

DAILY STOCK MARKET HIGHLIGHTS

Wednesday, 26 December 2018



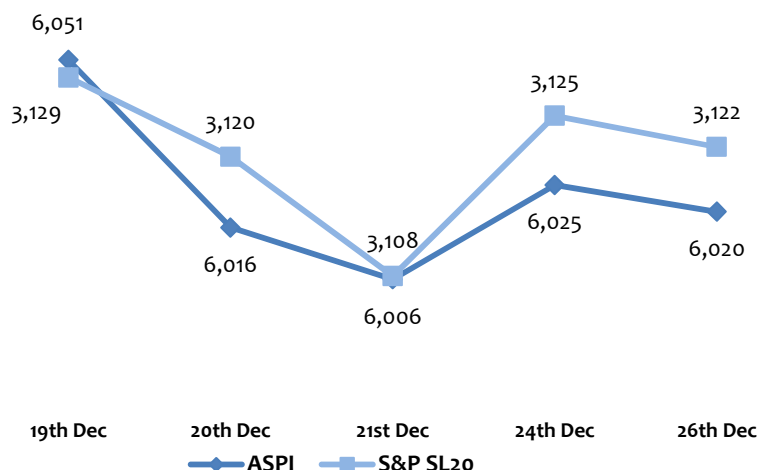
ASHA PHILLIP
SECURITIES LTD

SriLanka

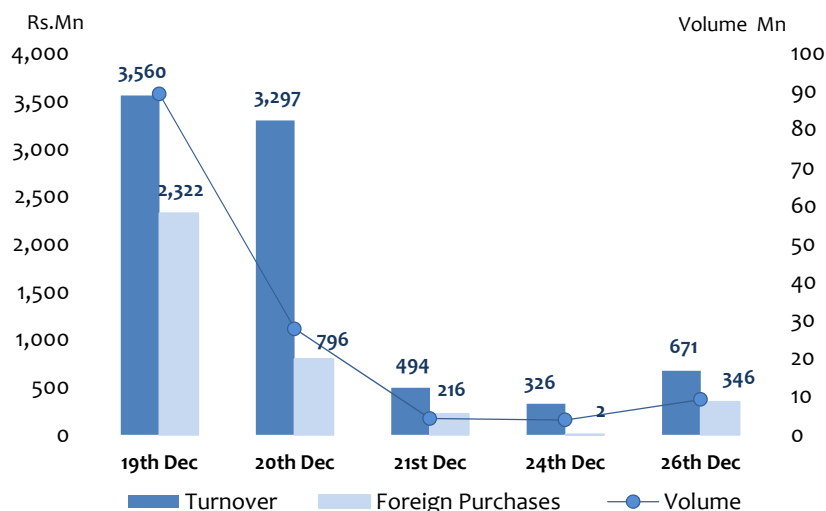
Daily Market Statistics

Index	26th Dec	24th Dec	Change	% Change
ASPI	6,019.62	6,025.12	↓ (5.50)	↓ -0.09%
S&P SL20	3,121.50	3,124.73	↓ (3.23)	↓ -0.10%
Market Stats (LKR, Mn)		26th Dec	24th Dec	% Change
Turnover		670.94	326.22	↑ 105.7%
Domestic Purchases		325.15	323.95	↑ 0.4%
Domestic Sales		669.81	318.40	↑ 110.4%
Foreign Purchases		345.79	2.26	↑ 15188.2%
Foreign Sales		1.13	7.82	↓ -85.6%
Share Volume		9.25	3.85	↑ 140.1%
Market capitalization (Bn)		2,824.08	2,826.66	↓ -0.09%
PER		9.59	9.60	↓ -0.10%
PBV		1.17	1.17	↓ 0.00%

