

# WEEKLY STOCK MARKET HIGHLIGHTS

Friday, 06 April 2018



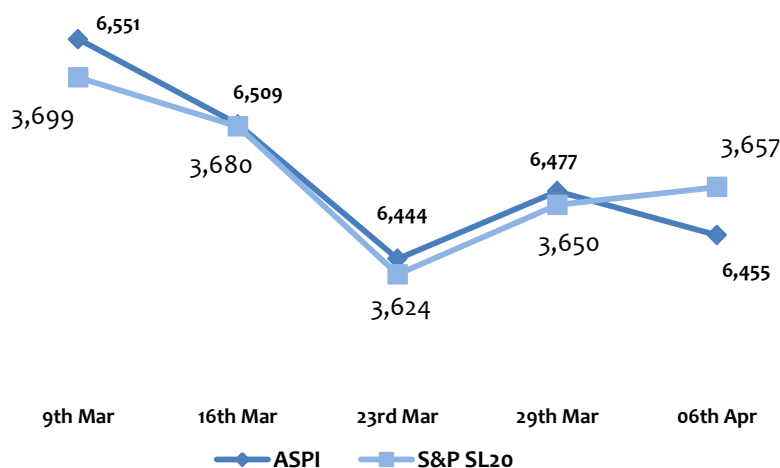
**ASHA PHILLIP  
SECURITIES LTD**

Sri Lanka

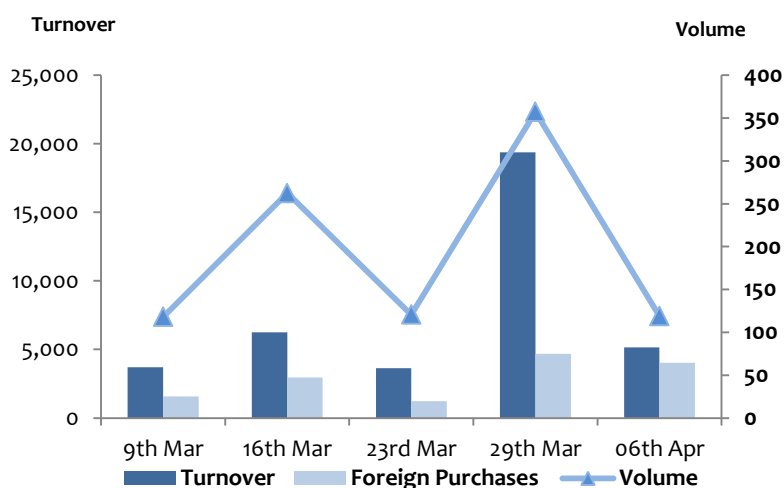
## Weekly Market Statistics.

Index	06th Apr	29th Mar	Change	% Change
ASPI	6,455.32	6,476.78	↓ (21.46)	↓ -0.33%
S&P SL20	3,656.89	3,650.10	↑ 6.79	↑ 0.19%
Market Statistics		06th Apr	29th Mar	
Value of Turnover (Rs.)		5,159,442,151	19,385,474,622	
Domestic Purchases		1,121,167,349	14,699,146,231	
Domestic Sales		2,855,299,338	4,831,519,219	
Foreign Purchases		4,038,274,802	4,686,328,392	
Foreign Sales		2,304,142,813	14,553,955,403	
Volume of Turnover (No.)		118,903,177	357,185,849	
Market Capitalization (Rs. Bn)		3,021.58	3,032.71	
PER		11.47	11.19	
PBV		1.34	1.35	

## Market Indices.



## Turnover, Volume and Foreign Purchase.



## Weekly Performance of the Market

- Relisting of the alcohol company (DIST) became the major reason for the higher volatility of the Bourse during the week, due to its illiquid nature and lack of guidance in setting its introductory price. Post LG election Political instability is seen settled during latter part of the week, slash in policy rates signaled positiveness to the market while adverse developments in the global economic environment restricted the foreign investor participation during latter part of the week. Tea auction average prices witnessed declines while Government security yields inched up. Corporate Debt issues scheduled for mid of next week and the fall of traditional New Year during latter part of next week affected the local investor participation.
- The Benchmark index ASPI settled the week on negative terrain at 6,455.32 with a loss of 21.46 points (-0.33%)
- The S&P SL20 Index had little impact from volatility, managed to settle the week on positive terrain at 3,656.89 with a gain of 6.79 points (+ 0.19%)
- The total turnover for the week recorded as LKR 5.16Bn, charting a drop of 73% from its previously recorded LKR 19.39Bn.
- Off board trades (LKR 2.85Bn) have contributed 55% of the week's total turnover through 36 trades.

