



First Capital

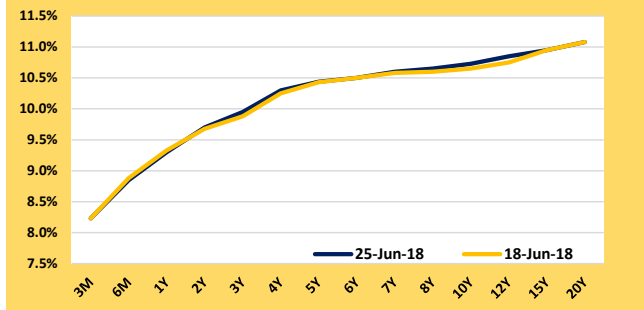
DAILY MARKET WATCH

First Capital Research

June 25, 2018

FIXED INCOME

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



Secondary market was at a complete standstill ahead of the tomorrow's Treasury bill auction. Overall market witnessed ultra-thin volumes with the yield curve remaining steady at previous week's levels.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	8.30%	8.15%	8.23%	8.23%	0
< 182 Days < 6M	8.90%	8.80%	8.85%	8.88%	-3
< 364 Days < 1Y	9.35%	9.25%	9.30%	9.33%	-3
01-May-20 < 2Y	9.75%	9.65%	9.70%	9.68%	2
01-Mar-21 < 3Y	10.00%	9.90%	9.95%	9.88%	7
01-Jul-22 < 4Y	10.35%	10.25%	10.30%	10.25%	5
15-Mar-23 < 5Y	10.48%	10.40%	10.44%	10.43%	1
01-Aug-24 < 6Y	10.55%	10.45%	10.50%	10.50%	0
01-Aug-25 < 7Y	10.65%	10.55%	10.60%	10.58%	2
01-Jun-26 < 8Y	10.70%	10.60%	10.65%	10.60%	5
01-Sep-28 < 10Y	10.80%	10.65%	10.73%	10.65%	8
15-May-30 < 12Y	10.90%	10.80%	10.85%	10.75%	10
15-Jan-33 < 15Y	11.00%	10.90%	10.95%	10.95%	0
15-Mar-35 < 20Y	11.25%	10.90%	11.08%	11.08%	0

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	20-Jun-18	12-Jun-18	(bps)
91 days	8.32%	8.34%	-2
182 Days	8.85%	8.87%	-2
364 Days	9.37%	9.44%	-7
Date of Settlement	22-Jun-18		

WEEK ENDING 22-Jun-18

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
2,000	7,050	2,000
3,000	9,875	3,000
9,000	35,592	9,000
14,000	52,517	14,000

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
10.00%2023'A'	10.51%	50,000	111,477	50,000
10.75%2028'A'	10.72%	40,000	106,905	40,000
TOTAL		90,000	218,382	90,000

MATURITY TABLE FOR NEXT WEEK

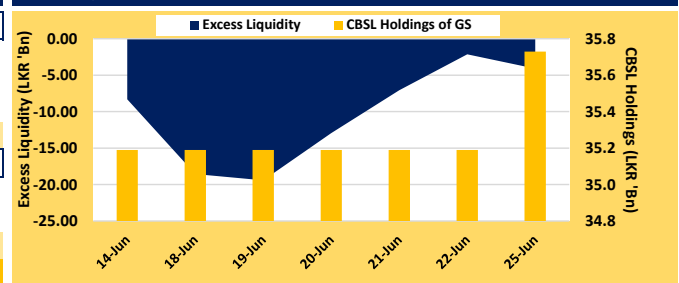
Type	LKR ('Mn)	USD ('Mn)
T-Bills	6,260	
T-Bonds	0	
T-Bond Interest	44,860	
SLDBs/Sovereign Bonds		805
TOTAL	51,120	805

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

25-Jun-18	Repo	Reverse Repo
Mid-day Auction	[LKR 'Bn]	[LKR 'Bn]
Offered	0.0	8.0
Bids	N/A	18.5
Accepted	N/A	8.0
Weighted Average Rate (%)	N/A	8.5%
Standing Facility	SDF	SLF
Rate	7.25%	8.50%
Value [LKR 'Bn]	12.7	8.8
O/N Surplus/(Deficit)		-4.1
CBSL Holdings of Government Securities [LKR 'Bn]		35.7

