



First Capital

DAILY MARKET WATCH

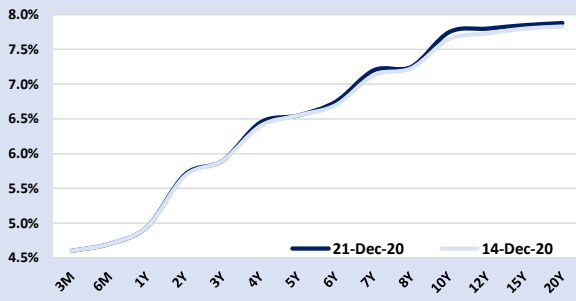
First Capital Research

December 21, 2020

FIXED INCOME

"Market at a standstill"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary bond market was at a complete standstill as investors opted to be on the sidelines. With thin trading, 15.12.21 changed hands at 5.00% while 15.12.22 traded at 5.75%.

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%	4.60%	0
< 182 Days < 6M	4.75%	4.65%	4.70%	4.70%	0
< 364 Days < 1Y	5.00%	4.90%	4.95%	4.95%	0
15-Dec-22 < 2Y	5.75%	5.65%	5.70%	5.68%	2
01-Sep-23 < 3Y	5.95%	5.85%	5.90%	5.90%	0
15-Sep-24 < 4Y	6.50%	6.40%	6.45%	6.40%	5
01-May-25 < 5Y	6.60%	6.50%	6.55%	6.55%	0
01-Feb-26 < 6Y	6.80%	6.70%	6.75%	6.70%	5
15-Oct-27 < 7Y	7.25%	7.15%	7.20%	7.13%	7
01-Sep-28 < 8Y	7.30%	7.20%	7.25%	7.23%	2
15-May-30 < 10Y	7.80%	7.70%	7.75%	7.65%	10
01-Jan-32 < 12Y	7.90%	7.70%	7.80%	7.73%	7
15-Sep-34 < 15Y	8.00%	7.70%	7.85%	7.80%	5
15-Aug-39 < 20Y	8.05%	7.70%	7.88%	7.83%	5

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	16-Dec-20	9-Dec-20	(bps)
91 days	4.67%	4.67%	0
182 Days	4.78%	4.77%	1
364 Days	5.01%	5.00%	1

WEEK ENDING 18-Dec-20

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
12,000	15,442	7,137
9,000	10,565	2,565
19,000	29,190	17,140
40,000	55,197	26,842

Date of Settlement 18-Dec-20

T-BOND AUCTION	WEEK ENDING 18-Dec-20		
Bond Type	Yield	Offered	Bids Accepted
07.00%2023'A'	5.99%	40,000	48,346 39,346
05.35%2026'A'	6.79%	40,000	60,800 29,800
08.00%2032'A'	7.84%	20,000	33,800 15,300
TOTAL		100,000	142,946 84,446

MATURITY TABLE FOR NEXT WEEK

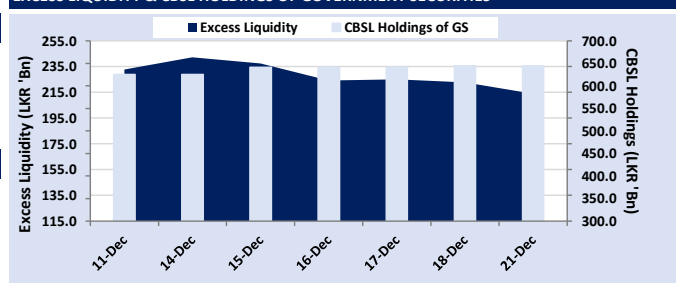
Type	LKR ('Mn)	USD ('Mn)
T-Bills	26,700	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
TOTAL	26,700	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

21-Dec-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]	213.9	0.0
O/N Surplus/(Deficit)		213.9
CBSL Holdings of Government Securities [LKR 'Bn]		644.7

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money	21-Dec-20 4.55%	4.53%	4.55%	1.3
Repo Rates	21-Dec-20 4.70%	4.53%	4.59%	8.9

OUTSTANDING STOCK [GSEC]

	16-Dec-20	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,524,406	1,502,949	1.4%
T-Bonds [LKR 'Mn]	5,470,711	5,412,975	1.1%
TOTAL	6,995,117	6,915,924	1.1%
Foreign Holding [LKR 'Mn]	6,833	7,583	-9.9%
Foreign Holding (%)	0.1%	0.1%	

