HASU	7.00	Final	29.Mar.2019	08.Apr.2019
TJL	0.85	1st Interim	18.Feb.2019	28.Feb.2019	CSD	1.00	First & Final	29.Mar.2019	08.Apr.2019
TYRE	2.50	2nd Interim	21.Feb.2019	05.Mar.2019	SLTL	1.06	First & Final	29.Mar.2019	08.Apr.2019
KFP	4.00	Interim	22.Feb.2019	06.Mar.2019	OSEA	1.25	First & Final	01.Apr.2019	09.Apr.2019
LLUB	1.50	4th Interim	28.Feb.2019	12.Mar.2019	SAMP	5.00	First & Final	01.Apr.2019	09.Apr.2019
DFCC	3.50	First & Final	28.Feb.2019	12.Mar.2019	HNB	3.50	Final	01.Apr.2019	09.Apr.2019
CONN	2.50	2nd Interim	05.Mar.2019	13.Mar.2019	NEST	25.00	Final	09.May.2019	17.May.2019
NEST	25.00	Interim	05.Mar.2019	14.Mar.2019	COMD	3.50	Final	16.May.2019	27.May.2019
CCS	7.00	Interim	06.Mar.2019	15.Mar.2019	CTC	15.77	Final	Dates to be notified	
NDB	1.50	First & Final	06.Mar.2019	15.Mar.2019	DIAL	0.37	Final	Dates to be notified	
CTCE	25.00	First & Final	28.Mar.2019	05.Apr.2019	PINS	1.10	2nd Interim	Dates to be notified	
SEYB	0.50	Final	29.Mar.2019	08.Apr.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	40.8720928942	25.5813924919	29.Mar.19	08.Apr.19
HNB	200, 157	3.00	67.1096360444	52.1594765342	01.Apr.19	09.Apr.19
HHL	84.00	3.08	27.2607815916991	na	Dates to be notified	
NDB	107.50	5.87	18.316095000	na	Dates to be notified	
COMB	106.6, 90.0	1.72	62.034884700	52.383720827	Dates to be notified	

### 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.

### Mandatory Offer

Type	Offeror	Offeree	Offer Closing	Offer Price per Share
	Serenity Lake Leisure (Private) Limited	Hunas Falls Hotels PLC (HUNA)	To be notified	LKR 187.00

### 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

## 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	10.52
JOHN KEELLS HOLDINGS PLC	JKH.No000	154.50	1,318,167,659	203,656,903,316	8.05
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	107.10	945,943,226	101,310,519,505	4.01
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	199.00	395,451,248	78,694,798,352	3.11
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	15.90	4,600,000,000	73,140,000,000	2.89
SAMPATH BANK PLC	SAMP.No000	231.10	280,902,248	64,916,509,513	2.57
CEYLON COLD STORES PLC	CCS.No000	609.70	95,040,000	57,945,888,000	2.29
AIA INSURANCE LANKA PLC	CTCE.No000	1,798.60	30,749,370	55,305,816,882	2.19

### Highest Volume

Company Name	Turnover (Rs)	Share Vol.
LOLC HOLDINGS PLC	343,131,454	3,812,628
TESS AGRO PLC	763,012	1,903,742
TOKYO CEMENT COMPANY (LANKA) PLC	31,965,468	1,389,799
LANKEM DEVELOPMENTS PLC	1,903,752	478,371
ACCESS ENGINEERING PLC	5,463,608	406,060
TEEJAY LANKA PLC	10,364,446	323,910
SIERRA CABLES PLC	573,726	318,403
NATION LANKA FINANCE PLC	183,919	306,523
PANASIAN POWER PLC	613,500	204,500
JOHN KEELLS HOLDINGS PLC	29,025,590	188,238

