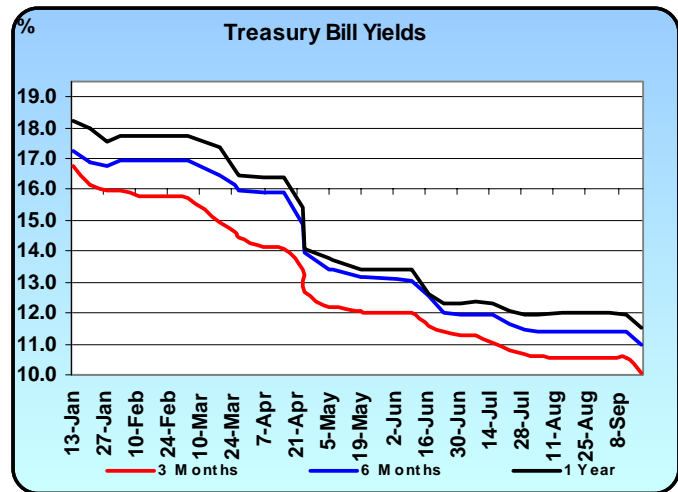
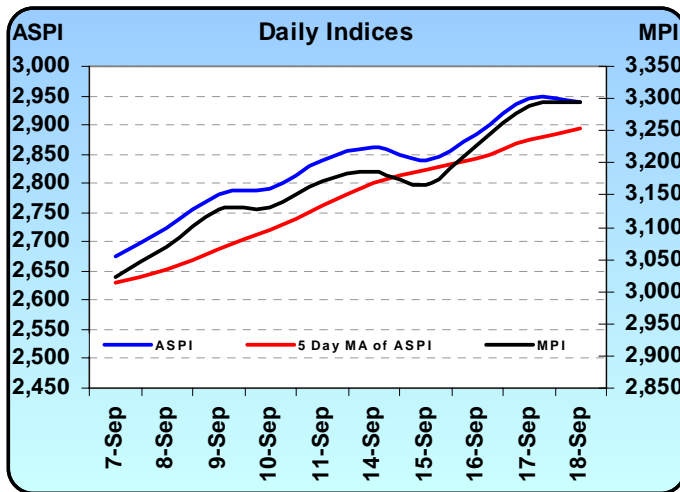


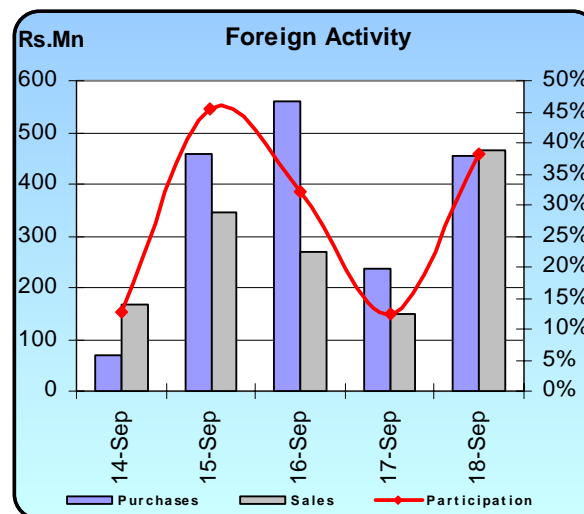
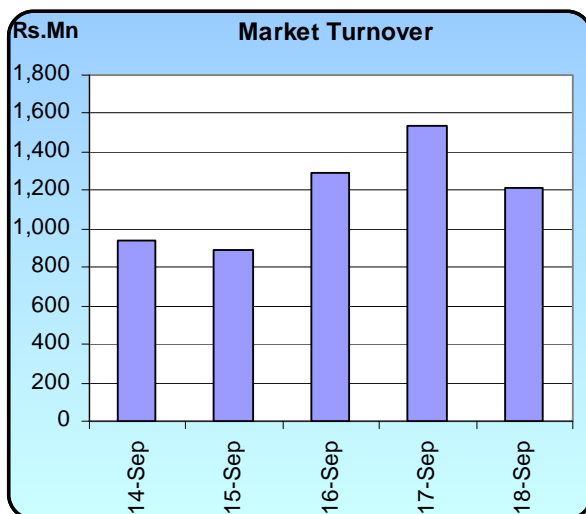
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Company	11-Sep [Rs]	18-Sep [Rs]	Change [%]	Highest [Rs]	Lowest [Rs]	Volume	Turnover [Rs.Mn]
Top Five Gainers							
S M Leasing	35.50	49.75	40.14%	52.00	37.00	124,300	5.665
Lanka Ashok	310.00	425.00	37.10%	425.00	395.00	200	0.082
Singer Ind.	93.00	119.00	27.96%	119.00	119.00	100	0.017
E B Creasy	227.50	290.00	27.47%	290.00	240.00	300	0.083
Good Hope	250.00	315.00	26.00%	320.00	260.00	87,800	27.625
Top Five Losers							
Paragon	275.00	210.00	-23.64%	210.00	210.00	100	0.021
Lion Brewery	69.75	57.75	-17.20%	66.50	57.50	98,400	5.953
HDFC	182.50	160.25	-12.19%	182.50	149.75	171,800	27.683
United Motors	64.75	58.25	-10.04%	65.00	58.25	18,900	1.179
Blue Diamonds[Non Voting]	1.00	0.90	-10.00%	1.00	0.90	1,429,000	1.306
Top Five by Volume							
Nawaloka	3.30	3.20	-3.03%	3.50	3.20	15,682,800	54.089
JKH	146.25	155.00	5.98%	157.00	146.00	10,794,400	1,636.762
Dialog	6.00	6.00	0.00%	6.25	5.75	9,655,800	57.904
Pan Asia	15.25	17.50	14.75%	17.75	15.25	8,761,500	144.649
Vallibel	4.00	4.00	0.00%	4.10	3.80	7,533,900	30.034
Top Five by Turnover							
JKH	146.25	155.00	5.98%	157.00	146.00	10,794,400	1,636.762
Commercial Bank	165.00	177.75	7.73%	179.00	160.00	1,365,000	235.077
Ceylon Inv.	167.25	170.00	1.64%	177.00	163.00	1,000,800	184.582
Nations Trust	31.00	33.75	8.87%	34.50	31.00	5,682,000	178.388
Touchwood	91.25	92.75	1.64%	112.00	86.00	1,491,500	150.157

