

MARKET SUMMARY REPORT

Date: 10 March 2026

1. Market Liquidity & Open Market Operations

Market liquidity marginally declined during the day, with **overnight liquidity falling to Rs. 334.7Bn from Rs. 337.9Bn**, reflecting a **decrease of Rs. 3.2Bn** compared to the previous day.

Meanwhile, the **Central Bank holdings of Government Securities remained unchanged at Rs. 2,508.9Bn**, indicating no notable change in liquidity injections through outright purchases.



2. Interest Rate Movements

Money market rates showed **slight easing** during the day.

- The **Weighted Average Call Money Rate** declined to **7.65% from 7.66%**.
- The **Weighted Average Repo Rate** also decreased to **7.66% from 7.69%**.
- The **Average Weighted Prime Lending Rate (AWPR)** remained **unchanged at 9.35%** on a weekly basis.

Overall, short-term funding rates continue to remain broadly stable around the mid-7% level.

3. Secondary Market – Treasury Securities

Secondary market yields **increased across most maturities**, indicating selling pressure in the government securities market.

Treasury bill yields showed moderate upward movements:

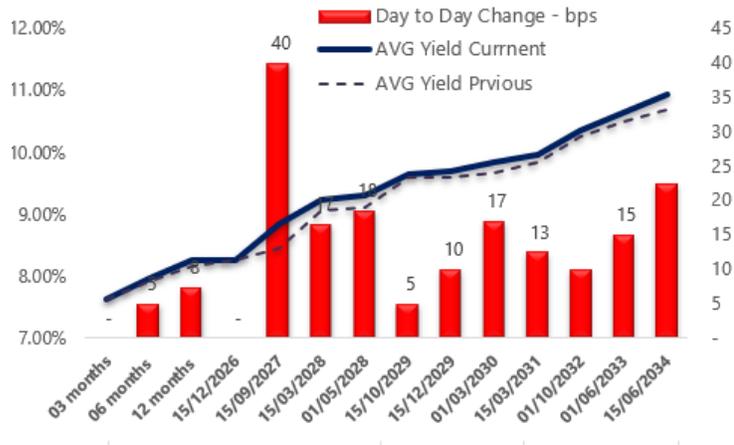
- **06-month** yield increased to **7.98% (+5 bps)**
- **12-month** yield increased to **8.25% (+7.5 bps)**
- **03-month** yield remained **unchanged at 7.63%**

In the **Treasury bond segment**, yields moved higher particularly in the **medium to long-term maturities**:

- **15/09/2027** maturity rose sharply to **8.85% (+40 bps)**
- **15/03/2028** increased to **9.23% (+16.5 bps)**
- **01/05/2028** increased to **9.30% (+18.5 bps)**
- **01/03/2030** increased to **9.85% (+17 bps)**
- **01/06/2033** rose to **10.65% (+15 bps)**

The **longest maturity traded around 10.93%**, reflecting **continued upward pressure on the long end of the yield curve**.

Secondary Market Yield Curve & Yield Changes



4. Government Securities Outstanding

Outstanding government securities showed mixed movements.

- **Treasury Bills outstanding** declined to **Rs. 3,097Bn**, recording a **weekly decrease of Rs. 8.6Bn** and a **year-to-date reduction of Rs. 51.7Bn**.
- **Treasury Bonds outstanding** increased to **Rs. 15,724.4Bn**, rising **Rs. 27.8Bn during the week** and **Rs. 156.9Bn year-to-date**.
- **Foreign holdings of government securities** marginally declined to **Rs. 163.2Bn**, reflecting a **Rs. 0.1Bn weekly decrease**, while remaining **Rs. 22.8Bn higher on a YTD basis**.