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
LOLC HOLDINGS PLC	3,812,628	343,131,454
TOKYO CEMENT COMPANY (LANKA) PLC	1,389,799	31,965,468
JOHN KEELLS HOLDINGS PLC	188,238	29,025,590
HATTON NATIONAL BANK PLC	55,829	11,109,223
TEEJAY LANKA PLC	323,910	10,364,446
CHEVRON LUBRICANTS LANKA PLC	119,719	7,705,614
ACCESS ENGINEERING PLC	406,060	5,463,608
AITKEN SPENCE PLC	71,147	3,209,408
HATTON NATIONAL BANK PLC [X]	18,988	2,981,377
PEOPLE'S LEASING & FINANCE PLC	171,232	2,442,217

### Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
RAMBODA FALLS	21.00	3.50	20.00	59,656
MULTI FINANCE	19.90	1.90	10.56	42,347
RENUKA HOLDINGS	17.80	1.60	9.88	275,736
SINGHE HOSPITALS	1.40	0.10	7.69	5,924
PRIME FINANCE	18.80	1.30	7.43	2,071
CITY HOUSING	4.50	0.20	4.65	24,343
MASKELIYA	10.90	0.40	3.81	98,460
KOTMALE HOLDINGS	192.10	6.30	3.39	35,919
AMBEON HOLDINGS	9.40	0.30	3.30	71,436
DISTILLERIES	15.90	0.50	3.25	14,740

### Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
LIGHTHOUSE HOTEL	25.50	(4.50)	(15.00)	163,195
LANKA VENTURES	36.60	(6.40)	(14.88)	33,097
NATION LANKA	0.60	(0.10)	(14.29)	183,919
LANKA ASHOK	628.00	(74.00)	(10.54)	206,697
MORISONS	660.00	(60.90)	(8.45)	420,402
BANSEI RESORTS	5.80	(0.50)	(7.94)	6,053
GUARDIAN CAPITAL	20.80	(1.60)	(7.14)	9,595
TANGERINE	39.90	(3.00)	(6.99)	11,924
SERENDIB ENG.GRP	7.00	(0.50)	(6.67)	46,328
CHEVRON	62.90	(4.00)	(5.98)	7,705,614

### Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Lanka Orix Leasing Company PLC	LOLC.No000	90.00	1	3,807,493	342,674,370.00
Tokyo Cement Company (Lanka) PLC	TKYO.No000	23.00	1	919,118	21,139,714.00

## Market Highlights & Statistics

### Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	15,764.51	15,790.48	374,365,288	4,986,301	749	4.70	0.90
BEVERAGE FOOD AND TOBACCO	24,001.05	23,885.50	3,857,833	236,441	115	17.20	5.80
CONSTRUCTION AND ENGINEERING	1,376.41	1,380.29	7,498,805	883,946	202	15.20	0.50
CHEMICALS AND PHARMACEUTICALS	5,049.97	5,187.95	1,297,724	8,765	21	7.40	0.80
DIVERSIFIED HOLDINGS	1,514.52	1,508.57	34,901,774	563,929	243	10.60	0.90
FOOTWEAR AND TEXTILE	922.46	920.44	465,604	51,806	27	54.70	0.90
HOTELS AND TRAVELS	2,613.98	2,617.03	2,879,043	196,259	331	97.20	1.60
HEALTH CARE	813.03	810.53	295,804	15,339	28	16.50	1.80
INVESTMENT TRUSTS	8,956.10	8,938.25	1,604,291	52,683	66	0.00	0.40
INFORMATION TECHNOLOGY	24.96	24.96	64,239	15,057	7	0.00	0.00
LAND AND PROPERTY	536.29	537.15	1,687,711	129,668	136	5.40	0.60
MANUFACTURING	2,647.25	2,675.19	55,438,350	2,473,957	658	8.20	0.80
MOTORS	11,964.31	12,152.14	409,881	3,071	24	16.60	0.50
OIL PALMS	49,335.27	49,335.27	7,120	10	1	59.10	1.30
POWER & ENERGY	94.43	94.59	2,002,943	356,728	85	83.20	1.10
PLANTATIONS	754.39	754.37	913,508	53,826	75	25.20	0.70
STORES SUPPLIES	28,210.71	28,210.71	2,741	4	3	17.40	0.50
SERVICES	15,743.87	15,746.37	611,216	215,417	55	14.60	1.20
TELECOMMUNICATIONS	132.54	134.56	219,579	15,767	31	5.70	0.80
TRADING	10,797.89	11,020.21	814,365	1,908,328	97	49.60	0.60

### GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	463.81	466.49	99,386	2,884	11	4.80	0.60
Banks	785.21	786.51	18,128,620	180,067	207	5.40	0.70
Capital Goods	817.62	815.72	42,046,900	1,126,796	440	10.50	0.80
Commercial & Professional Services	787.74	787.74	1,083	25	2	0.00	1.00
Consumer Durables & Apparel	755.16	749.93	11,299,844	457,143	112	39.20	1.00
Consumer Services	239.72	240.56	2,879,043	196,259	335	103.00	1.60
Diversified Financials	744.77	748.39	351,414,912	4,668,450	427	5.20	1.00
Energy	515.11	516.36	582,371	31,512	45	0.00	0.80
Food & Staples Retailing	1,250.22	1,235.47	1,111,263	1,908,080	89	22.70	2.20
Food, Beverage & Tobacco	916.78	913.63	7,161,533	877,117	322	16.20	2.70
Health Care Equipment & Services	872.89	870.25	360,643	31,396	37	16.60	1.80
Household & Personal Products	925.82	931.21	65,601	6,621	8	12.60	1.70
Insurance	2,088.39	2,084.91	5,545,352	193,335	151	3.50	1.60
Materials	501.97	510.95	43,261,588	1,751,324	485	8.10	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,632.30	1,757.29	420,402	637	6	4.70	1.30
Real Estate	733.34	734.38	2,217,702	137,710	145	5.10	0.60
Retailing	749.24	758.65	714,260	164,669	36	17.10	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	692.51	703.06	219,579	15,767	31	5.70	0.90
Transportation	719.44	702.71	77,212	18,689	8	7.90	0.70
Utilities	710.14	710.62	1,420,572	325,216	40	10.00	0.70



## Economic Indicators & Other Statistics

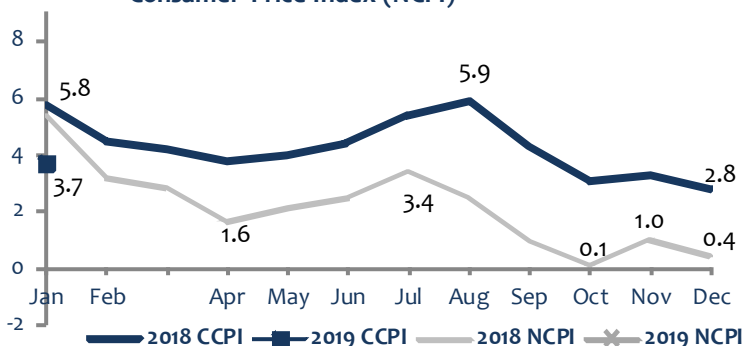
### Exchange Rates

Currency	22nd Feb		21st Feb	
	Buying	Selling	Buying	Selling
Dollar (USA)	177.45	181.31	177.51	181.37
Pound (UK)	230.22	237.66	230.30	237.74
Euro (EU)	199.88	206.95	199.97	207.03
Dollar (Australia)	124.62	129.92	125.81	131.15
Dollar (Canada)	133.32	138.27	133.85	138.82
Franc (Switzerland)	176.14	182.38	176.17	182.43
Renminbi (China)	26.05	27.29	26.11	27.35
Yen (Japan)	1.5920	1.6509	1.5923	1.6512
Dollar (Singapore)	130.35	134.81	130.66	135.12