Market Summary

	Week Ending		Change %
	11-Sep	18-Sep	
Average Daily			
Turnover [Rs.mn]	1,405.3	1,171.9	-16.6%
Volume [mn]	73.4	33.9	-53.8%
Foreign Purchases [Rs.mn]	232.8	356.1	53.0%
Foreign Sales [Rs.mn]	205.7	278.8	35.5%
Net Foreign Purchases [Rs.mn]	27.1	77.4	185.1%
Foreign Participation	15.6%	27.1%	73.6%
Closing			
ASPI	2,840.3	2,939.4	3.49%
MPI	3,170.6	3,293.5	3.88%
Market Capitalization [Rs.bn]	909.447	941.185	3.49%
Market PER [x]	13.08	13.74	
Market PBV [x]	1.4	1.43	



Sector Indices	Week Ending		Change %
	18-Sep	11-Sep	
STORES SUPPLIES - S&S	9813.21	8836.02	11.06%
SERVICES - SRV	11031.80	10095.66	9.27%
TRADING - TRD	2880.24	2701.04	6.63%
BANK FINANCE AND INSURANCE - BFI	6276.59	5888.45	6.59%
HOTELS AND TRAVELS - H&T	2693.00	2542.88	5.90%
INFORMATION TECHNOLOGY - IT	89.41	89.41	0.00%
PLANTATIONS - PLT	623.52	626.10	-0.41%
LAND AND PROPERTY - L&P	346.06	348.63	-0.74%
FOOTWEAR AND TEXTILE - F&T	664.16	681.64	-2.56%
CONSTRUCTION AND ENGINEERING - C&E	2142.25	2227.44	-3.82%

Market Review

Heavy activity was witnessed with strong buying interest throughout the week. The benchmark ASPI gained 99.11 points or 3.49% week on week while the more sensitive MPI also reported a week on week gain of 122.92 points or 3.88%.

Compared to previous week's closing levels the market gained Rs.31.74 billion approximately or 3.49 per cent in value this week to close at Rs.941.19 billion on Thursday.

Total market turnover for the week amounted to Rs.5.86 billion with an average daily turnover of Rs.1171.9million. Turnover for the week witnessed 4.2 per cent gain compared to the last week's market turnover of Rs.5.62 billion.

