

# ASHA PHILLIP SECURITIES LTD

## DAILY STOCK MARKET HIGHLIGHTS

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### 21<sup>st</sup> February 2012

#### PRICE INDICES

INDEX	21-Feb	17-Feb	CHANGE	% CHANGE
ASPI	5,308.51	5,285.17	23.34	0.44%
MPI	4,600.63	4,549.43	51.20	1.13%

#### MARKET STATISTICS

	21-Feb	17-Feb
Value of Turnover(Rs.)	1,103,496,338	2,168,170,744
Domestic Purchases	966,315,128	1,076,252,284
Domestic Sales	1,041,455,449	1,678,021,364
Foreign Purchases	137,181,210	1,091,918,460
Foreign Sales	62,040,889	490,149,380
Volume of Turnover (No.)	39,418,227	95,467,693
PER	13.91	13.85
PBV	1.76	1.75



SECTOR	PRICE INDEX		TURNOVER			SECTOR P/E	SECTOR PBV
	TODAY	PREVIOUS	VALUE (Rs)	VOLUME	TRADES		
BANK FINANCE AND INSURANCE	11,996.80	11,973.71	130,819,096.00	3,949,414	1,744	11.60	1.80
BEVERAGE FOOD AND TOBACCO	11,141.82	11,051.08	460,334,496.00	3,230,590	673	14.30	3.90
CHEMICALS AND PHARMACEUTICALS	10,118.86	10,109.44	4,420,573.00	155,165	70	9.50	1.30
CONSTRUCTION AND ENGINEERING	3,101.35	3,084.01	717,500.00	40,400	34	9.20	2.00
DIVERSIFIED HOLDINGS	1,703.17	1,686.38	122,004,024.00	5,875,212	816	15.50	1.60
FOOTWEAR AND TEXTILE	902.21	898.62	2,356,932.00	41,966	63	24.50	1.10
HEALTH CARE	459.81	457.68	51,554,060.00	6,361,420	74	14.50	1.60
HOTELS AND TRAVELS	3,338.86	3,320.16	20,545,868.00	802,438	350	24.30	1.60
INFORMATION TECHNOLOGY	184.29	181.73	53,616,980.00	4,744,900	1,141	17.60	2.20
INVESTMENT TRUSTS	21,852.94	22,085.66	28,805,680.00	1,383,600	689	11.80	1.50
LAND AND PROPERTY	494.51	492.87	11,818,640.00	975,700	306	16.80	1.00
MANUFACTURING	2,817.17	2,817.61	147,376,160.00	3,876,605	1,345	13.90	2.00
MOTORS	21,360.93	21,278.38	7,777,670.00	13,934	18	13.80	3.10
OIL PALMS	117,933.99	117,394.73	1,701,490.00	1,900	6	31.80	2.30
PLANTATIONS	700.84	692.70	1,189,668.00	171,165	102	4.20	0.90
POWER & ENERGY	113.82	113.32	6,211,498.00	759,358	196	11.10	1.40
SERVICES	20,099.03	20,216.89	347,715.00	50,611	22	6.80	2.20
STORES SUPPLIES	25,234.46	24,250.90	1,348,240.00	3,661	19	7.70	0.60
TELECOMMUNICATIONS	159.52	160.02	8,601,859.00	1,183,738	91	25.70	1.80
TRADING	18,606.31	18,888.82	5,812,810.00	706,955	170	9.40	1.00

# Market Highlights

## TOP GAINERS

COMPANY	VWA PREV CLOSE	VWA DAYS CLOSE	CHANGE (Rs.)	CHANGE %	HIGH (Rs.)	LOW (Rs.)	No. of SHARES	TURNOVER (Rs)
S M B LEASING [X]	0.40	0.50	0.10	25.00	0.50	0.40	288,900	142,210.00
MERC. SHIPPING	163.50	200.00	36.50	22.32	200.00	200.00	100	20,000.00
SOFTLOGIC CAP	16.50	19.90	3.40	20.61	24.00	17.00	336,800	6,868,160.00
NAMUNUKULA	50.50	58.90	8.40	16.63	58.90	50.50	400	21,040.00
COM.CREDIT	15.50	17.80	2.30	14.84	18.20	16.00	224,000	3,904,910.00

