

# WEEKLY STOCK MARKET HIGHLIGHTS

Friday, 24 August 2018



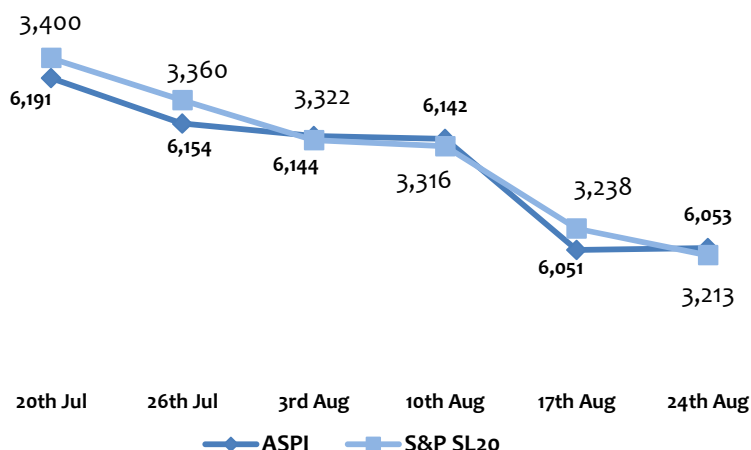
**ASHA PHILLIP  
SECURITIES LTD**

Sri Lanka

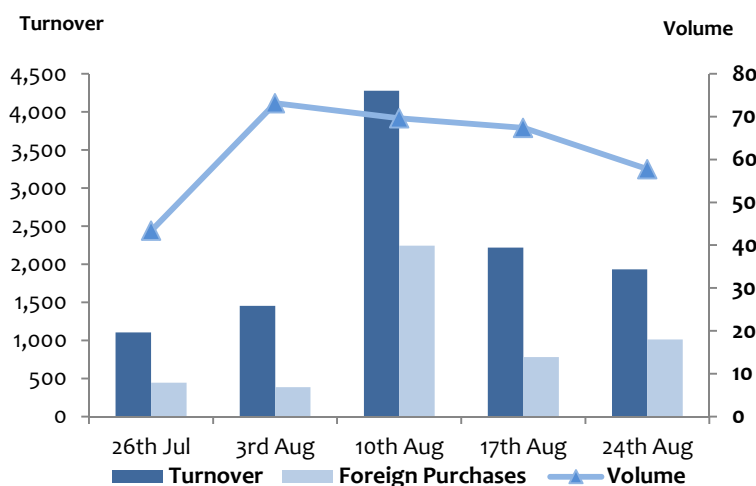
## Market Statistics.

Index	24th Aug	17th Aug	Change	% Change
ASPI	6,052.69	6,051.10	↑ 1.59	↑ 0.03%
S&P SL20	3,212.86	3,238.25	↓ (25.39)	↓ -0.78%
Market Statistics		24th Aug	17th Aug	% Change
Turnover(Rs.)	1,932,116,179	2,218,994,002	↓	-12.9%
Domestic Purchases	918,860,344	2,218,994,002	↓	-58.6%
Domestic Sales	973,874,441	758,353,371	↑	28.4%
Foreign Purchases	1,013,255,835	780,954,746	↑	29.7%
Foreign Sales	958,241,738	1,460,640,630	↓	-34.4%
Share Volume (No.)	57,711,375	67,369,523	↓	-14.3%
Market Cap (Rs. Bn)	2,835.60	2,834.86	↑	0.0%
PER	9.42	9.54	↓	-1.3%
PBV	1.18	1.18	↓	0.0%

## Market Indices.



## Turnover, Volume and Foreign Purchase.



## Performance of the Market

- Monday: Relatively lower investor participation and volatility on large caps made the bourse to remain in negative terrain. Post earnings season and the government's decision of introducing several new taxes made the investors to restrict their activities.
- Tuesday: Bourse continued to struggle with net outflows; Mid-week holiday affected the investor participation. Once again government security yields witnessed decline during the weekly auction.
- Wednesday: Market closed due to religious holiday.
- Thursday: Improved foreign investor participation contributed to the surge in turnover; price appreciation on blue-chips made the bourse to turn positive after a streak of eight negative closures.
- Friday: Bourse lost its previous day's enthusiasm due to the steep decline in investor participation. Failure of the global economic giants settling their trade disputes had affected the investor sentiments.

