



MARKET REVIEW

TREASURY

17TH FEBRUARY 2025

LOCAL MARKET

USD/LKR spot closed at 295.40/295.70 on Friday.

Money Market

The Overnight Policy Rate (OPR) is 8.00% and the Statutory Reserve Ratio is 2.00%. The interbank call money weighted average on Friday was at 7.99 percent. Market surplus was Rs 175.09 billion.

Equity Market

The CSE All-Share index settled 2.16% higher at 16,936.69.

The equity market's turnover rose to 4.89 billion Sri Lankan rupees (\$16.56 million) from 3.59 billion rupees in the previous session.

Market Levels

Currency	Cross Rates	TT Buying	TT Selling
AUD	0.6351	184.23	191.76
CAD	1.4157	205.39	212.07
CHF	0.8983	324.01	333.54
CNY	7.2495	39.97	41.60
EUR	1.0490	304.84	315.71
GBP	1.2582	366.55	377.91
INR	86.6290	3.33	3.46
JPY	151.52	1.9213	1.9866
NZD	0.5728	166.78	172.72
SGD	1.3374	218.26	224.66
USD	-	292.17	299.19

Inter-Bank Offered Rate

	USD	GBP	EUR
O/N	4.3300	4.4544	2.667
1 month	4.3136	4.4641	2.8489
3 months	4.3229	4.4424	2.9953
6 months	4.3109	4.3335	3.2427
12 months	4.2748	4.1881	3.5809

FOREIGN EXCHANGE MARKET

USD

The dollar index last stood at 106.79, after tumbling 1.2% last week.

In the broader market, the dollar was struggling to recoup its losses after a selloff on the back of Friday's weak U.S. retail sales data and as investors cheered the delay in the implementation of Donald Trump's reciprocal tariffs.

EUR

Geopolitics also remained in focus with reports that talks aimed at ending the Russian-Ukraine conflict will begin in Saudi Arabia this week, though the participants are not entirely clear. That kept the euro supported, with the common currency inching closer toward the \$1.05 level and last at \$1.0487.

GBP

Sterling was little changed at \$1.2582.

JPY

The yen was last 0.27% stronger at 151.94 per dollar, reversing losses from earlier in the session after data on Monday showed Japan's economy expanded faster than expected in the fourth quarter - cementing the case for more rate hikes from the Bank of Japan (BOJ) this year.

AUD & NZD

The Australian dollar ticked 0.07% higher to \$0.6357, ahead of a rate decision from the Reserve Bank of Australia (RBA) on Tuesday. The RBA is expected to deliver a quarter-point cut, marking its first reduction in over four years as it joins other major central banks in their easing cycles.

The NZD similarly rose 0.03% to \$0.5734 ahead of the Reserve Bank of New Zealand's policy decision on Wednesday, where markets have priced in a 50-basis point reduction.

CHF

The dollar was traded at 0.9000 CHF.

Economic Calendar

Date	Event
17.02.2025	New York Holiday
18.02.2025	AUD_ Monetary Policy Announcement
19.03.2025	USD_ Monetary Policy Announcement

COMMODITY MARKET

Government Securities

Treasury Bills

Tenure	This week	Last Week
3 Months	7.69	7.79
6 Months	7.94	8.00
12 Months	8.42	8.43

Treasury Bonds

Tenure	Offer	Bid
2 Year	9.00	9.05
3 Year	10.08	10.10
4 Year	10.80	10.83
5 Year	11.05	11.10

People’s Money Market Savings Account Rate

17 th February 2025	5.50 %
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Economic Indicators

Inflation (Y o Y – JANUARY 25- CCPI)	-4.00%
Inflation (Y o Y – DECEMBER 24- NCPI)	-2.00%
CBSL Reserves as at 31.01.2025	USD 6.065 Bn
Trade Balance Jan-Dec 2024	USD -6.069 Bn
AWPLR AS AT 14.02.2025	8.42 %
Workers’ Remittances Jan 2025	USD 0.573 Bn

Source: CBSL

Crude

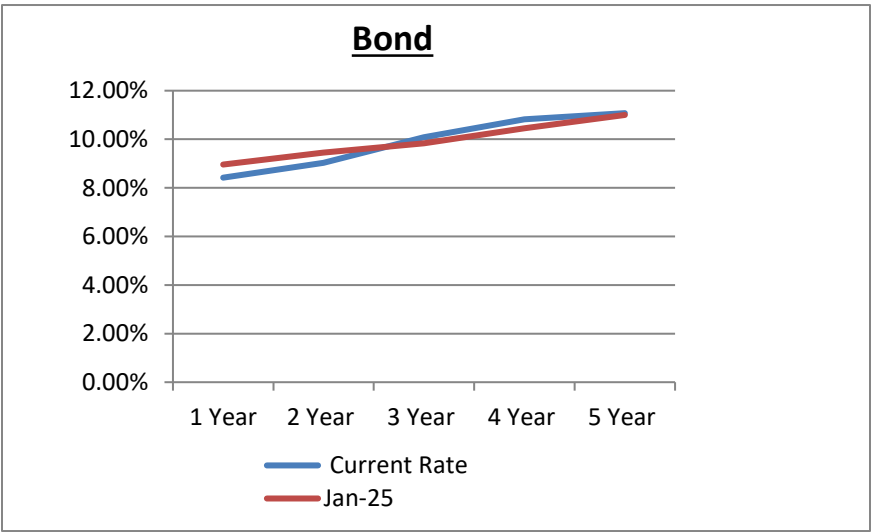
Brent slipped another 36 cents to \$74.38 a barrel, while U.S. crude fell 42 cents to \$70.32 per barrel.

Gold

Gold prices edged higher on Monday after falling more than 1% in the previous session as market participants awaited more insights on U.S. President Donald Trump's reciprocal tariff plans, which could heighten global trade tensions.

Spot gold rose 0.1% to \$2,885.95 per ounce

Bond



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