## TOP LOSERS

COMPANY	VWA PREV CLOSE	VWA DAYS CLOSE	CHANGE (Rs.)	CHANGE %	HIGH (Rs.)	LOW (Rs.)	No. of SHARES	TURNOVER (Rs.)
KEELLS FOOD	99.90	72.00	(27.90)	(27.93)	72.00	72.00	100	7,200.00
AGSTARFERTILIZER	17.40	15.00	(2.40)	(13.79)	15.00	15.00	1,000	15,000.00
CITRUS LEISURE [W0019]	10.90	9.80	(1.10)	(10.09)	10.20	9.70	48,800	482,870.00
HDFC	1,200.00	1,080.00	(120.00)	(10.00)	1,080.00	1,080.00	3,000	3,240,000.00
CITRUS LEISURE [W0018]	11.00	9.90	(1.10)	(10.00)	10.50	9.60	9,000	89,000.00

## MARKET CAPITALISATION

COMPANY NAME	Price	ISSUED QTY	MKT CAPITALISATION	As a % (Total)
JOHN KEELLS HOLDINGS PLC	166.50	842,449,685	140,267,872,553	7.08
THE BUKIT DARAH PLC	900.00	102,000,000	91,800,000,000	4.64
CEYLON TOBACCO COMPANY PLC	479.00	187,323,751	89,728,076,729	4.53
CARSONS CUMBERBATCH PLC	452.50	196,386,914	88,865,078,585	4.49
SRI LANKA TELECOM PLC	47.90	1,804,860,000	86,452,794,000	4.37
COMMERCIAL BANK OF CEYLON PLC	100.00	765,085,320	76,508,532,000	3.86
DIALOG AXIATA PLC	6.90	8,143,778,405	56,192,070,995	2.84
NESTLE LANKA PLC	895.00	53,725,463	48,084,289,385	2.43
HATTON NATIONAL BANK PLC	150.00	311,446,495	46,716,974,250	2.36
AITKEN SPENCE PLC	114.80	405,996,045	46,608,345,966	2.35

## HIGHEST VOLUME

COMPANY NAME	TRADED VOLUME	SHARE VOLUME	TURNOVER (Rs)
ASIRI SURGICAL HOSPITAL	20	6,272,200	50,174,840.00
PC HOUSE PLC	1,118	4,706,800	53,398,800.00
FREE LANKA CAPITAL	108	2,451,400	5,394,970.00
THE LION BREWERY	82	2,194,600	438,889,960.00
BLUE DIAMONDS JEWELLERY [X]	189	1,652,000	4,678,430.00
ENVIRONMENTAL RESOURCES	619	1,365,100	26,277,430.00
NATION LANKA FINANCE [W0021]	272	1,328,000	5,060,500.00
DIALOG AXIATA PLC	67	1,173,800	8,124,070.00
TOKYO CEMENT COMPANY	6	989,900	39,596,000.00
ACME PRINTING & PACKAGING	579	946,500	25,659,430.00

## HIGHEST TURNOVER

COMPANY NAME	TURNOVER (Rs)
THE LION BREWERY	438,889,960.00
JOHN KEELLS HOLDINGS	59,054,070.00
PC HOUSE PLC	53,398,800.00
ROYAL CERAMICS LANKA	51,788,030.00
ASIRI SURGICAL HOSPITAL	50,174,840.00
TOKYO CEMENT COMPANY	39,596,000.00
COMMERCIAL BANK OF CEYLON	32,650,640.00
LB FINANCE PLC	30,447,990.00
ENVIRONMENTAL RESOURCES	26,277,430.00
ACME PRINTING & PACKAGING	25,659,430.00

## Market Announcement

- Dividend Announcements**

COMPANY	DIVIDEND	TERMS	XD DATE	PAYMENT
OSEA	Rs.0.30	First & Final	25.May.2012	05.June.2012
GOOD	Rs. 42.70	First	29.Feb.2012	09.Mar.2012
SHAL	Rs. 7.50	First	29.Feb.2012	09.Mar.2012
SELI	Rs. 30.80	First	29.Feb.2012	09.Mar.2012
INDO	Rs. 1.25	First	29.Feb.2012	09.Mar.2012
DIAL	Rs. 0.25	Final	dtn	dtn

## Market Comment

The market opened the day with positive momentum and succeeded to maintain it throughout the trading day to close the day in positive note. The main All Share Price index (ASPI) gained 23.34 points and closed the day at 5,308.51; the more liquid Milanka Price Index (MPI) gained 51.20 points to close at 4,600.63. The market capitalization stands at LKR 1.95Tn.

