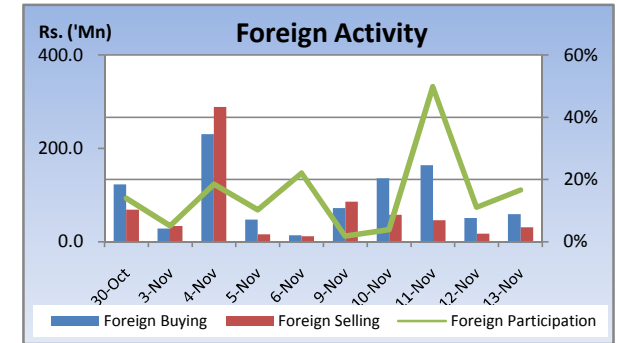
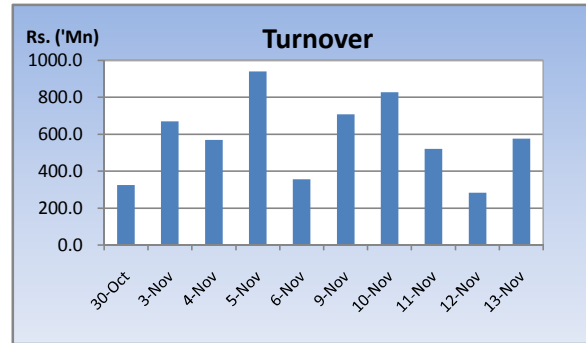
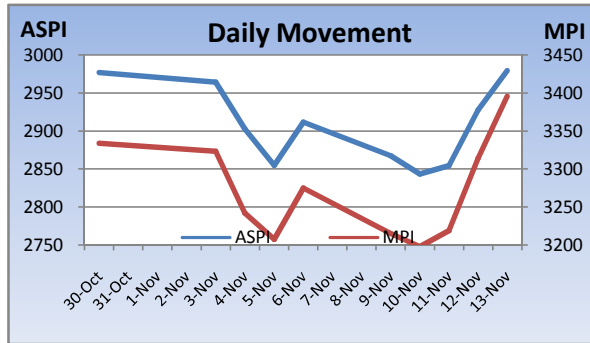


