



First Capital

# DAILY MARKET WATCH

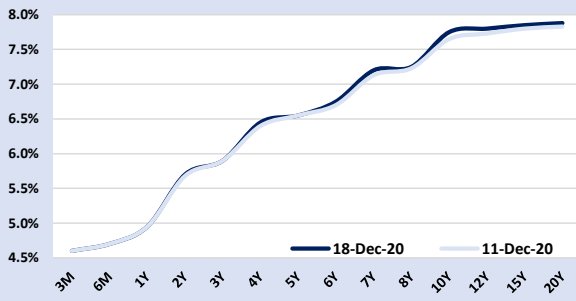
First Capital Research

December 18, 2020

## FIXED INCOME

"Market on a sideline note"

### YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve remained unchanged while overall market witnessed low volumes. Limited activity was seen on long tenor 15.05.30 maturity trading at 7.80%.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	4.65%	4.55%	4.60%	4.60%	0
< 182 Days < 6M	4.75%	4.65%	4.70%	4.70%	0
< 364 Days < 1Y	5.00%	4.90%	4.95%	4.95%	0
15-Dec-22 < 2Y	5.75%	5.65%	5.70%	5.68%	2
01-Sep-23 < 3Y	5.95%	5.85%	5.90%	5.90%	0
15-Sep-24 < 4Y	6.50%	6.40%	6.45%	6.40%	5
01-May-25 < 5Y	6.60%	6.50%	6.55%	6.55%	0
01-Feb-26 < 6Y	6.80%	6.70%	6.75%	6.70%	5
15-Oct-27 < 7Y	7.25%	7.15%	7.20%	7.13%	7
01-Sep-28 < 8Y	7.30%	7.20%	7.25%	7.23%	2
15-May-30 < 10Y	7.80%	7.70%	7.75%	7.65%	10
01-Jan-32 < 12Y	7.90%	7.70%	7.80%	7.73%	7
15-Sep-34 < 15Y	8.00%	7.70%	7.85%	7.80%	5
15-Aug-39 < 20Y	8.05%	7.70%	7.88%	7.83%	5

## PRIMARY AUCTION

### T-BILL AUCTION

Tenor	Current	Previous	Change
	16-Dec-20	9-Dec-20	(bps)
91 days	4.67%	4.67%	0
182 Days	4.78%	4.77%	1
364 Days	5.01%	5.00%	1

Date of Settlement	18-Dec-20
	40,000

### T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
07.00%2023'A'	5.99%	40,000	48,346	39,346
05.35%2026'A'	6.79%	40,000	60,800	29,800
08.00%2032'A'	7.84%	20,000	33,800	15,300
<b>TOTAL</b>		<b>100,000</b>	<b>142,946</b>	<b>84,446</b>

### WEEK ENDING 18-Dec-20

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
12,000	15,442	7,137
9,000	10,565	2,565
19,000	29,190	17,140
<b>40,000</b>	<b>55,197</b>	<b>26,842</b>

### MATURITY TABLE FOR NEXT WEEK

Type	LKR ('Mn)	USD ('Mn)
T-Bills	26,700	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
<b>TOTAL</b>	<b>26,700</b>	<b>0</b>

## LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

### MARKET LIQUIDITY

18-Dec-20	Repo	Reverse Repo
Mid-day Auction	[LKR 'Bn]	[LKR 'Bn]
Offered	0.0	0.0
Bids	N/A	N/A
Accepted	N/A	N/A
Weighted Average Rate (%)	N/A	N/A

### Standing Facility

SDF	SLF
Rate	4.50%
Value [LKR 'Bn]	222.8

### O/N Surplus/(Deficit)

222.8
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### CBSL Holdings of Government Securities [LKR 'Bn]

644.7
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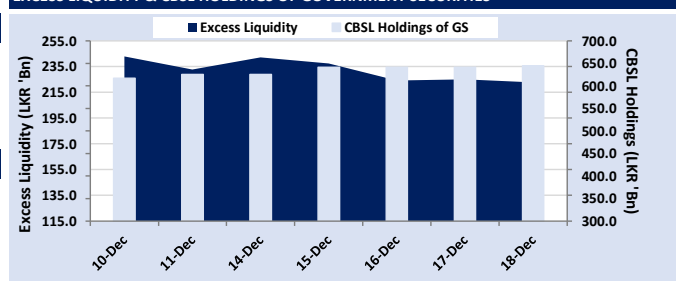
### MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money	18-Dec-20 4.55%	4.53%	4.54%	0.9
Repo Rates	18-Dec-20 4.68%	4.53%	4.59%	9.6