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Colombo Bourse was dominated by 2 off board deals, which contributed 94% of the turnover; sluggish retail investor participation continued for the second consecutive day. ASPI moved between 6,013.96-6,026.06 points and settled the day at 6,019.62 with a loss of 5.50 points (-0.09%).
- Major contributors for the movement in ASPI were AAIC (+1.8), LHCL (+1.2), AHPL (+0.9), UAL (+0.9), SPEN (+0.9), JKH (-2.7), LOLC (-2.6), ODEL (-1.2), VONE (-0.7) & PLC (-0.7)
- S&P SL20 index also followed the same trend and settled the day at 3,121.50 with a loss of 3.23 points (-0.10%).
- The day's turnover was recorded as LKR 670.94Mn, up by 106% from its previously recorded LKR 326.22Mn. Foreign investors turned net buyers for the day.
- The total market capitalization stood at LKR 2.82Tn, indicating an YTD loss of 2.59%.
- The market PER & PBV were at 9.59x & 1.17x respectively.

Top Contributors - Turnover

- Melstacorp PLC (MELS) topped the turnover list with 52% (346.56Mn) contribution to the day's total turnover. MELS traded between LKR 48.00 & 50.90 and settled the day at LKR 50.20 with a gain of LKR 0.20 (+0.40%); majority of its turnover was contributed through an off board trade of 6.5Mn shares negotiated at the price of LKR 53.00
- Ceylinco Insurance PLC (CINS) stood second by adding LKR 288Mn to the day's total turnover. Entirety of its turnover was contributed through an off board trade of 150,000 shares negotiated at the price of LKR 1,920.00
- Orient Finance PLC (BFN) contributed LKR 5.29Mn to the total turnover and secured the third slot. BFN traded between LKR 15.40 & 16.50 and settled the day at LKR 15.80 with a gain of LKR 0.80 (+5.33%).

Traded Volume

- Melstacorp PLC traded a total of 6.54Mn shares dominating the traded volumes.
- Expolanka Holdings PLC (0.5Mn shares) and Renuka Agri Foods PLC (0.4Mn shares) were next in line under the top contributors to the daily volumes.

Sectorial Overview

- Diversified Holdings (DIV) stood on top providing LKR 352.62Mn capturing 53% of the day’s total turnover.
- Bank Finance & Insurance (BFI) and Manufacturing (MFG) provided LKR 306.3Mn and LKR 4.69Mn respectively to the daily aggregated turnover.

Daily Foreign Transactions

Net Foreign Purchases

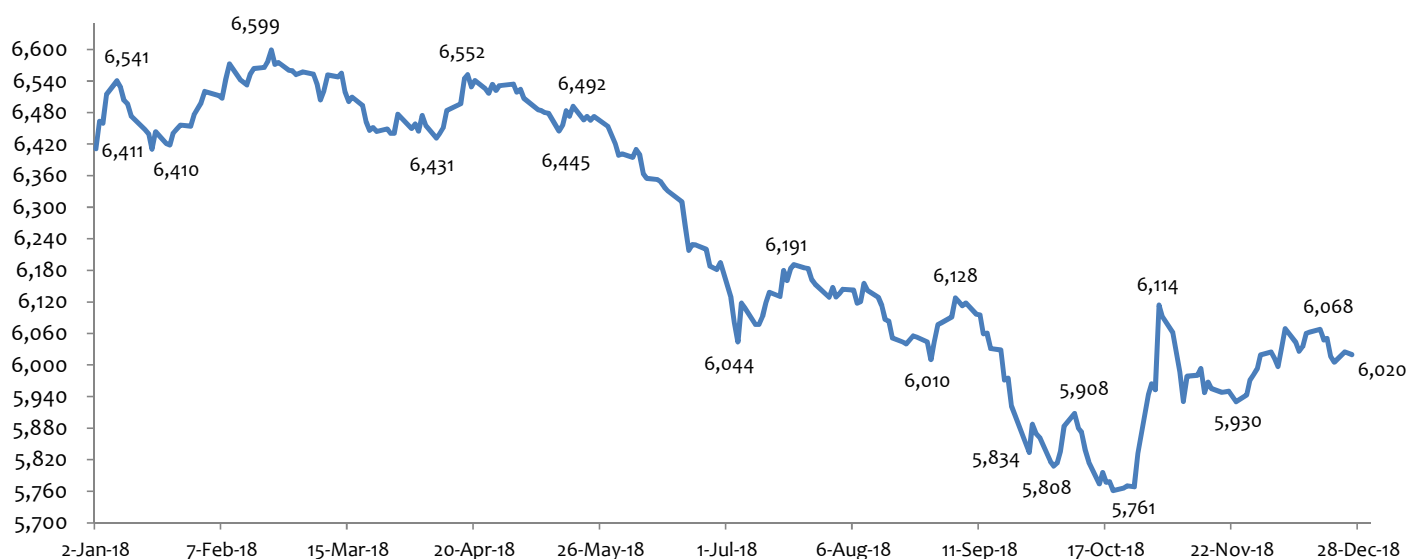
Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
MELSTACORP	53.00	6,500,000	344,500,000
HEMAS HOLDINGS	88.50	7,808	691,008
SAMPATH (+)	234.70	1,400	328,580
TOKYO CEMENT	24.90	5,000	124,500
PEOPLES LEASING	16.30	5,000	81,500
PIRAMAL GLASS	3.70	5,000	18,500
ACL	36.1	384	13,862
DIALOG (+)	10.00	1,000	10,000
VALLIBEL	6.50	1,500	9,750
ACCESS ENG SL	14.20	500	7,100

Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
RENUKA AGRI	2.10	(401,004)	(842,108)
HNB ASSURANCE (+)	134.30	(1,285)	(172,576)
JKH	155.90	(704)	(109,754)
AITKEN SPENCE	48.00	(44)	(2,112)

- **Aggregate foreign buying** for the day totaled up to **LKR 345.79Mn.**
- **Foreign sales** for the day amounted to **LKR 1.13Mn.**
- **Net foreign inflow** for the day was **LKR 344.66Mn**, **YTD net foreign outflow** presently stands at **LKR 22.74Bn.**
- **MELS** notched the “Top Net Purchasers” slot with a net inflow of **LKR 344.5Mn** whilst **RAL** notched the “Top net Sellers” slot with a net outflow of **LKR 0.84Mn.**

Year-to-Date ASPI Movement



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	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

Effective from 24 December 2018 the **stocks in the S&P Sri Lanka 20** in alphabetical order are as follows..

No.	COMPANY	TICKER	No.	COMPANY	TICKER
1	Access Engineering PLC	AEL.N	11	National Development Bank PLC	NDB.N
2	Aitken Spence PLC	SPEN.N	12	Nations Trust Bank PLC	NTB.N
3	Ceylon Tobacco Co. PLC	CTC.N	13	People's Leasing & Finance PLC	PLC.N
4	Chevron Lubricants Lanka PLC	LLUB.N	14	Richard Pieris & Company PLC	RICH.N
5	Commercial Bank of Ceylon PLC	COMB.N,X	15	Sampath Bank PLC	SAMP.N
6	DFCC Bank PLC	DFCC.N	16	Softlogic Holdings PLC	SHL.N
7	Dialog Axiata PLC	DIAL.N	17	Softlogic Life Insurance PLC	AAIC.N
8	Hatton National Bank PLC	HNB.N,X	18	Teejay Lanka PLC	TJL.N
9	John Keells Holdings PLC	JKH.N	19	Tokyo Cement Company (Lanka) PLC	TKYO.N,X
10	Lanka IOC PLC	LIOC.N	20	Union Bank of Colombo PLC	UBC.N

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	10.16
JOHN KEELLS HOLDINGS PLC	JKH.No000	155.90	1,387,528,658	216,315,717,782	8.24
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	115.00	945,709,403	108,756,581,345	4.14
NESTLE LANKA PLC	NEST.No000	1,690.40	53,725,463	90,817,522,655	3.46
HATTON NATIONAL BANK PLC	HNB.No000	215.90	395,451,248	85,377,924,443	3.25
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	16.20	4,600,000,000	74,520,000,000	2.84
CEYLON COLD STORES PLC	CCS.No000	720.00	95,040,000	68,428,800,000	2.61
SAMPATH BANK PLC	SAMP.No000	234.70	280,902,248	65,927,757,606	2.51
MELSTACORP PLC	MELS.No000	50.20	1,165,397,072	58,502,933,014	2.23

