



First Capital

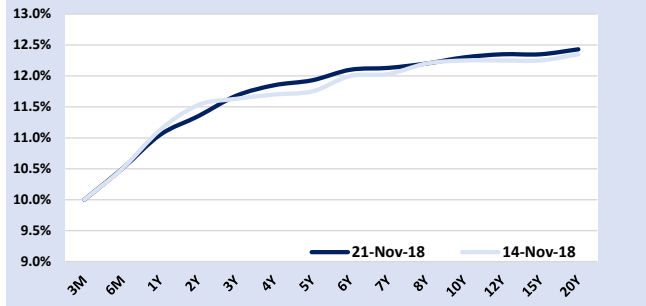
DAILY MARKET WATCH

First Capital Research

November 21, 2018

FIXED INCOME

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve shifted slightly upwards, resultant to continued rupee depreciation on the back of prolonged uncertainty in the political front coupled with Moody's downgrading country's rating to B2-Stable from B1-Negative. Market activity moderated during the day and centered on short tenure 15.12.21 and mid tenure 15.06.27 maturities. On the back of foreign selling, 15.12.21 reached intraday high of 12.00% prior to closing the day at 11.95-12.05% levels with considerable volumes. Mid tenure, 15.06.27 reached day's high of 12.45% with selling interest prior to close the day at 12.40-60% levels.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	10.25%	9.75%	10.00%	10.00%	0
< 182 Days < 6M	10.75%	10.25%	10.50%	10.50%	0
< 364 Days < 1Y	11.10%	11.00%	11.05%	11.13%	-8
01-May-20 < 2Y	11.50%	11.20%	11.35%	11.53%	-18
15-Oct-21 < 3Y	11.85%	11.50%	11.68%	11.63%	5
01-Oct-22 < 4Y	12.00%	11.70%	11.85%	11.70%	15
15-Jul-23 < 5Y	12.10%	11.75%	11.93%	11.75%	18
01-Aug-24 < 6Y	12.20%	12.00%	12.10%	12.00%	10
15-Oct-25 < 7Y	12.25%	12.00%	12.13%	12.03%	10
01-Aug-26 < 8Y	12.30%	12.10%	12.20%	12.20%	0
01-Sep-28 < 10Y	12.50%	12.10%	12.30%	12.25%	5
15-May-30 < 12Y	12.60%	12.10%	12.35%	12.25%	10
15-Jan-33 < 15Y	12.60%	12.10%	12.35%	12.25%	10
15-Mar-35 < 20Y	12.75%	12.10%	12.43%	12.35%	8

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	19-Nov-18	14-Nov-18	(bps)
91 days	10.01%	10.07%	-6
182 Days	N/A	N/A	N/A
364 Days	11.21%	11.25%	-4

WEEK ENDING 23-Nov-18		
Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
3,000	8,030	4,500
3,500	10,189	N/A
9,000	30,307	11,000
15,500	48,526	15,500

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
11.75%2027'A'	12.16%	50,000	100,570	50,000
13.00%2029'B'	12.23%	48,000	103,545	48,000
TOTAL		98,000	204,115	98,000

MATURITY TABLE FOR NEXT WEEK

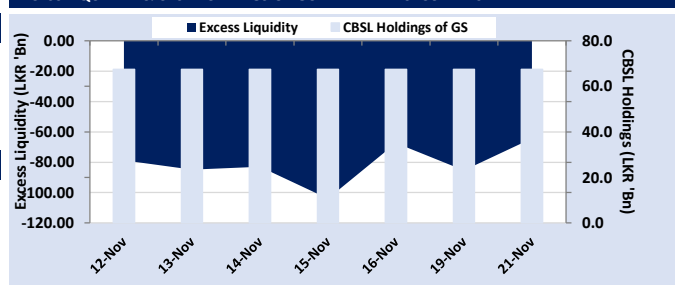
Type	LKR ('Mn)	USD ('Mn)
T-Bills	17,566	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
TOTAL	17,566	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

