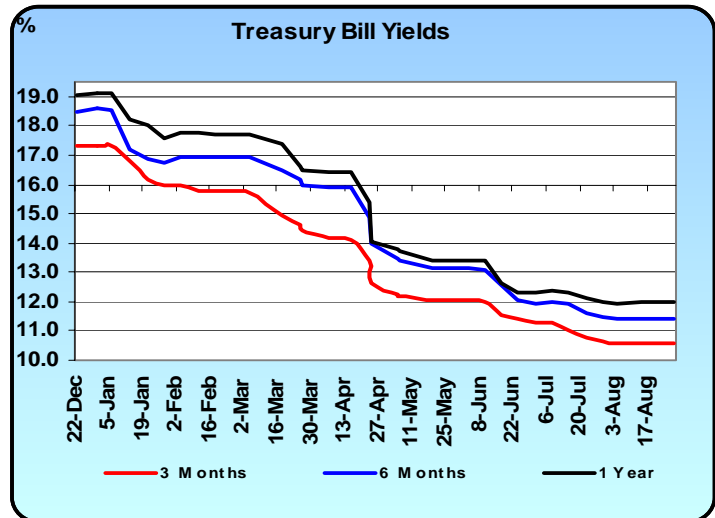
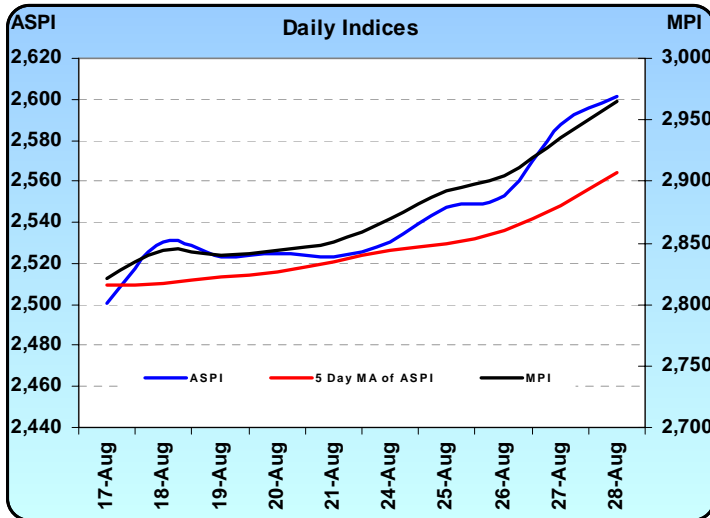


