

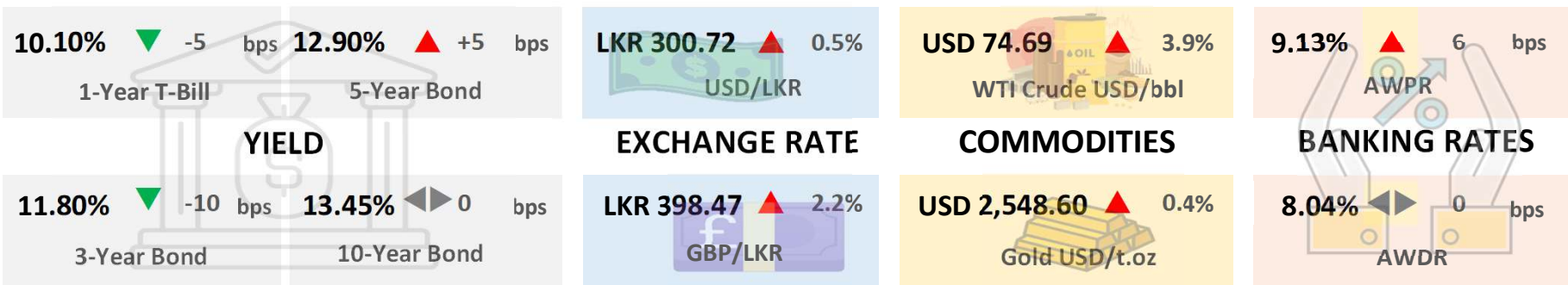
# WEEKLY GOVERNMENT SECURITIES MARKET

For the week: 22-Aug-24 to 28-Aug-24

28-Aug-2024

FIRST CAPITAL RESEARCH

## AT A GLANCE (WoW change)



## “Dull week amidst mounting uncertainties”

### Weekly Yield Movement & Volume

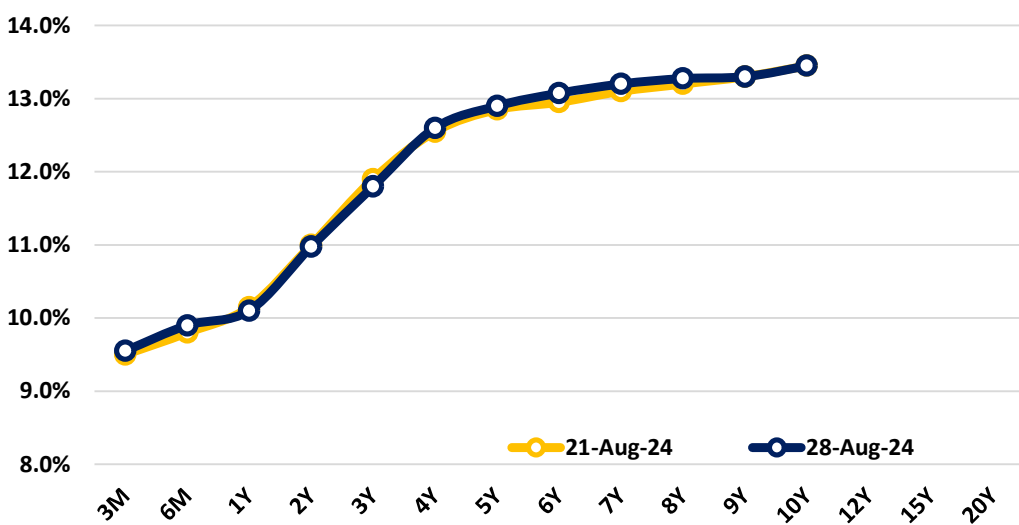
The secondary market yield curve remained broadly unchanged over the week as activities were limited amidst muted participation from investors. Meanwhile, auction yields continued to display a slight spike at the weekly T-Bill auction.

The week opened on a lacklustre note, with volumes recorded at ultra-thin levels. However, slight buying interest was observed during the beginning of the week predominantly on liquid mid tenors. However, towards the end of the week, buying appetite reversed to selling pressure as investors adopted a cautious stance amidst lingering uncertainties in the political and macro-economic landscape. Accordingly, yield curve edged slightly up on the mid end by 05bps-13bps. On the other hand, short tenors 1Yr, 2Yr and 3Yr scaled down marginally by 03bps-10bps.

Meanwhile, CBSL conducted the weekly T-Bill auction, accepting the total offered amount of LKR 100.0Bn. However, auction yields continued to tick higher on 03M and 06M tenors while attracting higher acceptance. Accordingly, 03M and 06M tenors were oversubscribed accounting for 97% of overall acceptance while weighted average yield rates closed at 9.49%(+07bps) and 9.84%(+04bps), respectively. However, 01Yr bill enticed only an LKR 3.3Bn acceptance while weighted average yield rate remained unchanged at 10.01%.