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
MELSTACORP PLC	346,558,222	6,542,571
EXPOLANKA HOLDINGS PLC	2,036,078	496,848
RENUKA AGRI FOODS PLC	849,545	404,545
ORIENT FINANCE PLC	5,293,514	332,546
BERUWALA RESORTS PLC	151,124	215,892
CEYLINCO INSURANCE PLC	288,000,000	150,000
JANASHAKTHI INSURANCE COMPANY PLC	2,982,311	101,093
SOFTLOGIC LIFE INSURANCE PLC	3,451,429	88,282
TOKYO CEMENT COMPANY (LANKA) PLC [X]	1,757,074	79,921
ACCESS ENGINEERING PLC	961,356	67,366

Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
MELSTACORP PLC	6,542,571	346,558,222
CEYLINCO INSURANCE PLC	150,000	288,000,000
ORIENT FINANCE PLC	332,546	5,293,514
SOFTLOGIC LIFE INSURANCE PLC	88,282	3,451,429
JANASHAKTHI INSURANCE COMPANY PLC	101,093	2,982,311
JOHN KEELLS HOLDINGS PLC	13,069	2,038,333
EXPOLANKA HOLDINGS PLC	496,848	2,036,078
TOKYO CEMENT COMPANY (LANKA) PLC [X]	79,921	1,757,074
COMMERCIAL BANK OF CEYLON PLC	11,912	1,370,048
TOKYO CEMENT COMPANY (LANKA) PLC	45,218	1,130,230

Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
TESS AGRO [X]	0.50	0.10	25.00	551
TESS AGRO	0.60	0.10	20.00	908
AMANA LIFE	10.70	1.20	12.63	23,529
LIGHTHOUSE HOTEL	31.70	3.10	10.84	46,251
SERENDIB ENG.GRP	6.50	0.40	6.56	13,285
LANKA HOSPITALS	42.60	2.60	6.50	4,260
Softlogic Life	39.40	2.30	6.20	3,451,429
ORIENT FINANCE	15.80	0.80	5.33	5,293,514
ELPITIYA	18.90	0.90	5.00	160,112
HOTEL SIGIRIYA	58.00	2.70	4.88	476,590

Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
S M B LEASING	0.50	(0.10)	(16.67)	25,004
ODEL PLC	25.00	(2.10)	(7.75)	2,503
C.W.MACKIE	40.60	(2.40)	(5.58)	37,772
KOTAGALA	7.10	(0.40)	(5.33)	14,917
MAHAWELI REACH	12.70	(0.60)	(4.51)	6,350
HDFC	26.20	(1.20)	(4.38)	20,960
LAUGFS GAS	18.00	(0.70)	(3.74)	7,200
EAST WEST	13.20	(0.50)	(3.65)	226,768
ALUMEX PLC	13.50	(0.50)	(3.57)	22,789
TOKYO CEMENT	24.90	(0.90)	(3.49)	1,130,230

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Melstacorp Limited PLC	MELS.No000	53.00	1	6,500,000	344,500,000.00
Ceylinco Insurance PLC	CINS.No000	1,920.00	1	150,000	288,000,000.00

