

# Weekly Report

31st January - 7th February 2014

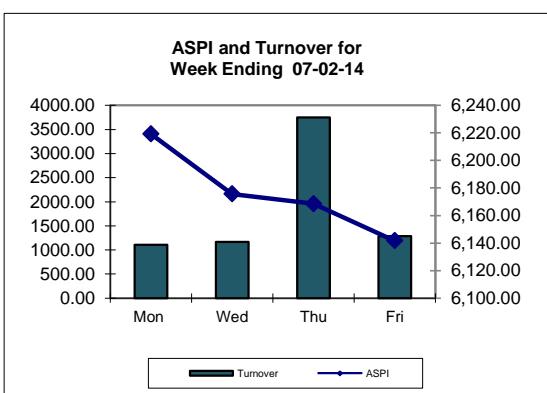
## Market Highlights

The Colombo Bourse witnessed a bearish market sentiment throughout the four day trading week on the back of losses made by Index-heavy counters. The week was highlighted by foreign investors being on the selling side resulting in foreign sales amounting to Rs. 4,403 Mn. The All Share Price Index (ASPI) shed 106 points (-1.70%) to close at 6,142 points, whilst the more liquid, the S&P SL20 Index lost 74 points (-2.15%) to close at 3,369 points. The total turnover for the week amounted to Rs. 7.30 Bn as institutional and high net worth investors mainly drove the market. The highest turnover for the week was recorded on Thursday with a turnover value of Rs. 3.75 Bn.

Out of the White-listed stocks, Dialog recorded the highest turnover for the week with a value of Rs. 535.48 Mn. During the week, the counter witnessed 11 off-board transactions with over 58 Mn shares changing hands between the price range of Rs. 9.10 and Rs. 9.40, before closing on Friday at Rs. 9.20. Expolanka and Textured Jersey also made notable contributions to the weekly turnover with values of Rs. 135.41 Mn and Rs. 72.05 Mn respectively.

### White Listed Top 5 Losers (Week on Week)

| Counter              |   | This week(Rs.) | Previous Week (Rs.) | %Δ Price |
|----------------------|---|----------------|---------------------|----------|
| SERENDIB LAND        | ▼ | 1071.0         | 1362.0              | -21.4%   |
| CHEMANEX             | ▼ | 73.0           | 86.1                | -15.2%   |
| MORISONS[NON VOTING] | ▼ | 158.0          | 180.0               | -12.2%   |
| SERENDIB ENG.GRP     | ▼ | 114.3          | 129.0               | -11.4%   |
| BALANGODA            | ▼ | 29.7           | 33.0                | -10.0%   |



## Market Statistics

|                            | 7-Feb-14 | 31-Jan-14 | % Change |
|----------------------------|----------|-----------|----------|
| ASPI                       | 6,142    | 6,248     | -1.70%   |
| S & P SL 20                | 3,369    | 3,443     | -2.15%   |
| Weekly Turnover (Rs Mn)    | 7,303    | 5,281     | 38.29%   |
| Foreign purchases( Rs Mn)  | 1,332    | 1,455     | -8.46%   |
| Foreign Sales(Rs Mn)       | 4,403    | 1,247     | 252.98%  |
| Net Outflow/Inflow (Rs Mn) | (3,071)  | 208       |          |
| Market Cap (Rs Bn)         | 2,564    | 2,608     | -1.70%   |
| Market Valuation           |          |           |          |
| PER                        | 16.27    | 16.88     | -3.61%   |
| PBV                        | 2.02     | 2.07      | -2.42%   |

During the week, foreign purchases amounted to Rs. 1.33 Bn, while foreign sales amounted to Rs. 4.40 Bn resulting in a net outflow of Rs. 3.07 Bn. Market capitalisation at the Colombo Stock Exchange stood at Rs 2,564.2 Bn with a YTD performance of 3.9%.