## Summary

- Proposed amendments to the finance act and the continuing trade disputes between large economies had affected the investor sentiments. Sluggish local economy and price appreciation in commodities due to natural disasters and rupee depreciation further affected market activities.
- ASPI was moved between 6,035.97-6,072.81 points and settled the week on negative note at 6,052.69 with a marginal gain of 1.59 points (+0.03%).
- The S&P SL20 Index also followed the same trend, but settled the week on negative note at 3,212.86 with a loss of 25.39 points (-0.78%)
- The total turnover for the week recorded as LKR 1.93Bn, down by 13% from its previously recorded LKR 2.22Bn; foreign investors turned net buyers for the week.
- Off board trades have contributed 22% of the week's total turnover, accounting for LKR 432.25Mn through 9 trades.

## Sectorial Overview

- Diversified Holdings (DIV) sector stood on top providing LKR 1,062Mn capturing 55% of the week's total turnover.
- Bank Finance and Insurance (BFI) and Beverage Food & Tobacco (BFT) sectors stood second and third providing LKR 361Mn and LKR 266Mn respectively to the daily aggregated turnover.

## Weekly Market Highlights & Statistics

### Highest Turnover

Company Name	Share Vol.	Turnover (LKR)	Low (LKR)	High (LKR)	Cur.Week Close	Prv.Week Close	Change (LKR)	Change
JOHN KEELLS HOLDINGS PLC	3,803,507	529,747,908	137.70	142.00	139.00	138.00	1.00	0.72%
MELSTACORP LIMITED	6,327,815	290,625,476	50	51	50.40	50.00	0.40	0.80%
HEMAS HOLDINGS PLC	2,186,034	196,808,191	90.00	94.50	90.50	94.30	(3.80)	-4.03%
CEYLON TOBACCO COMPANY PLC	129,042	156,344,108	1240.00	1342.00	1,325.00	1,251.90	73.10	5.84%
COMMERCIAL BANK OF CEYLON PLC	755,796	91,826,579	120.60	124.00	121.00	123.10	(2.10)	-1.71%

### Highest Volume

Company Name	Share Vol.	Turnover (LKR)	Low (LKR)	High (LKR)	Cur.Week Close	Prv.Week Close	Change (LKR)	Change
MELSTACORP LIMITED	6,327,815	290,625,476	50.00	50.50	50.40	50.00	0.40	0.80%
SMB LEASING PLC [X]	5,530,855	1,108,186	0.20	0.30	0.30	0.20	0.10	50.00%
DIALOG AXIATA PLC	5,291,194	73,966,887	13.10	14.40	13.40	14.20	(0.80)	-5.63%
RENUKA AGRI FOODS PLC	4,915,779	10,326,314	2.00	2.20	2.10	2.00	0.10	5.00%
TESS AGRO PLC	4,522,375	2,261,373	0.50	0.60	0.50	0.50	-	0.00%

