

Weekly Report

23rd - 30th June 2014

Market Highlights

The Colombo Bourse closed the week on a negative note for the second consecutive week as price declines were seen on index-heavy counters. The All Share Price Index lost 17 points on a week on week basis to close at 6,263 points, while the S&P SL 20 Index lost 5 points to close at 3,455 points. The total turnover for the week amounted to Rs. 4.02 Bn compared to Rs. 3.36 Bn recorded during the previous week.

Out of the White Listed stocks, Nestle topped the weekly turnover with a value of Rs. 148.87 Mn. Majority of the transaction for the counter came on Friday as a block of 75,000 shares were crossed at a consideration of Rs.1,925 per share. Chevron Lanka and Textured Jersey lanka also made notable contributions to weekly value with Rs 132.76 Mn and Rs. 74.98 Mn respectively. Renuka Agri was the most active counter with over 5.6 Mn shares changing hands between the price range of Rs. 3.20 and Rs. 3.40.

Foreigners continued to remain positive as foreign purchases amounted to Rs. 1.43 Bn compared to Foreign Sales of Rs. 720 Mn, which resulted in a net foreign inflow of Rs. 711 Mn for the week.

White Listed Top 5 Losers (Week on Week)

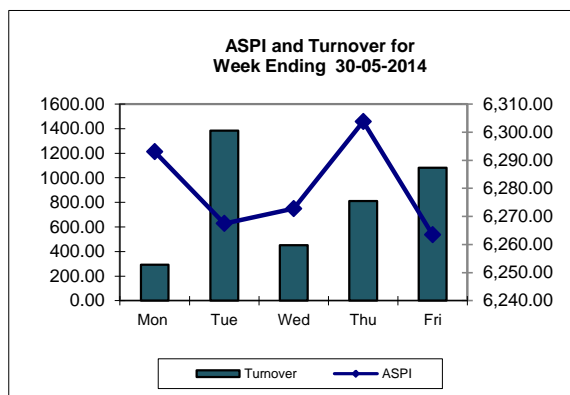
Counter		This week(Rs.)	Previous Week (Rs.)	%Δ Price
SERENDIB LAND	▼	863.00	1000.00	-13.7%
GESTETNER	▼	132.90	150.00	-11.4%
SWADESHI	▼	12500.00	14000.00	-10.7%
HUEJAY	▼	45.70	50.50	-9.5%
TESS AGRO	▼	1.20	1.30	-7.7%

Market Statistics

	30-May-14	23-May-14	% Change
ASPI	6,263	6,280	-0.27%
S & P SL 20	3,455	3,459	-0.14%
Weekly Turnover (Rs Mn)	4,021	3,364	19.53%
Foreign purchases(Rs Mn)	1,430	1,747	-18.12%
Foreign Sales(Rs Mn)	720	639	12.65%
Net Outflow/Inflow (Rs Mn)	710	1,108	
Market Cap (Rs Bn)	2,623	2,630	-0.27%
Market Valuation			
PER	16.72	16.77	-0.30%
PBV	2.05	2.06	-0.49%

White Listed Top 5 Gainers (Week on Week)

Counter		This Week (Rs.)	Previous Week (Rs.)	%Δ Price
PCH HOLDINGS	▲	0.90	0.80	12.5%
LANKA WALLTILE	▲	77.80	72.00	8.1%
AMANA TAKAFUL	▲	1.60	1.50	6.7%
C W MACKIE	▲	63.60	60.00	6.0%
ACL PLASTICS	▲	94.80	90.00	5.3%



Global Equity Market

	30-May-14	23-May-14	% Change
DJ Islamic Market World	2,848	2,828	0.72%
DJ Islamic MENA	1,763	1,696	3.95%
DJ Islamic GCC	2,426	2,412	0.57%
FTSE 100	6,845	6,815	0.44%
DJ INDUSTRIAL AVE.	16,479	16,606	-0.77%
S & P 500	1,924	1,901	1.21%
NIKKEI	14,632	14,462	1.18%
HANGSENG	23,082	22,965	0.51%
BSE SENSEX	24,217	24,693	-1.93%

Dividends, Rights, Capitalisation of Reserves and Sub-Division of Shares Announcements During the Week

SHARE	PROPORTION	DPS / ISSUE PRICE (RS.)	XC/XD/XR
Laughs Gas PLC		2.00	5-Jun-14
Tea Smallholder Factories PLC		1.00	6-Jun-14

XC/XD/XR falling due Next Week

SHARE	PROPORTION	DPS / ISSUE PRICE (RS.)	XC/XD/XR
Union Chemicals Lanka PLC		5.00	2-Jun-14
Diesel & Motor Engineering PLC		10.00	3-Jun-14
Laughs Gas PLC		2.00	5-Jun-14
Tea Smallholder Factories PLC		1.00	6-Jun-14

Foreign Exchange Rates (As at 30-May-14)

	Buying (Rs.)	Selling (Rs.)
US Dollars	129.00	131.88
Sterling Pound	215.09	221.25
Euro	174.52	180.23
Yen	1.27	1.31
Indicative Rate (Rs.)		
Riyal (Saudi Arabia)		36.00
Dirham (UAE)		35.00
Rupee (India)		2.21

Global Commodity Prices

	30-May-14	23-May-14	% Change
Gold 100 OZ (USD/T oz)	1,245	1,269	-1.90%
Oil (Light Crude) (USD/Barrel)	103.22	102.58	0.62%

Comtrust-Adl Mudaraba Fund

DATE	SELLING PRICE (RS.)	BUYING PRICE (RS.)
29-May-14	10.5837	10.5837

MudarabahFund
ComtrustAdl

Crescent-i-Fund

DATE	SELLING PRICE (RS.)	BUYING PRICE (RS.)
29-May-14	11.62	11.30

Crescent i Fund

Economic Focus

Sri Lanka's inflation at lowest recorded since March 2012

Inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI) (2006/07=100), decreased considerably to 3.2% in May 2014, on a year-on-year (YoY) basis, from 4.9% in the previous month, reaching the lowest rate recorded since March 2012. Annual average inflation also moderated further to 5.3% in May 2014 from 5.6% in April 2014. The sharp deceleration of inflation was a result of the moderation in prices of some items in the Non-food category. The prices of items in the Food and Non-alcoholic beverages category, which increased by 1.3% in May 2014 compared to the previous month was the main contributor to the monthly increase in the CCPI.

Total Government debt increases further

As per the 2013 annual report of the Finance and Planning Ministry Sri Lanka's total government debt has increased to Rs 6,793 Bn in 2013 compared to Rs 6,000 Bn in 2012. Domestic debt accounted for 56.4% of total debt, while foreign debt was 43.6% of the total debt. The debt to GDP ratio has improved from 79.2% in 2012 to 78.3%. The improvement is mainly as a result of the increase in the nominal value of the GDP. The per capita income of the country in 2013 increased to USD 3,280 from USD 2,923 in the previous year.

Sri Lanka is seeking for low cost funding

Sri Lanka is seeking low-cost funding to help to reduce pressure on its finances after a big jump in the cost of servicing debts related to infrastructure projects. The Finance Ministry's report said the country was in negotiation with development partners to obtain foreign financing at the lowest cost. The increased cost of financing is on the back of its elevation by the International Monetary Fund to lower-middle income nation status from lower-income country. According to latest data released by the Finance Ministry, the country's total outstanding foreign debt to finance infrastructure projects stood at USD 18.9 Bn by end of 2013.

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