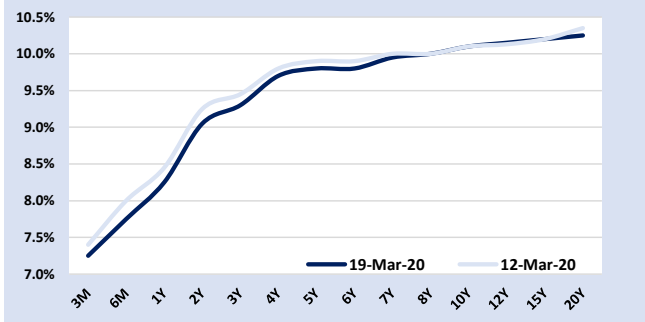




FIXED INCOME

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market witnessed limited activities while selling interest was primarily centered on the belly end of the curve with 15.03.24 and 15.09.24 maturities trading at 9.60%-9.68% levels. However, on the short end of the curve buying interest was seen on 9-12M bills in the range of 8.17%-8.25% levels whilst overall market witnessed moderate volumes.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	7.30%	7.20%	7.25%	7.40%	-15
< 182 Days < 6M	7.80%	7.70%	7.75%	8.00%	-25
< 364 Days < 1Y	8.30%	8.20%	8.25%	8.45%	-20
01-Jul-22 < 2Y	9.10%	9.00%	9.05%	9.25%	-20
15-Mar-23 < 3Y	9.35%	9.25%	9.30%	9.45%	-15
15-Sep-24 < 4Y	9.75%	9.65%	9.70%	9.80%	-10
15-Mar-25 < 5Y	9.85%	9.75%	9.80%	9.90%	-10
01-Aug-26 < 6Y	9.85%	9.75%	9.80%	9.90%	-10
15-Oct-27 < 7Y	10.00%	9.90%	9.95%	10.00%	-5
01-Sep-28 < 8Y	10.05%	9.95%	10.00%	10.00%	0
15-May-30 < 10Y	10.15%	10.05%	10.10%	10.10%	0
01-Jan-32 < 12Y	10.20%	10.10%	10.15%	10.13%	2
15-Sep-34 < 15Y	10.25%	10.15%	10.20%	10.20%	0
15-Aug-39 < 20Y	10.35%	10.15%	10.25%	10.35%	-10

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	18-Mar-20	11-Mar-20	(bps)
91 days	7.27%	7.41%	-14
182 Days	7.82%	8.01%	-19
364 Days	8.32%	8.48%	-16

		WEEK ENDING 20-Mar-20	
Offered	Bids	Accepted	
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)	
10,000	24,350	10,000	
7,000	22,950	7,000	
12,000	39,875	12,000	
29,000	87,175	29,000	

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
10.00%2022'A'	9.33%	17,500	42,531	17,500
9.85%2024'A'	9.81%	20,000	50,350	20,000
10.30%2027'A'		22,500	65,510	22,500
TOTAL		60,000	158,391	60,000

MATURITY TABLE FOR NEXT WEEK

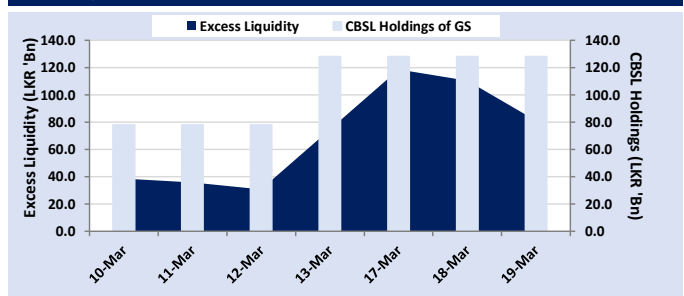
Type	LKR ('Mn)	USD ('Mn)
T-Bills	6,459	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
TOTAL	6,459	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

	19-Mar-20	Repo	Reverse Repo
Mid-day Auction	[LKR 'Bn]	[LKR 'Bn]	[LKR 'Bn]
Offered	70.0	0.0	
Bids	30.9	N/A	
Accepted	30.9	N/A	
Weighted Average Rate (%)	6.76%	N/A	
Standing Facility	SDF	SLF	
Rate	6.25%	7.25%	
Value [LKR 'Bn]	51.7	1.4	
O/N Surplus/(Deficit)			81.2
CBSL Holdings of Government Securities [LKR 'Bn]			128.0

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W-Avg	Value [LKR 'Bn]
Call Money 19-Mar-20	6.75%	6.60%	6.71%	23.7
Repo Rates 19-Mar-20	6.95%	6.75%	6.82%	15.5

