

DAILY STOCK MARKET HIGHLIGHTS

Monday, 28 January 2019



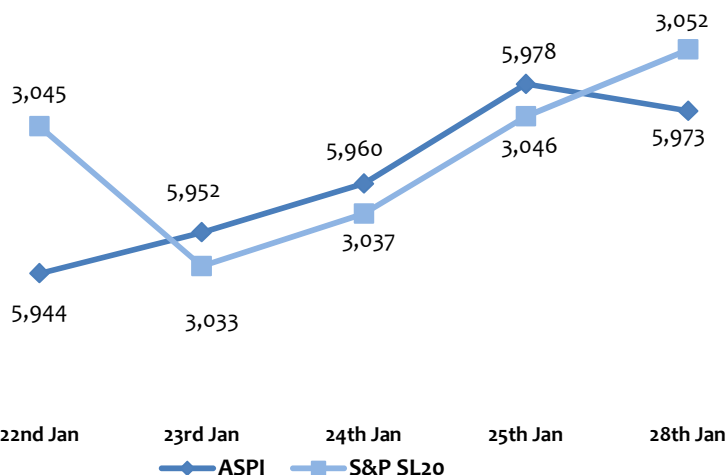
**ASHA PHILLIP
SECURITIES LTD**

Sri Lanka

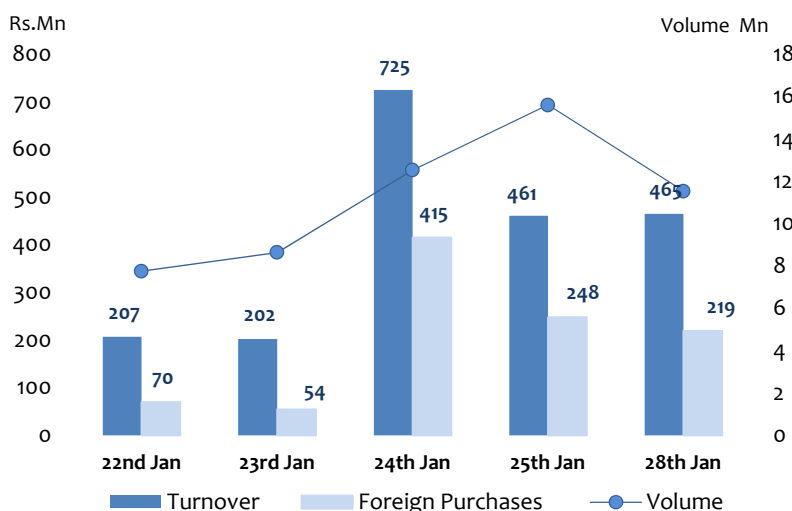
Daily Market Statistics

Index	28th Jan	25th Jan	Change	% Change
ASPI	5,973.46	5,978.30	↓ (4.84)	↓ -0.08%
S&P SL20	3,052.25	3,046.23	↑ 6.02	↑ 0.20%
Market Stats (LKR, Mn)		28th Jan	25th Jan	% Change
Turnover		465.29	460.96	↑ 0.9%
Domestic Purchases		246.12	213.29	↑ 15.4%
Domestic Sales		438.30	190.36	↑ 130.3%
Foreign Purchases		219.17	247.67	↓ -11.5%
Foreign Sales		26.99	270.60	↓ -90.0%
Share Volume		11.53	15.60	↓ -26.1%
Market capitalization (Bn)		2,791.72	2,804.70	↓ -0.46%
PER		9.35	9.39	↓ -0.43%
PBV		1.18	1.18	↓ 0.00%

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Plantation sector counters were volatile due to wage hike; LIOC witnessed considerable decline after its negative 3rd quarter earnings. Finance sector counters strengthened following negotiated deals, executed at higher than the market price and Finance ministry's proposal of new concessionary loans; signals liberalization of small car imports.
- Benchmark index ASPI moved between 5,972.01-5,985.63 points and settled the day at 5,973.46 with a loss of 4.84 points (-0.08%).
- Major contributors for the movement in ASPI were **JKH (+7.1)**, **SAMP (+3)**, **CFIN (+2.2)**, **COMB (+1.2)**, **ABL (+1.1)**, **HNB (-4.1)**, **LIOC (-2.4)**, **CARG (-2)**, **DIST (-2)** & **DIAL (-1.7)**
- S&P SL20 index also followed a same trend and settled the day at 3,052.25 with a gain of 6.02 points (+0.20%).
- The day's turnover was recorded as LKR 465.29Mn, up by 1% from its previously recorded LKR 460.96Mn. Foreign investors remained net sellers for the day.
- The total market capitalization stood at LKR 2.79Tn, indicating an YTD loss of 1.68%.
- The market PER & PBV were at 9.35x & 1.18x respectively.

