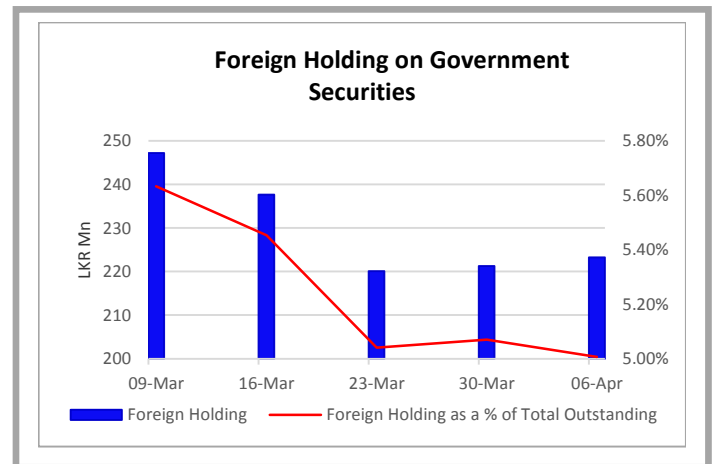
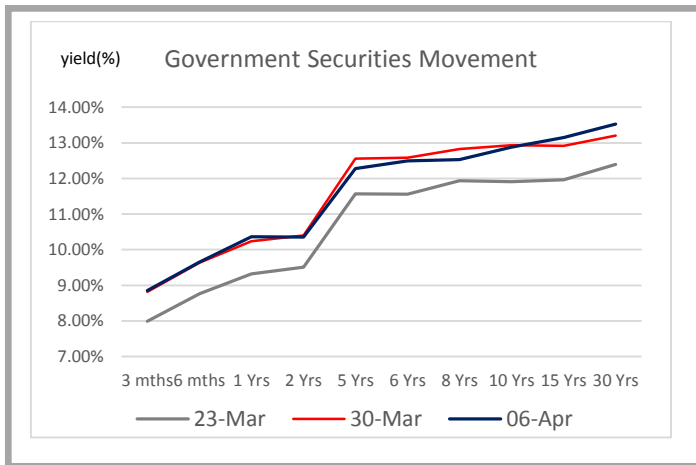
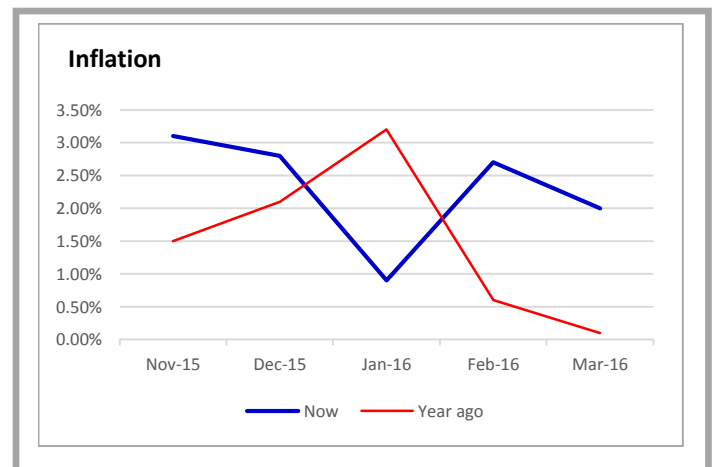
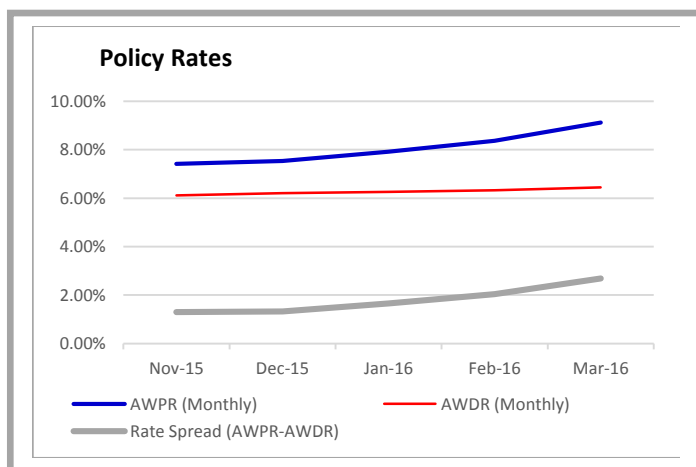


