



First Capital

# DAILY MARKET WATCH

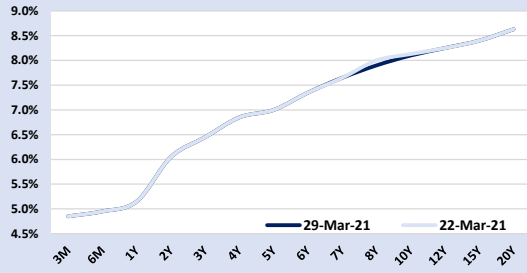
First Capital Research

March 29, 2021

## FIXED INCOME

"Yields remain flat"

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



The secondary bond market yield curve continued to remain stagnant while overall market witnessed thin activities and volumes. In the midst of limited trading, 15.01.23 traded at 5.95% and 15.05.23 changed hands at 6.25%. Meanwhile LKR 60.0Bn worth of bond auction held today, got undersubscribed significantly and only 46% of the offered amount was accepted.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	4.90%	4.80%	4.85%	4.85%	0
< 182 Days < 6M	5.00%	4.90%	4.95%	4.95%	0
< 364 Days < 1Y	5.20%	5.10%	5.15%	5.15%	0
15-Mar-23 < 2Y	6.10%	6.00%	6.05%	6.05%	0
15-Mar-24 < 3Y	6.50%	6.40%	6.45%	6.45%	0
01-May-25 < 4Y	6.90%	6.80%	6.85%	6.85%	0
15-Jan-26 < 5Y	7.05%	6.95%	7.00%	7.00%	0
15-Jan-27 < 6Y	7.45%	7.25%	7.35%	7.35%	0
01-May-28 < 7Y	7.75%	7.55%	7.65%	7.65%	0
01-May-29 < 8Y	8.00%	7.80%	7.90%	8.00%	-10
15-Mar-31 < 10Y	8.20%	8.00%	8.10%	8.13%	-3
15-Jan-33 < 12Y	8.35%	8.15%	8.25%	8.25%	0
15-Mar-35 < 15Y	8.50%	8.30%	8.40%	8.40%	0
01-Jan-41 < 20Y	8.75%	8.50%	8.63%	8.63%	0

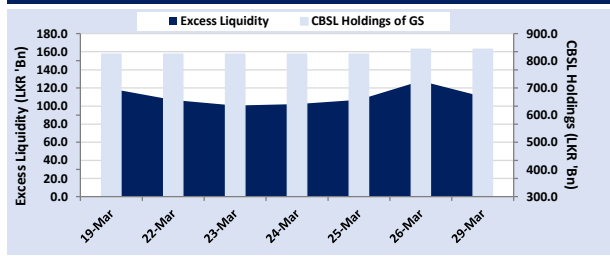
### PRIMARY AUCTION

T-BILL AUCTION				WEEK ENDING 26-Mar-21		
Tenor	Current	Previous	Change	Offered	Bids	Accepted
	24-Mar-21	17-Mar-21	(bps)	LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
91 days	5.04%	5.01%	3	10,000	18,100	9,030
182 Days	5.08%	5.07%	1	15,000	15,526	1,192
364 Days	5.11%	5.11%	0	20,000	20,000	1,323
<b>Date of Settlement 26-Mar-21</b>				<b>45,000</b>	<b>53,626</b>	<b>11,545</b>
T-BOND AUCTION				WEEK ENDING 19-Mar-21		
Bond Type	Yield	Offered	Bids	Accepted	Maturity Table for Next Week	
09.00%2023'A'	6.19%	20,000	27,087	19,012	Type	LKR ('Mn)
09.00%2026'A'	7.08%	15,000	24,250	15,000	T-Bills	28,000
07.80%2027'A'	7.44%	25,000	39,800	20,350	T-Bonds	0
<b>TOTAL</b>				<b>60,000</b>	<b>91,137</b>	<b>54,362</b>
				<b>TOTAL</b>		
				<b>41,304</b>		
				<b>0</b>		

### LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY	29-Mar-21	Repo	Reverse Repo
<b>Mid-day Auction</b>		[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
<b>Standing Facility</b>		SDF	SLF
Rate		4.50%	5.50%
Value [LKR 'Bn]		146.4	36.0
<b>O/N Surplus/(Deficit)</b>			<b>110.4</b>
<b>CBSL Holdings of Government Securities [LKR 'Bn]</b>			<b>842.3</b>

### EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES	High	Low	W.Avg	Value [LKR 'Bn]
Call Money 29-Mar-21	4.65%	4.55%	4.61%	24.8
Repo Rates 29-Mar-21	4.65%	4.58%	4.62%	22.9
MARKET INTEREST RATES	26-Mar-21	Last Month	Change (bps)	
AWPLR	5.75%	5.69%	6	
FD Ceiling Rate (1 Year)	1Q2021 7.01%			

OUTSTANDING STOCK [GSEC]	24-Mar-21	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,679,325	1,673,032	0.4%
T-Bonds [LKR 'Mn]	5,911,228	5,911,228	0.0%
<b>TOTAL</b>	<b>7,590,553</b>	<b>7,584,260</b>	<b>0.1%</b>
Foreign Holding [LKR 'Mn]	5,781	6,431	-10.1%
Foreign Holding (%)	0.1%	0.1%	

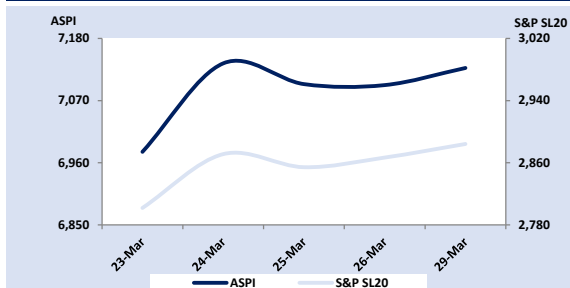
### GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES	26-Mar-21	19-Mar-21	Change (bps)	Last Month	Change (bps)	EXCHANGE RATES	29-Mar-21	Last Month	Change (%)
1 Year	0.06%	0.07%	-1	0.08%	-2	USA Dollar	198.17	194.01	-2.1%
2 Year	0.14%	0.16%	-2	0.14%	0	UK Pound	273.24	274.30	0.4%
5 Year	0.85%	0.90%	-5	0.75%	10	EU Euro	233.61	235.95	1.0%
10 Year	1.67%	1.74%	-7	1.44%	23	Japan Yen	1.81	1.83	1.1%
30 Year	2.37%	2.45%	-8	2.17%	20	Australia Dollar	151.46	154.50	2.0%

# EQUITY

## "Turnover at a near 3-week high"

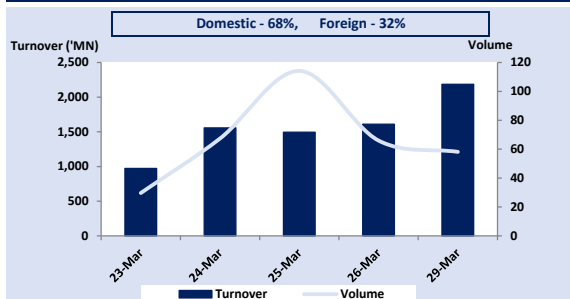
### MARKET INDICES



### MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	7,127.69	7,097.39	0.43%
S&P SL20	2,884.14	2,866.66	0.61%
Turnover (LKR 'Mn)	2,187.35	1,610.41	35.83%
Volume ('Mn)	58.14	65.96	-11.86%
Market Cap. (LKR 'Bn)	3,113.69	3,100.45	0.43%
Market Cap. (USD 'Bn)	15.71	15.65	0.43%
Traded Companies	238	236	0.85%
Foreign Purchases (LKR 'Mn)	34.17	28.19	21.21%
Foreign Sales (LKR 'Mn)	1,355.11	159.00	752.29%
Net Foreign flow (LKR 'Mn)	-1,320.93	-130.80	-909.87%

