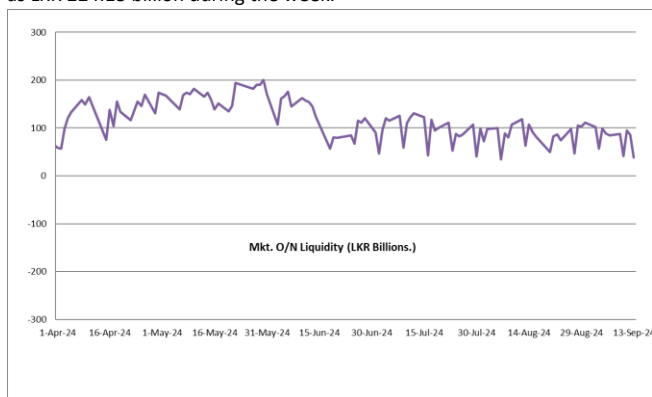


Weekly review for the week ending 13th September 2024

Money Market: Overnight Money market liquidity recorded a surplus on Friday.

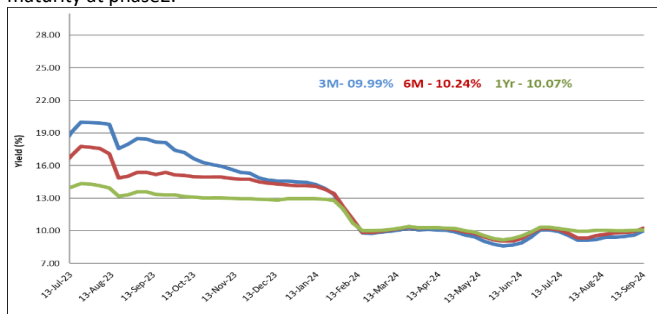
Overnight liquidity recorded a surplus of LKR 38.58 billion at the end of the week compared to the surplus of LKR 85.08 billion by the end of last week and overnight Repo was exchanged between 8.55%-9.00% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 224.13 billion during the week.



Government Securities Market Review

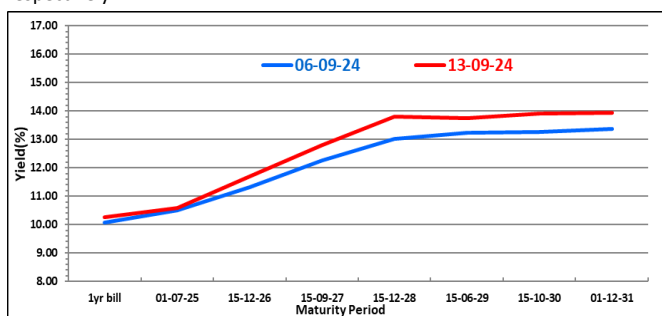
Treasury Bill Market: Treasury bill yields rose across maturities with weak demand for one year T bills.

CBSL offered LKR 180 billion and accepted LKR 164.765 billion at the weekly T-Bill auction was held on 11th September 2024. The weighted average rate of 91-days maturity increased by 38 basis points to 9.99%, while 182-days and 364-days bills were accepted at weighted average rates of 10.24% (increased by 30 basis points) and 10.07% (increased by 04 basis points) respectively. Further to the T-bill auction, CBSL raised LKR 50 million from six months maturity at phase2.



Treasury Bond Market: Secondary Bond market activities remain moderate, and yields increased across the board.

The secondary bond market activities remain moderate and yields edge up during the week. Most liquid maturities were 15.02.2028 and 15.06.2029. Maturities were closed for the week at 13.55%/13.65%, 13.70%/13.80% respectively.

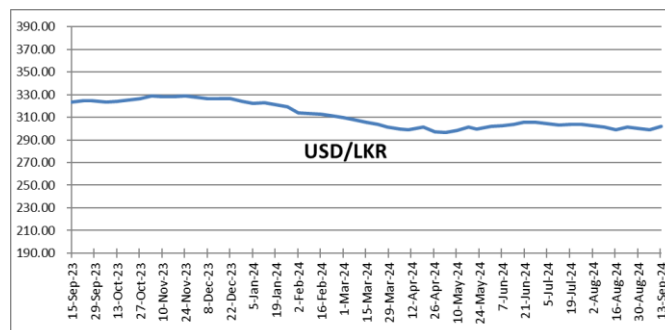


International Forex Market

The dollar index fell toward 101 on Friday, extending losses from the previous session amid growing expectations that the Federal Reserve could act more aggressively when it starts cutting interest rates next week. The dollar Index that tracks the greenback against a basket of other currencies was at 101.11 as of writing.

Local Forex Market

In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 301.80 on Friday. The total USD/LKR traded volume from 06th September to 12th September 2024 was \$ 273.67 million.



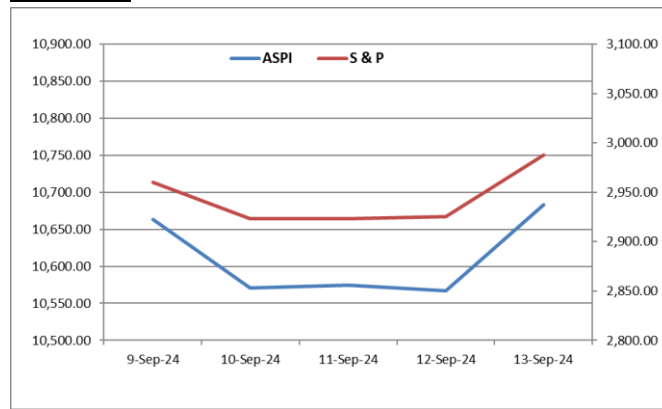
Commodity Markets

- **Oil:** Crude futures between \$69 - \$73 per barrel on Friday, advancing for the third consecutive session, supported by supply concerns stemming from the impact of Hurricane Francine on the US Gulf of Mexico. Crude oil WTI futures and Brent crude futures were trading at \$69.22 and \$72.38 as of writing.
- **Gold:** Gold surged to around \$2,560 per ounce on Friday, setting a new record high amid a weaker dollar and lower bond yields. This increase followed new economic data that heightened expectations of more aggressive Federal Reserve action when interest rates are cut next week. Gold futures were traded at \$ 2,566.40 as of writing.

Economic updates – Local

- Sri Lanka state worker wage cost to rise 0.2-pct to 3.8-pct of GDP in 2025.
- Sri Lanka to borrow US\$300mn for budget support from ADB.
- Sri Lanka private credit expands 60 billion in July.

Stock Market:



At the end of the week the ASPI had lost 92.77 points to close at 10,683.10 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, lost 25.73 points, and ended at 2,987.77. The average turnover for the week ending 13.09.2024 was around LKR 1,169.95 million.