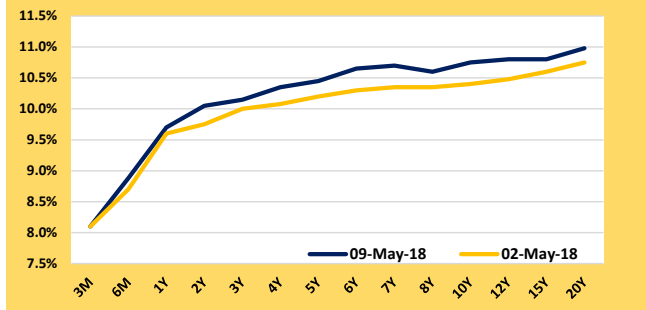




FIXED INCOME

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve shifted slightly upwards with selling interest stemming from foreign parties mainly on the 01.07.19 trading at 9.80% and the two 2021 maturities (i.e. 01.05.21, 01.08.21) changing hands at 10.15% and 10.20% respectively. Local counterparty selling was witnessed on the 15.03.23 maturity trading at 10.45%. Overall market witnessed moderate volumes. At the Primary bill auction 3M bill was accepted at 8.11% despite a lapse of 1 week. The 1-Yr bill saw its yield increasing by 4bps. Meanwhile, despite being offered, 6M bill was rejected for the eleventh consecutive week.

T-BILLS & T-BONDS 2 WAY QUOTE AND CHANGE OVER LAST WEEK

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	8.15%	8.05%	8.10%	8.10%	0
< 182 Days < 6M	9.00%	8.75%	8.88%	8.70%	18
< 364 Days < 1Y	9.75%	9.65%	9.70%	9.60%	10
01-May-20 < 2Y	10.10%	10.00%	10.05%	9.75%	30
01-Mar-21 < 3Y	10.20%	10.10%	10.15%	10.00%	15
01-Jul-22 < 4Y	10.40%	10.30%	10.35%	10.08%	27
15-Mar-23 < 5Y	10.50%	10.40%	10.45%	10.20%	25
01-Aug-24 < 6Y	10.70%	10.60%	10.65%	10.30%	35
01-Aug-25 < 7Y	10.75%	10.65%	10.70%	10.35%	35
01-Jun-26 < 8Y	10.65%	10.55%	10.60%	10.35%	25
01-Sep-28 < 10Y	10.80%	10.70%	10.75%	10.40%	35
15-May-30 < 12Y	10.90%	10.70%	10.80%	10.48%	32
15-Jan-33 < 15Y	10.90%	10.70%	10.80%	10.60%	20
15-Mar-35 < 20Y	11.20%	10.75%	10.98%	10.75%	23

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	09-May-18	02-May-18	(bps)
91 days	8.11%	N/A	N/A
182 Days	N/A	N/A	N/A
364 Days	9.65%	9.61%	4
Date of Settlement	11-May-18		

WEEK ENDING 11-May-18

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
6,000	9,785	1,625
6,000	9,750	0
16,000	42,396	21,034
28,000	61,931	22,659

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
9.50%2020'A'	9.79%	10,000	50,108	10,000
10.35%2025'A'	10.11%	15,000	50,138	15,000
TOTAL		25,000	100,246	25,000

MATURITY TABLE FOR NEXT WEEK

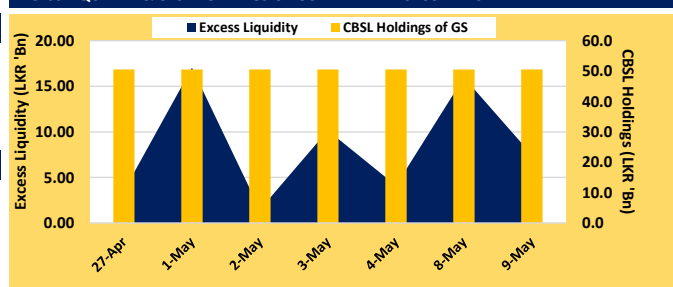
Type	LKR ('Mn)	USD ('Mn)
T-Bills	28,958	
T-Bonds	0	
T-Bond Interest	13,010	
SLDBs/Sovereign Bonds		0
TOTAL	41,968	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