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money 25-Jun-18	8.50%	8.35%	8.46%	22.4
Repo Rates 25-Jun-18	8.50%	8.40%	8.44%	16.8

OUTSTANDING STOCK

	20-Jun-18	Previous Week	Change (%)
T-Bills [LKR 'Mn]	842,538	849,832	-0.9%
T-Bonds [LKR 'Mn]	4,189,360	4,176,234	0.3%
TOTAL	5,031,898	5,026,066	0.1%
Foreign Holding [LKR 'Mn]	298,858	301,733	-1.0%
Foreign Holding (%)	5.9%	6.0%	

MARKET INTEREST RATES

	20-Jun-18	Last Month	Change (bps)
AWPLR	10.92%	11.19%	-27
FD Ceiling Rate (1 Year)	1H2018 11.22%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES

	22-Jun-18	14-Jun-18	Change (bps)	Last Month	Change (bps)
1 Year	2.33%	2.35%	-2	2.23%	10
2 Year	2.56%	2.59%	-3	2.40%	16
5 Year	2.77%	2.81%	-4	2.68%	9
10 Year	2.90%	2.94%	-4	2.83%	7
30 Year	3.04%	3.05%	-1	3.00%	4

EXCHANGE RATES

	25-Jun-18	Last Month	Change (%)
USA Dollar	158.99	158.09	-0.6%
UK Pound	210.78	210.24	-0.3%
EU Euro	185.29	184.30	-0.5%
Japan Yen	1.45	1.46	0.2%
Australia Dollar	118.05	119.52	1.2%

EQUITY

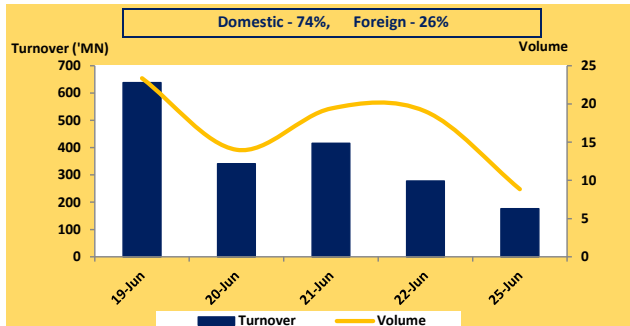
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,220.13	6,228.15	-0.13%
S&P SL20	3,421.06	3,428.00	-0.20%
Turnover (LKR 'Mn)	176.08	277.42	-36.53%
Volume ('Mn)	8.85	19.03	-53.51%
Market Cap. (LKR 'Bn)	2,905.67	2,909.41	-0.13%
Market Cap. (USD 'Bn)	18.28	18.30	-0.13%
Traded Companies	208	261	-20.31%
Foreign Purchases (LKR 'Mn)	36.08	50.05	-27.92%
Foreign Sales (LKR 'Mn)	54.04	122.77	-55.98%
Net Foreign flow (LKR 'Mn)	-17.96	-72.72	75.30%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)	424.55
YTD Net Foreign Flow (LKR 'Mn)	-952.27

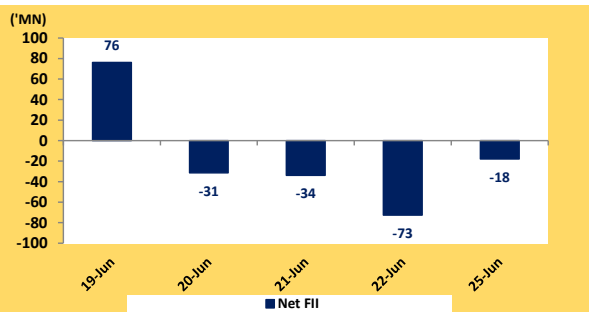
MARKET COMMENTARY

The index closed in red for the second consecutive day recording the lowest close in 14 months heavily contributed by HNB and DIST. ASPI witnessed volatile movement throughout the trading day and reached an intraday high of 6,242 and finally closed at 6,220, losing 8 points. Both turnover and volume recorded the lowest close since 16th April 2018 marking a 10 week low. A moderate foreign participation was recorded amidst a net foreign outflow was witnessed for the 4th consecutive day.

