

DAILY STOCK MARKET HIGHLIGHTS

Tuesday, 23 April 2019



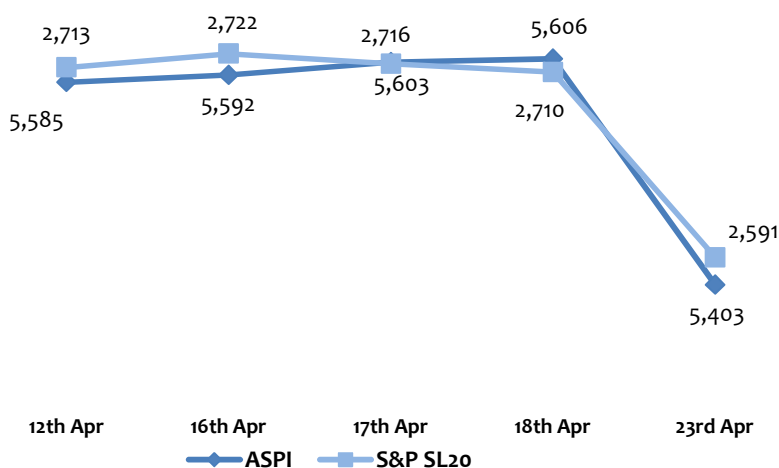
ASHA PHILLIP
SECURITIES LTD

Sri Lanka

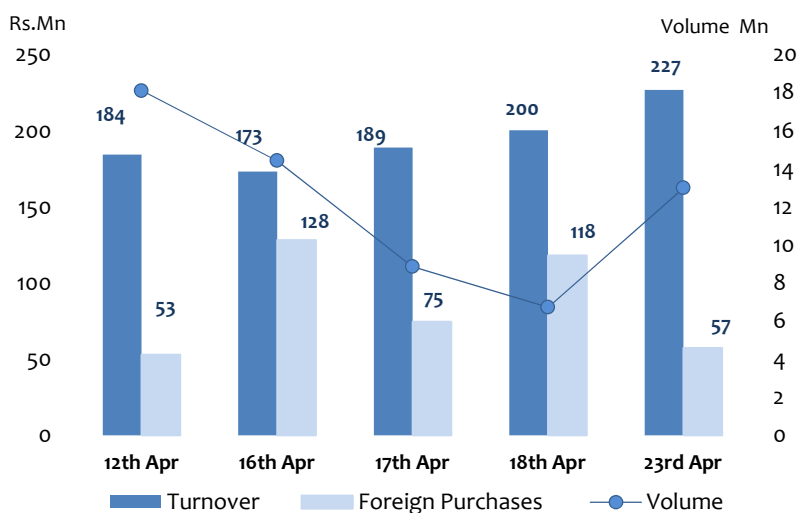
Daily Market Statistics

Index	23rd Apr	18th Apr	Change	% Change
ASPI	5,402.58	5,606.35	↓ (203.77)	↓ -3.63%
S&P SL20	2,590.91	2,710.27	↓ (119.36)	↓ -4.40%
Market Stats (LKR, Mn)		23rd Apr	18th Apr	% Change
Turnover		226.89	200.25	↑ 13.3%
Domestic Purchases		169.70	82.24	↑ 106.3%
Domestic Sales		130.13	85.02	↑ 53.1%
Foreign Purchases		57.19	118.01	↓ -51.5%
Foreign Sales		96.76	115.23	↓ -16.0%
Share Volume		12.99	6.72	↑ 93.2%
Trades (No.)		5,166.00	2,420	↑ 113.5%
Market capitalization (Bn)		2,536.71	2,632.39	↓ -3.6%
PER		8.49	8.81	↓ -3.63%
PBV		1.06	1.10	↓ -3.64%

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Colombo Bourse witnessed huge selling resulted by the Easter day inhuman cruelty, and the prevailing panic environment. Retail investors were seen on rush to dispose shares; 161 of the traded 230 counters closed in red terrain.
- Benchmark index ASPI moved between 5,402.58 - 5,544.07 points and settled the day at 5,402.58 with a loss of 203.77 points (-3.63%).
- Major contributors for the movement in ASPI were DOCK (+0.2), MFL (+0.1), HPWR (+0.1), ATLL (+0.1), CINV (+0.0), CTC (-35.9), JKH (-32.8), CTHR (-13.7), DIST (-7.8) & COMB (-6.3)
- S&P SL20 index also followed the same trend and settled the day at 2,590.91 with a loss of 119.36 points (-4.40%).
- The day's turnover was recorded as LKR 226.89Mn, up by 13% from its previously recorded LKR 200.25Mn. Foreign investors turned net sellers for the day.
- The total market capitalization stood at LKR 2.54Tn, indicating an YTD loss of 10.66%.
- The market PER & PBV were at 8.49x & 1.06x respectively.