9-May-18	Repo	Reverse Repo
Mid-day Auction	[LKR 'Bn]	[LKR 'Bn]
Offered	5.0	0.0
Bids	3.4	N/A
Accepted	3.4	N/A
Weighted Average Rate (%)	7.54%	N/A
Standing Facility	SDF	SLF
Rate	7.25%	8.50%
Value [LKR 'Bn]	7.0	2.9
O/N Surplus/(Deficit)		7.5
CBSL Holdings of Government Securities [LKR 'Bn]		50.5

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]	
Call Money	9-May-18	7.90%	7.85%	7.87%	14.1
Repo Rates	9-May-18	8.20%	7.85%	7.99%	20.1

OUTSTANDING STOCK

	2-May-18	Previous Week	Change (%)
T-Bills [LKR 'Mn]	875,000	887,303	-1.4%
T-Bonds [LKR 'Mn]	4,177,061	4,152,061	0.6%
TOTAL	5,052,060	5,039,364	0.3%
Foreign Holding [LKR 'Mn]	318,554	324,027	-1.7%
Foreign Holding (%)	6.3%	6.4%	

MARKET INTEREST RATES

	2-May-18	Last Month	Change (bps)
AWPLR	11.45%	11.32%	13
FD Ceiling Rate (1 Year)	1H2018 11.22%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES

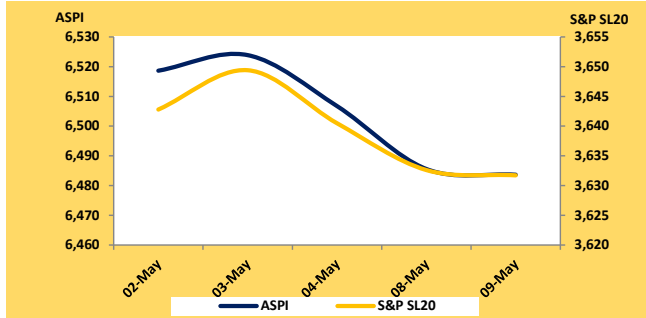
	4-May-18	27-Apr-18	Change (bps)	Last Month	Change (bps)
1 Year	2.24%	2.24%	0	2.24%	0
2 Year	2.51%	2.49%	2	2.49%	2
5 Year	2.78%	2.80%	-2	2.80%	-2
10 Year	2.95%	2.96%	-1	2.96%	-1
30 Year	3.12%	3.13%	-1	3.13%	-1

EXCHANGE RATES

	9-May-18	Last Month	Change (%)
USA Dollar	157.53	157.65	0.1%
UK Pound	213.31	219.49	2.9%
EU Euro	186.82	190.91	2.2%
Japan Yen	1.44	1.44	0.3%
Australia Dollar	117.22	119.09	1.6%

EQUITY

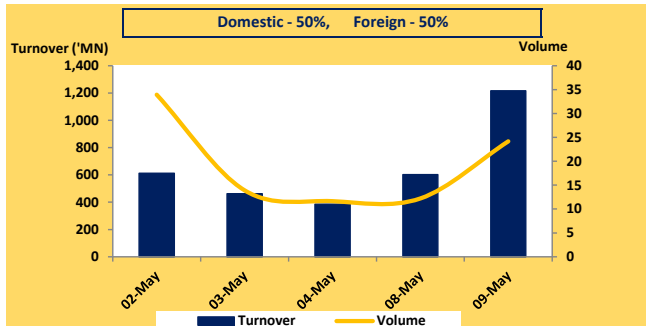
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,483.65	6,485.57	-0.03%
S&P SL20	3,631.72	3,632.61	-0.02%
Turnover (LKR 'Mn)	1,216.14	601.64	102.14%
Volume ('Mn)	24.18	12.21	97.94%
Market Cap. (LKR 'Bn)	3,028.15	3,028.01	0.00%
Market Cap. (USD 'Bn)	19.22	19.22	0.00%
Traded Companies	229	224	2.23%
Foreign Purchases (LKR 'Mn)	649.27	308.24	110.64%
Foreign Sales (LKR 'Mn)	562.52	207.32	171.32%
Net Foreign flow (LKR 'Mn)	86.76	100.92	-14.04%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)	538.38
YTD Net Foreign Flow (LKR 'Mn)	-400.25

