



First Capital

DAILY MARKET WATCH

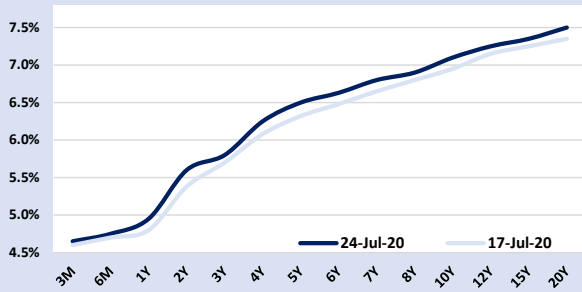
First Capital Research

July 24, 2020

FIXED INCOME

"Participants quest for a direction"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



Concluding the week, the secondary market saw mixed activity levels while recording moderate volumes during the day. In the short end of the yield curve, amidst mixed activities, 01 Yr bill changed hands at 4.90% levels while 15.12.20 maturity traded in the range of 5.55%-5.65%. Bonds maturing in 15.06.24 and 15.09.24 traded at 6.16% and 6.20% respectively with the buying interest. With mixed activity, 01.05.25 traded between 6.40%-6.45% while in the long end of the curve, supported by buying interest, 15.05.30 maturity saw the yield hovering in the range of 7.15%-7.05%.

T-BILLS & T-BONDS 2 WAY QUOTE AND CHANGE OVER LAST WEEK

Tenure	Bid	Offer	Today	Last Week	Change (bps)
< 91 Days < 3M	4.65%	4.55%	4.60%	4.55%	5
< 182 Days < 6M	4.75%	4.65%	4.70%	4.65%	5
< 364 Days < 1Y	4.95%	4.85%	4.90%	4.75%	15
15-Dec-22 < 2Y	5.60%	5.50%	5.55%	5.33%	22
15-Jul-23 < 3Y	5.80%	5.70%	5.75%	5.65%	10
15-Sep-24 < 4Y	6.25%	6.15%	6.20%	6.03%	17
01-May-25 < 5Y	6.50%	6.40%	6.45%	6.27%	18
01-Feb-26 < 6Y	6.60%	6.55%	6.58%	6.43%	15
15-Oct-27 < 7Y	6.80%	6.70%	6.75%	6.60%	15
01-Sep-28 < 8Y	6.90%	6.80%	6.85%	6.75%	10
15-May-30 < 10Y	7.10%	7.00%	7.05%	6.90%	15
01-Jan-32 < 12Y	7.25%	7.15%	7.20%	7.10%	10
15-Sep-34 < 15Y	7.35%	7.25%	7.30%	7.20%	10
15-Aug-39 < 20Y	7.50%	7.40%	7.45%	7.30%	15

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	22-Jul-20	15-Jul-20	(bps)
91 days	4.60%	4.65%	-5
182 Days	4.69%	4.75%	-6
364 Days	4.86%	4.91%	-5

Date of Settlement	24-Jul-20
	35,100

T-BOND AUCTION

Bond Type	Yield	Offered	Bids	Accepted
07.90%2022'A'	5.47%	25,000	87,341	25,000
09.00%2026'A'	6.57%	15,000	24,762	15,000

TOTAL	40,000	112,103	40,000
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WEEK ENDING 24-Jul-20

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
4,600	13,623	6,401
6,000	18,124	11,385
24,500	32,514	17,314
35,100	64,261	35,100

MATURITY TABLE FOR NEXT WEEK

Type	LKR ('Mn)	USD ('Mn)
T-Bills	39,533	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		128
TOTAL	39,533	128

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

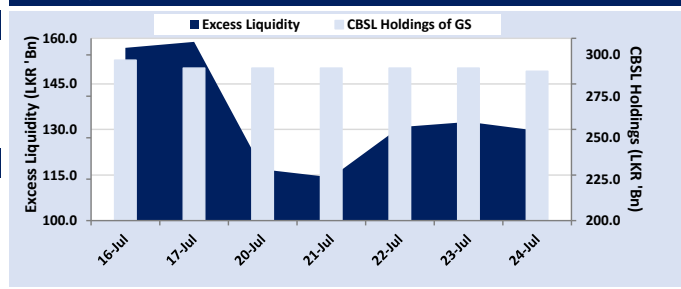
MARKET LIQUIDITY

	24-Jul-20	Repo	Reverse Repo
Mid-day Auction		[LKR 'Bn]	[LKR 'Bn]
Offered		0.0	0.0
Bids		N/A	N/A
Accepted		N/A	N/A
Weighted Average Rate (%)		N/A	N/A
Standing Facility		SDF	SLF
Rate		4.50%	5.50%
Value [LKR 'Bn]		129.6	0.0
O/N Surplus/(Deficit)		129.6	129.6
CBSL Holdings of Government Securities [LKR 'Bn]		290.1	290.1

