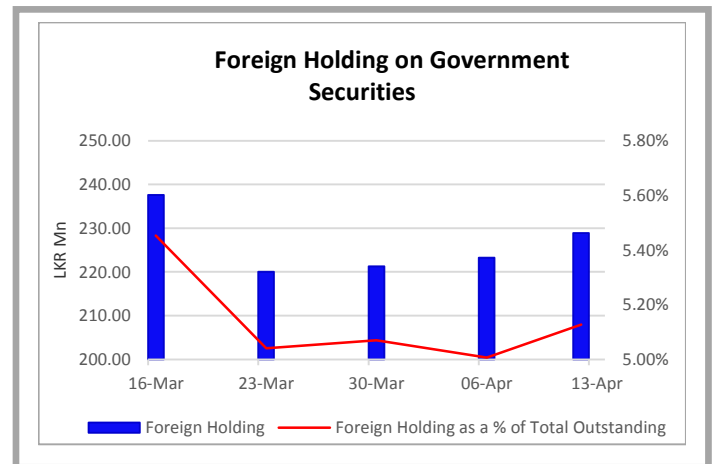
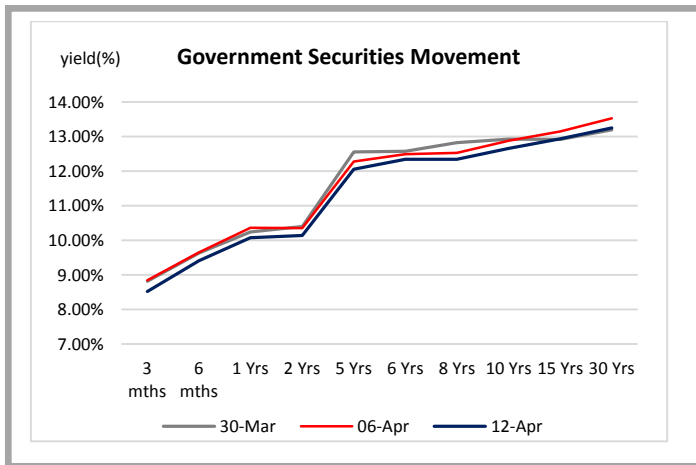
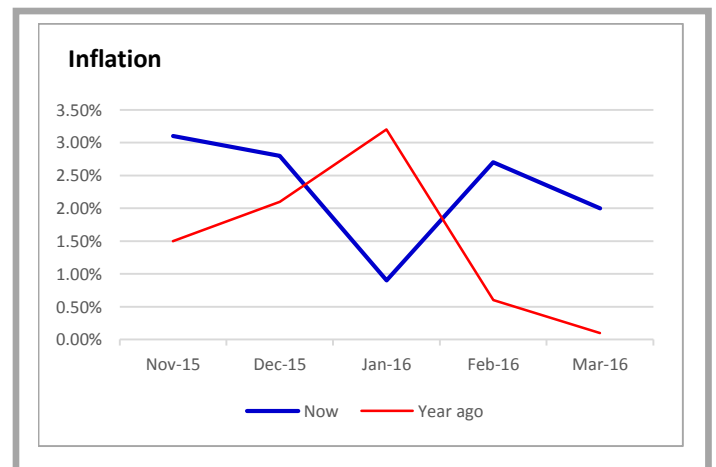
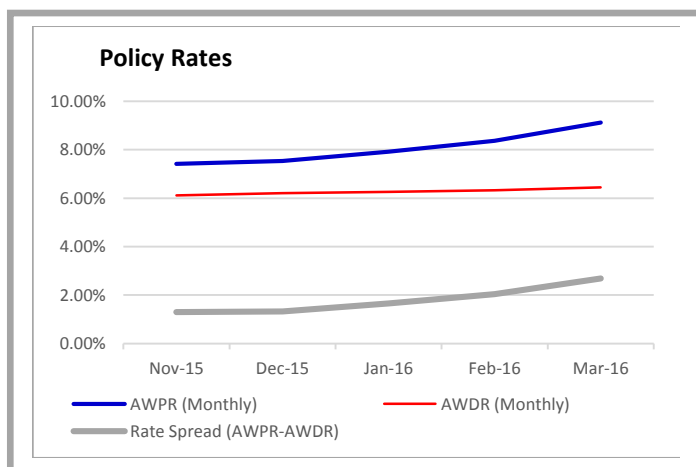