OUTSTANDING STOCK [GSEC]

	11-Mar-20	Previous Week	Change (%)
T-Bills [LKR 'Mn]	911,094	907,344	0.4%
T-Bonds [LKR 'Mn]	4,749,026	4,749,026	0.0%
TOTAL	5,660,119	5,656,369	0.1%
T-Bills & T-Bonds held by Foreigners			
Foreign Holding [LKR 'Mn]	77,103	83,004	-7.1%
Foreign Holding (%)	1.4%	1.5%	

MARKET INTEREST RATES

	11-Mar-20	Last Month	Change (bps)
AWPLR	9.47%	9.47%	0
	Banks	NBFIs	
FD Ceiling Rate (1 Year)	4Q2019	N/A	11.59%

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES	13-Mar-20	6-Mar-20	Change (bps)	Last Month	Change (bps)
1 Year	0.38%	0.39%	-1	0.97%	-59
2 Year	0.49%	0.49%	0	0.86%	-37
5 Year	0.70%	0.58%	12	0.89%	-19
10 Year	0.94%	0.74%	20	1.13%	-19
30 Year	1.56%	1.25%	31	1.65%	-9

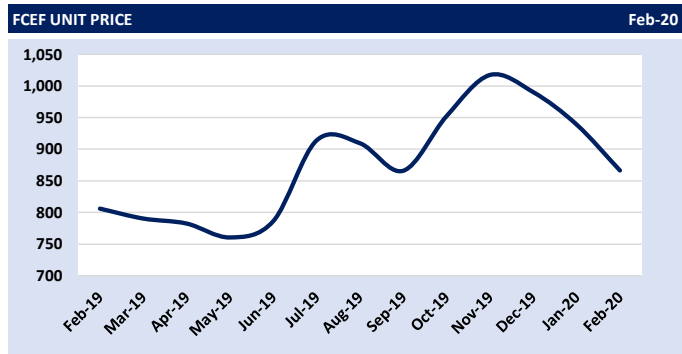
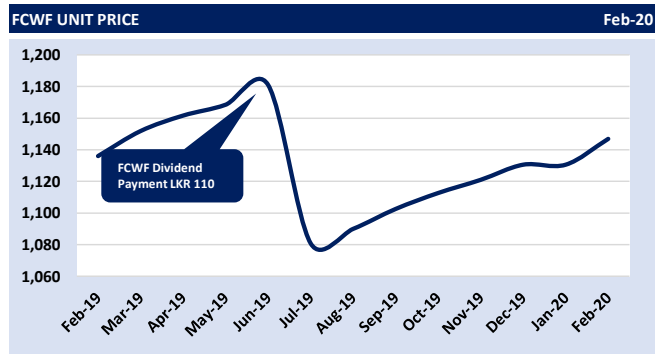
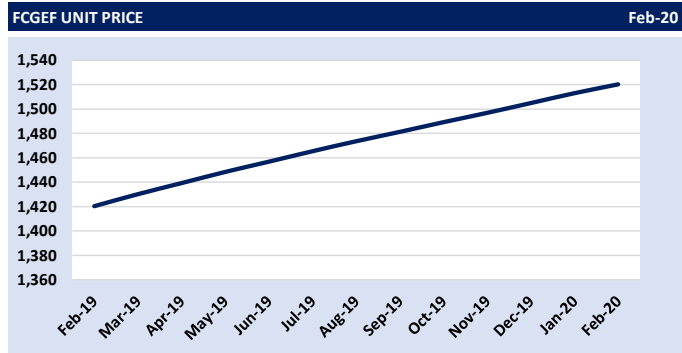
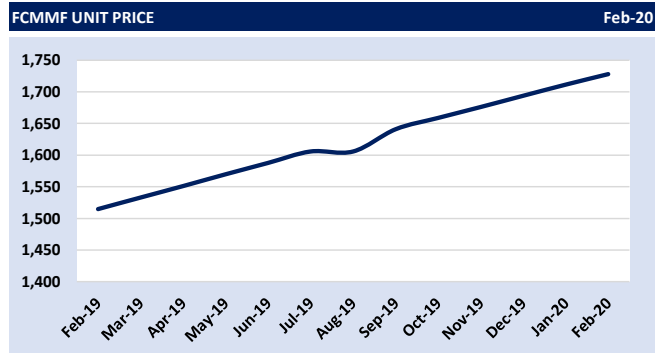
EXCHANGE RATES

