

DAILY STOCK MARKET HIGHLIGHTS

Wednesday, 01 March 2017



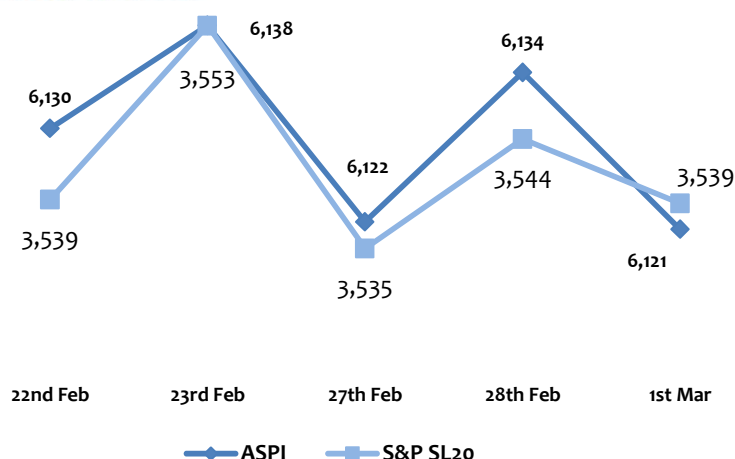
**ASHA PHILLIP
SECURITIES LTD**

Sri Lanka

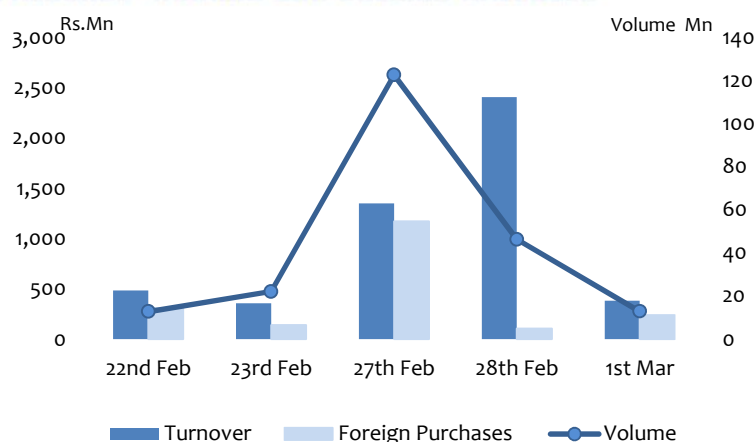
Daily Market Statistics

Index	1st Mar	28th Feb	Change	% Change
ASPI	6,121.43	6,134.28	↓ (12.85)	↓ -0.21%
S&P SL20	3,538.55	3,543.82	↓ (5.27)	↓ -0.15%
Market Statistics		1st Mar	28th Feb	
Value of Turnover(Rs.)		382,169,983	2,406,787,497	
Domestic Purchases		141,309,979	2,300,534,269	
Domestic Sales		253,242,133	2,207,506,080	
Foreign Purchases		240,860,004	106,253,228	
Foreign Sales		128,927,851	199,281,417	
Volume of Turnover (No.)		12,878,291	46,259,853	
PER		12.00	12.03	
PBV		1.37	1.37	

Market Indices



Turnover, Volume and Foreign Purchase



Performance of the Market

- Continuously increasing Inflation levels and sluggish trading session dragged the Bourse into negative terrain. Solid earnings results from several Blue Chips with higher payouts contributed positively in directing the bourse on side basis during the last couple of weeks amidst increased pressure of the struggling economy. The benchmark index ASPI moved between 6,116.37 - 6,136.84 points and settled the day at 6,121.43 with a loss of 12.85 points (-0.21%)
- The S&P SL20 index was volatile throughout the day and at 3,538.55 with a loss of 5.27 points (-0.15%).
- The day's turnover was recorded as LKR 382.17Mn, down by 84% from its previously recorded LKR 2,406.78Mn. Foreign investors turned net buyers for the day.
- The total market capitalization stood at LKR 2.69Tn, indicating an YTD drop of 1.92%.
- The market PER & PBV settled at 12.00x & 1.37x respectively.

