



First Capital

DAILY MARKET WATCH

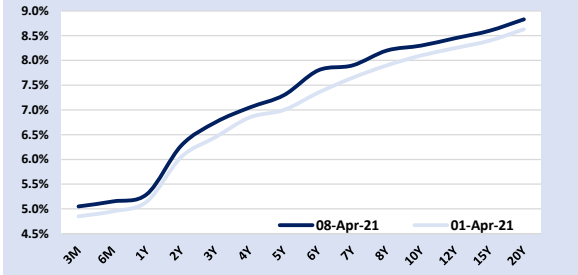
First Capital Research

April 8, 2021

FIXED INCOME

"Yields edge up amidst steady policy rates"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



Continuing the accommodative stance, today CBSL maintained policy rates at current levels for the 7th consecutive session. With the stable policy outcome and ahead of the bond auction tomorrow, the secondary bond market yield curve witnessed a slight upward shift with selling pressure, while overall market recorded limited activities with thin volumes. In the short end of the yield curve, 01.10.22 and 15.12.22 changed hands in the range of 5.90%-6.05% and in the belly end of the curve with the selling pressure, 15.05.23 and 15.11.23 traded between 6.31%-6.40%.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	5.10%	5.00%	5.05%	4.85%	20
< 182 Days < 6M	5.20%	5.10%	5.15%	4.95%	20
< 364 Days < 1Y	5.40%	5.20%	5.30%	5.15%	15
15-May-23 < 2Y	6.30%	6.25%	6.28%	6.05%	23
15-Jun-24 < 3Y	6.80%	6.70%	6.75%	6.45%	30
01-May-25 < 4Y	7.10%	7.00%	7.05%	6.85%	20
01-Feb-26 < 5Y	7.35%	7.25%	7.30%	7.00%	30
15-Aug-27 < 6Y	7.90%	7.70%	7.80%	7.35%	45
01-May-28 < 7Y	8.00%	7.80%	7.90%	7.65%	25
01-May-29 < 8Y	8.30%	8.10%	8.20%	7.90%	30
15-Mar-31 < 10Y	8.40%	8.20%	8.30%	8.10%	20
15-Jan-33 < 12Y	8.55%	8.35%	8.45%	8.25%	20
15-Mar-35 < 15Y	8.70%	8.50%	8.60%	8.40%	20
01-Jan-41 < 20Y	8.95%	8.70%	8.83%	8.63%	20

PRIMARY AUCTION

T-BILL AUCTION				WEEK ENDING 9-Apr-21		
Tenor	Current	Previous	Change	Offered	Bids	Accepted
	7-Apr-21	30-Mar-21	(bps)	LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
91 days	5.08%	5.05%	3	10,000	25,067	17,427
182 Days	5.12%	5.10%	2	15,000	15,677	1,277
364 Days	5.15%	N/A	N/A	20,000	20,000	200
Date of Settlement 9-Apr-21				45,000	60,744	18,904

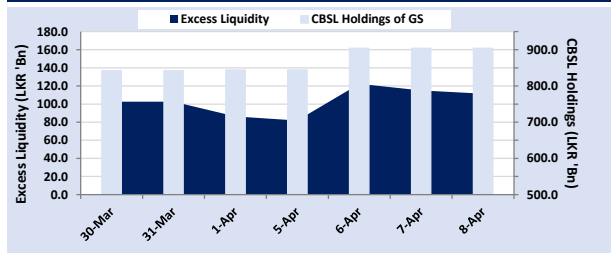
T-BOND AUCTION					WEEK ENDING 16-Apr-21		
Bond Type	Yield	Offered	Bids	Accepted	Type	USD ('Mn)	
09.00%2023'A'		25,000	New Auction Announcement		T-Bills	25,665	
09.00%2028'A'		15,000	New Auction Announcement		T-Bonds	0	
					T-Bond Interest	8,954	
					SLDBs/Sovereign Bonds	0	
TOTAL					40,000	N/A	N/A

MATURITY TABLE FOR NEXT WEEK			WEEK ENDING 16-Apr-21	
Type	LKR ('Mn)	USD ('Mn)	TOTAL	
T-Bills	25,665		34,619	0
T-Bonds	0			
T-Bond Interest	8,954			
SLDBs/Sovereign Bonds		0		
TOTAL			34,619	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY 8-Apr-21			
	Repo	Reverse Repo	
Mid-day Auction [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%	5.50%	
Value [LKR 'Bn]	140.7	29.3	
O/N Surplus/(Deficit)			111.4
CBSL Holdings of Government Securities [LKR 'Bn]			904.0

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES					
	High	Low	W.Avg	Value [LKR 'Bn]	
Call Money 8-Apr-21	4.70%	4.60%	4.65%	26.4	
Repo Rates 8-Apr-21	4.75%	4.65%	4.66%	28.1	

MARKET INTEREST RATES			
	1-Apr-21	Last Month	Change (bps)
AWPLR	5.78%	5.69%	9
FD Ceiling Rate (1 Year) 2Q2021	7.11%		

