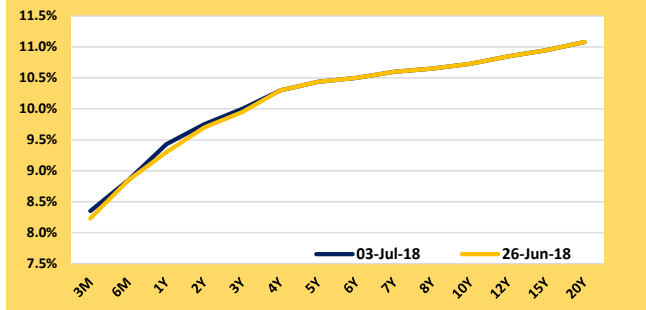




FIXED INCOME

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve remained broadly steady while overall market continued to witness ultra-thin volumes. Activity levels remained sluggish as market participants remained on the sideline, adopting a wait and see approach ahead of tomorrow's bill auction. Limited activity was centered on short and mid tenure maturities with 15.09.19 trading at 9.60%, 15.12.20 at 10.10% and 15.03.23 at 10.47%.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	8.40%	8.30%	8.35%	8.23%	12
< 182 Days < 6M	8.90%	8.80%	8.85%	8.85%	0
< 364 Days < 1Y	9.45%	9.40%	9.43%	9.30%	13
01-May-20 < 2Y	9.80%	9.70%	9.75%	9.70%	5
01-May-21 < 3Y	10.05%	9.95%	10.00%	9.95%	5
01-Jul-22 < 4Y	10.35%	10.25%	10.30%	10.30%	0
15-Mar-23 < 5Y	10.48%	10.40%	10.44%	10.44%	0
01-Aug-24 < 6Y	10.55%	10.45%	10.50%	10.50%	0
01-Aug-25 < 7Y	10.65%	10.55%	10.60%	10.60%	0
01-Jun-26 < 8Y	10.70%	10.60%	10.65%	10.65%	0
01-Sep-28 < 10Y	10.80%	10.65%	10.73%	10.73%	0
15-May-30 < 12Y	10.90%	10.80%	10.85%	10.85%	0
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
	26-Jun-18	20-Jun-18	(bps)
91 days	N/A	8.32%	N/A
182 Days	N/A	8.85%	N/A
364 Days	9.39%	9.37%	2
Date of Settlement	29-Jun-18		

WEEK ENDING		29-Jun-18
Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
2,500	3,300	N/A
3,500	4,980	N/A
8,000	16,723	10,133
14,000	25,003	10,133

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
WEEK ENDING 1-Jun-18				
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

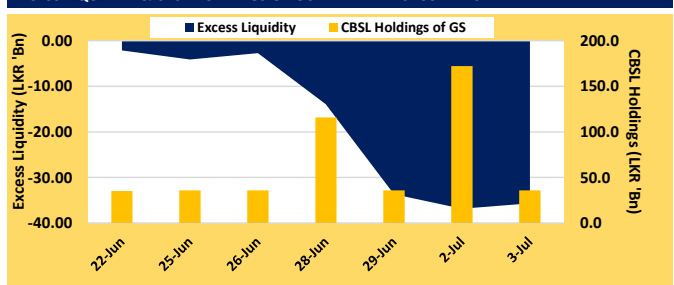
Type	LKR ('Mn)	USD ('Mn)
WEEK ENDING 6-Jul-18		
T-Bills	23,955	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
TOTAL	23,955	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

3-Jul-18	Repo	Reverse Repo
	[LKR 'Bn]	[LKR 'Bn]
Offered	0.0	40.0
Bids	N/A	38.2
Accepted	N/A	38.2
Weighted Average Rate (%)	N/A	8.44%
Standing Facility	SDF	SLF
Rate	7.25%	8.50%
Value [LKR 'Bn]	19.8	17.2
O/N Surplus/(Deficit)		-35.7
CBSL Holdings of Government Securities [LKR 'Bn]		35.8

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money 3-Jul-18	8.50%	8.35%	8.49%	22.2
Repo Rates 3-Jul-18	8.48%	8.40%	8.45%	5.5

OUTSTANDING STOCK

	26-Jun-18	Previous Week	Change (%)
T-Bills [LKR 'Mn]	833,166	842,538	-1.1%
T-Bonds [LKR 'Mn]	4,189,360	4,189,360	0.0%
TOTAL	5,022,526	5,031,898	-0.2%
Foreign Holding [LKR 'Mn]	295,348	298,858	-1.2%
Foreign Holding (%)	5.9%	5.9%	

