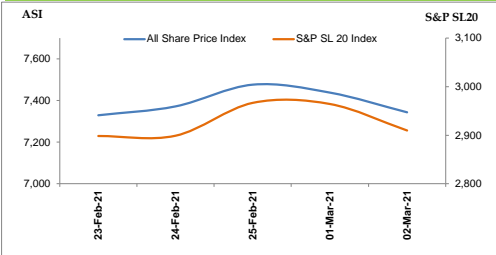


Daily Market Watch

Market Benchmarks



Market Update

The Colombo bourse declined today with the ASPI losing 1.3% to close the session at 7343, while the S&P Sri Lanka 20 index shed 1.8% to end the session at 2910. Consolidated turnover recorded LKR 1,989 mn with crossings in HNB, Royal Ceramics, Lion Brewery and Sampath Bank.

Even though the market's recent downward trend is disappointing, we believe that the bourse will gradually reverse course in line with our expectation of an upward biased long term trajectory. Consequently, we advise investors to take advantage of the current weakness and focus on accumulating fundamentally robust and liquid stocks in high growth sectors with a long term investment horizon.

Corporate News

John Keells Holdings – Dividend of LKR 0.50 per Voting Share to be paid today (02 Mar 2021).

Hatton Plantations – Dividend of LKR 0.50 per Voting Share to be paid today (02 Mar 2021).

Vidullanka - Completed the acquisition of 51% equity stake in Orik Corporation (Pvt) Ltd today. The Orik Corporation holds the right and approvals to develop a 1MW ground mounted solar power plant in Monaragala. The power purchasing agreement signed with the CEB allows the company to sell the generated electricity at a tariff of Rs.15.97 for a 20 year period.

Local News

Sri Lanka vaccinate over 500,000 persons against COVID-19 – The Morning

Resume development projects abandoned during Yahapalanaya Govt: PM – The Morning

Resolution on SL to be moved at UNHRC next Tuesday – Daily Mirror

Key Rates

	02.03.2021
Prime Lending Rate (Avg. Weighted)	5.76%
Deposit Rate (Avg. Weighted)	5.36%
Treasury Bill Rate (364 Days)	5.09%
Consumer Price Inflation (YoY % change)	3.30%

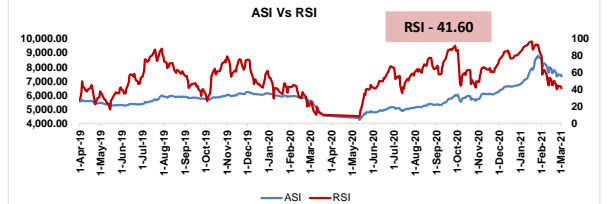
Global Market Performance

02.03.2021	Index	%Chg.
S&P 500	3,902	2.38%
Dow Jones	31,536	1.95%
Nasdaq	13,589	3.01%
Euro Stoxx 50	3,723	0.44%
MSCI Emerging Markets	1,362	1.73%
Hong Kong - Hang Seng	29,096	-1.21%
Shanghai Composite	3,551	1.21%
India - Sensex	49,850	1.53%
DAX	14,046	0.23%

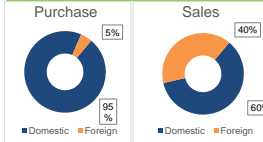
Market Performance

	02.03.2021	01.03.2021	%Chg.
All Share Price Index	7,343.4	7,438.1	-1.27
S&P SL 20 Index	2,909.8	2,964.3	-1.84
Turnover (LKR mn)	1,989.2	1,899.7	4.7
Foreign Purchases (LKR mn)	92.3	601.1	-84.7
Foreign Sales (LKR mn)	791.1	654.6	20.9
Traded Companies	246	242	1.7
Market PER (X)	12.8	13.0	-1.2
Market Cap (LKR bn)	3,211.3	3,252.7	-1.3
Market Cap (US\$ bn)	16.5	16.7	-1.3
Dividend Yield (%)	2.5	2.4	1.2
Price to Book (X)	1.2	1.2	-1.6

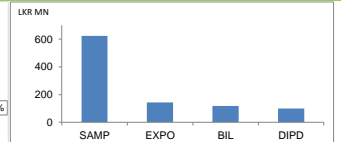
RSI



Turnover Breakdown



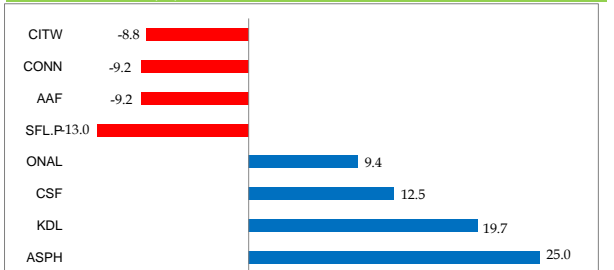
Large Trades (in LKR mn)



Global News

- UK rollout data on AstraZeneca shot should guide other countries - vaccine chief - Reuters
- China's electoral reform 'earthquake' set to upend Hong Kong politics - Reuters
- Stock Rally Ebbs as Commodities Dip; Dollar Gains: - Bloomberg
- 10-year Treasury yield continues to retreat from last week's high - CNBC
- India's plan to divest state-owned companies is 'back on track', says top official - CNBC

Gainers/Losers (%)



Commodities

	02.03.2021
Gold (USD/Ounce)	1,727.9
Oil (Brent) (USD/barrel)	63.7
Copper (USD/Pound)	4.1
Cotton (USD/Pound)	0.9

Currencies

	02.03.2021
LKR/USD	194.5
LKR/ Sterling Pound	270.4
LKR/EURO	234.1
LKR/ AUD	150.8

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