



First Capital

# DAILY MARKET WATCH

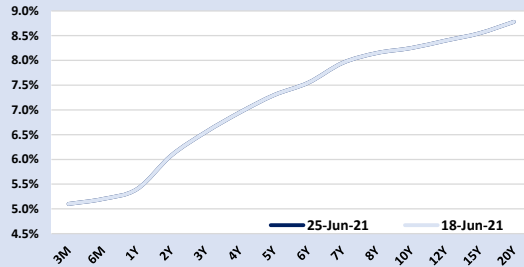
First Capital Research

June 25, 2021

## FIXED INCOME

"Bond market at a standstill"

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



Concluding the week, the secondary market yield curve remained unchanged while the overall market was at a complete standstill, as the market participants continued to remain on the sidelines. Limited trades were witnessed pertaining to 01.10.22 maturity which traded in the range of 5.65%-5.60% levels.

### 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-Jul-23 < 2Y	6.10%	6.05%	6.08%	6.08%	0
15-Sep-24 < 3Y	6.60%	6.50%	6.55%	6.55%	0
01-May-25 < 4Y	7.00%	6.90%	6.95%	6.95%	0
01-Feb-26 < 5Y	7.35%	7.25%	7.30%	7.30%	0
15-Aug-27 < 6Y	7.60%	7.50%	7.55%	7.55%	0
01-Jul-28 < 7Y	8.00%	7.90%	7.95%	7.95%	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 25-Jun-21		
Tenor	Current	Previous	Change	Offered	Bids	Accepted
	22-Jun-21	16-Jun-21	(bps)	LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
91 days	5.17%	5.17%	0	10,000	26,005	14,550
182 Days	5.17%	5.17%	0	17,500	18,400	4,400
364 Days	5.21%	5.21%	0	17,500	17,575	75
<b>Date of Settlement</b> 25-Jun-21				<b>45,000</b>	<b>61,980</b>	<b>19,025</b>

T-BOND AUCTION					WEEK ENDING 2-Jul-21	
Bond Type	Yield	Offered	Bids	Accepted	Type	USD ('Mn)
10.35%2025'A'		27,500	New Auction Announcement		T-Bills	41,558
10.75%2028'A'		22,500	New Auction Announcement		T-Bonds	0
					T-Bond Interest	43,387
					SLDBs/Sovereign Bonds	0
<b>TOTAL</b>					<b>50,000</b>	<b>N/A</b>

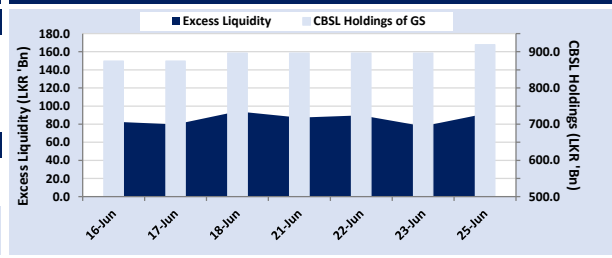
  

Maturity Table for Next Week			WEEK ENDING 2-Jul-21	
Type	LKR ('Mn)	USD ('Mn)	TOTAL	0
T-Bills	41,558		<b>84,945</b>	<b>0</b>
T-Bonds	0			
T-Bond Interest	43,387			
SLDBs/Sovereign Bonds		0		

### LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY	25-Jun-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]		136.8	45.2
<b>O/N Surplus/(Deficit)</b>			91.6
<b>CBSL Holdings of Government Securities [LKR 'Bn]</b>			919.2

### EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES					
	High	Low	W.Avg	Value [LKR 'Bn]	
Call Money	25-Jun-21	4.95%	4.70%	4.86%	19.4
Repo Rates	25-Jun-21	4.92%	4.87%	4.91%	27.7

MARKET INTEREST RATES			
	18-Jun-21	Last Month	Change (bps)
AWPLR	5.74%	5.65%	9
FD Ceiling Rate (1 Year)	2Q2021 7.11%		

OUTSTANDING STOCK [GSEC]			
	16-Jun-21	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,783,699	1,773,490	0.6%
T-Bonds [LKR 'Mn]	6,055,183	6,030,183	0.4%
<b>TOTAL</b>	<b>7,838,881</b>	<b>7,803,672</b>	<b>0.5%</b>
Foreign Holding [LKR 'Mn]	2,473	3,543	-30.2%
Foreign Holding (%)	0.0%	0.0%	

