



First Capital

DAILY MARKET WATCH

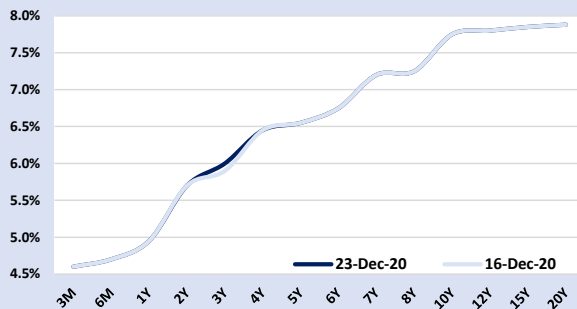
First Capital Research

December 23, 2020

FIXED INCOME

"Treasury yields unchanged in pre-holiday trading"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary bond market continued the dull sentiment during the day amidst the upcoming festive season while the yield curve remained broadly unchanged.

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%	5.70%	0
01-Sep-23 < 3Y	6.05%	5.95%	6.00%	5.90%	10
15-Sep-24 < 4Y	6.50%	6.40%	6.45%	6.45%	0
01-May-25 < 5Y	6.60%	6.50%	6.55%	6.55%	0
01-Feb-26 < 6Y	6.80%	6.70%	6.75%	6.75%	0
15-Oct-27 < 7Y	7.25%	7.15%	7.20%	7.20%	0
01-Sep-28 < 8Y	7.30%	7.20%	7.25%	7.25%	0
15-May-30 < 10Y	7.80%	7.70%	7.75%	7.75%	0
01-Jan-32 < 12Y	7.90%	7.70%	7.80%	7.80%	0
15-Sep-34 < 15Y	8.00%	7.70%	7.85%	7.85%	0
15-Aug-39 < 20Y	8.05%	7.70%	7.88%	7.88%	0

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	22-Dec-20	16-Dec-20	(bps)
91 days	4.67%	4.67%	0
182 Days	4.78%	4.78%	0
364 Days	5.03%	5.01%	2

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	

WEEK ENDING			24-Dec-20
Offered	Bids	Accepted	
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)	
40,000	56,173	20,718	

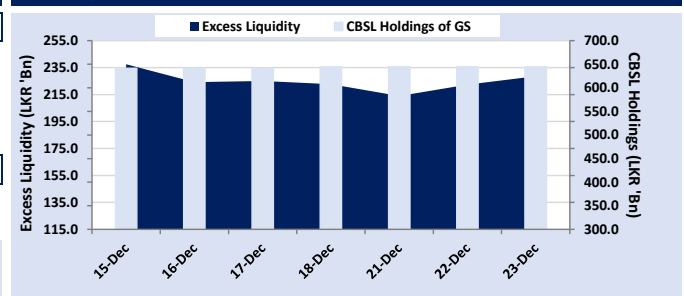
MATURITY TABLE FOR NEXT WEEK		WEEK ENDING	1-Jan-21
Type	LKR ('Mn)	USD ('Mn)	
T-Bills	28,952		
T-Bonds	0		
T-Bond Interest			
SLDBs/Sovereign Bonds		0	
TOTAL	28,952	0	

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

	23-Dec-20	Repo	Reverse Repo
		[LKR 'Bn]	[LKR 'Bn]
Mid-day Auction			
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]		228.6	0.0
O/N Surplus/(Deficit)			228.6
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	23-Dec-20 4.55%	4.53%	4.54%	0.8
Repo Rates	23-Dec-20 4.68%	4.53%	4.58%	7.9