219 counters traded during the day to record a turnover of LKR 1.10Bn which is a reduction of 49% over previous trading day; out of which LKR 396.9Mn was generated through privately negotiated deals on AMSL.N (LKR 40Mn) and LION.N (LKR 356.9Mn). The Lion Brewery (LKR 438.9Mn), John Keells Holdings (LKR 59.0Mn) and PC House PLC (LKR 53.4Mn) were the major contributors to the daily turnover.

The day recorded 9,118 trades which resulted in 39.4Mn shares changing hands. Asiri Surgical Hospital (6.3Mn), PC House PLC (4.7Mn) and Free Lanka Capital (2.5Mn) were the top contributors to the total daily volume. The price gainers outnumbered the price losers by 110:77. The price gainers were led by S M B Leasing [X] (Price gain of 25.00%) on the contrary, Keells Food (Price loss of 27.93%) led the price losers. The market recorded a net foreign inflow of LKR 75.1Mn.

### **Shangri-La Projects to Break Ground This Week**

The much-anticipated construction of Shangri-La hotels in Sri Lanka worth \$ 500 million will commence soon with the groundbreaking ceremonies of both properties being scheduled for later this week. Shangri-La Lanka is said to have invested US\$ 125 million for the land facing the Galle Face Green promenade and another US\$ 120 for the Hambantota Sitrakala Estate. The Colombo development will feature a multi-use complex with high end retail facilities, deluxe apartments and a 650 key luxury hotel to be opened in 2014. The second property in the southern part of the country will be a 161 room and 20 villa beachside resorts to be launched in 2013. Investment for both hotels is said to exceed US\$ 500 million. Hong Kong-based Shangri-La Hotels and Resorts is one of the world's premier hotel companies currently owning/managing 72 hotels under the Shangri-La, Kerry and Traders brands with a room inventory of over 30,000. *(Daily FT)*

### **Sri Lanka to Restrict Imports Of Five Fruit Varieties**

Sri Lanka Ministry of Agriculture sources say the government has decided to impose restrictions on import of five varieties of fruit. The five fruit varieties are papaya, mango, pineapple, grapes and orange. The government says these fruits can be grown in Sri Lanka very well and it is to initiate a programme to encourage cultivation of these crops through its livelihood development programme. Ministry sources say that Sri Lanka imported 478,177 kilos of grapes, 2,144,067 kilos of apple and 4,938,285 kilos of orange in November last year alone. Sri Lanka can be self-sufficient agriculturally and should not waste money on unwanted expenditure, the government noted. *(Colombo Page)*

### **Brent Hits Eight-Month Top above \$ 121 after Iran, China Moves**

Brent crude futures rose on Monday to above \$ 121 a barrel, the highest in eight months, as Iran cut its exports to Britain and France months ahead of a European Union embargo and as a policy easing by China and hopes for a Greek bailout supported prices. OPEC's second largest producer, Iran, ordered a halt to its oil sales to Britain and France on Sunday, retaliating against tightening EU sanctions as its ties with the West remained strained over its controversial nuclear program. The announcement came as European oil buyers had already made big cuts in purchases from Iran months ahead of the sanctions. *(Reuters)*

### **Japan Shares Gain As Monetary Easing Creates Virtuous Cycle**

The Bank of Japan's additional monetary easing steps have led investors to pour cash into the Japanese stock market, pushing the Nikkei Stock Index briefly above 9,400 on Friday for the first time in about six months. More monetary easing has sent interest rates in Japan lower, weakening the yen. Hopes that corporate earnings will improve on a less-robust yen have driven up stock prices and drawn more investment money into the market. Foreigners' appetite to invest in Japan was already starting to grow stronger at the beginning of the year. But their buying of key Japanese stocks took off when concerns about the strength in the yen receded due to the new BOJ easing steps. *(Asia Pulse)*