Top Contributors – Turnover

1. Central Finance Company PLC (CFIN) contributed 69% (318.79Mn) of the turnover. CFIN traded between LKR 87.50 & 99.00 and settled the day at LKR 94.60 with a gain of LKR 4.70 (+5.23%); about 91% (291.7Mn) of its turnover was contributed through 2 off board trades of 3.02Mn shares negotiated at the prices of LKR 95.00 & 100.00
2. Sampath Bank PLC (SAMP) had contributed LKR 36.84Mn. SAMP traded between LKR 230.00 & 236.00 and settled the day at LKR 235.00 with a gain of LKR 5.00 (+2.17%).
3. John Keells Holdings PLC (JKH) contributed LKR 19.24Mn. JKH traded between LKR 155.00 & 157.50 and settled the day at LKR 157.00 with a gain of LKR 2.50 (+1.62%).

Top contributors - Traded Volume

1. Central Finance Company PLC traded a total of 3.31Mn shares.
2. TESS Agro PLC (1.2Mn shares)
3. Anilana Hotels and Properties PLC (0.72Mn shares).

Sectorial Overview

1. Bank Finance & Insurance (BFI) stood on top providing LKR 377.39Mn capturing 81% of the total turnover.
2. Diversified Holdings (DIV) provided LKR 25.37Mn to the daily aggregated turnover.
3. Power & Energy (P&E) provided LKR 15.15Mn

Daily Foreign Transactions

Net Foreign Purchases

Company Name	Avg Price	Net change in Qty	Net Foreign Inflow
CENTRAL FINANCE	95.00	2,015,215	191,445,425
CEYLINCO INS.[X]	920.00	5,000	4,600,000
HUNTERS	400.00	4,000	1,600,000
CHEVRON (+)	72.50	19,500	1,413,750
CARGILLS	200.00	1,000	200,000
ACCESS ENG SL	13.70	11,454	156,920
COMMERCIAL BANK[X]	97.0	1,500	145,500
LANKA IOC	20.90	6,000	125,400
LVL ENERGY	8.00	15,000	120,000
SOFTLOGIC CAP	6.10	17,500	106,750

