

Weekly Treasury Market Report

23rd September, 2019

16th Sep – 20th Sep 2019

LOCAL MARKET

Usd/Lkr rate traded above at 181 to the Us dollar on Friday despite the drop in foreign investor sales. The Rupee traded in a wide range of 180.35-181.25 week ending 20th September.

Foreign investors held bonds barely fell, ending the week at 109.60 billion rupees in the week to September 18, down from 110.2 billion rupees a week earlier.

Forward premiums increased across all tenors at 0.55, 1.65, 3.40 and 6.80 for 1, 3, 6 and 12 months respectively.

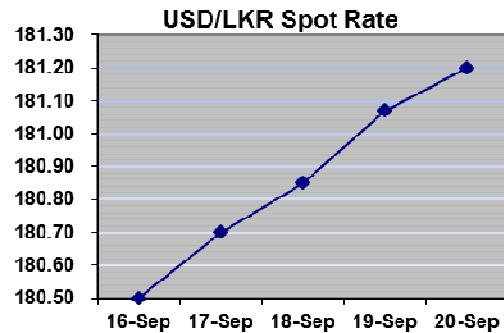
Weekly AWPR for the week ending 20th September 2019 decreased by 8 bps to 10.56 per cent compared to the previous week.

Overnight call rates traded at 7.40% and Market liquidity was a deficit of 39.22 billion end of the week.

Primary Market Treasury Bills

Week Ending 20th Sep 2019

	W/avg.	Previous	Change	
3 m	*R	7.61%		
6 m	*R	7.75%		
12m	8.41%	8.36%	+0.05%	*R -
Rejected				



INTERNATIONAL MARKET



The Fed delivered a 25bp cut, at the FOMC meeting held on 18th Sep 19

The U.S. dollar rose on Friday as investors remained optimistic about U.S. economic outlook.

EUR/USD-In late New York trading, the euro decreased to 1.1015 U.S. dollars from 1.1053 dollars in the previous session,

GBP/USD- The British pound decreased to 1.2477 dollars from 1.2536 U.S. dollars in the previous session.

AUD/USD

The Australian dollar fell to 0.6763 dollar from 0.6799 dollar.

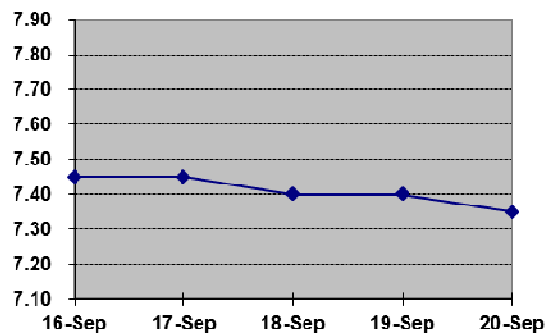
The August Australian jobs report showed a rising unemployment rate while full-time employment dropped significantly. Those factors have led bank analysts in Australia to move up expectations for rate cuts.

USD/JPY-The U.S. dollar bought 107.65 Japanese yen, lower than 107.98 Japanese yen of the previous session.

USD/CHF-The U.S. dollar was down to 0.9917 Swiss franc from 0.9919 Swiss franc,

The attacks on Saudi Arabia oil facilities, effectively taking out ~5% of global oil supplies, have provided a choppy start to the week. Brent crude spot jumped almost \$12 at the open, and with a supply shock on this scale, we've seen it reverberate across markets. The risk of further supply shocks has been rapidly repriced, resulting in broad risk aversion overnight. The US has attributed the Saudi oil attacks on Iran, and headline risk remains live. (Source – Reuters)

Interbank Lkr O/N rates %



As at 20th September, 2019

USD LIBOR

1 mth	2.04%
3 mths	2.13%
6 mths	2.07%
12mths	2.06%

LKR AWPL Rates

Weekly	10.56%
Monthly	10.69%
Semiannual	11.57%

Foreign Exchange Rates

	Friday Closing
	New York
EUR/USD	1.1017
USD/JPY	107.55
AUD/USD	0.6768
GBP/USD	1.2477

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