USD/LKR volatility continued...

USD/LKR volatility continued and traded around 299.00 – 302.00 and LKR depreciated against USD by 1.70% year to date. Excess liquidity in the Call Money market has decreased from the previous day.

	18.06.25		17.06.25	
Opening	300.80	301.00	301	300.30
Closing	300.45	300.55	300.75	301.00

	18.06.25		17.06.25	
Call Money Rate (%)	7.55	7.75	7.55	7.72
Repo Rate (%)	7.72	7.77	7.72	7.80
Liquidity (LKR)	101.14 Bn		122.38 Bn	

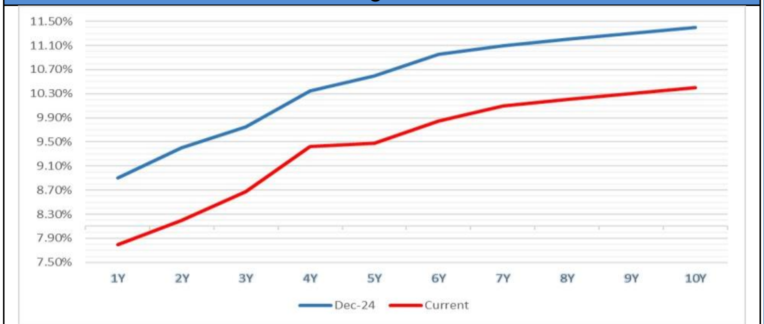
TREASURY BILL latest Auction on 18 .06.2025

	This week	Last week	Year ago,
03 Months	07.55	07.55	9.39
06 Months	07.73	07.72	9.81
12 Months	07.94	07.94	9.90

TREASURY BOND latest Auction on 12.06.2025

Maturity date	15.10.29	15.12.32	-
Yield (w.a) %	9.41	10.29	-
Coupon rate (p.a)(%)	10.35	11.50	-

BOND CURVE as at 18.06.25



CSE

	18.06.25	17.06.25
Turnover	3,899Mn	6,810Mn
Net Foreign Inflow	50.6Mn	-115.7Mn
S&P SL 20	5,094.31	5,151.74
ASPI	17,071..44	17,281.95

ECONOMIC INDICATORS

	This Week 13.06.25	Week ago	Year ago
AWPLR (%)	08.21	08.37	09.15
	Apr '25	Mar'25	Year ago
AWDR (%)	07.08	07.15	09.66

INFLATION (%)	May'25	Apr '25	Year ago
NCPI-YoY	-	-0.8	1.6
NCPI-Core	-	-0.1	3.1
CCPI –YoY	-0.7	-2.0	0.9
CCPI –Core	1.2	0.8	3.5

Bench Mark Rates	O/N	1M	3M	6M	12M
USD SOFR	4.3100	4.3214	4.3236	4.2451	4.0571
EUR ESTR	1.9260	1.9270	1.9190	1.8570	1.7810
GBP SONIA	4.2160	4.2158	4.1418	4.0470	3.8819

The USD held steady ...

The USD held steady, as investors weighed Federal Reserve Chair Jerome Powell's cautionary tone on inflation, while the looming threat of a broader conflict in the Middle East and possible U.S. involvement left sentiment frail.in a widely expected move, The Fed held rates steady, with policymakers signaling they still expect to cut rates by half a percentage point this year, although not all of them agreed on a need for rate cuts. The USD index (DXY), which measures the currency against six other units, was at 98.957 and set for a 0.8% gain.

EUR heading for 0.6% drop...

The EUR was at 1.14805, heading for 0.6% drop in the week, its biggest weekly decline since early May. Currency market reaction was muted, with the dollar firming slightly after the Fed's decision .

The GBP was 0.18% lower...

The GBP was 0.18% lower at $1.3398 in early trading ahead of the policy decision from the Bank of England, where the central bank is expected to stand pat.

The CAD strengthened...

The CAD strengthened against the USD, and the yield on benchmark government debt slipped. The CAD was trading 0.2% higher at 1.3646 to the greenback, after trading in a range of 1.3635 to 1.3691.

USD/JPY rebounded...

USD/JPY rebounded after briefly setting a new daily low of 144.34 though strong resistance is seen at a 145.63 upper Bollinger and 145.59 cloud top. While Japan is no longer the world's largest creditor nation, having recently lost the crown to Germany after holding it for more than three decades.

AUD 0.3% lower and NZD weakened ...

AUD 0.3% lower at $0.649, while the NZD weakened 0.32% to $0.60105.

GOLD prices edged higher...

Gold prices edged higher, supported by safe-haven demand amid uncertainty in the Middle East, although gains were capped as traders assessed the U.S. Federal Reserve's signal of a slower pace for future rate cuts.

OIL prices climbed...

Oil prices climbed as the Iran-Israel conflict raged with no end in sight, though major oil and gas infrastructure and flows have so far been spared from substantial impact.