## Sectorial Overview

- Bank Finance & Insurance (BFI) sector stood on top providing LKR 2.65Bn capturing 51% of the week's total turnover.
- Diversified Holdings (DIV) and Beverage Food & Tobacco (BFT) sectors stood second and third providing LKR 1,408.27Mn and LKR 286.5Mn respectively to the daily aggregated turnover.

## Foreign Participation

- Aggregate foreign buying for the Week totaled LKR 4.04Bn (78% turnover) while Foreign sales amounted to LKR 2.3Bn. (45% turnover)
- Net foreign inflow was LKR 1.73Bn and the YTD net foreign outflow stands at LKR 0.89Bn.
- CINS notched the "Top Net Purchasers" slot with LKR 2.04Bn whilst HHL notched the "Top net Sellers" slot with LKR 124.14Mn.

## Weekly Market Highlights & Statistics

### Highest Turnover for the Week

Company Name	Share Vol.	Turnover (LKR)	Low (LKR)	High (LKR)	Cur.Week Close	Prv.Week Close	Change (LKR)	Change
CEYLINCO INSURANCE PLC	1,146,559	2,060,525,598	1650.00	1842.90	1,650.60	1800.00	(149.40)	-8.30%
MELSTACORP LIMITED	16,618,304	996,911,323	59.00	62.00	60.00	58.20	1.80	3.09%
SAMPATH BANK PLC	1,257,214	375,537,902	297.50	300.00	298.90	300.00	(1.10)	-0.37%
HEMAS HOLDINGS PLC	2,314,601	285,987,068	123.00	126.00	124.00	124.90	(0.90)	-0.72%
DIALOG AXIATA PLC	19,682,442	275,237,469	13.60	14.00	13.90	13.80	0.10	0.72%

### Highest Volume for the Week

Company Name	Share Vol.	Turnover (LKR)	Low (LKR)	High (LKR)	Cur.Week Close	Prv.Week Close	Change (LKR)	Change
DIALOG AXIATA PLC	19,682,442	275,237,469	13.60	14.00	13.90	13.80	0.10	0.72%
MELSTACORP LIMITED	16,618,304	996,911,323	59.00	62.00	60.00	58.20	1.80	3.09%
AMANA TAKAFUL PLC	11,237,805	8,987,935	0.80	0.90	0.80	0.70	0.10	14.29%
PANASIAN POWER PLC	11,205,080	31,372,834	2.70	2.80	2.80	2.70	0.10	3.70%
BROWNS INVESTMENTS PLC	5,998,849	16,749,201	2.70	2.90	2.80	2.70	0.10	3.70%

### Top Gainers For the Week

Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
ADAM CAPITAL	0.60	0.10	20.00	961,985.7
COLOMBO TRUST	30.00	5.00	20.00	102,975.10
AMANA TAKAFUL	0.80	0.10	14.29	8,987,935.20
BLUE DIAMONDS	0.90	0.10	12.50	150,586.60
DUNAMIS CAPITAL	25.60	2.60	11.30	1,502,542.30

### Top Losers For the Week

Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
LAUGFS GAS	27.20	(8.30)	(23.38)	9,875,598.80
LAUGFS GAS [X]	21.10	(4.70)	(18.22)	9,000,858
HUNTERS	410.20	(84.80)	(17.13)	159,760.00
PARAGON	54.60	(8.40)	(13.33)	5,790.00

### Summarized crossings for the week

Name	Symbol	Avg Price	Trades	T.Volume	Turnover
Ceylinco Insurance PLC	CINS.No000	1,800.00	5	520,532	936,957,600
Melstacorp Limited PLC	MELS.No000	60.00	12	15,337,584	920,255,040
Sampath Bank PLC	SAMP.No000	298.75	6	1,037,528	309,960,872
Hemas Holdings PLC	HHL.No000	123.58	3	2,224,094	274,862,656
Dialog Axiata PLC	DIAL.No000	14.00	3	15,386,614	215,412,596
Access Engineering PLC	AEL.No000	20.50	3	3,936,902	80,706,491
Panasian Power PLC	PAP.No000	2.80	1	11,000,000	30,800,000
Distilleries Company Of Sri Lanka PLC	DIST.No000	27.00	1	1,000,000	27,000,000
Chevron Lubricants Lanka PLC	LLUB.No000	102.00	1	257,000	26,214,000
Hatton National Bank PLC	HNB.No000	244.50	1	100,000	24,450,000
<b>Total</b>			<b>36</b>	<b>50,800,254</b>	<b>2,846,619,255</b>
As a percentage of total Turnover					55%