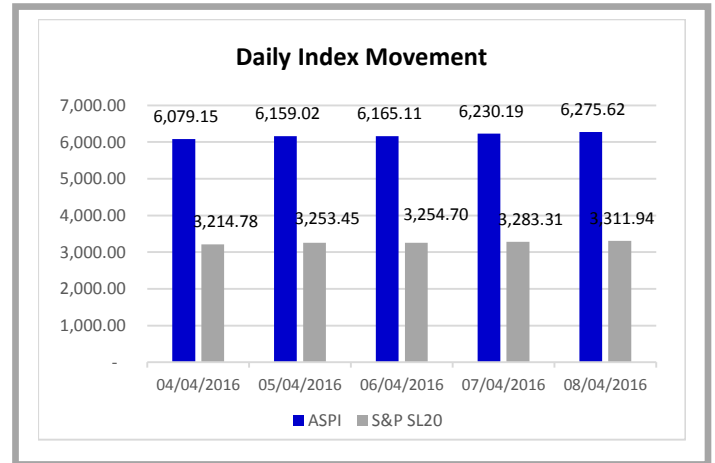
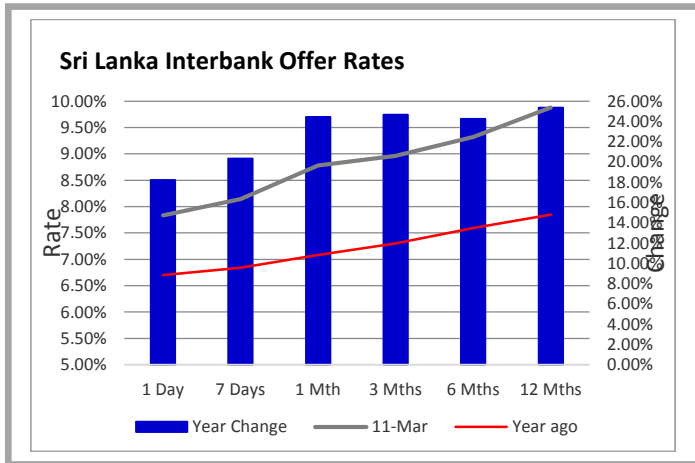
Economic Indicators: LKR/USD 144.65(0.43% WoW) AWPR: 9.28% (0.98% WoW) AWDR: 6.44% (1.74% MoM) ASPI: 6,275 (3.17% WoW) S&P SL20: 3,311 (3.11% WoW)



Market	Period	06-Apr	30-Mar	Change %
Secondary Market	3 months	8.85%	8.82%	0.34%
	6 months	9.65%	9.63%	0.21%
	1 Year	10.36%	10.24%	1.17%
	2 Years	10.35%	10.40%	-0.48%
	5 Years	12.28%	12.56%	-2.23%
	6 Years	12.49%	12.58%	-0.72%
	8 Years	12.53%	12.83%	-2.34%
	10 Years	12.88%	12.93%	-0.39%
	15 Years	13.15%	12.92%	1.78%
	30 Years	13.53%	13.20%	2.50%

- Average Weighted Prime Lending Rate (AWPR): 9.28%. It has increased by 09 bps compared to last week.
- Average Weighted Deposit Rate (AWDR): 6.44% (Mar), 6.33% (Feb).
- Average Weighted Fixed Deposit Rate (AWFDR): 7.92% (Mar) and 7.75% (Feb).
- SLIBOR Rates : 8.16% (1Day), 8.53%(7Days), 9.12%(1Month), 9.49%(3Months), 9.86%(6Months), 10.34%(1Yr).
- Inflation (Annual average change): 1.1% (Mar) and 0.9% (Feb).