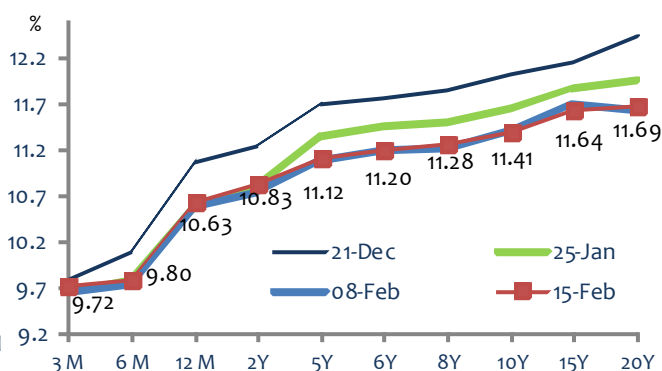
### Indicative Rates

Currency	22nd Feb	21st Feb
	Ind: Value	Ind: Value
Yuan (Offshore)	26.7019	26.7212
Rupee (India)	2.5219	2.5271
Won (Korean)	0.1596	0.1596
Dinar (Kuwait)	591.3526	591.1922
Ringgit (Malay)	43.9824	44.1017
Rial (Oman)	466.3852	466.5044
Riyal (Qatar)	49.3055	49.3249
Riyal (KSA)	47.8777	47.8900
Dirham (UAE)	48.8840	48.8965

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



### Government Securities - Secondary Market Yield



### Central Bank's Policy Rates

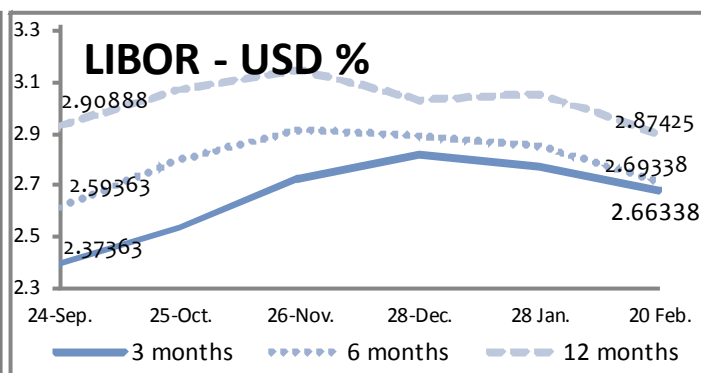
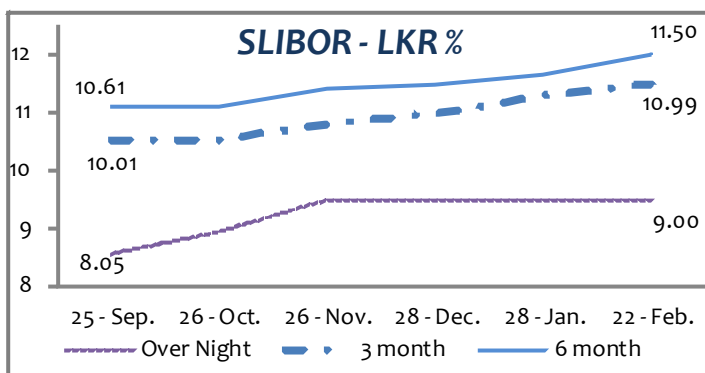
Description	Present	Previous		20.02.2019	13.02.2019	06.02.2019	30.01.2019
Standing Deposit Facility (SDF)	8.00%	8.00%	91 Days %	na	na	9.55	na
Standing Lending Facility (SLF)	9.00%	9.00%	182 Days %	9.87	na	9.87	na
Bank Rate	15.00%	15.00%	364 Days %	10.73	10.72	10.69	10.69
Statutory Reserve Ratio (SRR)	5.00%	6.00%	Amount	22.5Bn	21Bn	24Bn	21Bn