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

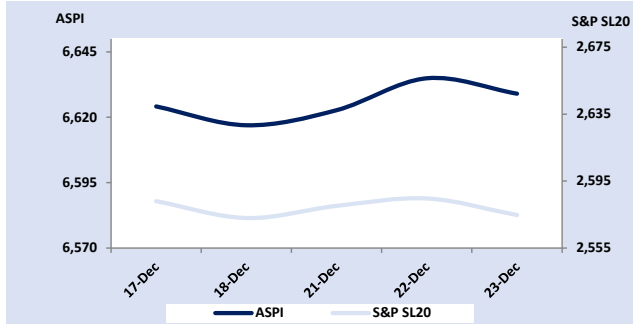
US TREASURIES	18-Dec-20	11-Dec-20	Change (bps)	Last Month	Change (bps)
1 Year	0.09%	0.10%	-1	0.11%	-2
2 Year	0.13%	0.11%	2	0.16%	-3
5 Year	0.39%	0.37%	2	0.36%	3
10 Year	0.95%	0.90%	5	0.84%	11
30 Year	1.70%	1.63%	7	1.58%	12

EXCHANGE RATES		23-Dec-20	Last Month	Change (%)
USA	Dollar	189.28	184.96	-2.3%
UK	Pound	253.45	246.71	-2.7%
EU	Euro	230.38	221.42	-3.9%
Japan	Yen	1.83	1.78	-2.6%
Australia	Dollar	142.71	136.78	-4.2%

EQUITY

"Market back to the red amidst dull sentiment"

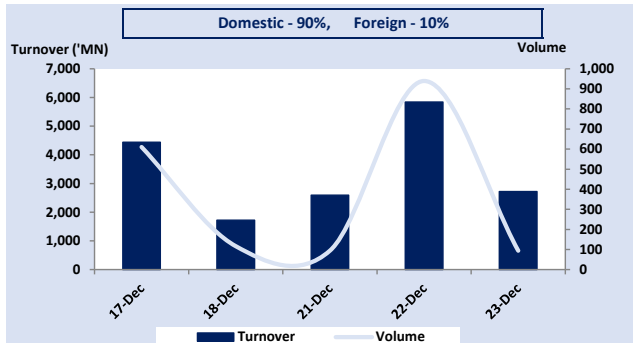
MARKET INDICES



MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,629.02	6,634.92	-0.09%
S&P SL20	2,574.73	2,584.63	-0.38%
Turnover (LKR 'Mn)	2,718.78	5,844.64	-53.48%
Volume ('Mn)	94.03	939.24	-89.99%
Market Cap. (LKR 'Bn)	2,897.01	2,899.58	-0.09%
Market Cap. (USD 'Bn)	15.31	15.32	-0.09%
Traded Companies	255	254	0.39%
Foreign Purchases (LKR 'Mn)	82.83	115.38	-28.21%
Foreign Sales (LKR 'Mn)	484.79	272.73	77.75%
Net Foreign flow (LKR 'Mn)	-401.95	-157.35	-155.45%

MARKET TURNOVER & VOLUME



MTD Net Foreign Flow (LKR 'Mn)

-2,780.28

YTD Net Foreign Flow (LKR 'Mn)

-50,788.27

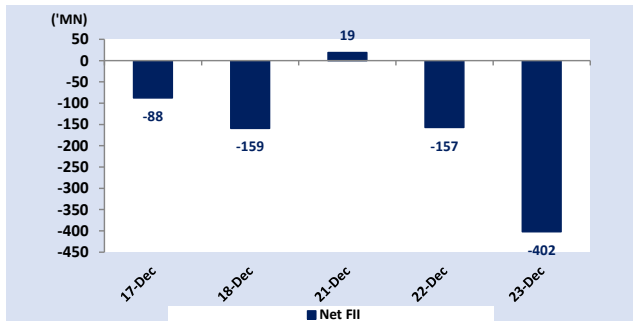
MARKET COMMENTARY

Market experienced a dull sentiment reverting the direction of the market to negative although sustaining the 2Bn plus turnover. Index experienced a downward movement followed by a short-lived bounce back within the early hour of trading as it recorded its intraday low of 6,616. Later market witnessed a gradual upward movement for the rest of the session and closed at 6,629 losing six points. Capital Goods sector led the turnover for the session followed by Materials sector making a joint contribution of 51%. Moreover, parcel trades amounted to 6% of the turnover. Market experienced the highest net foreign outflow after near 2 weeks while recording low participation.