Top Contributors – Turnover

1. John Keells Holdings PLC (JKH) contributed 49% (111.27Mn) of the turnover. JKH traded between LKR 140 & LKR 150 and settled the day at LKR 140.30 with a loss of LKR 11.70 (-7.70%).
2. East West Properties PLC (EAST) had contributed LKR 20.43Mn. EAST traded between LKR 17.00 & LKR 18.60 and settled the day at LKR 18.00 with a loss of LKR 1.00 (-5.26%).
3. Sampath Bank PLC (SAMP) contributed LKR 18.64Mn. SAMP traded between LKR 150.00 & LKR 159.50 and settled the day at LKR 155.00 with a loss of LKR 10.00 (-6.06%).

Top contributors - Traded Volume

1. SMB Leasing PLC traded a total of 1.62Mn shares.
2. East West Properties PLC (1.13Mn shares).
3. Blue Diamonds Jewellery Worldwide PLC [X] (1.03Mn shares).

Sectorial Overview

1. Diversified Holdings (DIV) sector stood on top providing LKR 119.13Mn capturing 53% of the total turnover.
2. Bank Finance & Insurance (BFI) sector provided LKR 48.58Mn to the daily aggregated turnover.
3. Land & Property (L&P) sector provided LKR 21.07Mn.

Daily Foreign Transactions

Net Foreign Purchases

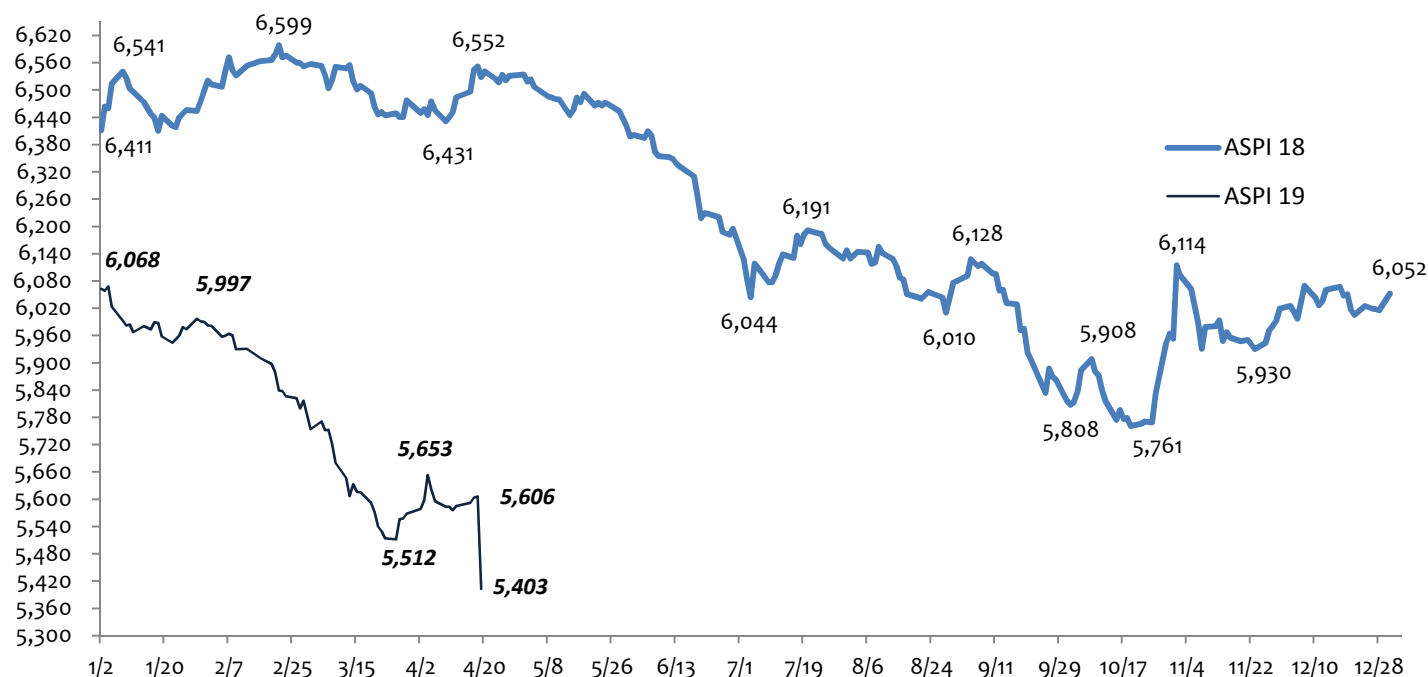
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
VALLIBEL FINANCE	65.00	68,911	4,479,215
CEYLON TOBACCO (+)	1,250.00	1,000	1,250,000
L O L C HOLDINGS	88.00	4,900	431,200
GRAIN ELEVATORS (+)	51.80	8,000	414,400
DIALOG (+)	8.80	39,425	346,940
JANASHAKTHI INS. (+)	23.30	12,700	295,910
UNION BANK (+)	11.2	22,117	247,710
SAMPATH (+)	155.00	1,141	176,855
HNB[X.0000] (+)	139.00	1,041	144,699
SANASA DEV. BANK (+)	60.10	1,000	60,100

Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
JKH	140.00	(325,699)	(45,597,860)
COMMERCIAL BANK (+)	90.50	(21,047)	(1,904,754)
HNB (+)	175.00	(539)	(94,325)
BROWNS	45.90	(400)	(18,360)
EAST WEST	18.00	(1,000)	(18,000)
SOFTLOGIC	15.50	(1,000)	(15,500)

- **Aggregate foreign buying** for the day totaled up to **LKR 57.19Mn**.
- **Foreign sales** for the day amounted to **LKR 96.76Mn**.
- **Net foreign outflow** for the day was **LKR 39.57Mn**, **YTD net foreign outflow** presently stands at **LKR 6.03Bn**.
- **VFIN** notched the “Top Net Purchasers” slot with a net inflow of **LKR 4.48Mn** whilst **JKH** notched the “Top net Sellers” slot with a net outflow of **LKR 45.6Mn**.

Year-to-Date ASPI Movement - 2018 & 2019



Key Announcements

Companies under Trading Suspension / Halt

Company	CIFL	CIFL	ESL	PCH	PCP	SING	SFS	CHOU	CTCE
From	23-Nov-17	23-Nov-17	5-Jan-16	2-Apr-18			2-July 18.	11 Mar 19.	1-Mar-19
Reason	CBSL	status	Weak position	as per CSE Listing Rules			CBSL	List rule	Voluntary Delist
Company	LCEM	MEL	HUEJ	AINV, CFT, PCHH		LLMP	FLCH	TFC	KAPI
From	7-Sep 18.	25-Sep 18.	26-Nov-18.	10-12-2018.			8-Mar-19	18-Feb-19.	14-Feb-19.
Reason	AQO	AQO	***	Non-submission of Annual Reports			Merger	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
SFL	LLMP	CFT							
Qualified Opinion in the Independent Auditor's Report									
AINV	ESL	EAST	MEL	CHOU	MSL	PMB	MBSL	ALHP	TFC
SIRA	MSL								
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
LLUB	23-Apr-19	TAFL	8-May-19	CTC	14-May-19	AHPL	24-Jun-19
CINS	25-Apr-19	GRAN	8-May-19	COMD	15-May-19	JKL	27-Jun-19
LLMP	29-Apr-19	NEST	8-May-19	KFP	11-Jun-19	TSML	27-Jun-19
ATL, ATLL	30-Apr-19	HAPU	9-May-19	CCS	14-Jun-19	KHL	28-Jun-19
		UDPL	9-May-19	TRAN	21-Jun-19	JKH	28-Jun-19

EGMs

Company	Date
ALHP	22-Apr-19
NEST	8-May-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
HEXP	3.00	2nd Interim	09.Apr.2019	17.Apr.2019	RCL	2.50		24-Apr-2019	6-May-2019
HAYL	5.00	Interim	09.Apr.2019	17.Apr.2019	SFCL	0.60	Interim	25-Apr-2019	7-May-2019
SINS	0.65	Interim	09.Apr.2019	18.Apr.2019	CINS	35.00	First & Final	26.Apr.2019	07.May.2019
ALUM	0.15	Interim	09.Apr.2019	18.Apr.2019	NEST	25.00	Final	09.May.2019	17.May.2019
HAYC	6.00	2nd Interim	09.Apr.2019	18.Apr.2019	TAFL	4.50	First & Final	09.May.2019	17.May.2019
TPL	6.00	Interim	09.Apr.2019	18.Apr.2019	GRAN	3.00	First & Final	09.May.2019	17.May.2019
DIPD	2.00	Interim	09.Apr.2019	18.Apr.2019	CTC	15.77	Final	15.May.2019	24.May.2019
AMSL	0.50	Interim	09.Apr.2019	18.Apr.2019	COMD	3.50	Final	16.May.2019	27.May.2019
ASIR	0.80	Interim	09.Apr.2019	22.Apr.2019	PDL	3.75	First & Final	30.May.2019	10.Jun.2019
HARI	20.00	Interim	11.Apr.2019	23.Apr.2019	DIAL	0.37	Final	13.Jun.2019	21.Jun.2019
LFIN	8.00	Interim	16.Apr.2019	18.Apr.2019	AGST	0.20	Final	01.Jul.2019	09.Jul.2019