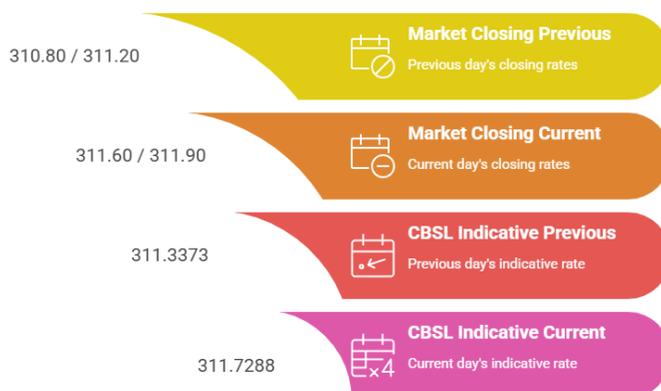
5. Exchange Rate (LKR/USD)

The Sri Lankan rupee showed **slight depreciation in the market**.

- **CBSL Indicative Rate:**
 - Buying: **Rs. 307.41**
 - Selling: **Rs. 314.99**
- **Market Closing Rate:**
 - Buying: **Rs. 311.60**
 - Selling: **Rs. 311.90**

Compared to the **previous closing (Rs. 310.80 / 311.20)**, the currency weakened marginally.

LKR/USD Exchange Rate Changes



6. Inflation

Both inflation indicators **continued to moderate**.

- **NCPI (YoY):** declined to **2.4% from 2.9%**
- **CCPI (YoY):** declined to **1.6% from 2.3%**

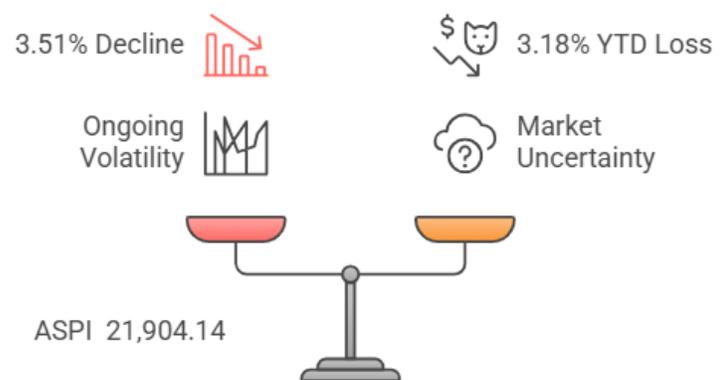
This reflects **continued disinflationary pressure in the domestic economy**.

7. Equity Market

The **Colombo Stock Exchange** experienced **a notable decline** during the session.

- **All Share Price Index (ASPI)** fell **3.51% to 21,904.14**, bringing **month-to-date losses to 7.97%** and **YTD decline to 3.18%**.
- **S&P SL20 Index** dropped **3.65% to 6,128.86**, with **MTD losses of 7.35%**.

ASPI's Declining Trend and Market Volatility



8. Global Commodities

Commodity markets showed mixed performance.

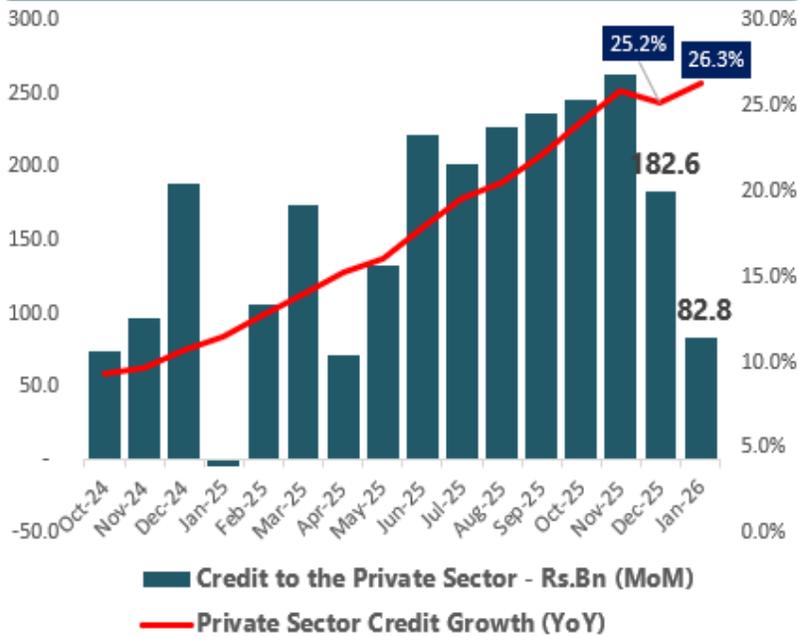
- **Gold (Forward)** rose to **USD 5,171.70**, gaining **0.64% on the day** and **16.92% YTD**.
- **Gold (LKR)** increased **2.15% daily** and **19.46% YTD**, supported by global gold strength and currency movements.

