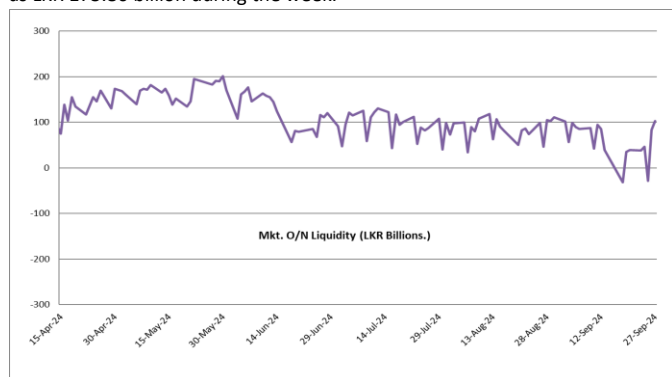
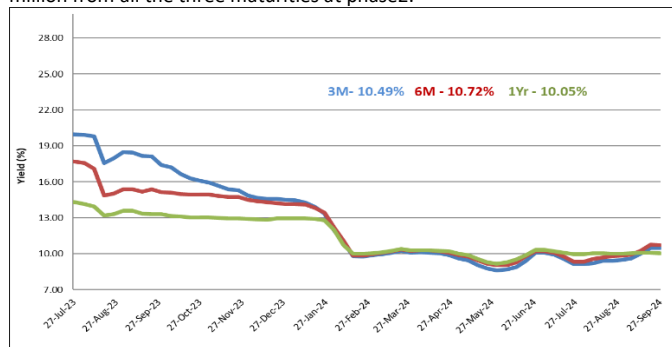


**Weekly review for the week ending 27<sup>th</sup> September 2024**
**Money Market: Overnight Money market liquidity recorded a surplus on Friday.**

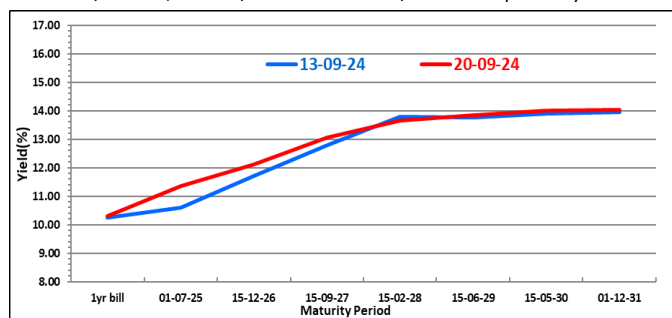
Overnight liquidity recorded a surplus of LKR 102.43 billion at the end of the week compared to the surplus of LKR 38.97 billion by the end of last week and overnight Repo was exchanged between 8.60%-9.30% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 173.80 billion during the week.


**Government Securities Market Review**
**Treasury Bill Market: Treasury bill auction fully subscribed and weighted averages almost same.**

CBSL offered and accepted LKR 120 billion at the weekly T-Bill auction was held on 25<sup>th</sup> September 2024. The weighted average rate of 91-days maturity was 10.49%, while 182-days and 364-days bills were accepted at weighted average rates of 10.72% (reduced by 4 basis points) and 10.05% (reduced by 2 basis points) respectively. Further to the T-bill auction, CBSL raised LKR 12,000 million from all the three maturities at phase 2.


**Treasury Bond Market: Secondary Bond market continued bull run and yields edge down.**

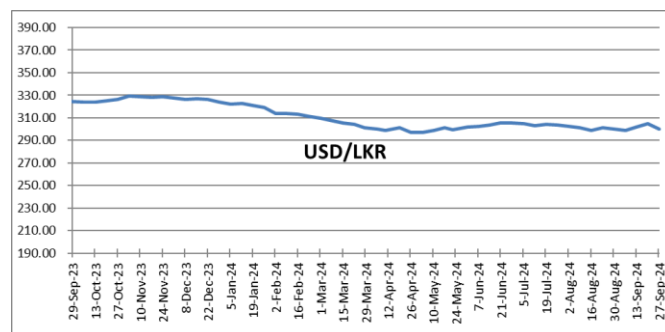
The secondary bond market continued bull run, and strong buying interest pushed yields down during the week. Most liquid maturities were 15.12.2027, 15.02.2028 and 15.06.2029. Maturities were closed for the week at 11.50%/11.65%, 11.80%/11.85% & 11.95%/12.00% respectively.


**International Forex Market**

The dollar index stabilized around 100.7 on Friday as traders geared up for the latest PCE price index report, which is the Federal Reserve's preferred inflation gauge. The dollar Index that tracks the greenback against a basket of other currencies was at 100.44 as of writing.

**Local Forex Market**

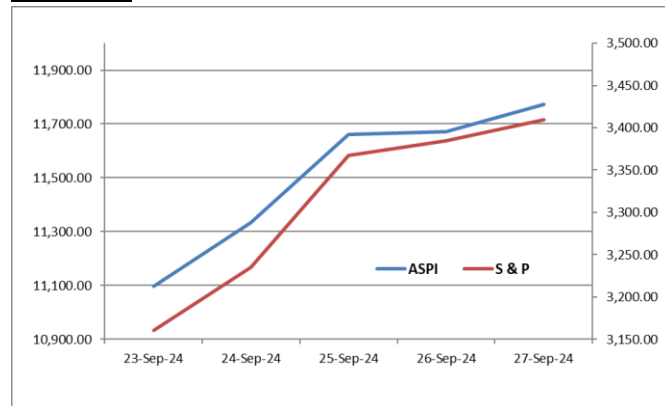
In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 300.22 on Friday. The total USD/LKR traded volume from 20<sup>th</sup> September to 26<sup>th</sup> September 2024 was \$ 302.20 million.


**Commodity Markets**

- **Oil:** Crude futures between \$67 - \$72 per barrel on Friday, declining for the third straight session, as prospects of oversupply weighed on the market. On Thursday, reports indicated that Saudi Arabia, the world's top exporter, is prepared to abandon its unofficial \$100 per barrel price target and increase production in December, even if it leads to sustained lower prices. Crude oil WTI futures and Brent crude futures were trading at \$67.89 and \$71.73 as of writing.
- **Gold:** Gold remained near \$2,670 per ounce on Friday, trading at record levels as markets braced for the highly anticipated US PCE report for further guidance on the Federal Reserve's monetary policy outlook. Gold futures were traded at \$ 2,2664.8 as of writing.

**Economic updates – Local**

- Sri Lanka central bank to implement single policy rate by year end.
- Japan reiterates commitment to initiate 11 halted projects in Sri Lanka.

**Stock Market:**


At the end of the week the ASPI had gained 807.37 points to close at 11,773.88 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, gained 307.70 points, and ended at 3,409.90. The average turnover for the week ending 27.09.2024 was around LKR 2,846.13 million.