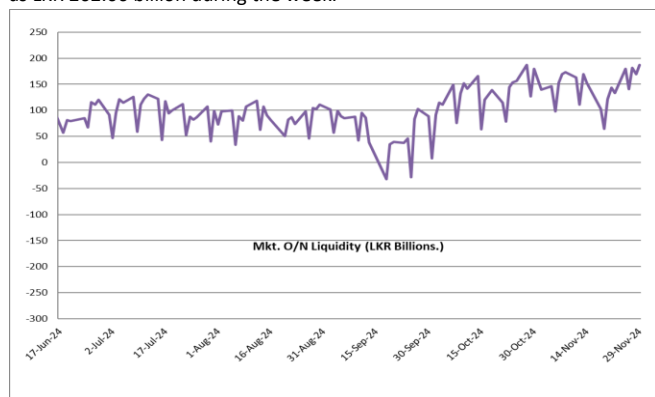


Weekly review for the week ending 29th November 2024

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

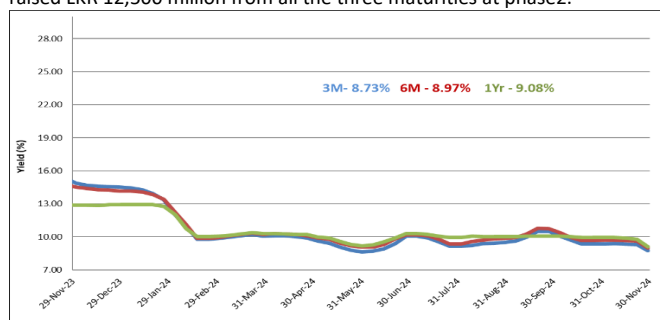
Overnight liquidity recorded a surplus of LKR 186.91 billion at the end of the week compared to the surplus of LKR 133.29 billion by the end of last week and overnight Repo was exchanged between 8.15%-8.95% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 262.66 billion during the week.



Government Securities Market Review

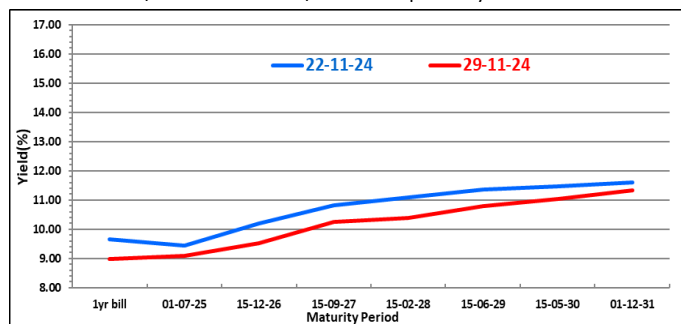
Treasury Bill Market: Treasury bill weighted averages declined followed by the monetary policy announcement.

CBSL offered and accepted LKR 125 billion at the weekly T-Bill auction held on 27th November 2024. The weighted average rate of 91-days maturity reduced by 57 basis points to 8.73%, while 182-days and 364-days bills were accepted at weighted average rates of 8.97% (reduced by 63 basis points) and 9.08% (reduced by 70 basis points) respectively. Further to the T-bill auction, CBSL raised LKR 12,500 million from all the three maturities at phase2.



Treasury Bond Market: Secondary bond market yields edged down followed by the monetary policy announcement.

The secondary bond market witnessed active trading during the week and Yields decreased about 50bps after CBSL cut policy rates. Most liquid maturities were 15.09.2027 & 15.03.2028. Maturities were closed for the week at 10.20%/10.30% & 10.40%/10.45% respectively.

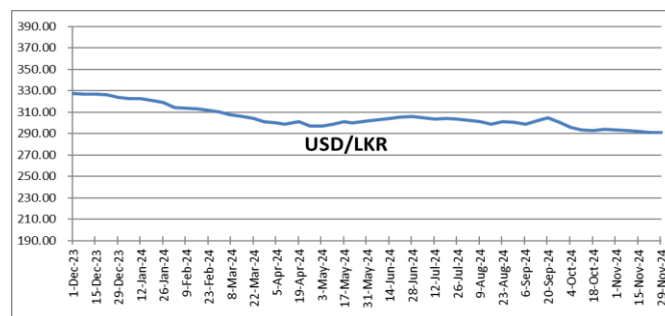


International Forex Market

The dollar index dropped below 106 on Friday, on track to lose about 1.5% for the week. The initial pullback was sparked by the nomination of Scott Bessent as US Treasury Secretary, which provided markets with a sense of stability and eased concerns over drastic policy shifts under the incoming Trump administration. The dollar Index that tracks the greenback against a basket of other currencies was at 105.96 as of writing.

Local Forex Market

In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 290.92 on Friday. The total USD/LKR traded volume from 22nd November to 28th November 2024 was \$ 429.39 million.



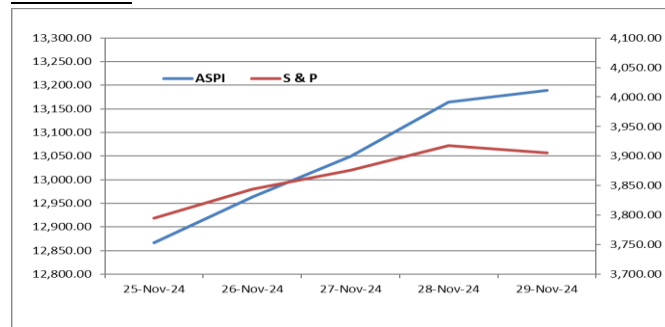
Commodity Markets

- **Oil:** Crude futures between \$68 - \$73 per barrel on Friday, as markets assessed reports that Israel and Hezbollah exchanged accusations of breaching the ceasefire agreement. These came just a day after the ceasefire took effect, reinforcing some risk premium to oil prices. Crude oil WTI futures and Brent crude futures were trading at \$68.94 and \$72.35 as of writing.
- **Gold:** Gold climbed about 1% to above \$2,660 per ounce on Friday, rising for the fourth straight session, supported by a softer US dollar and rising geopolitical tensions. Gold futures were traded at \$ 2,662.8 as of writing.

Economic updates – Local

- Sri Lanka's inflation fell 2.1 percent in the 12-months to November 2024.
- Sri Lanka is expected to grow 4.5% to 5.0% in 2024, while 2025 will see an expansion 'well above' 3.0%.
- Sri Lanka central bank cuts rates with new 8.00-pct policy rate from November.

Stock Market:



At the end of the week the ASPI had gained 134.72 points to close at 13,188.99 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, gained 33.94 points, and ended at 3,905.17. The average turnover for the week ending 29.11.2024 was around LKR 3,152.42 million.