### Treasury Bill Issuance

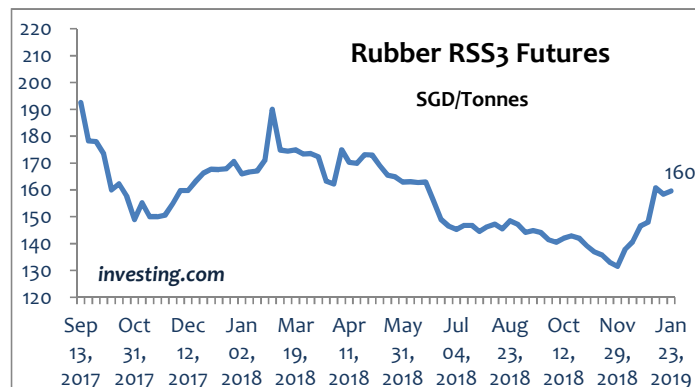
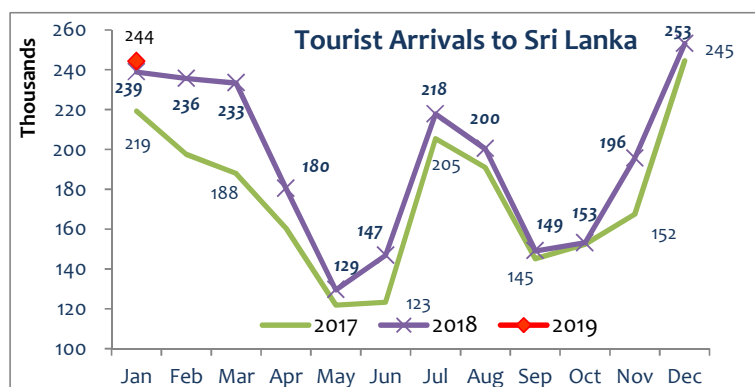
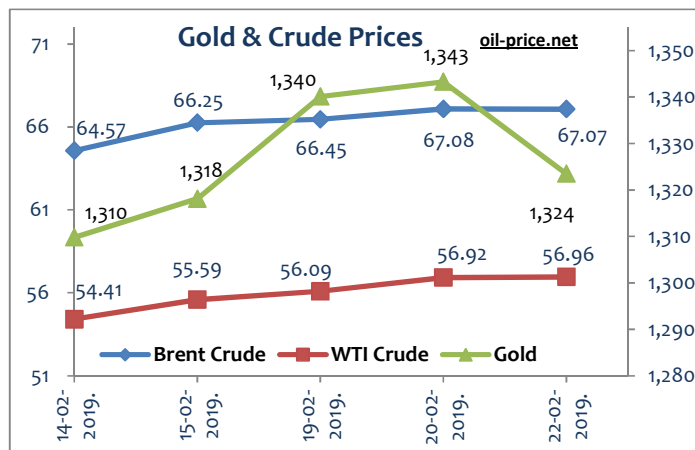
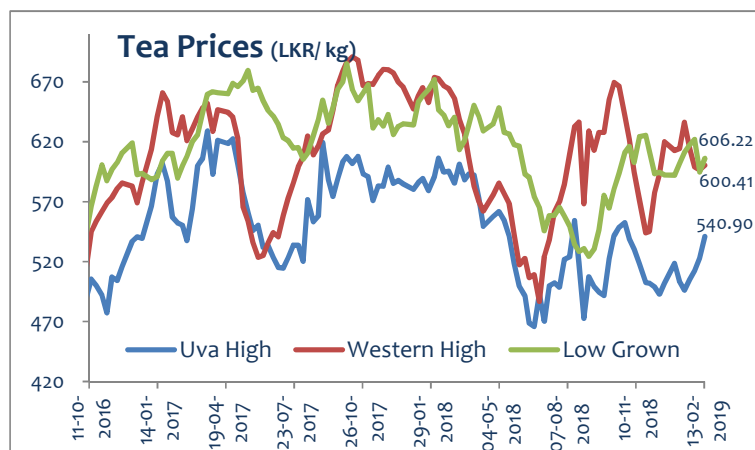
Date	05.02.2019	17.07.2016	11.01.2019	17.07.2016	17.09.2018	05.02.2019	11.01.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	10.85	11.14	11.58	11.21	10.32	11.30	11.73	11.90
Previous Auction	13.12.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	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's national inflation picks up to 1.2-pct in January

Sri Lanka's nation-wide inflation picked up to 1.2 percent in the 12-months to January 2019 from 0.4 percent in December 2018, the highest in five months, the central bank said.

The increase observed in year-on-year inflation in January 2019 was mainly driven by the base effect and increase of prices of items in non-food category, a statement said. Non-food inflation increased to 6.5 percent in January 2019 from 4.7 percent in December 2018.