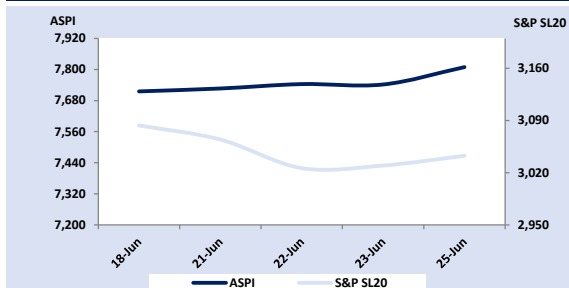
### GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES						EXCHANGE RATES				
	18-Jun-21	11-Jun-21	Change (bps)	Last Month	Change (bps)		25-Jun-21	Last Month	Change (%)	
1 Year	0.09%	0.05%	4	0.05%	4	USA	Dollar	199.87	199.50	-0.2%
2 Year	0.26%	0.16%	10	0.14%	12	UK	Pound	278.49	283.28	1.7%
5 Year	0.89%	0.76%	13	0.79%	10	EU	Euro	238.69	243.39	2.0%
10 Year	1.45%	1.47%	-2	1.58%	-13	Japan	Yen	1.80	1.82	0.9%
30 Year	2.01%	2.15%	-14	2.26%	-25	Australia	Dollar	151.75	154.15	1.6%

# EQUITY

## "Stocks hit a new 4 ½-months high"

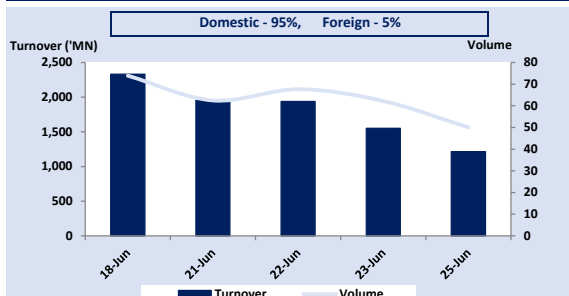
### MARKET INDICES



### MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	7,809.15	7,742.14	0.87%
S&P SL20	3,042.63	3,029.60	0.43%
Turnover (LKR 'Mn)	1,214.14	1,551.64	-21.75%
Volume ('Mn)	50.06	62.24	-19.57%
Market Cap. (LKR 'Bn)	3,457.57	3,427.90	0.87%
Market Cap. (USD 'Bn)	17.30	17.15	0.87%
Traded Companies	262	248	5.65%
Foreign Purchases (LKR 'Mn)	65.47	49.83	31.39%
Foreign Sales (LKR 'Mn)	67.07	79.72	-15.86%
Net Foreign flow (LKR 'Mn)	-1.60	-29.89	94.63%

### MARKET TURNOVER & VOLUME



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

-1,055.56

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

-26,354.10

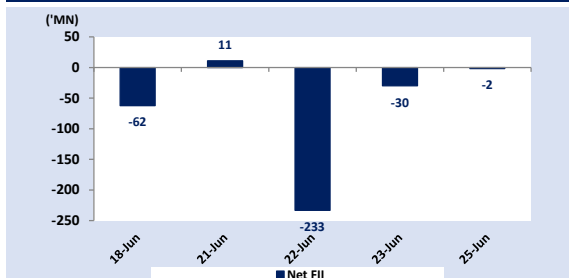
### MARKET COMMENTARY

Bourse concluded the week with a bullish sentiment steering the index upward to pass another hurdle of 7,800 striking a new 4 ½-months high. ASPI rallied in the first 20 minutes of trading and thereafter witnessed a gradual uptrend throughout the session to close at 7,809 gaining 67 points. Turnover remained moderate at LKR 1.2B, boosted by Capital Goods sector closely followed by the Banking sector to generate a combined contribution of 34%. Foreign investors continued to be net sellers while recording low participation.

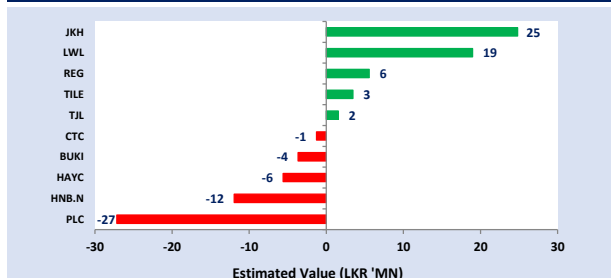
### MAJOR CROSSINGS

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

### NET FOREIGN FLOW



### ESTIMATED LARGEST FOREIGN FLOW



### TOP 5 GAINERS

	Today	Previous	Change (%)
SAMSON INTERNAT.	187.75	137.00	37.04%
INDUSTRIAL ASPH.	0.50	0.40	25.00%
S M B LEASING	0.50	0.40	25.00%
LOLC DEV FINANCE	400.25	320.25	24.98%
YORK ARCADE	210.25	170.50	23.31%

### TOP 5 LOSERS

	Today	Previous	Change (%)
AMF CO LTD	390.00	445.25	-12.41%
MULTI FINANCE	10.60	12.00	-11.67%
HAPUGASTENNE	15.70	17.00	-7.65%
MAHAWELI REACH	12.80	13.60	-5.88%
HUNTERS	726.75	771.50	-5.80%

### TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
JKH	138.25	0.7	96.33
C.W.MACKIE	68.10	1.3	85.77
LOLC	411.00	0.2	75.25
COMMERCIAL BANK	89.90	0.6	54.55
CIC	55.00	0.8	46.61

### TOP 5 VOLUME

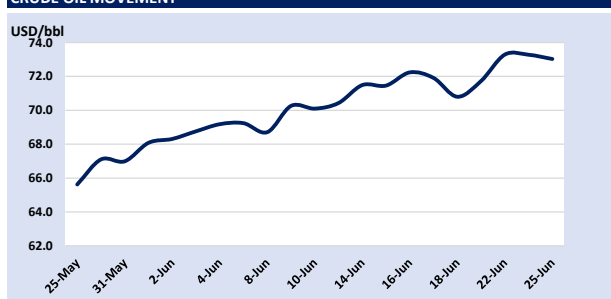
	Price	Volume ('Mn)	Turnover ('Mn)
SINGHE HOSPITALS	2.50	9.3	23.88
BROWNS INVSTMNTS	6.10	4.6	28.14
INDUSTRIAL ASPH.	0.50	2.9	1.17
S M B LEASING [NON-VOTING]	0.20	2.3	0.46
PEOPLES LEASING	13.00	2.2	28.18

## GLOBAL MARKETS & COMMODITIES

### GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	73.0	67.0	9.0%
Gold USD/t oz	1,782.8	1,906.9	-6.5%
Copper USD/lb.	431.8	469.0	-7.9%
Cotton USD/lb.	87.1	83.3	4.5%
Aluminum USD/MT	2,440.0	2,483.0	-1.7%

### CRUDE OIL MOVEMENT



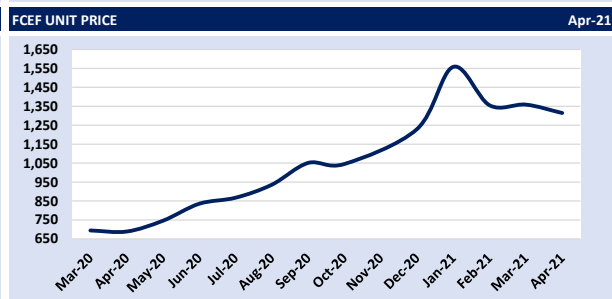
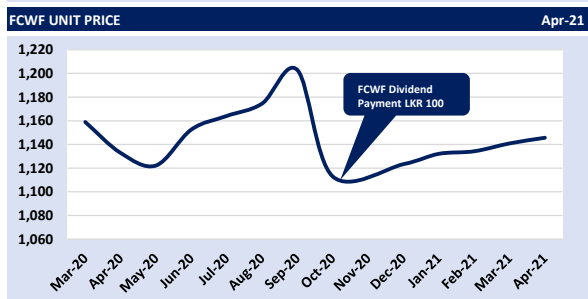
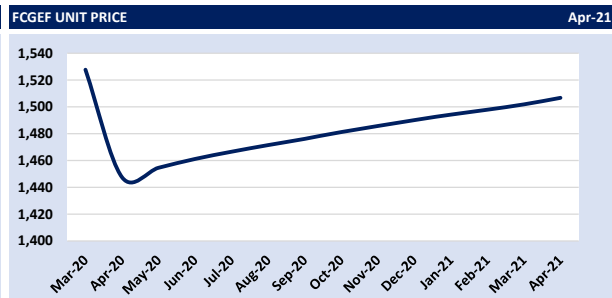
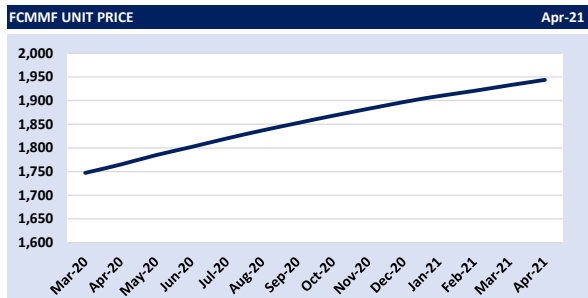
### GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	34,196.8	34,529.5	-1.0%
EURO STOXX 50	4,120.6	4,065.5	1.4%
FTSE 100	7,118.6	7,022.6	1.4%
NIKKEI 225	29,066.2	28,860.1	0.7%

# 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	1,964.56	1,964.56	21,656	7.09%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,515.86	1,515.86	54	3.94%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,159.66	1,159.63	264	5.10%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,391.73	1,322.14	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%
<b>Out/(Under) Performance</b>	<b>-4.51%</b>	<b>-21.91%</b>	<b>-18.10%</b>	<b>-6.34%</b>	<b>1.30%</b>			<b>28.67%</b>



**7.03% P.A.\***  
Current yield as at 14/06/2021

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