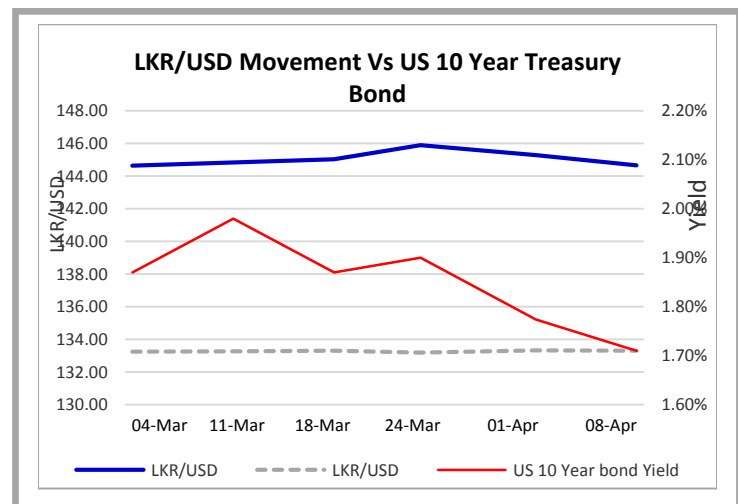




LKR Exchange Rate Movement

- LKR appreciated over the week by 0.43% against USD from LKR/USD 145.28 to 144.65.
- One month forward rate of LKR/USD is 145.48 (Last week 144.79).
- Three months forward rate of LKR/USD is 147.58 (Last week 148.13).

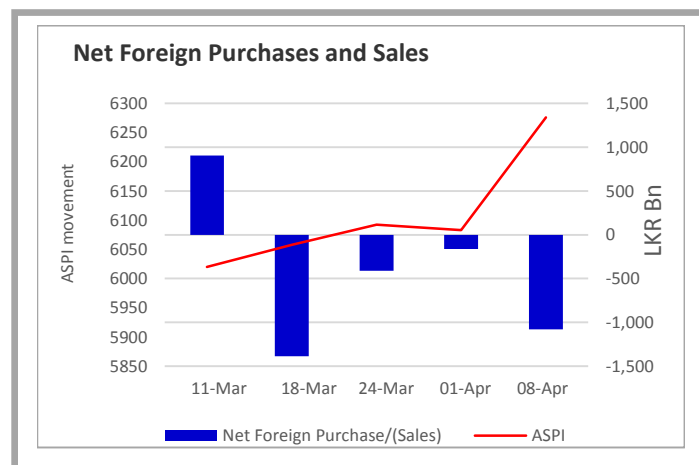
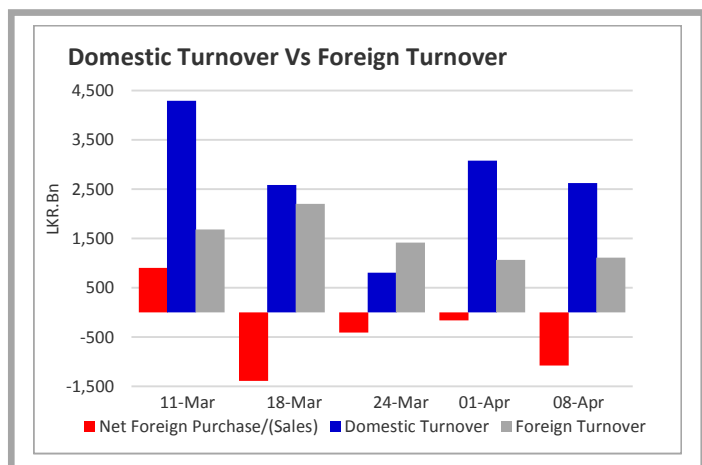
	11-Mar	18-Mar	24-Mar	01-April	08-April
INR 16	2.14	2.16	2.15	2.16	2.15
INR 15	2.11	2.11	2.13	2.12	2.13
RM 16	35.09	35.50	35.80	36.86	36.59
RM 15	35.78	35.96	36.23	35.98	36.45



Colombo Stock Exchange

- All Share Price Index: 6,275 points as at 08th April 2016.
- S&P 20: 3,311 points as at 08th April 2016.
- ASPI increased by 192 points WoW which is 3.17%.
- S&P 30 increased WoW by 99 points, reflecting a 3.11% positive variation.
- Net Foreign Outflow: LKR. 1,078 Mn.
- Last week recorded a Net foreign Outflow: LKR. 163 Mn.
- Market capitalization: LKR.2,674Bn which is 3.24% increase compared to last week.
- Market PE: PE recorded as 15.81 in this week and it has increased by 3.20% from the last week.

