



First Capital

DAILY MARKET WATCH

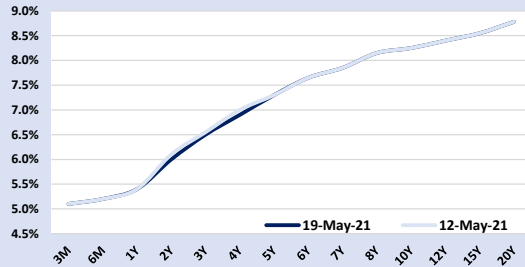
First Capital Research

May 19, 2021

FIXED INCOME

"Slight selling ahead of the policy meeting"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary market yield curve remained broadly unchanged while overall market witnessed limited activities with thin volumes. However, slight selling interest was witnessed in the short end of the yield curve, ahead of the policy meeting, resulting in 01.07.23 maturity trading at 6.15%, 01.09.23 at 6.19% and 15.11.23 at 6.25%. Meanwhile at the bill auction held today, 90% of the total offered amount was accepted while yields of all 03M, 06M and 01 Yr bills remained unchanged.

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%	7.00%	-10
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

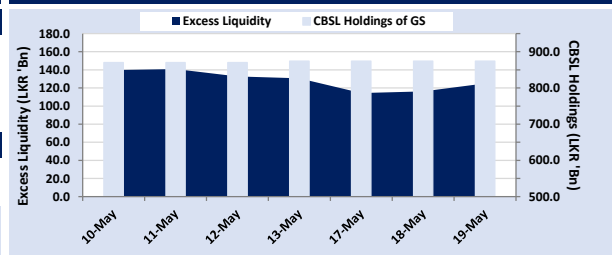
PRIMARY AUCTION

T-BILL AUCTION				WEEK ENDING 19-May-21		
Tenor	Current	Previous	Change	Offered	Bids	Accepted
	19-May-21	11-May-21	(bps)	LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
91 days	5.12%	5.12%	0	12,000	32,335	27,155
182 Days	5.14%	5.14%	0	16,000	28,101	15,101
364 Days	5.18%	5.18%	0	19,000	19,117	177
Date of Settlement 21-May-21				47,000	79,553	42,433
T-BOND AUCTION				WEEK ENDING 13-May-21		
Bond Type	Yield	Offered	Bids	Accepted		
09.00%2025'A'	7.04%	10,000	22,144	10,000		
09.00%2028'B'	7.97%	10,000	19,500	9,500		
TOTAL		20,000	41,644	19,500		
				MATURITY TABLE FOR NEXT WEEK		
				WEEK ENDING 28-May-21		
Type	LKR ('Mn)		USD ('Mn)			
T-Bills	45,422					
T-Bonds	0					
T-Bond Interest	0					
SLDBs/Sovereign Bonds					0	
TOTAL	45,422				0	

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY	19-May-21	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%	5.50%
Value [LKR 'Bn]		125.0	0.0
O/N Surplus/(Deficit)			125.0
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 19-May-21	4.70%	4.60%	4.67%	30.4	
Repo Rates 19-May-21	4.70%	4.65%	4.68%	7.2	
MARKET INTEREST RATES	13-May-21	Last Month	Change (bps)		
AWPLR	5.72%	5.65%	7		
FD Ceiling Rate (1 Year)	2Q2021 7.11%				

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%	

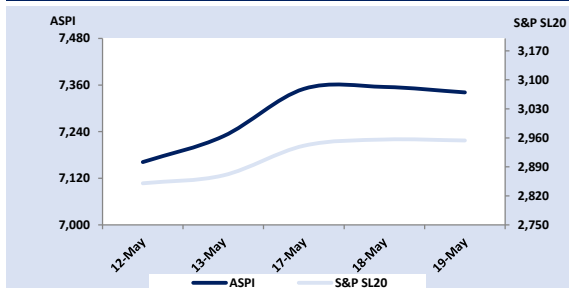
GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES	14-May-21	7-May-21	Change (bps)	Last Month	Change (bps)	EXCHANGE RATES	19-May-21	Last Month	Change (%)
1 Year	0.06%	0.05%	1	0.05%	1	USA Dollar	199.67	199.54	-0.1%
2 Year	0.16%	0.14%	2	0.16%	0	UK Pound	283.17	278.31	-1.7%
5 Year	0.82%	0.77%	5	0.86%	-4	EU Euro	244.02	241.83	-0.9%
10 Year	1.63%	1.60%	3	1.65%	-2	Japan Yen	1.83	1.83	0.1%
30 Year	2.35%	2.28%	7	2.30%	5	Australia Dollar	155.44	155.08	-0.2%

EQUITY

"Bourse slip back into the red zone"