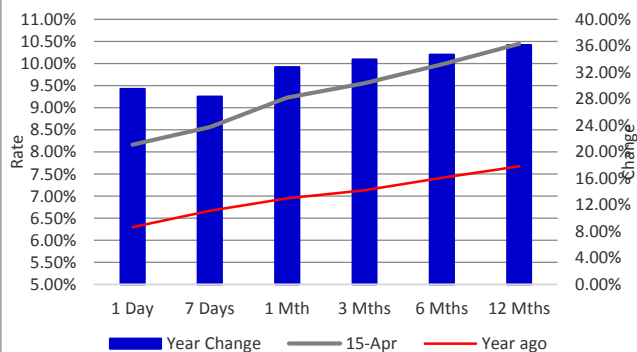
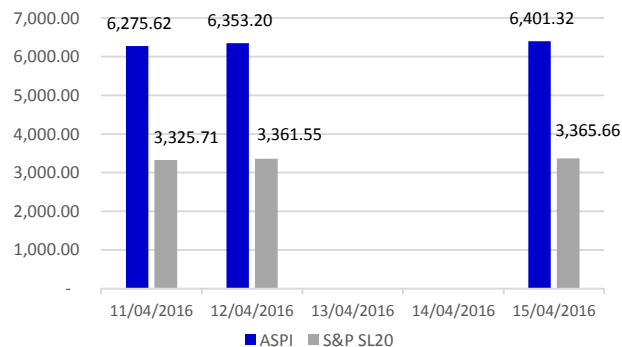
Economic Indicators: LKR/USD 144.73 (0.06% WoW) AWPR: 9.54% (2.80% WoW) AWDR: 6.44% (1.74% MoM) ASPI: 6,401 (2.00% WoW) S&P SL20: 3,365 (1.62% WoW)



Market	Period	12-Apr	06-Apr	Change %
Secondary Market	3 months	8.52%	8.85%	-3.73%
	6 months	9.41%	9.65%	-2.49%
	1 Year	10.08%	10.36%	-2.70%
	2 Years	10.14%	10.35%	-2.03%
	5 Years	12.06%	12.28%	-1.79%
	6 Years	12.34%	12.49%	-1.20%
	8 Years	12.34%	12.53%	-1.52%
	10 Years	12.66%	12.88%	-1.71%
	15 Years	12.94%	13.15%	-1.60%
	30 Years	13.25%	13.53%	-2.07%

- Average Weighted Prime Lending Rate (AWPR): 9.54%. It has increased by 26 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), 8.56%(7Days), 9.23%(1Month), 9.55%(3Months), 9.98%(6Months), 10.44%(1Yr).
- Inflation (Annual average change): 1.1% (Mar) and 0.9% (Feb).

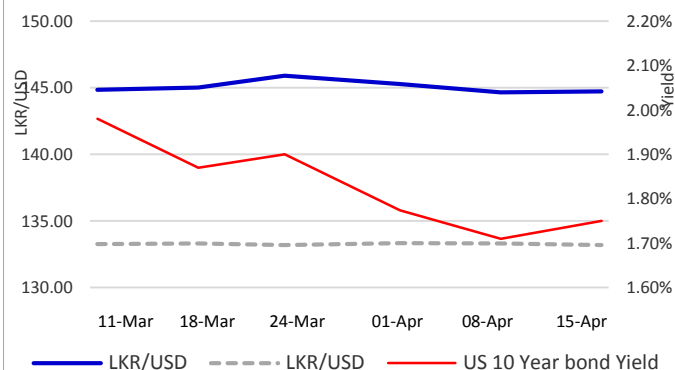


Sri Lanka Interbank Offer Rates

Daily Index Movement


LKR Exchange Rate Movement

- LKR depreciated over the week by 0.43% against USD from LKR/USD 144.65 to 144.73.
- One month forward rate of LKR/USD is 144.76 (Last week 145.48).
- Three months forward rate of LKR/USD is 146.55 (Last week 147.58).