Exchange Rates					Indicative Rates		
Currency	21-Feb-12		17-Feb-12		Currency	21-Feb-12	17-Feb-12
	Buying	Selling	Buying	Selling		Ind: Value	Ind: Value
Dollar (USA)	117.02	119.99	117.56	120.54	Yuan(China)	18.82	18.96
Pound (UK)	184.63	190.57	185.23	191.18	Rupee(India)	2.41	2.43
Euro (EU)	153.94	159.56	153.50	159.09	Won(Korean)	0.11	0.11
Dollar (Canada)	116.80	121.40	117.25	121.86	Dinar(Kuwait)	426.62	429.65
Dollar (Australia)	124.53	129.69	125.80	131.01	Ringgit(Malay)	39.21	39.19
Dollar (Singapore)	92.65	96.17	92.62	96.13	Rial(Oman)	307.21	310.05
Yen (Japan)	1.46	1.52	1.48	1.54	Riyal(Qatar)	32.56	32.78
					Riyal(KSA)	31.62	31.83
					Dirham (UAE)	32.28	32.50

  

Central Bank's Policy Rates		% Per Annum
Central Bank Repurchase (Repo) Rate		7.50
Central Bank Reverse Repurchase (Reverse Repo) Rate		9.00
Bank Rate		15.00
Statutory Reserve Ratio (SRR)		8.00

  

Treasury Bills			AWPLR			AWDR		
	This week	Last week		This Week	Last week		This Month	Last Month
91 Days	9.31	9.24	Weekly	11.78	11.72	Monthly	7.35	7.24
182 Days	9.44	9.26	Monthly	11.41	10.49	6 Months	6.79	6.63
364 Days	9.99	9.88	6 Months	9.98	9.63	Fixed Deposits	9.11	8.95

  

Colombo Consumers' Price Index (CCPI)						
Description	2011/2012			2010/2011		
	November	December	January	November	December	January
Year on Year Change %	4.70	4.90	3.80	6.90	6.80	6.20
Annual Average Change %	6.90	6.70	6.50	6.10	6.20	6.10

  

SLIBOR & LIBOR	Over Night	7 Days	1 M	3 M	6 M	12 M
SLIBOR (21-Feb)	9.5900	9.9600	10.2000	10.3800	10.6600	10.9300
LIBOR - GBP(20-Feb)	0.5597	0.6063	0.7535	1.0708	1.3868	1.8889
LIBOR - USD(20-Feb)	-	0.1887	0.2455	0.4931	0.7511	1.0661

  

Medium Term Macroeconomic Framework (a)				Projections			
Indicator	Unit	2009	2010	2011	2012	2013	2014
GDP at Market Prices	Rs. bn	4,835.00	5,602.00	6,440.00	7,405.00	8,513.00	9,790.00
Real GDP Growth	%	3.50	8.00	8.50	9.00	9.50	9.50
Per Capita GDP	US\$	2,057.00	2,399.00	2,794.00	3,200.00	3,660.00	4,190.00
Total Investment	% of GDP	24.40	27.80	29.50	32.00	33.00	34.00
National Savings	% of GDP	23.70	24.70	25.80	29.10	30.70	32.30
Trade Gap	US\$ mn	(3,122.00)	(5,205.00)	(6,762.00)	(7,399.00)	(7,993.00)	(8,531.00)
Debt Service Ratio	%	18.90	14.60	13.50	16.20	12.60	14.30
Government Debt	% of GDP	86.20	81.90	80.00	75.00	71.00	67.00