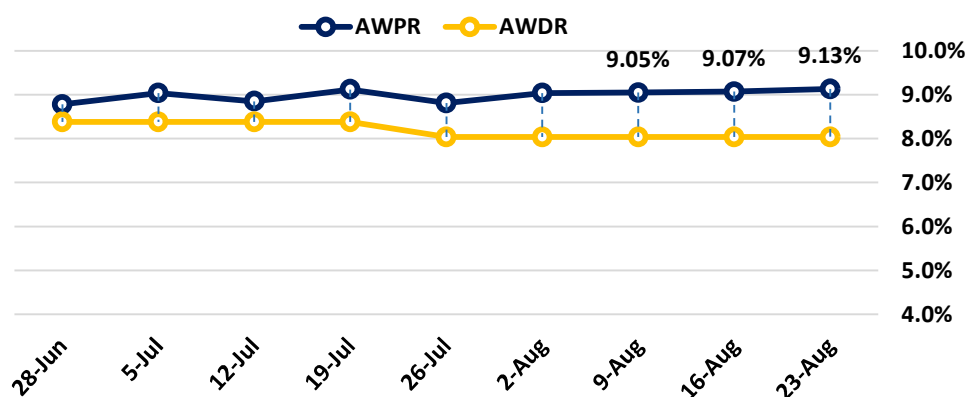
In the forex market, the LKR depreciated slightly against the greenback, recording at LKR 300.7 on the 28th of August, compared to LKR 299.3 at the beginning of the week.

### SECONDARY MARKET BILLS AND BONDS YIELDS



Tenure	28-Aug-24	21-Aug-24	Change (bps)
< 3M	9.55%	9.50%	+5
< 6M	9.90%	9.80%	+10
< 1Y	10.10%	10.15%	-5
< 2Y	10.98%	11.00%	-3
< 3Y	11.80%	11.90%	-10
< 4Y	12.60%	12.55%	+5
< 5Y	12.90%	12.85%	+5
< 6Y	13.08%	12.95%	+13
< 7Y	13.20%	13.10%	+10
< 8Y	13.28%	13.20%	+8
< 9Y	13.30%	13.30%	0
< 10Y	13.45%	13.45%	0
< 12 Year	N/A	N/A	N/A
< 15 Year	N/A	N/A	N/A
< 20 Year	N/A	N/A	N/A

### AVERAGE LENDING & DEPOSIT RATES



### CBSL POLICY RATES

	Jul-2024	May-2024
<b>SDFR</b>	8.25%	8.50%
<b>SLFR</b>	9.25%	9.50%
<b>SRR</b>	2.00%	2.00%

\*Upcoming Monetary Policy Announcement:

19th Sep 2024

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For the week: 22-Aug-24 to 28-Aug-24



First Capital  
A Janashakti Group Company

28-Aug-2024

FIRST CAPITAL RESEARCH

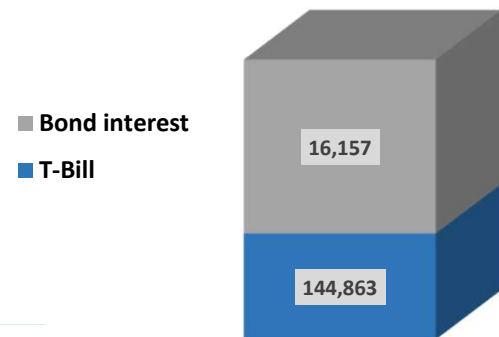
## T-BILL AUCTION (LKR MN)

Auction Date 28-Aug-24

Tenor	Current	Previous	Change (bps)	Offered	Bids	Accepted
91 days	9.49%	9.42%	+7	50,000	92,393	52,148
182 Days	9.84%	9.80%	+4	30,000	70,597	44,544
364 Days	10.01%	10.01%	0	20,000	22,712	3,308
Settlement Date	30-Aug-24			100,000	185,702	100,000

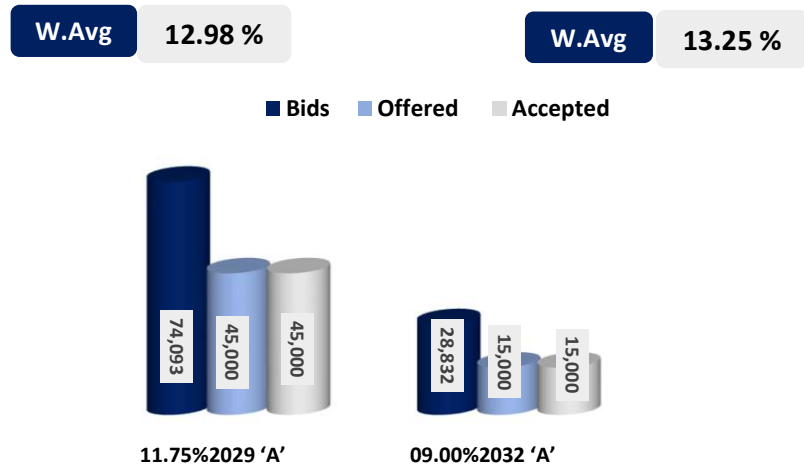
## MATURITIES (LKR MN)