### Top Gainers

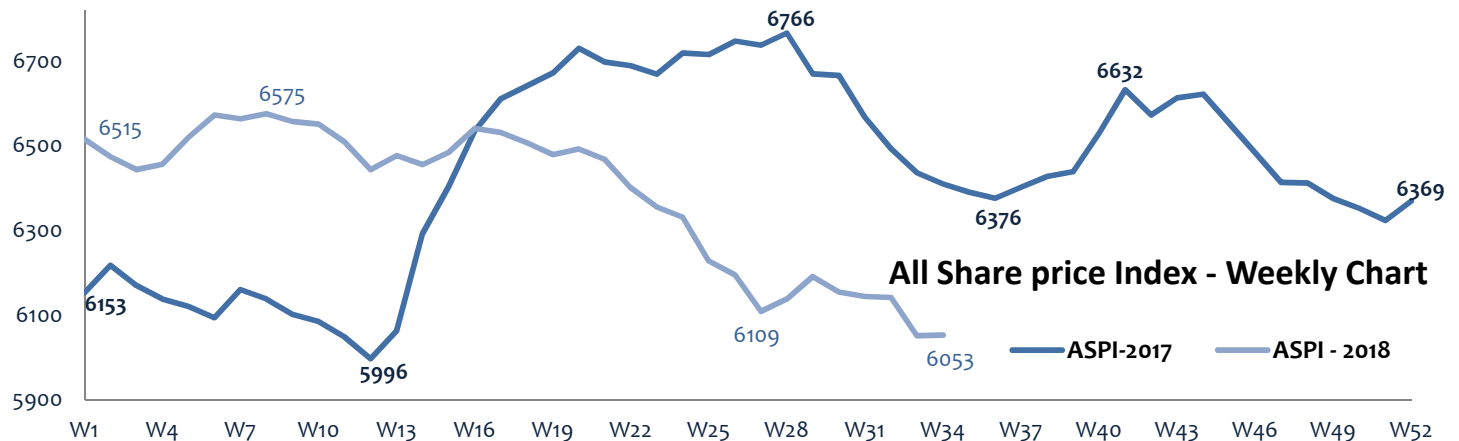
Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
S M B LEASING [X]	0.20	0.10	50.00	1,108,186.1
BLUE DIAMONDS [X]	0.20	0.10	50.00	18,023.20
RAMBODA FALLS	17.00	3.30	19.41	230,815.30
EDEN HOTEL LANKA	10.30	1.80	17.48	1,637,137.70
COLOMBO CITY	671.00	111.90	16.68	108,830.60

### Top Losers

Company Name	VWA Week Close	Change (LKR)	Change %	Turnover (LKR)
S M B LEASING	0.40	(0.10)	(20.00)	239,438.70
AGALAWATTE	12.80	(3.10)	(19.50)	15,928
LANKA CEMENT	2.10	(0.30)	(12.50)	552,425.60
LANKA ALUMINIUM	60.00	(8.20)	(12.02)	101,404.10
NATION LANKA	0.80	(0.10)	(11.11)	621,401.8

### Crossings

Name	Symbol	Avg Price	Trades	T.Volume	Turnover
John Keells Holdings PLC	JKH.N0000	140.00	3	1,407,170	197,003,800
Melstacorp Limited PLC	MELS.N0000	50.20	4	3,500,000	175,200,000
Hemas Holdings PLC	HHL.N0000	90.00	1	360,000	32,400,000
Sampath Bank PLC	SAMP.N0000	276.50	1	100,000	27,650,000



