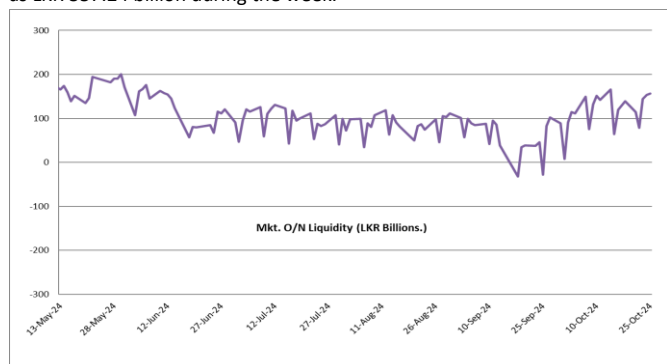


**Weekly review for the week ending 25<sup>th</sup> October 2024**

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

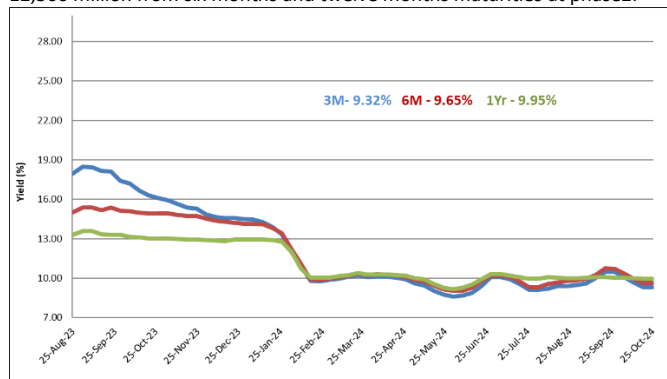
Overnight liquidity recorded a surplus of LKR 156.27 billion at the end of the week compared to the surplus of LKR 139.1 billion by the end of last week and overnight Repo was exchanged between 8.50%-9.00% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 357.24 billion during the week.



**Government Securities Market Review**

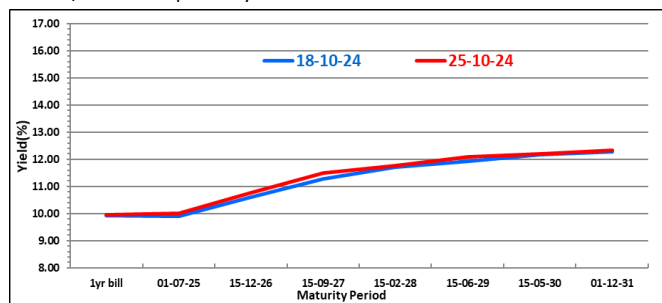
**Treasury Bill Market: Treasury bill auction weighted averages remained unchanged.**

CBSL offered and accepted LKR 125 billion at the weekly T-Bill auction held on 23<sup>rd</sup> October 2024. The weighted average rate of 91-days maturity was 9.32%, while 182-days and 364-days bills were accepted at weighted average rates of 9.65% and 9.95% respectively. Further to the T-bill auction, CBSL raised LKR 12,500 million from six months and twelve months maturities at phase 2.



**Treasury Bond Market: Secondary Bond market activities remain moderate.**

The secondary bond market activities remained moderate during the week and yields were at elevated levels as selling pressure continued in the market. Most liquid maturities were 15.09.2027, 15.02.2028 and 15.09.2029. Maturities were closed for the week at 11.45%/11.55%, 11.75%/11.80% & 12.05%/12.10% respectively.

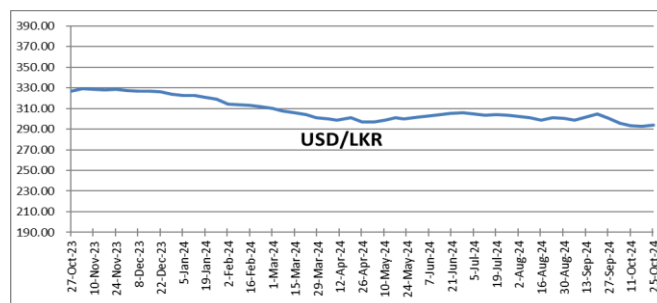


**International Forex Market**

The dollar index steadied around the 104 mark on Friday after falling in the previous session, but was still headed for a fourth straight weekly gain on tempered expectations for outsized Federal Reserve rate cuts and bets on a second term for former President Donald Trump. The dollar index that tracks the greenback against a basket of other currencies was at 104.11 as of writing.

**Local Forex Market**

In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 293.68 on Friday. The total USD/LKR traded volume from 18<sup>th</sup> October to 24<sup>th</sup> October 2024 was \$ 221.28 million.



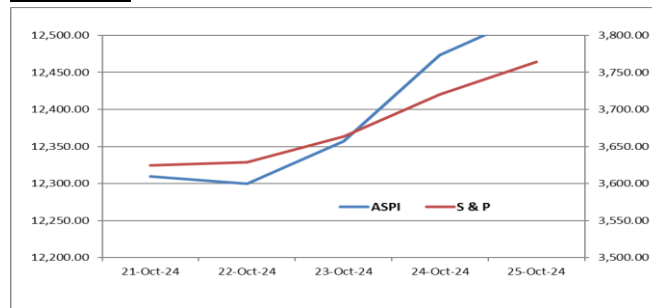
**Commodity Markets**

- **Oil:** Crude futures between \$70 - \$75 per barrel on Friday, on track for a weekly gain, as investors continued to monitor geopolitical developments in the Middle East. Despite ongoing diplomatic efforts, the persistent exchange of heavy fire left investors uneasy, with close attention on potential supply disruptions in the region and Israel's anticipated response to Iran's missile attack. Crude oil WTI futures and Brent crude futures were trading at \$70.38 and \$74.65 as of writing.
- **Gold:** Gold eased below \$2,730 per ounce on Friday after rising in the previous session, as the ongoing strength of the US dollar and Treasury yields outweighed the metal's safe-haven appeal. Gold futures were traded at \$ 2,728.5 as of writing.

**Economic updates – Local**

- Apparel exports went up by 19% in September.
- Sri Lanka runs BOP surplus of US\$2,185mn amid deflationary policy up to August.
- Sri Lanka restructures China Exim Loans, recapitalizing US\$200mn in interest.

**Stock Market:**



At the end of the week the ASPI had gained 217.99 points to close at 12,531.09 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, gained 141.41 points, and ended at 3,764.35. The average turnover for the week ending 25.10.2024 was around LKR 3,058.72 million.