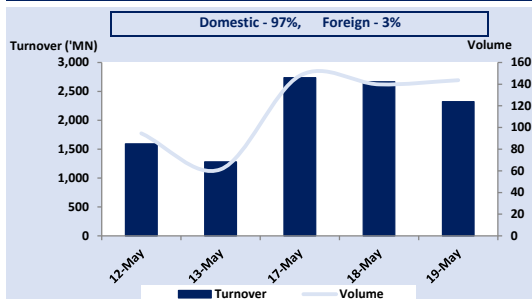
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	7,341.03	7,355.14	-0.19%
S&P SL20	2,953.68	2,956.04	-0.08%
Turnover (LKR 'Mn)	2,321.69	2,667.93	-12.98%
Volume ('Mn)	143.65	139.83	2.73%
Market Cap. (LKR 'Bn)	3,239.32	3,245.55	-0.19%
Market Cap. (USD 'Bn)	16.22	16.25	-0.19%
Traded Companies	257	253	1.58%
Foreign Purchases (LKR 'Mn)	26.51	698.68	-96.21%
Foreign Sales (LKR 'Mn)	90.39	511.92	-82.34%
Net Foreign flow (LKR 'Mn)	-63.88	186.77	-134.20%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

-6,812.36

YTD Net Foreign Flow (LKR 'Mn)

-24,495.65

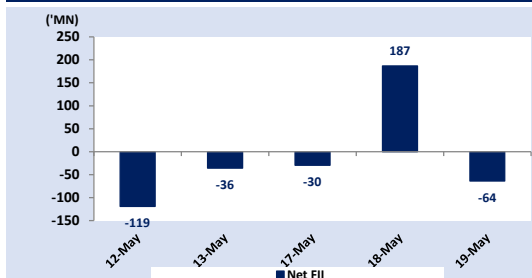
MARKET COMMENTARY

Bourse slipped back to the negative territory disrupting the five day winning streak. Index rose during the initial minutes of trading and thereafter, witnessed a bumpy downtrend hitting an intraday low of 7,309. Later, market recovered displaying an upward momentum over the final hour of trading while closing at 7,341 losing 14 points. Turnover remained above LKR 2.0Bn for three consecutive days with today's turnover also recording at LKR 2.3Bn, dominated by the Materials and Food, Beverage and Tobacco sector with a joint contribution of 49%. Foreign investors remained net sellers while recording low participation.

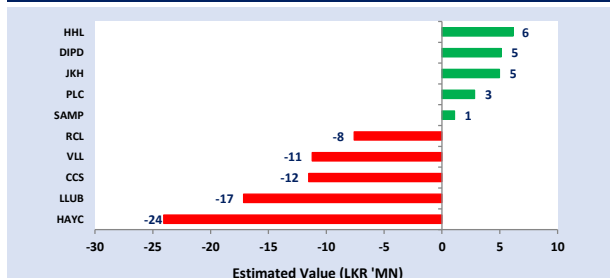
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
UBC	1	10.5	6,582,419	2
EXPO	1	46.9	805,627	

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
S M B LEASING	0.40	0.30	33.33%
ANILANA HOTELS	1.10	1.00	10.00%
CHRISWORLD LIMITED	18.80	17.10	9.94%
PEGASUS HOTELS	29.70	27.40	8.39%
RADIANT GEMS	23.90	22.10	8.14%

TOP 5 LOSERS

	Today	Previous	Change (%)
NATION LANKA	0.70	0.80	-12.50%
BLUE DIAMONDS	0.80	0.90	-11.11%
HAPUGASTENNE	15.60	17.00	-8.24%
SERENDIB HOTELS [NON-VOTING]	8.70	9.40	-7.45%
HAYCARB	99.10	105.75	-6.29%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	6.70	65.8	444.19
HAYCARB	99.10	2.7	270.07
ROYAL CERAMIC	38.30	6.9	265.43
EXPOLANKA	46.80	5.0	232.62
DIPPED PRODUCTS	56.00	3.7	208.85

TOP 5 VOLUME

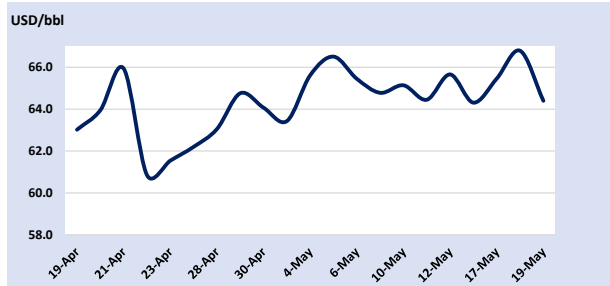
	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	6.70	65.8	444.19
UNION BANK	10.60	7.0	73.03
ROYAL CERAMIC	38.30	6.9	265.43
CHRISWORLD LIMITED	18.80	6.9	130.29
EXPOLANKA	46.80	5.0	232.62

