

WEEKLY STOCK MARKET HIGHLIGHTS

Friday, 16 February 2018



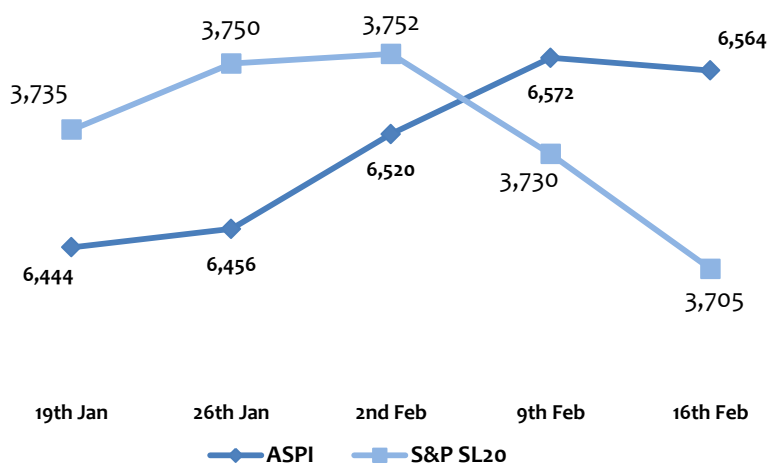
**ASHA PHILLIP
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Sri Lanka

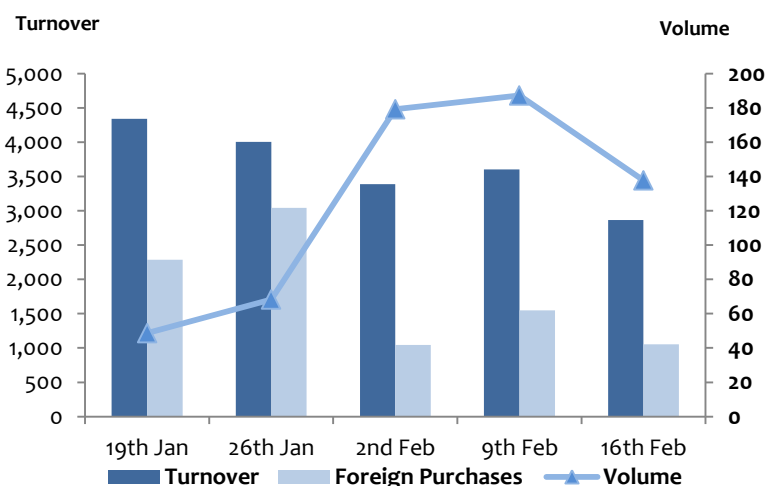
Weekly Market Statistics.

Index	16th Feb	9th Feb	Change	% Change
ASPI	6,563.69	6,572.29	↓ (8.60)	↓ -0.13%
S&P SL20	3,705.21	3,730.18	↓ (24.97)	↓ -0.67%
Market Statistics		16th Feb	9th Feb	
Value of Turnover(Rs.)		2,865,817,161	3,603,418,807	
Domestic Purchases		1,814,357,982	2,052,561,084	
Domestic Sales		2,307,952,302	2,782,701,005	
Foreign Purchases		1,051,459,178	1,550,857,723	
Foreign Sales		557,864,859	820,717,801	
Volume of Turnover (No.)		137,742,813	187,314,403	
Market Capitalization (Rs. Bn)		3,004.93	3,008.85	
PER		10.90	10.92	
PBV		1.33	1.34	

Market Indices.



Turnover, Volume and Foreign Purchase.



Weekly Performance of the Market

- Colombo Bourse was limited with four trading sessions for the third consecutive week. Country's political environment remained heated following the local government election; had considerable impact on foreign investor participation. Improvements in quarterly earnings of several investor favorite counters and proposed corporate actions have convinced the worried retail investors. Tea auction average prices witnessed slight decline during the week. Local currency and Government security yields also affected by the fragile political environment.
- The benchmark index ASPI settled the week on negative terrain at 6,563.69 with a loss of 8.6 points (-0.13%)
- The S&P SL20 Index also affected by the volatility and settled the week on negative terrain at 3,705.21 with a loss of 24.97 points (-0.67%)
- The total turnover for the week recorded as LKR 2.87Bn, charting a drop of 20% from its previously recorded LKR 3.6Bn.
- Off board trades have contributed 13% of the week's total turnover, accounting for LKR 378.28Mn through 11 trades.