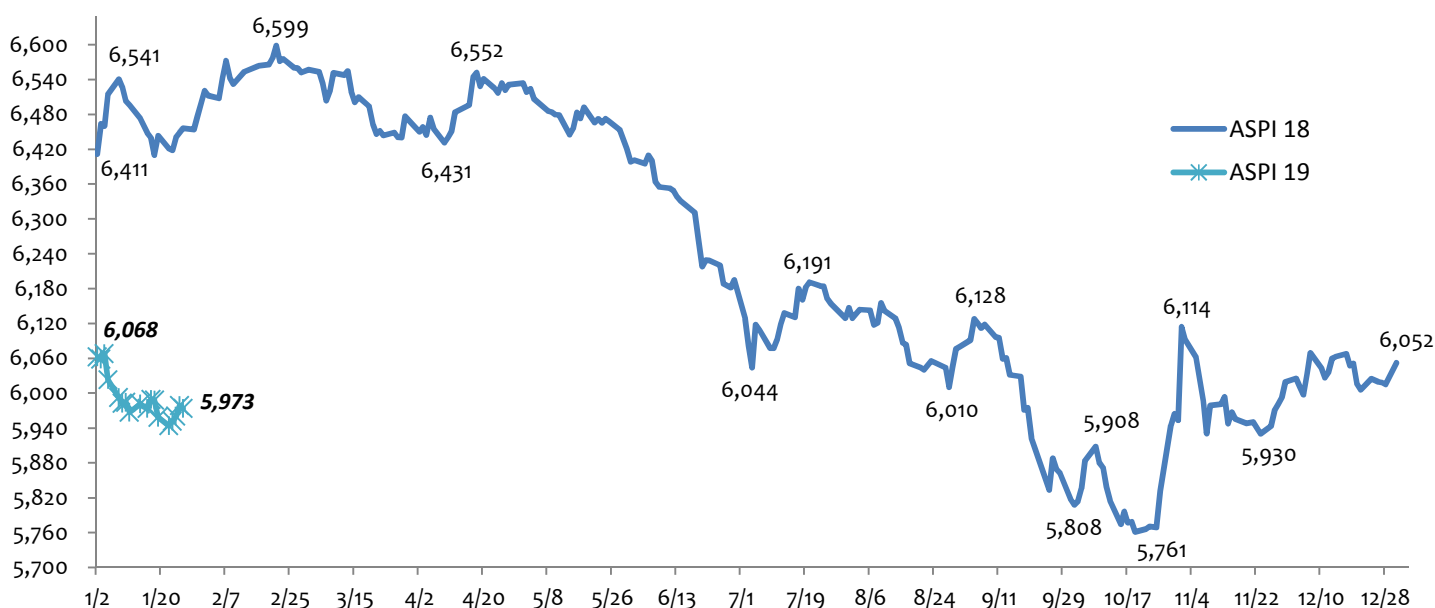
Net Foreign Sales

Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
RICH PIERIS EXP	228.00	(10,000)	(2,280,000)
DIALOG (+)	9.90	(193,000)	(1,910,700)
COMMERCIAL BANK (+)	114.10	(12,515)	(1,427,962)
JKH	157.00	(8,434)	(1,324,138)
HARISCHANDRA	1,450.00	(600)	(870,000)
LB FINANCE	120.20	(880)	(105,776)
MALWATTE (+)	8.70	(2,785)	(24,230)
MELSTACORP	46.50	(1)	(47)
JANASHAKTHI INS. (+)	28.90	(1)	(29)

- **Aggregate foreign buying** for the day totaled up to **LKR 219.17Mn**.
- **Foreign sales** for the day amounted to **LKR 26.99Mn**.
- **Net foreign inflow** for the day was **LKR 192.18Mn**, **YTD net foreign outflow** presently stands at **LKR 1.88Bn**.
- **CFIN** notched the “Top Net Purchasers” slot with a net inflow of **LKR 191.45Mn** whilst **REXP** notched the “Top net Sellers” slot with a net outflow of **LKR 2.28Mn**.

Estimations - foreign investors have sold 12.64Mn JKH shares through Share Repurchase at LKR 160/share; outflow of LKR 2.02Bn

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	
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
RGEM	29-Jan-19	DFCC	28-Mar-19	HNB	29-Mar-19
COMB	28-Mar-19	HASU	28-Mar-19	SAMP	29-Mar-19
		SEYB	29-Mar-19	PABC	29-Mar-19

EGMs

Company	Date	Company	Date
AAF	31-Jan-19	ALUF	15-Feb-19
SINH	31-Jan-19	NDB	18-Feb-19
ASCO	8-Feb-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
SFCL	0.80	Interim	30.Jan.2019	11.Feb.2019	BPPL	0.24	2nd Interim	07.Feb.2019	18.Feb.2019
COMB	3.00	2nd Interim	06.Feb.2019	15.Feb.2019					

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

Consolidation of Shares

Company	Proportion	EGM & Entitlement Date	Dealings Suspension	Trading start
Asia Asset Finance PLC (AAF.N)	10 into 1	31 Jan 2019.	01 FEB to 06 FEB 2019	7th Feb 2019

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			

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
Sampath Bank PLC (SAMP)	LKR 7Bn	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	1,430.00	187,323,751	267,872,963,930	10.33
JOHN KEELLS HOLDINGS PLC	JKH.No000	157.00	1,318,152,225	206,949,899,325	7.98
COMMERCIAL BANK OF CEYLON PLC	COMB.No000	114.10	945,709,403	107,905,442,882	4.16
NESTLE LANKA PLC	NEST.No000	1,709.80	53,725,463	91,859,796,637	3.54
DIALOG AXIATA PLC	DIAL.No000	9.90	8,143,778,405	80,623,406,210	3.11
HATTON NATIONAL BANK PLC	HNB.No000	200.30	395,451,248	79,208,884,974	3.06
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.No000	16.00	4,600,000,000	73,600,000,000	2.84
SAMPATH BANK PLC	SAMP.No000	235.00	280,902,248	66,012,028,280	2.55
CEYLON COLD STORES PLC	CCS.No000	683.30	95,040,000	64,940,832,000	2.50
MELSTACORP PLC	MELS.No000	46.50	1,165,397,072	54,190,963,848	2.09

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
CENTRAL FINANCE COMPANY PLC	318,787,345	3,309,988
TESS AGRO PLC	480,410	1,195,575
ANILANA HOTELS AND PROPERTIES PLC	717,447	717,446
EXPOLANKA HOLDINGS PLC	2,687,325	655,442
LVL ENERGY FUND PLC	4,895,128	611,891
LANKA IOC PLC	9,079,087	428,770
LANKEM DEVELOPMENTS PLC	1,379,751	315,440
MASKELIYA PLANTATIONS PLC	3,780,133	289,292
RENUKA HOLDINGS PLC	4,432,760	253,475
DIALOG AXIATA PLC	2,486,834	250,573