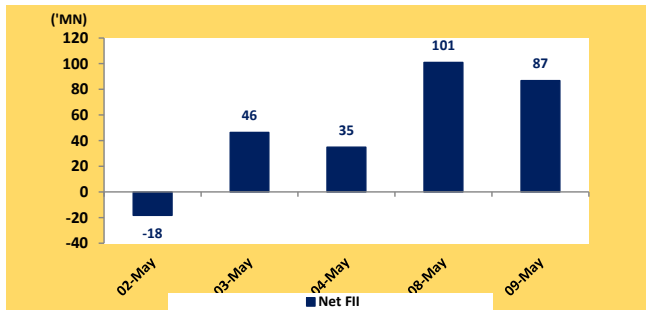
MARKET COMMENTARY

Market saw a 3 week low and ended marginally lower losing near 2 points with bulk of the turnover (53% generated via crossings). During the day ASPI posted an intraday high of 6,505 in the first hour of the trading continued with a downtrend and closing at 6,484. Losses in the index were mainly contributed by NEST and DIAL. Both turnover witnessed more than twofold from previous day and crossed 1Bn level recording a 4 week high. A net foreign inflow was witnessed for the 4th consecutive day with high foreign participation.

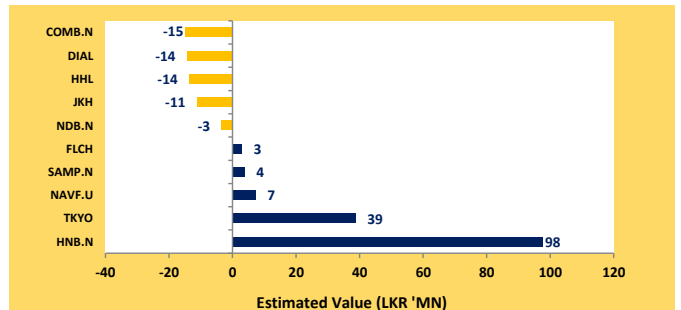
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
UAL	2	210.00	1,393,327	6
JKH	3	162.50	1,477,299	

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
BRAC LNKA FNANCE	53.80	43.10	24.83%
BERUWALA RESORTS	0.90	0.80	12.50%
MULLERS	1.00	0.90	11.11%
BROWNS CAPITAL	4.60	4.20	9.52%
CIC [X]	41.60	38.30	8.62%

TOP 5 LOSERS

	Today	Previous	Change (%)
COLOMBO TRUST	61.10	70.80	-13.70%
HAPUGASTENNE	23.50	26.50	-11.32%
RADIANT GEMS	21.30	23.50	-9.36%
HUNAS FALLS	90.30	99.60	-9.34%
CARGO BOAT	70.20	75.60	-7.14%

TOP 5 TURNOVER

	Price	Volume	Turnover
		('Mn)	('Mn)
JKH	162.50	1.9	300.87
UNION ASSURANCE	194.40	1.4	296.39
HNB	242.10	0.5	128.00
MELSTACORP	57.90	2.0	116.39
SAMPATH	300.00	0.2	72.00

TOP 5 VOLUME

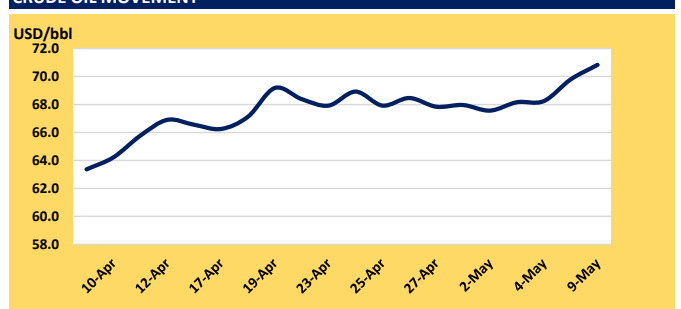
	Price	Volume	Turnover
		('Mn)	('Mn)
BROWNS CAPITAL	4.60	6.2	27.67
BROWNS INVSTMNTS	3.10	2.8	8.66
MELSTACORP	57.90	2.0	116.39
JKH	162.50	1.9	300.87
UNION ASSURANCE	194.40	1.4	296.39

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	70.8	67.8	4.4%
Gold USD/t oz	1,306.4	1,318.4	-0.9%
Copper USd/lb.	305.6	309.2	-1.2%
Cotton USd/lb.	85.4	84.5	1.1%

