

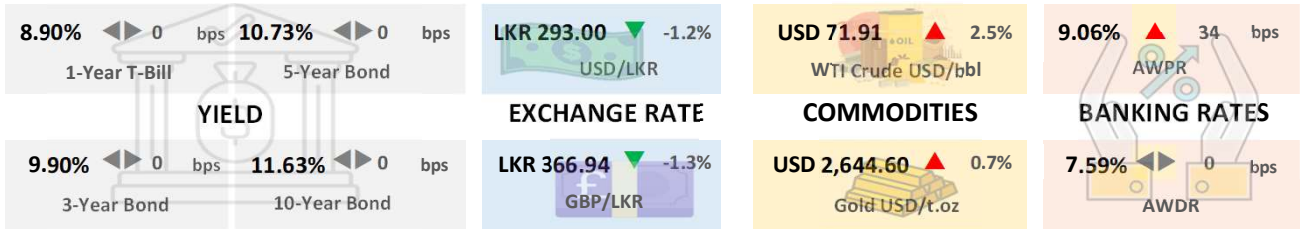
WEEKLY GOVERNMENT SECURITIES MARKET

For the week: 26-Dec-24 to 1-Jan-25

1-Jan-2025

FIRST CAPITAL RESEARCH

AT A GLANCE (WoW change)



“Dreary sentiment ensues amidst holiday season”

Weekly Yield Movement & Volume

The secondary market yield curve remained broadly unchanged over the week as activities turned lackluster amidst the holiday season and new year. However, weighted average yield rates tapered down for the 4th straight week.

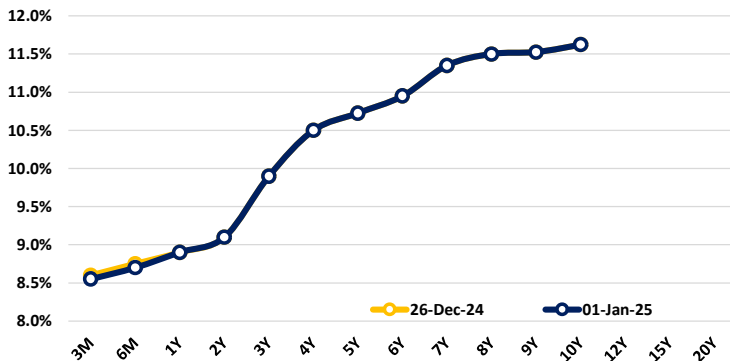
The week opened on a dull note, as investor participation remained subpar amidst the holiday season. Amidst limited activities mid tenors enticed minimal trades centered broadly across the 2028, 2029 and 2032 bonds. Lackluster sentiment extended towards the end of the week as the new year approached.

On the 30th Dec-24, CBSL conducted a T-Bond auction worth LKR 80.0Bn, where the bids exceeded the total offered amount by 2.8 times, and the full offered amount was accepted by CBSL. Furthermore, the weighted average yield rates stood at 10.42% and 11.47% for 15.10.28 and 01.06.33 maturities, respectively.

Meanwhile, the first auction for the year was conducted on 01st Jan-25, raising LKR 168.0Bn, with the total offered amount being fully accepted across all maturities. Bids received for all the three maturities exceeded the total offered amount, with the 06M T-Bill attracting the most interest. Meanwhile, weighted average yield rates declined across the board for the fourth consecutive week at the T-Bill auction. The 03M T-Bill closed at 8.55% (-07bps), the 06M T-Bill at 8.72% (-05bps), and the 1Yr T-Bill at 8.94% (-02bps).

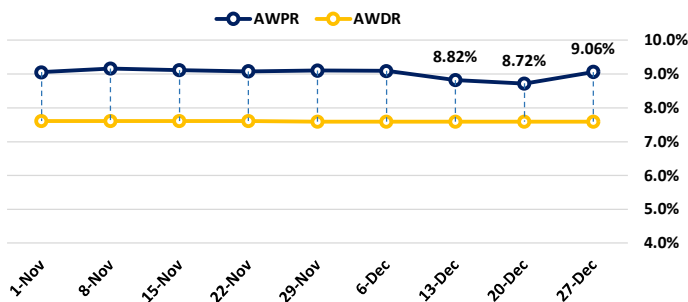
In the forex market, the LKR appreciated against the greenback, recording at LKR 293.0 on 01st Jan-25, compared to LKR 296.5 at the beginning of the week.