## Weekly Foreign Transactions.

### Net Foreign Purchases

Company Name	Net change in holding (Qty)	Net Inflow (LKR)
CEYLINCO INS. (+)	1,132,500	2,038,500,000
ACCESS ENG SL	2,224,197	45,596,039
COLD STORES	29,919	27,824,670
MELSTACORP	288,403	17,304,180
SOFTLOGIC	608,264	14,294,204
DIALOG (+)	572,808	7,962,031
LAUGFS GAS	200,000	5,440,000
COMMERCIAL BANK (+)	30,097	4,072,124
TOKYO CEMENT	55,489	3,218,362
CEYLON TOBACCO (+)	2,431	2,552,550

### Net Foreign Sales

Company Name	Net change in holding (Qty)	Net Outflow (LKR)
HEMAS HOLDINGS	(1,009,256)	(124,138,488)
SAMPATH (+)	(392,186)	(116,989,084)
DISTILLERIES	(2,825,988)	(68,954,107)
JKH	(177,958)	(28,295,322)
TOKYO	(571,801)	(25,788,225)
LION BREWERY	(35,578)	(18,674,892)
TEEJAY LANKA	(527,145)	(16,657,782)
CHEVRON (+)	(125,104)	(12,760,608)
HNB (+)	(25,520)	(6,328,960)
LOLC	(30,239)	(3,628,680)

### Foreign Participation

- **Aggregate foreign buying** for the Week totaled up to **LKR 4,038.27Mn.**
- **Foreign sales** for the Week amounted to **LKR 2,304.14Mn.**
- **Net foreign inflow** for the Week was **LKR 1,734.13Mn**, YTD **net foreign outflow** presently stands at **LKR 0.89Bn**
- **CINS** notched the “Top Net Purchasers” slot with a net inflow of **LKR 2.04Bn** whilst **HHL** notched the “Top net Sellers” slot with a net outflow of **LKR 124.14Mn.**

## Summary of Key Announcements during the week

- **Melstacorp PLC** has entered into a share purchase agreement with **Bluestone1 (Pvt) Ltd** to sell 100% of the equity (134.03Mn shares) in its subsidiary **Melsta Regal Finance Ltd** at a purchase price of LKR 2.55Bn.
- **Trading suspension** on the shares of **Distilleries Company of Sri Lanka PLC (DIST)** was **lifted** on **03<sup>rd</sup> April 2018** following the transfer of shares of DIST to the shareholders of **Melstacorp PLC (MELS)** in the form of dividend in specie. (Note: Interim dividend was valued at LKR 2.44 per each MELS; accordingly the cost of a DIST share is LKR 8.24)
- Net Asset Value (NAV) of **Namal Equity Value Fund** has been finalized as LKR 124.52 per unit as of 29th March 2018 and NAV of **Candor Opportunities Fund** has been finalized as LKR 9.98 per unit as of 31st March 2018.
- The Board of **Lanka Orix Leasing Company PLC (LOLC)** has decided to change its name by removing the word ‘ORIX’, pursuant to the divestment by ORIX Corporation of its shareholding in the company.
- **Lankem Ceylon PLC** has disposed its property situated at Nawam Mawatha, Colombo 02 for a consideration of **LKR 700Mn** on 29<sup>th</sup> March 2018. (Note: Carrying value of the said property was 302.57Mn as at 31<sup>st</sup> Mar 2017).
- Trading suspensions on **Ceylon & Foreign Trades PLC (CFT)** and **Adam Capital PLC (PCHH)** were lifted on 03 April 18.
- **Softlogic Holdings PLC (SHL)** has incorporated **Softlogic Retail Holdings (Private) Limited (SRH)** as its fully owned subsidiary to restructure the Retail Sector of the Group. Accordingly, SHL has transferred **Softlogic Communication Services (Pvt) Ltd**, **Softlogfc Mobile Distribution (Pvt) Ltd** and **Softlogic International (Pvt) Ltd** to SRH for LKR 2.09Bn and **Softlogic Retail (Pvt) Ltd** was transferred for LKR 4.18Bn prior to 31<sup>st</sup> March 2018. Further, **Softlogic Restaurants (Pvt) Ltd** and **Odel PLC** will also be transferred to SRH as part of the restructuring process. Necessary announcements in this regard will be made to the CSE.
- **LOLC Finance PLC (LOFC)** has purchased the entire stake of **LOLC Micro Credit Limited (LOMC)** for LKR 12.29Bn. As per the request of Central Bank of Sri Lanka, LOFC & LOMC have **amalgamated** with effect from 19<sup>th</sup> Mar 2018