Sectorial Overview

- Bank Finance and Insurance (BFI) sector stood on top providing LKR 1.24B capturing 43% of the week's total turnover.
- Diversified Holdings (DIV) and Beverage Food & Tobacco (BFT) sectors stood second and third providing LKR 1.01Bn and LKR 0.18Bn respectively to the daily aggregated turnover.

Foreign Participation

- Aggregate foreign buying for the Week totaled up to LKR 1.05Bn (37% of the turnover)
- Foreign sales for the Week amounted to LKR 0.56Bn. (19% of the turnover)
- Net foreign inflow for the Week was LKR 0.49Bn while YTD net foreign inflow stands at LKR 5.5Bn.
- SHL notched the "Top Net Purchasers" slot with a net inflow of LKR 605.57Mn whilst LION notched the "Top net Sellers" slot with a net outflow of LKR 73.75Mn.

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
SOFTLOGIC HOLDINGS PLC	33,120,967	703,805,099	17.50	24.20	24.00	18.10	5.90	32.60%
SAMPATH BANK PLC	662,251	211,906,675	317.20	330.00	327.40	320.00	7.40	2.31%
HATTON NATIONAL BANK PLC	731,859	178,004,951	243.00	249.00	243.00	246.00	(3.00)	-1.22%
JANASHAKTHI INSURANCE COMPANY PLC	5,209,710	160,955,656	28.70	32.00	31.70	30.20	1.50	4.97%
LION BREWERY CEYLON PLC	193,779	129,723,966	500.00	597.70	568.00	555.00	13.00	2.34%

Highest Volume for the Week

Company Name	Share Vol.	Turnover (LKR)	Low (LKR)	High (LKR)	Cur.Week's Close	Prv.Week's Close	Change (LKR)	Change
SOFTLOGIC HOLDINGS PLC	33,120,967	703,805,099	17.50	24.20	24.00	18.10	5.90	32.60%
SOFTLOGIC CAPITAL PLC	17,497,591	107,022,651	4.50	6.40	5.90	4.70	1.20	25.53%
ANILANA HOTELS AND PROPERTIES PLC	6,432,155	8,202,486	1.10	1.30	1.20	1.10	0.10	9.09%
ADAM INVESTMENTS PLC	6,168,274	1,854,251	0.20	0.40	0.30	0.30	-	0.00%
LANKEM DEVELOPMENTS PLC	5,524,978	46,431,838	8.00	8.70	8.20	8.30	(0.10)	-1.20%

Top Gainers For the Week

Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
A I A INSURANCE	489.40	142.40	41.04	12,879,247.90
EAST WEST	16.80	4.20	33.33	53,647,383.60
SOFTLOGIC	24.00	5.90	32.60	703,805,098.80
SOFTLOGIC CAP	5.90	1.20	25.53	107,022,651.10
LUCKY LANKA [X]	1.20	0.20	20.00	162,214.20

Top Losers For the Week

Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
INDUSTRIAL ASPH.	300.00	(94.60)	(23.97)	296,821.50
SWARNAMAHAL FIN	1.60	(0.50)	(23.81)	7,116,416.50
PRIME FINANCE	21.00	(3.30)	(13.58)	254,290.50
TEA SMALLHOLDER	34.60	(5.10)	(12.85)	71,860.70
BERUWALA RESORTS	0.70	(0.10)	(12.50)	210,669.00

Summarized crossings for the week

Name	Symbol	Avg Price	Trades	T.Volume	Turnover
Softlogic Holdings PLC	SHL.N0000	20.00	3	7,745,024	150,453,260
John Keells Holdings PLC	JKH.N0000	155.46	2	390,000	60,630,000
Sampath Bank PLC	SAMP.N0000	319.04	2	185,000	59,022,500
Central Finance Company PLC	CFIN.N0000	105.00	1	301,962	31,706,010
Ceylon Tobacco Company PLC	CTC.N0000	1,089.80	1	27,500	29,969,500
Hatton National Bank PLC	HNB.N0000	244.00	1	100,000	24,400,000
Sanasa Development Bank PLC	SDB.N0000	110.50	1	200,000	22,100,000
Total			11	8,949,486	378,281,270
As a percentage of total Turnover					13%

Weekly Foreign Transactions.