Weekly Market Update

Week Ending: November 13th, 2009



| Market Statistics | Current | Previous | Change | Top 5 Gainers | Previous | Current | Change | High | Low | Volume | Turnover (Rs. 'Mn) |
|-----------------------|-----------|-----------|---------|--------------------------|----------|---------|---------|--------|--------|-----------|--------------------|
| ASPI | 2979.41 | 2911.62 | 2.33% | LANKA ASHOK | 475.00 | 805.00 | 69.47% | 950.00 | 500.00 | 3,200 | 2,354,430 |
| MPI | 3395.92 | 3274.76 | 3.70% | BOGAWANTALAWA | 32.50 | 40.25 | 23.85% | 42.50 | 33.00 | 30,500 | 1,158,875 |
| MARKET CAP. (Rs. 'Bn) | 959.75 | 937.77 | 2.34% | CFI | 26.25 | 31.00 | 18.10% | 31.00 | 28.00 | 400 | 13,153 |
| MARKET PER(x) | 14.48 | 14.13 | 2.48% | FIRST CAPITAL | 22.50 | 26.25 | 16.67% | 28.00 | 21.00 | 556,500 | 13,850,119 |
| MARKET PBV(x) | 1.46 | 1.43 | 2.10% | ACL PLASTICS | 47.00 | 54.50 | 15.96% | 55.00 | 46.00 | 105,100 | 5,385,938 |
| Average Daily | | | | Top 5 Losers | | | | | | | |
| TURNOVER | 583.80 | 634.90 | -8.0% | JANASHAKTHI INS. | 13.00 | 10.50 | -19.23% | 13.00 | 10.00 | 7,548,300 | 92,543,350 |
| VOLUME | 15.54 | 21.23 | -26.8% | MARAWILA RESORTS | 6.75 | 6.00 | -11.11% | 6.50 | 6.00 | 234,000 | 1,418,248 |
| FOREIGN PURCHASES | 88.95 | 106.24 | -16.3% | PARQUET | 12.50 | 11.25 | -10.00% | 11.25 | 11.25 | 1,800 | 20,250 |
| FOREIGN SALES | 84.22 | 52.18 | 61.4% | CIT | 33.75 | 30.50 | -9.63% | 31.75 | 30.50 | 600 | 24,525 |
| NET FOREIGN | 4.73 | 54.06 | -91% | VIDULLANKA | 35.75 | 33.00 | -7.69% | 34.25 | 31.75 | 8,900 | 292,361 |
| FOREIGN PARTICIPATION | 14.8% | 12.5% | 18.9% | Top 5 by Turnover | | | | | | | |
| Sector Summary | | | | JKH | 140.00 | 145.00 | 3.57% | 145.50 | 135.75 | 7,818,400 | 1,089,325,375 |
| INVESTMENT TRUSTS | 22,483.96 | 22,457.67 | 0.12% | HEMAS HOLDINGS | 125.00 | 125.00 | 0.00% | 127.00 | 0.00 | 1,714,800 | 214,354,403 |
| CHEMICALS AND PHARMAC | 4,580.50 | 4,622.21 | -0.90% | DOCKYARD | 175.00 | 185.00 | 5.71% | 188.50 | 174.00 | 1,165,600 | 204,794,919 |
| TELECOMMUNICATIONS | 150.54 | 152.05 | -0.99% | COMMERCIAL BANK | 174.25 | 178.00 | 2.15% | 178.50 | 168.00 | 555,700 | 96,222,337 |
| POWER AND ENERGY | 83.09 | 83.94 | -1.01% | JANASHAKTHI INS. | 13.00 | 10.50 | -19.23% | 13.00 | 10.00 | 7,548,300 | 92,543,350 |
| FOOTWEAR AND TEXTILES | 622.00 | 629.69 | -1.22% | Top 5 by Volume | | | | | | | |
| INFORMATION TECHNOLOG | 77.49 | 81.47 | -4.89% | JKH | 140.00 | 145.00 | 3.57% | 145.50 | 135.75 | 7,818,400 | 1,089,325,375 |
| PLANTATIONS | 566.86 | 596.81 | -5.02% | JANASHAKTHI INS. | 13.00 | 10.50 | -19.23% | 13.00 | 10.00 | 7,548,300 | 92,543,350 |
| SERVICES | 9,245.78 | 10,134.51 | -8.77% | DIALOG | 7.00 | 7.50 | 7.14% | 7.50 | 6.50 | 6,756,900 | 47,885,036 |
| OIL PALMS | 25,409.25 | 27,963.36 | -9.13% | KSHATRIYA HOLD. | 6.50 | 7.00 | 7.69% | 7.25 | 6.00 | 6,455,400 | 48,148,374 |
| STORES AND SUPPLIES | 8,662.59 | 9,631.46 | -10.06% | TESS AGRO | 1.60 | 1.60 | 0.00% | 1.70 | 1.40 | 3,153,400 | 4,867,134 |

Market Review

Despite declines in the early part of the week, market picked up strongly reponding to improved company results and rumours in the political front. The benchmark ASPI gained 67.79 points or 2.33% week on week while the more sensitive MPI reported a week on week gain of 121.16 points or 3.70%.