Top Contributors

Turnover

- John Keells Holdings PLC (JKH) topped the turnover list with 26% (LKR 99.43Mn) contribution to the day's total turnover. JKH traded between LKR 141.50 & LKR 142.80 and settled the day at LKR 142.00 with a loss of LKR 0.30 (-0.21%).
- Chevron Lubricants Lanka PLC (LLUB) stood second by adding LKR 59.19Mn to the day's total turnover. LLUB traded between LKR 170.00 & LKR 172.10 and settled the day at LKR 170.30 with a loss of LKR 1.40 (-0.82%). About 97% (LKR 57.55Mn) of its turnover was contributed through an off board trade where 334,586 shares were negotiated at a price of LKR 172.00
- Tokyo Cement Company (Lanka) PLC (TKYO) contributed LKR 41.60Mn to the turnover and secured the third slot. TKYO traded between LKR 61.10 & LKR 62.80 and settled the day at LKR 62.00 with a gain of LKR 0.10 (+0.16%); About 88% (LKR 36.60Mn) of its turnover was contributed through an off board trade where 600,000 shares were negotiated at a price of LKR 61.00

Traded Volume

- SMB Leasing PLC traded a total of 2.92Mn shares dominating the traded volumes.
- Adam Investments PLC (0.95Mn shares) and Tess Agro PLC (0.90Mn shares) were next in line under the top contributors to the daily volumes

Sectorial Overview

- Manufacturing (MFG) sector stood on top providing LKR 142.35Mn capturing 37% of the day's total turnover.
- Diversified Holdings (DIV) and Bank Finance & Insurance (BFI) sectors provided LKR 115.05Mn and LKR 87.40Mn respectively to the daily aggregated turnover.

Foreign Participation

- **Aggregate foreign buying** for the day totaled up to **LKR 240.86Mn**.
- **Foreign sales** for the day amounted to **LKR 128.93Mn**
- **Net foreign inflow** for the day was **LKR 111.93Mn**, YTD net foreign inflow presently stands at **LKR 599.65Mn**
- **JKH** notched the “**Top Net Purchasers**” slot with a net inflow of **LKR 93.34Mn** whilst **TKYO** notched the “**Top net Sellers**” slot with a net outflow of **LKR 31.69Mn**

SELECTED STOCK INFORMATION : Financial Performance

SANASA DEVELOPMENT BANK PLC (SDB.N)				Sector: Bank Finance & Insurance				
	Q4 FY 2016	Q4 FY 2015	Change to Q4 FY 2015	Q3 FY 2015	Q2 FY 16	FY 2016	FY 15	Change to FY 2015
Interest income	2,242.91	1,782.08	25.9%	2,090.63	1,947.87	8,177.19	6,609.25	23.7%
Interest expense	1,298.94	903.63	43.7%	1,309.59	1,162.29	4,846.84	3,240.88	49.6%
Net interest income	943.98	878.46	7.5%	781.04	785.58	3,330.35	3,368.37	-1.1%
Fees & comission income	(7.53)	27.05	-127.8%	83.79	72.08	212.54	217.48	-2.3%
Total Impairment charges	(36.90)	(119.20)	69.0%	38.85	24.57	250.09	35.81	598.5%
Personnel expenses	285.17	359.49	-20.7%	342.05	328.74	1,266.12	1,114.75	13.6%
Other expenses	354.72	311.97	13.7%	267.75	266.14	1,113.80	942.63	18.2%
Profit for the period	157.85	140.59	12.3%	49.25	77.82	403.72	720.58	-44.0%
Adjusted EPS (LKR)	3.75	3.34		1.17	1.85	9.60	17.13	
CMP (LKR)	NAV (LKR)		EPS	P/E (x)	Sector P/E	PBV (x)	Sector PBV (x)	
102.00	131.16		9.60	10.63	6.40	0.78	1.10	

JANASHAKTHI INSURANCE COMPANY PLC (JINS.N)				Sector: Bank Finance & Insurance				
	Q4 FY 2016	Q4 FY 2015	Change to Q4 FY 2015	Q3 FY 2015	Q2 FY 16	FY 2016	FY 2015	Change to FY 2015
Gross Written Premium	3,819.40	3,312.99	15.3%	3,324.61	3,190.95	13,651.44	10,664.00	28.0%
Fee & Commission Income	90.32	76.95	17.4%	84.90	79.11	344.96	286.49	20.4%
Investment Income	560.03	467.58	19.8%	465.60	501.41	1,958.11	1,524.52	28.4%
Total Other Revenue	1,330.42	695.14	91.4%	642.89	604.60	3,057.19	2,134.10	43.3%
Net Benefits & Claims	1,733.38	1,510.39	14.8%	1,730.83	1,680.89	6,688.08	5,135.27	30.2%
Operating & Admin Expe	742.23	664.72	11.7%	631.45	605.14	2,631.48	2,279.87	15.4%
Income Tax Expense	14.70	25.40	-42.1%	23.36	38.23	120.21	74.45	61.5%
Profit for the period	1,146.18	662.43	73.0%	159.19	272.54	1,935.43	950.51	103.6%
EPS (LKR)	2.11	1.68	26%	0.29	0.50	3.55	2.42	47%
CMP (LKR)	NAV (LKR)		EPS	P/E (x)	Sector P/E	PBV (x)	Sector PBV (x)	
16.40	17.12		3.55	4.62	6.40	0.96	1.10	