### MARKET TURNOVER & VOLUME



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

-4,037.43

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

-17,509.27

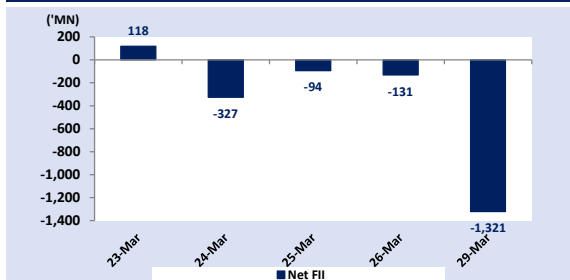
### MARKET COMMENTARY

Bourse started the week reverting the direction back to positive after two consecutive sessions in the negative territory while recording a near 3-week high turnover. Index experienced a short-lived spike within the first few minutes of trading, thereafter witnessed a continuous upward movement reaching its intraday high of 7,149 during mid-day. Later market recorded a sideways movement and closed at 7,128 gaining 30 points. Banking sector counters dominated the turnover for the session with a contribution of 63%. Parcel trades boosted the turnover for the session amounting to 50% of total. Market witnessed the highest net foreign outflow after 2 months while recording high participation.

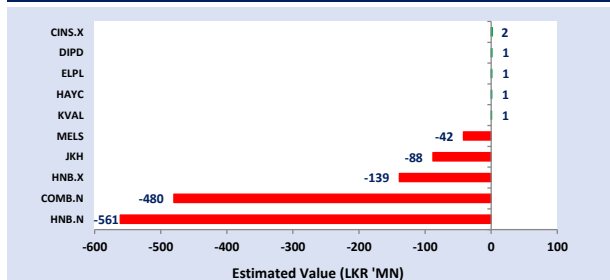
### MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
HNB.N	2	128.00	4,384,883	12
COMB.N	8	88.00	5,456,000	

### NET FOREIGN FLOW



### ESTIMATED LARGEST FOREIGN FLOW



### TOP 5 GAINERS

	Today	Previous	Change (%)
DURDANS [ NON-VOTING]	97.30	81.00	20.12%
CEYLINCO INS. [ NON-VOTING]	1,130.75	1,016.75	11.21%
SINHAPUTHRA FIN	6.00	5.40	11.11%
FIRST CAPITAL	54.20	49.00	10.61%
KANDY HOTELS	5.50	5.00	10.00%

### TOP 5 LOSERS

	Today	Previous	Change (%)
BLUE DIAMONDS [ NON-VOTING]	0.30	0.40	-25.00%
TESS AGRO	0.50	0.60	-16.67%
CDB	100.50	113.50	-11.45%
MULLERS	1.00	1.10	-9.09%
ON'ALLY	28.40	30.90	-8.09%

### TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
HNB	129.25	4.7	599.02
COMMERCIAL BANK	88.00	5.8	515.02
HNB [ NON-VOTING]	100.00	1.5	155.83
JKH	149.25	1.0	147.19
EXPOLANKA	45.30	2.9	131.23

### TOP 5 VOLUME

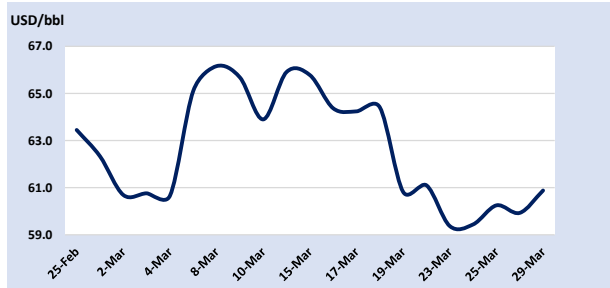
	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	5.50	15.9	87.97
COMMERCIAL BANK	88.00	5.8	515.02
PIRAMAL GLASS	10.40	5.6	57.74
HNB	129.25	4.7	599.02
EXPOLANKA	45.30	2.9	131.23

## GLOBAL MARKETS & COMMODITIES

### GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	60.9	63.5	-4.1%
Gold USD/t oz	1,726.2	1,791.1	-3.6%
Copper USD/lb.	404.9	433.1	-6.5%
Cotton USD/lb.	80.2	94.9	-15.4%
Aluminum USD/MT	2,298.0	2,184.5	5.2%