Amalgamation

Transferee	Transferor	Proportion	Effective Date
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
DFCC Bank PLC (DFCC)	LKR 72.00	LKR 7.63Bn	02 for 05	29 Mar 2019.	4 Apr 2019.	10 Apr - 18 Apr.	23 Apr 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.
People's Merchant Finance (PMB)	LKR 9.50	LKR 1.20Bn	03 for 02	05 Apr 2019.	10 Apr 2019.	17 Apr - 25 Apr.	26 Apr 19.
Hikkaduwa Beach Resort (CITH)	LKR 3.90	LKR 319Mn	02 for 05	09 Apr 2019.	16 Apr 2019.	23 Apr - 30 Apr.	02 May 19.
Waskaduwa Beach Resort (CITK)	LKR 2.40	LKR 871Mn	09 for 05	09 Apr 2019.	16 Apr 2019.	23 Apr - 30 Apr.	02 May 19.
Citrus Leisure PLC (REEF)	LKR 5.00	LKR 870Mn	09 for 05	09 Apr 2019.	16 Apr 2019.	23 Apr - 30 Apr.	02 May 19.
Anilana Hotels (ALHP) Tranch 1	LKR 2.00	LKR 183Mn	01 for 11	24 Apr 2019.	23 Apr 2019.	29 Apr - 07 May.	08 May 19.
Sampath Bank PLC (SAMP)	LKR 136.00	LKR 12.1Bn	07 for 23	16 May 2019.	23 May 2019.	29 May - 06 Jun.	07 Jun 19.
Anilana Hotels (ALHP) Tranch 2	LKR 2.00	LKR 183Mn	01 for 12	22 May 2019.	21 May 2019.	27 May - 03 Jun.	04 Jun 19.

Rights Issues with pending dates

Company,	Issue Price	Proportion	Company,	Issue Price	Proportion
Agalawatte Plantations (AGAL)	LKR 15.30	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
Citizens Development (CDB.X)	LKR 64.00	01 for 04	On'ally Holdings PLC (ONAL)	LKR 19.00	01 for 15
Citizens Development (CDB.N)	LKR 77.00	01 for 04			

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
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	1,250.00	187,323,751	234,154,688,750	10.31
JOHN KEELLS HOLDINGS PLC	JKH.No000	140.30	1,318,173,279	184,939,711,044	8.14
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	92.80	961,252,317	89,204,215,018	3.93
NESTLE LANKA PLC	NEST.No000	1,612.80	53,725,463	86,648,426,726	3.81
DIALOG AXIATA PLC	DIAL.No000	8.80	8,143,778,405	71,665,249,964	3.15
HATTON NATIONAL BANK PLC	HNB.No000	175.00	401,343,863	70,235,176,025	3.09
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	14.10	4,600,000,000	64,860,000,000	2.86
CEYLON COLD STORES PLC	CCS.No000	600.00	95,040,000	57,024,000,000	2.51
CARGILLS (CEYLON) PLC	CARG.No000	189.30	255,999,927	48,460,786,181	2.13
LION BREWERY CEYLON PLC	LION.No000	580.00	80,000,000	46,400,000,000	2.04

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
SMB LEASING PLC	646,982	1,617,457
EAST WEST PROPERTIES PLC	20,432,452	1,130,421
BLUE DIAMONDS JEWELLERY WORLDWIDE PLC [X]	206,730	1,033,648
JOHN KEELLS HOLDINGS PLC	111,267,636	778,873
ANILANA HOTELS AND PROPERTIES PLC	690,382	735,836
TESS AGRO PLC [X]	206,830	517,049
SMB LEASING PLC [X]	90,210	451,001
HVA FOODS PLC	1,487,501	437,488
NATION LANKA FINANCE PLC	213,381	426,762
ACCESS ENGINEERING PLC	5,246,200	410,801

Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
JOHN KEELLS HOLDINGS PLC	778,873	111,267,636
EAST WEST PROPERTIES PLC	1,130,421	20,432,452
SAMPATH BANK PLC	122,291	18,643,046
JANASHAKTHI INSURANCE COMPANY PLC	263,255	5,998,096
ACCESS ENGINEERING PLC	410,801	5,246,200
VALLIBEL FINANCE PLC	74,014	4,812,064
COMMERCIAL BANK OF CEYLON PLC	46,469	4,239,170
SOFTLOGIC HOLDINGS PLC	242,066	3,795,155
DIALOG AXIATA PLC	321,397	2,824,681
HATTON NATIONAL BANK PLC [X]	20,437	2,659,064

Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
AMANA LIFE	9.50	0.60	6.74	16,971
YORK ARCADE	74.10	4.00	5.71	7,924
MULTI FINANCE	19.50	0.50	2.63	35,545
RESUS ENERGY	18.70	0.40	2.19	1,346,877
DOCKYARD	54.00	1.00	1.89	150,177
CEYLON INV.	35.10	0.10	0.29	19,030
MORISONS [X]	550.10	0.00	0.00	1,975
HOTEL SIGIRIYA	60.10	0.00	0.00	2,305
SERENDIB ENG.GRP	7.00	0.00	0.00	22,820
LANKA HOSPITALS	46.40	0.00	0.00	1,980

Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
S M B LEASING [X]	0.20	(0.10)	(33.33)	90,210
BLUE DIAMONDS [X]	0.20	(0.10)	(33.33)	206,730
BERUWALA RESORTS	0.50	(0.20)	(28.57)	88,731
CHEMANEX	45.20	(13.70)	(23.26)	4,563
SOFTLOGIC FIN	19.00	(5.00)	(20.83)	3,800
MALWATTE	6.50	(1.70)	(20.73)	650
TESS AGRO	0.40	(0.10)	(20.00)	152,169
BLUE DIAMONDS	0.40	(0.10)	(20.00)	35,625
TESS AGRO [X]	0.40	(0.10)	(20.00)	206,830
CT HOLDINGS	133.10	(31.90)	(19.33)	32,076

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Nil					

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	14,393.12	14,835.56	48,578,803	3,668,233	1,516	4.40	0.80
BEVERAGE FOOD AND TOBACCO	22,146.43	23,034.31	4,088,159	504,523	283	15.90	5.40
CONSTRUCTION AND ENGINEERING	1,317.51	1,348.80	6,208,671	668,234	270	11.50	0.50
CHEMICALS AND PHARMACEUTICALS	4,956.41	5,059.18	65,193	2,485	24	6.00	0.60
DIVERSIFIED HOLDINGS	1,350.67	1,442.40	119,133,328	1,435,308	568	9.50	0.80
FOOTWEAR AND TEXTILE	863.49	871.57	1,778,283	102,164	50	51.20	0.90
HOTELS AND TRAVELS	2,555.61	2,615.96	4,034,610	1,349,456	346	95.00	1.60
HEALTH CARE	761.85	784.80	374,091	12,526	37	15.50	1.60
INVESTMENT TRUSTS	8,624.78	8,971.18	676,829	57,218	25	0.00	0.40
INFORMATION TECHNOLOGY	23.85	24.41	400	100	2	0.00	0.00
LAND AND PROPERTY	515.28	529.46	21,066,510	1,188,444	492	5.20	0.60
MANUFACTURING	2,462.22	2,554.09	12,974,604	2,016,467	588	7.60	0.70
MOTORS	10,850.18	10,949.21	154,351	2,078	6	15.90	0.50
OIL PALMS	49,811.31	49,811.31	2,720	4	2	59.70	1.40
POWER & ENERGY	89.84	92.53	2,613,183	324,635	161	79.10	1.10
PLANTATIONS	703.04	730.94	800,151	52,916	110	23.50	0.70
STORES SUPPLIES	25,439.67	25,439.67	50,278	45	5	15.70	0.50
SERVICES	14,739.12	15,340.85	524,539	278,315	57	13.70	1.10
TELECOMMUNICATIONS	125.96	128.99	2,835,913	321,898	170	5.40	0.80
TRADING	10,200.01	10,403.34	929,055	1,000,781	74	46.80	0.60

GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	431.64	449.06	29,817	910	8	4.40	0.50
Banks	679.86	702.76	31,309,864	347,503	802	4.80	0.60
Capital Goods	741.53	783.81	126,190,144	1,896,529	813	9.50	0.70
Commercial & Professional Services	767.66	767.66	0	0	0	0.00	1.00
Consumer Durables & Apparel	713.82	746.91	2,777,569	1,309,846	202	37.10	1.00
Consumer Services	224.41	240.79	4,034,610	1,349,456	388	100.60	1.60
Diversified Financials	720.36	745.48	11,577,058	3,276,520	658	5.20	1.00
Energy	474.92	495.28	423,694	26,207	84	0.00	0.70
Food & Staples Retailing	1,092.97	1,225.91	419,486	897,812	106	19.80	1.90
Food, Beverage & Tobacco	843.30	874.28	7,156,913	977,395	564	14.90	2.50
Health Care Equipment & Services	818.28	842.79	375,093	13,628	44	15.50	1.70
Household & Personal Products	939.60	939.60	0	0	0	12.80	1.80
Insurance	1,957.75	1,995.56	7,151,893	314,878	273	3.30	1.50
Materials	464.94	483.71	6,645,303	394,801	334	7.00	0.80
Pharmaceuticals, Biotechnology & Life Sciences	1,677.38	1,677.38	7,043	11	5	4.90	1.30
Real Estate	706.88	726.14	21,081,662	1,185,861	514	4.90	0.50
Retailing	700.26	708.81	1,938,925	167,018	54	15.60	0.60
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	658.10	673.94	2,835,913	321,898	180	5.40	0.80
Transportation	680.00	713.45	709,422	177,010	35	7.50	0.70
Utilities	702.65	711.93	2,189,489	298,428	89	9.90	0.70