Week Ending 6-Sep-24

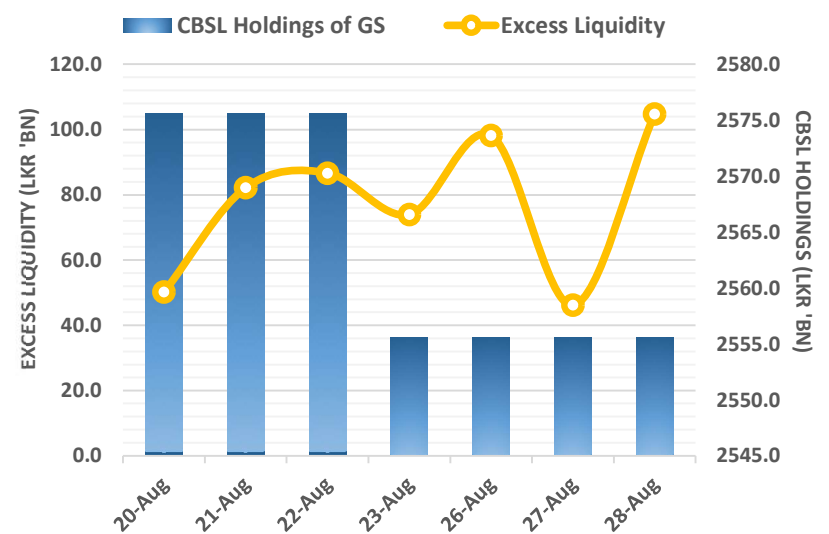


## T-BOND AUCTION (LKR MN)

Auction Date 13-Aug-24

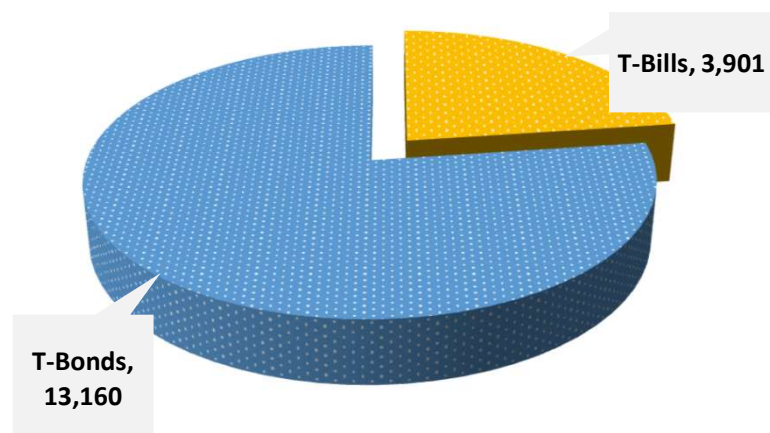


## EXCESS HOLDINGS AND CBSL HOLDINGS



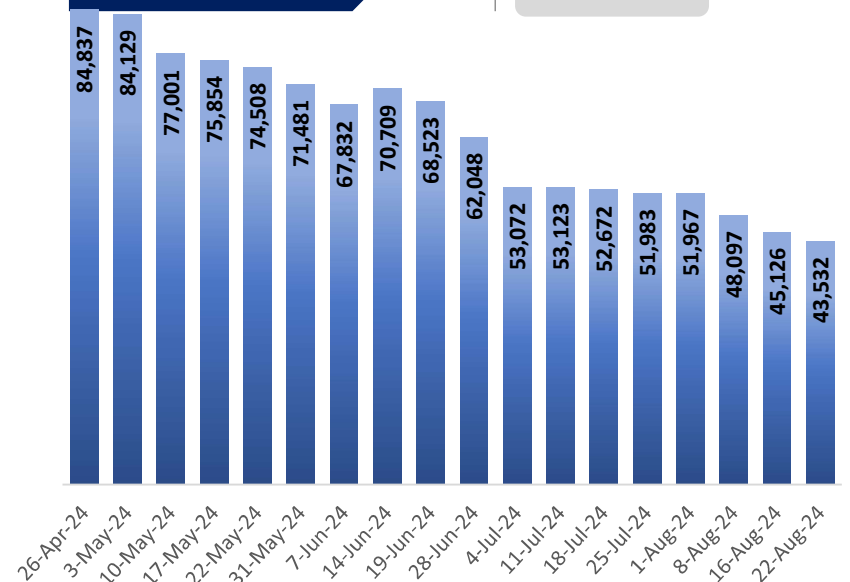
## OUTSTANDING STOCK [GSEC] (LKR MN)

TOTAL (LKR Mn) 17,060.8 | WoW change 0.03%



## FOREIGN HOLDING IN GSEC (LKR MN)

Foreign Holding (%) 0.26% | WoW change -3.53%



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