### CRUDE OIL MOVEMENT



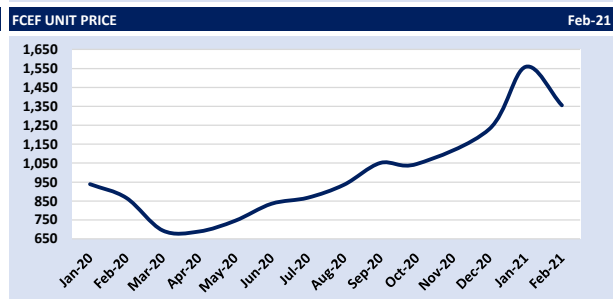
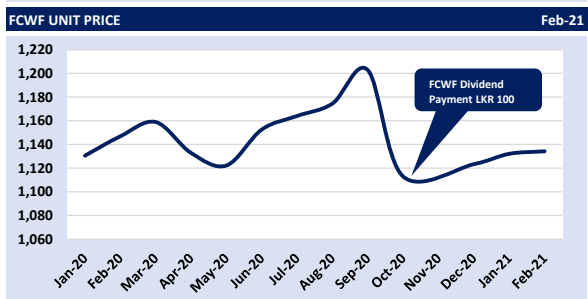
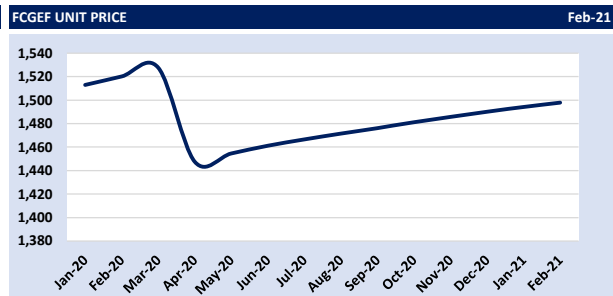
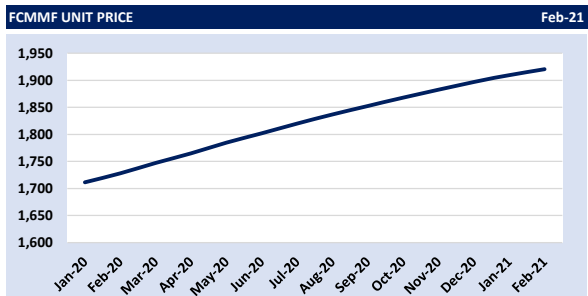
### GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	33,072.9	31,961.9	3.5%
EURO STOXX 50	3,883.9	3,712.1	4.6%
FTSE 100	6,737.3	6,679.5	0.9%
NIKKEI 225	29,384.5	30,168.3	-2.6%

# UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Feb 2021		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,931.30	1,931.30	18,121	7.61%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,501.61	1,501.61	53	-2.13%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,140.46	1,140.43	262	7.28%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,337.75	1,270.86	79	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Feb-21
FIXED INCOME FUNDS		YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
First Capital Money Market Fund		10.84%	12.96%	11.92%	10.39%	7.92%	7.20%	10.98%
First Capital Gilt Edge Fund		-2.13%	7.56%	9.14%	19.06%	4.17%	-3.46%	7.74%
First Capital Wealth Fund		7.28%	11.40%	11.32%	10.63%	4.90%	15.48%	10.96%
BALANCED FUND		YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
First Capital Equity Fund		95.11%	-19.47%	0.96%	1.62%	-4.33%	0.00%	35.52%
ASTRI*		10.38%	-1.37%	7.30%	0.33%	-14.94%	0.00%	6.53%
Out/(Under) Performance		84.73%	-18.10%	-6.34%	1.30%	10.61%		28.99%



## 7.20%<sup>\*</sup>

P.A.

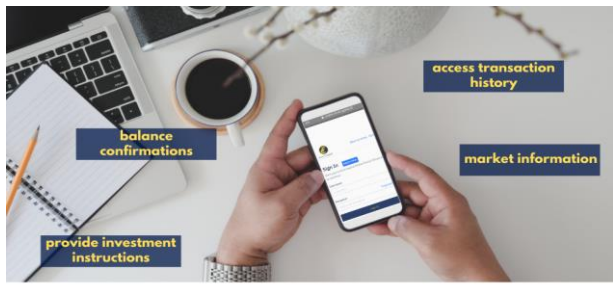
Current yield as at 21/03/2021

### 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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