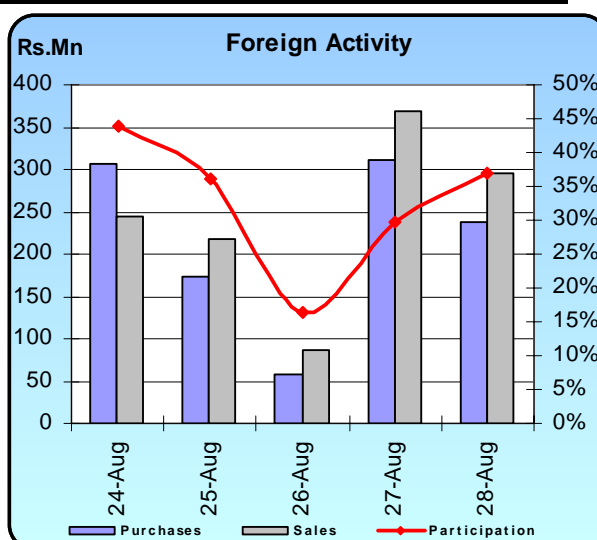
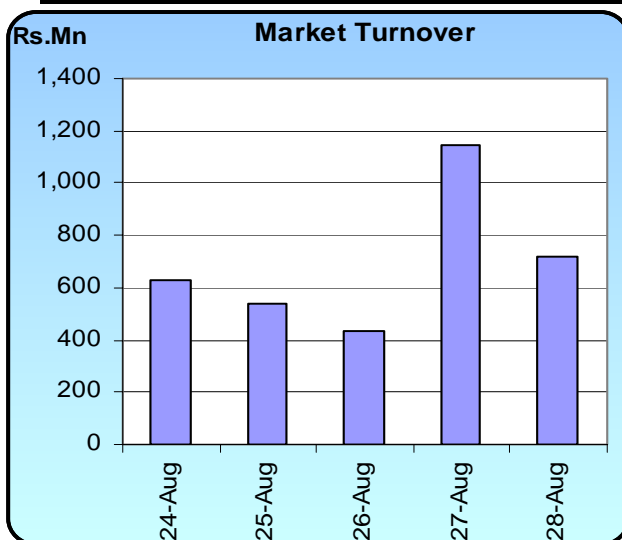
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Company	21-Aug [Rs]	28-Aug [Rs]	Change [%]	Highest [Rs]	Lowest [Rs]	Volume	Turnover [Rs.Mn]
Top Five Gainers							
Seylan Merchant Bank (NV)	0.30	0.40	33.3%	0.40	0.30	138,900	0.042
Blue Diamonds (NV)	0.30	0.40	33.3%	0.50	0.30	284,900	0.102
Serendib Hotels	50.25	66.00	31.3%	69.75	51.00	129,100	7.980
Tangerine Hotel	55.75	72.50	30.0%	80.00	55.75	195,500	13.370
Seylan Bank (NV)	7.25	9.25	27.6%	9.75	7.25	4,601,400	38.597
Top Five Losers							
Colombo Pharmacy	250.00	175.50	-29.8%	175.75	175.25	10,000	1.763
Commercial Development Company	42.00	38.75	-7.7%	40.00	38.00	1,100	0.043
Shalimar	600.00	558.00	-7.0%	558.00	558.00	300	0.167
Nestle Lanka	440.00	410.00	-6.8%	435.00	410.00	300	0.146
Huejay International Investments	61.50	57.75	-6.1%	60.75	57.75	1,600	0.093
Top Five by Volume							
Hotel Services	17.00	20.50	20.6%	21.50	17.00	8,717,800	171.286
Hotel Reefcomber	1.50	1.80	20.0%	1.90	1.50	7,634,600	12.820
Vallibel Power Erathna	3.40	3.60	5.9%	3.60	3.30	7,350,300	25.165
Nawaloka Hospitals	2.70	2.80	3.7%	2.80	2.70	6,976,500	19.153
John Keells Holdings	134.00	135.50	1.1%	136.75	134.00	6,249,200	844.468
Top Five by Turnover							
John Keells Holdings	134.00	135.50	1.1%	136.75	134.00	6,249,200	844.468
Hotel Services	17.00	20.50	20.6%	21.50	17.00	8,717,800	171.286
Colombo Dockyard	120.00	127.00	5.8%	127.50	119.50	1,171,500	144.581
Commercial Bank of Ceylon	145.75	150.00	2.9%	151.00	145.50	924,500	137.959
Asian Hotels & Properties	56.75	66.25	16.7%	68.00	57.00	2,093,500	133.994

Market Summary

	Week Ending		Change %
	21-Aug	28-Aug	
Average Daily			
Turnover [Rs.mn]	378.0	694.3	83.7%
Volume [mn]	9.8	20.6	110.1%
Foreign Purchases [Rs.mn]	100.0	217.4	117.5%
Foreign Sales [Rs.mn]	115.7	242.7	109.7%
Net Foreign Purchases [Rs.mn]	-15.8	-25.2	60.1%
Foreign Participation	28.5%	33.1%	16.1%
Closing			
ASPI	2,522.9	2,601.5	3.11%
MPI	2,851.0	2,964.5	3.98%
Market Capitalization [Rs.bn]	806.588	831.745	3.12%
Market PER [x]	10.76	11.10	
Market PBV [x]	1.21	1.25	