Key Announcements

- The Net Asset Value of **NAMAL Acuity Value Fund** as of February 28,2017 is Rs. 128.00 per unit.
- The Net Asset Value per unit of the **Candor Opportunities Fund** as at February 28,2017 is Rs. 9.76.
- **Adam Investments PLC (AINV) & Adam Capital PLC (PCHH)** announced plans to raise cash via Rights Issues. Boards of **AINV & PCHH** has resolved to raise LKR 898.55Mn & LKR 756Mn via Rights Issue of shares at a proportion of 1 for 1 at LKR 1.00 per share and 2 for 1 at LKR 1.50 per share respectively. Funds raised via Rights issue will be invested in subsidiaries in order of priority to enhance working capital. Both issues are subject to shareholder and regulatory approval.
- Yesterday's transaction of **Kotmale Holdings PLC (LAMB)** shares (~99% stake) were within the Cargills Group. (Sellers are Cargills Quality Foods (Pvt) Ltd & Cargills Ceylon PLC Buyer Cargills Quality Diaries (Pvt) Ltd)
- **Vidullanka PLC (VLL)** has proposed to issue 9.12Mn shares (1.34% of post issue stake) via private placement to **Timex Garments (Pvt) Limited** as part settlement of the purchase consideration payable (~LKR 50Mn) for the acquisition of **Timex Bukinda Hydro (U) Limited**. The company has secured all necessary studies and obtained all approvals except for the signing of the Standard Power Purchasing Agreement for the development of 6.5MW **Bukinda Small Hydro Power Plant, Uganda**.

Cash Dividends

CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE	CODE	DIVIDEND PER SHARE (LKR)	TYPE	XD DATE	PAYMENT DATE
LWL	5.50	Second Interim	23.Feb.2017	07.Mar.2017	INDO	21.63	Second Interim	08.Mar.2017	16.Mar.2017
SMOT	15.00	Interim	27.Feb.2017	08.Mar.2017	SHAL	8.20	Second Interim	08.Mar.2017	15.Mar.2017
CCS	14.00	Second Interim	01.Mar.2017	10.Mar.2017	UAL	10.50	First and Final	08.Mar.2017	17.Mar.2017
DFCC	4.50	First & Final	02.Mar.2017	13.Mar.2017	NTB	2.10	First and Final	08.Mar.2017	17.Mar.2017
COMD	2.50	Second Interim	03.Mar.2017	14.Mar.2017	CARE	0.40	Second Interim	10.Mar.2017	20.Mar.2017
NEST	40.00	Interim	03.Mar.2017	14.Mar.2017	CTCE	2.00	Final	28.Mar.2017	05.Apr.2017
NDB	2.00	Final	06.Mar.2017	15.Mar.2017	HASU	5.00	Final	30.Mar.2017	07.Apr.2017
NEH	30.00	Interim	07.Mar.2017	16.Mar.2017	HNB	3.50	Final	31.Mar.2017	11.Apr.2017
CERA	8.00	Interim	07.Mar.2017	16.Mar.2017	SAMP	4.75	Second & Final	03.Apr.2017	12.Apr.2017
PINS	0.75	Second Interim	07.Mar.2017	16.Mar.2017	SEYB	1.00	First & Final	03.Apr.2017	12.Apr.2017
REG	18.50	Final	07.Mar.2017	16.Mar.2017	CINS	27.50	First and Final	24.Apr.2017	02.May.2017
SINI	6.50	Final	07.Mar.2017	16.Mar.2017	CTC	6.00	Final	26.Apr.2017	05.May.2017
SINS	8.80	Final	07.Mar.2017	16.Mar.2017	NEST	40.00	Final	08.May.2017	18.May.2017
UBC	0.10	Final	07.Mar.2017	16.Mar.2017	DIAL	0.39	Final	Dates To Be Notified	
SELI	73.36	First Interim	07.Mar.2017	15.Mar.2017	OSEA	1.25	First & Final	Dates To Be Notified	
LHL	2.00	Interim	08.Mar.2017	16.Mar.2017	COMD	0.50	Final	Dates To Be Notified	

Scrip Dividends

CODE	Propotion	XD DATE
SAMP	1 new for every 19.21739786 shares	01.Mar.2017
NDB	1 new for every 26.219093 shares	06.Mar.2017
COMB	COMB.N :- 1 new for every 79.389 & COMB.X:- 1 new for every 63.333 shares	To be Notified
SEYB	SEYB.N :- 1 new for every 48.395 & SEYB.X:- 1 new for every 28.8395 shares	To be Notified
HNB	HNB.N :- 1 new for every 73.333 & HNB.X:- 1 new for every 63.492 shares	To be Notified