MARKET INTEREST RATES

	18-Dec-20	Last Month	Change (bps)
AWPLR	5.70%	5.83%	-13
FD Ceiling Rate (1 Year)	4Q2020 6.88%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

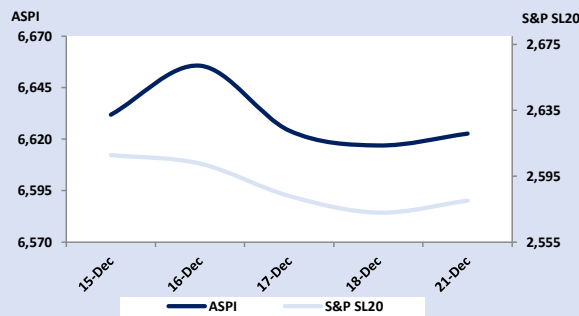
US TREASURIES	18-Dec-20	11-Dec-20	Change (bps)	Last Month	Change (bps)
1 Year	0.09%	0.10%	-1	0.11%	-2
2 Year	0.13%	0.11%	2	0.16%	-3
5 Year	0.39%	0.37%	2	0.36%	3
10 Year	0.95%	0.90%	5	0.84%	11
30 Year	1.70%	1.63%	7	1.58%	12

EXCHANGE RATES	21-Dec-20	Last Month	Change (%)
USA Dollar	187.86	184.96	-1.5%
UK Pound	250.78	246.71	-1.6%
EU Euro	229.14	221.42	-3.4%
Japan Yen	1.82	1.78	-2.0%
Australia Dollar	142.25	136.78	-3.8%

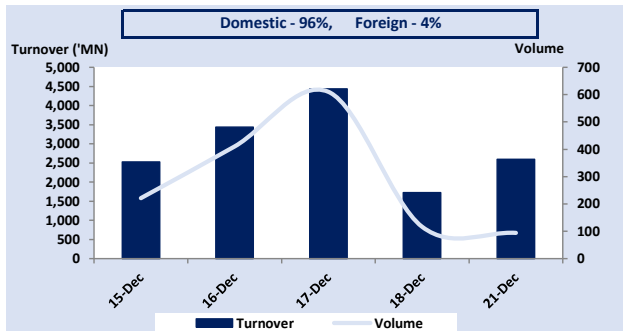
EQUITY

"Market rollercoaster ride continues"

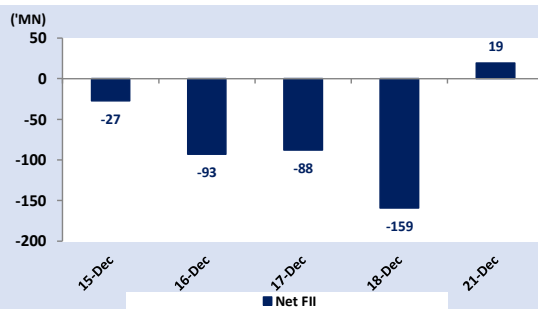
MARKET INDICES



MARKET TURNOVER & VOLUME



NET FOREIGN FLOW



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,622.71	6,616.95	0.09%
S&P SL20	2,580.21	2,572.95	0.28%
Turnover (LKR 'Mn)	2,595.20	1,721.55	50.75%
Volume ('Mn)	94.14	116.52	-19.21%
Market Cap. (LKR 'Bn)	2,894.25	2,891.73	0.09%
Market Cap. (USD 'Bn)	15.41	15.39	0.09%
Traded Companies	249	260	-4.23%
Foreign Purchases (LKR 'Mn)	123.48	109.97	12.28%
Foreign Sales (LKR 'Mn)	104.28	269.33	-61.28%
Net Foreign flow (LKR 'Mn)	19.20	-159.35	112.05%

MTD Net Foreign Flow (LKR 'Mn)

-2,220.98

YTD Net Foreign Flow (LKR 'Mn)

