

# Weekly Treasury Market Report

25<sup>th</sup> June, 2018

**18<sup>th</sup> Jun – 22<sup>nd</sup> June 2018**

## LOCAL MARKET

The Sri Lankan rupee strengthened almost by one rupee, a 0.625% gain on Friday to close trading at 159.00, after touching an all-time low of 160.20.

The rupee has been under pressure against the Usd since mid-April this year and despite Central bank intervention, the currency has depreciated more than 3.5% as at Friday last week. However, the rupee gained some of its lost ground on the back of exporter selling in the forward market, coupled with possible Central bank selling. It was also reported that the final tranche of Usd 584 mln was paid by China Merchant Port Holdings on Wednesday.

Usd/Lkr premiums virtually unchanged across on all tenors to close at 0.80, 2.40, 4.70, and 9.40 for 1, 3, 6 and 12 months respectively.

Expect the dollar to trade in a range of 158.80-159.50 with an upward bias.

Overnight call rates traded marginally higher at 8.40%-8.50%

## INTERNATIONAL MARKET



The U.S. dollar dropped on Friday as euro rose amid positive regional economic data.

Latest report from European data showed that business activity in Germany and France, the euro zone's top two economies, picked up in June despite trade tensions between Europe and the United States.

The shared currency rose more than 0.50 percent against the U.S. dollar in late trading.

Meanwhile, the greenback was under further pressure as commodity-linked currencies gained broadly on Friday after global oil prices rallied over 4 percent.

The dollar index, which measures the greenback against six major peers, decreased 0.37 percent at 94.508 in late trading.

In late New York trading, the euro climbed to 1.1662 dollars from 1.1622 dollars in the previous session, and the British pound rose to 1.3261 dollars from 1.3253 U.S. dollars in the previous session. The Australian dollar went up to 0.7440 dollar from 0.7389 dollar.

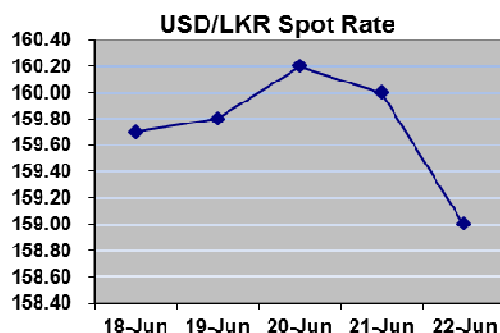
The U.S. dollar bought 109.98 Japanese yen, higher than 109.86 Japanese yen of the previous session. The U.S. dollar inched down to 0.9879 Swiss franc from 0.9908 Swiss franc, and it declined to 1.3268 Canadian dollars from 1.3305 Canadian dollars.

*(Reuters - Xinhua News Agency)*

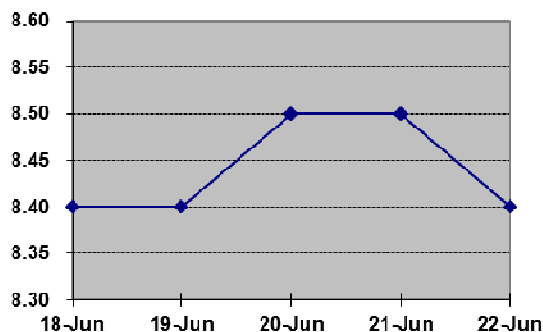
## Primary Market Treasury Bills

Week Ending 22<sup>th</sup> Jun, 2018

	W/avg.	Previous	Change
3 m	8.32%	8.34%	- 0.02%
6 m	8.85%	8.87%	- 0.02%
12m	9.37%	9.44%	- 0.07%



## Interbank Lkr O/N rates %



**As at 22<sup>nd</sup> June, 2018**

### USD LIBOR

1 mth	2.09%
3 mths	2.34%
6 mths	2.50%
12mths	2.78%

### LKR AWPL Rates

Weekly	10.92%
Monthly	11.34%
Semi Annual	11.27%

### Foreign Exchange Rates

	Friday Closing New York
EUR/USD	1.1651
USD/JPY	109.97
AUD/USD	0.7440
GBP/USD	1.3261

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