



May 29, 2025

"Yields trend further down, while activity stays soft"

The secondary market yield curve continued its downward drift, driven by renewed buying interest, especially evident in the lead-up to today's T-Bond auction. Despite this momentum, trading volumes remained relatively subdued. On the short end of the yield curve, 15.01.2028, 15.02.2028, 15.03.2028, 01.07.2028 and 15.10.2028 maturities traded between 8.83% to 8.70%. In terms of 2029 maturities, 15.06.2029, 15.09.2029 and 15.12.2029 were seen trading within the 9.40%-9.35% range. Finally, moving ahead on the yield curve, the 15.09.2034 maturity traded at 10.40%. CBSL conducted a T-Bond auction today, which saw the initially offered amount of LKR 200.08n was fully raised. This amount was raised through the issuance of 2028, 2029 and 2034 maturities which registered weighted average yields of 8.85%, 9.47% and 10.46% respectively. In the forex market, the LKR appreciated marginally against the greenback, closing at LKR 299.67/USD, compared to the previously seen rate of 299.69/USD. Meanwhile, overnight liquidity in the banking system expanded to LKR 207.98n from LKR 196.18n in the previous session.

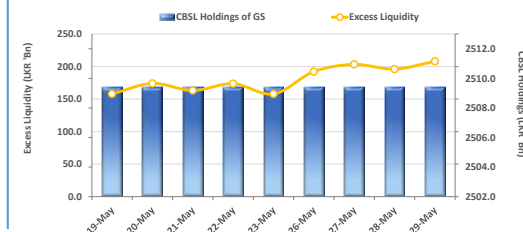


UNIT TRUSTS

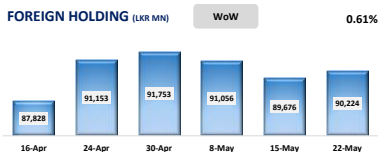
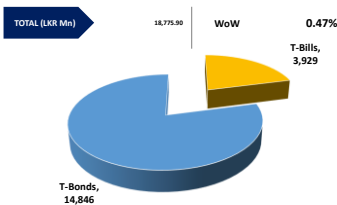
First Capital Unit Trust Funds		Sell Price	Buy Price	Avg. Yield
		LKR	LKR	
First Capital Money Market Fund	FCMMF	3,397.93	3,397.93	8.15%
First Capital Gilt Edge Fund	FCGEF	2,550.60	2,550.60	7.55%
First Capital Wealth Fund	FCWF	2,136.36	2,136.31	9.70%
First Capital Equity Fund	FCEF	3,422.05	3,370.72	5.98%
First Capital Money Plus Fund	FCMPF	1,097.61	1,097.61	6.80%

28-May-25

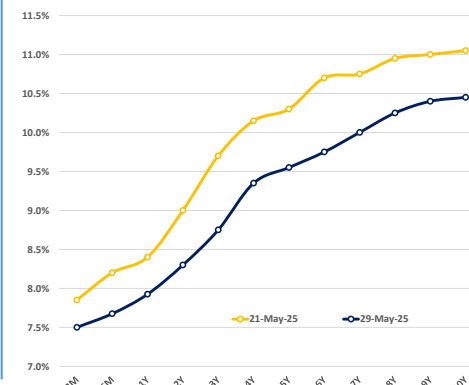
EXCESS LIQUIDITY AND CBSL HOLDINGS



OUTSTANDING STOCK [GSEC]

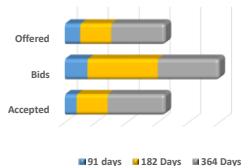


BILLS AND BONDS YIELDS



Tenure		Bid	Offer	Today	Last Week	Change (bps)
< 91 Days	< 3M	7.55%	7.45%	7.50%	7.85%	-35
< 182 Days	< 6M	7.75%	7.60%	7.68%	8.20%	-53
< 364 Days	< 1Y	8.00%	7.85%	7.93%	8.40%	-48
01-May-27	< 2Y	8.35%	8.25%	8.30%	9.00%	-70
15-May-28	< 3Y	8.80%	8.70%	8.75%	9.70%	-95
15-Jun-29	< 4Y	9.40%	9.30%	9.35%	10.15%	-80
15-May-30	< 5Y	9.60%	9.50%	9.55%	10.30%	-75
15-Mar-31	< 6Y	9.80%	9.70%	9.75%	10.70%	-95
15-Dec-32	< 7Y	10.10%	9.90%	10.00%	10.75%	-75
01-Jun-33	< 8Y	10.30%	10.20%	10.25%	10.95%	-70
01-Jan-34	< 9Y	10.45%	10.35%	10.40%	11.00%	-60
15-Mar-35	< 10Y	10.50%	10.40%	10.45%	11.05%	-60
15-Jan-37	< 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)



Auction Date	28-May-25
Settlement Date	30-May-25
91 days	7.55% ▼ -10 bps
184 days	7.77% ▼ -20 bps
364 days	7.98% ▼ -31 bps

T-BOND AUCTION (LKR MN)



MATURITY TABLE (LKR MN)

Week ending	6-Jun-25
Bond interest	45,193
Bond	149,467
T-Bill	157,276