Sub Division Of Shares

Company	Proportion	Sub Division based on shareholding as at	Period of Dealings Suspension	Trading commencement
Singer Sri Lanka PLC	Existing 1 into 3	31-03-2017.	To be Notified	

Mandatory / Voluntary Offers

Offeror	Offeree	Offer Closing Date	Offer Price per Share
Sunshine Holdings PLC (SUN)	Lamurep Investments Limited	09-03-2017.	LKR 47.50
Summit Finance PLC (GSF)	Prime Lands (Private) Limited	14-03-2017.	LKR 30.00

Market Highlights & Statistics

Market Capitalisation

Company Name	Price	Issued Quantity	Market Capitalisation	(as a % of MKT Cap.)
JOHN KEELLS HOLDINGS PLC	142.00	1,387,467,137	197,020,333,454	7.98
CEYLON TOBACCO COMPANY PLC	820.00	187,323,751	153,605,475,820	6.22
COMMERCIAL BANK OF CEYLON PLC	143.10	834,386,977	119,400,776,409	4.84
NESTLE LANKA PLC	2,050.00	53,725,463	110,137,199,150	4.46
DIALOG AXIATA PLC	11.00	8,143,778,405	89,581,562,455	3.63
HATTON NATIONAL BANK PLC	231.00	330,756,782	76,404,816,642	3.10
MELSTACORP LIMITED	65.10	1,165,397,072	75,867,349,387	3.07
CEYLON COLD STORES PLC	740.00	95,040,000	70,329,600,000	2.85
HEMAS HOLDINGS PLC	108.10	572,711,383	61,910,100,502	2.51
SRI LANKA TELECOM PLC	33.60	1,804,860,000	60,643,296,000	2.46

Highest Volume

Company Name	Turnover (Rs)	Share Vol.
SMB LEASING PLC	1,452,026	2,922,048
ADAM INVESTMENTS PLC	760,828	951,035
TESS AGRO PLC	988,275	898,423
JOHN KEELLS HOLDINGS PLC	99,425,128	699,953
TOKYO CEMENT COMPANY (LANKA) PLC	41,595,841	680,592
ADAM CAPITAL PLC	568,746	477,492
HVA FOODS PLC	1,964,897	434,988
TOKYO CEMENT COMPANY (LANKA) PLC [X]	19,926,261	369,316
CHEVRON LUBRICANTS LANKA PLC	59,193,552	344,221
SIERRA CABLES PLC	816,757	256,849

Highest Turnover

Company Name	Share Vol.	Turnover (Rs)
JOHN KEELLS HOLDINGS PLC	699,953	99,425,128
CHEVRON LUBRICANTS LANKA PLC	344,221	59,193,552
TOKYO CEMENT COMPANY (LANKA) PLC	680,592	41,595,841
COMMERCIAL BANK OF CEYLON PLC	226,902	32,467,174
HATTON NATIONAL BANK PLC	119,881	27,692,554
TOKYO CEMENT COMPANY (LANKA) PLC [X]	369,316	19,926,261
THE LANKA HOSPITAL CORPORATION PLC	123,851	7,923,748
REGNIS(LANKA) PLC	38,471	5,771,918
CEYLON GRAIN ELEVATORS PLC	76,995	5,401,836
ACCESS ENGINEERING PLC	206,401	5,179,919

Top Gainers

Company Name	VWA Prev	VWA Days	Change	Change	High	Low	No. of	Turnover
	Close	Close	(Rs.)	%	(Rs.)	(Rs.)	Shares	(Rs.)
BLUE DIAMONDS	0.90	1.00	0.10	11.11	1.00	0.90	212,622	196,110.40
SWARNAMAHAL FIN	0.90	1.00	0.10	11.11	1.00	0.90	5,000	4,900.00
LUCKY LANKA	2.30	2.50	0.20	8.70	2.50	2.30	2,600	6,080.00
AMAYA LEISURE	59.00	63.80	4.80	8.14	63.80	63.00	202	12,886.00
ANILANA HOTELS	1.40	1.50	0.10	7.14	1.50	1.40	25,600	35,900.00

Top Losers

Company Name	VWA Prev	VWA Days	Change	Change	High	Low	No. of	Turnover
	Close	Close	(Rs.)	%	(Rs.)	(Rs.)	Shares	(Rs.)
BLUE DIAMONDS [X]	0.40	0.30	(0.10)	(25.00)	0.40	0.30	234,086	92,226.80
EQUITY TWO PLC	59.90	50.00	(9.90)	(16.53)	50.00	46.00	500	23,400.00
THE FINANCE CO.	5.90	5.00	(0.90)	(15.25)	5.60	5.00	16,632	86,712.80
SERENDIB HOTELS [X]	20.00	17.10	(2.90)	(14.50)	18.90	17.00	5,190	89,220.60
AMANA TAKAFUL	0.70	0.60	(0.10)	(14.29)	0.70	0.60	91,714	56,689.90