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,459.23	16,472.57	306,297,109	928,234	791	5.40	0.90
BEVERAGE FOOD AND TOBACCO	24,356.81	24,358.71	2,113,688	441,071	63	17.80	6.00
CONSTRUCTION AND ENGINEERING	1,384.61	1,390.22	1,108,679	80,701	80	22.20	0.60
CHEMICALS AND PHARMACEUTICALS	5,247.76	5,247.03	70,020	1,441	10	5.80	0.70
DIVERSIFIED HOLDINGS	1,569.33	1,574.19	352,622,618	7,112,600	158	10.50	0.90
FOOTWEAR AND TEXTILE	843.09	898.65	112,325	12,300	13	67.50	0.90
HOTELS AND TRAVELS	2,644.39	2,640.82	1,024,329	269,740	117	64.00	1.60
HEALTH CARE	828.40	817.35	43,200	4,200	8	15.90	1.90
INVESTMENT TRUSTS	9,455.05	9,486.24	83,821	4,382	13	31.80	0.40
INFORMATION TECHNOLOGY	25.52	25.52	0	0	0	0.00	0.00
LAND AND PROPERTY	547.83	550.42	698,636	51,033	64	5.40	0.60
MANUFACTURING	2,814.99	2,830.25	4,687,640	199,401	236	7.60	0.90
MOTORS	13,162.94	13,162.94	48,000	1,000	3	12.30	0.60
OIL PALMS	50,123.01	50,123.01	22,596	37	6	28.50	1.00
POWER & ENERGY	106.94	107.03	654,491	39,223	50	79.30	1.30
PLANTATIONS	708.10	703.72	594,723	34,151	78	6.40	0.70
STORES SUPPLIES	28,408.28	28,408.28	3,682	32	2	13.10	0.50
SERVICES	16,780.45	16,727.35	50,309	16,445	10	11.70	1.30
TELECOMMUNICATIONS	135.27	135.07	658,920	54,277	75	7.70	0.90
TRADING	12,185.99	12,212.92	46,274	4,602	28	31.50	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	471.85	0	0	0	4.70	0.60
Banks	835.64	836.48	3,121,519	46,741	120	6.10	0.80
Capital Goods	848.17	852.05	5,313,247	124,091	209	10.90	0.80
Commercial & Professional Services	781.51	781.51	2,880	30	1	0.00	1.00
Consumer Durables & Apparel	783.79	790.93	325,104	22,301	39	25.10	1.00
Consumer Services	248.10	247.12	1,024,329	269,740	117	66.40	1.60
Diversified Financials	775.03	779.50	6,938,874	530,608	389	5.30	0.80
Energy	619.86	622.12	556,063	23,120	32	0.00	1.00
Food & Staples Retailing	1,241.99	1,241.43	786,255	6,539	11	15.10	2.20
Food, Beverage & Tobacco	935.07	934.66	348,580,320	7,024,771	170	15.60	2.50
Health Care Equipment & Services	889.82	878.11	43,200	4,200	8	16.00	1.90
Household & Personal Products	1,065.93	1,065.93	0	0	0	14.60	2.00
Insurance	2,102.09	2,083.35	296,363,296	357,235	303	4.30	1.70
Materials	535.89	539.78	4,175,563	187,065	195	7.00	0.90
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	570	1	1	4.70	1.40
Real Estate	746.67	750.56	697,315	49,536	54	5.10	0.60
Retailing	768.56	780.65	132,549	16,563	31	15.20	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	706.76	705.71	658,920	54,277	75	7.70	0.90
Transportation	702.71	702.71	2,036,078	496,848	19	20.30	0.70
Utilities	737.81	735.61	98,428	16,103	18	8.70	0.70

Economic Indicators & Other Statistics

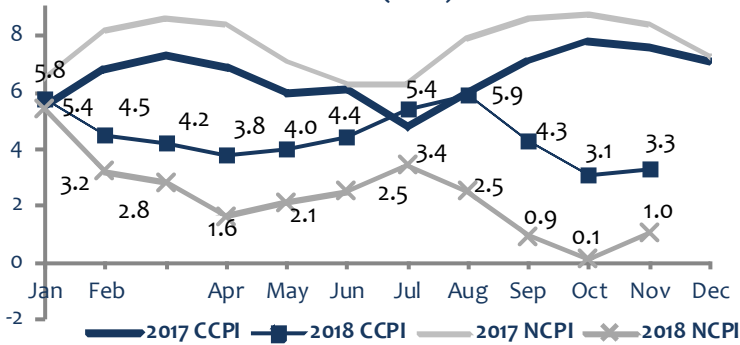
Exchange Rates

Currency	26th Dec		24th Dec	
	Buying	Selling	Buying	Selling
Dollar (USA)	179.20	183.17	178.98	182.95
Pound (UK)	226.64	234.07	225.65	233.06
Euro (EU)	203.22	210.43	202.48	209.67
Dollar (Australia)	124.97	130.34	125.11	130.48
Dollar (Canada)	130.90	135.79	130.95	135.85
Franc (Switzerland)	180.40	187.20	178.90	185.63
Renminbi (China)	25.70	26.93	25.61	26.84
Yen (Japan)	1.6125	1.6720	1.6016	1.6607
Dollar (Singapore)	130.02	134.48	129.78	134.22

