DAILY FIXED INCOME & UNIT TRUST

First Capital (A Janashakthi Group Company)

July 31, 2024

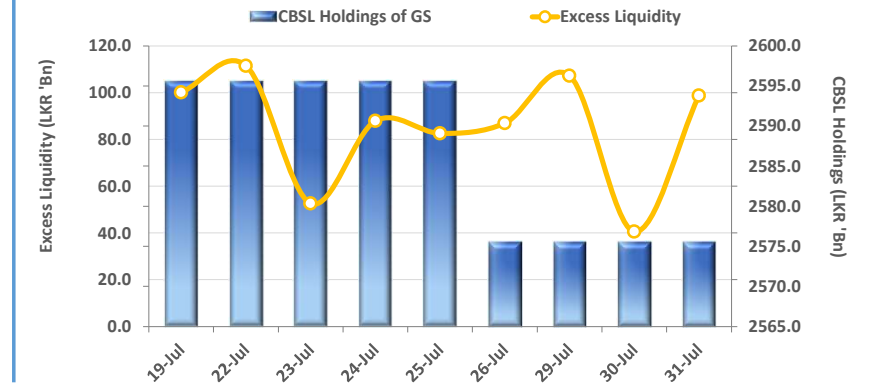### "Auction yields hold steady amidst market subduedness"

The secondary market exhibited subdued sentiment today, marked by thin trading volumes following yesterday's T-Bond auction. Despite this, a slight uptick in buying interest was noted for the T-Bond maturing on 15.10.2030, which traded at 12.75% during the day. At the weekly T-bill auction held today, the CBSL partially accepted LKR 126.4Bn from the total offered of LKR 170.0Bn, whilst auction yields remained stagnant, following a series of decline across the board in the previous three T-bill auctions. The 3M maturity was oversubscribed with CBSL accepting LKR 85.3Bn (exceeding the total offered of LKR 55.0Bn) at a WAYR of 9.14%, whilst both the 6M and 1Yr maturities were undersubscribed. Accordingly, CBSL accepted LKR 29.4Bn for the 6M maturity at a WAYR of 9.34% and LKR 11.6Bn for the 1Yr bill at a WAYR of 9.95%. Overnight liquidity improved to LKR 98.7Bn, whilst CBSL holdings remained unchanged at LKR 2,575.6Bn during the day. On the external front, the LKR continued to appreciate against the USD for the 3rd consecutive session, closing at LKR 302.4/USD for the day. Furthermore, the headline inflation, as measured by the YoY change in CCPI, accelerated to 2.4% in Jul-24, up from 1.7% in Jun-24.

UNIT TRUSTS

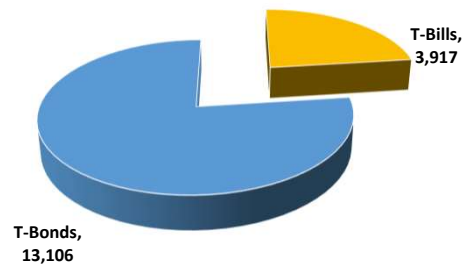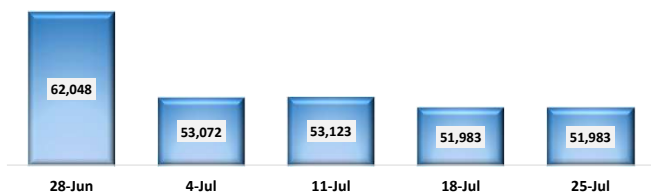| First Capital Unit Trust Funds		Sell Price LKR	Buy Price LKR	Avg. Yield
		30-Jul-24		
First Capital Money Market Fund	FCMMF	3,149.66	3,149.66	10.13%
First Capital Gilt Edge Fund	FCGEF	2,387.84	2,387.84	11.12%
First Capital Wealth Fund	FCWF	1,899.90	1,899.85	30.25%
First Capital Equity Fund	FCEF	2,495.41	2,457.98	9.26%
First Capital Money Plus Fund	FCMPF	1,020.73	1,020.73	5.88%

