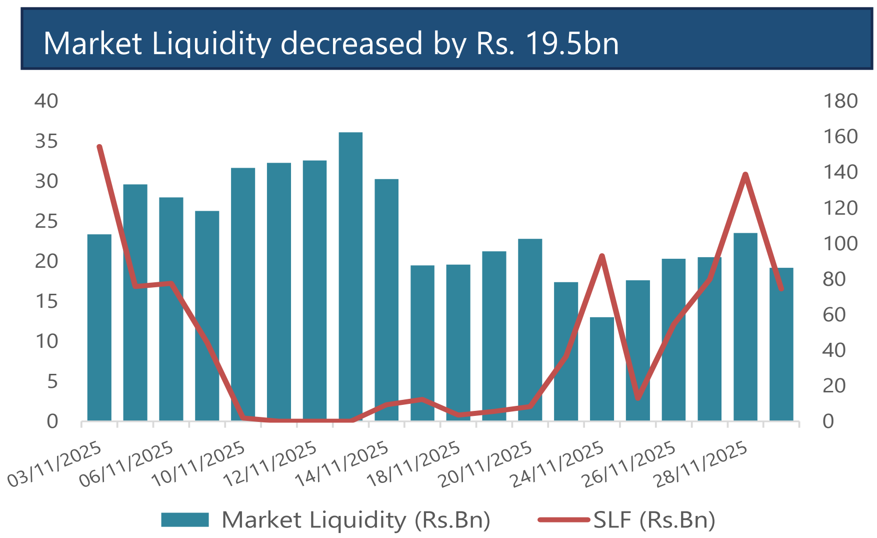
MARKET SUMMARY REPORT

Date: 02.12.2025

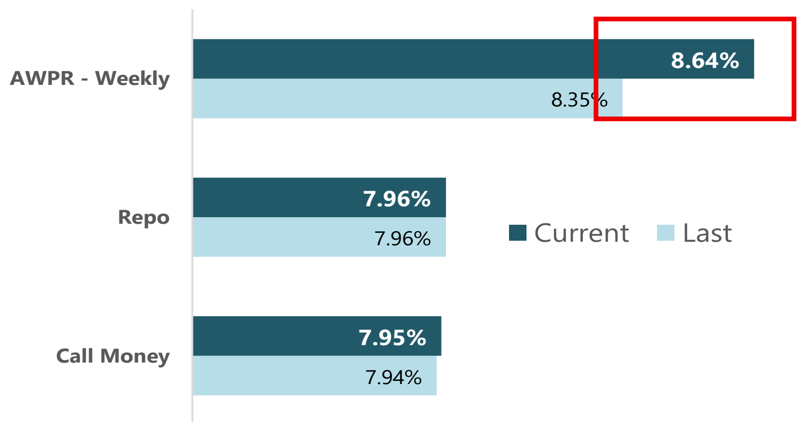
1. Liquidity & Central Bank Activity:

- **Overnight Liquidity** tightened considerably, decreasing by Rs. 19.5 bn to Rs. 86.3 bn.
- **Overall Market Liquidity (Week-on-Week)** improved, showing an increase of Rs. 27.5 bn to Rs. 105.8 bn.
- **Central Bank Holdings** of Government Securities remained unchanged at Rs. 2,508.9 bn.



2. Key Interest Rates:

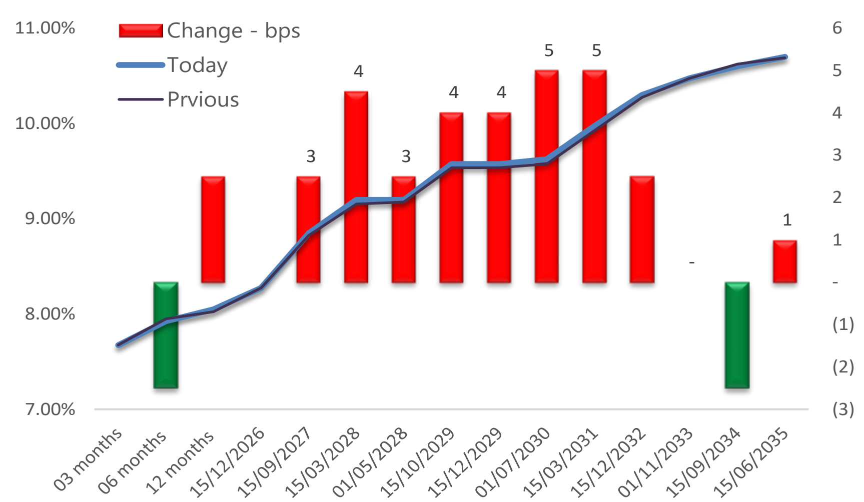
- **Short-term rates (Call Money & Repo)** were stable, holding at 7.95% and 7.96%, respectively.
- **Average Weighted Prime Lending Rate (AWPR)** increased by 29 basis points week-on-week to **8.64%**, indicating a rise in commercial lending rates.