Net Foreign Purchases

Company Name	Net change in holding (Qty)	Net Inflow (LKR)
SOFTLOGIC	28,700,227	605,574,790
SAMPATH (+)	151,855	49,717,327
HNB (+)	199,872	48,568,896
CENTRAL FINANCE	89,513	9,407,816
LANKEM DEV.	1,029,451	8,441,498
SEYLAN BANK[X.](+)	120,263	6,614,465
COM.CREDIT	122,075	5,249,225
NAT. DEV. BANK (+)	34,035	4,652,585
CHEVRON (+)	22,741	2,637,956
MELSTACORP	27,862	1,721,872

Net Foreign Sales

Company Name	Net change in holding (Qty)	Net Outflow (LKR)
LION BREWERY	(133,600)	(73,747,200)
JKH	(430,751)	(66,766,405)
COMMERCIAL	(428,503)	(58,276,408)
JANASHAKTHI INS.	(402,617)	(12,762,959)
LANKA IOC	(313,492)	(9,373,411)
Softlogic Life (+)	(294,050)	(6,704,340)
HNB ASSURANCE	(75,000)	(6,540,000)
UNION BANK (+)	(219,351)	(3,005,109)
EAST WEST	(159,000)	(2,671,200)
AITKEN SPENCE	(41,860)	(2,093,000)

Foreign Participation

- **Aggregate foreign buying** for the Week totaled up to **LKR 1,051.46Mn.**
- **Foreign sales** for the Week amounted to **LKR 557.86Mn.**
- **Net foreign inflow** for the Week was **LKR 493.59Mn**, YTD net foreign inflow presently stands at **LKR 5.50Bn**
- **SHL** notched the “Top Net Purchasers” slot with a net inflow of **LKR 605.57Mn** whilst **LION** notched the “Top net Sellers” slot with a net outflow of **LKR 73.75Mn.**

Summary of Key Announcements during the week

- The board of **R I L Property PLC (RIL)** has resolved to issue **200Mn** ordinary shares by way of a **Rights Issue** in the proportion of **01 new share for every 03 shares held** as at the date of allotment at a **consideration of LKR 8.00** per share. The proceeds (~LKR 1.6Bn) will be used to partly settle the long-term borrowings. Issue is subject to CSE approving in principle and the Company obtaining shareholder approval at an EGM.
- **Chemanex PLC** has sold its property (land & building of 2A-3R-33.3P) located at No.600, Sri Sasanajothi Mawatha, Ratmalana for a sum of LKR 615.29Mn. In terms of the Sales Agreement, the total consideration is payable in 3 installments of which the 1st installment of LKR 205.29Mn was already received on 19th Jan 2018. The 2nd & 3rd installments of LKR 205Mn each are due on the 19th April 2018 and 19th July 2018 respectively.
- The BoD of **Distilleries Company PLC (DIST)** has resolved to recommend to its shareholders that the shares in issue of DIST (300Mn) to be increased to 3Bn by way of a **subdivision** of 1 into 10 shares. Following the subdivision, BoD proposed a Private placement of 1.6Bn shares worth LKR 20Bn to **Melstacorp PLC** at LKR 12.50 each. The final resolution was to recommend to shareholders a reduction of the stated capital of LKR 17.3Bn of DIST to set off the negative retained earnings. Subsequent to all the above, DIST’s number of shares in issue will be 4.6Bn & the stated capital will be LKR 3Bn (25/09/2017). On the above matter company has published a circular to shareholders, resolutions were passed at the EGM on 14th Feb 2018.
- Following the rights Issue of **Lankem Ceylon PLC (LCEY)** the stake held by **E.B.Creasy & Company PLC (EBCR)** reduced to 32.42%, LCEY thus ceases to be a subsidiary of EBCR. However LCEY would be recognized as an Associate company. **The Colombo Fort land & Building PLC (CFLB)** post rights issue, holds 45.49% stake of LCEY and it has become the immediate parent company of LCEY.

