

02nd April 2026

TREASURY

Commercial Bank of Ceylon PLC – Treasury Department

Tel: 2486359/2486344/2486345 | Email: treasury@combank.net | Web: www.combank.lk

FINANCIAL MARKET UPDATE IN BRIEF

The USD/LKR is expected to trade in a range of 312.25 to 318.75 on Thursday. Market is volatile within this range, with both demand & supply forces presenting challenges to the market direction.

Sri Lanka's Colombo Stock Exchange closed down on Monday. The All-Share Price Index closed down 0.12 percent, or 26.06, at 21,066.18, while the S&P SL20 closed down 0.08 percent or 4.86 points at 5,904.10. Market turnover was 3.57 billion rupees.

02.04.2026 Indicative Market levels

	Buying	Selling
USD	312.25	318.75
EUR	359.34	370.01
GBP	412.47	424.24
JPY	1.9554	2.0086
SGD	239.12	251.81
AUD	212.10	222.89

Traded USD Volumes as at 31.03.2026

Cash	17.00
Tom	05.00
Spot	04.50
FWD	50.65

TREASURY BILL/BOND MARKET

The G-Sec market traded with a volume **17.90 Bn** on **31.03.2026**. Indicative T-bond rates closing levels were as follows. Indicative T-bond rates closing levels

15/12/2026	08.30%-08.45%
15/03/2028	09.50%-09.75%
15/09/2029	09.90%-10.00%

**Strictly indicative and for information only*

Treasury Bill Market (Weighted Average Rates)

	This Week 31.03.2026	This Week 25.03.2026
91 days	07.80%	07.64%
182 days	08.09%	07.95%
364 days	08.41%	08.32%

LKR Bio	Foreign Holding 26.03.2026	Foreign Holding 01.01.2026	Net Flow (YTD)
T-Bills & T-Bonds	148.59	141.36	7.23

MONEY MARKET AT A GLANCE

As of 31.03.2026 (in LKR Bn)

Overnight Market Liquidity	277.95
Term Liquidity	-
Overall Market Liquidity	277.95

Net of Overnight SDF and SLF	165.45
Net of Overnight Repo / (Rev Repo)	112.50
Overnight Liquidity Support Facility	-
Net of Term Repo / (Rev Repo)	-
Term Liquidity Support Facility	-
Overnight Call Money Rates	7.55% - 7.65%
Overnight Repurchase Rates	7.62% - 7.72%

ECONOMIC INDICATORS

AWPLR as at 27.03.2026	9.28%
Inflation (YoY – February 2026 - CCPI)	1.60%
Inflation (YoY– February 2026 - NCPI)	1.60%
Official Reserves Assets (Feb – 2026)	US\$ 7,284 Mn
GDP Quarterly growth rate (2025 – Q3)	5.40%

Unemployment Rate (2025 – Q3)	4.30%
Per Capita GDP-2024	US\$ 3,830
Statutory Reserve Ratio (SRR)	2.00%
Trade Balance (Jan – Dec - 2025)	(US\$ 7,898.6Mn)
Total Outstanding Government Debt (End Dec 2025)	29,994.69 Bn

INTERNATIONAL MARKETS

The US Dollar Index (DXY) climbed to 99.8 on Thursday, ending a two day decline, as President Donald Trump offered no clarity on the Iran war's conclusion, reinforcing global uncertainty. In a rare prime-time speech, Trump said Washington's "core strategic objectives" in Iran were close to being achieved but threatened severe strikes over the next two to three weeks, including possible attacks on civilian infrastructure if no deal emerges. His remarks followed Wednesday's claim that Iran sought a ceasefire, which Tehran denied. The dollar has gained 2.3% last month on safe haven demand since the conflict began. Rising oil prices have fueled inflation concerns, prompting investors to scale back expectations for Federal Reserve rate cuts this year.

The EUR/USD strengthened to \$1.154 in early April, rebounding from seven month lows seen in mid March after President Donald Trump said the U.S. could withdraw from Iran within "two or three weeks," regardless of a deal. The recovery followed a volatile March, when the euro lost 2.2% against the dollar, its worst monthly performance since July 2025 amid escalating Middle East tensions. However, the Strait of Hormuz crisis remains unresolved, with the closure disrupting oil supplies and driving prices higher. Rising inflation concerns have led markets to reassess European Central Bank policy, now expecting two rate hikes in 2026, down from three earlier this week, compared with prior expectations of no hikes.