	21-Nov-18	Repo	Reverse Repo
Mid-day Auction		[LKR 'Bn]	[LKR 'Bn]
Offered		0.0	37.0
Bids		N/A	30.1
Accepted		N/A	30.1
Weighted Average Rate (%)		N/A	8.56%
Standing Facility		SDF	SLF
Rate		8.00%	9.00%
Value [LKR 'Bn]		14.8	34.0
O/N Surplus/(Deficit)			-64.3
CBSL Holdings of Government Securities [LKR 'Bn]			67.4

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money 21-Nov-18	9.00%	8.90%	8.97%	17.1
Repo Rates 21-Nov-18	9.00%	8.95%	8.97%	1.5

OUTSTANDING STOCK

	14-Nov-18	Previous Week	Change (%)
T-Bills [LKR 'Mn]	790,390	790,524	0.0%
T-Bonds [LKR 'Mn]	4,242,267	4,242,267	0.0%
TOTAL	5,032,656	5,032,790	0.0%
Foreign Holding [LKR 'Mn]	209,181	211,140	-0.9%
Foreign Holding (%)	4.2%	4.2%	

MARKET INTEREST RATES

	14-Nov-18	Last Month	Change (bps)
AWPLR	12.28%	12.82%	-54
FD Ceiling Rate (1 Year)	2H2018 12.46%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES

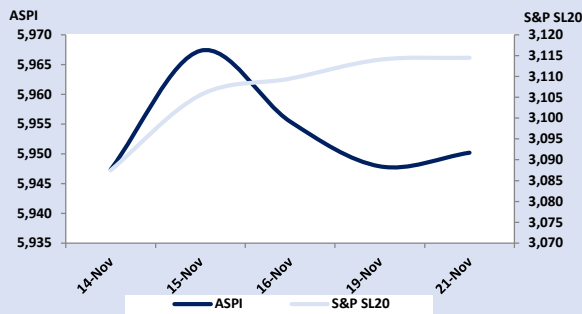
	16-Nov-18	9-Nov-18	Change (bps)	Last Month	Change (bps)
1 Year	2.68%	2.73%	-5	2.69%	-1
2 Year	2.81%	2.94%	-13	2.87%	-6
5 Year	2.90%	3.05%	-15	2.98%	-8
10 Year	3.08%	3.19%	-11	3.15%	-7
30 Year	3.33%	3.40%	-7	3.39%	-6

EXCHANGE RATES

	21-Nov-18	Last Month	Change (%)
USA Dollar	177.17	174.38	-1.6%
UK Pound	226.59	221.66	-2.2%
EU Euro	201.47	197.81	-1.8%
Japan Yen	1.57	1.54	-1.8%
Australia Dollar	128.03	125.25	-2.2%

EQUITY

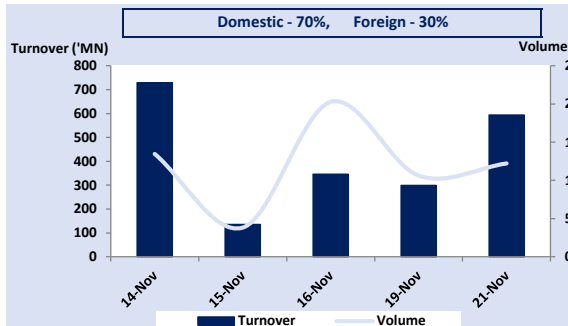
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	5,950.19	5,947.90	0.04%
S&P SL20	3,114.51	3,114.06	0.01%
Turnover (LKR 'Mn)	594.12	299.57	98.33%
Volume ('Mn)	12.22	10.63	14.98%
Market Cap. (LKR 'Bn)	2,791.51	2,790.43	0.04%
Market Cap. (USD 'Bn)	15.76	15.75	0.04%
Traded Companies	238	208	14.42%
Foreign Purchases (LKR 'Mn)	185.46	45.49	307.71%
Foreign Sales (LKR 'Mn)	175.23	192.55	-9.00%
Net Foreign flow (LKR 'Mn)	10.23	-147.06	106.96%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

MTD Net Foreign Flow (LKR 'Mn)	-4,432.71
YTD Net Foreign Flow (LKR 'Mn)	-17,243.24