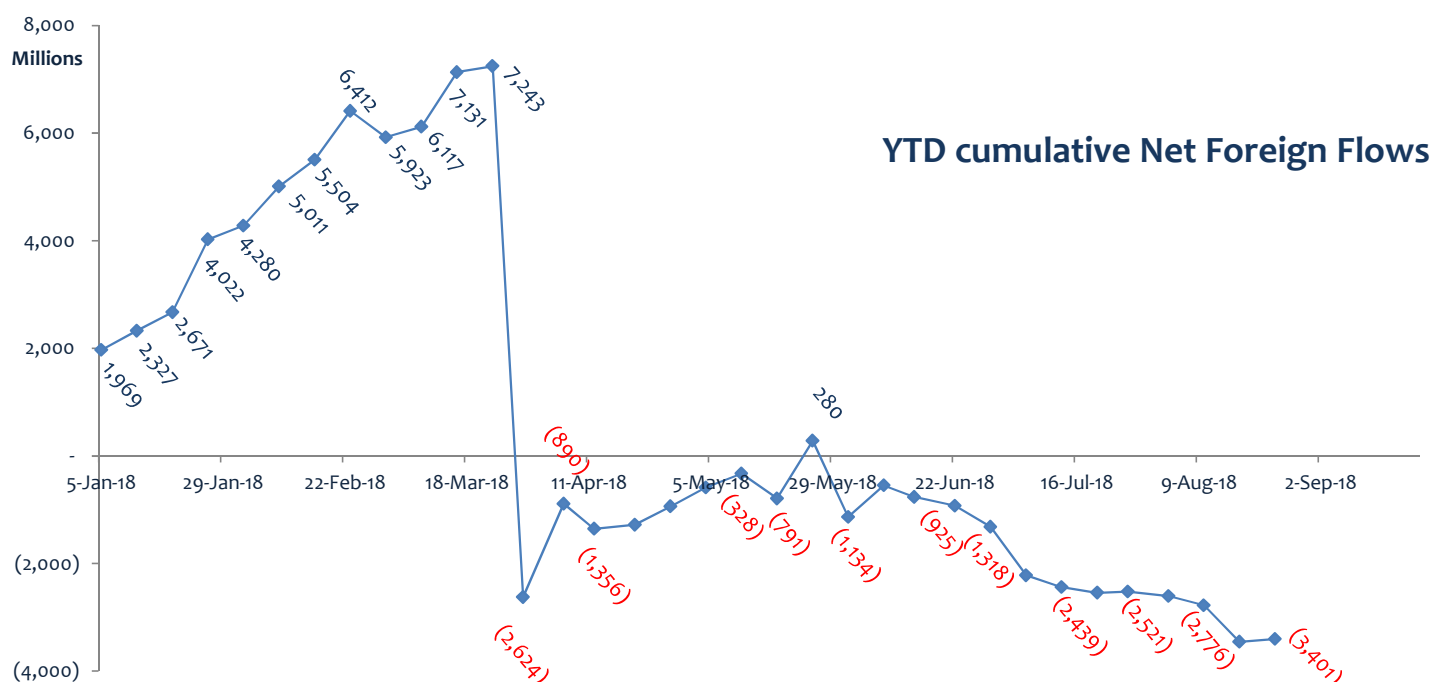
## Foreign Transactions.

Company Name	Avg Price	Net change in Qty	Net Foreign Inflow	Company Name	Avg Price	Net change in Qty	Net Foreign Outflow
MELSTACORP	50.30	1,432,559	72,057,718	HEMAS HOLDINGS	90.00	(2,027,130)	(182,441,700)
LMF	159.00	337,197	53,614,323	SAMPATH	277.00	(137,075)	(37,969,775)
JKH	140.00	362,618	50,766,520	AITKEN SPENCE	45.10	(211,257)	(9,527,691)
CEYLON TOBACCO	1,300.00	31,640	41,132,000	ROYAL CERAMIC	88.00	(24,790)	(2,181,520)
CARGILLS	203.00	147,142	29,869,826	KINGSBURY	16.00	(105,200)	(1,683,200)
DIALOG (+)	14.10	659,416	9,297,766	RICHARD PIERIS	10.40	(136,480)	(1,419,392)
CENTRAL FINANCE	95.30	67,682	6,450,095	DISTILLERIES	19.80	(68,460)	(1,355,508)
HNB (+)	219.90	28,431	6,251,977	SEYLAN BANK[X]	43.00	(26,900)	(1,156,700)
VIDULLANKA	4.50	1,332,789	5,997,551	KEGALLE	54.20	(19,800)	(1,073,160)
COMMERCIAL BANK	121.00	49,021	5,931,541	LANKA HOSPITALS	41.7	(24,600)	(1,025,820)

### Foreign Participation

- **Aggregate foreign buying** for the Week totaled up to **LKR 1,013.26Mn.**
- **Foreign sales** for the Week amounted to **LKR 958.24Mn.**
- **Net foreign inflow** for the Week was **LKR 55.01Mn**, YTD net foreign outflow presently stands at **LKR 3.4Bn**
- **MELS** notched the “Top Net Purchasers” slot with a net inflow of **LKR 72.06Mn** whilst **HHL** notched the “Top net Sellers” slot with a net outflow of **LKR 182.44Mn.**