Crossings

Name	Symbol	Price	Trades	T.Volume	Turnover
Chevron Lubricants Lanka PLC	LLUB.No000	172.00	1	334,586	57,548,792
Tokyo Cement Company (Lanka) PLC	TKYO.No000	61.00	1	600,000	36,600,000

Market Highlights & Statistics

Sector Wise Summary

Sector	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
BANK FINANCE AND INSURANCE	15,295.26	15,304.70	87,403,774	4,430,054	791	6.40	1.10
BEVERAGE FOOD AND TOBACCO	21,241.13	21,319.63	7,306,930	566,238	222	15.00	3.30
CONSTRUCTION AND ENGINEERING	2,495.33	2,477.46	6,455,130	243,222	78	43.70	1.00
CHEMICALS AND PHARMACEUTICALS	6,279.99	6,278.26	163,127	8,809	25	10.80	0.70
DIVERSIFIED HOLDINGS	1,551.61	1,549.86	115,051,479	2,722,421	386	20.60	1.30
FOOTWEAR AND TEXTILE	853.42	851.77	394,742	26,244	10	16.00	0.90
HOTELS AND TRAVELS	2,933.21	2,940.75	3,477,229	425,318	287	64.20	1.90
HEALTH CARE	991.20	976.05	9,004,113	221,569	33	18.40	2.60
INVESTMENT TRUSTS	11,297.92	11,514.36	900,640	62,610	66	30.70	0.50
INFORMATION TECHNOLOGY	37.78	37.78	250,364	36,447	26	0.00	0.00
LAND AND PROPERTY	598.13	601.21	1,626,907	78,441	92	9.50	0.90
MANUFACTURING	4,274.41	4,305.08	142,347,213	2,747,307	602	7.80	1.40
MOTORS	14,584.77	14,724.72	1,091,732	12,184	49	6.20	0.70
OIL PALMS	65,543.82	65,543.82	22,985	21	4	36.20	1.10
POWER & ENERGY	132.75	133.91	3,032,009	242,037	122	5.80	1.00
PLANTATIONS	673.09	677.09	1,175,357	57,248	107	0.00	0.60
STORES SUPPLIES	26,340.10	26,340.10	38,050	141	7	14.60	0.70
SERVICES	17,025.66	17,025.66	60,408	24,591	13	0.00	1.50
TELECOMMUNICATIONS	167.99	170.01	471,941	31,301	30	11.80	1.20
TRADING	17,041.73	16,987.99	1,883,394	941,945	69	14.30	1.00

GICS Industry Group Statistics

Industry Group	Price Index		Turnover			Sector	
	Today	Previous	Value (Rs)	Volume	Trades	P/E	PBV
Automobiles & Components	753.35	777.48	36,642	652	3	5.10	1.20
Banks	959.60	959.34	70,172,232	466,352	257	7.20	1.00
Capital Goods	899.35	900.85	119,380,520	2,182,487	496	13.20	1.00
Commercial & Professional Services	803.97	813.58	25,441	319	10	12.20	1.10
Consumer Durables & Apparel	956.77	964.31	9,405,004	400,765	180	35.70	1.40
Consumer Services	334.95	337.25	3,388,009	420,128	273	64.20	1.90
Diversified Financials	744.08	749.57	9,701,979	4,504,198	451	6.10	1.00
Energy	756.78	766.92	1,448,606	49,273	59	5.10	0.90
Food & Staples Retailing	1,015.83	1,009.19	7,638,571	944,079	51	18.60	2.00
Food, Beverage & Tobacco	855.46	857.40	13,164,747	703,877	457	19.30	2.40
Health Care Equipment & Services	1,068.54	1,052.50	9,253,445	264,905	61	18.20	2.60
Household & Personal Products	1,000.00	1,000.00	0	0	0	0.00	12.70
Insurance	980.50	969.22	4,594,486	306,533	138	5.90	1.40
Materials	968.25	972.40	104,201,344	1,416,662	202	9.60	1.60
Pharmaceuticals, Biotechnology & Life Sciences	868.42	868.42	0	0	0	5.20	0.70
Real Estate	840.70	844.90	1,685,204	79,647	109	8.60	0.80
Retailing	918.65	920.69	1,346,982	21,603	69	8.40	0.90
Technology Hardware & Equipment	0.00	-	0	0	0	0.00	0.00
Telecommunication Services	877.73	888.27	471,941	31,301	30	11.80	1.20
Transportation	768.64	768.64	0	0	0	13.20	0.00
Utilities	839.47	839.85	1,365,435	184,749	45	7.60	0.00