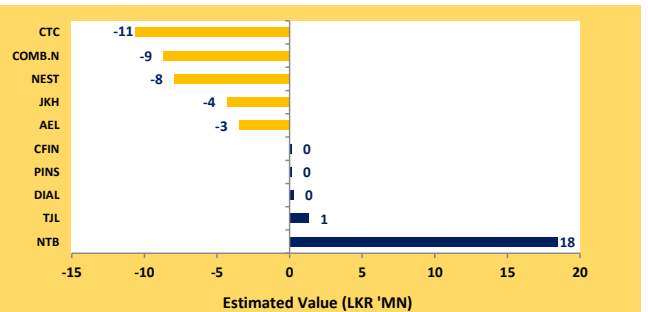
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
				0

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
NATION LANKA	0.80	0.70	14.29%
MARAWILA RESORTS	2.00	1.80	11.11%
DOLPHIN HOTELS	27.40	25.10	9.16%
BPPL HOLDINGS	13.00	12.10	7.44%
EDEN HOTEL LANKA	16.00	14.90	7.38%

TOP 5 LOSERS

	Today	Previous	Change (%)
ADAM INVESTMENTS	0.10	0.20	-50.00%
HUNTERS	402.00	498.90	-19.42%
TESS AGRO	0.60	0.70	-14.29%
UDAPUSSELLAWA	28.40	31.60	-10.13%
ASIA CAPITAL	6.60	7.30	-9.59%

TOP 5 TURNOVER

	Price	Volume	Turnover
		('Mn)	('Mn)
NATIONS TRUST	90.00	0.3	27.10
COMMERCIAL BANK	123.10	0.1	13.19
NESTLE	1,720.00	0.0	13.18
JKH	150.00	0.1	12.41
ACCESS ENG SL	15.90	0.7	11.04

TOP 5 VOLUME

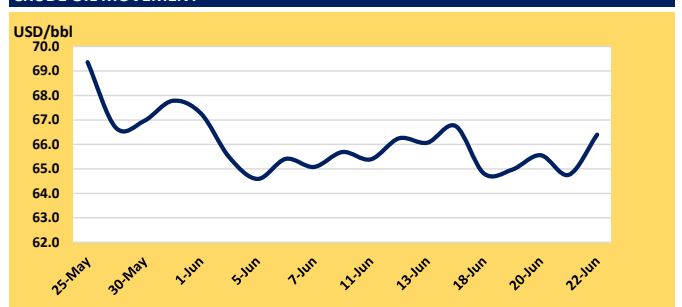
	Price	Volume	Turnover
		('Mn)	('Mn)
TESS AGRO	0.60	1.1	0.69
ACCESS ENG SL	15.90	0.7	11.04
ADAM CAPITAL	0.40	0.7	0.27
SEYLAN DEVTS	11.20	0.5	5.75
S M B LEASING	0.50	0.5	0.25

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	68.8	67.8	1.5%
Gold USD/t oz	1,271.5	1,309.0	-2.9%
Copper USd/lb.	304.9	306.7	-0.6%
Cotton USd/lb.	85.6	90.5	-5.4%