SECONDARY MARKET BILLS AND BONDS YIELDS



Tenure	1-Jan-25	26-Dec-24	Change (bps)
< 3M	8.55%	8.60%	-5
< 6M	8.70%	8.75%	-5
< 1Y	8.90%	8.90%	0
< 2Y	9.10%	9.10%	0
< 3Y	9.90%	9.90%	0
< 4Y	10.50%	10.50%	0
< 5Y	10.73%	10.73%	0
< 6Y	10.95%	10.95%	0
< 7Y	11.35%	11.35%	0
< 8Y	11.50%	11.50%	0
< 9Y	11.53%	11.53%	0
< 10Y	11.63%	11.63%	0
< 12Y	N/A	N/A	N/A
< 15Y	N/A	N/A	N/A
< 20Y	N/A	N/A	N/A

AVERAGE LENDING & DEPOSIT RATES



CBSL POLICY RATES

	Nov-2024	Sep-2024
OPR	8.00%	-
SRR	2.00%	2.00%

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FIRST CAPITAL RESEARCH

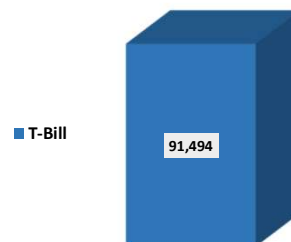
T-BILL AUCTION (LKR MN)

Auction Date 1-Jan-25

Tenor	Current	Previous	Change (bps)	Offered	Bids	Accepted
91 days	8.55%	8.62%	-7	43,000	132,983	43,000
182 Days	8.72%	8.77%	-5	60,000	161,389	60,000
364 Days	8.94%	8.96%	-2	65,000	111,403	65,000
Settlement Date	3-Jan-25			168,000	405,775	168,000

MATURITIES (LKR MN)

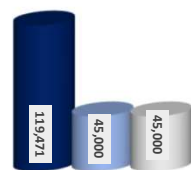
Week Ending 10-Jan-25



T-BOND AUCTION (LKR MN)

Auction Date 30-Dec-24

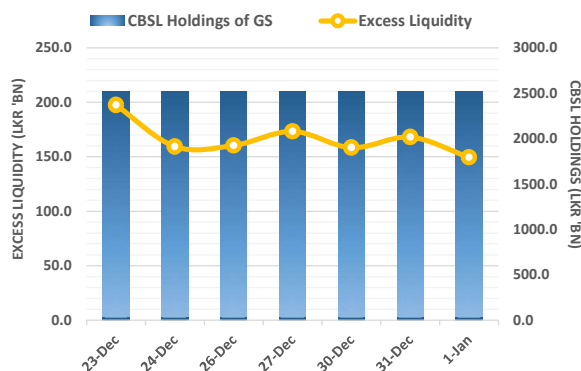
W.Avg 10.42%



W.Avg 11.47%



EXCESS HOLDINGS AND CBSL HOLDINGS



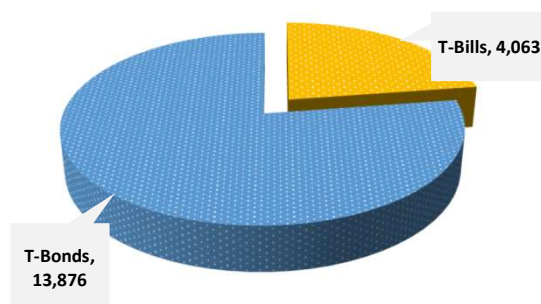
OUTSTANDING STOCK [GSEC] (LKR MN)

TOTAL (LKR Mn)

17,938.9

WoW change

0.94%



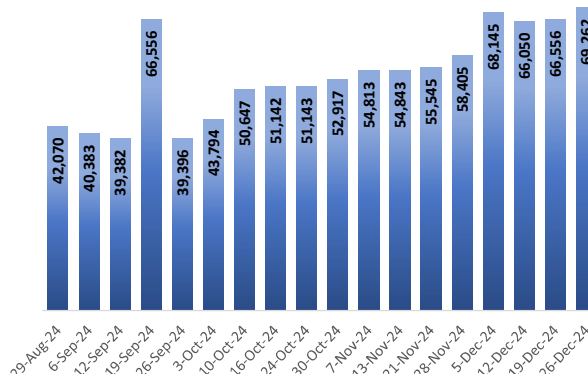
FOREIGN HOLDING IN GSEC (LKR MN)

Foreign Holding (%)

0.39%

WoW change

4.07%



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