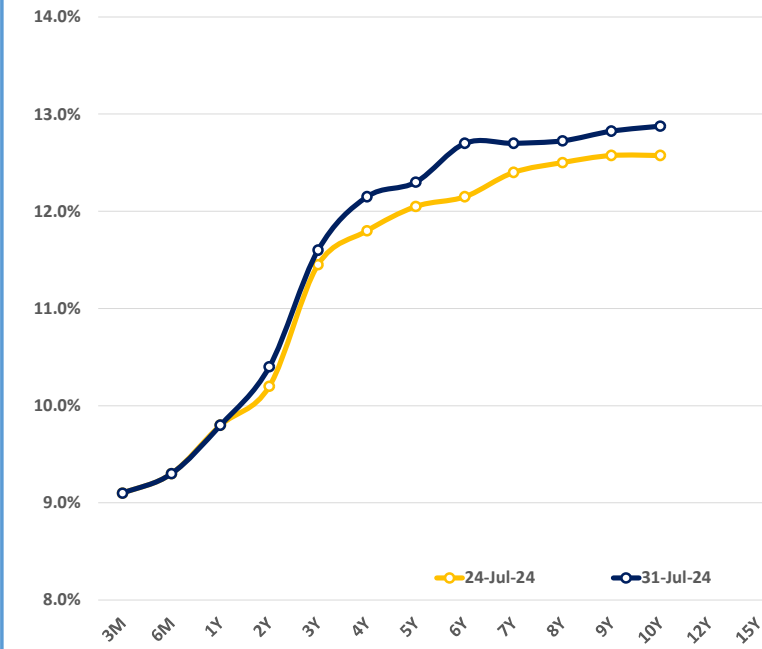## EXCESS LIQUIDITY AND CBSL HOLDINGS

OUTSTANDING STOCK [GSEC]

TOTAL (LKR Mn) **17,023.90** WoW **0.11%**

- T-Bills, 3,917
- T-Bonds, 13,106

FOREIGN HOLDING (LKR MN)   WoW   -1.31%

28-Jun	4-Jul	11-Jul	18-Jul	25-Jul
62,048	53,072	53,123	51,983	51,983

BILLS AND BONDS YIELDS

Legend: 24-Jul-24, 31-Jul-24

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	9.20%	9.00%	9.10%	9.10%	0
< 182 Days < 6M	9.40%	9.20%	9.30%	9.30%	0
< 364 Days < 1Y	9.90%	9.70%	9.80%	9.80%	0
01-Aug-26 < 2Y	10.50%	10.30%	10.40%	10.20%	+20
01-May-27 < 3Y	11.70%	11.50%	11.60%	11.45%	+15
01-Jul-28 < 4Y	12.20%	12.10%	12.15%	11.80%	+35
15-Sep-29 < 5Y	12.40%	12.20%	12.30%	12.05%	+25
15-May-30 < 6Y	12.80%	12.60%	12.70%	12.15%	+55
01-Dec-31 < 7Y	12.80%	12.60%	12.70%	12.40%	+30
01-Oct-32 < 8Y	12.85%	12.60%	12.73%	12.50%	+23
01-Jun-33 < 9Y	12.90%	12.75%	12.83%	12.58%	+25
01-Jan-34 < 10Y	13.00%	12.75%	12.88%	12.58%	+30
15-Mar-35 < 12Y	N/A	N/A	N/A	N/A	N/A
15-Aug-39 < 15Y	N/A	N/A	N/A	N/A	N/A
01-Jan-41 < 20Y	N/A	N/A	N/A	N/A	N/A

T-BILL AUCTION (LKR MN)

	LKR MN
Offered	170,000
Bids	335,223
Accepted	126,353

Legend: 91 days, 182 Days, 364 Days
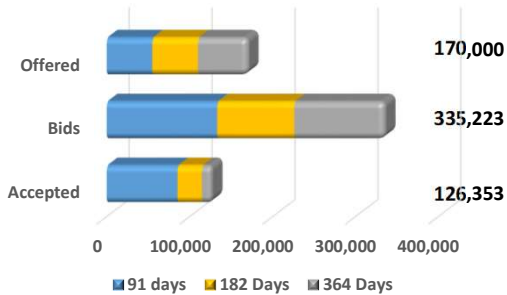
Auction Date	31-Jul-24
Settlement Date	2-Aug-24

91 days	9.14%	◄►	0	bps
184 days	9.34%	◄►	0	bps
364 days	9.95%	◄►	0	bps

T-BOND AUCTION (LKR MN)

Auction Date	30-Jul-24

W.Avg	W.Avg	W.Avg
12.07%	12.55%	12.83%

10.75%2028 'B'			11.00%2030 'B'			09.00%2033 'A'		
157,705	80,000	80,000	115,533	80,000	40,825	71,164	40,000	25,435

Legend: Bids, Offered, Accepted

MATURITY TABLE (LKR MN)

Week ending	9-Aug-24

- Bond interest
- T-Bond
- T-Bill

157,159