



First Capital

DAILY MARKET WATCH

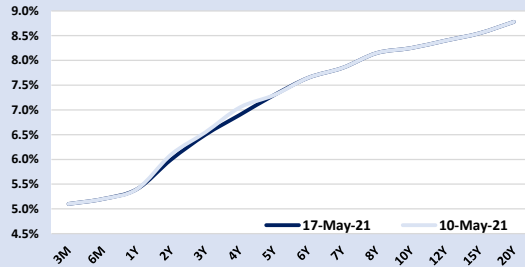
First Capital Research

May 17, 2021

FIXED INCOME

"Short to mid tenors meet with strong reception"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve witnessed a downtrend mainly in the short to mid tenors of the yield curve while overall market witnessed moderate volumes. In the short end of the yield curve, 01.10.22, 15.11.22, 15.12.22 traded in the range of 5.60%-5.57% while 15.01.23 and 15.03.23 changed hands in the range of 5.80%-5.65%. Moreover, 15.07.23 traded at 6.10% and 15.11.23 and 15.12.23 between 6.27%-6.19%. 01.12.24 hovered in the range of 6.60%-6.58%, 01.05.25 between 6.90%-6.88%, 15.01.26 and 01.02.26 in the range of 7.36%-7.30%.

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

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	5.15%	5.05%	5.10%	5.10%	0
< 182 Days < 6M	5.25%	5.15%	5.20%	5.20%	0
< 364 Days < 1Y	5.45%	5.35%	5.40%	5.40%	0
15-May-23 < 2Y	6.05%	5.95%	6.00%	6.10%	-10
15-Jun-24 < 3Y	6.55%	6.45%	6.50%	6.55%	-5
01-May-25 < 4Y	6.95%	6.85%	6.90%	7.05%	-15
01-Feb-26 < 5Y	7.35%	7.25%	7.30%	7.30%	0
15-Aug-27 < 6Y	7.75%	7.55%	7.65%	7.65%	0
01-May-28 < 7Y	7.95%	7.75%	7.85%	7.85%	0
01-May-29 < 8Y	8.25%	8.05%	8.15%	8.15%	0
15-Mar-31 < 10Y	8.35%	8.15%	8.25%	8.25%	0
15-Jan-33 < 12Y	8.50%	8.30%	8.40%	8.40%	0
15-Mar-35 < 15Y	8.65%	8.45%	8.55%	8.55%	0
01-Jan-41 < 20Y	8.90%	8.65%	8.78%	8.78%	0

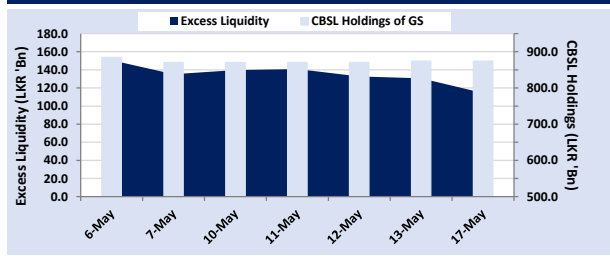
PRIMARY AUCTION

T-BILL AUCTION				WEEK ENDING 13-May-21			
Tenor	Current	Previous	Change	Offered	Bids	Accepted	
	11-May-21	5-May-21	(bps)	LKR ('Mn)	LKR ('Mn)	LKR ('Mn)	
91 days	5.12%	5.12%	0	12,000	18,382	10,132	
182 Days	5.14%	5.14%	0	16,000	25,660	10,380	
364 Days	5.18%	5.18%	0	19,000	19,030	495	
Date of Settlement 13-May-21				47,000	63,072	21,007	
T-BOND AUCTION					WEEK ENDING 13-May-21		
Bond Type	Yield	Offered	Bids	Accepted	Maturity Table for Next Week		
09.00%2025'A'	7.04%	10,000	22,144	10,000	Type	LKR ('Mn)	
09.00%2028'B'	7.97%	10,000	19,500	9,500	T-Bills	47,319	
TOTAL					20,000	41,644	19,500
					WEEK ENDING 21-May-21		
					T-Bonds	0	
					T-Bond Interest	0	
					SLDBs/Sovereign Bonds	0	
					TOTAL	47,319	
					USD ('Mn)		
					TOTAL		0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY	17-May-21	Repo	Reverse Repo
Mid-day Auction	[LKR 'Bn]	[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%	5.50%
Value [LKR 'Bn]		114.4	0.0
O/N Surplus/(Deficit)			114.4
CBSL Holdings of Government Securities [LKR 'Bn]			874.0

