

# TREASURY COMMENTARY – 05<sup>th</sup> June 2025

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

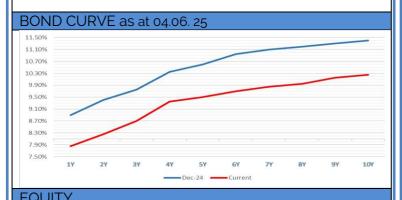


# LKR unchanged.

USD/LKR unchanged and traded around 298.00 – 301.00 and LKR depreciated against USD by 1.87% year to date. Excess liquidity in the Call Money market has increased from the previous day.

	04.0	6.25	03.06.25			
Opening	299.35	299.45	299.50	299.65		
Closing	299.30	299.38	299.40	299.45		
	04.06	ô. <b>25</b>	03.06.25			
Call Money Rate (%)	7.75	7.74	7.75	7.74		
Repo Rate (%)	7.75	7.80	7.75	7.80		
Liquidity (LKR)	163.09 Bn		156.62 Bn			

TREASURY BILL latest Auction on 04.06.2025					
	This week	Last week	Year ago		
03 Months	07.55	07.55	8.70		
06 Months	07.73	07.77	9.04		
12 Months	07.94	07.98	9.27		
TREASURY BOND latest Auction on 29.05.2025					
Maturity date	01.07.28	15.12.29	15.09.34		
Yield (w.a) %	8.85	9.47	10.46		
Coupon rate (p.a)(%)	9.00	11.00	10.25		



	04.06.25	03.06.25
Turnover	7,373Mn	7,372Mn
Net Foreign Inflow	-71.4Mn	273.5Mn
S&P SL 20	5,159.66	5,131.28
ASPI	17,353.05	17,214.39

		This Week 30.05.25		Week ago		Year ago	
AWPLR (%)			08.35		08.47	09.36	
		Apr 'a	Apr '25		Mar'25	Year ago	
AWDR (%)		07.0	07.08		07.15	09.66	
INFLATION (%)		Apr'a	Apr'25		lar '25	Year ago	
NCPI-YoY		-0.8		-1.9		2.7	
NCPI-Core		-0.1	-0.1		-0.6	3.0	
<b>CCPI – YoY</b> -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	4.3200	4.3128	4.3	158	4.2469	4.0479	
EUR ESTR	2.1340	1.9720	1.92	200	1.8310	1.7220	
GBP SONIA	4.2112	4.2174	4.1	881	4.1228	3.9950	

# USD fell across the board..

The USD fell across the board after weaker-thanexpected U.S. private payrolls numbers highlighted continued easing in the labor market and data showed the U.S. services sector contracted for the first time in about a year in May. U.S. President reiterated his calls for Federal Reserve Chair to lower interest rates following the data.

The dollar index (DXY), which measures the greenback against six major currencies, was 0.3% lower on the day at 98.838.

# The EUR rose...

The EUR rose 0.4% to 1.1414, ahead of the European Central Bank's decision on interest rates expected on Thursday.

# GBP firmed against the USD...

GBP firmed against the USD, as investors were relieved the United Kingdom was not in the crosshairs of U.S. latest tariff escalation, while upbeat economic data also buoyed sentiment. The GBP firmed 0.12% and was last at 1.353.

#### The CAD strengthend...

The CAD strengthened to a near eight-month high against its U.S. counterpart as the Bank of Canada refrained from cutting interest rates for a second straight policy meeting and the USD posted broad-based declines. The CAD was trading 0.3% higher at 1.3680 per USD.

## JPY streangthend.

The JPY streangthend 0.7% to 142.89 against USD. Bank of Japan is considering slowing down the tapering in its bond purchases from next fiscal year onward.

# AUD and NZD gained ..

The AUD and NZD gained as the USD weakened on an escalation in global trade tensions, though negative sentiment in equity markets could limit further gains.

# GOLD prices nudged higher...

Gold prices nudged higher, as weaker-thanexpected U.S. economic data spurred demand for safe-haven assets, while market participants also assessed persistent global economic and political uncertainties.

# OIL prices slipped.

Oil prices slipped in early trade after a build in U.S. gasoline and diesel inventories and Saudi Arabia's cut to its July prices for Asian crude buyers.