Economic Indicators & Other Statistics

Exchange Rates

Currency	1-Mar-17		28-Feb-17	
	Buying	Selling	Buying	Selling
Dollar (USA)	149.44	153.31	149.60	153.48
Pound (UK)	184.34	190.78	185.27	191.52
Euro (EU)	156.99	163.11	157.34	163.47
Franc (Switzerland)	147.43	153.40	147.31	153.27
Dollar (Canada)	111.59	116.11	112.69	117.26
Dollar (Australia)	113.64	118.82	113.88	119.05
Dollar (Singapore)	105.90	109.85	106.01	109.96
Yen (Japan)	1.32	1.37	1.32	1.37
Renminbi (China)	21.51	22.58	21.54	22.61

Indicative Rates

Currency	01-Mar-17	28-Feb-17
	Ind: Value	Ind: Value
Yuan (China)	22.06	22.06
Rupee (India)	2.27	2.27
Won (Korean)	0.13	0.13
Dinar (Kuwait)	495.33	495.25
Ringgit (Malay)	34.02	34.03
Rial (Oman)	392.86	392.86
Riyal (Qatar)	41.54	41.54
Riyal (KSA)	40.33	40.33
Dirham (UAE)	41.18	41.18

Central Bank's Policy Rates

Description	Rate (Per Annum)		Treasury Bill		
			01.03.2017	21.02.2017	15.02.2017
Standing Deposit Facility (SDF)	7.00	91 Days	9.38	9.32	9.22
Standing Lending Facility (SLF)	8.50	182 Days	10.27	10.19	10.12
Bank Rate	15.00	364 Days	10.66	10.58	10.55
Statutory Reserve Ratio (SRR)	7.50				

AWPLR

	AWPLR					AWDR		
	23.02.2017	27.01.2017	30.12.2016	02.12.2016		28.02.2017	31.01.2017	30.12.2016
Weekly	11.36	11.22	11.52	11.82	Monthly	8.66	8.42	8.17
Monthly	11.48	11.73	11.73	11.98	6 Months	8.10	7.88	7.66
6 Months	11.92	11.81	11.81	11.61	AWFDR	11.15	10.84	10.46

Colombo Consumers' Price Index (CCPI)

Description	2016/17.			2015/16.		
	Nov	Dec	Jan	Nov	Dec	Jan
Year on Year (Pt. to Pt.)	4.00%	4.50%	5.50%	4.40%	4.60%	1.70%
12 Month Moving Average	4.00%	4.00%	4.30%		2.20%	2.10%

Treasury Bond

Date	01.03.2017	01.07.2016	02.01.2017	01.03.2017	15.07.2016	16.01.2017	01.03.2017	16.01.2017
Maturity	2 Years	3 Years	4 Years	5 Years	7 Years	8 Years	9 Years	10 Years
Current Rate	12.10	11.55	11.94	12.89	12.89	12.16	12.91	12.21
Previous Rate	11.41	11.51	10.61	12.19	12.39	11.98	12.08	12.11

SLIBOR & LIBOR

Description	Over Night	7 Days	1 M	3 M	6 M	12 M
SLIBOR (01 Mar 2017) (%)	8.50	9.50	10.50	10.97	11.52	12.00
LIBOR - GBP (27 Feb 2017)	0.22500 %	0.24375 %	0.26313 %	0.35369 %	0.51200 %	0.73769 %
LIBOR - USD (27 Feb 2017)	0.68333 %	0.71167 %	0.78444 %	1.05456 %	1.36128 %	1.73983 %

cbsl.gov.lk, global-rates.com

Commodity Prices & Other Statistics

Rubber Prices (LKR/Kg)

Grade	Price - 16 Feb	Price - 17 Jan
LC No.1X	Unq - Unq	340.00 - Flat
LC No.1	Unq - Unq	340.00 - Flat
LC No.2	Unq - Unq	315.00 - 339.00
LC No.3	Unq - Unq	320.00 - 338.00
LC No.4	310.00 - Flat	310.00 - 339.00
SC (Br) No.1	305.00 - Nom	310.00 - 330.00
SC (Br) No.2	Unq - Unq	Unq - Unq
SC (Br) No.3	310.00 - Flat	300.00 - 302.00
SC (Br) No.4	302.00 - 307.00	293.00 - 296.00
Flat Bark	Unq - Unq	Unq - Unq
Skim Crepe	Unq - Unq	270.00 - 300.00
R S Sheet No.1	355.00 - Flat	340.00 - Flat
R S Sheet No.2	345.00 - 350.00	336.00 - 338.00

rubberdev.gov.lk

Tea Prices (LKR/Kg)