Highest Turnover

Company Name	Share Vol.	Turnover (LKR)
CENTRAL FINANCE COMPANY PLC	3,309,988	318,787,345
SAMPATH BANK PLC	157,526	36,835,647
JOHN KEELLS HOLDINGS PLC	123,748	19,237,829
LANKA IOC PLC	428,770	9,079,087
CEYLINCO INSURANCE PLC [X]	7,013	6,453,060
LVL ENERGY FUND PLC	611,891	4,895,128
RENUKA HOLDINGS PLC	253,475	4,432,760
COMMERCIAL BANK OF CEYLON PLC	36,309	4,134,445
MASKELIYA PLANTATIONS PLC	289,292	3,780,133
RICHARD PIERIS EXPORTS PLC	14,567	3,322,613

Top Gainers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
BLUE DIAMONDS [X]	0.30	0.10	50.00	1,519
S M B LEASING	0.50	0.10	25.00	2,316
PRINTCARE PLC	34.90	4.90	16.33	3,490
PRIME FINANCE	19.30	1.60	9.04	7,739
CDB [X]	76.00	5.80	8.26	80,644
AMANA BANK	3.10	0.20	6.90	6,264
SINHAPUTHRA FIN [P]	5.00	0.30	6.38	7,534
CITRUS HIKKADUWA	3.80	0.20	5.56	384
HOTEL SIGIRIYA	63.80	3.30	5.45	66,819
CENTRAL FINANCE	94.60	4.70	5.23	318,787,345

Top Losers

Company Name	VWA Days Close	Change (LKR)	Change %	Turnover (LKR)
TESS AGRO	0.40	(0.10)	(20.00)	480,410
BLUE DIAMONDS	0.50	(0.10)	(16.67)	17,950
LANKA IOC	20.90	(2.10)	(9.13)	9,079,087
ANILANA HOTELS	1.00	(0.10)	(9.09)	717,447
UDAPUSSELLAWA	29.40	(2.50)	(7.84)	26,879
HATTON	7.20	(0.60)	(7.69)	19,536
MALWATTE	8.70	(0.70)	(7.45)	445,616
COLOMBO CITY	680.20	(49.80)	(6.82)	286,374
TALAWAKELLE	54.20	(3.70)	(6.39)	27,070
ODEL PLC	25.60	(1.60)	(5.88)	18,432

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Central Finance Company PLC	CFIN.No000	100.00	2	3,017,853	291,696,035.00

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	16,208.87	16,190.54	377,388,275	4,022,254	983	4.90	0.90
BEVERAGE FOOD AND TOBACCO	24,251.72	24,314.24	6,469,464	469,937	162	17.40	5.90
CONSTRUCTION AND ENGINEERING	1,385.78	1,388.73	4,977,333	570,054	248	15.30	0.50
CHEMICALS AND PHARMACEUTICALS	5,239.54	5,239.54	116,787	114,826	23	7.70	0.80
DIVERSIFIED HOLDINGS	1,548.34	1,541.23	25,371,560	964,558	152	10.90	0.90
FOOTWEAR AND TEXTILE	867.04	907.35	411,572	42,556	12	51.40	0.90
HOTELS AND TRAVELS	2,662.10	2,667.73	2,007,340	868,385	131	99.00	1.70
HEALTH CARE	811.66	810.21	59,936	2,766	9	16.50	1.80
INVESTMENT TRUSTS	9,457.69	9,528.12	4,619,764	261,948	78	0.00	0.40
INFORMATION TECHNOLOGY	27.75	27.75	138	29	2	0.00	0.00
LAND AND PROPERTY	539.94	541.82	2,293,929	170,798	94	5.40	0.60
MANUFACTURING	2,857.97	2,843.16	11,793,218	512,988	374	8.80	0.90
MOTORS	12,408.37	12,378.95	78,384	1,032	10	17.20	0.50
OIL PALMS	49,418.58	49,418.58	100,306	135	16	59.20	1.30
POWER & ENERGY	100.44	103.78	15,153,901	1,242,953	368	88.40	1.20
PLANTATIONS	803.64	820.43	9,100,444	746,359	823	32.10	0.80
STORES SUPPLIES	28,152.16	28,408.28	1,887,974	4,425	5	17.40	0.50
SERVICES	15,651.23	15,995.36	221,521	65,673	34	14.50	1.20
TELECOMMUNICATIONS	136.58	137.49	2,489,180	250,675	98	5.80	0.90
TRADING	11,184.84	11,376.67	747,594	1,218,060	119	51.30	0.70

GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	482.57	482.57	72,000	2,000	4	5.00	0.60
Banks	806.55	806.49	45,451,192	247,232	378	5.50	0.70
Capital Goods	840.60	835.68	30,460,604	704,396	330	10.80	0.80
Commercial & Professional Services	859.44	763.45	3,490	100	1	0.00	1.10
Consumer Durables & Apparel	810.89	810.69	3,242,276	196,867	160	42.10	1.10
Consumer Services	252.98	254.54	2,007,340	868,385	133	104.80	1.70
Diversified Financials	771.22	767.29	322,702,272	3,752,719	459	5.40	1.00
Energy	560.45	591.17	9,191,889	435,553	321	0.00	0.90
Food & Staples Retailing	1,250.00	1,264.14	3,803,478	1,212,191	85	22.70	2.20
Food, Beverage & Tobacco	929.55	931.16	14,512,924	1,632,695	1,133	16.50	2.80
Health Care Equipment & Services	872.95	871.41	139,700	116,546	29	16.60	1.80
Household & Personal Products	1,006.65	1,001.26	911,575	79,995	33	13.70	1.90
Insurance	2,137.52	2,145.00	9,448,434	59,359	181	3.60	1.60
Materials	538.91	537.85	7,531,847	264,049	160	8.70	1.00
Pharmaceuticals, Biotechnology & Life Sciences	1,807.58	1,807.58	5,000	10	1	5.20	1.40
Real Estate	734.80	738.02	2,486,824	160,812	89	5.10	0.60
Retailing	743.30	759.83	2,089,727	57,912	74	17.00	0.70
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	713.60	718.36	2,489,180	250,675	99	5.80	0.90
Transportation	702.71	702.71	2,687,325	655,442	26	7.70	0.70
Utilities	731.16	734.32	5,962,012	807,400	60	10.30	0.70

Economic Indicators & Other Statistics

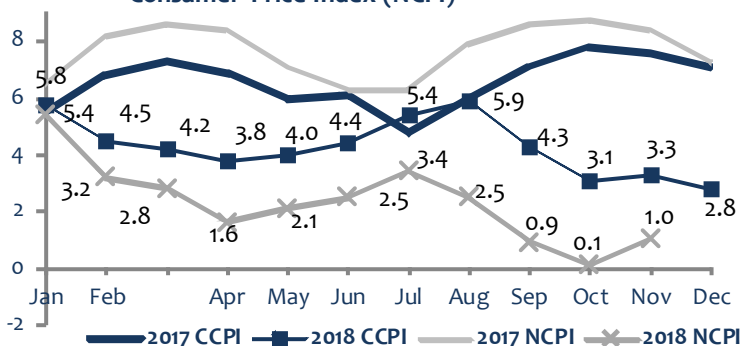
Exchange Rates

Currency	28th Jan		25th Jan	
	Buying	Selling	Buying	Selling
Dollar (USA)	179.58	183.45	179.70	183.57
Pound (UK)	235.86	243.35	234.59	242.05
Euro (EU)	203.66	210.76	202.05	209.11
Dollar (Australia)	127.95	133.33	126.30	131.63
Dollar (Canada)	135.04	140.00	134.04	138.95
Franc (Switzerland)	179.85	186.14	179.39	185.68
Renminbi (China)	26.35	27.59	26.17	27.41
Yen (Japan)	1.6320	1.6912	1.6275	1.6864
Dollar (Singapore)	132.19	136.63	131.55	135.99

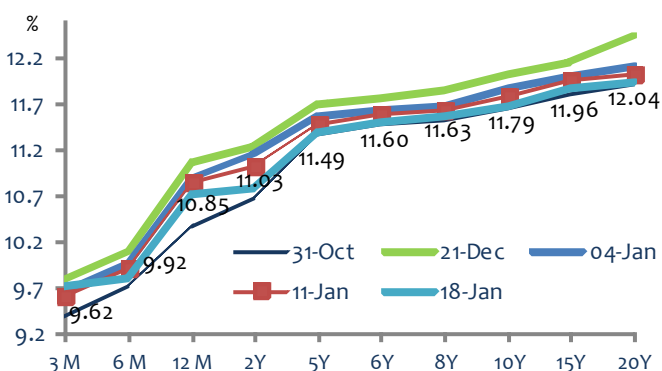
Indicative Rates

Currency	28th Jan	25th Jan
	Ind: Value	Ind: Value
Yuan (Offshore)	26.9359	26.7687
Rupee (India)	2.5605	2.5605
Won (Korean)	0.1626	0.1615
Dinar (Kuwait)	598.5375	599.4750
Ringgit (Malay)	44.1752	43.8998
Rial (Oman)	471.7564	472.4887
Riyal (Qatar)	49.8733	49.9550
Riyal (KSA)	48.4253	48.5005
Dirham (UAE)	49.4470	49.5212