-50,228.96

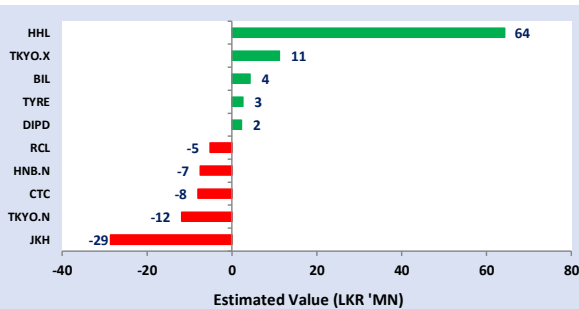
MARKET COMMENTARY

Market continued on its rollercoaster ride reverting back to the positive direction giving the week a green start. Index spiked within the first few minutes of trading, thereafter experienced a volatile sideways movement till mid-day. Later market witnessed a downward movement and closed at 6,623 managing to eke a gain of 6 points. Materials sector led the turnover for the session closely followed by Capital Goods and Transportation sector making a joint contribution of 76%. Market experienced a net foreign inflow after almost 4-weeks while recording low participation.

MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
HHL	1	92.00	586,259	1

ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
BLUE DIAMONDS	0.80	0.70	14.29%
KELSEY	41.30	36.50	13.15%
TOKYO CEMENT [NON-VOTING]	66.40	62.30	6.58%
PRIME FINANCE	14.80	13.90	6.47%
TOKYO CEMENT	75.30	70.80	6.36%

TOP 5 LOSERS

	Today	Previous	Change (%)
LAXAPANA	15.20	16.30	-6.75%
TANGERINE	45.10	48.10	-6.24%
LANKA VENTURES	57.00	59.90	-4.84%
PEOPLE'S MERCH	8.40	8.80	-4.55%
MARAWILA RESORTS	2.10	2.20	-4.55%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
EXPOLANKA	27.00	20.5	550.63
TOKYO CEMENT [NON-VOTING]	66.40	4.8	314.62
JKH	148.50	1.7	254.39
TOKYO CEMENT	75.30	2.7	198.93
BROWNS INVSTMNTS	3.90	34.5	134.52

TOP 5 VOLUME

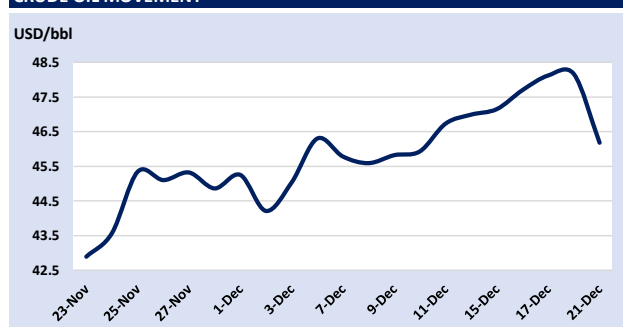
	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	3.90	34.5	134.52
EXPOLANKA	27.00	20.5	550.63
TOKYO CEMENT [NON-VOTING]	66.40	4.8	314.62
PIRAMAL GLASS	9.50	4.2	40.20
TOKYO CEMENT	75.30	2.7	198.93

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	46.2	44.9	2.9%
Gold USD/t oz	1,869.4	1,773.5	5.4%
Copper USD/lb.	355.0	346.9	2.3%
Cotton USD/lb.	75.3	73.1	2.9%
Aluminum USD/MT	2,056.5	1,998.5	2.9%