MONEY MARKET RATES	High	Low	W.Avg	Value [LKR 'Bn]	
Call Money	24-Jul-20	4.54%	4.52%	4.53%	9.2
Repo Rates	24-Jul-20	4.60%	4.53%	4.56%	11.5

MARKET INTEREST RATES	15-Jul-20	Last Month	Change (bps)
AWPLR	7.95%	8.65%	-70
	Banks	NBFIs	
FD Ceiling Rate (1 Year)	1Q2020	N/A	8.53%

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



OUTSTANDING STOCK [GSEC]	15-Jul-20	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,149,063	1,142,148	0.6%
T-Bonds [LKR 'Mn]	5,129,659	5,089,659	0.8%
TOTAL	6,278,722	6,231,807	0.8%

T-Bills & T-Bonds held by Foreigners	15-Jul-20	Previous Week	Change (%)
Foreign Holding [LKR 'Mn]	16,272	16,422	-0.9%
Foreign Holding (%)	0.3%	0.3%	

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

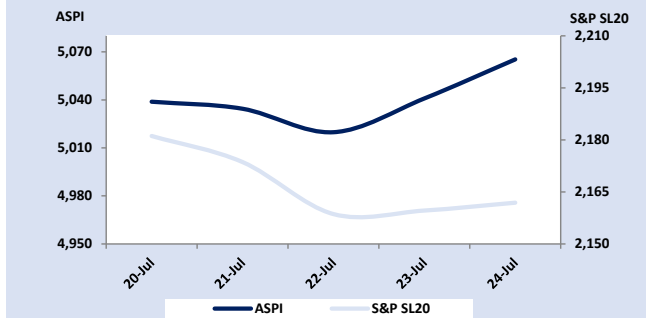
US TREASURIES	17-Jul-20	10-Jul-20	Change (bps)	Last Month	Change (bps)
1 Year	0.14%	0.15%	-1	0.16%	-2
2 Year	0.14%	0.16%	-2	0.16%	-2
5 Year	0.29%	0.30%	-1	0.29%	0
10 Year	0.64%	0.65%	-1	0.66%	-2
30 Year	1.33%	1.33%	0	1.41%	-8

EXCHANGE RATES	24-Jul-20	Last Month	Change (%)
USA Dollar	185.75	186.23	0.3%
UK Pound	236.83	229.18	-3.2%
EU Euro	215.68	209.41	-2.9%
Japan Yen	1.74	1.73	-0.8%
Australia Dollar	132.09	128.12	-3.0%

EQUITY

"Election optimism boosts stocks"

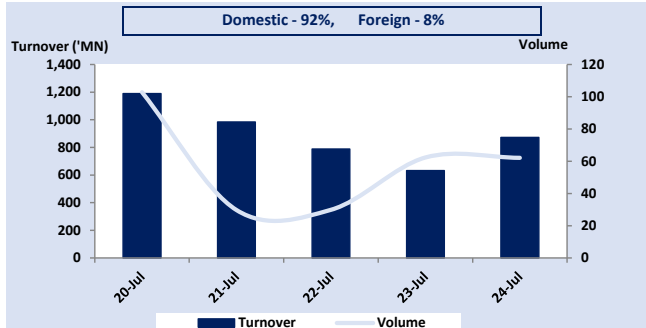
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	5,065.30	5,040.88	0.48%
S&P SL20	2,161.89	2,159.63	0.10%
Turnover (LKR 'Mn)	871.89	631.84	37.99%
Volume ('Mn)	62.09	62.30	-0.33%
Market Cap. (LKR 'Bn)	2,383.78	2,353.13	1.30%
Market Cap. (USD 'Bn)	12.83	12.67	1.30%
Traded Companies	243	236	2.97%
Foreign Purchases (LKR 'Mn)	31.03	20.55	51.03%
Foreign Sales (LKR 'Mn)	109.55	104.32	5.01%
Net Foreign flow (LKR 'Mn)	-78.52	-83.77	6.27%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

-2,881.26

YTD Net Foreign Flow (LKR 'Mn)

-23,552.31

MARKET COMMENTARY

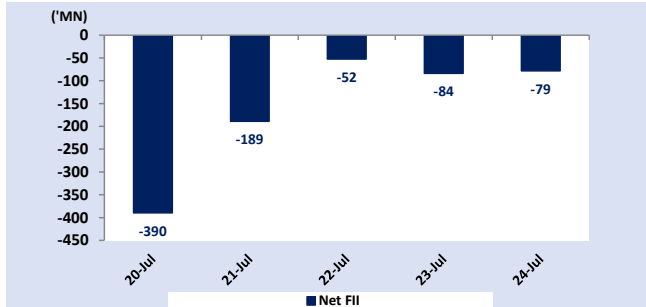
Election optimism triggered the retail investors, aiding to retain the positive sentiment for the second consecutive session. ASPI was uplifted predominantly due to the price advances in BIL & DIAL. Market was driven on an uptrend since the beginning of the session due to the heavy retail buying interest in selective mid cap counters and closed at 5,065 gaining 24 points. Capital Goods sector took over of the dominance in the turnover while parcel trades contributed 15% of the total. While witnessing a net foreign outflow, week ended with the market recording the lowest foreign participation after a month.