	11-Mar	18-Mar	24-Mar	01-April	08-April
INR 16	2.16	2.15	2.16	2.15	2.16
INR 15	2.11	2.13	2.12	2.13	2.13
RM 16	35.50	35.80	36.86	36.59	36.96
RM 15	35.96	36.23	35.98	36.45	35.90

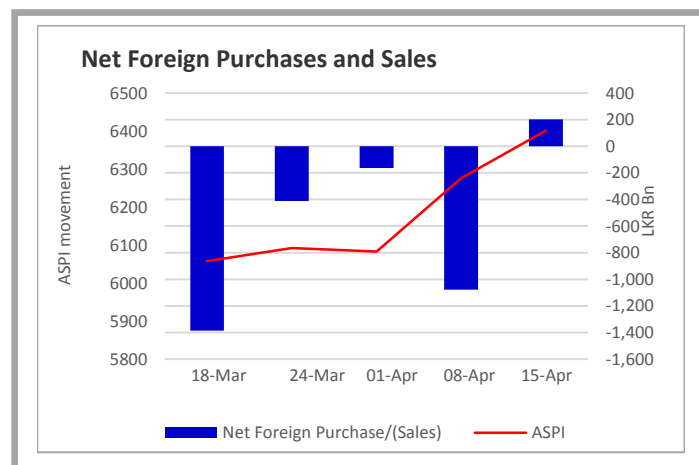
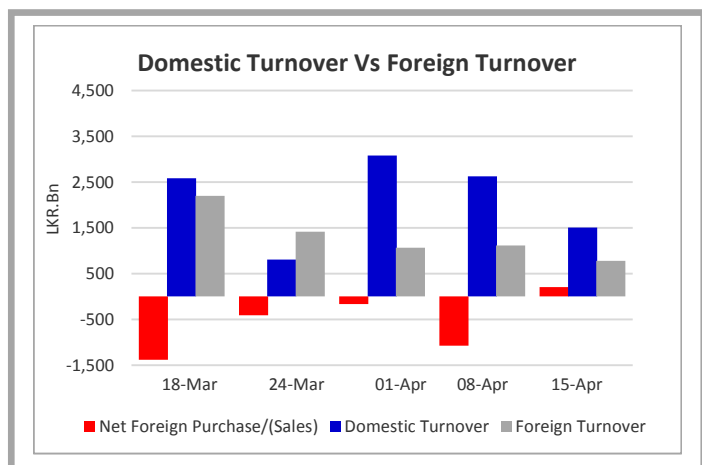
LKR/USD Movement Vs US 10 Year Treasury Bond


Colombo Stock Exchange

- All Share Price Index: 6,401 points as at 15th April 2016.
- S&P 20: 3,365 points as at 15th April 2016.
- ASPI increased by 125 points WoW which is 2.00%.
- S&P 30 increased WoW by 55 points, reflecting a 1.62% positive variation.
- Net Foreign Inflow: LKR. 203 Mn.
- Last week recorded a Net foreign Outflow: LKR. 1,078 Mn.
- Market capitalization: LKR.2,727Bn which is 1.98% increase compared to last week.
- Market PE: PE recorded as 16.13 in this week and it has increased by 2.02% from the last week.

Price Index by Sector

Top Gainers	This week	Pre. week	Change %
INFORMATION TECHNOLOGY	54.49	47.80	14.00%
CONSTRUCTION AND ENGINEERING	2,625.88	2,470.99	6.27%
LAND AND PROPERTY	712.08	681.55	4.48%
TRADING	16,403.84	15,814.90	3.72%
BANKS FINANCE AND INSURANCE	16,169.43	15,630.62	3.45%
INVESTMENT TRUSTS	14,915.79	14,496.19	2.89%
CHEMICALS AND PHARMACEUTICALS	7,301.36	7,108.45	2.71%
FOOTWEAR AND TEXTILES	956.39	931.74	2.65%
Top Losers			
MOTORS	16,808.28	16,931.42	-0.73%
TELECOMMUNICATIONS	175.65	176.05	-0.23%