CRUDE OIL MOVEMENT



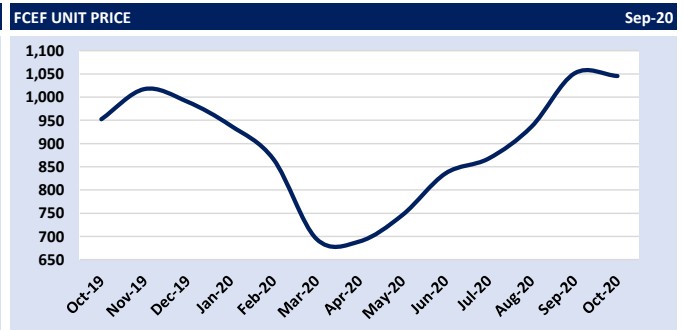
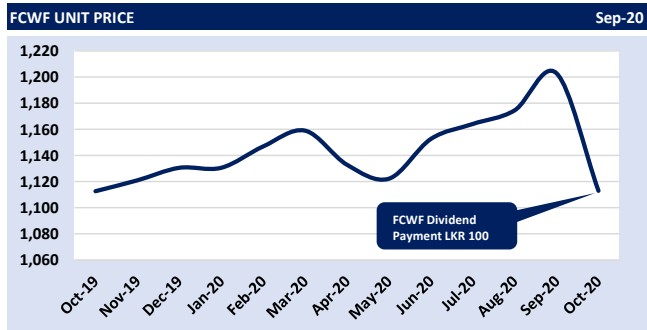
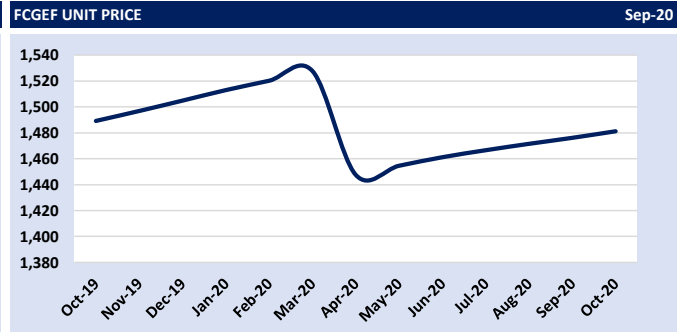
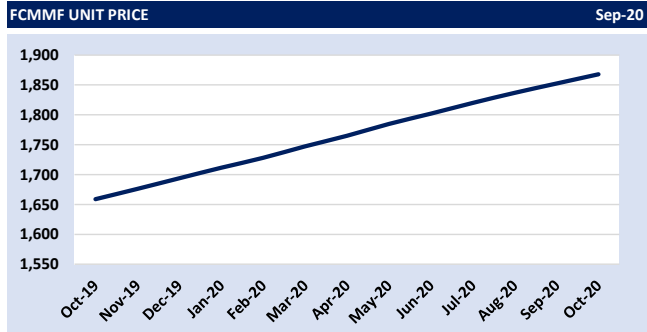
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	30,179.1	29,910.4	0.9%
EURO STOXX 50	3,436.4	3,529.6	-2.6%
FTSE 100	6,376.5	6,374.1	0.0%
NIKKEI 225	26,714.4	26,433.6	1.1%

UNIT TRUSTS

	Sell Price	Buy Price	AUM LKR 'Mn	Avg. Yield	Information on Fees		
	LKR	LKR	As at Oct 2020		Mgmt Fee	Trustee fee	Performance Fee
First Capital Money Market Fund	1,891.98	1,891.98	12,599	9.59%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,488.67	1,488.67	53	-5.19%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,121.07	1,121.04	257	7.94%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,211.89	1,151.30	64	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Sep-20
	YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception	
FIXED INCOME FUNDS								
First Capital Money Market Fund	11.78%	12.96%	11.92%	10.39%	7.92%	7.20%	11.10%	
First Capital Gilt Edge Fund	-5.19%	7.56%	9.14%	19.06%	4.17%	-3.46%	7.88%	
First Capital Wealth Fund	7.94%	11.40%	11.32%	10.63%	4.90%	15.48%	11.13%	
BALANCED FUND								
First Capital Equity Fund	50.50%	-19.47%	0.96%	1.62%	-4.33%	0.00%	4.54%	
ASTRI*	7.46%	-1.37%	7.30%	0.33%	-14.94%	0.00%	-18.44%	
Out/(Under) Performance	43.04%	-18.10%	-6.34%	1.30%	10.61%		22.98%	

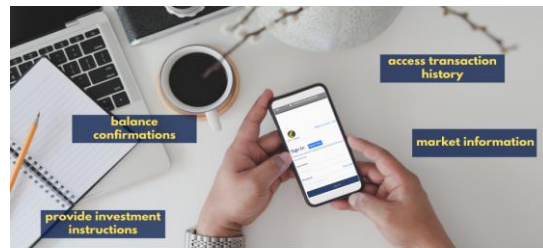


9.28% P.A.
 Current yield as at 06/12/2020

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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EQUITY SALES

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Colombo			Priyantha Wijesiri	+94 70 2910 036
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Ifadh Marikar	+94 77 9625 679			
Thushara Pathiraja	+94 70 2910 037			

UNIT TRUST SALES

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BRANCHES

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