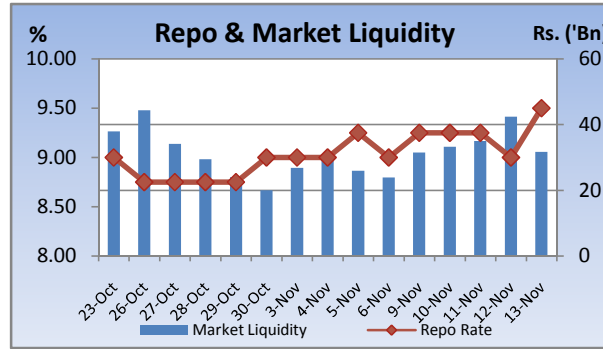
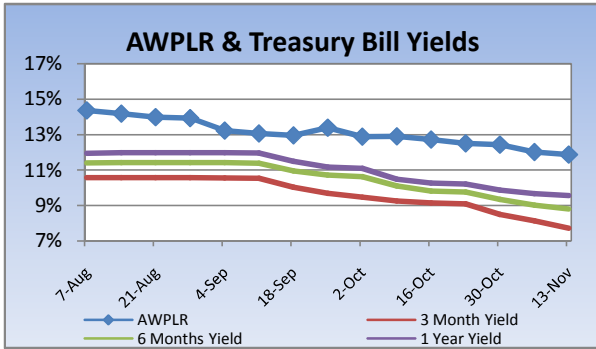
Compared to previous week's closing levels the market gained Rs.21.98 billion approximately or 2.34% in value this week to close at Rs.959.75 Bn on Friday.

Total market turnover for the week amounted to Rs.2.92 Bn with an average daily turnover of Rs.584m. Turnover for the week witnessed 8% decrease compared to the last week's market turnover of Rs.2.54 Bn.

Heavily traded shares of the week under review were John Keels Holdings and Janashakthi Insurance with the former being highest in terms of volume for the week, trading over 7.8million shares. The counter gained 3.6% during the week in value on a Week on Week basis. John Keels Holdings and Hemas Holdings contributed heavily to the week's market turnover, whilst the former being the highest contributor to the week's market turnover with Rs.1.09 Bn.

FII participation gained to 14.8 per cent of total turnover this week, from 12.5 per cent reported last week. FII interest was positive during the week with a net inflow of Rs.4.76m, a 91 per cent decrease compared to last week's net inflow of Rs.54m.

| Company | Price | P/BV | PER 10E | PER 11E |
|--|--------|-------|---------|---------|
| BANKING | | | | |
| COMMERCIAL BANK | 178.00 | 1.63 | 10.28 | 8.87 |
| DFCC | 147.25 | 1.02 | 8.59 | 7.47 |
| HNB | 166.25 | 1.64 | 12.59 | 11.18 |
| NDB | 180.00 | 1.12 | 7.02 | 5.84 |
| NTB | 36.00 | 1.37 | 7.53 | 5.32 |
| SAMPATH BANK | 180.00 | 1.09 | 5.58 | 6.31 |
| BEVERAGE, FOOD & TOBACCO | | | | |
| CTC | 180.00 | 10.69 | 11.16 | 10.43 |
| DISTILLERIES | 95.25 | 1.24 | 11.71 | 10.10 |
| CHEMICALS & PHARMACEUTICALS | | | | |
| CIC | 59.25 | 1.21 | 16.91 | 13.63 |
| CONSTRUCTION & ENGINEERING | | | | |
| DOCKYARD | 185.00 | 2.81 | 7.40 | 6.53 |
| DIVERSIFIED HOLDINGS | | | | |
| AITKEN SPENCE | 895.00 | 1.41 | 10.26 | 7.52 |
| CARSONS | 322.50 | 1.89 | 16.43 | 14.58 |
| HAYLEYS | 159.75 | 0.98 | 19.32 | 22.19 |
| HEMAS HOLDINGS | 125.00 | 1.81 | 12.14 | 9.96 |
| JOHN KEELLS HOLDINGS | 145.00 | 1.95 | 18.02 | 12.85 |
| HOTELS & TRAVELS | | | | |
| AITKEN SPENCE HOTEL HOLDINGS | 217.75 | 1.83 | 12.88 | 8.81 |
| ASIAN HOTELS AND PROPERTIES | 75.00 | 1.41 | 26.78 | 11.07 |
| KEELLS HOTELS | 19.25 | 3.00 | 43.80 | 24.73 |
| MANUFACTURING | | | | |
| ACL CABLES | 71.75 | 1.29 | 12.46 | 10.36 |
| CHEVRON LUBRICANTS | 200.50 | 4.67 | 9.46 | 8.57 |
| LANKA TILES | 56.00 | 1.39 | 7.50 | 5.55 |
| ROYAL CERAMICS | 56.00 | 1.71 | 4.79 | 3.81 |
| TOKYO CEMENT | 235.00 | 1.22 | 10.81 | 5.76 |
| PLANTATIONS | | | | |
| AGALAWATTE | 19.75 | 0.78 | 5.31 | 6.47 |
| KEGALLE | 31.00 | 0.55 | 3.15 | 2.51 |
| KELANI VALLEY | 52.00 | 1.11 | 5.34 | 4.40 |
| POWER & ENERGY | | | | |
| LANKA IOC | 16.50 | 1.11 | 21.97 | 19.53 |
| TELECOMMUNICATIONS | | | | |
| DIALOG | 7.50 | 1.98 | (55.42) | 24.55 |