OUTSTANDING STOCK [GSEC]			
	31-Mar-21	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,687,325	1,679,325	0.5%
T-Bonds [LKR 'Mn]	5,961,137	5,911,228	0.8%
TOTAL	7,648,462	7,590,553	0.8%
Foreign Holding [LKR 'Mn]	6,198	5,781	7.2%
Foreign Holding (%)	0.1%	0.1%	

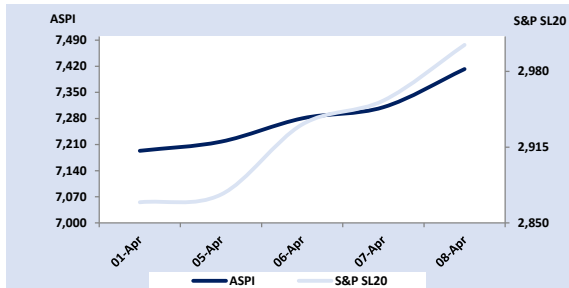
GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES						EXCHANGE RATES				
	2-Apr-21	26-Mar-21	Change (bps)	Last Month	Change (bps)		8-Apr-21	Last Month	Change (%)	
1 Year	0.07%	0.06%	1	0.08%	-1	USA	Dollar	200.02	199.04	-0.5%
2 Year	0.19%	0.14%	5	0.14%	5	UK	Pound	275.01	273.23	-0.6%
5 Year	0.97%	0.85%	12	0.75%	22	EU	Euro	237.30	233.09	-1.8%
10 Year	1.72%	1.67%	5	1.44%	28	Japan	Yen	1.82	1.80	-1.3%
30 Year	2.35%	2.37%	-2	2.17%	18	Australia	Dollar	152.20	151.33	-0.6%

EQUITY

"Market spikes over 100 points"

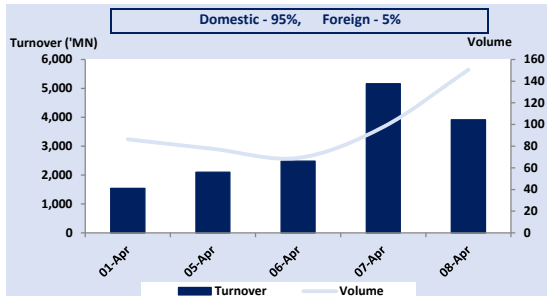
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	7,412.46	7,310.26	1.40%
S&P SL20	3,002.71	2,954.94	1.62%
Turnover (LKR 'Mn)	3,915.52	5,164.89	-24.19%
Volume ('Mn)	150.56	97.75	54.03%
Market Cap. (LKR 'Bn)	3,238.49	3,193.84	1.40%
Market Cap. (USD 'Bn)	16.19	15.97	1.40%
Traded Companies	244	235	3.83%
Foreign Purchases (LKR 'Mn)	35.93	65.96	-45.53%
Foreign Sales (LKR 'Mn)	350.96	187.51	87.17%
Net Foreign flow (LKR 'Mn)	-315.03	-121.55	-159.18%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

-1,342.02

YTD Net Foreign Flow (LKR 'Mn)

-19,025.31

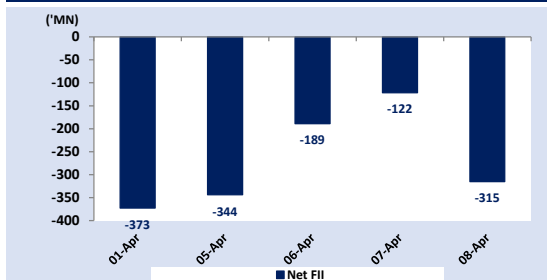
MARKET COMMENTARY

Bourse successfully maintained its upward trajectory for the 6th consecutive session as the ASPI spiked over 100 points to a 5-week high. Index experienced a rapid upward movement during the early hours of trading with slight volatility, followed by a sideways movement during mid-day and illustrated a significant upward push towards the latter part of the session. The market closed at 7,413 gaining 102 points. Banks led the turnover for the session closely followed by Capital Goods and Material sectors making a joint contribution of 64%. Parcel trades accounted for 15% of the turnover. Foreign investors continued to be on the selling side while recording low participation.

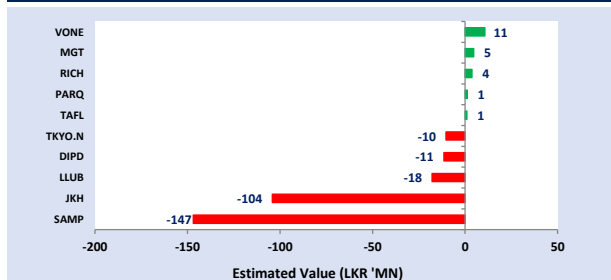
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
HNB.N	3	132.00	3,914,432	6
JKH	1	48.50	500,000	

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
TAL LANKA	14.80	12.80	15.63%
BERUWALA RESORTS	0.90	0.80	12.50%
GRAIN ELEVATORS	138.00	127.00	8.66%
COMM LEASE & FIN	6.40	5.90	8.47%
LANKA CENTURY	17.50	16.20	8.02%