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES	High	Low	W.Avg	Value [LKR 'Bn]
Call Money 17-May-21	4.75%	4.60%	4.66%	23.7
Repo Rates 17-May-21	4.70%	4.65%	4.70%	4.8

OUTSTANDING STOCK [GSEC]	12-May-21	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,765,672	1,760,267	0.3%
T-Bonds [LKR 'Mn]	5,985,683	5,985,683	0.0%
TOTAL	7,751,355	7,745,950	0.1%
Foreign Holding [LKR 'Mn]	5,287	5,468	-3.3%
Foreign Holding (%)	0.1%	0.1%	

MARKET INTEREST RATES	13-May-21	Last Month	Change (bps)
AWPLR	5.72%	5.65%	7
FD Ceiling Rate (1 Year)	2Q2021 7.11%		

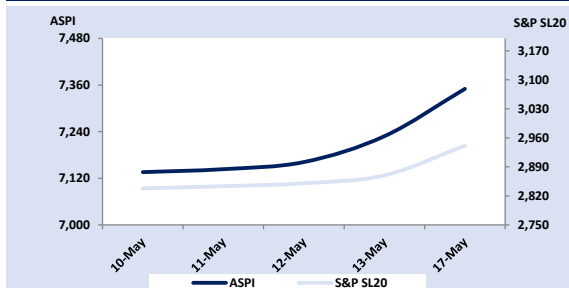
GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES	14-May-21	7-May-21	Change (bps)	Last Month	Change (bps)	EXCHANGE RATES	17-May-21	Last Month	Change (%)
1 Year	0.06%	0.05%	1	0.05%	1	USA Dollar	199.50	199.54	0.0%
2 Year	0.16%	0.14%	2	0.16%	0	UK Pound	280.88	278.31	-0.9%
5 Year	0.82%	0.77%	5	0.86%	-4	EU Euro	241.99	241.83	-0.1%
10 Year	1.63%	1.60%	3	1.65%	-2	Japan Yen	1.82	1.83	0.6%
30 Year	2.35%	2.28%	7	2.30%	5	Australia Dollar	154.65	155.08	0.3%

EQUITY

"ASPI skyrocketed to reach 3 ½ weeks high"

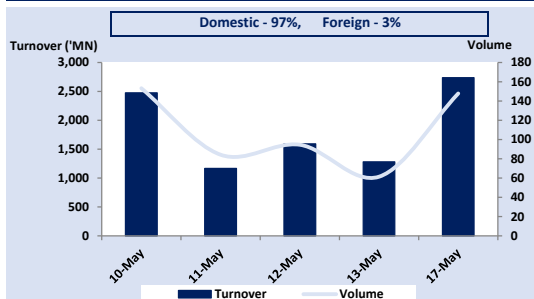
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	7,350.14	7,228.23	1.69%
S&P SL20	2,941.07	2,869.52	2.49%
Turnover (LKR 'Mn)	2,737.01	1,279.24	113.96%
Volume ('Mn)	147.83	61.40	140.75%
Market Cap. (LKR 'Bn)	3,243.11	3,189.32	1.69%
Market Cap. (USD 'Bn)	16.26	15.99	1.69%
Traded Companies	260	251	3.59%
Foreign Purchases (LKR 'Mn)	78.78	95.36	-17.38%
Foreign Sales (LKR 'Mn)	108.35	131.12	-17.37%
Net Foreign flow (LKR 'Mn)	-29.57	-35.77	17.34%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

-6,935.25

YTD Net Foreign Flow (LKR 'Mn)