Energy prices declined during the day:

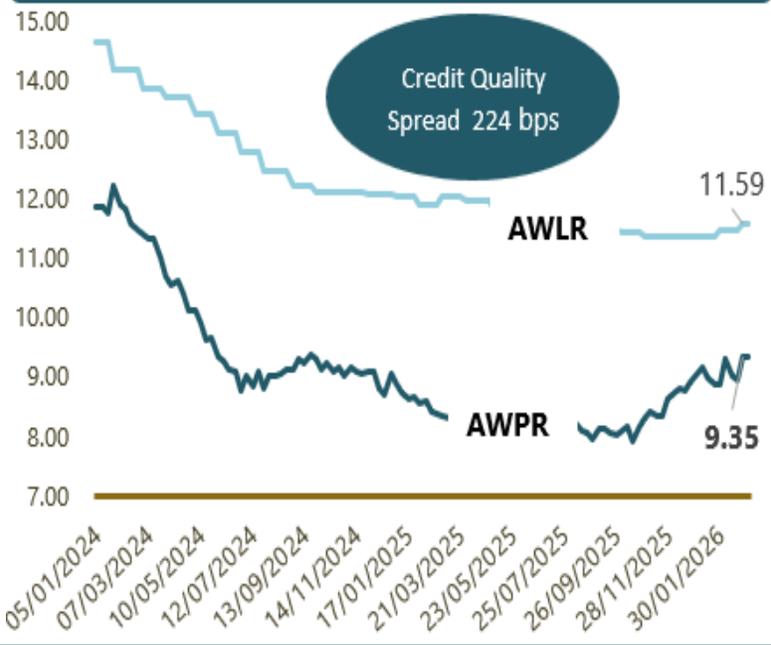
- **WTI Crude Oil: USD 88.61 (-6.57%)**
- **Brent Crude Oil: USD 92.45 (-6.51%)**
- **Natural Gas: USD 3.12 (-0.03%)**

Despite the daily decline, crude oil prices remain **significantly higher on a monthly and YTD basis**.

Credit to Private Sector



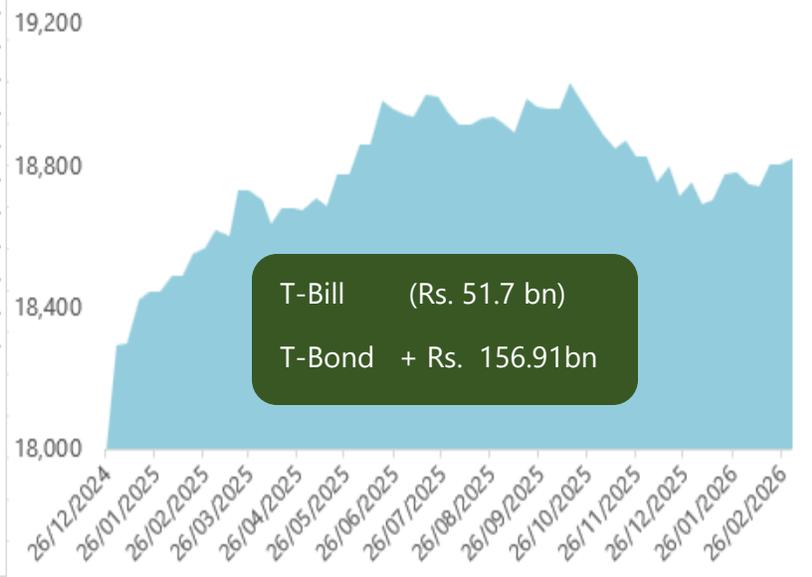
Credit Quality Spread Narrowing with AWPR



Gross Domestic Product (GDP) - Quarterly Growth Rates



G. Sec increased by Rs. 105.2 bn so far in the year - 2026



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