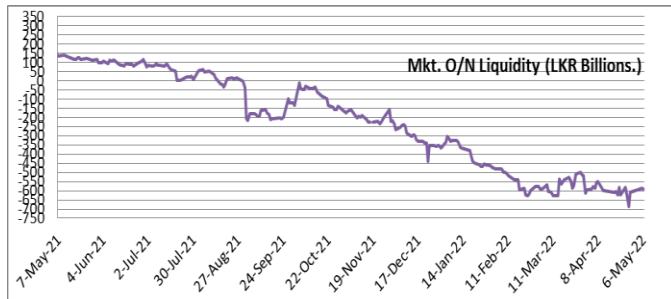


Weekly review for the week ending 06th May 2022

Money Market: Money market liquidity shortage continues.

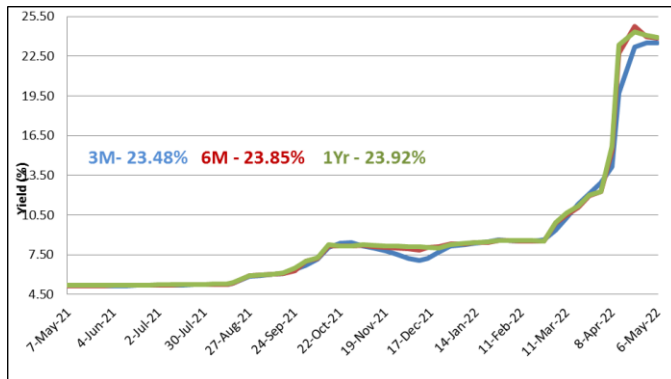
Overnight liquidity recorded a deficit of LKR 588.77 billion at the end of the week compared to the deficit of LKR 602.61 billion by the end of last week and overnight Repo was exchanged at 14.50% in the market. Total gross volume of Repo was Rs. 30.80Billion.



Government Securities Market Review

Treasury Bill Market: 3M Treasury bill rate eased after two months.

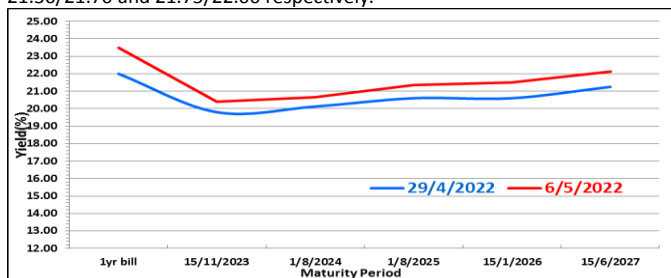
CBSL offered and accepted 97.5 billion at the weekly T-Bill auction held on 04th May 2022. The Weighted average yield rate of 91-days maturity decreased by 05 basis points to 23.48% and LKR 74Billion was accepted in 91-days maturity. 182-days and 364-days bills were accepted at the weighted average yield rates of 23.85% (down by 11 bps) and 23.92% (down by 17bps) respectively.



Bond Market: Bond market activities were moderate during the week.

The bond market showed few activities as some trades were done in the maturities which were issued in last week's Treasury bond auction. Most of the traders were seen staying on sidelines amid the political and economic crisis prevailing in the country.

Most active maturities were 01-06-2025 and 01-05-2027 quoted at 21.30/21.70 and 21.75/22.00 respectively.

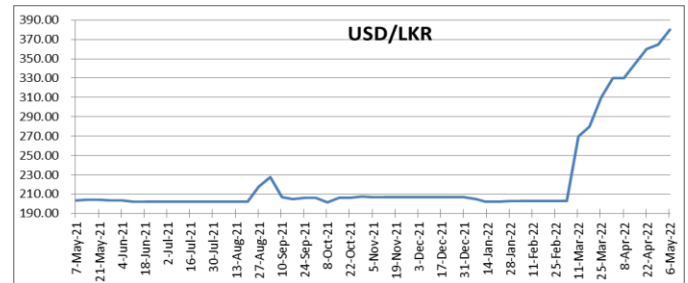


International Forex Market

The dollar index held firmly above 103 on Friday as investors continued to bet on further Federal Reserve monetary tightening to bring decades-high inflation under control. The U.S. Dollar Index that tracks the greenback against a basket of other currencies was at 103.38 as of writing.

Local Forex Market

In the Forex market USD/LKR spot rate was quoted at LKR.370/390 (Offer rate is indicative). The total USD/LKR traded volume for 04th May and 5th May was \$ 35.30 million.



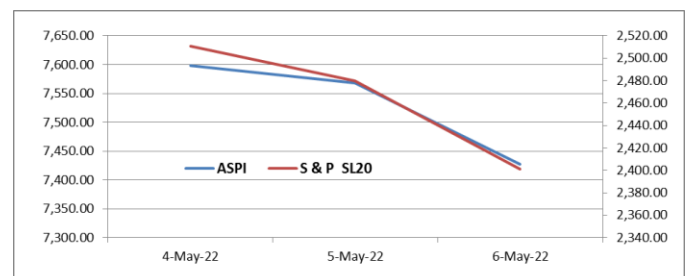
Commodity Markets

- **Oil:** Crude oil prices increased during the week as concerns about tight global supply ahead of the European Union's impending embargo on Russian oil outweighed uncertainties about global economic growth and weak demand. Crude oil WTI futures and Brent crude futures were trading at \$ 110.80 and \$ 113.46 as of writing.
- **Gold:** Gold comes under pressure from a rebound in the dollar and Treasury yields as investors continued to bet on further Federal Reserve tightening to bring decades-high inflation under control. Gold futures were traded at \$ 1,882.10 as of writing.

Economic updates.

- Sri Lanka official foreign reserves remain at US\$1.8bn in April.
- Sri Lanka tourism arrivals dip 40% in April.

Stock Market:



At the end of the week the ASPI has lost 196.78 points to close at 7,427.48 while the S & P SL20 index which tracks the largest capitalized stocks traded in the CSE has also lost 108.03 points and ended at 2,401.21. The average turnover for the week ending 06.05.2022 was around LKR 953 million.