Economic Indicators & Other Statistics

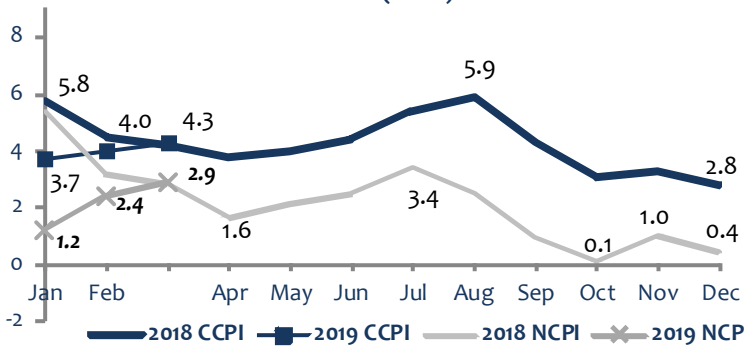
Exchange Rates

Currency	23rd Apr		18th Apr	
	Buying	Selling	Buying	Selling
Dollar (USA)	172.55	176.49	172.48	176.32
Pound (UK)	223.01	230.48	223.85	231.21
Euro (EU)	192.89	199.92	193.55	200.48
Dollar (Australia)	121.80	127.11	122.67	127.94
Dollar (Canada)	128.34	133.23	128.33	133.16
Franc (Switzerland)	168.81	175.01	169.65	175.76
Renminbi (China)	25.40	26.64	25.47	26.70
Yen (Japan)	1.5337	1.5921	1.5309	1.5882
Dollar (Singapore)	126.64	131.11	126.84	131.24

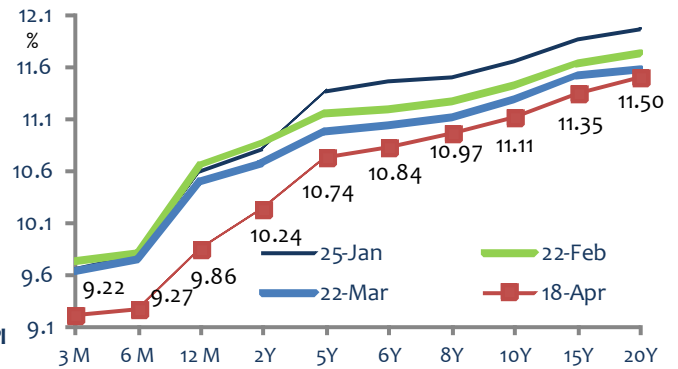
Indicative Rates

Currency	23rd Apr	18th Apr
	Ind: Value	Ind: Value
Yuan (Offshore)	26.0324	26.0984
Rupee (India)	2.5073	2.5166
Won (Korean)	0.1533	0.1537
Dinar (Kuwait)	574.7752	574.3699
Ringgit (Malay)	42.2893	42.1389
Rial (Oman)	453.9231	453.6777
Riyal (Qatar)	47.9946	47.9687
Riyal (KSA)	46.6009	46.5757
Dirham (UAE)	47.5778	47.5521

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



Government Securities - Secondary Market Yield



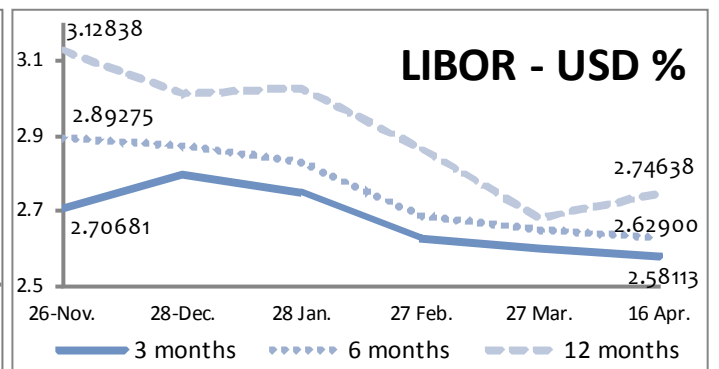
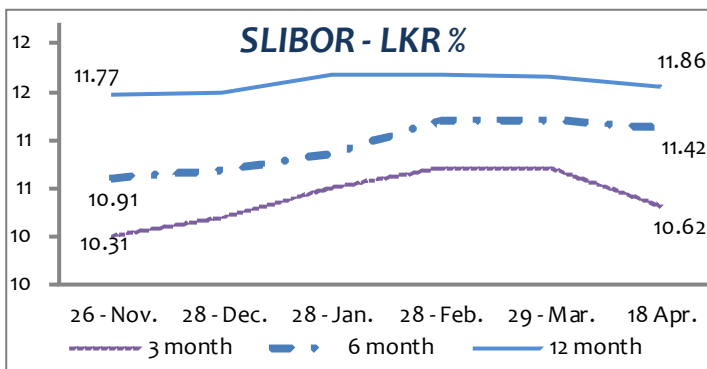
Central Bank's Policy Rates

Description	22-02-2019.	14-11-2018.		16.04.2019	10.04.2019	02.04.2019	27.03-2019
Standing Deposit Facility (SDF)	8.00%	8.00%	91 Days %	9.00	9.09	9.24	9.39
Standing Lending Facility (SLF)	9.00%	9.00%	182 Days %	9.19	9.29	9.50	9.67
Bank Rate	15.00%	15.00%	364 Days %	9.91	9.99	10.15	10.40
Statutory Reserve Ratio (SRR)	5.00%	6.00%	Amount	24Bn	25Bn	28Bn	25Bn