Price Index by Sector			
Top Gainers	This week	Pre. week	Change %
INVESTMENT TRUSTS	14,496.19	12,979.57	11.68%
POWER AND ENERGY	161.02	151.12	6.55%
TRADING	15,814.90	14,911.48	6.06%
MANUFACTURING	4,002.25	3,807.01	5.13%
CONSTRUCTION AND ENGINEERING	2,470.99	2,358.10	4.79%
TELECOMMUNICATIONS	176.05	168.17	4.69%
LAND AND PROPERTY	681.55	653.13	4.35%
PLANTATIONS	687.55	660.53	4.09%
SERVICES	21,070.47	20,245.94	4.07%
BANKS FINANCE AND INSURANCE	15,630.62	15,044.18	3.90%



Local News

Chinese Premier Li Keqiang has pledged a grant of 500 million Yuan to Sri Lanka symbolizing Sino-Lanka friendship, the Prime Minister's office said. Chinese Premier has told the Sri Lankan delegation that the Free Trade Agreement is expected to be signed soon reducing the trade gap between the two countries. Keqiang has also pledged to support the development of the second stage of Hambantota Port. In addition to bilateral discussions held with the Chinese Premier, several agreements were also signed. Minister Malik Samarawickrama signed a MoU between the Ministry of Commerce of China and the Ministry of National Policy and Economic Development on fully promoting investment, economic and Technical Corporation between the two countries.

(Source: LBO - 08.04.2016)

The Colombo Stock Exchange (CSE) on launched the S & P/CSE Sector and Industry Group Indices in collaboration with world's leading index provider S & P Dow Jones indices on last Wednesday. The comprehensive index series is designed to measure the performance of various sectors and industry groups within the Sri Lankan equity market as defined by the Global Industry Classification Standard (GICS) The S & P /CSE sector and industry group indices were developed based on the universe of common stocks listed on CSE. The index family includes 10 sector indices such as S & P/CSE Energy, Materials, Industries, Consumer Discretionary, Consumer Staples, Health Care, Financial Sector, Information Technology, Telecommunications and Utilities.

(Source: Daily News - 07.04.2016)

Three Sri Lankan companies have been listed in the Panama Papers according to the Irish Times. These include 3 clients and 22 shareholders. Government will further investigate regarding this exposure. An interactive map titled 'secret companies around the world 'have included Sri Lanka on it as well. Dubbed the massive cache of 11 million confidential documents shows how a global industry of law firms and big banks sells financial secrecy to politicians, fraudsters and drug traffickers as well as billionaires, celebrities and sports stars. This leak is thus proof that despite explicit banking laws against tax evasion, criminal uses and money laundering, the global offshore shell game business remains open for the wealthy and well connected to exploit.

(Source: Daily News - 07.04.2016)

Foreign News

Fewer Americans filed for unemployment benefits last week, illustrating a healthy labor market that's allowing workers to feel more secure in their job. Jobless claims dropped by 9,000 to 267,000 in the week ended April 2, a report from the Labor Department showed on Thursday. The median forecast of economists surveyed by Bloomberg called for 270,000. Weekly applications have been below 300,000 for longer than a year as steady demand encourages employers to retain those who are qualified and experienced. Dismissals near the lowest level since 1973 have been accompanied by a steady drumbeat of hiring, propping up consumer spending and the economy. For 57 consecutive weeks, initial claims have been below the 300,000 level.