## Summary of Key Announcements during the week

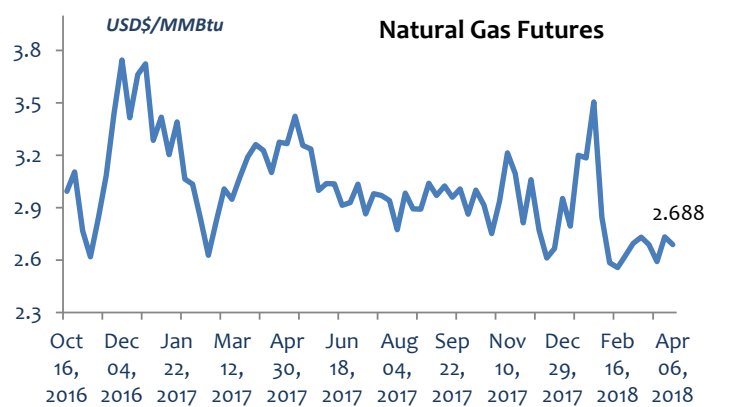
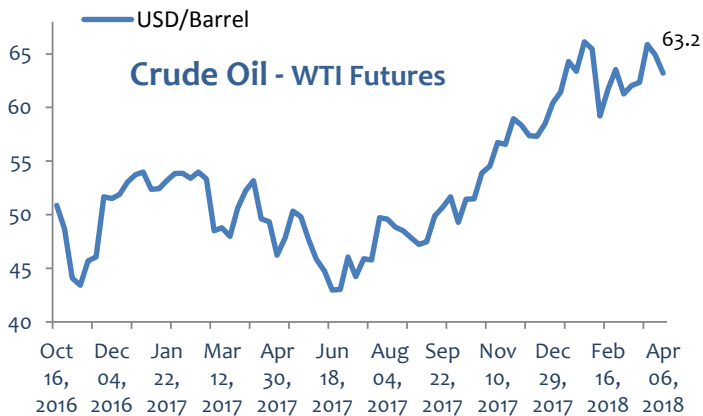
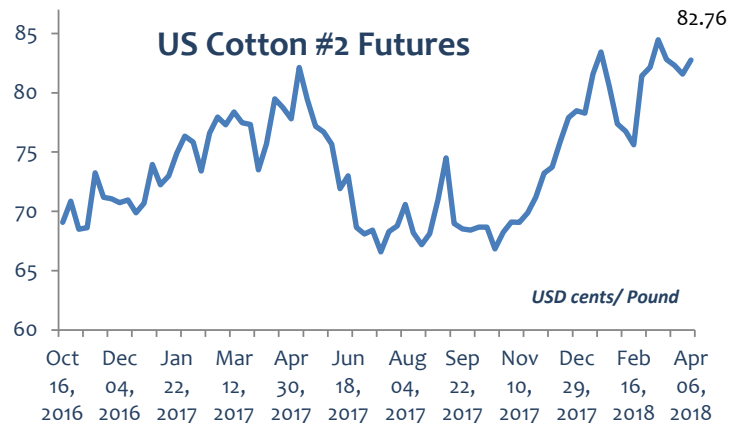
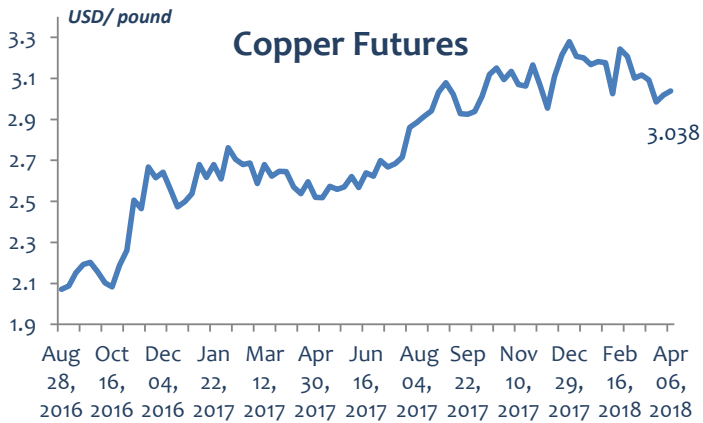
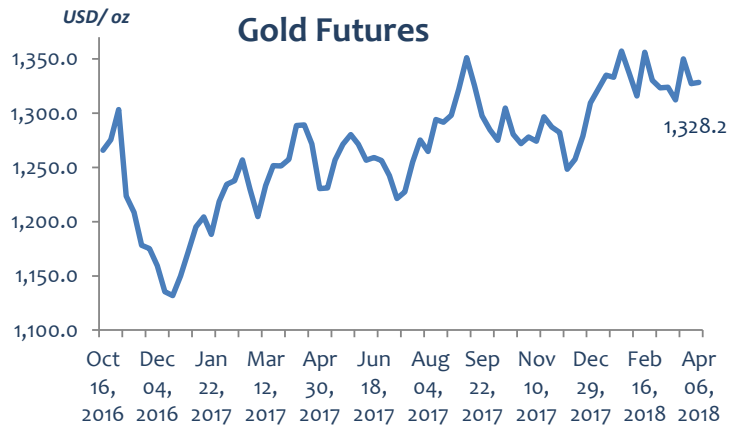
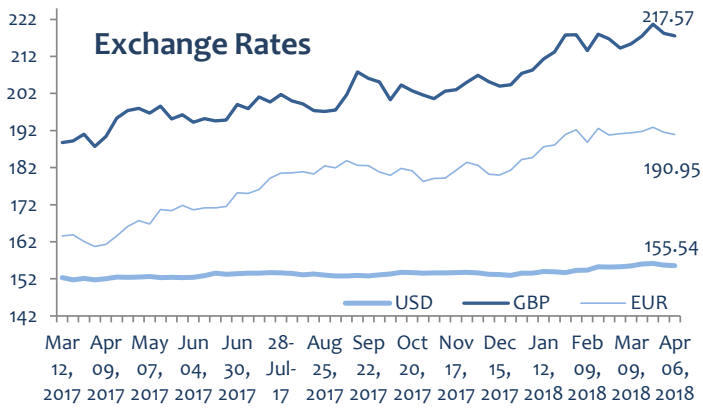
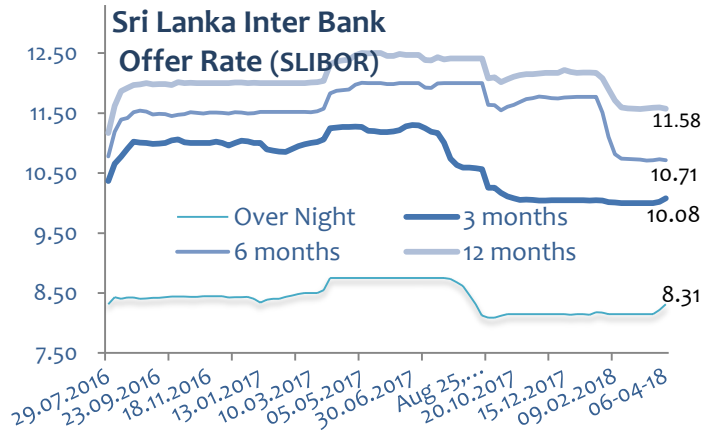
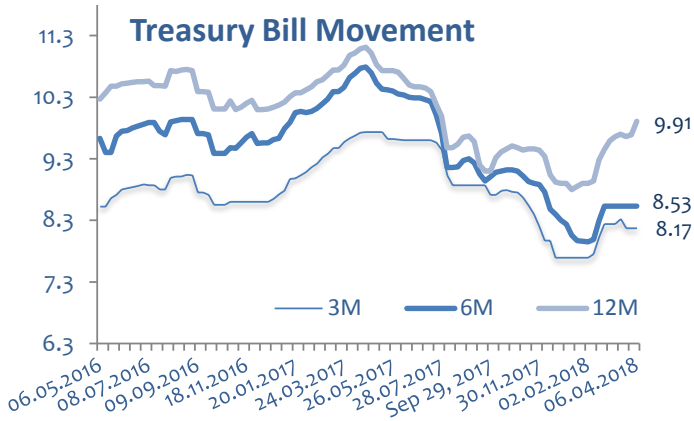
- **Renuka Foods PLC (COCO)** has acquired **118Mn** Voting shares & **3.7Mn** Non-Voting shares of **Shaw Wallace Ceylon Ltd (SWCL)** for a total consideration of **LKR 779.87Mn** through its voluntary offer. Consequent to this offer COCO now directly holds 230.75Mn Voting shares (79.33%) & 3.71Mn Non-Voting shares (89.3%) and indirectly holds 58.17Mn Voting shares (20%) of SWCL. Further **Renuka Consumer Foods Limited** is to be amalgamated with its parent COCO and will continue as one company with effect from 31<sup>st</sup> March 2018.
- **Mitsui Sumitomo Insurance Company Limited** has purchased 0.9Mn shares (~4.5% stake) of **Ceylinco Insurance PLC (CINS.N)** at LKR 1,800/- per share on 2<sup>nd</sup> April 2018 and increased its stake in CINS to ~10.5%.
- **Nations Trust Bank PLC** said “first conversion of **Ordinary Non-Voting Convertible Shares** will commence on the last Market Day of the Quarter ending 30<sup>th</sup> June 2018”. (Please refer the announcement for the process to be followed for such conversion.)
