

# Weekly Treasury Market Report

02<sup>nd</sup> April, 2018

**26<sup>th</sup> Mar – 29<sup>th</sup> Mar 2018**

## LOCAL MARKET

The Usd/Lkr rate closed at 155.75 at end of the 1<sup>st</sup> quarter of 2018, registering a YTD depreciation of 1.4%. The rupee touched an all-time low of 156.30 few weeks ago on the back of increased demand for US currency from importers and investors, while exporter and foreign inflows were limited. However, the market witnessed a Usd selloff towards end of trading day on Thursday, on exporter sales possibly for conversion ahead of festive season.

Expect the currency to trade in a wide range of 155.00-156 this week as the Usd may trade lower ahead of the festive season.

Usd/Lkr premiums closed lower at 0.80, 2.40, 4.85, and 9.80 for tenors 1, 3, 6 and 12 months respectively.

In other news, Sri Lankan government is planning to raise Usd 1.0 bln via a foreign currency term financing (FTFF) amid delay in already announced Usd 2.0bln sovereign bond issuance.

Overnight call rates remained unchanged at 8.05% - 8.15%.

## INTERNATIONAL MARKET



The U.S. dollar climbed against most major currencies on Thursday as economic data from the country came out positive. In the week ending March 24, the advance figure for seasonally adjusted initial claims for state unemployment benefits was 215,000, a decrease of 12,000 from the previous week's revised level, the U.S. Labor Department announced Thursday. This is the lowest level for initial claims since Jan. 27, 1973 when it was 214,000. U.S. personal income increased 67.3 billion U.S. dollars, or 0.4 percent, in February, while personal consumption expenditures increased 27.7 billion dollars, or 0.2 percent, the Commerce Department said Thursday. Both figures are on par with market consensus.

The dollar index, which measures the greenback against six major peers, rose 0.01 percent at 90.071 in late trading.

In late New York trading, the euro fell to 1.2304 dollars from 1.2315 dollars in the previous session, and the British pound decreased to 1.4031 dollars from 1.4087 U.S. dollars in the previous session. The Australian dollar was up to 0.7685 dollar from 0.7661 dollar.

The U.S. dollar bought 106.50 Japanese yen, lower than 106.86 Japanese yen of the previous session. The U.S. dollar was down to 0.9562 Swiss franc from 0.9566 Swiss franc, and it fell to 1.2875 Canadian dollars from 1.2910 Canadian dollars. (Source – Reuters)

For any queries, please contact NDB Treasury on 2446994

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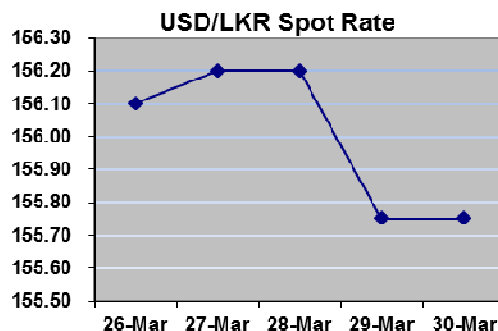
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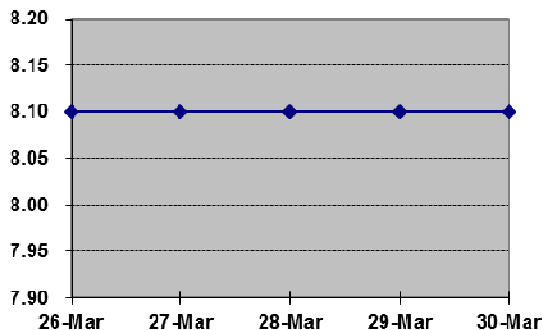
## Primary Market Treasury Bills

Week Ending 29<sup>th</sup> Mar, 2018

	W/avg.	Previous	Change
3 m	-	8.17%	-
6 m	-	-	-
12m	9.69%	9.66%	+0.03%



## Interbank Lkr O/N rates %



As at 29<sup>th</sup> Mar, 2018

### USD LIBOR

1 mth	1.88%
3 mths	2.31%
6 mths	2.45%
12mths	2.66%

### LKR AWPL Rates

Weekly	11.55%
Monthly	11.10%
Semi Annual	11.28%

### Foreign Exchange Rates

	Friday Closing
	<b>New York</b>
EUR/USD	1.2324
USD/JPY	106.28
AUD/USD	0.7679
GBP/USD	1.4015