-24,618.54

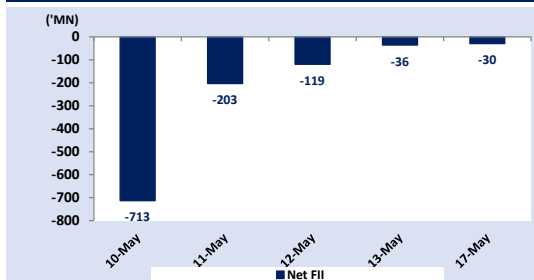
MARKET COMMENTARY

Bourse premiered the week shooting the index remarkably high to reach a 3 ½ weeks top. ASPI displayed a stepped upward trend and surged in the first hour of trading followed by a sideways movement during mid-day and ended with a gradual uptrend to close at 7,350 gaining 122 points. Turnover was recorded at a healthy level at LKR 2.7Bn powered by the active retail participation. Food, Beverage & Tobacco sector dominated the turnover closely followed by the Capital Goods sector to generate a joint contribution of 50%. Foreign investors remained net sellers while recording low participation.

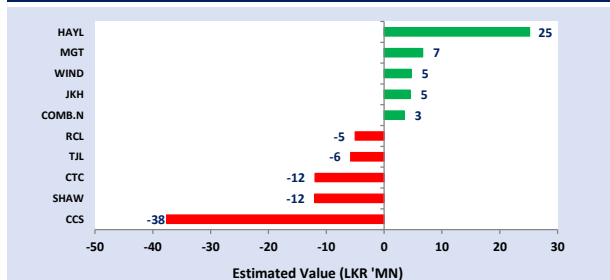
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity
			Total Crossings 0

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
BLUE DIAMONDS [NON-VOTING]	0.40	0.30	33.33%
YORK ARCADE	164.50	140.75	16.87%
NATION LANKA	0.80	0.70	14.29%
HAPUGASTENNE	17.00	15.20	11.84%
NAWALOKA	5.50	5.00	10.00%

TOP 5 LOSERS

	Today	Previous	Change (%)
MALWATTE	11.70	12.80	-8.59%
BALANGODA	13.70	14.60	-6.16%
BROWNS BEACH	9.40	10.00	-6.00%
NESTLE	1,050.50	1,098.25	-4.35%
HOTEL SIGIRIYA	55.80	58.20	-4.12%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	6.90	85.8	593.07
EXPOLANKA	47.00	5.3	248.02
ROYAL CERAMIC	38.10	5.8	221.46
LOLC	340.25	0.6	188.49
HAYLEYS FABRIC	19.10	9.2	174.59

TOP 5 VOLUME

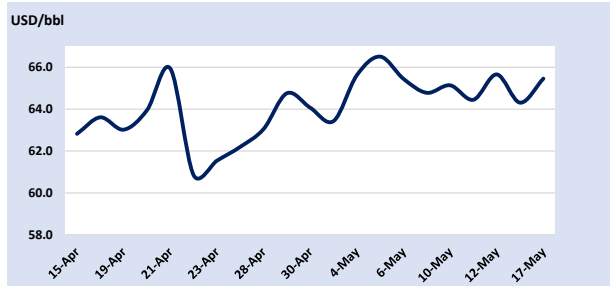
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EXPOLANKA	47.00	5.3	248.02
S M B LEASING [NON-VOTING]	0.30	3.1	0.73

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	65.5	64.1	2.2%
Gold USD/t oz	1,849.8	1,766.9	4.7%
Copper USD/lb.	466.5	450.2	3.6%
Cotton USD/lb.	83.2	86.6	-3.9%
Aluminum USD/MT	2,463.0	2,417.0	1.9%