## Movement of Net Foreign Flows



## Summary of Key Announcements during the week

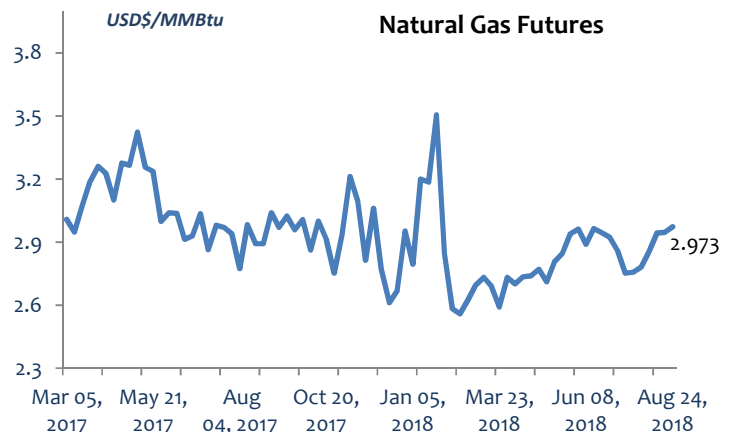
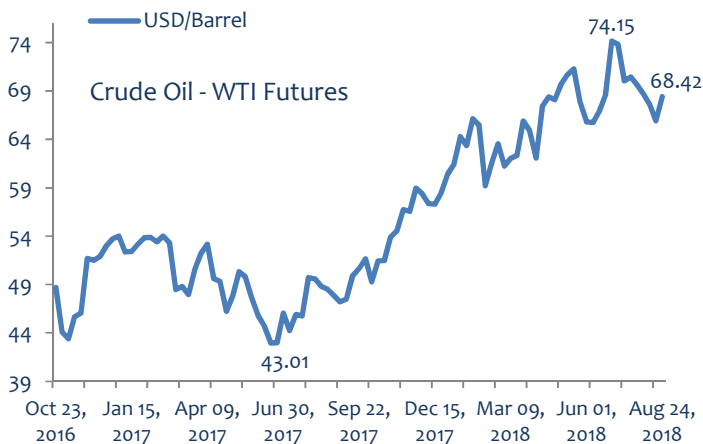
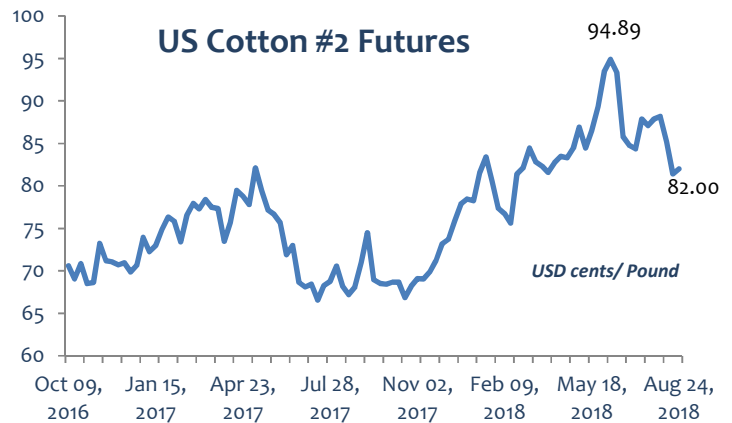
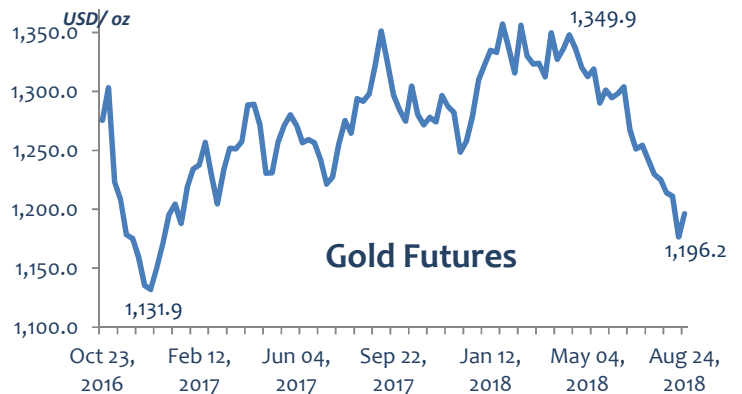
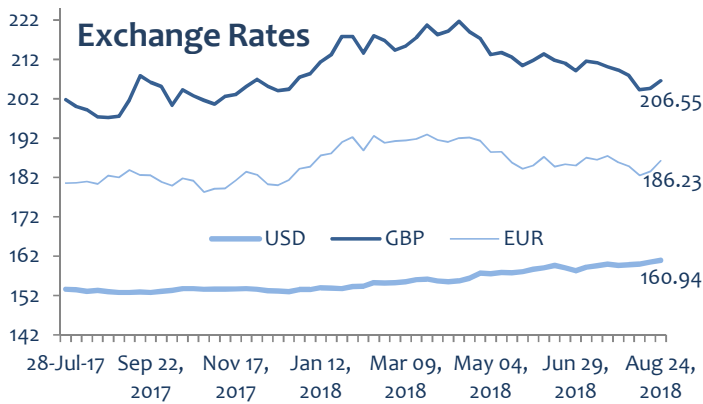
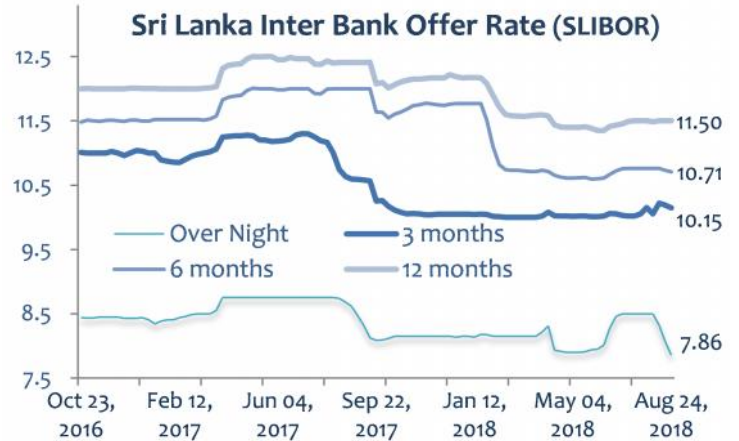
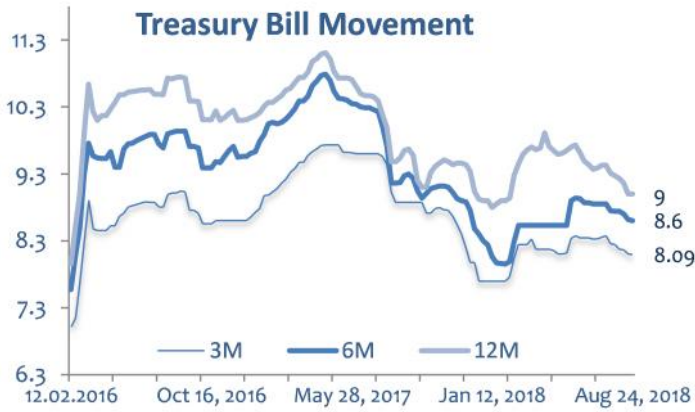
- **Housing Development Finance Corporation Bank of Sri Lanka PLC** (HDFC) said, to meet the minimum core capital requirement of LKR 5Bn, Board recommended issue **LKR 1.4Bn** worth of **unlisted non-convertible perpetual debt**, qualifies as Additional Tier I capital, to **General Treasury of Sri Lanka** via **private placement**. HDFC also intends to carry out a discussion with the shareholders in relation to future capital requirements and to approve the above deal at an EGM on 17<sup>th</sup> Sep 2018.
- **Melstacorp PLC** (MELS) incorporated a holding company “**Melsta Health (Private) Limited**” to enter into the health care industry shortly through subsidiaries involve in management of hospitals, operating diagnostics centers and in related health care institutions as and when the opportunity arises.
- **Lanka Milk Foods (CWE) PLC** (LMF) had incorporated “**United Dairies Lanka (Private) Limited**” at Ambewela in Nuwara Eliya District on 23<sup>rd</sup> July 2018 to rear 2000 cows in 4 new cow barns and 2 ultra-modern milking parlours and the estimated investment is LKR 2Bn.
