



First Capital

DAILY MARKET WATCH

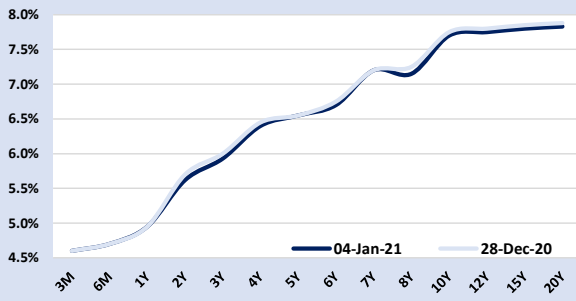
First Capital Research

January 4, 2021

FIXED INCOME

"Yields flirt with previous close as market remained on sidelines"

YIELD CURVE BASED ON MID RATES & MARKET COMMENTARY



The secondary bond market reverted back to the lackluster sentiment while witnessing ultra-thin volumes resulting in overall yield curve remaining broadly unchanged. In the shorter end of the yield curve, 01.10.23 maturity witnessed slight buying interest and changed hands in the range of 5.95%-5.93%.

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	5.65%	5.58%	5.62%	5.70%	-8
01-Oct-23 < 3Y	5.95%	5.90%	5.93%	6.00%	-7
15-Sep-24 < 4Y	6.45%	6.35%	6.40%	6.45%	-5
01-May-25 < 5Y	6.60%	6.50%	6.55%	6.55%	0
01-Feb-26 < 6Y	6.75%	6.65%	6.70%	6.75%	-5
15-Oct-27 < 7Y	7.25%	7.15%	7.20%	7.20%	0
01-Sep-28 < 8Y	7.20%	7.10%	7.15%	7.25%	-10
15-May-30 < 10Y	7.75%	7.65%	7.70%	7.75%	-5
01-Jan-32 < 12Y	7.85%	7.65%	7.75%	7.80%	-5
15-Sep-34 < 15Y	7.95%	7.65%	7.80%	7.85%	-5
15-Aug-39 < 20Y	8.00%	7.65%	7.83%	7.88%	-5

PRIMARY AUCTION

T-BILL AUCTION

Tenor	Current	Previous	Change
	30-Dec-20	22-Dec-20	(bps)
91 days	4.69%	4.67%	2
182 Days	4.80%	4.78%	2
364 Days	5.05%	5.03%	2

WEEK ENDING 1-Jan-21

Offered	Bids	Accepted
LKR ('Mn)	LKR ('Mn)	LKR ('Mn)
10,000	10,015	510
11,000	17,083	9,783
19,000	26,226	8,476
40,000	53,324	18,769

T-BOND AUCTION

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

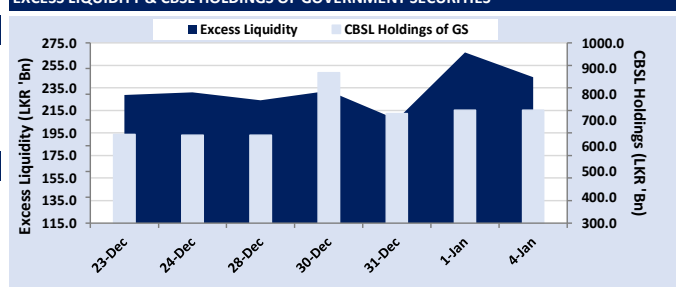
Type	LKR ('Mn)	USD ('Mn)
T-Bills	34,865	
T-Bonds	0	
T-Bond Interest	0	
SLDBs/Sovereign Bonds		0
TOTAL	34,865	0

LIQUIDITY, CBSL HOLDINGS & MARKET INTEREST RATES

MARKET LIQUIDITY

4-Jan-21	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]	244.6	0.0
O/N Surplus/(Deficit)		244.6
CBSL Holdings of Government Securities [LKR 'Bn]		738.4

EXCESS LIQUIDITY & CBSL HOLDINGS OF GOVERNMENT SECURITIES



MONEY MARKET RATES

	High	Low	W.Avg	Value [LKR 'Bn]
Call Money	4-Jan-21 4.55%	4.53%	4.54%	26.3
Repo Rates	4-Jan-21 4.80%	4.53%	4.58%	11.7

OUTSTANDING STOCK [GSEC]