CRUDE OIL MOVEMENT



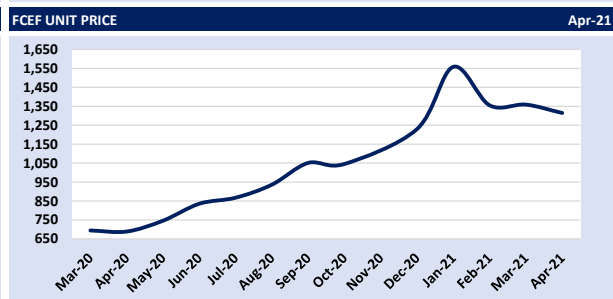
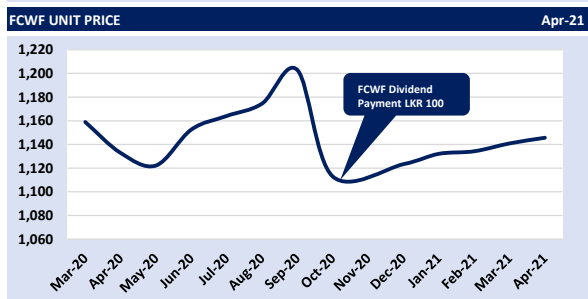
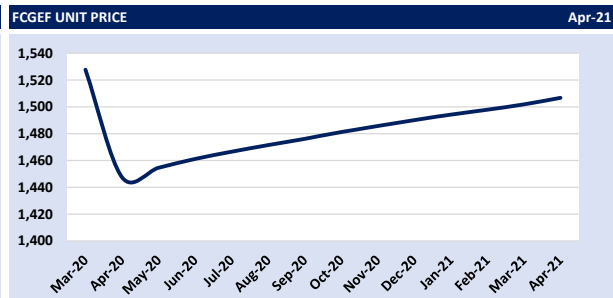
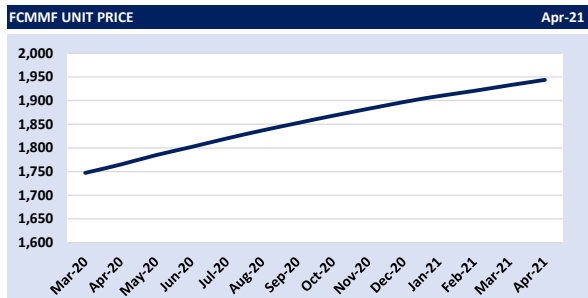
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	34,382.1	34,060.4	0.9%
EURO STOXX 50	4,009.9	3,993.0	0.4%
FTSE 100	7,016.9	6,967.6	0.7%
NIKKEI 225	27,824.8	28,812.6	-3.4%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Apr 2021		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,949.80	1,949.80	21,656	7.09%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,509.39	1,509.39	54	3.94%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,150.78	1,150.75	264	5.10%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,305.71	1,240.42	76	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Apr-21
FIXED INCOME FUNDS	YTD	2019/20	2018/19	2017/18	2016/17	2015/16	Since Inception	
First Capital Money Market Fund	7.13%	13.94%	12.96%	11.92%	10.39%	7.92%		10.89%
First Capital Gilt Edge Fund	3.94%	6.80%	7.56%	9.14%	19.06%	4.17%		7.70%
First Capital Wealth Fund	5.10%	10.83%	11.40%	11.32%	10.63%	4.90%		10.89%
BALANCED FUND	YTD	2019/20	2018/19	2017/18	2016/17	2015/16	Since Inception	
First Capital Equity Fund	1.25%	9.80%	-1.37%	7.30%	0.33%	-14.94%		2.79%
ASTRI*	-3.26%	-12.12%	-19.47%	0.96%	1.62%	-4.33%		31.47%
Out/(Under) Performance	-4.51%	-21.91%	-18.10%	-6.34%	1.30%			28.67%



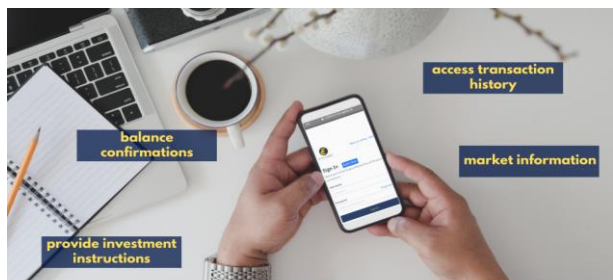
7.12% P.A.*
Current yield as at 27/04/2021

The First Capital Money Market Fund

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*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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