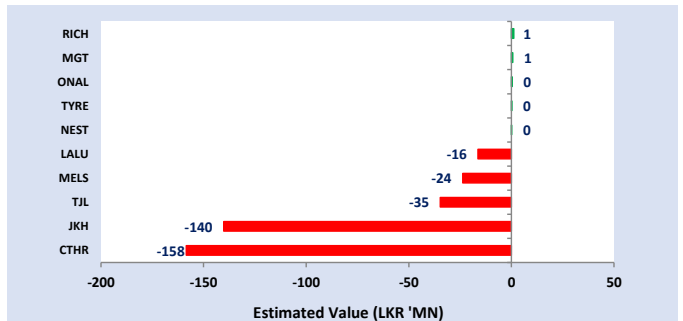
MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity	Total Crossings
VONE	1	25.70	1,600,000	5
SAMP	1	131.00	250,000	

NET FOREIGN FLOW



ESTIMATED LARGEST FOREIGN FLOW



TOP 5 GAINERS

	Today	Previous	Change (%)
LANKA ALUMINIUM	118.00	97.00	21.65%
DIMO	509.80	435.10	17.17%
HUNTERS	750.00	668.40	12.21%
DIALOG FINANCE	58.90	53.90	9.28%
HAYLEYS FABRIC	27.40	25.60	7.03%

TOP 5 LOSERS

	Today	Previous	Change (%)
BLUE DIAMONDS	0.70	0.80	-12.50%
NATION LANKA	0.90	1.00	-10.00%
BERUWALA RESORTS	1.00	1.10	-9.09%
MULLERS	1.00	1.10	-9.09%
HORANA	20.00	21.60	-7.41%

TOP 5 TURNOVER

	Price	Volume ('Mn)	Turnover ('Mn)
JKH	146.10	2.0	296.40
HAYLEYS FABRIC	27.40	8.5	230.70
TOKYO CEMENT [NON-VOTING]	67.20	3.2	218.17
TOKYO CEMENT	74.70	2.2	164.35
C T HOLDINGS	162.00	1.0	158.57

TOP 5 VOLUME

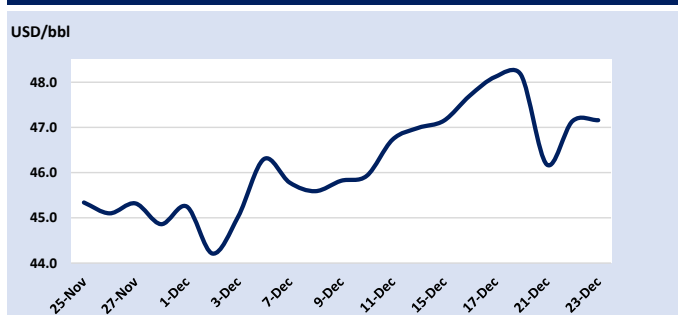
	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	4.00	37.3	149.20
HAYLEYS FABRIC	27.40	8.5	230.70
EXPOLANKA	27.00	3.5	95.68
TOKYO CEMENT [NON-VOTING]	67.20	3.2	218.17
ALUMEX PLC	20.80	2.7	56.10

GLOBAL MARKETS & COMMODITIES

GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	47.2	44.9	5.1%
Gold USD/t oz	1,871.3	1,773.5	5.5%
Copper USD/lb.	354.5	346.9	2.2%
Cotton USD/lb.	76.0	73.1	4.0%
Aluminum USD/MT	1,995.5	1,998.5	-0.2%