- **AIA Insurance Lanka PLC** (CTCE) said Special Resolution for the **proposed voluntary delisting** of the Company's ordinary (voting) shares **was not adopted** since it did not receive a majority of 75% of shareholders, in number, present and voting.
- **Raigam Wayamba Salterns PLC** (RWSL) said delay in purchase of **Raigam Eastern Salt Company (Pvt) Ltd** had affected the previous valuations; seller is not willing to precede the same. Accordingly, RWSL seeks approval of public shareholders to cancel the proposed Rights Issue at an EGM on Aug 30, 2018.
- **Amaya Leisure PLC's** (CONN) scrip dividend shares were listed on 23<sup>rd</sup> Aug 2018.
- Suspension imposed from **23<sup>rd</sup> Aug 2018** on **Lanka Cement PLC** (LCEM) due to non-submission of Quarterly financial statements as at 31.03.2018 will be lifted from 27<sup>th</sup> Aug 2018. Said statements were published on the CSE website.
- **Ceylon Tea Brokers PLC** (CTBL) raised LKR 100Mn at **12.95% p.a** via a **Commercial Paper** from **Capital Alliance Investment Grade Fund** on 21-08-2018, for Working Capital Requirements; to be re-paid on 27-09-2018.
- **National Development Bank PLC** (NDB) said, new Shares that are not subscribed at the **Rights Issue** will be allotted to those who apply for additional Shares, on a reasonable basis. In the event the Rights Issue is not fully subscribed, NDB would resort to alternate options of raising capital such as private placement and issue of debentures subject to approvals.