(Source: Bloomberg - 07.04.2016)

Singapore edged past Hong Kong as the world's No. 3 financial centre, according to a survey by London-based research firm Z/Yen Group. The Southeast Asian city-state ranks behind London and New York, and two points ahead of Hong Kong on the Global Financial Centres Index, published April 6 on the firm's website. The index, which has a scale of 1,000 points, is based on surveys of 2,520 financial-services professionals, according to the press release. The ranking reflects key competitive areas including business environment, financial sector development and infrastructure of the 86 hubs around the world covered by the survey. Tokyo ranks fifth and Zurich sixth in the results. Z/Yen Group first published the survey in March 2007, according to its website.

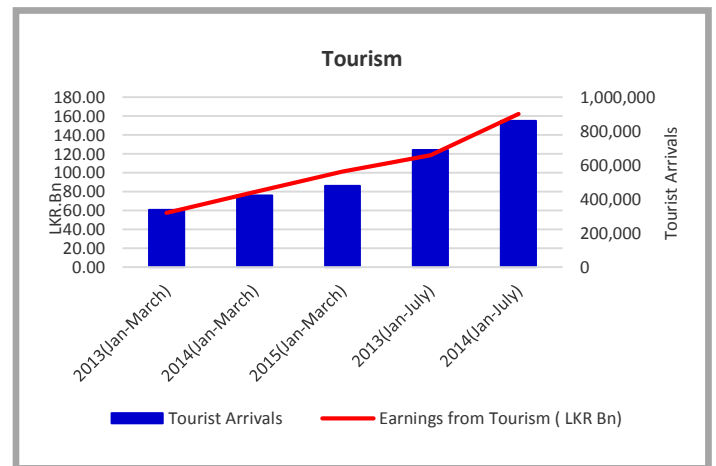
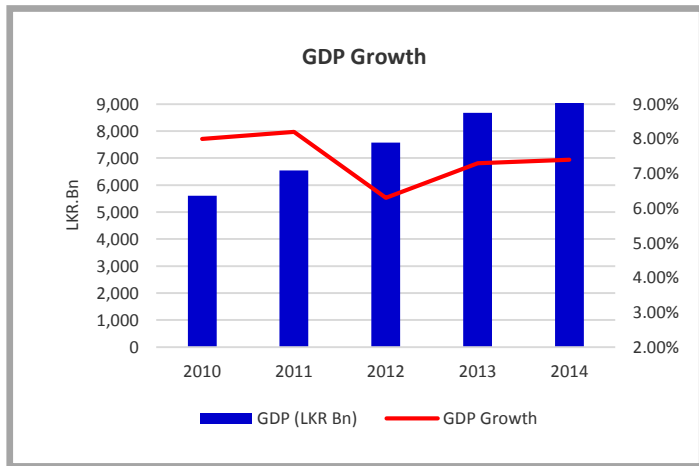
(Source: Bloomberg - 07.04.2016)

China's foreign exchange reserves rose firmly in March, according to data published by the People's Bank of China, advancing for the first time in five months and taking the overall total to \$3.2126 trillion. The \$10.26 billion gain was not entirely unexpected after the drop in reserves in February narrowed to \$28.57 billion and the US dollar weakness last month that may have added as much as \$40 billion to the value of China's holdings of non-dollar assets. The positive number indicates that, for now at least, the PBOC has managed to rein in the significant capital outflows seen in the last few months after it tightened supervision of forex transactions and burnt speculators enough to stop bets on yuan depreciation that forced it to intervene aggressively to defend the currency.

(Source: Market News International - 07.04.2016)

