



July 23, 2025

"CBSL holds policy rate steady; modest uptick in secondary market activity"

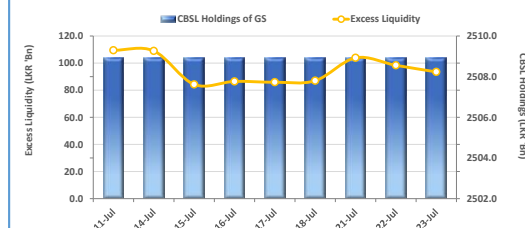
The Central Bank of Sri Lanka, at its meeting held on 22nd July 2025, decided to maintain the Overnight Policy Rate (OPR) at the current level of 7.75%. The CBSL has indicated that the current monetary policy stance will help steer inflation towards the target of 5% in the period ahead while supporting growth. The secondary market experienced a modest uptick in trading activity compared to the past few sessions this week, though overall volumes remained subdued. At the shorter end of the yield curve, the 15.09.2027 maturity traded at 8.55%, the 01.07.2028 at 8.95%, the 15.10.2028 at 9.03%, and the 15.12.2028 maturity saw trades at 9.05%. Further along the curve, 15.10.2029 changed hands at 9.47%. The Central Bank concluded its weekly Treasury Bill auction today, raising LKR 19.98bn, well below the initially offered LKR 111.08bn. The 3M bill generated LKR 1.28bn, with its weighted average yield remaining unchanged at 7.62%. The 6M bill raised LKR 9.48bn, with yield remaining unchanged at 7.91%. Meanwhile, the 12M bill drew LKR 9.28bn, with its yield marginally decreasing by 1bp to 8.03%. In the forex market, the LKR appreciated against the greenback, closing at LKR 301.7/USD, compared to the previously seen rate of LKR 301.8/USD. Meanwhile, overnight liquidity in the banking system contracted to LKR 93.58bn from the previously seen level of LKR 98.48bn.

UNIT TRUSTS

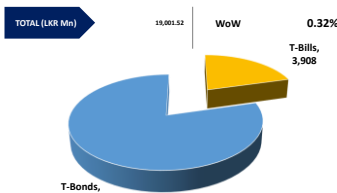
22-Jul-25

First Capital Unit Trust Funds			Sell Price	Buy Price	Avg. Yield
			LKR	LKR	
First Capital Money Market Fund	FCMMF		3,440.11	3,440.11	8.30%
First Capital Gilt Edge Fund	FCGEF		2,577.84	2,577.84	6.97%
First Capital Wealth Fund	FCWF		2,160.03	2,159.98	9.14%
First Capital Equity Fund	FCEF		3,836.22	3,778.68	18.81%
First Capital Money Plus Fund	FCMPF		1,108.58	1,108.58	6.92%

EXCESS LIQUIDITY AND CBSL HOLDINGS



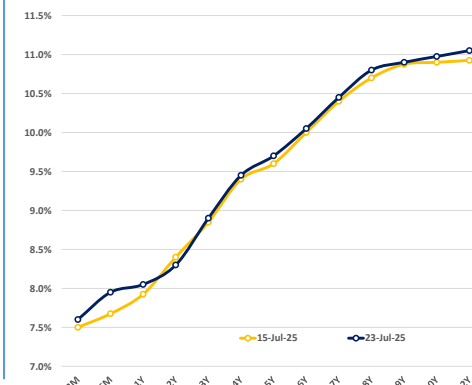
OUTSTANDING STOCK [GSEC]



FOREIGN HOLDING (LKR MN)

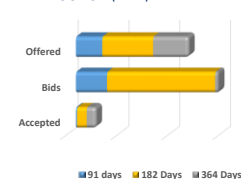


BILLS AND BONDS YIELDS



Tenure		Bid	Offer	Today	Last Week	Change (bps)
< 91 Days	< 3M	7.65%	7.55%	7.60%	7.50%	+10
< 182 Days	< 6M	8.00%	7.90%	7.95%	7.68%	+28
< 364 Days	< 1Y	8.10%	8.00%	8.05%	7.93%	+13
01-May-27	< 2Y	8.40%	8.20%	8.30%	8.40%	-10
01-Jul-28	< 3Y	8.95%	8.85%	8.90%	8.85%	+5
15-Jun-29	< 4Y	9.50%	9.40%	9.45%	9.40%	+5
15-May-30	< 5Y	9.75%	9.65%	9.70%	9.60%	+10
15-Mar-31	< 6Y	10.10%	10.00%	10.05%	10.00%	+5
15-Dec-32	< 7Y	10.50%	10.40%	10.45%	10.40%	+5
01-Nov-33	< 8Y	10.85%	10.75%	10.80%	10.70%	+10
15-Sep-34	< 9Y	10.95%	10.85%	10.90%	10.88%	+3
15-Mar-35	< 10Y	11.05%	10.90%	10.98%	10.90%	+8
15-Jan-37	< 12Y	11.15%	10.95%	11.05%	10.93%	+13
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		23-Jul-25	
Settlement Date		25-Jul-25	
days	7.62%	◀▶	0 bps
days	7.91%	◀▶	0 bps
days	8.03%	▼	-1 bps

T-BOND AUCTION (LKR MN)



MATURITY TABLE (LKR MN)

Week ending	1-Aug-25
Bond interest	29,202
Bond	92,463
T-Bill	102,580