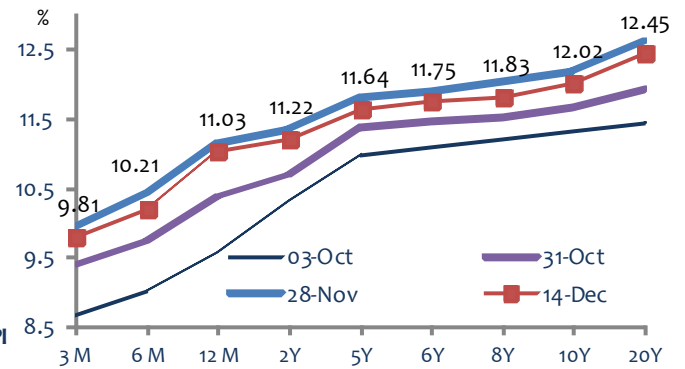
Indicative Rates

Currency	26th Dec	24th Dec
	Ind: Value	Ind: Value
Yuan (Offshore)	26.3192	26.2342
Rupee (India)	2.5918	2.5837
Won (Korean)	0.1613	0.1612
Dinar (Kuwait)	597.2421	595.9663
Ringgit (Malay)	43.4195	43.2981
Rial (Oman)	471.3620	470.7250
Riyal (Qatar)	49.8447	49.7698
Riyal (KSA)	48.3622	48.2962
Dirham (UAE)	49.4050	49.3376

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



Government Securities - Secondary Market Yield



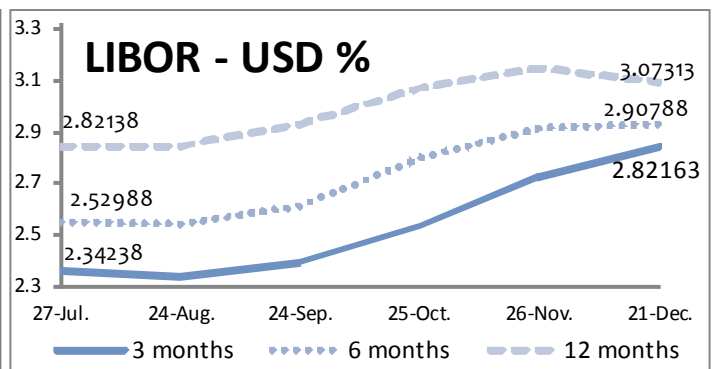
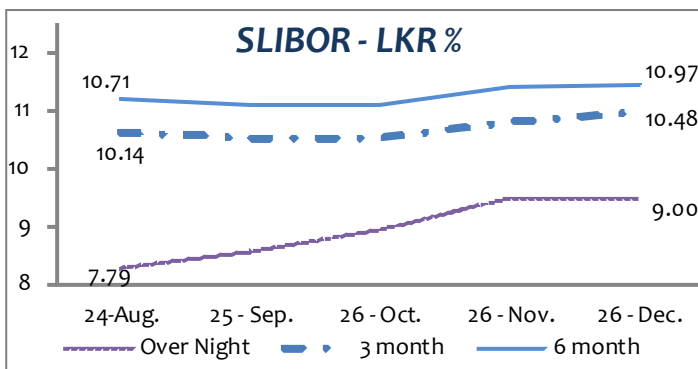
Central Bank's Policy Rates

