

Daily Market Watch09th March 2010

Local Market News			
Interest rates movement			
Average Weighted Prime Lending rate AWPLR		10.52%	
Average Weighted Deposit Rate AWDR		7.40%	
Average Weighted Fixed Deposit Rate AWFDR		9.99%	
<i>- (For the week ended 5th March 2010)</i>			
Treasury bill Auction Results			
T - Bills	3 Months	6 Months	12 Months
03/03/10	8.38	9.12	9.47
24/02/10	8.26	9.06	9.47
Secondary Market	8.35/38%	9.09/11%	9.43/47%
<i>(-As at 08th March 2010)</i>			
Daily Market Review			
Overnight Call Money Borrowing Rate		9.25-9.50%	
Overnight Repo Borrowing Rate		8.25-8.375%	
CLIBOR	Weighted Average Rate	9.265%	
	Volume	2,325Mn	
Market Liquidity		10,532Mn	
USD/LKR (Opening)		114.15/25	
USD/LKR (Closing)		114.08/13	
Market Volume (USD/LKR)		50.05Mn	
Inflation – February 2010		Point to Point	6.9%
		Moving Average	3.1%
<i>(-As at 09th March 2010)</i>			

Foreign Market News		
Commodity Prices		
Gold Price (USD/t oz.)		1,124.00
Oil Price (USD/bbl.)		81.91
<i>(-As at 09th March 2010)</i>		
Interest Rates Movement		
LIBOR Rates - USD	3 months	0.261
	6 months	0.390
	12 months	0.843
US Policy Rate		0.75%
New York Prime		3.75%
<i>(-As at 09th March 2010)</i>		

Major Currency Movements against USD		
	Opening	Closing
EUR/USD	1.3615/16	1.3590/94
GBP/USD	1.5005/09	1.4961/66
USD/JPY	89.92/96	89.80/81
AUD/USD	0.9086/91	0.9081/83
USD/CAD	1.0283/86	1.0291/93

(-As at 09th March 2010)

Market Commentary	<i>(Based on New York Trading, All times in GMT)</i>
USD	
Was able to make solid gains in Europe as the Greece fears resurfaced on news Fitch may still downgrade the embattled country. US stocks turned positive however and the market pared back some of the Dollars gains. In US stocks, DJIA +11 points closing at 10564, S&P +1 points closing at 1140 and NASDAQ +8 points closing at 2340. Looking ahead, Crude Oil Inventories are forecast at 2.1mn vs. 4.1mn previously.	
EUR	
Slumped in Europe through the 1.3600 level on heavy EUR/JPY selling but the downside pressure did not last and the single currency finished at the 1.3600 level. EUR/GBP continued to grind higher as the Pound suffered the most of the majors. Overall the EUR/USD traded with a low of 1.3536 and a high of 1.3637 before closing at 1.3600. Looking ahead, January German Trade Balance is forecast at 16bn vs. 16.7bn previously.	
GBP	
Broke below 1.5000 in Early Europe and remained heavy for the rest of the day as markets continue to take a dim view of the political situation and economic data weakened. January Trade Balance was at -8bn vs. -6.9bn forecast as exports deteriorated. Overall the GBP/USD traded with a low of 1.4934 and a high of 1.5046 before closing the day at 1.4995 in the New York session. Looking ahead, January Industrial Output is forecast at 0.3% vs. 0.5% previously.	

USD Premiums		
Maturity	No Days	
1W	7	13/16
2W	14	30/37
3W	21	45/50
1M	28	70/80
2M	61	125/135
3M	89	180/190
4M	120	245/255
5M	153	295/305
6M	181	345/355

As at 10th March 2010

Data to be Released on 10th March 2010

Country	Index
E-16	February Germany CPI & HICP
E-16	January Germany Trade Balance
Japan	Q4 GDP
UK	January Industrial Production
UK	January Manufacturing Production
US	January Wholesale Inventory
US	January Wholesale Sales
US	February Fed Budget

Stock Market Details			
Index	Closing	Change	%
ASPI	3,809.01	-26.05	-0.28
MILANKA	4,382.32	-11.57	-0.26
NASDAQ	2,340.68	+8.47	+0.36
DOW	10,564.38	+11.86	+0.11
(-As at 09 th March 2010)			

Any opinions, news, research, analyses, prices, or other information contained on this article is provided as general market commentary, and does not constitute investment advice. Pan Asia Banking Corporation PLC will not accept liability for any loss or damage, including without limitation to, any loss of profit, which may arise directly or indirectly from use of or reliance on such information.

Reuters, Bloomberg, Trendsetter