MAJOR CROSSINGS

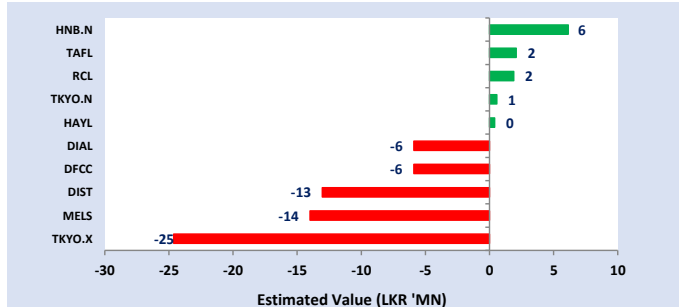
Total Crossings 4

Stock	No. of Crossings	Price [LKR]	Quantity
SIGV	1	32.00	2,080,518
LOLC	1	124.00	200,000

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
BLUE DIAMONDS [X]	0.30	0.20	50.00%
S M B LEASING [X]	0.30	0.20	50.00%
AMANA LIFE	9.20	7.40	24.32%
FORT LAND	10.30	8.40	22.62%
KELANI CABLES	83.60	72.00	16.11%

TOP 5 LOSERS

	Today	Previous	Change (%)
BLUE DIAMONDS	0.40	0.50	-20.00%
TESS AGRO [X]	0.40	0.50	-20.00%
EQUITY TWO PLC	49.20	57.00	-13.68%
JETWING SYMPHONY	9.20	10.00	-8.00%
KAHAWATTE	32.70	35.00	-6.57%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
SIGIRIYA VILLAGE	28.80	2.1	67.04
FORT LAND	10.30	6.3	61.22
LOLC	124.40	0.4	50.89
TOKYO CEMENT [NON-VOTING]	30.70	1.6	49.32
JKH	112.00	0.4	44.87

TOP 5 VOLUME

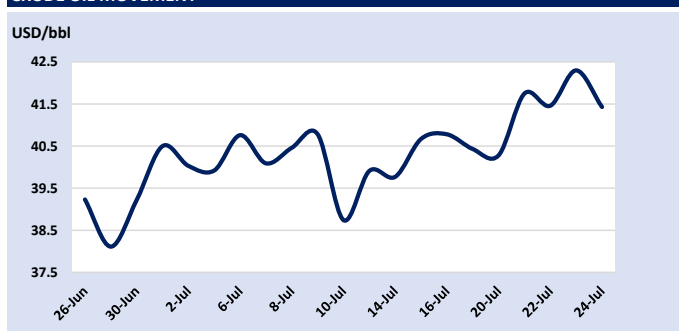
	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	2.30	16.4	36.85
FORT LAND	10.30	6.3	61.22
INDUSTRIAL ASPH.	0.20	2.8	0.57
SIGIRIYA VILLAGE	28.80	2.1	67.04
TOKYO CEMENT [NON-VOTING]	30.70	1.6	49.32

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	41.4	39.2	5.6%
Gold USD/t oz	1,891.1	1,782.5	6.1%
Copper USd/lb.	289.3	271.9	6.4%
Cotton USd/lb.	61.8	59.5	3.9%
Aluminum USD/MT	1,701.0	1,609.0	5.7%