- The recent **Citizen Development Business Finance PLC’s** Debentures & **Seylan Bank PLC’s** Basel III Compliant Debentures were listed on 5<sup>th</sup> and 6<sup>th</sup> April 2018 respectively, further **DFCC Bank PLC’s** Basel III Compliant Debentures to be listed on 9<sup>th</sup> April 2018
- The board of **Prime Finance PLC (GSF)** has resolved to issue **43.2Mn** ordinary shares by way of a **Rights Issue** in the proportion of **06 new shares for every 05 shares held** at the date of allotment for a **consideration of LKR 20.00** per share. The proceeds (LKR 864Mn) will be used to comply with the minimum Core Capital requirement. Issue is subject to necessary approvals.
- **Property Development PLC (PDL)** said, Resolution pertaining to the **de-listing** of the Company’s shares from the Official List of CSE was **not duly passed** in accordance with SEC Rules, at the EGM held on 04<sup>th</sup> April 2018.
- **Sampath Bank PLC’s** “Right Issue 2018” oversubscribed by c.22%. SAMP has received applications for Rights & Additional of 61.21Mn shares (LKR 15.3Bn) for the issue of 50.13Mn shares.
- **Softlogic Finance PLC (CRL)** said USD 2Mn (LKR 309.65Mn) Unsecured Convertible Subordinated Loan obtained from FMO (*Dutch development bank*) was converted to 8.86Mn ordinary shares (~15% stake) at a conversion price of LKR 34.96 per share by way of a **private placement** and the shares will be listed on 9<sup>th</sup> Apr 2018.
- Scrip Dividends of **Commercial Bank of Ceylon** and **Hatton National Bank** will be listed on 9 Apr 2018.