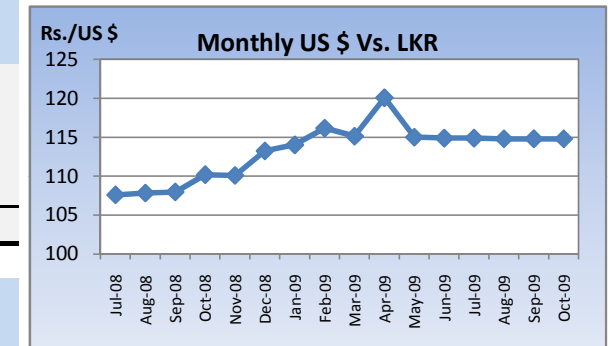


Currency Board

| | Current | Previous | Change |
|--------------------------|---------|----------|--------|
| USD EXCHANGE RATE | | | |
| - AVERAGE MIDDLE RATE | 114.48 | 114.86 | -0.33% |
| - FORWARD 1 MONTH | 114.82 | 115.26 | -0.38% |
| - FORWARD 3 MONTHS | 115.45 | 116.03 | -0.50% |
| BRITISH POUND | | | |
| | 189.80 | 190.42 | -0.32% |
| EURO | | | |
| | 170.09 | 170.67 | -0.34% |
| JAPANESE YEN | | | |
| | 1.27 | 1.27 | 0.08% |
| INDIAN RUPEE | | | |
| | 2.46 | 2.46 | 0.35% |
| AUSTRALIAN DOLLAR | | | |
| | 105.94 | 104.73 | 1.16% |
| SINGAPORE DOLLAR | | | |
| | 82.36 | 82.30 | 0.08% |

Treasury Bill Auction

| Maturity | Weighted Average Yield | | | Amount Offered Rs. ('Mn) | Bids Received Rs. ('Mn) | Amount Accepted Rs. ('Mn) |
|----------|------------------------|---------------|---------------------|-----------------------------|----------------------------|------------------------------|
| | Current Week | Previous Week | Change Basis Points | | | |
| 3 MONTHS | 7.73% | 8.14% | -41.00 | 1,000 | 3,425 | 1,365 |
| 6 MONTHS | 8.80% | 9.02% | -22.00 | 3,000 | 12,140 | 3,265 |
| 9 MONTHS | 9.56% | 9.68% | -12.00 | 6,000 | 10,847 | 6,000 |
| | | | | 10,000 | 26,412 | 10,630 |