Sector Indices	Week Ending		Change %
	21-Aug	28-Aug	
BEVERAGE FOOD AND TOBACCO - BFT	4674.75	4760.25	1.83%
MOTORS - MTR	3567.96	3600.91	0.92%
INVESTMENT TRUSTS - INV	17736.22	17800.19	0.36%
STORES SUPPLIES - S&S	8128.57	8130.89	0.03%
FOOTWEAR AND TEXTILE - F&T	637.25	636.66	-0.09%
CONSTRUCTION AND ENGINEERING - C&E	1682.57	1619.94	-3.72%
TELECOMMUNICATIONS - TLE	137.64	132.08	-4.04%
PLANTATIONS - PLT	647.84	618.01	-4.60%
HOTELS AND TRAVELS - H&T	2303.67	2195.82	-4.68%
TRADING - TRD	2490.46	2363.34	-5.10%

Market Review

The Bourse remained in positive territory during the week under review, posting significant gains on the main indices. The benchmark ASPI gained 78.58 points or 3.11% week on week while the more sensitive MPI also reported a week on week gain of 113.45 points or 3.98%.

Compared to previous week's closing levels the market gained Rs.25.16 billion approximately or 3.12 per cent in value this week to close at Rs.831.75 billion on Friday.

Total market turnover for the week amounted to Rs.3.47 billion with an average daily turnover of Rs.694 million. Turnover for the week witnessed 83.7 per cent increase compared to the last week's market turnover of Rs.1.89 billion.

Heavily traded shares of the week under review were **Hotel Services PLC** and **Hotel Reefcomber PLC** with the former being highest in terms of volume for the week, trading over 8.7 million shares. The counter remained flat during the week in value on a Week on Week basis. **John Keels Holdings PLC** and **Hotel Services PLC** contributed heavily to the week's market turnover, whilst the former being the highest contributor to the week's market turnover.

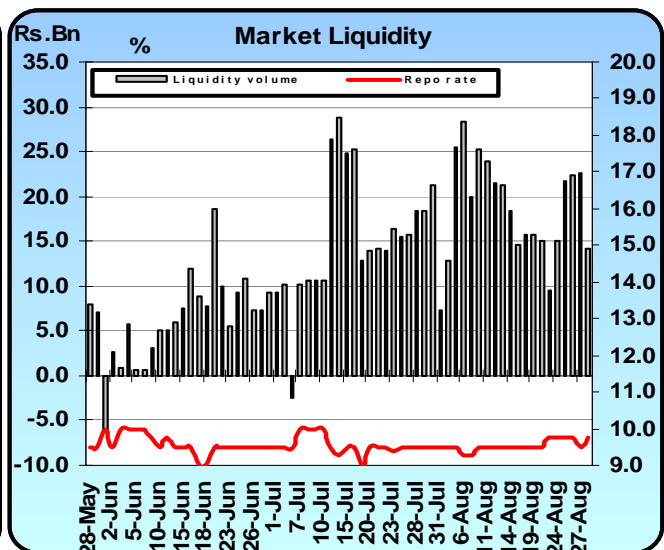
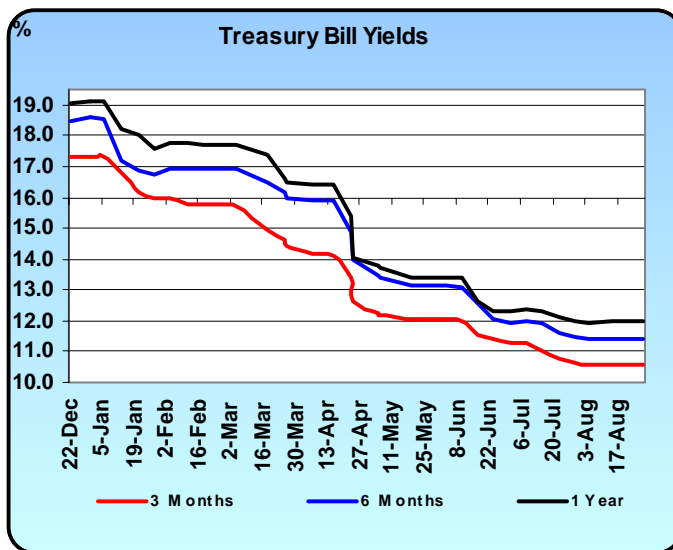
FII participation increased to 33.1 per cent of total turnover this week, from 28.5 per cent reported last week. FII interest was negative during the week with a net outflow of Rs.126 million, a 60 per cent decrease compared to last week's net outflow of Rs.78.8 million.