- **Eastern Merchants PLC** (EMER) had acquired 100% shareholding of **Microcells (Pvt) Ltd.** (MCEL), for LKR 575Mn. MCEL is a BOI approved company, in Piliyandala; manufactures and exports technical rubber matting to global clients, ranging from the agricultural to industrial sectors.
- **Lankem Ceylon PLC** (LCEY) had granted Corporate Guarantee of LKR 325Mn to its subsidiary **J.F.Packaging (Pvt.) Ltd**, to obtain banking facilities to fund its working capital requirements.

### ➤ Dealings By Directors

Counter	Nature	Director / Company involved	No of Shares	Price	Date
AINV	Purchase	Dr L M F Adams	100,000	0.20	3, 6th Aug
BERU	Purchase	Mr Sanjeev Rajaratnam	200,000	0.6	21st Aug
CDB	Purchase	Mr W P C M Nanayakkara	56,216	82.9, 83.0	24th Aug
CDB	Purchase	Mr S V Munasinghe	25,000	83.00	24th Aug
CFLB	Purchase	Mr. A Rajaratnam & Mr S D R Arudpragasam (Oakley Investments)	3,940	14.4, 14.5	20th Aug
GLAS	Purchase	Mr Sanjay Tiwari (MD)	40,000	4.3	17, 20th Aug
HVA	Purchase	Mr A R Harsha Fernando	23,210	4.9	23rd Aug
SFL.P	Purchase	MR K R B Wijeyeratne	11	5.3	21st Aug.

# Economic Indicators & Other Statistics

Source: investing.com & cbsl.gov.lk





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