MARKET INTEREST RATES

	26-Jun-18	Last Month	Change (bps)
AWPLR	11.33%	11.33%	0
FD Ceiling Rate (1 Year)	2H2018 12.46%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES

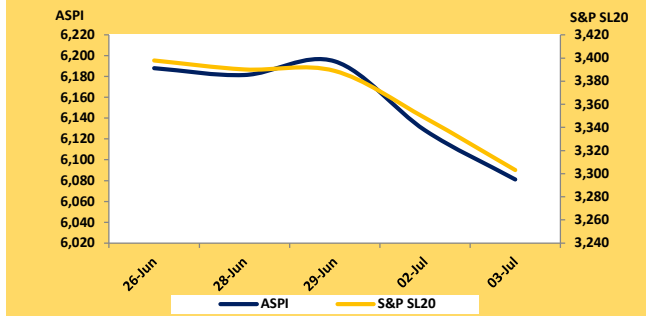
	29-Jun-18	22-Jun-18	Change (bps)	Last Month	Change (bps)
1 Year	2.33%	2.33%	0	2.33%	0
2 Year	2.52%	2.56%	-4	2.52%	0
5 Year	2.73%	2.77%	-4	2.73%	0
10 Year	2.85%	2.90%	-5	2.85%	0
30 Year	2.98%	3.04%	-6	2.98%	0

EXCHANGE RATES

	3-Jul-18	Last Month	Change (%)
USA Dollar	158.44	158.26	-0.1%
UK Pound	208.11	206.91	-0.6%
EU Euro	184.37	183.10	-0.7%
Japan Yen	1.43	1.43	0.3%
Australia Dollar	116.41	116.25	-0.1%

EQUITY

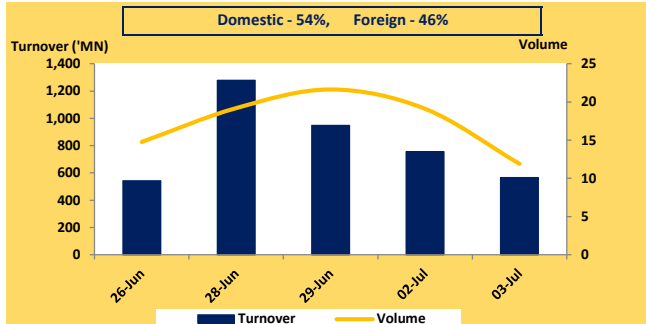
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,081.08	6,128.34	-0.77%
S&P SL20	3,303.11	3,348.28	-1.35%
Turnover (LKR 'Mn)	566.50	755.97	-25.06%
Volume ('Mn)	11.90	19.11	-37.72%
Market Cap. (LKR 'Bn)	2,840.72	2,862.79	-0.77%
Market Cap. (USD 'Bn)	17.93	18.07	-0.77%
Traded Companies	226	225	0.44%
Foreign Purchases (LKR 'Mn)	168.48	172.70	-2.44%
Foreign Sales (LKR 'Mn)	351.31	483.88	-27.40%
Net Foreign flow (LKR 'Mn)	-182.82	-311.18	41.25%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)	-494.00
YTD Net Foreign Flow (LKR 'Mn)	-1,820.51

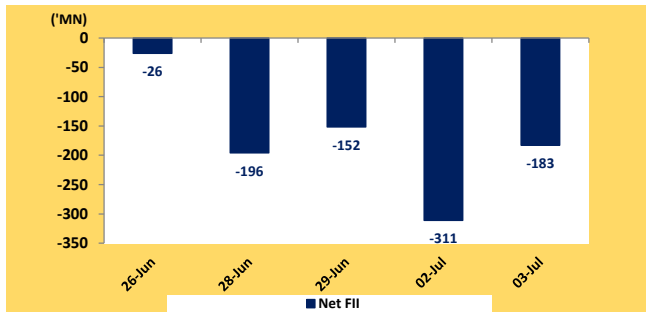
MARKET COMMENTARY

Market ended in red dragged down by JKH and LOLC recording the lowest close since April 2017. ASPI witnessed a continuous downtrend throughout the day reaching an intraday low of 6,079 and closed at 6,081 losing 47 points. Turnover has decreased and nearly 33% was derived by JKH. A net foreign outflow was witnessed for the 9th consecutive day with high foreign participation.