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

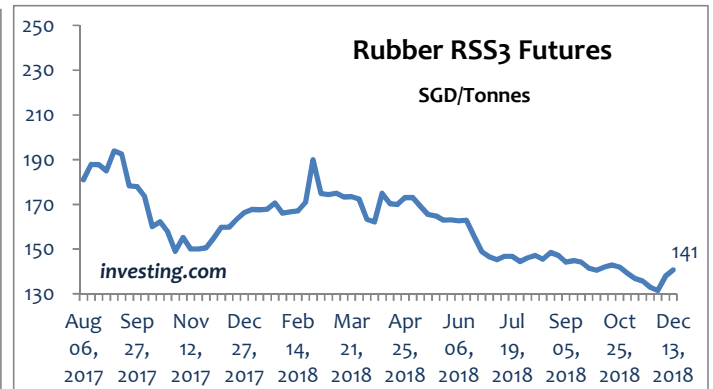
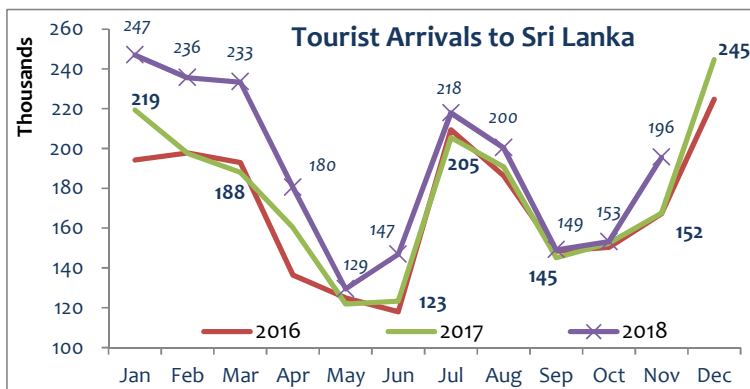
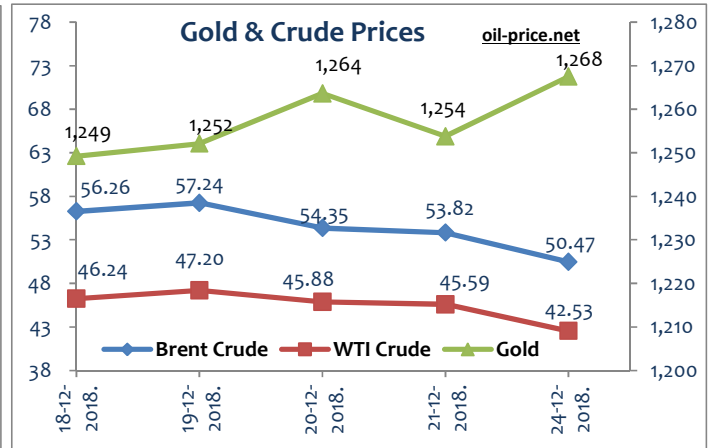
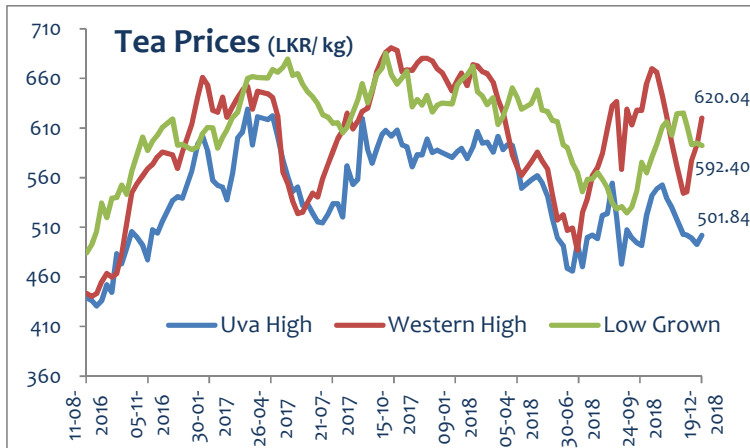
Treasury Bill Issuance

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

Sri Lanka's tea output seen recovering to 300mn kg in 2018

ECONOMYNEXT- Sri Lanka's tea production is likely to be around 300 million kilos in 2018, Forbes & Walker Tea Brokers said in a report. The latest tea production statistics available for the month of October totals 29.6 million kilos, an increase of 3.8 million kilos or 14 percent from a year ago. "Sri Lanka is likely to achieve the 300 million kilo mark, a reasonable recovery from the disastrous second and third quarters," the brokers said. The estimate considered that production up to October totals 251 million kilos and assumed production in November/December would remain static around the 2017 figures and said it was notwithstanding the labour unrest on plantations and curtailment of tea production in December. But auction average prices were much lower than those in 2017 although they had begun to recover.