Heavily traded shares of the week under review were **Nawaloka Hospital** and **John Keells Holdings** with the former being highest in terms of volume for the week, trading over 15.6million shares. The counter declined 3% during the week in value on a Week on Week basis. **John Keells Holdings** and **Commercial Bank** contributed heavily to the week's market turnover, whilst the former being the highest contributor to the week's market turnover.

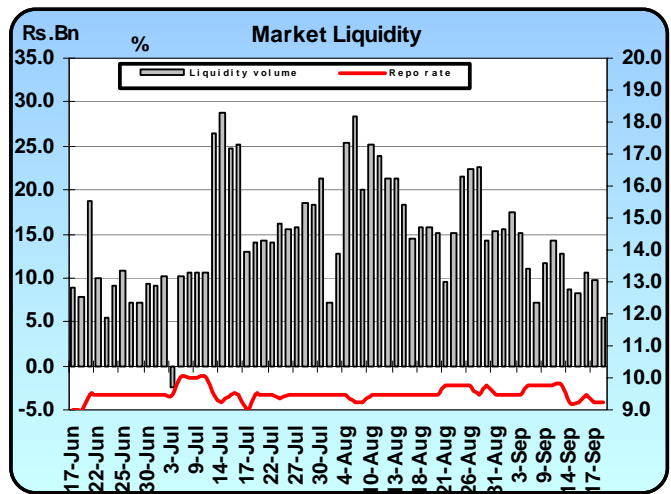
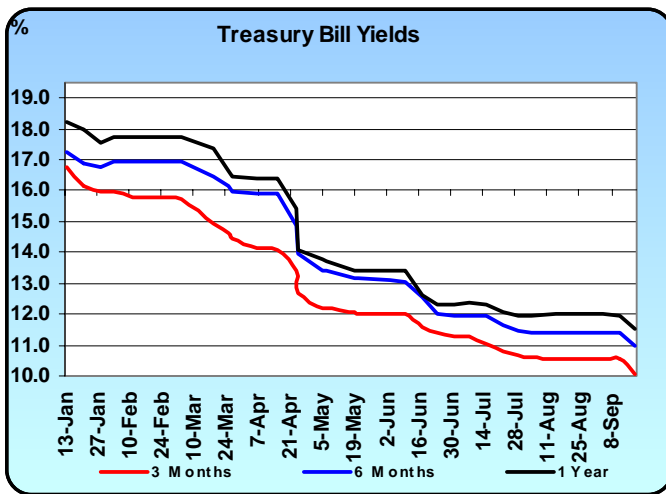
FII participation gained to 27.1 per cent of total turnover this week, from 15.6 per cent reported last week. FII interest was positive during the week with a net inflow of Rs.386.86 million, a 256.4 per cent increase compared to last week's net outflow of Rs.108.6 million.

Average daily turnover for the week stood at Rs.1171.9 million while average daily volume settled at 33.9 million shares. Foreign representation was 27.1% of total market activity with a net inflow of Rs.386.86 million. Overall for the week, the ASPI gained 99.11 points (+3.49%) and the MPI gained 122.92 points (+3.88%) to close at 2939.44 and 3293.48 respectively.

Interest Rates

Government Securities – Results of the Treasury Bill auction held on the 16th September 2009.

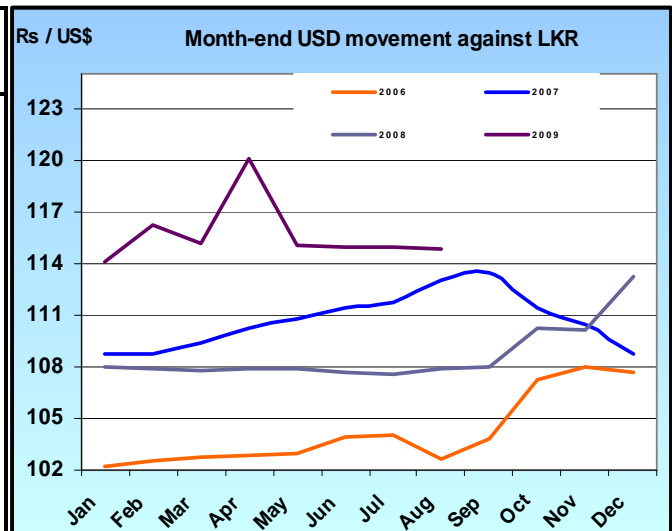
Maturity	Amount Offered	Bids Received	Amount Accepted	Weighted Average Yield		
	[Rs.Mn]	[Rs.Mn]	[Rs.Mn]	This Week	Last Auction	WoW Change
				[%]	[%]	[Basis Points]
3 Months	3,000	5,417	1,065	10.04	10.54	-50.00
6 Months	3,500	8,622	3,025	10.96	11.39	-43.00
1 Year	5,500	9,810	3,566	11.50	11.97	-47.00
Total	12,000	23,849	7,656			