	30-Dec-20	Previous Week	Change (%)
T-Bills [LKR 'Mn]	1,780,729	1,528,892	16.5%
T-Bonds [LKR 'Mn]	5,719,504	5,470,711	4.5%
TOTAL	7,500,233	6,999,603	7.2%
Foreign Holding [LKR 'Mn]	6,875	6,832	0.6%
Foreign Holding (%)	0.1%	0.1%	

MARKET INTEREST RATES

	1-Jan-21	Last Month	Change (bps)
AWPLR	5.81%	5.83%	-2
FD Ceiling Rate (1 Year)	4Q2020 6.88%		

GLOBAL OUTLOOK FOR INTEREST RATES AND EXCHANGE RATES

US TREASURIES

	31-Dec-20	24-Dec-20	Change (bps)	Last Month	Change (bps)
1 Year	0.10%	0.10%	0	0.10%	0
2 Year	0.13%	0.13%	0	0.13%	0
5 Year	0.36%	0.37%	-1	0.36%	0
10 Year	0.93%	0.94%	-1	0.93%	0
30 Year	1.65%	1.66%	-1	1.65%	0

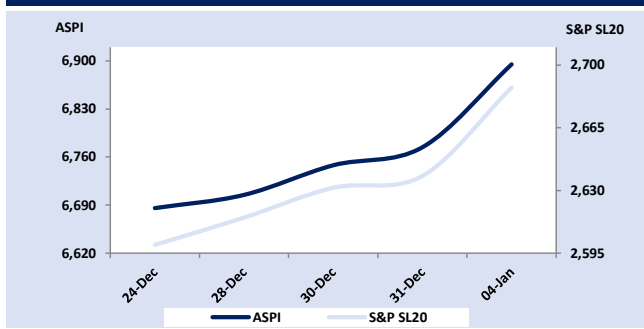
EXCHANGE RATES

	4-Jan-21	Last Month	Change (%)
USA Dollar	185.28	186.41	0.6%
UK Pound	253.60	254.35	0.3%
EU Euro	227.05	229.42	1.0%
Japan Yen	1.80	1.81	0.5%
Australia Dollar	142.94	143.66	0.5%

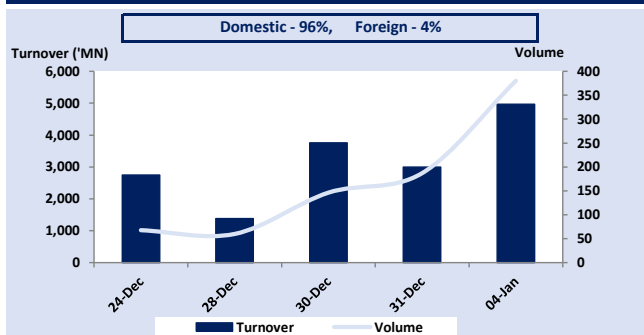
EQUITY

"Stocks continue the bull phase ride"

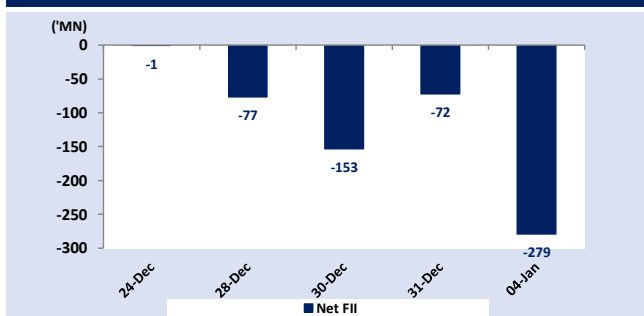
MARKET INDICES



MARKET TURNOVER & VOLUME



NET FOREIGN FLOW



TOP 5 GAINERS	Today	Previous	Change (%)
COLOMBO INVESTMENT TRUST	99.00	85.00	16.47%
GESTETNER	98.50	86.70	13.61%
CONVENIENCE FOOD	1,250.00	1,113.30	12.28%
LANKA HOSPITALS	59.80	53.40	11.99%
BROWNS INVSTMNTS	4.80	4.30	11.63%

TOP 5 TURNOVER	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	4.80	266.1	1,233.79
EXPOLANKA	30.90	19.1	571.95
ACL	84.10	4.1	334.22
TOKYO CEMENT	79.90	2.3	183.85
TOKYO CEMENT [NON-VOTING]	72.30	2.6	183.02