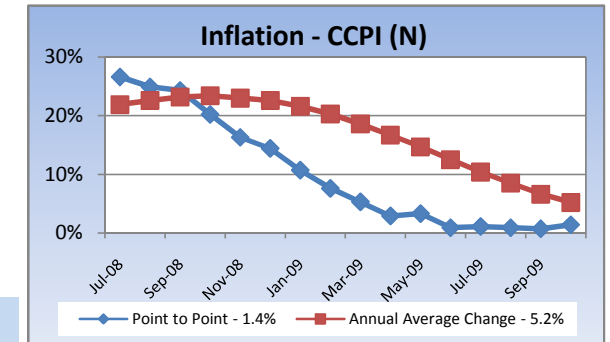


Interest Rates

| | Current Week | Previous Week | Year Ago |
|---|-----------------------|------------------|-----------------|
| COMMERCIAL BANK AVERAGE WEIGHTED PRIME LENDING RATE [AWPLR] | 11.88 | 12.02 | 20.84 |
| OVERNIGHT RATE ON REPURCHASE AGREEMENTS | 8.00 | 8.00 | 10.50 |
| SRI LANKA INTER BANK OFFER RATE [SLIBOR] | | | |
| - OVERNIGHT | 9.21 | 9.19 | 19.12 |
| - 7 DAYS | 9.46 | 9.53 | 18.83 |
| - 1 MONTH | 9.68 | 9.79 | 18.83 |
| - 3 MONTHS | 9.79 | 10.00 | 19.29 |
| - 6 MONTHS | 10.12 | 10.30 | 19.50 |
| - 1 YEAR | 10.68 | 10.72 | 19.88 |
| | September 2009 | Month Ago | Year Ago |

| | | | |
|---|-------|-------|-------|
| COMMERCIAL BANK AVERAGE WEIGHTED DEPOSIT RATE [AWDR] | 9.76 | 10.34 | 11.28 |
| COMMERCIAL BANK AVERAGE WEIGHTED FIXED DEPOSIT RATE [AWFDR] | 13.05 | 13.80 | 16.48 |

Inflation



| |
|------------------------------|
| Point to Point - 1.4% |
| Annual Average Change - 5.2% |

Tea Market

Colombo Tea Auction

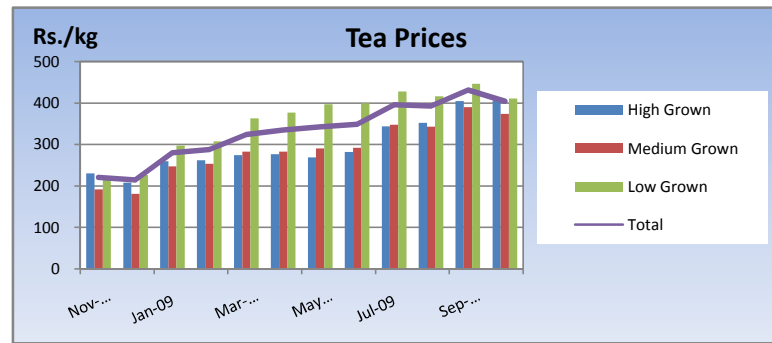
| SALES (kg) | Current | Previous | Change | Year to date | Year to date | Change |
|--------------|------------------|------------------|---------------|--------------------|--------------------|--------------|
| | Sale 44-2009 | Sale 43-2009 | | 2009 | 2008 | |
| HIGH GROWN | 925,661 | 1,005,337 | -7.93% | 49,589,849 | 54,930,232 | -9.72% |
| MEDIUM GROWN | 720,975 | 842,372 | -14.41% | 37,498,518 | 37,850,496 | -0.93% |
| LOW GROWN | 3,356,737 | 3,568,635 | -5.94% | 147,545,550 | 140,989,111 | 4.65% |
| TOTAL | 5,003,373 | 5,416,344 | -7.62% | 234,633,917 | 233,769,838 | 0.37% |

| PRICES (Rs./kg) | 2008 | Sep-09 | Oct-09 | Sale 44-2009 | Sale 43-2009 | Change |
|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|
| HIGH GROWN | 273.83 | 404.66 | 406.37 | 403.42 | 406.75 | -0.82% |
| MEDIUM GROWN | 270.13 | 390.03 | 373.90 | 345.04 | 355.80 | -3.02% |
| LOW GROWN | 336.38 | 445.95 | 410.84 | 380.71 | 384.25 | -0.92% |
| TOTAL | 310.81 | 431.20 | 404.29 | 379.77 | 384.00 | -1.10% |