[% per annum]	Week Ending	
	11-Sep	18-Sep
Overnight Rate on Repurchase Agreements	8.50	8.00
Commercial Bank Average Weighted Prime Lending Rate [AWPLR]	13.06	12.96
Sri Lanka Inter Bank Offer Rate [SLIBOR]		
- Overnight	9.89	9.38
- 7 Days	10.27	9.94
- 1 Month	10.95	10.38
- 3 Months	11.58	10.98
- 6 Months	12.15	11.48
- 1 Year	12.77	12.34
	Month Ending	
	31-Jul	31-Aug
Commercial Bank Average Weighted Deposit Rate [AWDR]	10.98	10.84
Commercial Bank Average Weighted Fixed Deposit Rate [AWFDR]	14.94	14.64

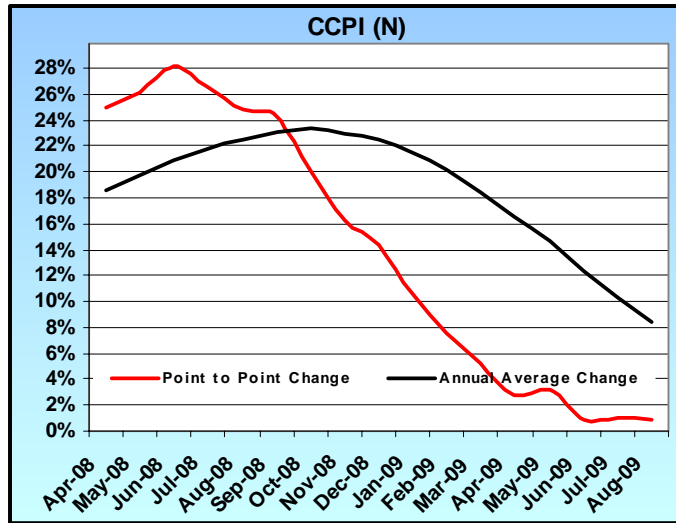
Currency Board

	Week Ending		
	11-Sep	18-Sep	Change
USD Exchange Rate (Rs/\$)			
- Average Middle Rate	114.84	114.85	0.01%
- Forward 1 month	115.09	115.07	-0.02%
- Forward 3 months	115.60	115.56	-0.03%
British Pound	191.54	188.05	-1.82%
Euro	167.49	168.88	0.83%
Japanese Yen	1.26	1.26	0.18%
Indian Rupee	2.37	2.39	0.70%
Australian Dollar	99.12	99.76	0.64%
Singapore Dollar	80.65	81.06	0.51%



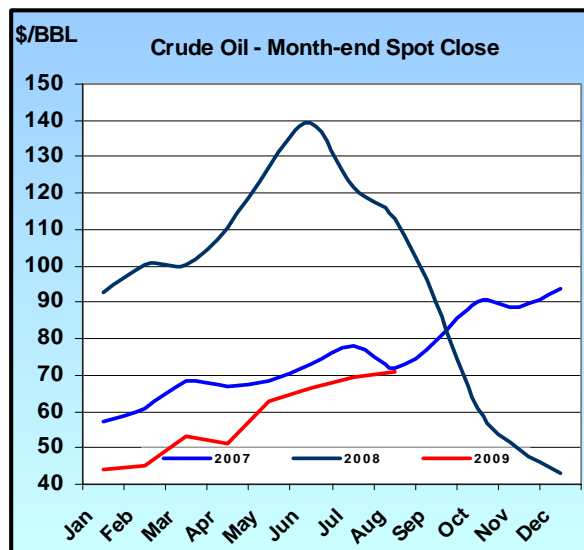
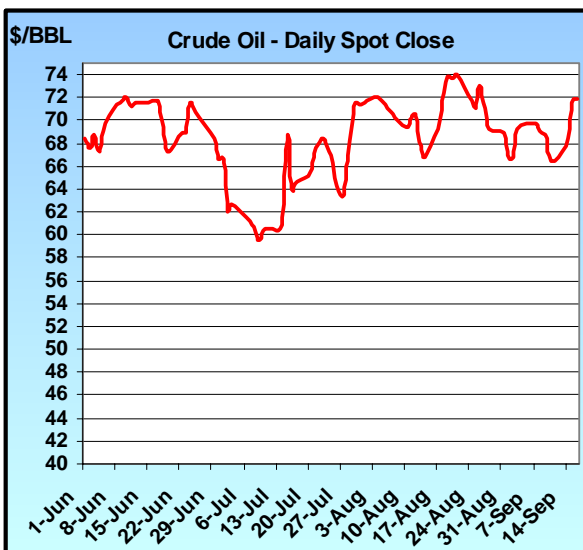
Inflation