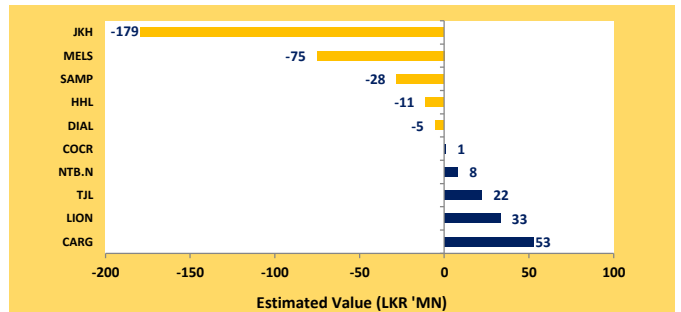
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
LION	1	570.00	58,749	2
CARG	1	200.00	228,571	

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
TESS AGRO	0.60	0.50	20.00%
AMANA TAKAFUL	0.80	0.70	14.29%
MULLERS	0.80	0.70	14.29%
UDAPUSSELLAWA	31.50	28.00	12.50%
MILLENNIUM HOUSE	9.90	9.00	10.00%

TOP 5 LOSERS

	Today	Previous	Change (%)
TESS AGRO [X]	0.50	0.60	-16.67%
TAL LANKA	14.60	16.50	-11.52%
C.W.MACKIE	42.40	46.80	-9.40%
BALANGODA	16.60	18.00	-7.78%
THE FINANCE CO. [X]	1.40	1.50	-6.67%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
JKH	139.80	1.3	184.89
MELSTACORP	50.00	2.3	115.57
CARGILLS	200.00	0.3	52.69
SAMPATH	295.00	0.1	41.76
LION BREWERY	563.70	0.1	33.55

TOP 5 VOLUME

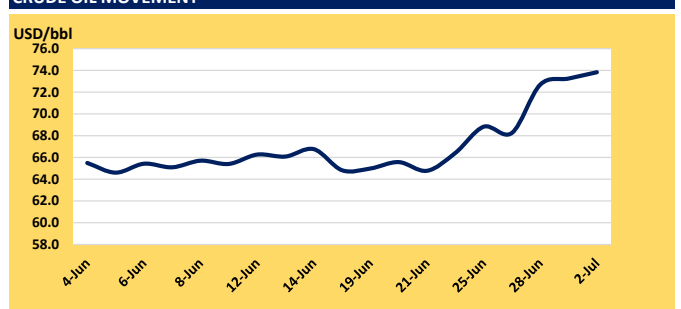
	Price	Volume ('Mn)	Turnover ('Mn)
MELSTACORP	50.00	2.3	115.57
AMANA BANK	3.40	1.4	4.79
JKH	139.80	1.3	184.89
TEEJAY LANKA	31.00	0.7	23.07
DIALOG	13.80	0.6	8.84

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	74.7	73.2	2.0%
Gold USD/t oz	1,247.1	1,252.8	-0.5%
Copper USd/lb.	295.7	298.4	-0.9%
Cotton USd/lb.	82.7	83.9	-1.4%