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



Government Securities - Secondary Market Yield



Central Bank's Policy Rates

Description	Present	Previous		23.01.2019	16.01.2019	09.01.2019	02.01.2019
Standing Deposit Facility (SDF)	8.00%	7.25%	91 Days %	na	na	na	na
Standing Lending Facility (SLF)	9.00%	8.50%	182 Days %	9.87	9.87	9.94	9.95
Bank Rate	15.00%	15.00%	364 Days %	10.70	10.75	10.85	10.99
Statutory Reserve Ratio (SRR)	6.00%	7.50%	Amount	23.5Bn	26Bn	20Bn	18Bn

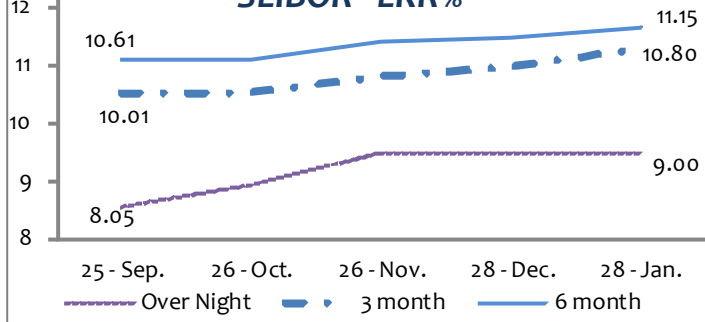
Treasury Bill Issuance

Date	13.12.2018	17.07.2016	11.01.2019	17.07.2016	17.09.2018	13.12.2018	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	11.88	11.14	11.58	11.21	10.32	12.23	11.73	11.90
Previous Auction	17.09.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	02.01.2018	15.08.2018	16.07.2018
Previous Yield	10.03	11.37	11.69	11.38	10.53	10.06	10.20	10.88

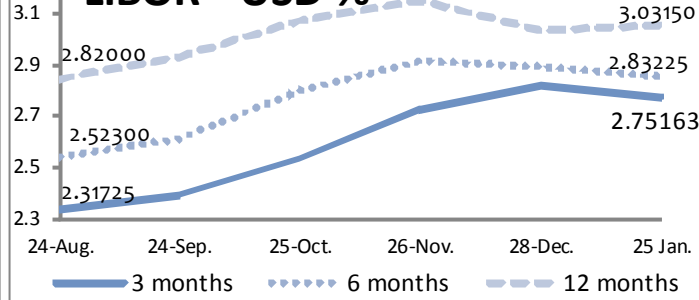
Treasury Bond Issuance

Date	13.12.2018	17.07.2016	11.01.2019	17.07.2016	17.09.2018	13.12.2018	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	11.88	11.14	11.58	11.21	10.32	12.23	11.73	11.90
Previous Auction	17.09.2018	15.06.2017	15.10.2018	15.06.2017	16.07.2018	02.01.2018	15.08.2018	16.07.2018
Previous Yield	10.03	11.37	11.69	11.38	10.53	10.06	10.20	10.88