### MARKET INTEREST RATES

	11-Dec-20	Last Month	Change (bps)
AWPLR	5.66%	5.83%	-17
FD Ceiling Rate (1 Year)	4Q2020 6.88%		

### EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



### OUTSTANDING STOCK [GSEC]

	9-Dec-20	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,502,949	1,495,724	0.5%
T-Bonds [LKR 'Mn]	5,412,975	5,412,975	0.0%
<b>TOTAL</b>	<b>6,915,924</b>	<b>6,908,699</b>	<b>0.1%</b>
Foreign Holding [LKR 'Mn]	7,583	8,574	-11.6%
Foreign Holding (%)	0.1%	0.1%	

## GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

### US TREASURIES

	11-Dec-20	4-Dec-20	Change (bps)	Last Month	Change (bps)
1 Year	0.10%	0.11%	-1	0.11%	-1
2 Year	0.11%	0.16%	-5	0.16%	-5
5 Year	0.37%	0.42%	-5	0.36%	1
10 Year	0.90%	0.97%	-7	0.84%	6
30 Year	1.63%	1.73%	-10	1.58%	5

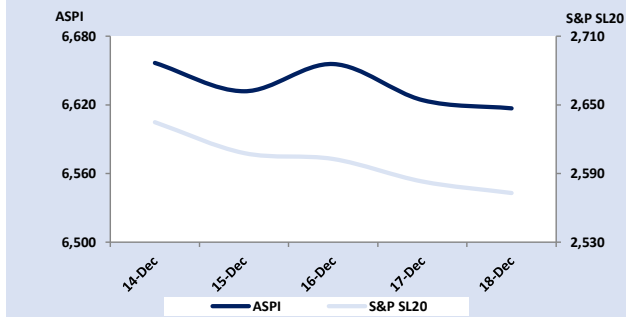
### EXCHANGE RATES

	18-Dec-20	Last Month	Change (%)
USA Dollar	187.88	184.96	-1.6%
UK Pound	254.58	246.71	-3.1%
EU Euro	230.25	221.42	-3.8%
Japan Yen	1.82	1.78	-2.1%
Australia Dollar	142.99	136.78	-4.3%

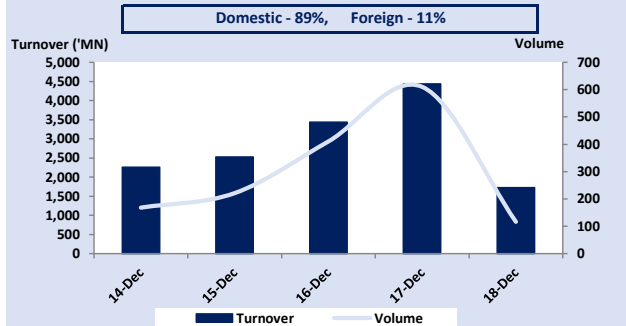
# EQUITY

## "Turnover records a 3-week low"

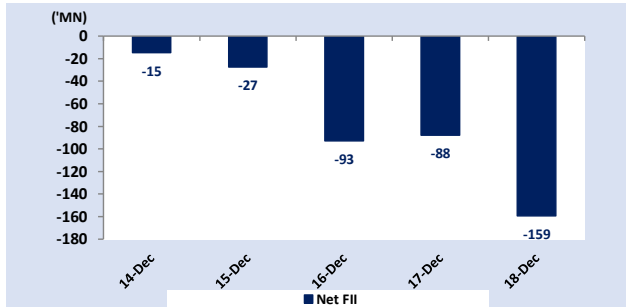
### MARKET INDICES



### MARKET TURNOVER & VOLUME



### NET FOREIGN FLOW



### TOP 5 GAINERS

Stock	Today	Previous	Change (%)
INDUSTRIAL ASPH.	0.30	0.20	50.00%
S M B LEASING [ NON-VOTING]	0.40	0.30	33.33%
GOOD HOPE	1,096.90	947.20	15.80%
LOTUS HYDRO	11.40	9.90	15.15%
MULLERS	1.10	1.00	10.00%

### TOP 5 TURNOVER

Stock	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	3.90	60.5	234.59
COMMERCIAL BANK	80.00	1.9	151.72
HEMAS HOLDINGS	93.00	1.0	93.11
DIALOG	12.20	7.6	92.71
C T HOLDINGS	162.60	0.5	88.53

### MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,616.95	6,624.15	-0.11%
S&P SL20	2,572.95	2,583.01	-0.39%
Turnover (LKR 'Mn)	1,721.55	4,438.48	-61.21%
Volume ('Mn)	116.52	610.33	-80.91%
Market Cap. (LKR 'Bn)	2,891.73	2,894.87	-0.11%
Market Cap. (USD 'Bn)	15.39	15.41	-0.11%
Traded Companies	260	273	-4.76%
Foreign Purchases (LKR 'Mn)	109.97	25.14	337.40%
Foreign Sales (LKR 'Mn)	269.33	112.85	138.67%
Net Foreign flow (LKR 'Mn)	-159.35	-87.70	-81.70%

### MTD Net Foreign Flow (LKR 'Mn)

-2,240.18

### YTD Net Foreign Flow (LKR 'Mn)

-50,248.16

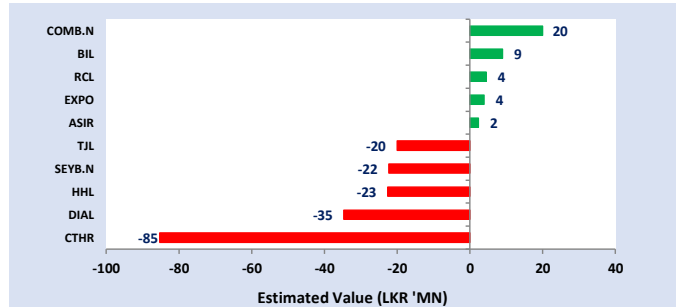
### MARKET COMMENTARY

Bourse continued its downfall for the 2nd consecutive session while turnover fell below LKR 2Bn, recording a 3-week low. Index experienced a short-lived uptrend within the early hour of trading, thereafter witnessed a downtrend during mid-day and hit its intraday low of 6,611. Later market recorded an uptrend and closed at 6,617 losing 7 points. Food and Beverage sector continued to lead the turnover for the 3rd consecutive session with the aid of BIL, closely followed by Capital Goods and Banking sector, making a joint contribution of 56%. Market recorded low foreign participation dominated by the selling side resulting in a net outflow.

### MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity
COMB.N	3	80.00	800,000
MELS	1	49.80	500,000

### ESTIMATED LARGEST FOREIGN FLOW



### TOP 5 LOSERS

Stock	Today	Previous	Change (%)
CEYLON PRINTERS	65.30	77.40	-15.63%
BLUE DIAMONDS	0.70	0.80	-12.50%
HAPUGASTENNE	17.80	18.80	-5.32%
AHOT PROPERTIES	40.00	42.00	-4.76%
BANSEI RESORTS	8.50	8.90	-4.49%

### TOP 5 VOLUME

Stock	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	3.90	60.5	234.59
DIALOG	12.20	7.6	92.71
PANASIAN POWER	4.30	7.4	31.43
PIRAMAL GLASS	9.40	3.8	35.03
EXPOLANKA	25.60	3.1	80.08

## GLOBAL MARKETS & COMMODITIES

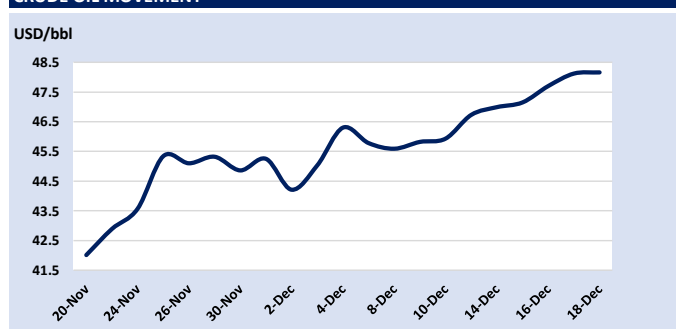
### GLOBAL COMMODITY PRICES

Commodity	Unit	Current	Last Month	Change (%)
Crude Oil	USD/bbl	48.2	44.9	7.4%
Gold	USD/t oz	1,883.5	1,773.5	6.2%
Copper	USD/lb.	362.6	346.9	4.5%
Cotton	USD/lb.	77.3	73.1	5.6%
Aluminum	USD/MT	2,053.0	1,998.5	2.7%

### GLOBAL MARKETS

Market	Current	Last Month	Change (%)
DOW JONES	30,303.4	29,910.4	1.3%
EURO STOXX 50	3,564.4	3,529.6	1.0%
FTSE 100	6,558.2	6,374.1	2.9%
NIKKEI 225	26,763.4	26,433.6	1.2%