### ➤ Dealings By Directors

Shares dealt in	Nature	Director / Company involved	No of Shares	Price	Date
VLL	Disposal	Mr. Zulficar Ghouse	207,583	4.90	27, 29th March
VLL	Purchase	MR R Sangani	25,000	4.80	27th March
CHLX	Purchase	Durdans Management Services	50,000	70.00	27th March
BOPL	Transfer	Mr. D J Ambani to Metrocrop	63,750	16.20	29th March
EAST	Disposal	MR M W A D J Vajira Wijesuriya	221,001	19.10 – 19.50	29th March
NEH	Purchase	Mercantile Fortunes (Mr G L A Ondaatjie)	312	1344.90 – 1350	28th March
CDB.N	Purchase	Ceylinco Life Insurance Ltd AC 3	200,000	80.30 – 85.00	29th March
CFLB	Purchase	Mr A Rajaratnam	500	19.00	26th March.
CFI	Purchase	Mr A Rajaratnam (Financial Trust)	300	64.70	29th March.
CONN	Purchase	Mr L T Samarawickrama	5,367	49.90 – 53.00	22nd March
COMD	Disposal	Commercial Bank (Mr J Durairatnam)	1	75.00	4th Apr 18
SHL	Purchase	Mr A K Pathirage	2,466,807	23.80 - 24.00	20-22nd Mar 18
ASIR	Purchase	Mr A K Pathirage	1,190,066	23.00 - 27.60	23-29 Mar
ODEL	Purchase	Mr A K Pathirage	48,292	23.80 - 24.80	26, 27 Mar
ODEL	Purchase	Softlogic Retail (Pvt) Ltd	361,353	24.80 - 26.00	28, 29 Mar

# Economic Indicators & Other Statistics

Source: investing.com & cbsl.gov.lk





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