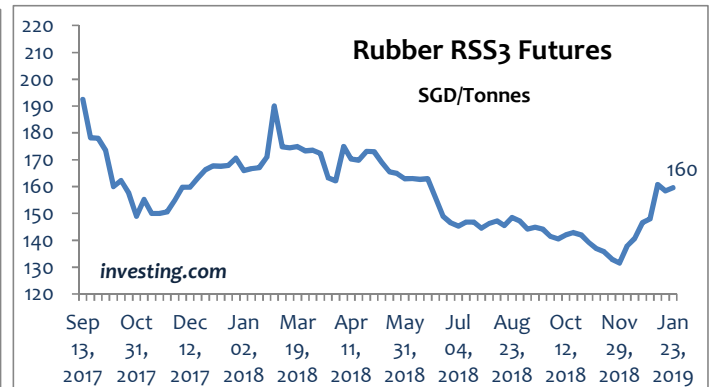
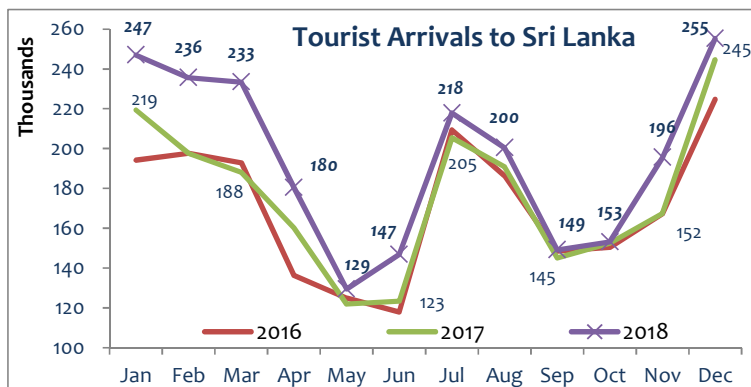
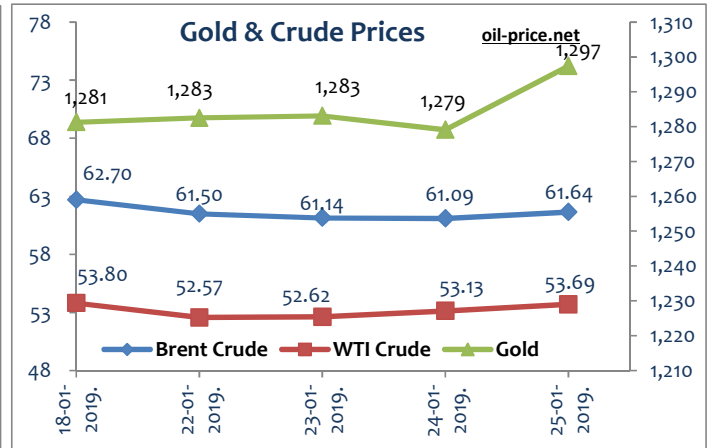
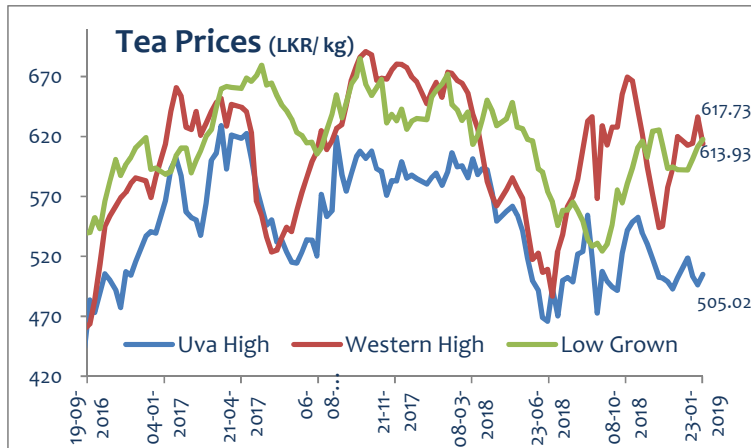
SLIBOR - LKR %



LIBOR - USD %



Economic Indicators & Other Statistics



Local News

Foreign investors resume purchases of Sri Lanka rupee bonds

ECONOMNEXT - Foreign investor have bought 4.7Bn rupees of bonds on a net basis in the week ending January 23, halting a months of sales as credibility of Sri Lanka's rupee peg was lost and political crisis in October , worsened uncertainty.

CB cuts foreign investment threshold in Govt. securities

The Monetary Board has decided to reduce the threshold of foreign investments in T- bills and T- bonds from 10% to 5% out of the total outstanding stock of T- bills and T- bonds with effect from 18 January. (ft.lk)

First SLDB issue for 2019 worth \$ 200 m goes undersubscribed

First Sri Lanka Development Bonds (SLDBs) issue for 2019 worth \$ 200Mn went undersubscribed last week. When the issue closed, only bids amounting to \$ 181.73Mn were received. Largest bids (\$129.55Mn) were received for the short-term 1 year 6 months option. Of that bids, for floating rate option was \$ 105.50Mn, of which \$ 103.50Mn were accepted at 3.42% weight average margin over 6-month LIBOR. Central Bank also accepted \$ 24.05Mn bids on fixed rate of 5.82%. Four year 3 months floating rate option got the second highest bids (\$ 21.65Mn), all of which were accepted at floating rate of 3.89% over 6-month LIBOR. The last SLDB of 2018 worth \$ 100Mn in September too got undersubscribed with bids received being \$ 82.86Mn. Of that Central Bank accepted \$ 54.40Mn bids for 1 year 8 months tenor at fixed 5% and \$ 25.46Mn on 3 years 8 months tenor at fixed 5.75%. (ft.lk)