CRUDE OIL MOVEMENT



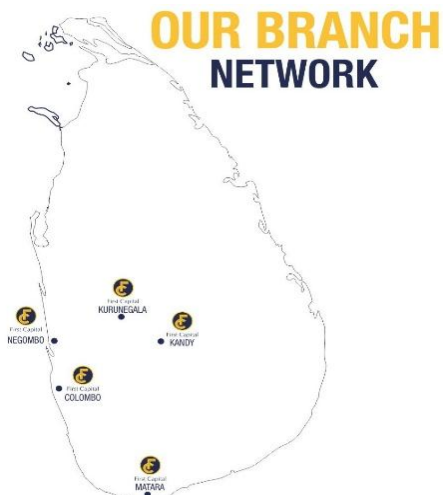
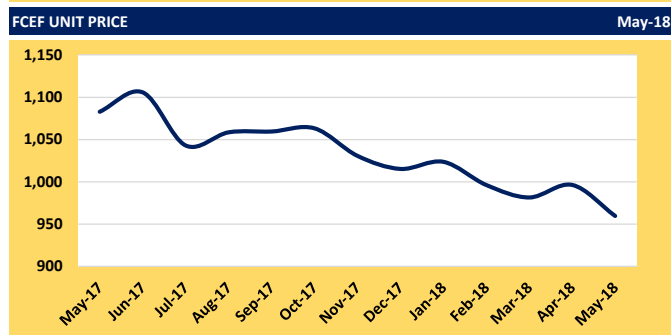
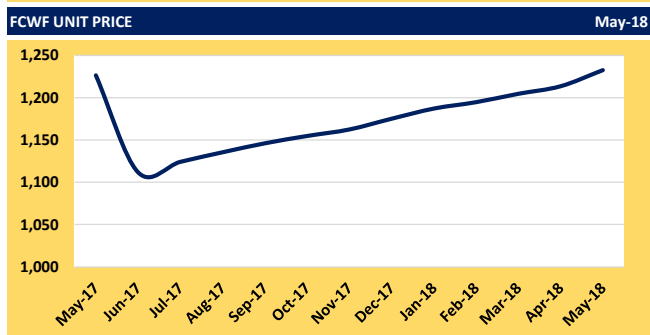
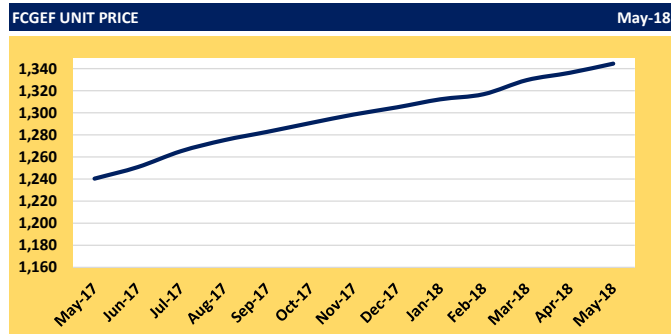
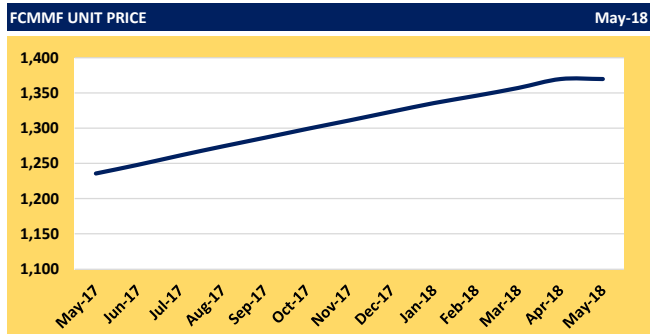
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	24,307.2	24,216.1	0.4%
EURO STOXX 50	3,404.8	3,412.7	-0.2%
FTSE 100	7,573.9	7,674.6	-1.3%
NIKKEI 225	21,785.5	22,304.5	-2.3%

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	1,396.51	1,396.51	790	11.07%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,352.60	1,352.60	57	0.00%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,060.97	1,060.94	626	9.38%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	890.03	845.53	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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* 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.

Call : +94 11 2 639 841 | +94 771 764 799

No. 02, Deal Place, Colombo 03, Sri Lanka. | Tel No: +94 11 2 639 898
Email: info@firstcapital.lk | Web: www.firstcapital.lk



First Capital

First Capital Holdings PLC

No.2, Deal Place,
Colombo 3

Tel: +94 11 2145 000
Fax: +94 11 2145 050

RESEARCH

Dimantha Mathew	+94 11 2639 853	Amanda Lokugamage	+94 11 2639 868
Atchuthan Srirangan	+94 11 2639 863	Nisansala Kuruppumudali	+94 11 2639 866

GOVERNMENT SECURITIES SALES

Anjelo Simmons	+94 77 3031 636	Neminda Jayawardena	+94 76 6644 080
Anushka Dissanayake	+94 77 2220 021	Arun Kandasamy	+94 75 4861 506
Anushi Ranawaka	+94 77 3876 819		

CORPORATE DEBT SALES

Sewwandi Kathriarachchi	+94 77 3461 734
Nethalie De Mel	+94 11 2639 854

EQUITY SALES

CEO	Jaliya Wijeratne	+94 70 2910 042	Negombo	
			Priyanka Anuruddha	+94 70 2910 035
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		
Ifadh Marikar		+94 77 9625 679		
Thushara Pathiraja		+94 70 2910 037		
Anushka Buddhika		+94 70 2910 030		
Gamini Hettiarachchi		+94 70 2910 039		

UNIT TRUST SALES

Imali Abeygunawardena	+94 77 1764 799
-----------------------	-----------------

BRANCHES

Kandy	Kurunegala	Matara	Negombo
2nd Floor, No.121 Kotugodella Veediya (E L Senanayake Veediya) Kandy 20000.	Ground Floor No. 42, Mihindu Mawatha, Kurunegala 60000.	2nd Floor, E.H. Cooray Building No: 24, 1/3, Anagarika Dharmapala Mawatha, Matara 81000.	1st Floor No: 163B, Colombo Road, Negombo 11500.
Manager: Salinda Samarakoon Tel: +94 81 2236 010	Manager: Menaka Wavegedara Tel: +94 37 2222 930	Manager: Rohana Jayakody Tel: +94 41 2222 988	Manager: Buddhika Edirisinghe Tel: +94 31 2233 299

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