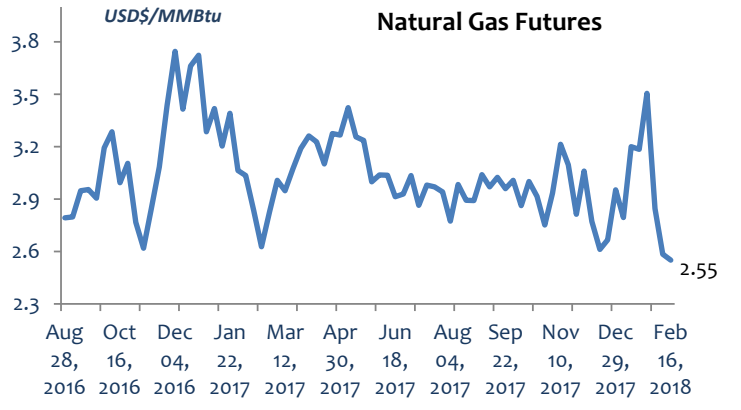
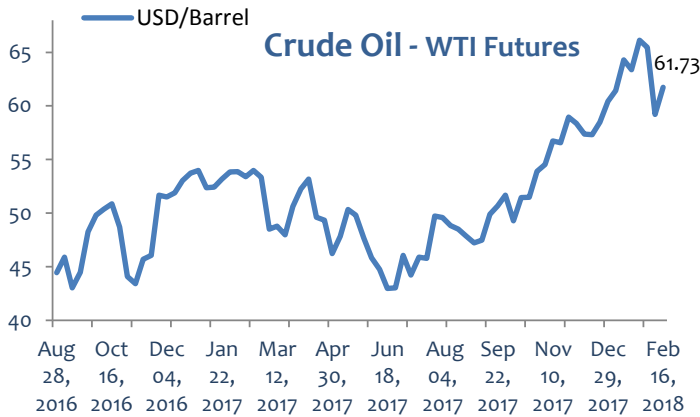
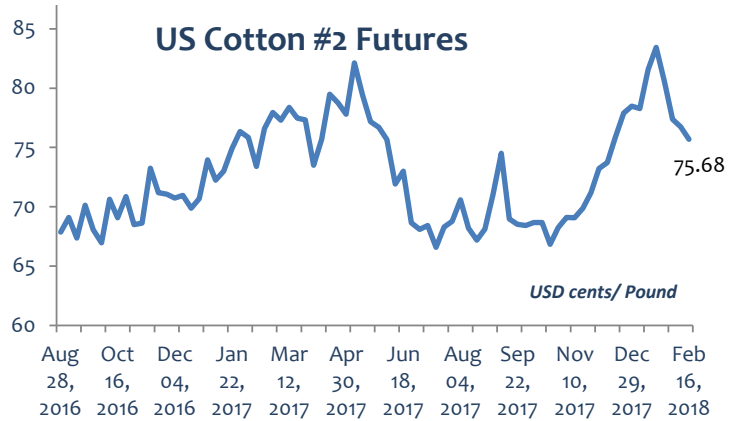
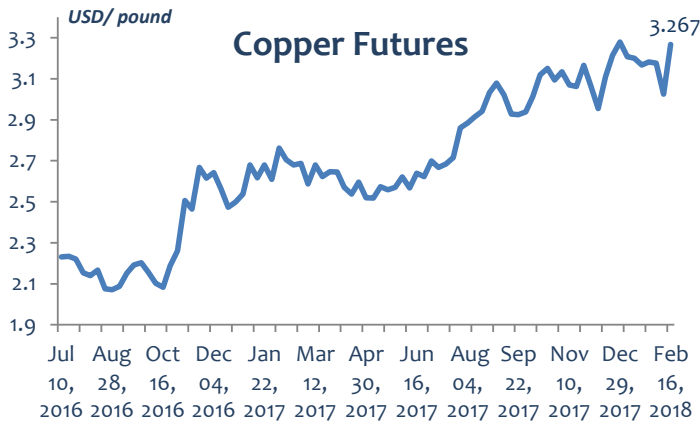
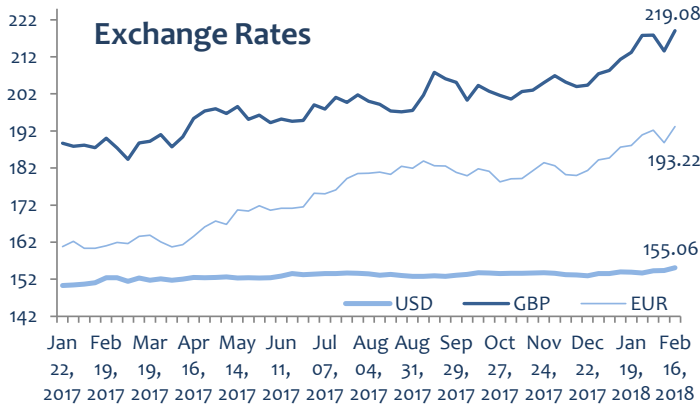
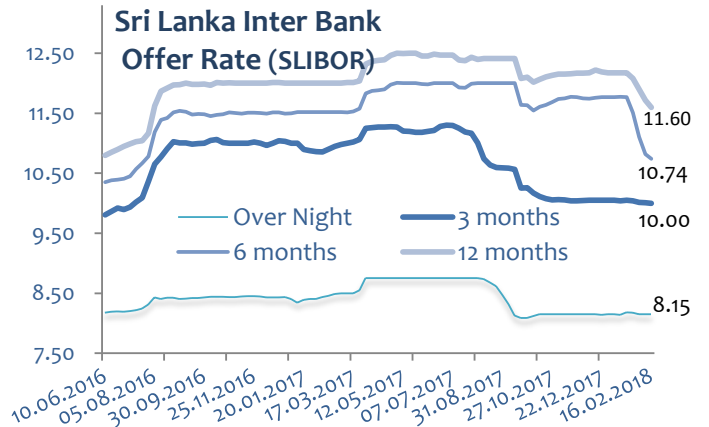
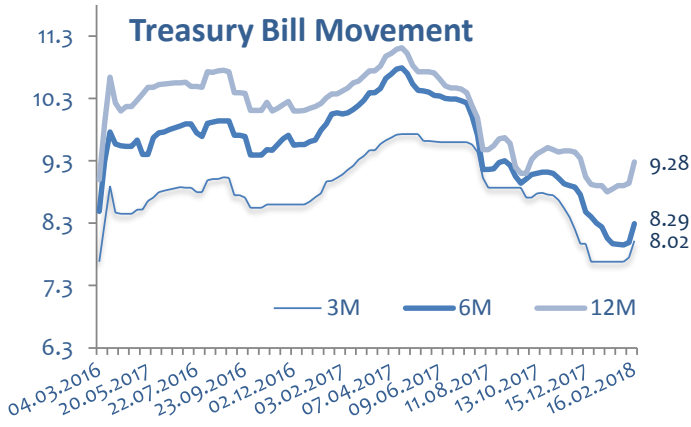
Summary of Key Announcements during the week