GDP and Economy

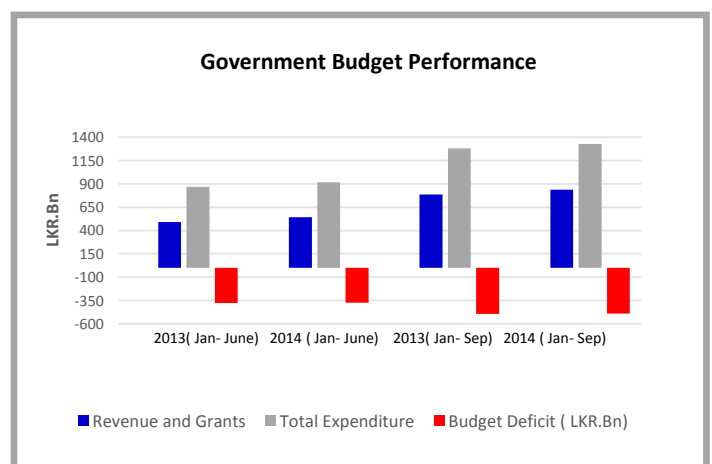
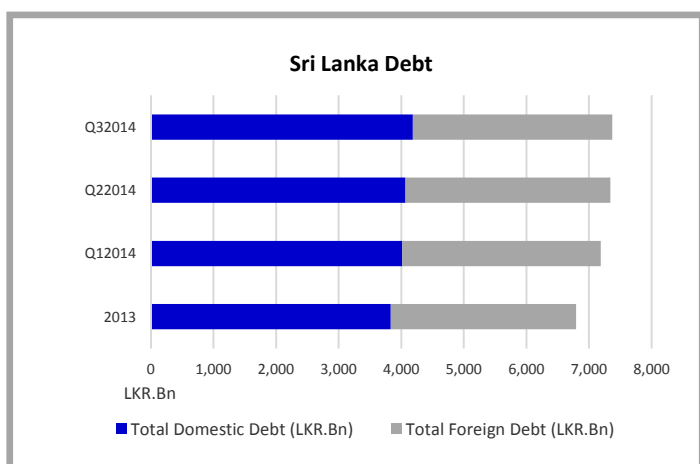
- The GDP of 2014 depicts a steady growth of 7.4% when compared to last year. The Service sector contribution was higher than the agriculture and industry sectors which was 57.6%.
- The agriculture sector, industry sector and Service sector real GDP recorded in 2014 (as per the prices in 2002) were LKR. 353,799Mn, LKR.1,132,892Mn and LKR. 2,019,973Mn respectively.
- Unemployment rate was 4.3% in 2014 compared to 4.4% in the previous year.

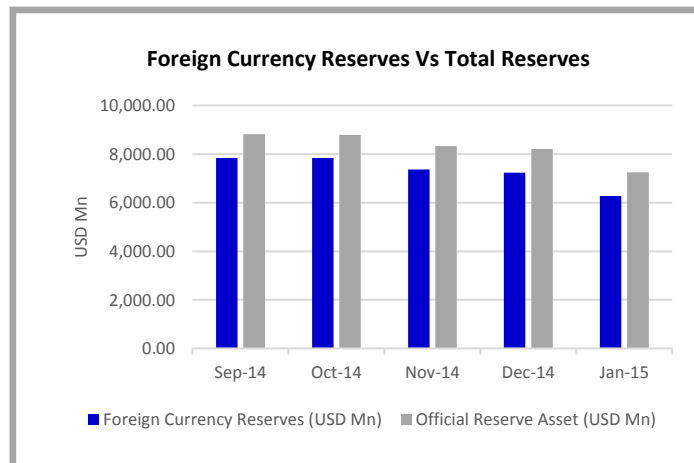
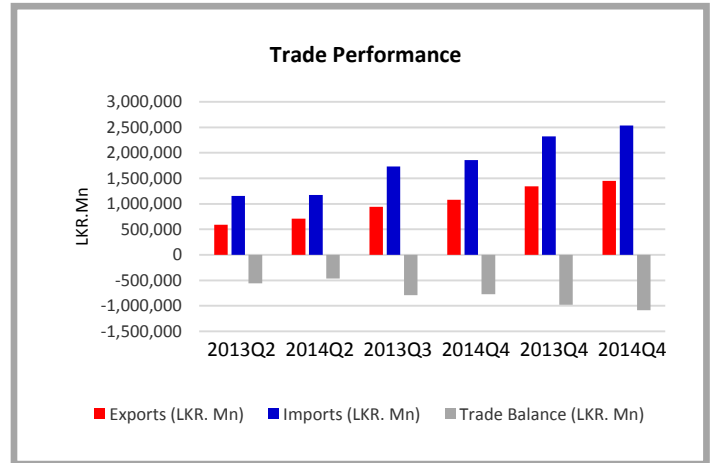
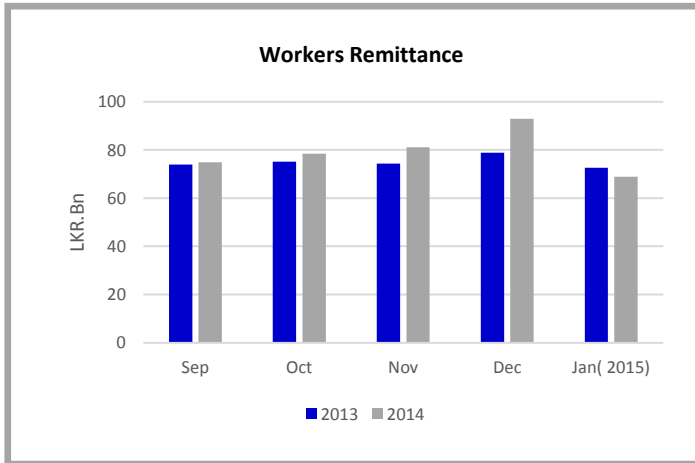


