

TREASURY COMMENTARY – 29th May 2025

Contact: Foreign Exchange Rates - 011 2664843-6 / Interest Rates - 011 2664850-3

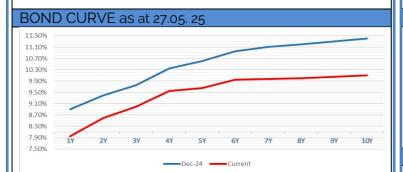


LKR volatility continued.

USD/LKR volatility continued and traded around 298.00 – 301.00 and LKR depreciated against USD by 1.78% year to date. Excess liquidity in the Call Money market has dicreased from the previous day.

	28.0	5.25	27.05.25			
Opening	299.75 299.85		299.65	299.85		
Closing	299.40	299.60	299.80	299.90		
	28.0	5.25	27.05.25			
Call Money Rate (%)	7.75	7.75	7.72	7.75		
Repo Rate (%)	7.75	7.75	7.75	7.80		
Liquidity (LKR)	196.06 Bn		203.24 Bn			

TREASURY BILL latest Auction on 28.05.2025					
	This week	Last week	Year ago		
03 Months	07.55	07.65	8.62		
06 Months	07.77	07.97	9.04		
12 Months	07.98	08.29	9.18		
TREASURY BOND latest Auction on 09.05.2025					
Maturity date		15.10.29	01.11.33		
Yield (w.a) %		10.22	10.97		
Coupon rate (p.a)(%)		10.35	9.00		



EQUITY

28	.05.25 27	.05.25	
Turnover	4,272Mn	3,743Mn	
Net Foreign Inflow	-162.72Mn	203.79Mn	
S&P SL 20	4,918.62	4,909.07	
ASPI	16,712.87	16,657.63	

ECONOMIC INDICATORS						
			This Week 23.05.25		ek ago	Year ago
AWPLR (%)		08.4	08.47		08.58	09.68
		Mar '	Mar '25		Feb'25	Year ago
AWDR (%)	AWDR (%)		07.15		07.21	10.30
INFLATION (%)		Apr'a	Apr'25		1ar '25	Year ago
NCPI-YoY		-0.8	-0.8		-1.9	2.7
NCPI-Core		-	-		-0.6	3.0
CCPI – YoY		-2.0	-2.0		-2.6	1.5
CCPI –Core		0.8	0.8		0.7	3.4
Bench Mark Rates	0/N	1M	31	1	6M	12M
USD SOFR	4.3100	4.3268	4.3326		4.2850	4.0878
EUR ESTR	2.1680	2.0250	1.9	380	1.8410	1.7250
GBP SONIA	4.2107	4.2202	4.2	055	4.1476	4.0283

USD rallied sharply...

The USD rallied sharply after a court blocked President from imposing his so-called Liberation Day import tariffs, with the currency surging against the euro, yen and Swiss franc in particular. The dollar index (DXY), which measures the U.S. currency against six major peers, climbed back above 100 for the first time in a week and was at 100.40.

EUR slid 0.5% .

The EUR slid 0.5% to 1.1232. after a U.S. federal court blocked President 's "Liberation Day" tariffs, with that USD surging against the EUR,

GBP steady against the USD...

GBP steady against the USD, hovering near Monday's three-year high, as it continued to be supported by favourable economic data last week as well as Britain's recent trade deals.GBP was little changed at 1.3511 but stayed close to the three-year high of 1.3593 it touched on Monday.

CAD edged lower...

The CAD edged lower against its U.S. counterpart as recent U.S. economic data bolstered the appeal of the American currency and ahead of domestic GDP data that could guide expectations for the Bank of Canada policy decision.The CAD was trading 0.2% lower at 1.3830 per USD,

JPY diclined

The JPY diclined 0.6% against the USD to 145.72.

AUD flat and NZD bounced.

The AUD flat at 0.6445, having fallen 0.7% overnight as its U.S. counterpart rallied. The pullback from a six-month top of \$0.6537 puts the focus on support around \$0.6400 and \$0.6358. The NZD bounced after the country's central bank cut interest rates as expected.

GOLD prices 1 week low...

Gold hit a more than one-week low, as the USD rallied and risk sentiment improved after a U.S. federal court blocked President 's "Liberation Day" tariffs from going into effect. GOLD was down 0.5% at \$3,262.99.

OIL prices rose...

Oil prices rose 1.74% as as OPEC+ agreed to leave their output policy unchanged and as production shut-ins from Canada raised supply concerns, while investors anticipated members of OPEC+ would agree to a production increase later this week.