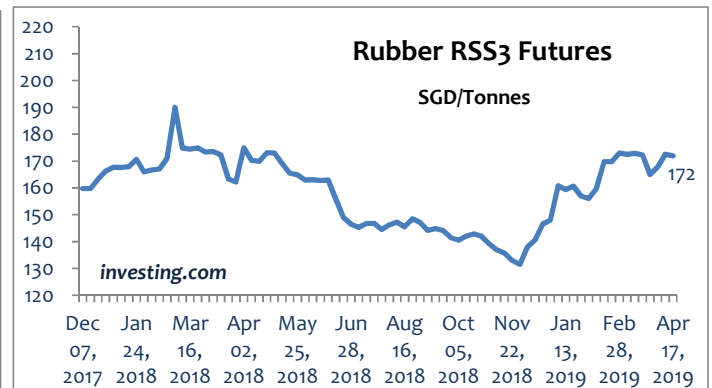
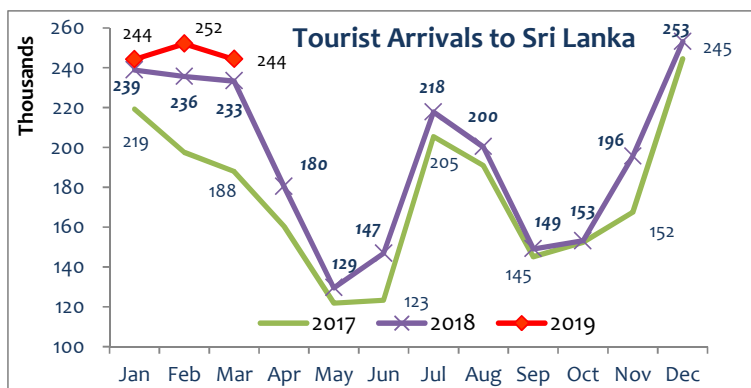
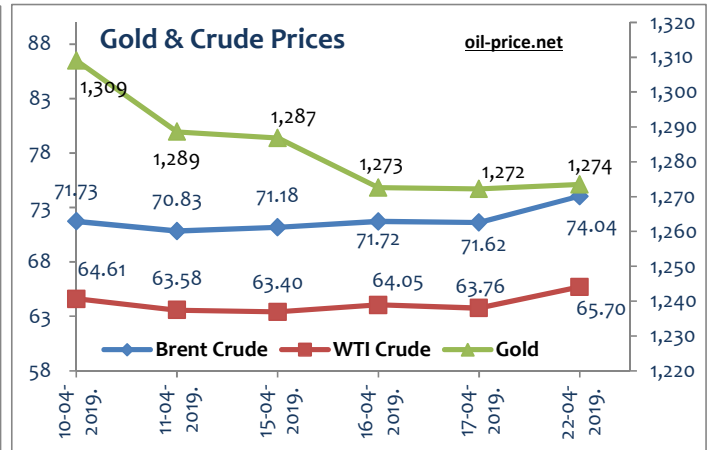
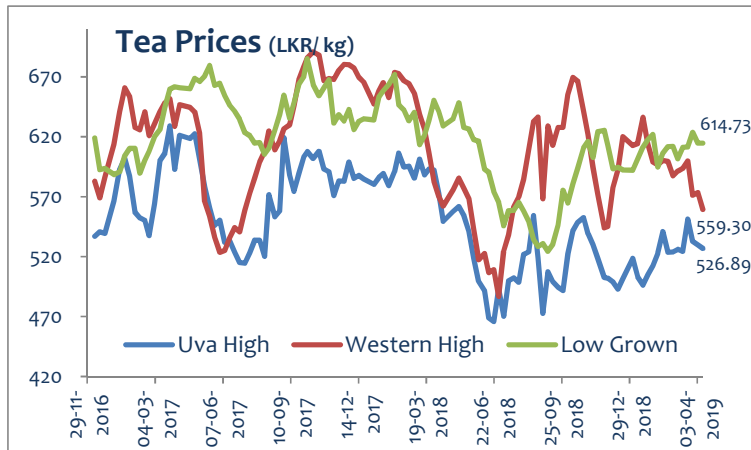
Treasury Bill Issuance

Treasury Bond Issuance

Date	02.04.2019	17.07.2016	12.03.2019	17.07.2016	17.09.2018	02.04.2019	12.03.2019	15.10.2018
Maturity	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	10 Years	15 Years
Current Yield	10.72	11.14	11.04	11.21	10.32	11.24	11.35	11.90
Previous Auction	05.02.2019	15.06.2017	11.01.2019	15.06.2017	16.07.2018	05.02.2019	11.01.2019	16.07.2018
Previous Yield	10.85	11.37	11.58	11.38	10.53	11.30	11.73	10.88