Average daily turnover for the week stood at Rs.694 million while average daily volume settled at 20.6 million shares. Foreign representation was 33.1% of total market activity with a net outflow of Rs.126 million. Overall for the week, the ASPI gained 78.58 points (+3.11%) and the MPI gained 113.45 points (+3.98%) to close at 2,601.50 and 2,964.49 respectively.

Interest Rates

Government Securities – Results of the Treasury Bill auction held on the 26th August 2009.

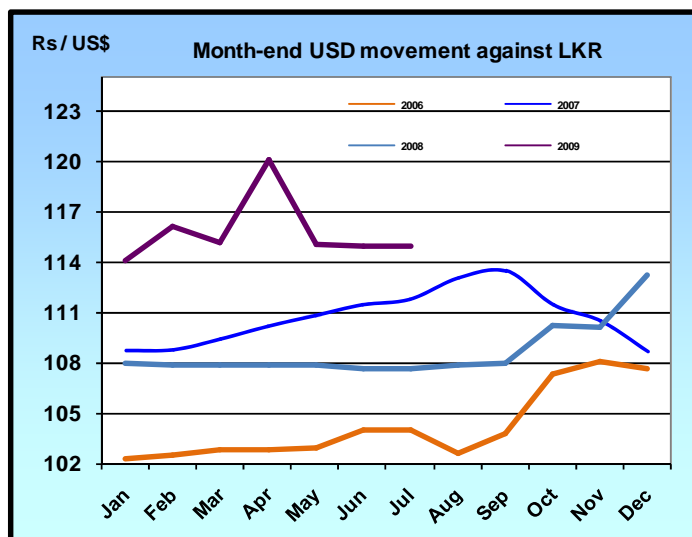
Maturity	Amount Offered	Bids Received	Amount Accepted	Weighted Average Yield		
				This Week	Last Auction	WoW Change
	[Rs.Mn]	[Rs.Mn]	[Rs.Mn]	[%]	[%]	[Basis Points]
3 Months	3,000	4,514	1,179	10.57	10.57	0.00
6 Months	3,500	7,926	5,381	11.43	11.43	0.00
1 Year	5,500	8,202	3,582	11.98	11.98	0.00
Total	12,000	20,642	10,142			



[% per annum]	Week Ending	
	21-Aug	28-Aug
Overnight Rate on Repurchase Agreements	8.5	8.5
Commercial Bank Average Weighted Prime Lending Rate [AWPLR]	13.99	13.93
Sri Lanka Inter Bank Offer Rate [SLIBOR]		
- Overnight	9.89	9.90
- 7 Days	10.18	10.13
- 1 Month	10.88	10.80
- 3 Months	11.34	11.30
- 6 Months	11.98	11.87
- 1 Year	12.55	12.57
	Month Ending	
	30-Jun	31-Jul
Commercial Bank Average Weighted Deposit Rate [AWDR]	11.12	10.98
Commercial Bank Average Weighted Fixed Deposit Rate [AWFDR]	15.26	14.94