MARKET PERFORMANCE

	Today	Previous	Change (%)
ASPI	6,894.98	6,774.22	1.78%
S&P SL20	2,687.45	2,638.10	1.87%
Turnover (LKR 'Mn)	4,969.98	2,998.42	65.75%
Volume ('Mn)	380.20	187.07	103.24%
Market Cap. (LKR 'Bn)	3,013.43	2,960.65	1.78%
Market Cap. (USD 'Bn)	16.26	15.98	1.78%
Traded Companies	270	268	0.75%
Foreign Purchases (LKR 'Mn)	42.45	38.22	11.05%
Foreign Sales (LKR 'Mn)	321.73	110.50	191.16%
Net Foreign flow (LKR 'Mn)	-279.29	-72.28	-286.40%

MTD Net Foreign Flow (LKR 'Mn) -279.29

YTD Net Foreign Flow (LKR 'Mn) -279.29

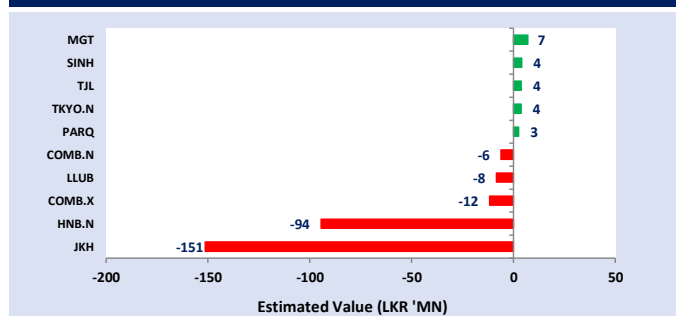
MARKET COMMENTARY

Bourse started 2021 on a positive note recording the highest number of trades nearly after 4-weeks while sustaining the drive in the positive direction for the 5th consecutive session. Index witnessed a continuous uptrend since the beginning of the session and closed at 6,895 with an advance of 121 points. Food and Beverage sector led the LKR 4Bn plus turnover closely followed by Capital Goods sector making a joint contribution of 52%. Market experienced a net foreign outflow while recording low participation.

MAJOR CROSSINGS

Stock	No. of Crossings	Price [LKR]	Quantity
JKH	2	150.00	385,000

ESTIMATED LARGEST FOREIGN FLOW



TOP 5 LOSERS	Today	Previous	Change (%)
S M B LEASING [NON-VOTING]	0.30	0.40	-25.00%
BERUWALA RESORTS	1.00	1.10	-9.09%
RAMBODA FALLS	18.80	20.60	-8.74%
HORANA	20.70	22.40	-7.59%
ANILANA HOTELS	1.40	1.50	-6.67%

TOP 5 VOLUME	Price	Volume ('Mn)	Turnover ('Mn)
BROWNS INVSTMNTS	4.80	266.1	1,233.79
EXPOLANKA	30.90	19.1	571.95
S M B LEASING	0.70	15.5	10.88
SIERRA CABL	6.50	5.2	33.90
ACL	84.10	4.1	334.22

GLOBAL MARKETS & COMMODITIES

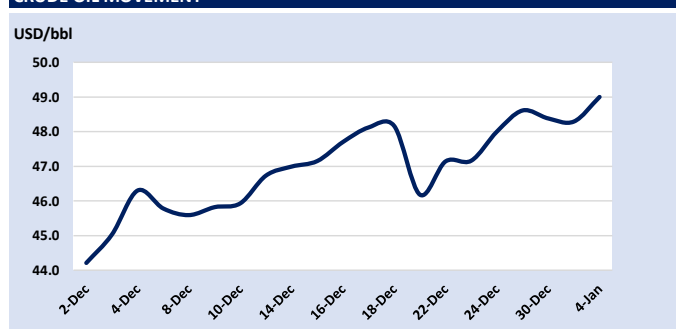
GLOBAL COMMODITY PRICES

	Current	Last Month	Change (%)
Crude Oil USD/bbl	49.0	48.3	1.5%
Gold USD/t oz	1,934.5	1,898.8	1.9%
Copper USD/lb.	359.5	351.3	2.3%
Cotton USD/lb.	79.5	78.3	1.6%
Aluminum USD/MT	1,979.5	1,999.5	-1.0%