3. Secondary Market Government Securities:

Yields across the Treasury bond curve were mostly higher, with the belly (3-5 year maturities) and long end (10+ years) seeing mild increases.

- **Short-end (03m-12m):** Mostly stable, with the 12-month yield rising 2 bps to 8.05%.



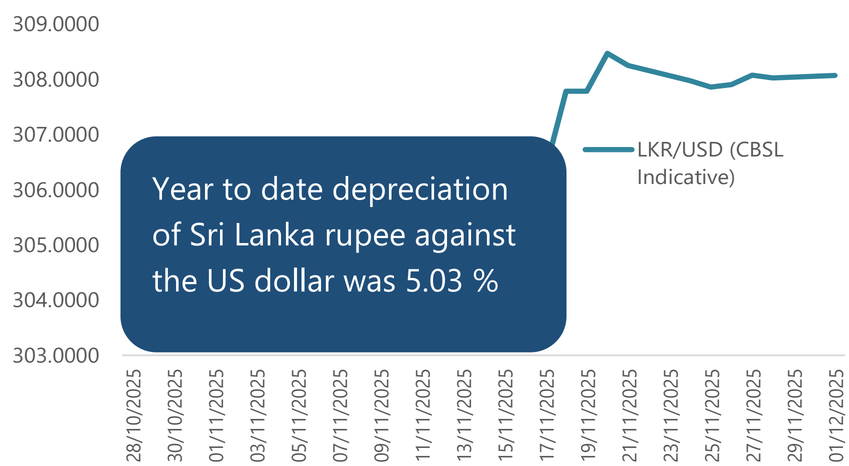
- **Medium-term (2026-2029):** Yields increased by 1-4 bps. The 2029 maturities are now quoted at **9.58%**.
- **Long-term (2030-2034):** Yields edged higher, with the 2031 bond reaching **9.98%**. The 2034 bond yield softened slightly to 10.60%.

4. Government Securities & Foreign Holdings:

- **Treasury Bill** stock decreased by Rs. 46.7 bn WoW.
- **Treasury Bond** stock remained stable on a weekly basis but has increased by Rs. 1,518.7 bn since the beginning of the year.
- **Foreign Holdings** saw a slight weekly increase of Rs. 1.0 bn, totaling Rs. 139.5 bn.

5. Foreign Exchange (LKR/USD):

- The CBSL indicative rate remains at a buying rate of 304.39 and selling rate of 311.95.
- The **market closing rate weakened marginally** to 308.55/65 (Buying/Selling) from the previous close of 308.05/20.



6. Inflation:

Inflationary pressures remain subdued.

- **NCPI (YoY):** Increased to 2.7% from 2.1%.
- **CCPI (YoY):** Stable at 2.1%.

7. Equity Market:

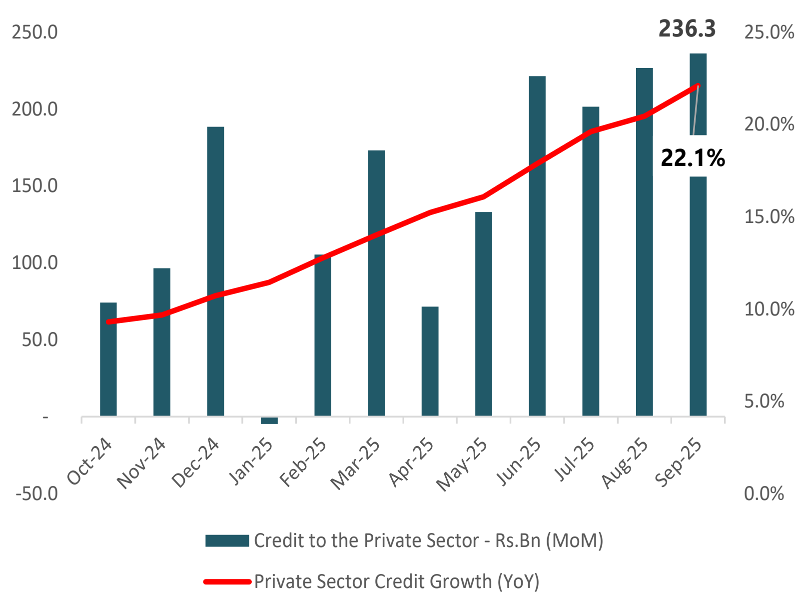
The Colombo bourse witnessed a **significant decrease.**

- **All Share Price Index (ASPI):** Fell sharply by **3.04%** to close at 22,026.06.
- **S&P SL 20 Index:** Declined by **2.89%** to close at 6,085.87.

8. Key Commodities:

- **Gold (USD):** Declined to $4,250.75 per ounce.
- **Gold (LKR):** Local price increased to Rs. 1,306,540 from Rs. 1,289,489.
- **Crude Oil:** Prices were virtually unchanged at $63.23 per barrel.

Credit to Private Sector



Credit Quality Spread Normalizing