Elevation	Week No : 08	Week No : 07
Uva High	537.65	550.49
Western High	620.94	640.96
Uva Medium	551.34	554.86
Western Medium	543.88	549.08
Low Grown	607.92	600.32

pureceylontea.com

World Commodity Prices

Commodity	1-Mar-17	28-Feb-17	27-Feb-17
Brent Crude Oil	55.59	55.93	55.99
WTI Crude Oil	54.01	54.05	53.99
Gold	1,252.60	1,257.40	1,256.90

Prices as at end-of- Previous trading day, oil-price.net

Tourist Arrivals to Sri Lanka

Month	2015	2016	2017
January	156,246	194,280	219,360
February	165,541	197,697	
March	157,051	192,841	
April	122,217	136,367	
May	113,529	125,044	
June	115,467	118,038	
July	175,804	209,351	
August	166,610	186,288	
September	143,374	148,499	
October	132,280	150,419	
November	144,147	167,216	
December	206,114	224,791	
Total	1,798,380	2,050,831	219,360

sltda.lk

Local Market News

Sri Lanka to introduce KPIs for SOEs in line with IMF loan

Sri Lanka will introduce key performance indicators to five state owned enterprises (SOEs) operating in the island for a period of three years commencing this year, a cabinet proposal states. Enhancing oversight and financial discipline of SOEs was a major concern raised by the IMF in order to grant the Extended Fund Facility. Accordingly, CEB, CPC, National Water Supply Board, Airport & Aviation Services and Sri Lanka Ports Authority will be subjected to the new process. As per the cabinet proposal, a new concept of Statement of Corporate Intent (SCI) will be introduced on a pilot basis for these major enterprises. It is expected to enhance performance and increase monitoring capacity of public enterprises, line ministries and ministry of finance. (lbo.lk)

Sri Lanka's consumer price inflation hits record high on drought

Sri Lanka's consumer price inflation hit a record high of 6.8 percent in February under a new index, government data released on Tuesday showed, pushed up by the impact of a lingering drought and base-year effects. The inflation, measured on the Colombo Consumer Price Index (CCPI), rose to 6.8 percent in February from a year earlier, accelerating from the previous month's 5.5 percent rise under a revised base-year and market basket. Core annual inflation, which excludes fresh food, energy, transport, rice and coconuts, rose to 7.1 percent in February, compared with the previous month's 7.0 percent, the index with a new base year of 2013 showed. (in.reuters.com)

Sri Lanka seeks higher bids for ailing airline

Sri Lanka is seeking higher bids to restructure its state-owned loss-making airline, the finance minister said on Monday, after three short-listed firms failed to give "sizable" bids. Sri Lanka wants to sell up to 49 percent of the national carrier along with management control, part of a move by the government to reduce support for state-owned firms and cut debt. Finance Minister Ravi Karunanayake said on Monday the government has not decided on the bids yet as they were below expectations. "We will be calling more broad-based interest. The current bids are not enough and not sizable," the minister told Reuters. However, he did not say if the government will look for new bidders or discuss with the existing bidders. Senior government officials have said private equity firm TPG, Sri Lanka-based Peace Air and a Maldivian company had been short listed from about nine bids including from fund company BlackRock Inc. (reuters.com)

Australia goes 25 years without recession

Australia's economy has jumped sharply in the last quarter of 2016, allowing the resource-rich economy to extend its 25-year streak without recession. It brings the country close to breaking the Netherlands' record of modern-era uninterrupted economic growth. Australia's economy had contracted in the third quarter but the surprise rebound pulled annual figures back to a 2.4% growth rate. The recovery was attributed largely to strong exports and consumer spending. Australia has not seen a recession - defined as two consecutive quarters of negative growth - since June 1991. It is now just one quarter short of the Dutch record set between 1982 and 2008. ([bbc.com](#))

Indian economic growth slows in December quarter of 2016

India's economic growth slowed in the December quarter of 2016, but the pace of expansion still beat expectations. The 7% rate was slower than the previous quarter's rate of 7.4%, but beat analysts' expectations of 6.4%. Economists had expected the economy to suffer from the government's decision to withdraw high-denomination banknotes as part of an anti-corruption drive. The federal statistics office retained its growth forecast for the year ending in March 2017 at 7.1%. The figures surprised economists, who had expected the economy to take a bigger hit from Prime Minister Narendra Modi's decision last November to withdraw old 500-rupee and 1,000-rupee banknotes, taking 86% of the currency out of circulation virtually overnight.