GLOBAL MARKETS

	Current	Last Month	Change (%)
DOW JONES	30,606.5	30,409.6	0.6%
EURO STOXX 50	3,605.8	3,567.5	1.1%
FTSE 100	6,629.4	6,461.2	2.6%
NIKKEI 225	24,258.4	27,444.2	-11.6%

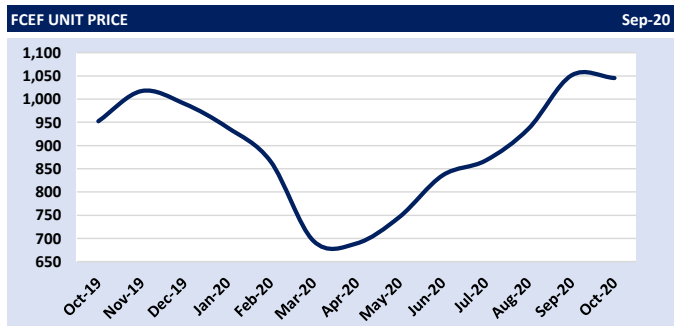
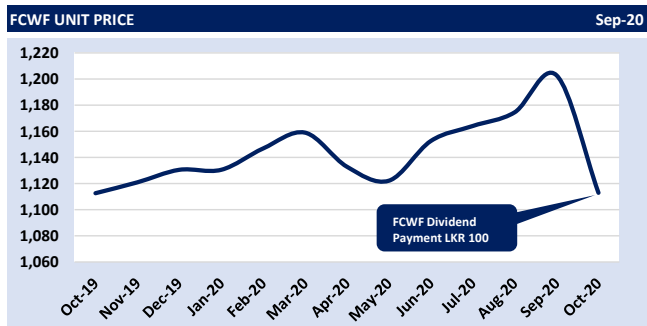
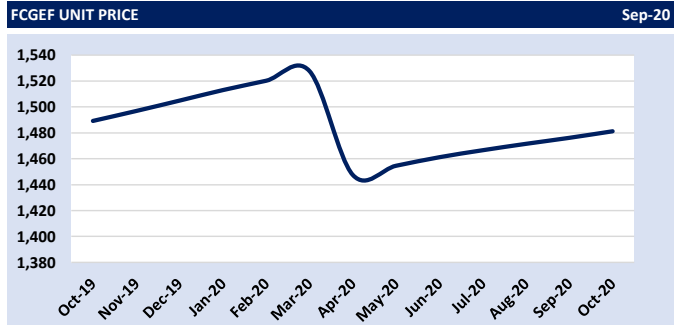
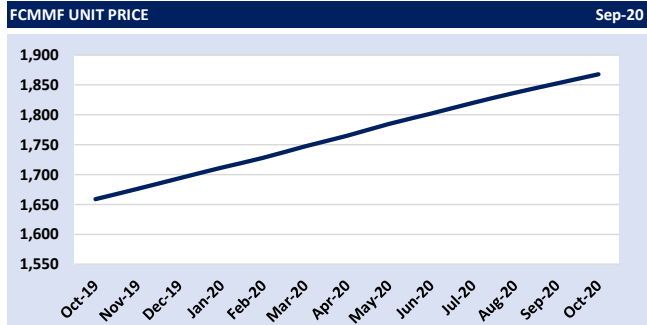
CRUDE OIL MOVEMENT



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	1,898.16	1,898.16	12,599	9.59%	0.50% p.a.	0.15% p.a.	N/A
First Capital Gilt Edge Fund	1,490.53	1,490.53	53	-5.19%	0.50% p.a.	0.15% p.a.	N/A
First Capital Wealth Fund	1,124.01	1,123.98	257	7.94%	1.10% p.a.	0.225% p.a.	N/A
First Capital Equity Fund	1,229.47	1,168.00	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%^{*}

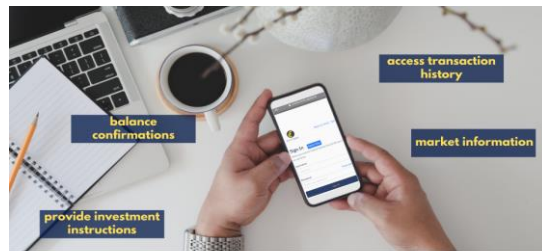
Current yield as at 06/12/2020

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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Thushara Pathiraja	+94 70 2910 037			

UNIT TRUST SALES

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BRANCHES

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