### White Listed Top 5 Gainers (Week on Week)

| Counter          |   | This Week (Rs.) | Previous Week (Rs.) | %Δ Price |
|------------------|---|-----------------|---------------------|----------|
| MORISONS         | ▲ | 269.9           | 230.0               | 17.3%    |
| HAPUGASTENNE     | ▲ | 33.0            | 31.2                | 5.8%     |
| KURUWITA TEXTILE | ▲ | 19.0            | 18.0                | 5.6%     |
| C.W.MACKIE       | ▲ | 61.9            | 58.7                | 5.5%     |
| LAKE HOUSE PRIN. | ▲ | 113.0           | 108.0               | 4.6%     |

## Global Equity Market

|                         | 7-Feb-14 | 31-Jan-14 | % Change |
|-------------------------|----------|-----------|----------|
| DJ Islamic Market World | 2,666    | 2,646     | 0.74%    |
| DJ Islamic MENA         | 1,531    | 1,507     | 1.58%    |
| DJ Islamic GCC          | 2,189    | 2,138     | 2.35%    |
| FTSE 100                | 6,572    | 6,468     | 1.60%    |
| DJ INDUSTRIAL AVE.      | 15,794   | 15,849    | -0.34%   |
| S & P 500               | 1,797    | 1,794     | 0.16%    |
| NIKKEI                  | 14,666   | 14,915    | -1.67%   |
| HANGSENG                | 21,638   | 22,035    | -1.80%   |
| BSE SENSEX              | 20,370   | 20,514    | -0.70%   |

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

| SHARE                   | PROPORTION | DPS / ISSUE PRICE (RS.) | XC/XD/XR  |
|-------------------------|------------|-------------------------|-----------|
| United Motors Lanka PLC |            | Rs.3.00                 | 25-Feb-14 |

XC/XD/XR falling due Next Week

| SHARE             | PROPORTION | DPS / ISSUE PRICE (RS.) | XC/XD/XR  |
|-------------------|------------|-------------------------|-----------|
| Lanka Floor Tiles |            | Rs. 2.00                | 10-Feb-14 |

Foreign Exchange Rates (As at 7-Feb-14)

|                       | Buying (Rs.) | Selling (Rs.) |
|-----------------------|--------------|---------------|
| US Dollars            | 129.25       | 132.13        |
| Sterling Pound        | 210.28       | 216.30        |
| Euro                  | 174.69       | 180.41        |
| Yen                   | 1.26         | 1.30          |
| Indicative Rate (Rs.) |              |               |
| Riyal (Saudi Arabia)  | 35.00        |               |
| Dirham (UAE)          | 36.00        |               |
| Rupee (India)         | 2.09         |               |

Global Commodity Prices

|                                | 7-Feb-14 | 31-Jan-14 | % Change |
|--------------------------------|----------|-----------|----------|
| Gold 100 OZ (USD/T oz)         | 1,269    | 1,244     | 1.99%    |
| Oil (Light Crude) (USD/Barrel) | 99.73    | 97.09     | 2.72%    |

Comtrust-Adl Mudaraba Fund

| DATE     | SELLING PRICE (RS.) | BUYING PRICE (RS.) |
|----------|---------------------|--------------------|
| 7-Feb-14 | 10.31               | 10.31              |



Crescent-i-Fund

| DATE     | SELLING PRICE (RS.) | BUYING PRICE (RS.) |
|----------|---------------------|--------------------|
| 7-Feb-14 | 11.22               | 10.86              |

Crescent i Fund

## Economic Focus

Access Towers 2 begins with construction

Construction of the second stage of Access Towers with an investment of USD 20m commenced recently. The construction work is expected to be completed in 30 months. Access Tower 2 is a state of the art, purpose built office complex designed to be constructed in a 74 perches land located adjacent to the existing Access Towers.

Access Tower 2 will mainly cater to high end customers seeking for quality office space in the Colombo city limits.

### Private sector credit to pick up

Standard Chartered Bank reveals that it expects the private sector to borrow more commencing from early 2014 depending on the historical trends. The Bank states that there has been one year lag between the initial change in policy rates and the turnaround in the private sector credit growth. The Bank expects policy rates to be taken down further unless for the private sector credit growth and if inflation continues to fall by 1st quarter of 2014.



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