The GBP/USD pair faced fresh supply in Thursday's Asian session, retreating from the weekly high near 1.3345 touched the previous day. Spot prices fell to the mid-1.3200s after comments from U.S. President Donald Trump, stalling a two day recovery from a four month low set Tuesday. Persistent uncertainty and inflation pressures continue to weigh on sentiment, prompting markets to revise Bank of England policy expectations. Investors now anticipate fewer than two rate hikes in 2026, down from four projected in mid March, while earlier bets on two pre-conflict rate cuts have been abandoned. The shift reflects caution over the economic impact of ongoing geopolitical tensions.

The AUD/USD AUD/USD weakened around 0.6900 during Thursday's Asian session, reversing two days of gains despite strong trade data. The Australian dollar came under pressure as the U.S. dollar firmed, overshadowing robust figures showing Australia's trade surplus more than doubled in February to AUD 5,686 million, the largest in seven months. The surplus was driven by strong gold and agricultural exports, while imports of gold and data processing equipment declined. February's result significantly exceeded market expectations of a AUD 2,500 million surplus and marked a sharp rise from January's downwardly revised AUD 2,258 million. Despite the positive trade balance, global sentiment weighed on the currency.

The USD/JPY slipped to around 159.3 per dollar on Thursday as mixed signals from U.S. President Donald Trump supported the greenback. Trump said the Iran war was "very close" to completion and likely to meet objectives soon, while warning military operations could intensify, though he also stressed ongoing diplomatic talks. Investors remained cautious about geopolitical risks and their global impact. Japan, heavily reliant on Middle Eastern oil, has faced sharp pressure, with gasoline prices hitting record highs in mid March before easing slightly with subsidies. Meanwhile, new Bank of Japan board member Toichiro Asada signaled a cautious, data driven approach ahead of the April 27-28 policy meeting, where markets see a 71% chance of a rate hike.

MARKET INFORMATION AS AT 02.04.2026

Currency Pair	Cross Rate	Resistance	Support
EUR/USD	1.1545	1.1576	1.1522
USD/JPY	159.37	159.84	158.94
GBP/USD	1.3240	1.3281	1.3215
AUD/USD	0.6885	0.6910	0.6865
USD/SGD	1.2866	1.2946	1.2776
USD/INR	93.22	93.65	93.05

CME SECURED OVERNIGHT OFFER RATE AS OF 01.04.2026

Tenor	USD
O/N SOFR	3.68000
01 Month	3.66067
03 Month	3.67725
06 Months	3.68813
12 Months	3.70427

COMMODITIES

Commodities	Unit	Prices	Previous Day Prices
Gold	USD\$ per ounce	4,675.29	4,569.26
Oil (Brent)	USD\$ per Barrel	106.15	106.05
Aluminum HG	USD\$ per MT	3,531.50	3,401.00
Copper	USD\$ per MT	12,434.50	12,223.50
Cotton	USD¢ /lb	70.82	70.16
Sugar	USD¢ /lb	15.29	15.55
CBT Wheat	USD¢ /bu	603.25	608.25
SGX Rubber	USD\$/100 KG	201.20	200.30

In the energy markets, oil prices climbed more than \$4 on Thursday after President Donald Trump said the United States would continue to attack Iran, including energy and oil targets over the next few weeks, and did not commit to a specific timeline to end the war.

Brent crude futures rose \$4.88, or 4.8%, to \$106.04 per barrel by 02:00 GMT. U.S. West Texas Intermediate crude futures were up \$4.17, or 4.2%, to \$104.29 per barrel.

Gold prices reversed course to slip more than 1% on Thursday, snapping a four-day winning streak, after U.S. President Donald Trump said the United States would continue the war in Iran over the coming weeks. Spot gold fell 1.3% at \$4,694.48 per ounce by 02:02 GMT, while U.S. gold futures slid 1.9% to \$4,723.70. Prices were up over 1% at their highest levels since March 19 before Trump's remarks.

POLICY RATES

LKR Overnight Policy Rate (OPR)	7.75%
USD Fed Funds Target Range Rate	3.50% - 3.75%
EUR Marginal Lending Facility Rate*w.e.f.11/06/25	2.40%
GBP Policy Rate	3.75%
AUD Official Cash Rate	4.10%
JPY Official Cash Rate	0.75%

ECONOMIC CALENDAR – 02.04.2026

GMT	Details
12:30	USD - Initial Jobless Claims
20:30	USD - Fed's Balance Sheet