Economic Indicators & Other Statistics



Local News

February trade deficit narrows sharply over lower imports

Sri Lanka's trade deficit significantly narrowed in February, the data released by the Central Bank showed, yesterday. The February trade deficit narrowed to US \$ 451Mn, recording the lowest monthly trade deficit in more than five years. The expenditure on merchandise imports in February fell 27.6% YoY to US \$ 1,432Mn, reflecting the impact of policy measures implemented in the latter part of 2018. The Central Bank said the February import figure marks the lowest value since May 2017. Consumer goods imports in February fell 41.2% YoY to US \$ 259.9Mn. The expenditure on personal vehicle imports fell 57.7% YoY to US \$ 48.1Mn. The intermediate imports in February also fell 24.2% YoY to US \$ 831Mn as fuel imports fell 10.6% YoY to US \$ 281.8Mn. The textile and textile articles imports also fell 14.2% YoY to US \$ 212.2Mn. The expenditure on investment goods fell 10.4% YoY to US \$ 341Mn over the lower building material and transport equipment imports.

Meanwhile, the earnings from merchandise exports in February rose 7.2% YoY to US \$ 981.1Mn on improved industrial exports and recovery in agricultural exports. The textile and garment exports rose 14.4% YoY to US \$ 465.6Mn while the rubber products exports, edged up 2% YoY to US \$ 69.7Mn. The agricultural exports edged up 0.8% YoY to US \$ 207.8Mn amid the higher coconut and spice exports. However, tea exports fell 6.4% YoY to US \$ 110.6Mn.

Country's gross official foreign reserves are estimated to have increased to US \$ 7.6Bn by end-March 2019, following the receipt of the international sovereign bond (ISB) proceeds. The workers' remittances declined by 12.4% YoY in February to US \$ 500Mn. (dailymirror.lk)

Sri Lanka national inflation rises 2.9-pct in March

ECONOMYNEXT - Sri Lanka's nationwide inflation picked up to 2.9% in the 12-months to March 2019 from 2.4% in February, the state statistics office said. Price levels of food items fell 2.3% from a year earlier in March, compared to a 2.9% fall in February, the Census and Statistics Department said. Non-food inflation grew to 7.1% in March from a year earlier, compared to 6.7% in February, mainly due to a rise in utilities and fuel prices.

Thousands of tourists cut short visits to Sri Lanka, new bookings fall

ECONOMYNEXT - Thousands of tourists visiting Sri Lanka are cutting short their holiday plans and going back home, while forward bookings are falling rapidly, after blasts went off across the island including hotels, officials said. "I don't have an exact number, but it can be thousands trying to cut short their holidays and leave Sri Lanka early," Sri Lanka Tourism Promotions Bureau and Sri Lanka Tourism Development Authority Chairman Kishu Gomes said. "We have seen some tourists, who even without tickets have gone to the airport to buy tickets over the counter, but that's understandable when something like this happens," he said. SriLankan, Emirates and Qatar Airways are the largest carriers operating to and from Sri Lanka.

Foreign News

Stocks splutter as oil races to near six-month high

Oil prices jumped to near six-month highs on Tuesday as the United States tightened sanctions on Iran, sending shares of energy companies higher but largely failing to help the currencies of the main crude-oil producers. News that the U.S. had told buyers of Iranian oil to stop purchases by May 1 or face sanctions pushed Brent toward \$75 a barrel and made for a lively return from the four-day Easter break for Europe's markets.

Oil and gas shares jumped more than 1.7 percent for their best start in six weeks, though almost every other sector suffered. So did bonds, as higher energy costs hung over profits and nudged up inflation expectations.

Foreign-exchange market volatility was still largely absent. The dollar held near a three-week high, but the usual beneficiaries of higher oil prices, the Canadian dollar and Norwegian crown, dipped to \$1.33 and \$8.52 respectively.

Overnight, MSCI's index of Asia-Pacific shares ended 0.1 percent higher and Japan's Nikkei closed up 0.2 percent. Oil and gas gains were offset by losses for airlines and other transport shares facing higher fuel costs.

The White House said after its Iran move it was working with Saudi Arabia and the United Arab Emirates to ensure oil markets were "adequately supplied," but traders had already been worried about tight supplies.

Oil prices are up nearly 50 percent since late December, and before the re-imposition of sanctions last year Iran was the fourth-largest producer among the Organization of the Petroleum Exporting Countries, at around 3 million barrels per day.

Sri Lanka's stock market and government bonds both fell as trading resumed after bombings had killed more than 300 people on Sunday. Tourism is likely to collapse, which would deal a serious blow to the island's economy and financial markets.

The International Monetary Fund last month extended a \$1.5 billion loan to Sri Lanka into 2020, a key step in keeping foreign investors involved in what so far this year has been a top-performing frontier debt market.

In China, major benchmarks dipped in and out of negative territory amid concern that Beijing will slow the pace of policy easing after unexpectedly strong first-quarter economic data last week.

China's blue-chip stocks have surged over 30 percent so far this year on expectations of more stimulus and hopes Beijing and Washington will reach an agreement to end their nine-month trade dispute. ([reuters.com](https://www.reuters.com))

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