- **Tokyo Cement Company (Lanka) PLC** is planning to Incorporate its fully owned subsidiary **Tokyo Supetmix (Private) Limited**. TKYO said a further announcement will be made in this regard.
- **Taprobane Holdings PLC (TAP)** in accordance with the Group's restructuring proposal, redeemed 560Mn, 6% Non-cumulative Preference shares issued by **Lexinton Resorts (Private) Limited (LRL)** totaling to LKR 560Mn and purchased 229Mn shares (100% stake) of LRL on 15 Feb 2018 for a consideration of LKR 513.4Mn
- **Lanka Century Investments PLC (GREG)** has acquired **Taprobane Capital Plus (Private) Limited (TCPL)** on 15 Feb 2018 for a consideration of LKR 671.35Mn from **Taprobane Holdings PLC (TAP)**. TCPL was incorporated recently to acquire **Taprobane Securities (Private) Limited, Taprobane Investments (Private) Limited and Taprobane Wealth Plus (Private) limited**.
- **Softlogic Capital PLC (SCAP)** via a clarification said, it does not have any undisclosed price-sensitive information and it's not aware of reason for unusual trading activity in its securities.
- **Seylan Bank PLC** said resolutions for the **issuance of Basel III Compliant Debentures** approved and **passed** at the EGM held on 15th Feb 2018 for Minimum maturity period of 5 years and maximum maturity period of 10 years and that Ordinary Voting Shares be issued to the holders of such Debentures to the extent of the amounts due and payable on such Debentures in the event the Central Bank determines that a Trigger Event.
- **Pan Asia Banking Corporation PLC (PABC)** has been advised by Central Bank that the Bank's Primary Dealer License which was suspended earlier till 15th February, 2018 has been extended for a further period of six months. This suspension will have no bearing on the bank's regular banking activities and trading on the secondary market.
- Board of **Melstacorp PLC (MELS)** has declared an interim dividend of LKR 2.44 per share in the form of **dividend in specie**, of shares in **Distilleries Company of Sri Lanka PLC (DIST)** at a proportion of **8 shares of DIST for every 27 shares held in MELS** (rounded down to a whole number) subject to approval by SEC. The "XD" date will be **27 Feb 2018** and the date of dispatch of the dividend **payment** will be **9 March 2018**.
- **Dealings By Directors**

Shares dealt in	Nature	Name of Director / Company involved in the transection	No of Shares	Price	Transaction Date
PAP	Purchase	Mr P L D Jinadasa (Jinadasa Brothers Pvt Ltd)	527,936	2.70 & 2.80	29 Jan & 1,6,7,9 & 12 Feb
ALHP	Disposal	Mr A C Seneviratne	714,431	1.10	9th Feb
ONAL	Purchase	Mr S V Rajiyah	815,439	48.00	22, 29 & 30 Jan, 1 & 2Feb
SDB	Purchase	Mr P Subasinghe	180,000	110.50	12th Feb

Economic Indicators & Other Statistics

Source: investing.com & cbsl.gov.lk



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