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	64.4	64.1	0.5%
Gold USD/t oz	1,860.2	1,766.9	5.3%
Copper USD/lb.	462.3	450.2	2.7%
Cotton USD/lb.	83.3	86.6	-3.8%
Aluminum USD/MT	2,478.0	2,417.0	2.5%

CRUDE OIL MOVEMENT



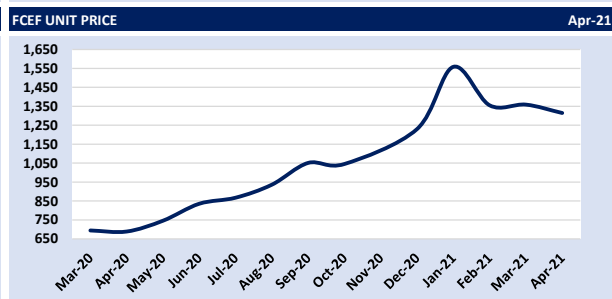
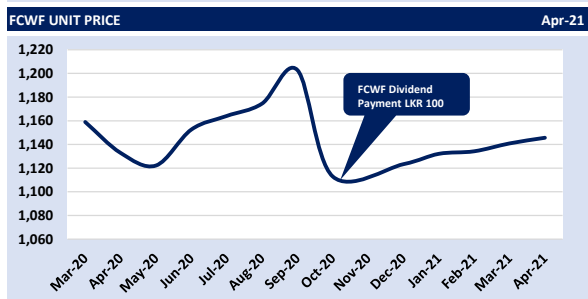
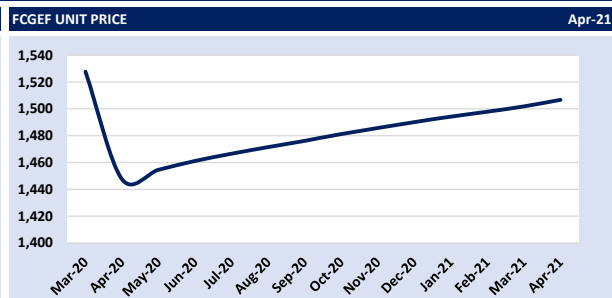
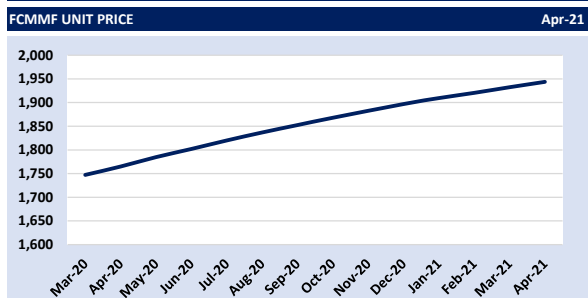
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	34,060.7	34,060.4	0.0%
EURO STOXX 50	3,961.3	3,993.0	-0.8%
FTSE 100	6,978.8	6,967.6	0.2%
NIKKEI 225	28,044.5	28,812.6	-2.7%

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	1,950.56	1,950.56	21,656	7.09%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,509.72	1,509.72	54	3.94%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,151.45	1,151.42	264	5.10%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,334.69	1,267.96	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%



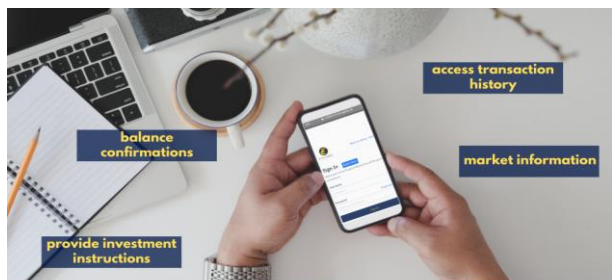
7.10% P.A.*
Current yield as at 16/05/2021

The First Capital Money Market Fund

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with the flexibility of a savings account!

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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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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	Vidushika Perera	+94 11 2639 864
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

Nethalie De Mel	+94 11 2639 854
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EQUITY SALES

CEO	Jaliya Wijeratne	+94 70 2910 042	Negombo	
			Priyanka Anuruddha	+94 70 2910 035
Colombo			Priyantha Wijesiri	+94 70 2910 036
Rasika Indra Kumara	+94 77 7072 698			
Isuru Jayawardena	+94 76 7084 953			
Nishantha Mudalige	+94 70 2910 041			
Ifadh Marikar	+94 77 9625 679			
Anushka Buddhika	+94 71 4310 600			
Thushara Pathiraja	+94 70 2910 037			
Chandika Jayawardana	+94 77 3940 070			

UNIT TRUST SALES

Kavin Karunamoorthy	+94 77 0328 060	Imali Abeygunawardena	+94 77 1764 799
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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

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