Saugata Bhattacharya, a chief economist at Axis Bank, said "big rises" in agriculture and manufacturing "show that the impact from demonetisation on growth has been less than expected". However, Rupa Rege Nitsure, chief economist at L&T Holdings, said the current year's growth "appears to be overstated as our National Accounts Statistics does not adequately capture activities from the unorganised sector". "While the numbers make sense in terms of direction of change, their actual magnitude appears to be overstated," she said. The so-called "unorganised sector" - made up of informal workers - is believed to account for about 40% of India's economy. ([bbc.com](#))

Global stocks mixed as Trump offers few policy details, dollar firms on rate talk

U.S. stock futures pared gains on Wednesday on disappointment that President Donald Trump did not offer further details on his plans for infrastructure spending and tax reforms, but the dollar firmed on growing expectations of a rate hike this month. Trump pledged to overhaul the immigration system, improve jobs and wages for Americans and promised "massive" tax relief to the middle class and tax cuts for companies, but offered few clues on how they would be achieved. The dollar index, which tracks the greenback against a basket of trade-weighted peers, advanced 0.5 percent to 101.58 after wobbling during the speech.

Reaction in Asian stock markets to Trump's speech was largely muted, with the MSCI's broadest index of Asia-Pacific shares outside Japan down about 0.2 percent. A raft of surveys pointing to stronger factory activity in China, Japan and other parts of the region were largely overshadowed by Trump's speech. Japan's Nikkei extended gains to close up 1.4 percent, buoyed by a weaker yen and data showing manufacturing activity expanded in February at the fastest pace in almost three years.

Treasury yields, which had jumped after Fed officials suggested an interest rate rise might be delivered later this month, hovered slightly below that level after Trump's speech. New York Fed President William Dudley, among the most influential U.S. central bankers, said overnight on CNN that the case for tightening monetary policy "has become a lot more compelling" since Trump's election.

In commodities, oil prices inched higher as supply cuts by the Organization of Petroleum Exporting Countries offset concerns about rising U.S. crude inventories. U.S. crude rose almost 0.1 percent to \$54.07 a barrel. Global benchmark Brent <LCOc1 jumped 1.9 percent to \$56.63. The stronger dollar weighed on gold, which dropped 0.3 percent to 1,244.36 an ounce, extending Tuesday's 0.3 percent decline. ([reuters.com](#))

Contact Information

Research

Visahan Arumainayaham
Nishani Ruwanpathirana
Sandun Kulathunga

visahan@ashaphillip.net
nishani@ashaphillip.net
sandun@ashaphillip.net

+94112429139
+94 112429137
+94 112429129

Sales

Thakshila Hulangamuwa
Upul Priyantha
Shanmugam Sudhagar
Vasantha Wicramasinghe

thakshi@ashaphillip.net
upul@ashaphillip.net
sudha@ashaphillip.net
vasantha@ashaphillip.net

+94 11 2429108
+94 11 2429106
+94 11 2429107
+94 11 2429114

Regional Offices

Colombo (H/O)

321, Lakshmans Building, 2nd Floor,
Galle Road, Colombo 03.
Tel - 94 112429100
Fax - 94 112429199
www.ashaphillip.net
Email - research@ashaphillip.net

Matara

#24-1/3A,
E.H. Cooray Tower, 2nd Floor,
Anagarika Dharmapala Mw,
Matara.
Tel: 041 2235191-5

Jaffna

#147, 2/3
K.K.S. Road,
Jaffna.
Tel: 021 2221614

Kiribathgoda

#94, Udeshi City Shopping Complex,
2nd Floor, #2/12, Makola Road,
Kiribathgoda.
Tel. 011 2908511

Embilipitiya

#62, Sampath Bank Building,
Main Street,
Embilipitiya.
Tel. 047 2261950

Kandy

88, Ceybank House,
Dalada Vidiya,
Kandy.
Tel. 081 2204750

Anuradhapura

2nd floor, 488/8/2,
Town hall place,
Maithreepala senanayaka mawatha,
Anuradhapura
Tel. 025 2234705

Negombo

#72 A 2/1,
Old Chilaw Road,
Negombo.
Tel. 031 2227474

Gampaha

#107,
Sanasa Ideal Complex,
Buddhaloka Mawatha,
Gampaha.
Tel. 033 2234888

Important Information

This document has been prepared and issued by Asha Phillip Securities Ltd, on the basis of publicly available information, internally developed data and other sources, believed to be reliable. Whilst all responsible care has been taken to ensure that the facts stated are accurate and the opinions given are fair and reasonable neither Asha Phillip Securities Ltd, nor any Director Officer or employee, shall in any way be responsible for any decisions made on its contents. Asha Phillip Securities Ltd may act as a Broker in the investments which are the subject of this document or related investments and may have acted upon or used the information contained in this document, or the research or analysis on which it is based, before its publication. Asha Phillip Securities Ltd., Its Directors, Officers or Employees may also have a position or be otherwise interested in the investments referred to in this document. This is not an offer to sell or buy the investments referred to in this document.