| PRODUCTION (kg) BY ELEVATION | September | | | Year to date | | |
|------------------------------|-------------------|-------------------|---------------|--------------------|--------------------|----------------|
| | 2009 | 2008 | Change | 2009 | 2008 | Change |
| HIGH GROWN | 4,962,610 | 6,593,686 | -24.74% | 52,501,113 | 64,112,998 | -18.11% |
| MEDIUM GROWN | 3,715,299 | 3,771,281 | -1.48% | 32,595,806 | 38,936,749 | -16.29% |
| LOW GROWN | 16,834,382 | 15,940,159 | 5.61% | 122,963,236 | 147,030,554 | -16.37% |
| TOTAL | 25,512,291 | 26,305,126 | -3.01% | 208,060,155 | 250,080,301 | -16.80% |

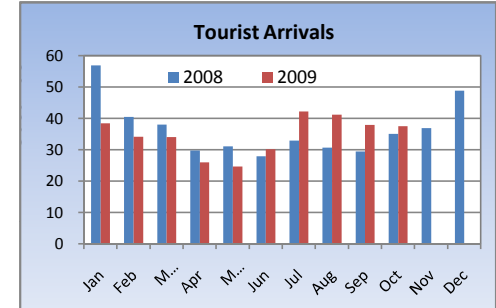
| PRODUCTION (kg) BY CATEGORY | September | | | Year to date | | |
|-----------------------------|-------------------|-------------------|---------------|--------------------|--------------------|----------------|
| | 2009 | 2008 | Change | 2009 | 2008 | Change |
| ORTHODOX | 24,194,266 | 24,520,277 | -1.33% | 194,958,691 | 235,924,051 | -17.36% |
| CTC | 1,124,347 | 1,469,969 | -23.51% | 11,338,844 | 11,606,009 | -2.30% |
| TOTAL BLACK TEA | 25,318,613 | 25,990,246 | -2.58% | 206,297,535 | 247,530,060 | -16.66% |
| GREEN TEA | 193,678 | 314,880 | -38.49% | 1,762,620 | 2,550,241 | -30.88% |
| TOTAL | 25,512,291 | 26,305,126 | -3.01% | 208,060,155 | 250,080,301 | -16.80% |

| ANALYSIS OF TOTAL TEA PRODUCTION | September | Year to date |
|------------------------------------|----------------|----------------|
| | 2009 | 2009 |
| HIGH GROWN | 19.45% | 25.23% |
| MEDIUM GROWN | 14.56% | 15.67% |
| LOW GROWN | 65.99% | 59.10% |
| | 100.00% | 100.00% |
| CTC AS A % OF BLACK TEA PRODUCTION | 4.44% | 5.50% |



Tourism

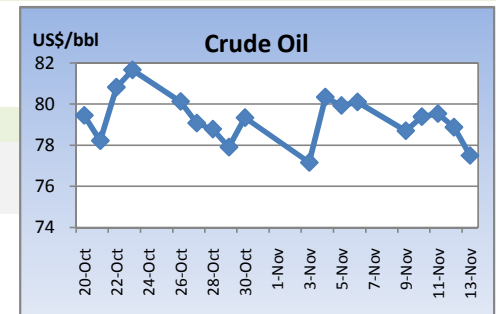
| SRI LANKA ARRIVALS | | | |
|---------------------|---------|---------|--------|
| | 2009 | 2008 | Change |
| October | 37,575 | 35,103 | 7.04% |
| Year to date | 346,717 | 352,649 | -1.68% |
| Jul-09 | Jul-08 | Change | |
| Occupancy | 45.9% | 43.7% | 5.03% |
| Foreign Guest Night | 246,289 | 213,200 | 15.52% |



Crude Oil

NYMEX CRUDE OIL FUTURES

| | 13-Nov | 6-Nov | Change |
|----------|--------|-------|--------|
| US\$/BBL | 77.49 | 80.10 | 15.52% |



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