CRUDE OIL MOVEMENT



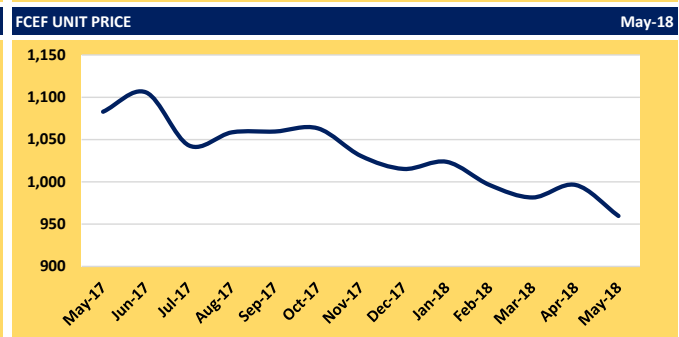
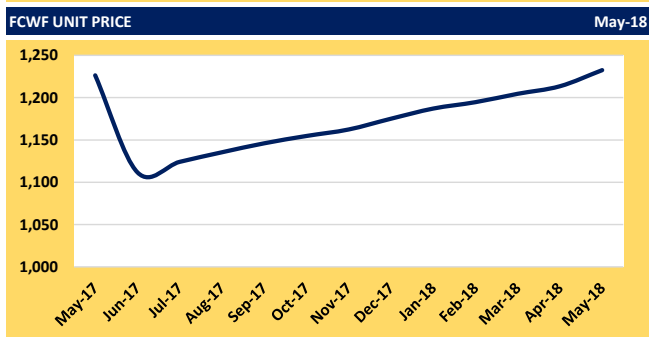
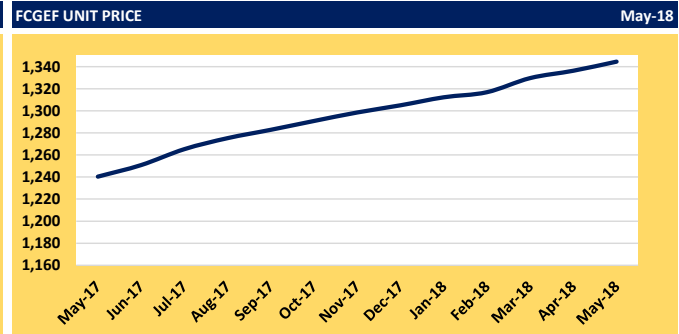
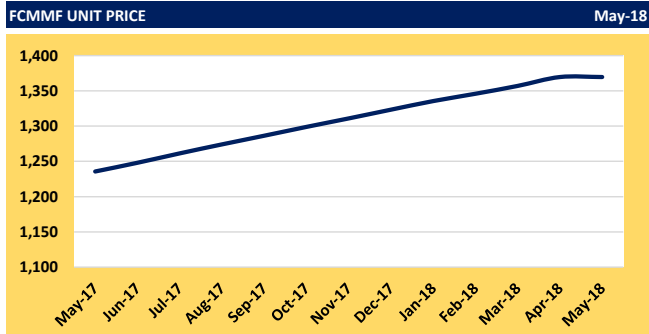
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	24,580.9	24,667.8	-0.4%
EURO STOXX 50	3,416.6	3,441.0	-0.7%
FTSE 100	7,624.1	7,703.5	-1.0%
NIKKEI 225	22,338.2	22,201.8	0.6%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at May 2018		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,393.12	1,393.12	790	11.07%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,350.51	1,350.51	57	0.00%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,233.63	1,233.60	626	9.38%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	896.17	851.36	62	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	May-18
	YTD	2016/17	2015/16	2014/15	2013/14	2012/13	Since Inception	
FIXED INCOME FUNDS								
First Capital Money Market Fund	11.61%	11.92%	10.39%	7.92%	7.20%	N/A	11.13%	
First Capital Gilt Edge Fund	6.71%	9.14%	19.06%	4.17%	-3.46%	N/A	9.35%	
First Capital Wealth Fund	9.38%	11.32%	10.63%	4.90%	15.48%	17.60%	17.27%	
BALANCED FUND	1 Month	3 Months	6 Months	12 Months	2 Years		Since Inception	
First Capital Equity Fund	-3.68%	-3.68%	-6.90%	-10.47%	N/A		-4.04%	
ASTRI*	-1.97%	-0.99%	-3.03%	-2.74%	N/A		-9.48%	
Out/(Under) Performance	-1.71%	-2.69%	-3.87%	-7.73%	N/A		5.44%	



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11.06%* P.A.
current yield as at 02/06/18

* Flexibility to withdraw funds at anytime

* The current yield is variable and subject to change. Past performance is not an indicator of future performance. Investors are advised to read and understand the contents of the Explanatory Memorandum before investing.

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Colombo			Priyantha Wijesiri	+94 70 2910 036
Damian Le Grand		+94 70 2910 032		
Nishantha Mudalige		+94 70 2910 041		
Isuru Jayawardana		+94 70 2910 034		
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UNIT TRUST SALES

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