However, year-on-year food inflation decreased further to -4.8 percent in January 2019 from -4.5 percent in December 2018. The month on month change of the National Consumer Price Index, calculated by the Department of Census and Statistics, increased by 0.2 per cent in January 2019. ([economynext.com](http://economynext.com))

### Sri Lanka SRR cut to inject Rs60bn in cash; no forex pressure expected: Governor

A cut in the share of deposit that commercial banks must place with central bank (statutory reserve ratio) from 6 percent to 5 percent will release 60 billion rupees into the banking system, Central Bank Governor Indrajit Coomaraswamy said.

Sri Lanka now has a liquidity shortage of over 100 billion rupees in the interbank market. Governor Coomaraswamy said he does not expect any pressure on the rupee as liquidity will still be short. "There will still be a liquidity shortage of 40 billion rupees," he said.

Sri Lanka's rupee has stabilized and external conditions were also better than last year he said. Capital inflows were coming back to emerging markets, he said. ([economynext.com](http://economynext.com))



**Inflation likely to remain in 4 – 6 percent range in 2019: Central Bank projections**

Projections of the Central Bank indicates that inflation is likely to remain in the desired 4 – 6 percent range in 2019 and beyond. Headline inflation and core inflation increased in January 2019 mainly due to the increase in non-food inflation driven by higher expenditure on certain items such as house rentals and education.

“Recent upward adjustments to fuel prices as well as possible increases in administratively determined prices of certain commodities could exert some transitory price pressures in the coming months,” the Central Bank said. “However, domestic supply side developments are expected to be favourable in the period ahead.”

In the financial account, foreign investments to the government securities market recorded a net inflow thus far during 2019. The Sri Lankan rupee strengthened somewhat underpinned by net inflows to the government securities market and the slowdown in imports along with changing global financial conditions.

“Sri Lanka met the scheduled repayment of the maturing International Sovereign Bond of US dollars 1 billion in January 2019,” the Central Bank said.

“By end January 2019, gross official reserves stood at US dollars 6.2 billion, which was sufficient to finance 3.4 months of imports.” ([lankabusinessonline.com](http://lankabusinessonline.com))

## Foreign News

**China rebound drives Asian shares higher**

Shares in Asia recouped early losses on Friday, buoyed by strong gains in China as signs of progress in trade talks with the United States offset worries about a deteriorating global economic outlook.

MSCI’s broadest index of Asia-Pacific shares outside Japan was 0.3 percent higher by mid-afternoon, having spent the day dipping in and out of negative territory. Spread-bettors CMC Markets expect an uneven performance in Europe, with London’s FTSE seen up 0.1 percent at the open, Frankfurt’s DAX down 0.1 percent and Paris’ CAC down 0.2 percent.

Chinese shares rallied in the afternoon after a tentative start as optimism over trade talks reasserted itself, pushing the blue-chip index 2.2 percent higher. For the week, the it gained 5.4 percent, its strongest week since November 2015.

Japan’s Nikkei ended 0.2 percent lower after data showed core consumer inflation accelerated slightly in January but remained far from the central bank’s 2 percent target, underscoring the fragility of the country’s economic recovery.

Chinese Vice Premier Liu He will meet with U.S. President Donald Trump at the White House on Friday, the White House said. Amid the trade discussions, new data from the U.S. Thursday highlighted its economic outlook is also growing cloudy. The U.S. Commerce Department said on Thursday that domestic orders for non-defense capital goods excluding aircraft, a closely watched proxy for business spending plans, dropped 0.7 percent. Moreover, the U.S. Mid-Atlantic factory sector fell into contraction territory in February for the first time since May 2016, data from the Philadelphia Federal Reserve showed.

The dollar index, which tracks the greenback against a basket of six major rivals, was steady at 96.611.

U.S. crude turned around from small declines to rise 0.1 percent to \$57.01 a barrel. Brent crude was nearly unchanged at \$67.09. Gold rebounded after falling more than 1 percent on Thursday, with spot gold trading up about 0.2 percent at \$1,325.16 per ounce. ([reuters.com](http://reuters.com))

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