CRUDE OIL MOVEMENT



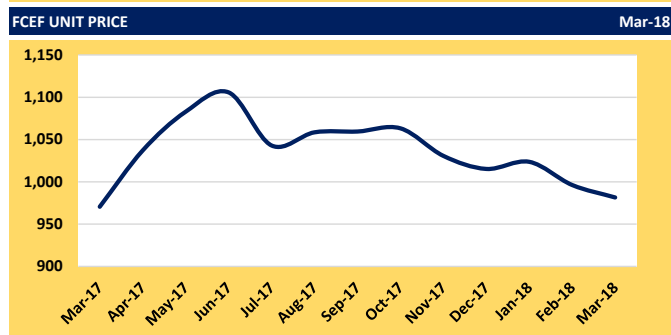
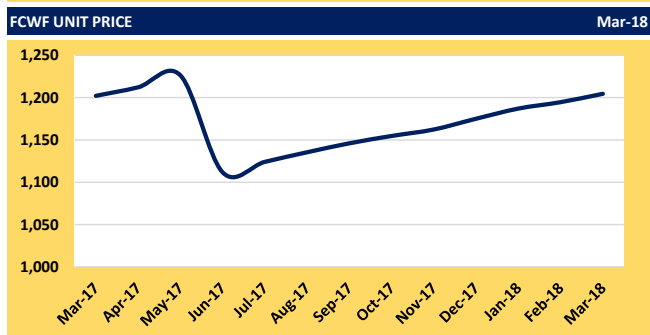
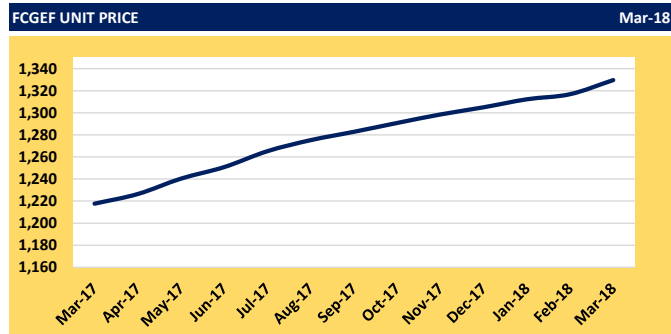
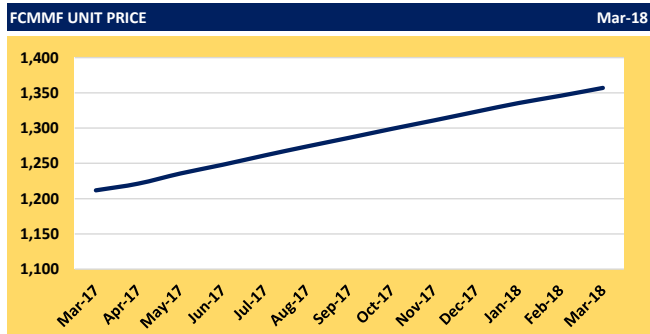
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	24,360.2	24,322.3	0.2%
EURO STOXX 50	3,569.6	3,511.3	1.7%
FTSE 100	7,611.6	7,463.7	2.0%
NIKKEI 225	22,408.9	22,467.9	-0.3%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Mar 2018		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,373.94	1,373.94	1,583	12.12%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,338.58	1,338.58	54	11.15%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,214.73	1,214.70	205	11.32%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	987.48	938.11	62	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Mar-18
FIXED INCOME FUNDS	YTD	2016/17	2015/16	2014/15	2013/14	2012/13	Since Inception	
First Capital Money Market Fund	11.92%	10.39%	7.92%	7.20%	N/A	N/A		10.04%
First Capital Gilt Edge Fund	9.14%	19.06%	4.17%	-3.46%	N/A	N/A		9.30%
First Capital Wealth Fund	11.32%	10.63%	4.90%	15.48%	17.60%	12.91%		16.95%
BALANCED FUND	1 Month	3 Months	6 Months	12 Months	2 Years		Since Inception	
First Capital Equity Fund	-1.48%	-3.32%	-7.36%	0.96%	N/A			5.85%
ASTRI*	-1.08%	1.85%	0.83%	7.30%	N/A			-9.87%
Out/(Under) Performance	-0.40%	-5.17%	-8.19%	-6.34%	N/A			15.72%






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			Priyanka Anuruddha	+94 70 2910 035
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Damian Le Grand	+94 70 2910 032			
Nishantha Mudalige	+94 70 2910 041			
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