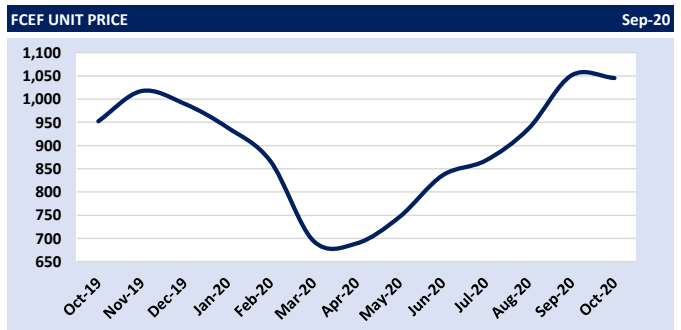
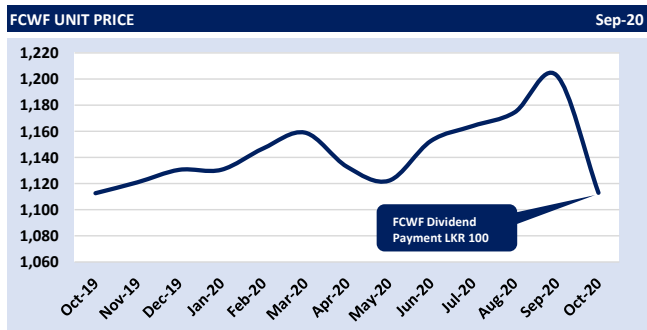
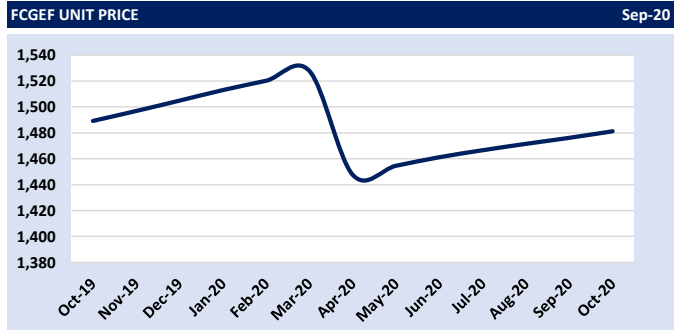
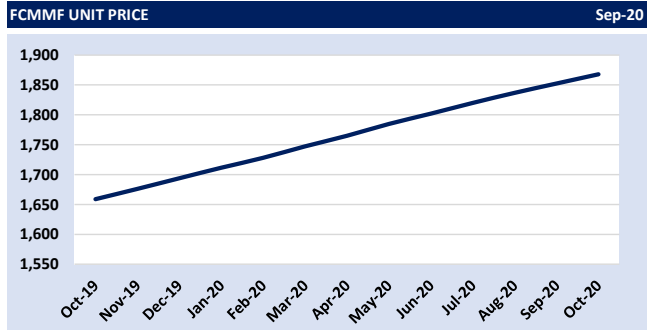
### CRUDE OIL MOVEMENT



# UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Oct 2020		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,890.64	1,890.64	12,599	9.59%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,488.27	1,488.27	53	-5.19%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,120.43	1,120.40	257	7.94%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,216.30	1,155.48	64	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Sep-20
	YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception	
<b>FIXED INCOME FUNDS</b>								
First Capital Money Market Fund	11.78%	12.96%	11.92%	10.39%	7.92%	7.20%		11.10%
First Capital Gilt Edge Fund	-5.19%	7.56%	9.14%	19.06%	4.17%	-3.46%		7.88%
First Capital Wealth Fund	7.94%	11.40%	11.32%	10.63%	4.90%	15.48%		11.13%
<b>BALANCED FUND</b>								
First Capital Equity Fund	50.50%	-19.47%	0.96%	1.62%	-4.33%	0.00%		4.54%
ASTRI*	7.46%	-1.37%	7.30%	0.33%	-14.94%	0.00%		-18.44%
<b>Out/(Under) Performance</b>	<b>43.04%</b>	<b>-18.10%</b>	<b>-6.34%</b>	<b>1.30%</b>	<b>10.61%</b>			<b>22.98%</b>



9.28%<sup>\*</sup>

P.A.

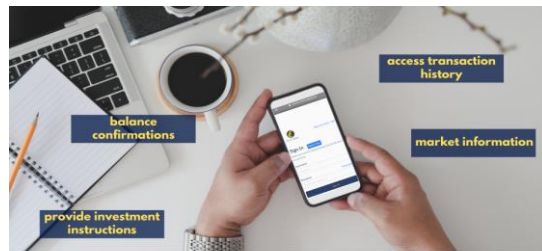
Current yield as at 06/12/2020

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.

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