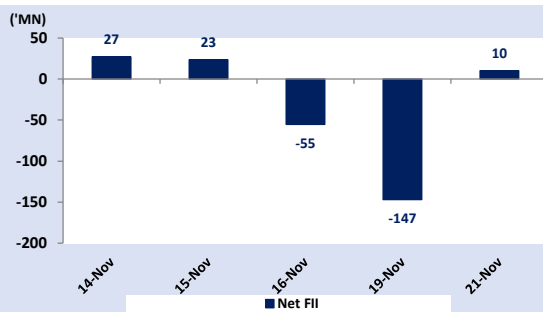
MARKET COMMENTARY

The bourse ended in green on the gains made by DIAL and JKH reversing the negative sentiment witnessed on last Monday. ASPI witnessed a surge during the first few minutes of trading reaching an intraday high of 5,957 and continued on volatile movements closing the day at 5,950 losing mere 2 points. Both turnover and volumes have increased while nearly 44% of turnover was derived from NDB. A net foreign inflow was witnessed after 3 outflow sessions with high foreign participation.

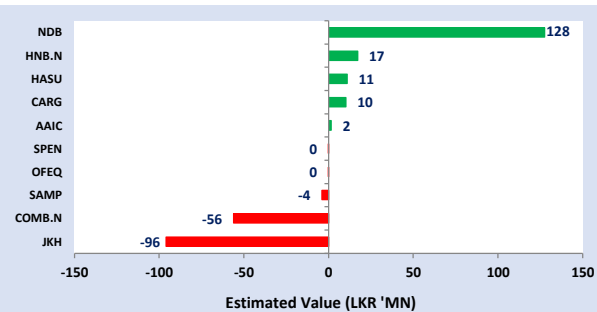
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
NDB	4	104.00	2,250,000	4

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
ADAM INVESTMENTS	0.20	0.10	100.00%
HORANA	16.00	14.10	13.48%
THE FINANCE CO.	2.30	2.10	9.52%
BPPL HOLDINGS	12.80	11.70	9.40%
RAMBODA FALLS	17.00	15.90	6.92%

TOP 5 LOSERS

	Today	Previous	Change (%)
LUCKY LANKA [X]	0.70	0.80	-12.50%
SINHAPUTHRA FIN [P]	5.00	5.50	-9.09%
TALAWAKELLE	43.20	47.50	-9.05%
LUCKY LANKA	1.10	1.20	-8.33%
THE FINANCE CO. [X]	1.10	1.20	-8.33%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
NAT. DEV. BANK	105.60	2.5	260.42
JKH	154.00	1.0	150.86
COMMERCIAL BANK	112.80	0.6	68.88
HNB	214.50	0.1	18.57
SAMPATH	230.40	0.1	15.42

TOP 5 VOLUME

	Price	Volume ('Mn)	Turnover ('Mn)
ASIA SIYAKA	2.00	4.2	7.94
NAT. DEV. BANK	105.60	2.5	260.42
JKH	154.00	1.0	150.86
COMMERCIAL BANK	112.80	0.6	68.88
KINGSBURY	15.00	0.5	7.50

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	54.5	66.6	-18.2%
Gold USD/t oz	1,224.9	1,217.7	0.6%
Copper USd/lb.	279.5	266.9	4.7%
Cotton USd/lb.	77.7	76.6	1.4%
Aluminum USD/MT	1,940.0	1,967.0	-1.4%

