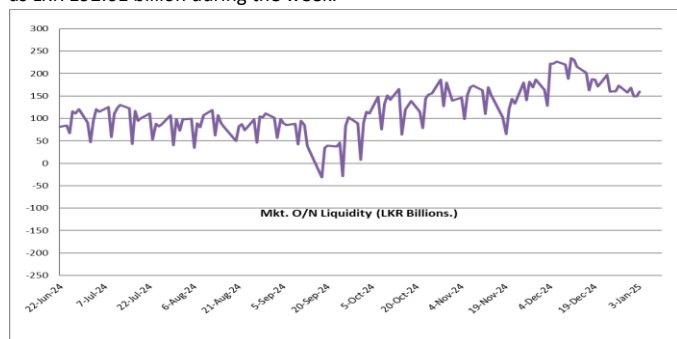
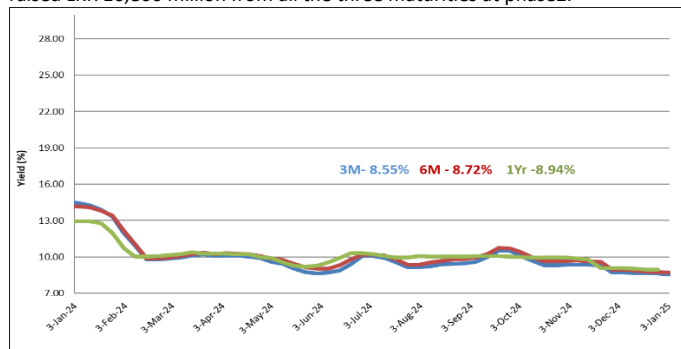


Weekly review for the week ending 03rd January 2025
Money Market: Overnight Money market liquidity recorded a surplus on Friday.

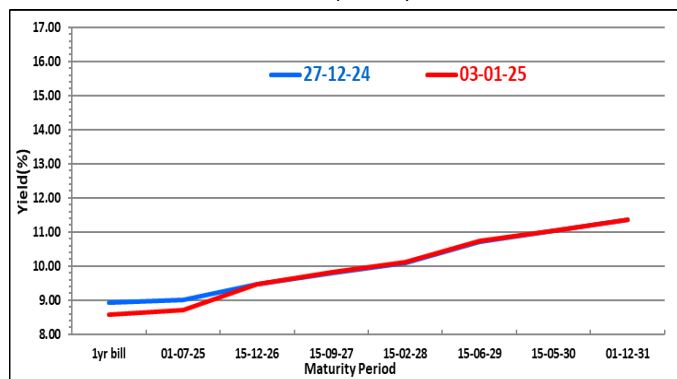
Overnight liquidity recorded a surplus of LKR 160.16 billion at the end of the week compared to the surplus of LKR 173.27 billion by the end of last week and overnight Repo was exchanged between 8.00%-8.25% in the market. The total gross volume of Repo transactions in the money market was recorded as LKR 192.61 billion during the week.


Government Securities Market Review
Treasury Bill Market: Treasury bill auction fully subscribed, yields down across maturities.

CBSL offered and accepted LKR 168 billion at the weekly T-Bill auction held on 01st January 2025. The weighted average rate of 91-days maturity reduced by 7 basis points to 8.55%, while 182-days and 364-days bills were accepted at weighted average rates of 8.72% (reduced by 5 basis points) and 8.94% (reduced by 2 basis points) respectively. Further to the T-bill auction, CBSL raised LKR 16,800 million from all the three maturities at phase2.


Treasury Bond Market: Secondary Bond market yields remained unchanged.

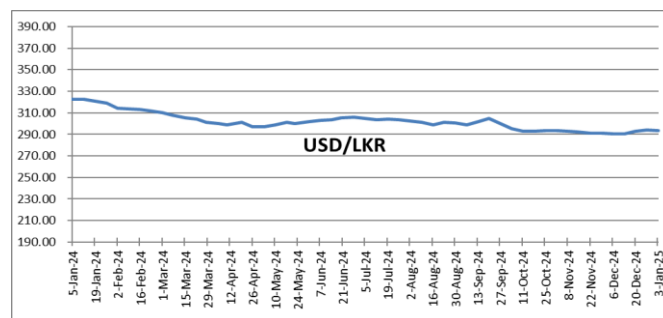
The secondary bond market witnessed mixed performance and yields remained unchanged during the week. Most liquid maturities were 15.02.2028 & 15.05.2030. Maturities were closed for the week at 10.10%/10.15% & 11.00%/11.05% respectively.


International Forex Market

The dollar index remained above 109 on Friday, remaining near its highest levels in two years as investors bet on US economic strength and fewer Federal Reserve rate cuts this year. The US economy continues to show resilience, positioning it to outperform other global economies in the near term. The dollar Index that tracks the greenback against a basket of other currencies was at 109.11 as of writing.

Local Forex Market

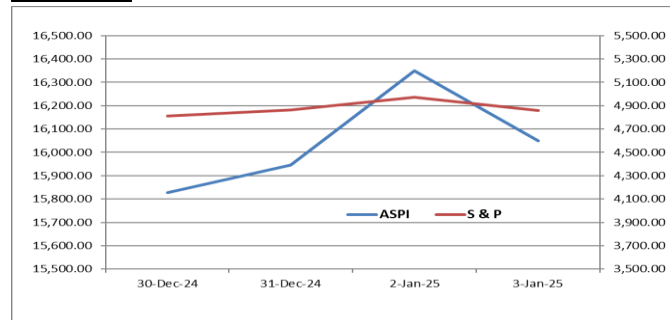
In the Forex market, the indicative middle rate for USD/LKR published by CBSL was Rs. 293.27 on Friday. The total USD/LKR traded volume from 27th December 2024 to 02nd January 2025 was \$ 363.99 million.


Commodity Markets

- **Oil:** Crude futures between \$73 - \$76 per barrel on Friday, hovering near its highest level in over two months and on track for a second consecutive weekly advance. Prices were buoyed by optimism surrounding China's economic outlook, following President Xi Jinping's pledge to promote growth in the world's largest oil-importing nation. Crude oil WTI futures and Brent crude futures were trading at \$73.06 and \$75.94 as of writing.
- **Gold:** Gold steadied around \$2,650 per ounce on Friday, heading for a weekly gain, supported by safe-haven demand and expectations of continued central bank purchases. Gold futures were traded at \$ 2,655.02 as of writing.

Economic updates – Local

- Sri Lanka recorded a 303 MN dollar surplus in the current account in the 3rd quarter of 2024.
- Sri Lanka stockholders US\$6.3bn and Rs1.4 trillion richer by end 2024.
- Sri Lanka current dollar inflows exceed imports by \$604mn in November.

Stock Market:


At the end of the week the ASPI had gained 513.82 points to close at 16,049.42 while the S & P SL20 index, which tracks the largest capitalized stocks traded in the CSE, gained 193.68 points, and ended at 4,860.33. The average turnover for the week ending 03.01.2025 was around LKR 10,585.04 million.