Local News

Sri Lanka is ranked among Asia Pacific's top 10 foreign direct investment (FDI) hotspots, according to a study by US-based global information company IHS Inc. The other Asia Pacific FDI hotspots are China, Indonesia, Vietnam, the Philippines, Myanmar, Thailand, India, Sri Lanka and Bangladesh. IHS said that over the next decade, the Asia Pacific is forecast to be the fastest growing region of the global economy and the region that offers the biggest potential gains for FDI. "The Asia Pacific region will grow at an average annual rate of 4.5 per cent per year, boosted by rapid growth in consumer spending in China, India and Southeast Asia," said. Malaysia, Indonesia, the Philippines and Thailand are also expected to join the ranks of Asian nations with a GDP exceeding US\$1 trillion by 2030.

(Source: Daily News - 15.04.2016)

Sri Lanka's PM has asked China to swap part of the 8 billion dollars it owes the nation into equity in infrastructure projects, and has offered to sell stakes in Sri Lankan companies. "We've been talking with some companies and also the government of China about the possibility of some infrastructure projects becoming public-private partnerships, in which part of the debt will become equity held by the Chinese companies," PM said. International trade minister said Sri Lanka would also like additional funds from China, though they had not asked for a specific amount. "We want to reduce the current debt by inviting Chinese companies, Chinese investors, to look at some of the enterprises in Sri Lanka, the state-owned enterprises, with a view to taking at least part of that equity over," minister said.

(Source: LBO - 11.04.2016)

Sri Lanka's Central Bank said the economy grew at 4.8 percent in 2015 versus 4.9 percent in 2014, with growth this year expected in the range of 5-5.5 percent. Governor Mahendran said monetary adjustments to the economy last year were having a positive impact. He was speaking at a press conference on the state of the economy. "Imports are showing signs of plateauing," he said, referring to monetary policy efforts to discourage imports. Commenting on discussions with the IMF, Mahendran said he was hopeful around 1 billion to 1.25 billion dollars support may be on the cards. The IMF said on last Monday Sri Lanka had made significant progress towards concluding an IMF facility, and further discussions would be held on the sidelines of Spring Meetings in Washington D.C. this week.

(Source: LBO - 12.04.2016)

Foreign News

A renewed decline in euro-area consumer prices has proved short-lived after data for March was revised to show stagnation. The inflation rate in the 19-nation bloc was unchanged, the European Union's statistics office in Luxembourg said last Thursday, revising an earlier reading of minus 0.1 percent. Prices fell an annual 0.2 percent in February, which was the first drop in five months. Inflation remains well below the ECB's goal of just under 2 percent, which it hasn't been near since 2013, and a moderate economic recovery has been insufficient to counteract falling oil costs. The ECB has expanded its debt purchasing to fight deflation, stepping up monthly bond purchases to 80 billion euros (\$90 billion) from 60 billion euros.

(Source: Bloomberg - 14.04.2016)

Singapore's central bank surprised on Thursday morning with another easing stroke, moving to a neutral policy stance of zero per cent appreciation of the S\$NEER (Singapore dollar nominal effective exchange rate) band. "This is not a policy to depreciate the domestic currency, and only removes the modest and gradual appreciation path of the S\$NEER policy band that was in place," said the Monetary Authority of Singapore (MAS) in its half-yearly policy statement. The width of the policy band and the level at which it is centred will be unchanged. The Singapore economy is projected to expand at a more modest pace in 2016 than envisaged in the October policy review. MAS core inflation should also pick up more gradually over the course of 2016 than previously anticipated.