CRUDE OIL MOVEMENT



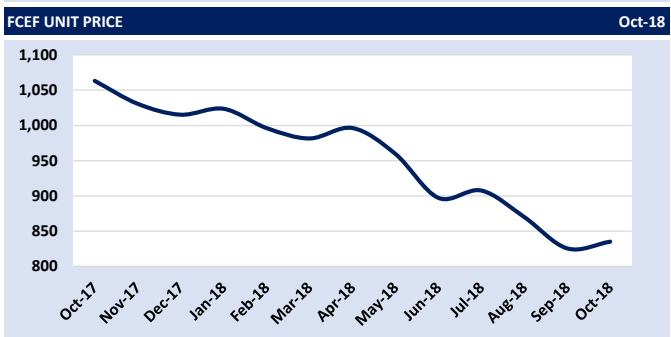
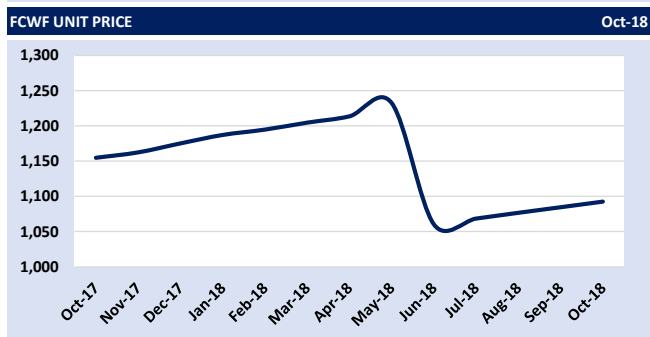
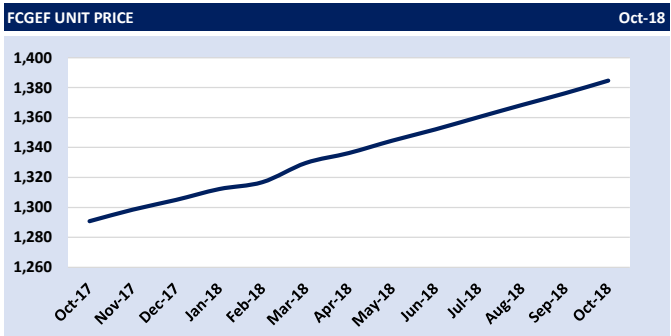
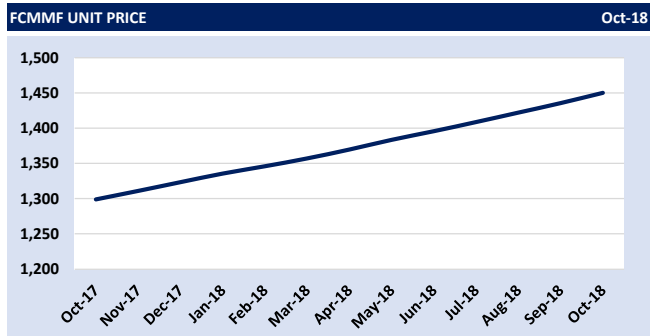
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	24,465.6	24,874.6	-1.6%
EURO STOXX 50	3,137.1	3,201.7	-2.0%
FTSE 100	6,997.9	7,150.2	-2.1%
NIKKEI 225	21,507.5	21,920.5	-1.9%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Oct 2018		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,459.55	1,459.55	1,334	12.18%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,390.25	1,390.25	50	0.00%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,098.38	1,098.35	606	10.26%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	840.36	798.34	53	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)					Performance as of			Oct-18
FIXED INCOME FUNDS	YTD	2017/18	2016/17	2015/16	2014/15	2013/14	Since Inception	
First Capital Money Market Fund	11.69%	11.92%	10.39%	7.92%	7.20%	N/A	11.65%	
First Capital Gilt Edge Fund	7.06%	9.14%	19.06%	4.17%	-3.46%	N/A	9.37%	
First Capital Wealth Fund	9.67%	11.32%	10.63%	4.90%	15.48%	17.60%	17.30%	
BALANCED FUND	1 Month	3 Months	6 Months	12 Months	2 Years		Since Inception	
First Capital Equity Fund	1.15%	-8.00%	-16.18%	-21.46%	N/A		-16.49%	
ASTRI*	1.56%	-3.11%	-8.70%	-9.69%	N/A		-15.69%	
Out/(Under) Performance	-0.41%	-4.88%	-7.48%	-11.77%	N/A		-0.80%	





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Identification



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Initial Investment



Bank Account Details

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Anushi Ranawaka	+94 77 3876 819		

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			Priyanka Anuruddha	+94 70 2910 035
Colombo			Priyantha Wijesiri	+94 70 2910 036
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UNIT TRUST SALES

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