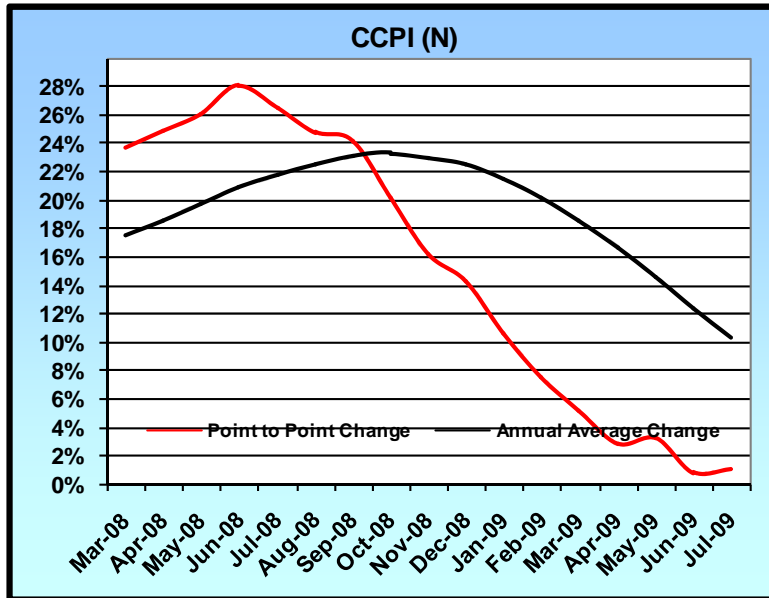
Currency Board

	Week Ending		Change
	21-Aug	28-Aug	
USD Exchange Rate (Rs/\$)			
- Average Middle Rate	114.85	114.86	0.01%
- Forward 1 month	115.31	115.29	-0.02%
- Forward 3 months	116.18	115.93	-0.22%
British Pound	189.13	186.94	-1.16%
Euro	163.59	164.92	0.81%
Japanese Yen	1.22	1.23	0.25%
Indian Rupee	2.38	2.36	-0.53%
Australian Dollar	95.04	96.42	1.46%
Singapore Dollar	79.64	79.60	-0.05%



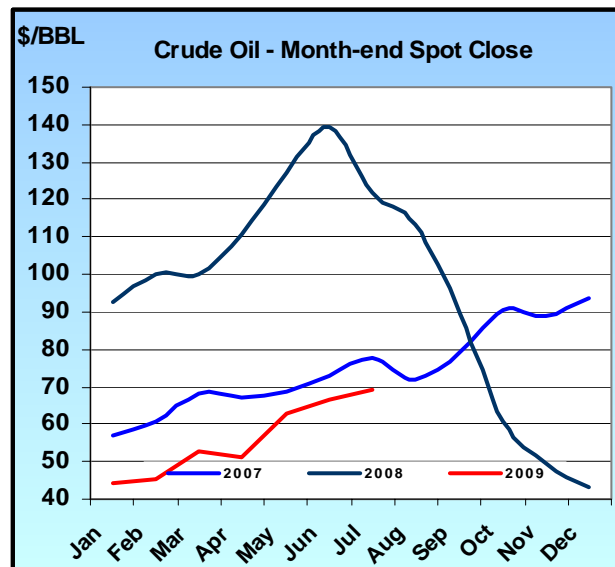
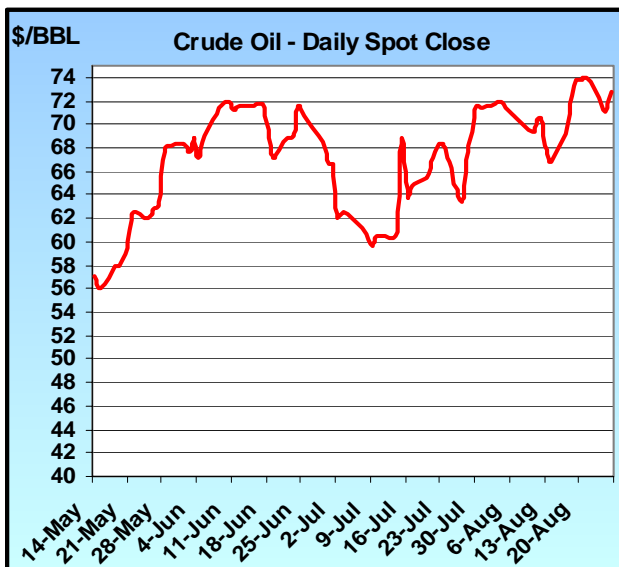
Inflation

	Month Ending		
	May-09	Jun-09	Jul-09
New Colombo Consumers' Price Index - CCPI(N) [2002=100]			
- Year on Year (Point to Point) Change/Inflation Rate	3.3%	0.9%	1.1%
- Annual Average Change/Inflation Rate	14.7%	12.5%	10.4%



Crude Oil

[USD per Barrel]	Week ending	
	21-Aug	28-Aug
Dated Brent Spot Closing Price	73.78	72.79