	Month Ending		
	May-09	Jun-09	Aug-09
New Colombo Consumers' Price Index - CCPI(N) [2002=100]			
- Year on Year (Point to Point) Change/Inflation Rate	0.9%	1.1%	0.9%
- Annual Average Change/Inflation Rate	12.5%	10.4%	8.5%



Crude Oil

[USD per Barrel]	Week ending	
	11-Sep	18-Sep
Dated Brent Spot Closing Price	69.29	71.83



Tea Market Update

Colombo Tea Auction – Sales (kg) – Sale No: 36 – September 16, 2009

Elevation	This Week	Last Auction	Change	Cumulative		Change
	Sale 36-2009	Sale 35-2009		01-Jan to Date	Same Period	
	16-Sep-09	09-Sep-09		2009	2008	
High Grown	831,900	836,213	-0.5%	41,974,664	46,325,315	-9.4%
Medium Grown	648,092	681,464	-4.9%	30,702,368	31,720,154	-3.2%
Low Grown	3,884,070	3,639,346	6.7%	118,814,022	119,805,493	-0.8%
Total	5,364,062	5,157,023	4.0%	191,491,054	197,850,961	-3.2%

Colombo Tea Auction – Sales Averages (Rs/kg)

Elevation	2008	Jun-09	Jul-09	Aug-09	Sale 36-2009 16-Sep-09
High Grown	273.83	281.90	343.43	352.35	402.94
Medium Grown	270.13	292.09	347.84	342.83	392.44
Low Grown	336.38	399.44	427.30	415.80	456.23
Total	310.81	348.47	396.07	392.30	440.26

Tea Production according to Elevations (kg)

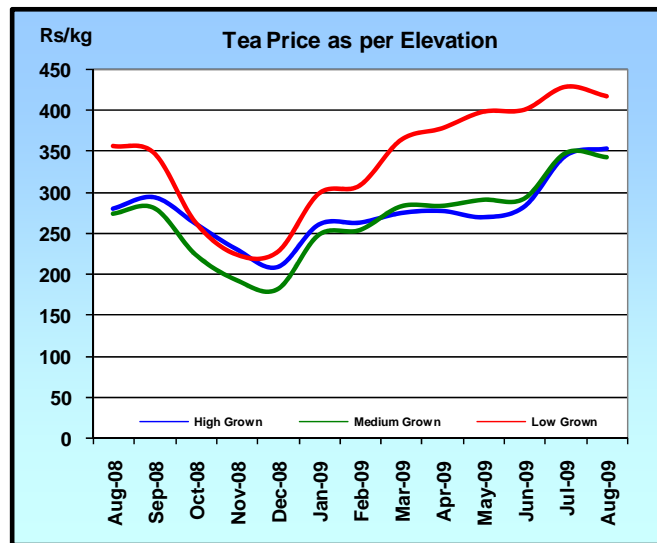
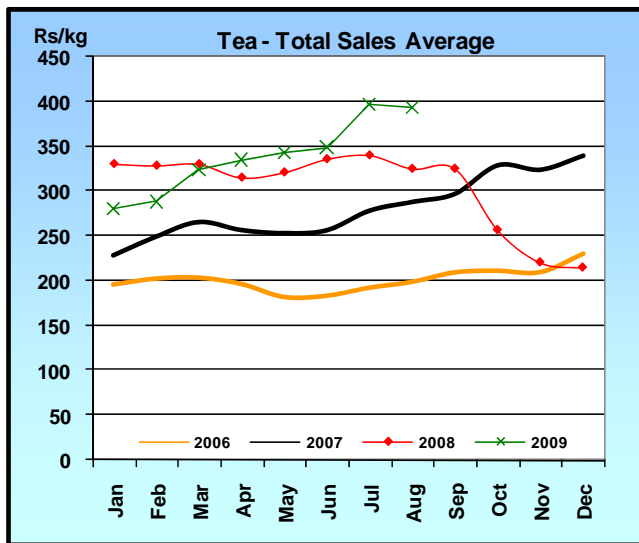
Elevation	July			January to July		
	2008	2009	Change	2008	2009	Change
High Grown	6,548,516	5,454,943	-16.7%	51,865,871	40,674,330	-21.6%
Medium Grown	3,850,429	3,498,570	-9.1%	31,601,802	23,522,945	-25.6%
Low Grown	16,341,391	16,164,530	-1.1%	115,101,571	87,633,213	-23.9%
Total	26,740,336	25,118,043	-6.1%	198,569,244	151,830,488	-23.5%