Sri Lanka Fiscal Performance

Debt service indicators improved during 2014. Debt service payments, which include amortization and interest payments declined to 11.0 per cent of GDP in 2014 from 13.4 per cent of GDP in the previous year. The ratio of total interest payments to GDP declined to 4.5 per cent in 2014 from 5.3 per cent in 2013, mainly due to the decline in domestic interest payments with lower interest rates in the market. Domestic interest payments to GDP declined to 3.4 per cent in 2014 from 4.1 per cent in 2013.

	2011	2012	2013	2014
GOVERNMENT DEBT/GDP (%)	78.5	79.2	78.3	75.5
DOMESTIC DEBT/ GDP (%)	42.9	42.7	44.2	43.7
FOREIGN DEBT % OF GDP	35.6	36.5	34.1	31.8
BUDGET DEFICIT/GDP (%)	-6.9	-6.5	-5.9	-5.2



Sri Lanka External Sector


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1. CAPITAL MARKET ACTIVITIES
2. PORTFOLIO MANAGEMENT
3. CORPORATE RESTRUCTURING

Kenanga Investment Corporation Ltd (KICL) was established in Sri Lanka in 2007 and specializes in capital markets activities with core strengths in investment banking and fund management. KICL is the overseas investment arm of Malaysian listed company K & N Kenanga Holdings Berhad (KNKH), a long established financial group in Malaysia with 40 years of collective experience in equity broking.

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INVESTMENT FOR ALL

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- IPO – Equity and Debt
- Private Placements
- Rights Issues
- Mergers and Acquisitions
- Corporate Syndicated Loan Facilities

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- Listed Equity
- Fixed Income Securities
- Kenanga Retirement Plan (KRP)

CORPORATE RESTRUCTURING

- Balance Sheet Restructuring
- Corporate Restructuring

KENANGA INVESTMENT CORPORATION LTD

4th Floor Landmark Building,
No 385, Galle Road,
Colombo 03

Web: www.kenangasl.com
Email: info@kenangasl.com

Tel: 011 523 8441
Fax: 011 523 8442



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INVESTMENT
Plan that will give you
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RETIREMENT**

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Why should a customer choose KRP over other retirement products in the market? What differentiates KRP from the rest is the flexibility of the plan to individual needs. With a structure that delivers maximum convenience to the investor, KRP allows customers to monitor their portfolios online to maintain the deliverance of a transparent service. As the money is invested in different entities under the personal name of client, financial market risks can be mitigated, where the security of the investments are enhanced.

The funds will be invested at the equity or corporate debt markets depending on the client's preference. This could be structured according to a period desired by the customer--be it five, ten or 15 years or a period specified by the investor.



CONTACT US

4th Floor, Landmark Building,
No. 385, Galle Road, Colombo 03.
Tel: 0094 115 238 441
Fax: 0094 115 238 442
E-mail: info@kenangasl.com
Web Link : www.Kenangasl.com