



First Capital
A Janashakthi Group Company

DAILY EQUITY WATCH

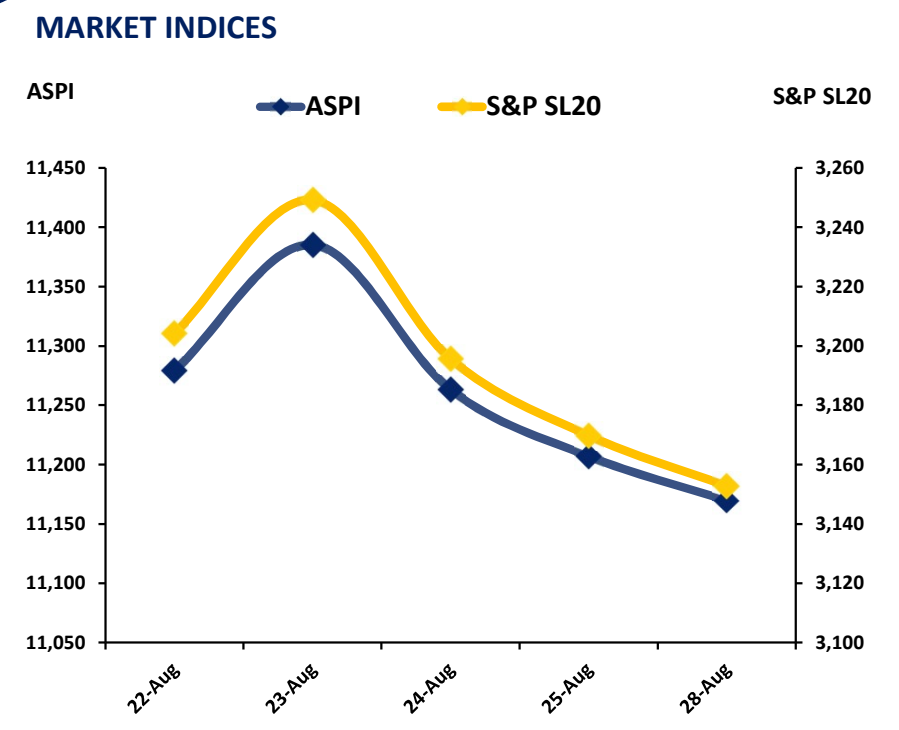
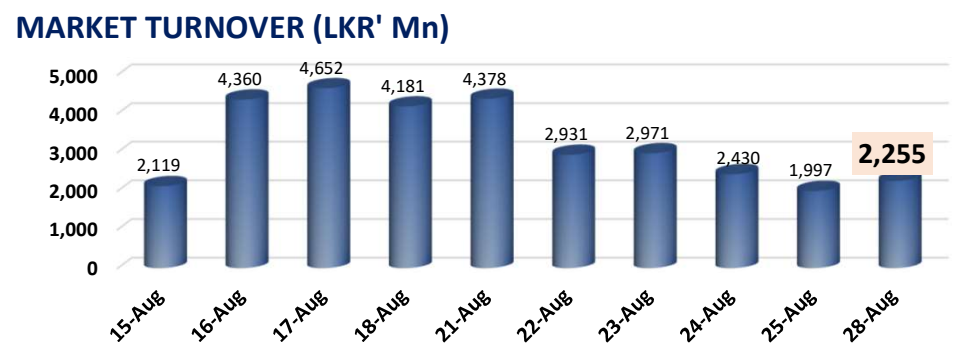
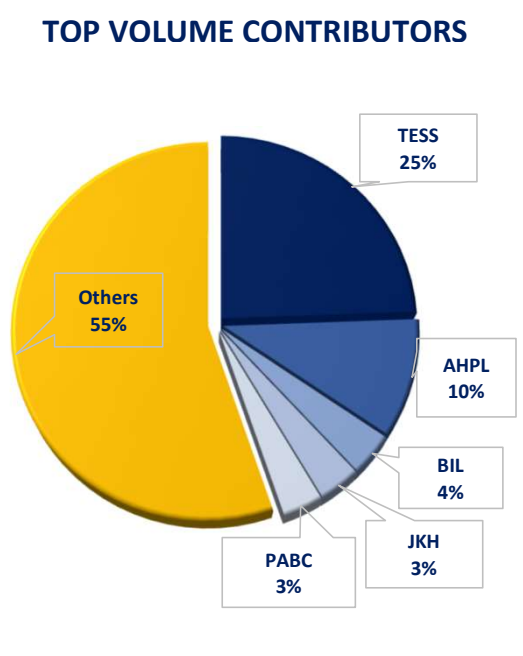
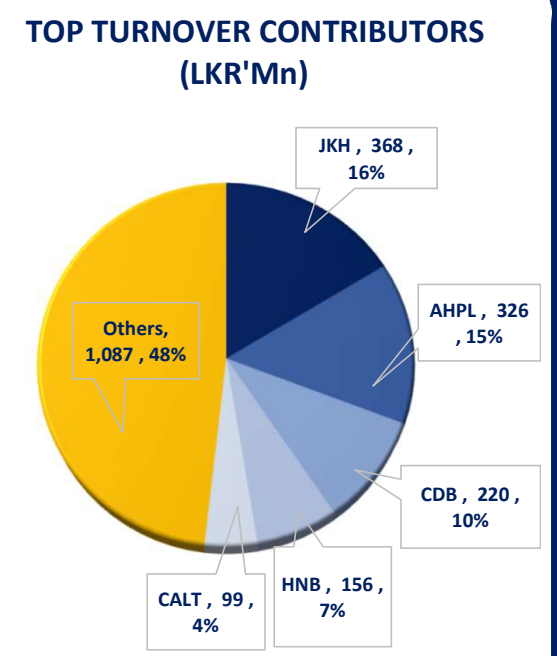


August 28, 2023

"Index drawdown to near 1-month low"

Bourse extended price declines and dull sentiment as retailers preferred to book profits on index heavy weights and Banking sector counters as CBSL directed all licensed banks to reduce rates on all lending products by at least 250bps by 31st October 2023, which may result in a contraction of interest spreads. As the weighted average yields at the T-Bond auction surged, ballooning selling pressure on Banking and Treasury counters further dragged the index down to close the day at a 1-month low of 11,170, losing 37 points. Furthermore, selling pressure on the poultry counters further pulled the index down amidst the price reduction imposed on a kilo of chicken by LKR 100.0 with immediate effect. However, retail interest on Hotel sectors continued yet another day on the back of a boost in tourist arrivals. In the midst of lacklustre investor participation, turnover was recorded at LKR 2.3Bn, remaining below 36% cf. monthly average turnover of LKR 3.5Bn. Contributed by JKH and CDB through off-board transactions, Capital Goods and Diversified Financial sectors collectively accounted for 42% of the market turnover.

	LKR	USD		
TURNOVER (Mn)	2,255.36	7.05	▲	13.0%
MARKET CAP. (Bn)	4,433.95	13.86	▼	-0.3%
VOLUME (Mn)	60.16		▲	13.6%
FOREIGN (LKR Mn)	120.02	235.92		Net flow
				-115.89
VALUATIONS	PER 5.8x	PBV 1.0x		



ASPI	11,169.73
Intraday Points	-37.38
	-0.33%
S&P SL20	3,152.84
Intraday Points	-16.96
	-0.54%