TOP 5 LOSERS

	Today	Previous	Change (%)
BLUE DIAMONDS [NON-VOTING]	0.30	0.40	-25.00%
YORK ARCADE	141.25	159.50	-11.44%
AUTODROME	70.50	78.90	-10.65%
C.W.MACKIE	41.30	45.30	-8.83%
ANILANA HOTELS	1.10	1.20	-8.33%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
HNB	132.25	4.5	591.97
BROWNS INVSTMNTS	5.90	87.2	507.69
EXPOLANKA	49.20	7.4	361.22
DIPPED PRODUCTS	56.80	5.1	285.49
SAMPATH	55.80	4.8	260.79

TOP 5 VOLUME

	Price	Volume ('Mn)	Turnover ('Mn)
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HNB	132.25	4.5	591.97

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	63.1	60.5	4.3%
Gold USD/t oz	1,743.6	1,687.4	3.3%
Copper USD/lb.	407.9	400.9	1.8%
Cotton USD/lb.	80.1	80.3	-0.2%
Aluminum USD/MT	2,260.0	2,231.0	1.3%

CRUDE OIL MOVEMENT



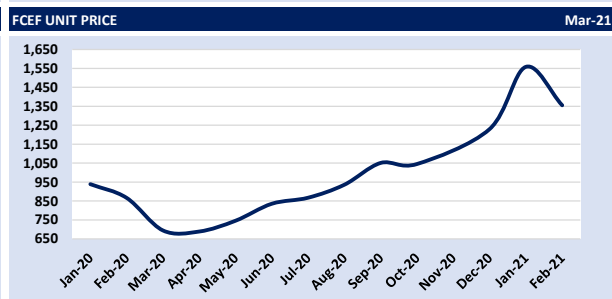
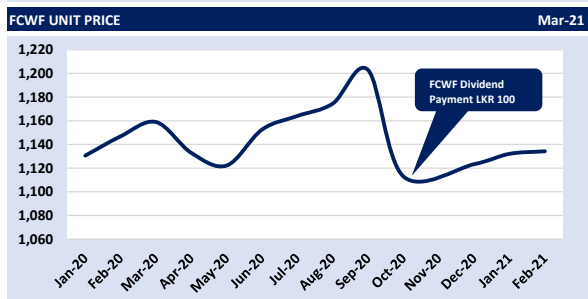
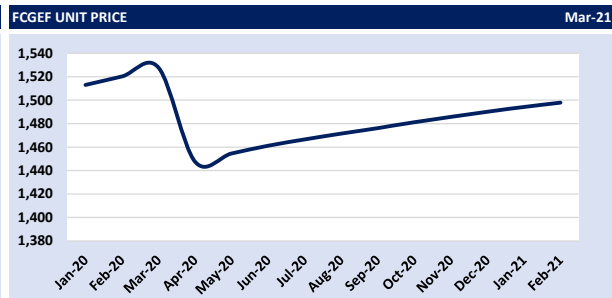
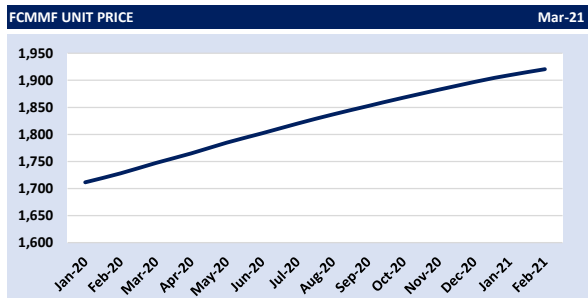
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	33,446.3	33,067.0	1.1%
EURO STOXX 50	3,967.6	3,920.0	1.2%
FTSE 100	6,895.7	6,757.2	2.1%
NIKKEI 225	29,709.0	29,178.8	1.8%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Mar 2021		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,935.07	1,935.07	21,486	7.27%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,502.94	1,502.94	54	-1.69%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,142.07	1,142.04	262	7.29%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,379.24	1,310.28	79	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Mar-21
FIXED INCOME FUNDS		YTD	2019/20	2018/19	2017/18	2016/17	2015/16	Since Inception
First Capital Money Market Fund		10.60%	13.94%	12.96%	11.92%	10.39%	7.92%	10.94%
First Capital Gilt Edge Fund		-1.69%	6.80%	7.56%	9.14%	19.06%	4.17%	7.70%
First Capital Wealth Fund		7.29%	10.83%	11.40%	11.32%	10.63%	4.90%	10.93%
BALANCED FUND		YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
First Capital Equity Fund		95.65%	-19.47%	0.96%	1.62%	-4.33%	0.00%	35.90%
ASTRI*		56.00%	-1.37%	7.30%	0.33%	-14.94%	0.00%	1.53%
Out/(Under) Performance		39.65%	-18.10%	-6.34%	1.30%	10.61%		34.37%



7.30% P.A.*
 Current yield as at 30/03/2021

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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UNIT TRUST SALES

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BRANCHES

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