		19-Mar-20	Last Month	Change (%)
USA	Dollar	184.93	181.81	-1.7%
UK	Pound	212.69	234.32	10.2%
EU	Euro	201.82	199.79	-1.0%
Japan	Yen	1.69	1.66	-1.9%
Australia	Dollar	103.35	119.27	15.4%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Feb 2020		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,738.37	1,738.37	8,431	12.07%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,524.64	1,524.64	54	6.86%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,154.52	1,154.49	615	10.57%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	754.18	716.47	53	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)					Performance as of		Feb-20
	YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
FIXED INCOME FUNDS							
First Capital Money Market Fund	13.87%	12.96%	11.92%	10.39%	7.92%	7.20%	10.95%
First Capital Gilt Edge Fund	6.86%	7.56%	9.14%	19.06%	4.17%	-3.46%	9.57%
First Capital Wealth Fund	10.57%	11.40%	11.32%	10.63%	4.90%	15.48%	11.30%
BALANCED FUND							
First Capital Equity Fund	7.48%	-6.51%	0.96%	1.62%	-4.33%	N/A	-13.36%
ASTRI*	-3.45%	-5.72%	7.30%	0.33%	-14.94%	N/A	-20.38%
Out/(Under) Performance	10.93%	-0.80%	-6.34%	1.30%	10.61%		7.02%



12.18%

Current yield as at 23/02/2020

THE FIRST CAPITAL MONEY MARKET FUND

AS ATTRACTIVE AS A FIXED DEPOSIT WITH THE FLEXIBILITY OF A SAVINGS ACCOUNT

*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.

For more information on this opportunity
Call: 0771 764 799, 0771 535 465

FC CAPITAL MARKET APP
 Your complete insight into the Sri Lankan capital market

OPEN AN ACCOUNT IN 3 STEPS

- Step 1**
Download the FC Capital Markets app
- Step 2**
Submit your information
- Step 3**
Select your investment option/product

Available on

Our Team will take care of the rest!
 Got any questions? Feel free to contact us on +94 771652753



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	Nisansala Kuruppumudali	+94 11 2639 866
Atchuthan Srirangan	+94 11 2639 863		
Hiruni Perera	+94 11 2639 864		

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	Mahesh Amarasinghe	+94 77 0073 684
Nethalie De Mel	+94 11 2639 854	Dharshanie Vasanthajothy	+94 77 9159 878

EQUITY SALES

CEO	Jaliya Wijeratne	+94 70 2910 042	Negombo	
			Priyanka Anuruddha	+94 70 2910 035
Colombo			Priyantha Wijesiri	+94 70 2910 036
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		

UNIT TRUST SALES

Kavin Karunamoorthy	+94 77 0328 060	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	Manager:	Manager: Rohana Jayakody	Manager:
Tel: +94 81 2236 010	Tel: +94 37 2222 930	Tel: +94 41 2222 988	Tel: +94 31 2233 299

Disclaimer:

This Review is prepared and issued by First Capital Holdings PLC based on information in the public domain, internally developed and other sources, believed to be correct. Although all reasonable care has been taken to ensure the contents of the Review are accurate, First Capital Holdings PLC and/or its Directors, employees, are not responsible for the correctness, usefulness, reliability of same. First Capital Holdings PLC may act as a Broker in the investments which are the subject of this document or related investments and may have acted on or used the information contained in this document, or the research or analysis on which it is based, before its publication. First Capital Holdings PLC and/or its principal, their respective Directors, or Employees may also have a position or be otherwise interested in the investments referred to in this document. This is not an offer to sell or buy the investments referred to in this document. This Review may contain data which are inaccurate and unreliable. You hereby waive irrevocably any rights or remedies in law or equity you have or may have against First Capital Holdings PLC with respect to the Review and agree to indemnify and hold First Capital Holdings PLC and/or its principal, their respective directors and employees harmless to the fullest extent allowed by law regarding all matters related to your use of this Review. No part of this document may be reproduced, distributed or published in whole or in part by any means to any other person for any purpose without prior permission.

About us:

This report providing a snapshot of fixed income, equity and unit trust is composed and circulated by First Capital Holdings PLC an investment bank in Sri Lanka. The company operates in the capital market of Sri Lanka with operations in government securities - treasury bills and bonds, stock brokering and share market investments, asset management, private wealth management, retirement planning, personal financial planning, unit trust, margin trading, capital market research, trustee services, corporate finance advisory services including corporate debt structuring (debentures, trust certificates, commercial papers), valuations, restructuring, mergers and acquisitions, initial public offerings (IPOs) and project advisory. The First Capital Group consists of First Capital Treasuries PLC, First Capital Limited, First Capital Markets Limited, First Capital Asset Management Limited and First Capital Equities (Private) Limited covering Colombo, Negombo, Matara, Kandy and Kurunegala.