Tea Production according to Categories (kg)

Production	July			January to July		
	2008	2009	Change	2008	2009	Change
Orthodox	25,623,158	23,774,544	-7.2%	187,460,303	141,843,694	-24.3%
CTC	829,585	1,159,159	39.7%	9,132,302	8,809,614	-3.5%
Total Black Tea	26,452,743	24,933,703	-5.7%	196,592,605	150,653,308	-23.4%
Green Tea	287,593	184,340	-35.9%	1,976,639	1,177,180	-40.4%
Total	26,740,336	25,118,043	-6.1%	198,569,244	151,830,488	-23.5%

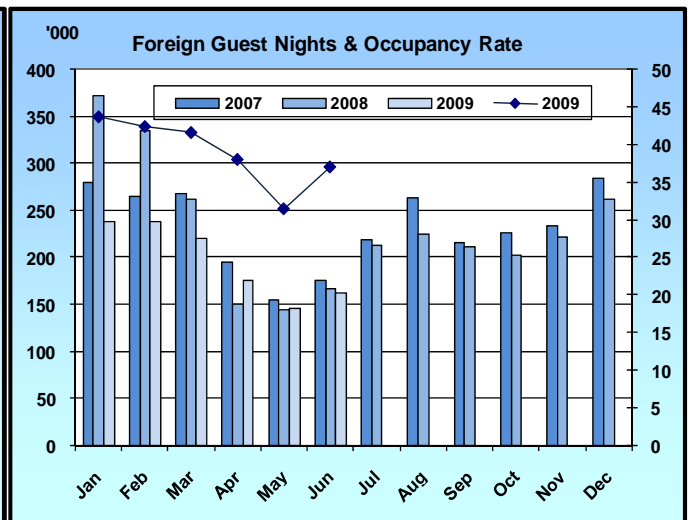
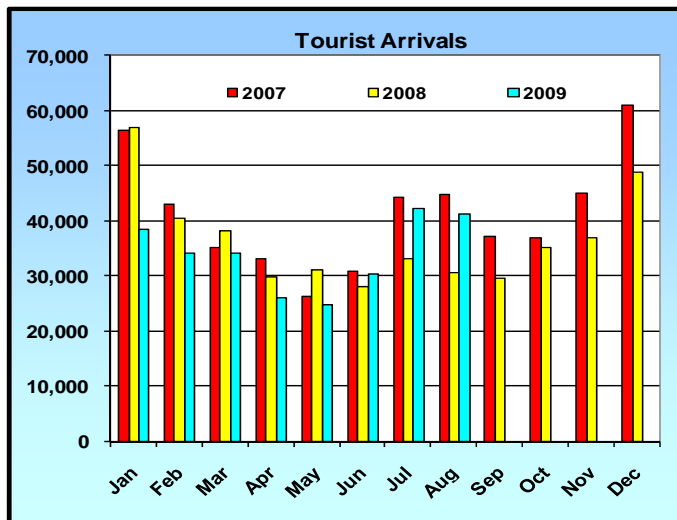
Analysis of Total Tea Production

Elevation - Breakdown	Jul-09	Jan - Jul 09
High Grown	21.7%	26.8%
Medium Grown	13.9%	15.5%
Low Grown	64.4%	57.7%
	100.0%	100.0%
CTC Production as a % of Black Tea Production	4.6%	5.8%



Tourist Arrivals

Sri Lanka	August			January to August		
	2008	2009	Change	2008	2009	Change
Tourist Arrivals	30,672	41,207	34.3%	288,017	271,159	-5.9%
	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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