2018 National Sales Average of tea down Rs. 36.23

The National Sales Average (NSA) for tea in 2018 at Colombo auctions has declined by Rs. 36.23 or 6% to Rs. 581.91 per kilo from an all-time high of Rs. 618.14 in 2017. According to Forbes and Walker Tea Brokers, the NSA for High Growns for the period January-December 2018 of Rs. 571.51 was down by Rs. 29.42 per kilo. Medium Growns too averaging Rs. 521.86 per kilo was down by Rs. 41.68 in 2018 as against the previous year. Low Growns' NSA totalling Rs. 600.79 in 2018 was down by Rs. 36.61. Forbes and Walker said both the December month and 2018 cumulative averages show a greater decrease in USD terms compared to the corresponding period of 2017, with Sri Lankan Rupee depreciating sharply in the last 4 months of 2018. In 2018 it was \$ 3.59, a decrease of \$ 0.52 as against \$ 4.11 of 2017. (ft.lk)

RPCs and trade unions end wages deadlock; agree to Rs. 750 daily wage

The Planters' Association of Ceylon has announced that following negotiations between the Employers' Federation of Ceylon (EFC) and trade unions representing Regional Plantation Company (RPC) employees, an agreement was reached for a revised collective agreement. PA Secretary General Lalith Obeyesekere said that as per the revised agreement, a daily basic wage of Rs. 700 plus a Price Share Supplement (PSS) of Rs. 50, totalling Rs. 750, is the only remuneration a worker would receive based on the plucking norm. Additionally, a worker would be entitled to Rs. 40 for every extra kilo plucked above the norm, the existing rate of which was Rs. 28.75. Obeyesekere stated that no attendance or productivity incentives had been included within the scope of the revised agreement, effectively capping estate workers' earnings to Rs. 750 a day plus over-kilos. Under the previous agreement, workers were provided a basic salary of Rs. 500, in addition to an attendance incentive (AI) of Rs. 60, a Productivity Incentive (PI) of Rs. 140 and a PSS of Rs. 30, amounting to a total daily wage of Rs. 730. (ft.lk)

Foreign News

Asia shares pare gains as focus turns to crucial Sino-U.S. trade talks

Asian shares ticked up on Monday though they retreated from earlier highs as relief on news of a deal to reopen the U.S. government following a prolonged shutdown gave way to edginess before a key round of Sino-U.S. trade talks.

China's benchmark Shanghai Composite and Hong Kong's Hang Seng lost almost 0.2 percent while South Korea's KOSPI was largely flat. Japan's Nikkei closed 0.6 percent lower while Australian financial markets were shut for their 'Australia Day' holiday.

Facing mounting pressure, U.S. President Donald Trump agreed on Friday to temporarily end a 35-day-old partial U.S. government shutdown without getting the \$5.7 billion he had demanded from Congress for a border wall.

In response Wall Street rallied broadly on Friday as investors were relieved to see an end to one of the longest U.S. government shutdown in history.

Attention now shifts to Chinese Vice Premier Liu He's visit the United States on Jan. 30-31 for the next round of trade negotiations with Washington.

The high-level talks in Washington will include discussions about China's currency practices, U.S. Treasury Secretary Steven Mnuchin said. He has criticized the yuan's weakness in the past, but in recent days, positive sentiment toward the talks has lifted the yuan's value against the dollar.

Besides the underlying anxiety on trade, the temporary nature of the U.S. government's reopening - Trump has threatened to resume the shutdown on Feb. 15 if his demands aren't met - remained a source of concern.

In commodity markets, U.S. crude oil futures were off 61 cents, or 1.1 percent, at \$53.08 per barrel, with a rise in U.S. rig count stopping a two-day winning run. Brent crude futures were last down 63 cents, or 1 percent, at \$61.01 a barrel. Oil prices rose toward the end of last week as political turmoil in Venezuela threatened to tighten crude supply, with the United States signaling it may impose sanctions on exports from the South American nation.

Gold was slightly higher. Spot gold was traded at \$1,302.20 per ounce, hovering just below a more than 7-month high of \$1,304.40 reached earlier in the session. (reuters.com)

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