Tea Market Update

Colombo Tea Auction – Sales (kg) – Sale No: 32 – August 26, 2009

Elevation	This Week	Last Auction	Change	Cumulative		Change
	Sale 32-2009	Sale 32-2009		01-Jan to Date	Same Period	
	26-Aug-09	19-Aug-09		2009	2008	
High Grown	980,641	1,030,712	-4.9%	39,299,001	43,269,060	-9.2%
Medium Grown	687,803	791,535	-13.1%	28,664,073	29,544,867	-3.0%
Low Grown	3,765,319	4,017,129	-6.3%	107,268,857	110,248,682	-2.7%
Total	5,433,763	5,839,376	-6.9%	175,231,931	183,062,608	-4.3%

Colombo Tea Auction – Sales Averages (Rs/kg)

Elevation	2008	Jun-09	Jul-09	Aug-09	Sale 32-2009 26-Aug-09
High Grown	273.83	281.90	343.43	352.35	357.98
Medium Grown	270.13	292.09	347.84	342.83	356.18
Low Grown	336.38	399.44	427.30	415.80	429.52
Total	310.81	348.47	396.07	392.30	407.33

Tea Production according to Elevations (kg)

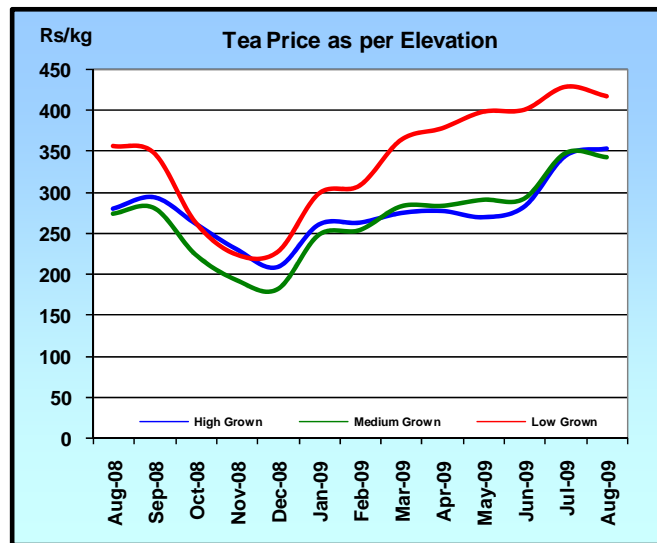
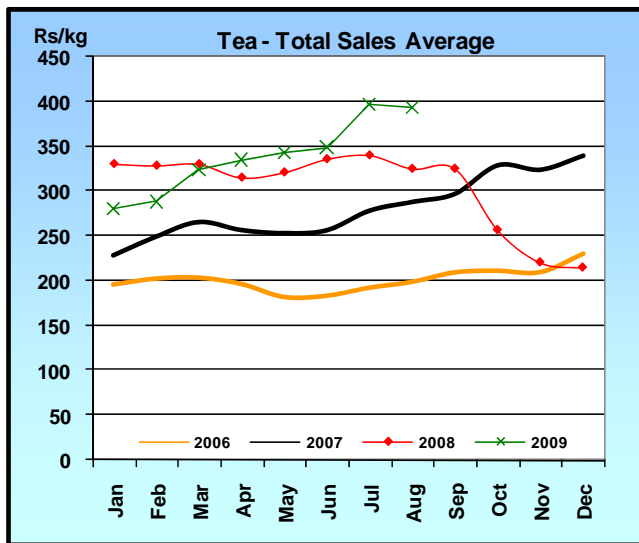
Elevation	June			January to June		
	2008	2009	Change	2008	2009	Change
High Grown	7,698,923	5,019,877	-34.8%	45,317,355	35,219,387	-22.3%
Medium Grown	4,545,621	3,447,475	-24.2%	27,751,373	20,024,375	-27.8%
Low Grown	15,182,937	15,155,630	-0.2%	98,760,180	71,468,683	-27.6%
Total	27,427,481	23,622,982	-13.9%	171,828,908	126,712,445	-26.3%

Tea Production according to Categories (kg)

