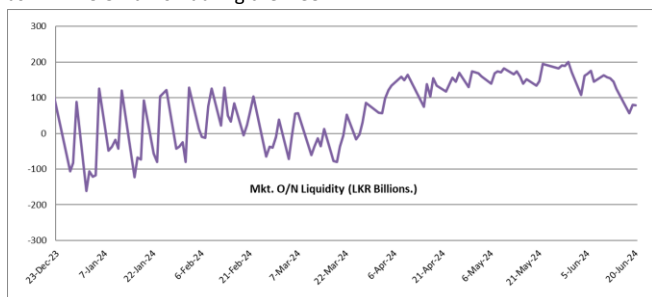


## Weekly review for the week ending 20<sup>th</sup> June 2024

### **Money Market:** Overnight Money market liquidity recorded a surplus on Thursday.

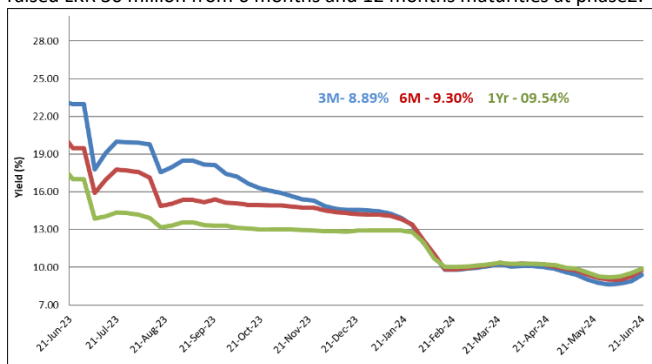
Overnight liquidity recorded a surplus of LKR 79.05 billion at the end of the week compared to the surplus of LKR 123.93 billion by the end of last week and overnight Repo was exchanged between 8.75%-9.25% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 143.54 billion during the week.



### **Government Securities Market Review**

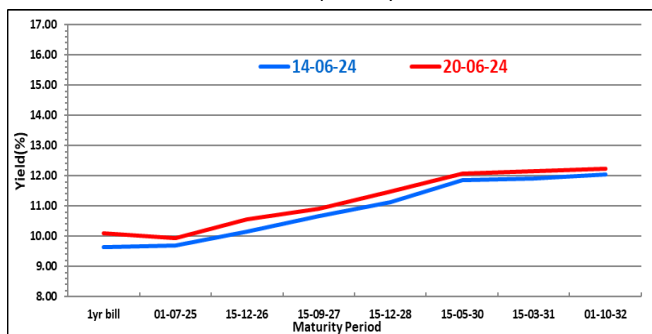
#### **Treasury Bill Market:** Treasury bill auction fully subscribed and rates up.

CBSL offered and accepted LKR 230 billion at the weekly T-Bill auction held on 19<sup>th</sup> June 2024. The weighted average rate of 91-days maturity increased by 50 basis points to 9.39%, while 182-days and 364-days bills were accepted at weighted average rates of 9.81% (increased by 51 basis points) and 9.90% (increased by 36 basis points) respectively. Further to the T-bill auction, CBSL raised LKR 30 million from 6 months and 12 months maturities at phase 2.



#### **Treasury Bond Market:** Secondary bond market yields edge up.

The secondary bond market yields edge up due to selling pressure of market counterparties. Most liquid maturities were 15.12.2026, 01.05.2027 & 15.09.2029. Maturities were closed for the week at 10.40%/10.70%, 10.65%/11.00% & 12.05/12.20% respectively.

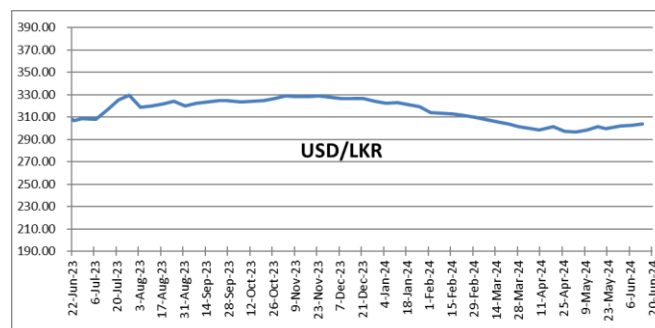


### **International Forex Market**

The dollar index rose to 105.5 on Thursday, approaching again six-week highs, as traders digest a batch of economic data for the US and reassess the monetary policy outlook. Initial claims came slightly above forecasts to remain close to ten-month highs. The dollar Index that tracks the greenback against a basket of other currencies was at 105.61 as of writing.

### **Local Forex Market**

In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 305.28 on Thursday. The total USD/LKR traded volume from 14<sup>th</sup> June to 19<sup>th</sup> June 2024 was \$ 145.4 million.



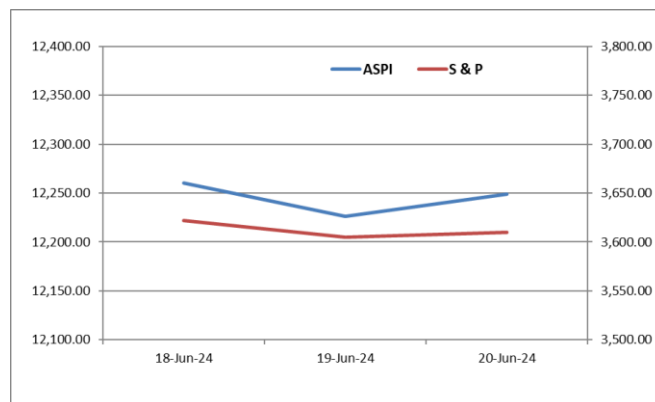
### **Commodity Markets**

- **Oil:** Crude futures between \$80 - \$86 per barrel on Thursday as investors cautiously awaited the latest US crude inventories report from the Energy Information Administration, which was delayed by one day due to a national holiday. Crude oil WTI futures and Brent crude futures were trading at \$80.82 and \$85.87 as of writing.
- **Gold:** Gold rose around \$2,340 per ounce on Thursday, hovering at two-week highs, as sluggish US economic performance heightened expectations that the Federal Reserve might reduce interest rates this year. Gold futures were traded at \$ 2,332 as of writing.

### **Economic updates – Local**

- Sri Lanka female owned businesses face US\$17bn financing gap.
- Sri Lanka ready to sign bilateral debt restructure deals.
- Sri Lanka car permit tax losses Rs14bn in two years of partial disclosure.

### **Stock Market:**



At the end of the week the ASPI had lost 61.77 points to close at 12,249.06 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, lost 35.25 points, and ended at 3,610.04. The average turnover for the week ending 20.06.2024 was around LKR 2,212.24 million.