CRUDE OIL MOVEMENT



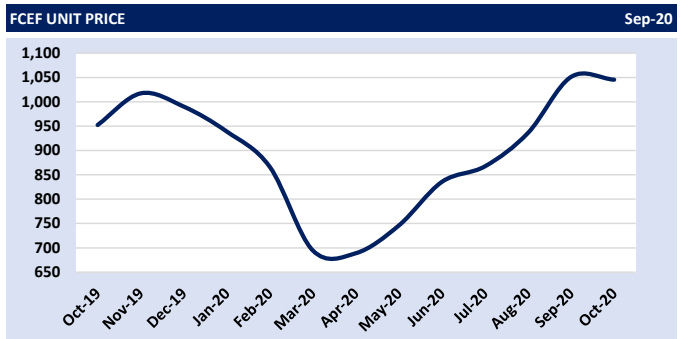
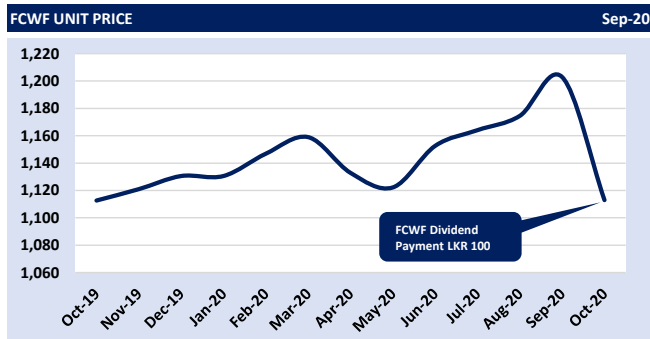
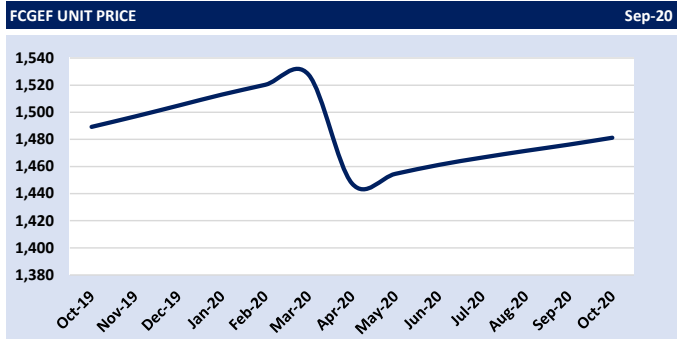
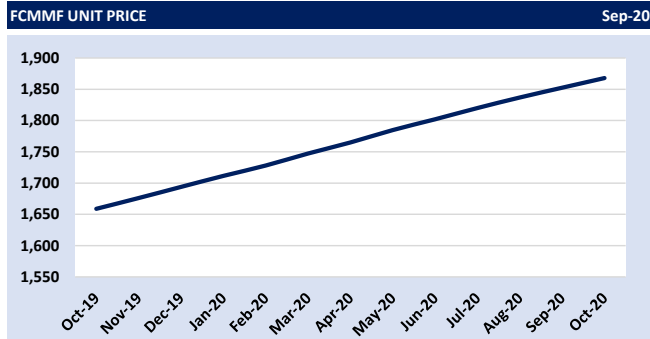
GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	30,015.5	29,910.4	0.4%
EURO STOXX 50	3,524.4	3,529.6	-0.1%
FTSE 100	6,447.5	6,374.1	1.2%
NIKKEI 225	26,524.9	26,433.6	0.3%

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	1,892.88	1,892.88	12,599	9.59%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,488.93	1,488.93	53	-5.19%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,121.43	1,121.40	257	7.94%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,227.08	1,165.73	64	N/A	1.00% p.a.	0.23% p.a.	25% over ASTRI

TRAILING RETURNS (%)							Performance as of	Sep-20
FIXED INCOME FUNDS		YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
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		YTD	2018/19	2017/18	2016/17	2015/16	2014/15	Since Inception
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.

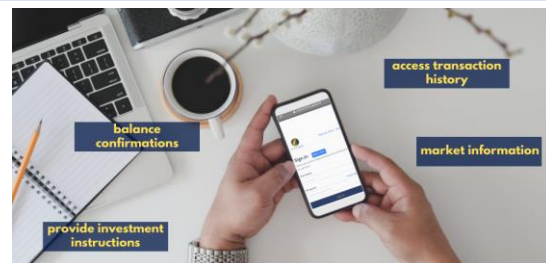
Current yield as at 06/12/2020

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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Anushi Ranawaka	+94 77 3876 819		

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EQUITY SALES

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			Priyanka Anuruddha	+94 70 2910 035
Colombo			Priyantha Wijesiri	+94 70 2910 036
Nishantha Mudalige	+94 70 2910 041			
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UNIT TRUST SALES

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BRANCHES

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