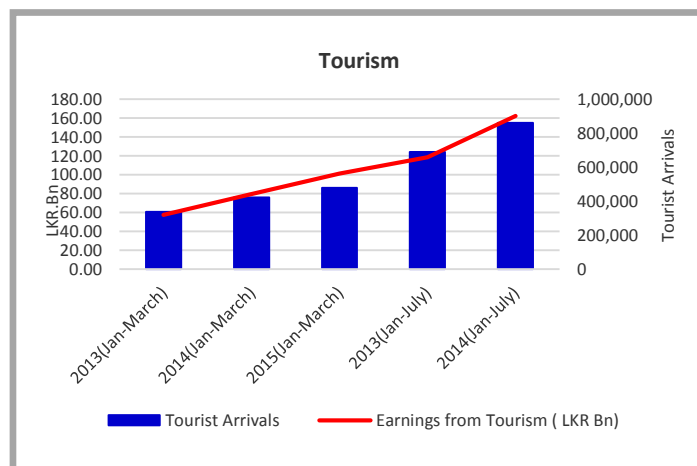
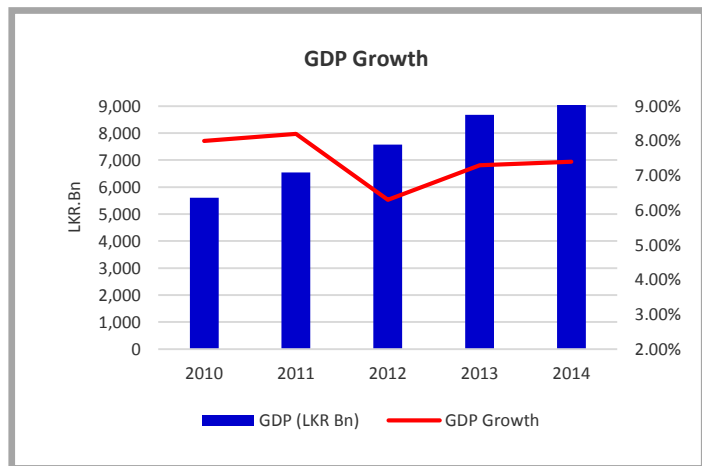
(Source: The Business Times (Singapore) - 14.04.2016)

China's outbound direct investment (ODI) surged 55.4% y/y in the first quarter to \$40.09 billion, the Ministry of Commerce said late Thursday, overtaking inbound foreign direct investment (FDI) which rose 4.5% y/y to \$35.4 billion in Q1. The increase compared with a 14.7% rise in ODI for the whole of 2015 when FDI exceeded outbound spending by \$8.25 billion. ODI in March alone up 21.5% y/y to \$10.2 billion, the ministry said last Thursday. Chinese investment into the U.S. jumped 260% y/y to \$5.24 billion in the first quarter. Investment into Hong Kong was up 61% and to ASEAN countries up 44%. The rise in the value of the dollar and the prospect of further strength probably contributed to the attractions of investing in the U.S. for Chinese companies.

(Source: Market News International - 14.04.2016)

GDP and Economy

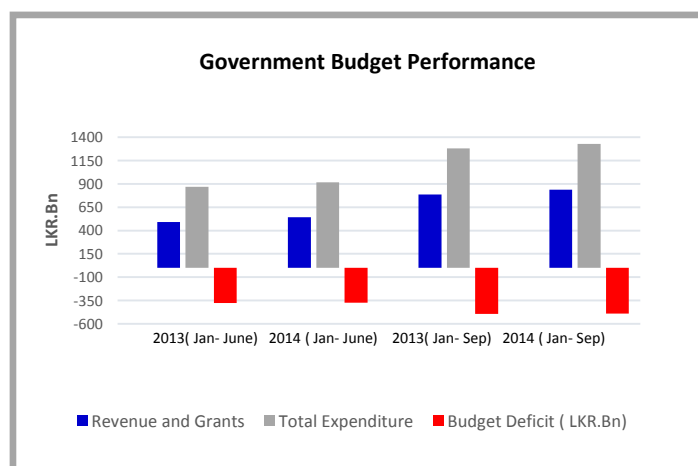
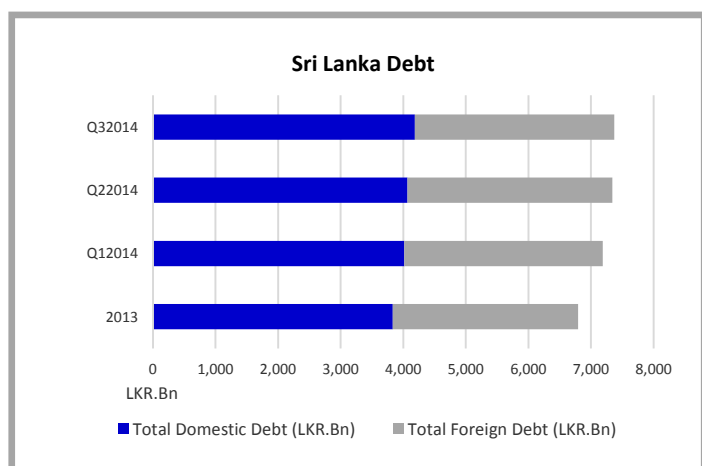
- The GDP of 2014 depicts a steady growth of 7.4% when compared to last year. The Service sector contribution was higher than the agriculture and industry sectors which was 57.6%.
- The agriculture sector, industry sector and Service sector real GDP recorded in 2014 (as per the prices in 2002) were LKR. 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.