Production	June			January to June		
	2008	2009	Change	2008	2009	Change
Orthodox	26,063,247	22,399,225	-14.1%	161,837,145	118,069,150	-27.0%
CTC	1,054,764	998,725	-5.3%	8,302,717	7,650,455	-7.9%
Total Black Tea	27,118,011	23,397,950	-13.7%	170,139,862	125,719,605	-26.1%
Green Tea	309,470	225,032	-27.3%	1,689,046	992,840	-41.2%
Total	27,427,481	23,622,982	-13.9%	171,828,908	126,712,445	-26.3%

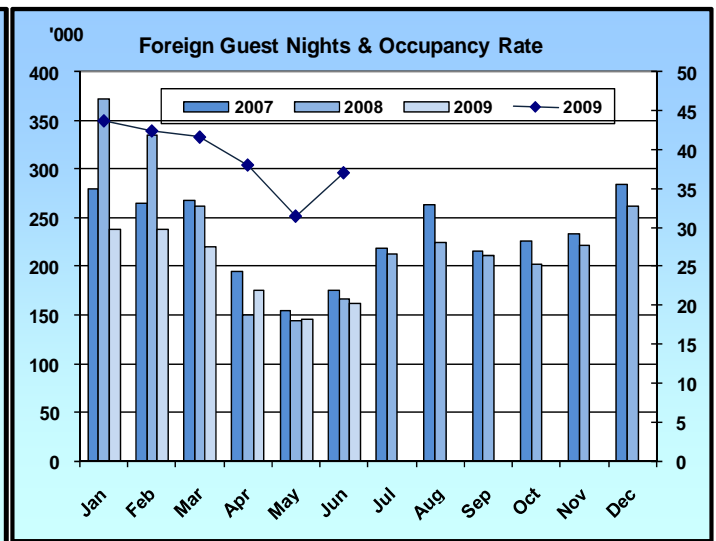
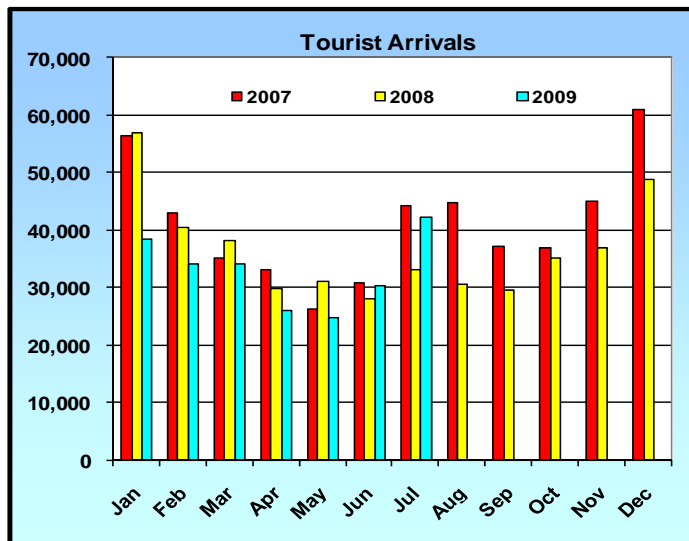
Analysis of Total Tea Production

Elevation - Breakdown	Jun-09	Jan - Jun 09
High Grown	21.2%	27.8%
Medium Grown	14.6%	15.8%
Low Grown	64.2%	56.4%
	100.0%	100.0%
CTC Production as a % of Black Tea Production	4.3%	6.1%



Tourist Arrivals

Sri Lanka	July			January to July		
	2008	2009	Change	2008	2009	Change
Tourist Arrivals	32,982	42,223	28.0%	257,345	229,952	-10.6%
	June			January to June		
	2008	2009	Change	2008	2009	Change
Average Occupancy Rate	35.2%	37.0%	5.1%	44.5%	39.0%	-12.4%
Foreign Guest Nights	166,703	161,601	-3.1%	1,430,616	1,178,947	-17.6%


Weekly Report – Sources of Information:

- Colombo Stock Exchange – Equity Data
- Central Bank of Sri Lanka – Interest Rates, Exchange Rates & Inflation Statistics
- Capital Alliance Limited – Interest Rates
- Bloomberg – Commodity Prices
- The Colombo Brokers' Association – Tea Market Data
- Sri Lanka Tea Board – Tea Market Data
- Sri Lanka Tourist Board – Tourism Data

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