## Foreign Stock Exchanges

Foreign Stock Exchanges						
Country	Foreign Markets- Index	17-Feb-11	% Change	16-Feb-11	% Change	15-Feb-11
USA	Dow Jones Indus. AVG	12,949.90	0.35%	12,904.10	0.96%	12,781.00
USA	NASDAQ Composite Index	2,951.78	-0.27%	2,959.85	1.51%	2,915.83
Europe	Euro Stoxx 50 Pr	2,520.31	1.24%	2,489.35	-0.18%	2,493.96
UK	FTSE 100	5,905.07	0.33%	5,885.38	-0.12%	5,892.16
Japan	Nikkei 225	9,384.17	1.58%	9,238.10	-0.24%	9,260.34
Hong Kong	Hang Seng Index	21,491.62	1.01%	21,277.28	-0.41%	21,365.23
China	CSI 300 Index	2,537.09	0.04%	2,536.07	-0.53%	2,549.61
Pakistan	Karachi 100 Index	12,495.68	0.74%	12,404.24	0.76%	12,311.04
India	BSE Sensex 30 Index	18,289.35	0.75%	18,153.99	-0.27%	18,202.41
Singapore	FTSE Straits Times Index	3,000.59	0.79%	2,977.20	-1.14%	3,011.68
Malaysia	FTSE Bursa Malaysia EMAS	10,826.86	0.43%	10,780.35	-0.73%	10,860.15
Bangladesh	DSE General Index DGEN	N/A	0.00%	4,259.05	-0.71%	4,289.71
Mongolia	MSE Top 20 Index	20,858.70	-0.62%	20,989.50	1.20%	20,740.70

## Commodity Prices & Other Statistics

### Rubber Prices-Auction 18/31st Jan

Grade	Price Range (Rs)
LC No.1X	420.00-420.00
LC No.1	340.00-355.00
LC No.2	340.00-355.00
LC No.3	335.00-345.00
LC No.4	395.00-400.00
SC (Br) No.1	390.00-390.00
SC (Br) No.2	328.00-330.00
SC (Br) No.3	315.00-335.00
SC (Br) No.4	350.00-360.00
Skim Crepe	310.00-310.00
RS Sheet No.1	420.00-420.00
RS Sheet No.3	395.00-400.00

### Tea Prices- Auction- 31st of January

Elevation	Price/Kg	Price/Kg
Uva High	287.80	289.80
Western High	348.09	343.18
Uva Medium	295.78	297.18
Western Medium	306.58	298.83
Low Grown	362.47	365.58

### World Commodity Prices

Commodity	21-Jan	17-Feb	16-Feb
Brent Crude Oil	119.58	120.40	118.16
WTI Crude Oil	105.32	102.43	101.46
Gold	1,741.59	1,732.38	1,720.03
Silver	33.86	33.53	33.28
Copper	3.77	3.82	3.76

### Tourist Arrivals to Sri Lanka

	2010	2011	2012
January	50,757	74,197	85,874
February	57,300	65,797	
March	52,352	75,130	
April	38,300	63,835	
May	35,213	48,943	
June	44,730	53,636	
July	63,339	83,786	
August	55,898	72,463	
September	47,339	60,219	
October	52,370	69,563	
November	72,251	90,889	
December	84,627	97,517	
<b>Total</b>	<b>654,476</b>	<b>855,975</b>	<b>85,874</b>

(Oil Price.net, srilankastockpicks.blogspot.com, pureceylontea, LBO, rrisl)

## Asha Phillip Securities Limited – Research

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- **Branch Office: Kandy**  
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- **Branch Office: Galle**  
# 16, Sri Dewamittha Mw, Galle. Tel. 091 2233558
- **Branch Office: Anuradhapura**  
# 9, Maithripala Senanayaka Mw, Bank Site, New Town, Anuradhapura. Tel. 025 2234705
- **Branch Office: Embilipitiya**  
# 61, Sampath Bank Bldg. Main Street, Embilipitiya. Tel. 047 2261950
- **Branch Office: Batticaloa**  
#22B Bar Road, Batticaloa, Tel: 065 2228029
- **Branch Office: Jaffna**  
1st Floor, # 398/1, Hospital Road, Jaffna. Tel: 021 2221614

- **Branch Office: Vavuniya**  
1st Floor, # 60, 1st Cross Street, Vavuniya. Tel: 024 2226031
- **Branch office: Kollupitiya**  
# 60,5th Lane, Colombo 03, Tel: 011 3009826
- **Branch Office: Badulla**  
# 33/3, 2nd Floor, Modern Complex, Badulla. Tel: 055 2222009
- **Branch Office: Wellawatte**  
# 3-1/2, Collingwood Place, Colombo 06. Tel: 0112 362939
- **Branch Office: Panandura**  
# 465, Galle Road, Panandura. Tel: 038 2234780
- **Branch Office: Ambalanthota**  
# 153, Tissa Road, Ambalanthota. Tel: 047-2225170
- **Branch Office: Wattala**  
# 118, Negombo Road, Wattala. Tel: 011-2930099