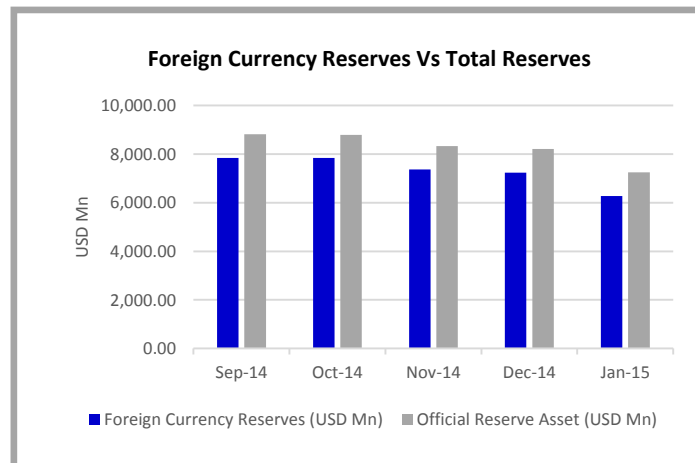
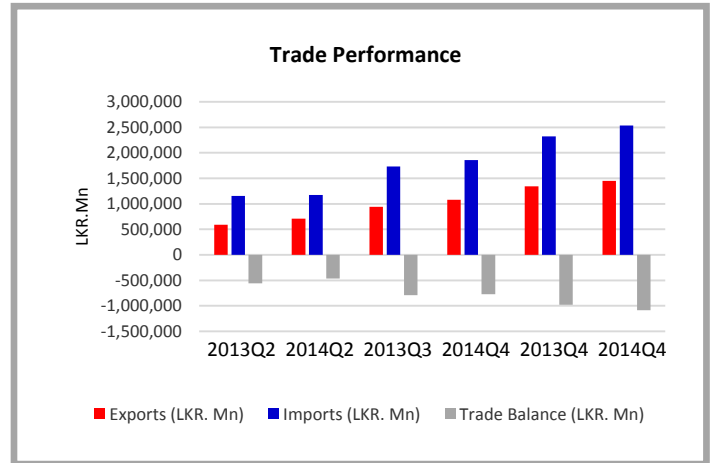
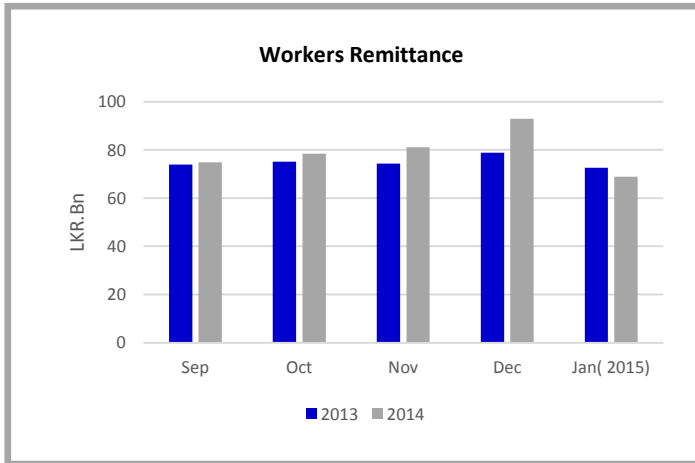


Sri Lanka Fiscal Performance

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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2. PORTFOLIO MANAGEMENT
3. CORPORATE RESTRUCTURING

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- Kenanga Retirement Plan (KRP)

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- Balance Sheet Restructuring
- Corporate Restructuring

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