CRUDE OIL MOVEMENT



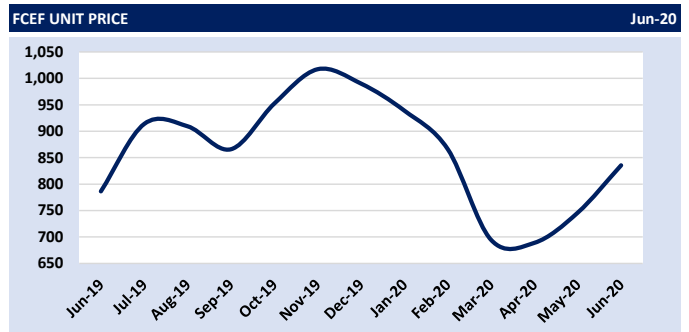
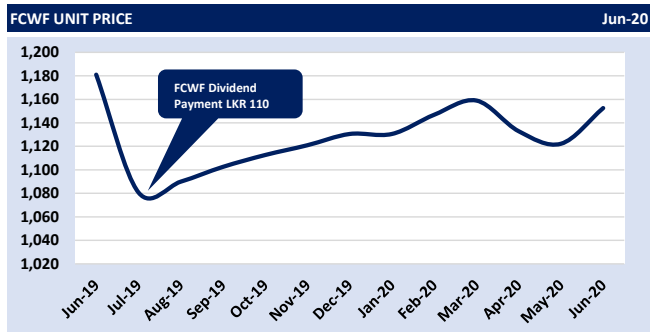
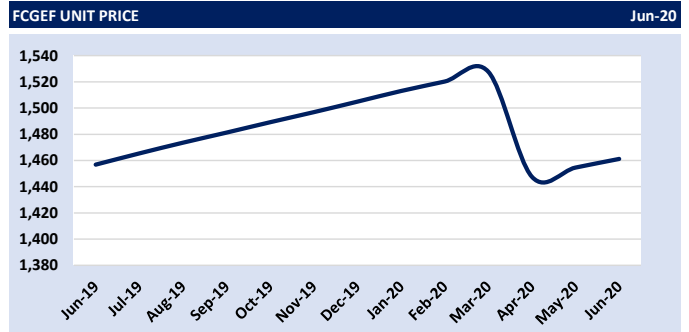
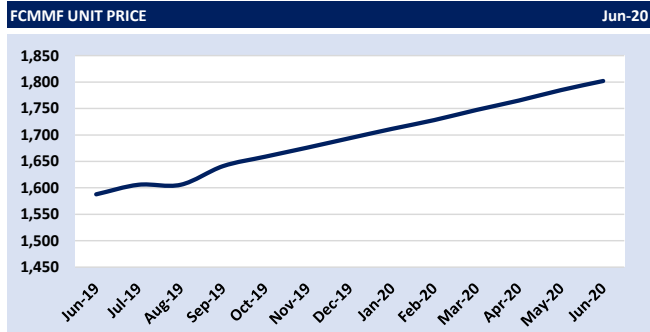
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	26,652.3	25,595.8	4.1%
EURO STOXX 50	3,317.1	3,235.0	2.5%
FTSE 100	6,135.2	6,199.4	-1.0%
NIKKEI 225	22,751.6	22,288.1	2.1%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Jun 2020		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,815.47	1,815.47	7,559	11.45%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,465.29	1,465.29	52	-17.47%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,162.14	1,162.11	263	-2.21%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	836.76	794.92	51	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)								Performance as of	Jun-20
	YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception		
FIXED INCOME FUNDS									
First Capital Money Market Fund	12.57%	12.96%	11.92%	10.39%	7.92%	7.20%			11.09%
First Capital Gilt Edge Fund	-28.64%	7.56%	9.14%	19.06%	4.17%	-3.46%			7.99%
First Capital Wealth Fund	-2.21%	11.40%	11.32%	10.63%	4.90%	15.48%			10.95%
BALANCED FUND									
First Capital Equity Fund	20.29%	-19.47%	0.96%	1.62%	-4.33%	0.00%			-16.44%
ASTRI*	12.64%	-1.37%	7.30%	0.33%	-14.94%	0.00%			-26.69%
Out/(Under) Performance	7.65%	-18.10%	-6.34%	1.30%	10.61%				10.25%

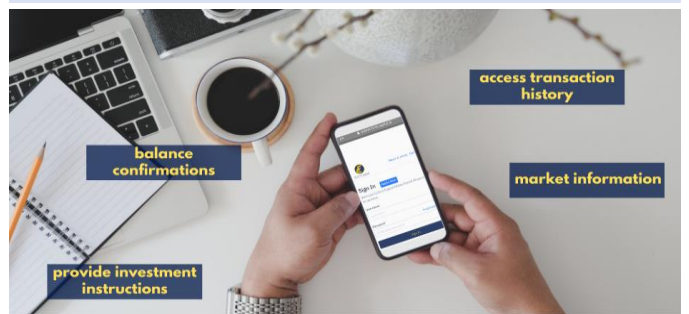


12.08% P.A.
Current yield as at 12/07/2020

THE FIRST CAPITAL MONEY MARKET FUND

AS ATTRACTIVE AS A FIXED DEPOSIT
WITH THE FLEXIBILITY OF A SAVINGS ACCOUNT

*The current yield is variable and subject to change. Past performance is not an indicator of future performance. Investors are advised to read and understand the contents of the Explanatory Memorandum before investing.



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UNIT TRUST SALES

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