Rupee woes continue as selling rate hits 183

The selling rate of the rupee skyrocketed to Rs 183.17 against the US dollar today (Dec 26), according to the Central Bank of Sri Lanka (CBSL). Statistics of the CBSL also pointed out that the buying rate had gone upto Rs 179.20. Meanwhile, the exchange rate of the rupee to the US dollar stood at Rs 181.42. (sundaytimes.lk)

NITF releases Rs.80 mn for relief work in the North

Sri Lanka's National Insurance Trust Fund (NITF) has so far released Rs. 80 million to the Ministry of Disaster Management to provide emergency relief to the displaced persons in the Northern Province and to pay advances in respect of damaged houses. These funds have been provided under the National Natural Disaster Insurance Scheme (NNDIS) operated by NITF, the state insurance agency said in a media statement on Wednesday. (sundaytimes.lk)

Foreign News

Asian stocks retreat as U.S. political tumult adds to growth worry

Asian stock markets retreated again on Wednesday, extending a rout that began last week as U.S. political uncertainty exacerbated worries over slowing global economic growth. Investors were unnerved by the U.S. federal government partial shutdown and President Donald Trump's hostile stance toward the Federal Reserve chairman. U.S. Treasury Secretary Steven Mnuchin had also raised market concerns by convening a crisis group amid the pullback in stocks.

The Shanghai Composite Index lost 0.4 percent while South Korea's KOSPI shed 1.6 percent. Japan's Nikkei, which slumped 5 percent the previous day, had a volatile session. It swerved in and out of the red, falling more than 1 percent to a 20-month-low at one stage, before ending the day with a gain of 0.9 percent.

U.S. stocks have dropped sharply in recent weeks on concerns over weaker economic growth. Trump has largely laid the blame for economic headwinds on the Fed, openly criticizing its chairman, Jerome Powell, whom he appointed. That has further rattled investors as they grappled with fears of slowing global growth, corporate earnings and U.S.-China trade tensions.

In an effort to reassure investors, Treasury Secretary Mnuchin spoke on Sunday with the heads of the six largest U.S. banks, who confirmed they have enough liquidity to continue lending and that "the markets continue to function properly."

U.S. bond yields have declined amid the rout, including a steep sell-off in oil, prompted investors to move into safe-haven government debt, adding to the growing pressure on the dollar. The 10-year U.S. Treasury note yield extended its fall to touch 2.722 percent, its lowest since early April.

In commodities, U.S. crude futures were up 0.4 percent at \$42.70 per barrel after tumbling 6.7 percent on Monday. U.S. crude futures plunged to the lowest level since June 2017 on Monday, as bearish stocks added to fears of an economic slowdown.

Brent crude futures were down 0.18 percent at \$50.38 a barrel, having skidded 6.2 percent in the previous session to their weakest since August 2017.

Safe-haven gold was well bid, with spot prices brushing a six-month peak of \$1,272.83 per ounce. ([reuters.com](#))

'The worst is yet to come': Experts say a global bear market is just getting started

Volatility on Wall Street has led shares across the globe on a wild ride in recent months, resulting in a number of stock markets dipping into bear territory. That's set to worsen in the new year, experts told CNBC on Monday. Bear markets — typically defined as 20 percent or more off a recent peak — are threatening investors worldwide. In the U.S., the Nasdaq Composite closed in a bear market on Friday and the S&P 500 entered one on Monday. Globally, Germany's DAX, China's Shanghai Composite and Japan's Nikkei have also entered bear market levels.

Major market risks remain, experts said. The Federal Reserve is likely to continue raising interest rates and worries about a global economic slowdown — made worse by a trade war between the U.S. and China — are mounting. "I would love to be more optimistic but I just don't see too many positives out there. I think the worst is yet to come next year, we're still in the first half of a global equity bear market with more to come next year," Mark Jolley, global strategist at CCB International Securities, told CNBC's "Squawk Box." ([cnbc.com](#))

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