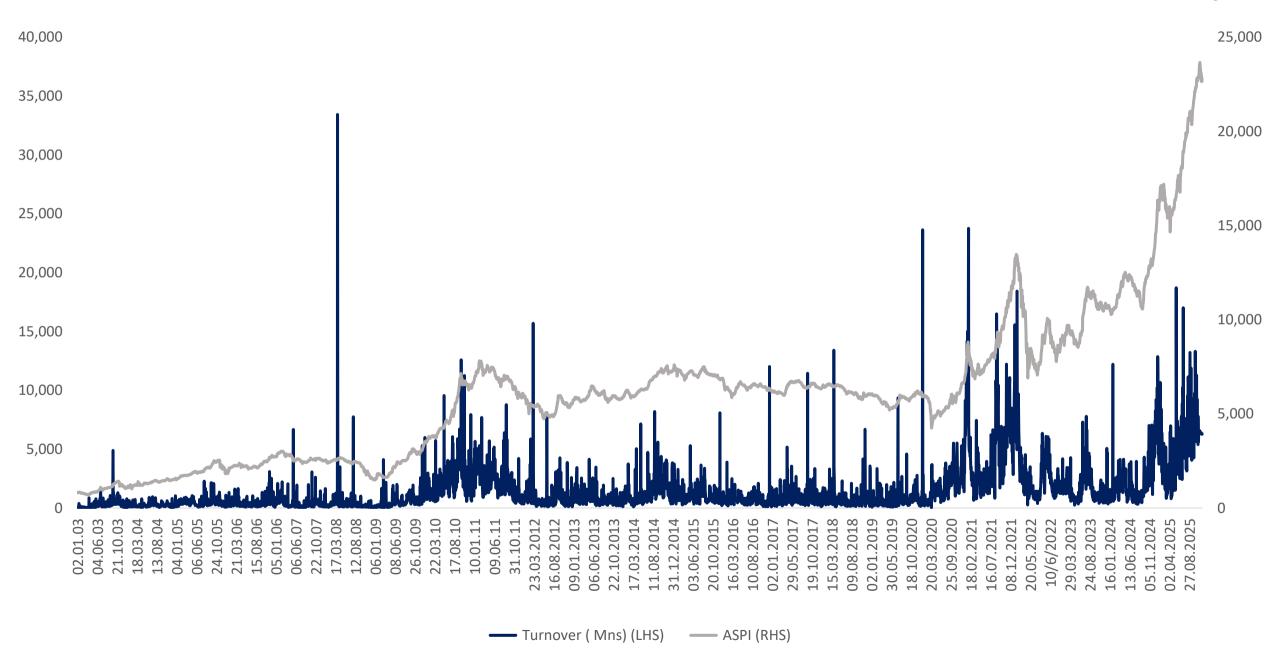


- After six consecutive months of gains, the benchmark ASPI saw a mild correction, easing by 92 points to close at 22,712. In contrast, the more liquid S&P SL20 advanced by 53 points, ending the session at 6,267. Both indices continue to post robust YTD performances, with the ASPI up 42.4% and the S&P SL20 up 28.9%. Meanwhile, as of 17 November 2025, the ASPI ranks as the second best-performing index in the Asia—Pacific region.
- CBSL opted to keep the Overnight Policy Rate (OPR) unchanged at 7.75%, noting that the existing monetary policy stance is adequate to guide inflation towards its 5% target while sustaining the momentum of domestic economic growth.
- Sri Lanka surpassed a key milestone by attracting over 2Mn tourists within the first eleven months of 2025. Tourism earnings remained strong as well, reaching nearly USD 2.6Bn by October, reflecting a 5%YoY increase. India continued to be the dominant source of arrivals in November and remained the leading market on a YTD basis. In addition, Russia, the UK, Germany, and Australia stood out as the top source markets in November. Further enhancing the country's appeal, the magazine Travel + Leisure included Sri Lanka in its list of the "50 Best Places to Travel in 2026."
- Sri Lanka's external sector continued to demonstrate resilience during the first ten months of 2025, even as the current account recorded a second consecutive monthly deficit in Oct'25. The deficit for the month stood at USD 199.5Mn, compared to USD 183Mn in Sep'25. Despite these temporary monthly shortfalls, the current account maintained a strong cumulative surplus of USD 1.65Bn by end-October, marking a 7.1% increase from the previous year. This solid YTD surplus has been supported by steady growth in merchandise and services exports, rising tourism earnings, and stronger worker remittances.
- Sri Lanka's annual CCPI inflation was recorded at 2.1% YoY in Nov'25, unchanged from Oct'25, continuing its gradual move toward the target. The food inflation decelerated to 3.0%YoY (from 3.5%YoY in Oct'25). While non-food inflation rose to 1.7%YoY (from 1.4% YoY in Oct'25).



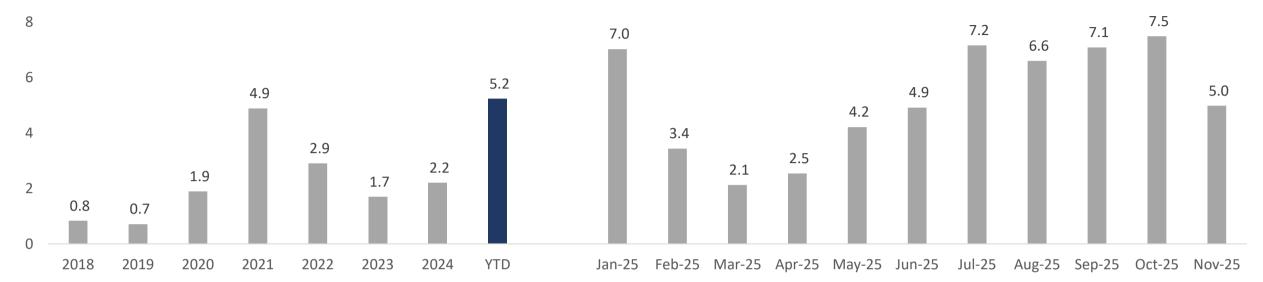


Average daily turnover dropped to LKR 5.0Bn in Nov'25

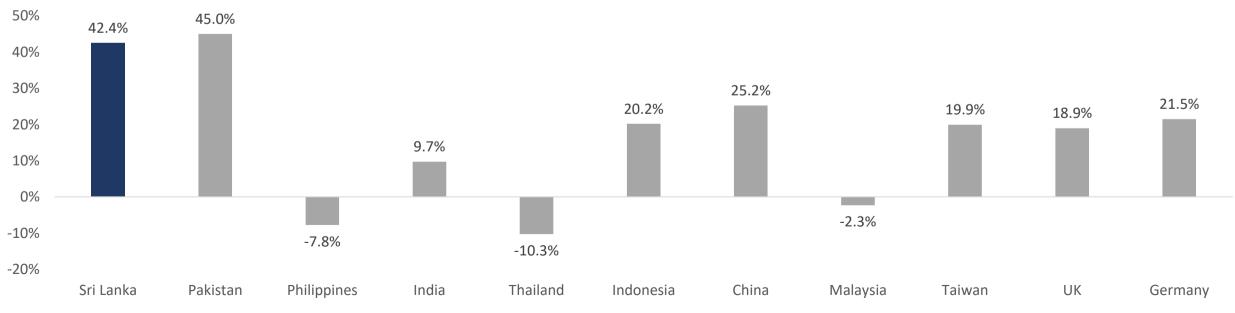


Member of the Colombo Stock Exchange

Avg YTD turnover levels stands at above LKR 5.2Bn



SL's returns records at 42.4% YTD



Source: CSE, Bloomberg



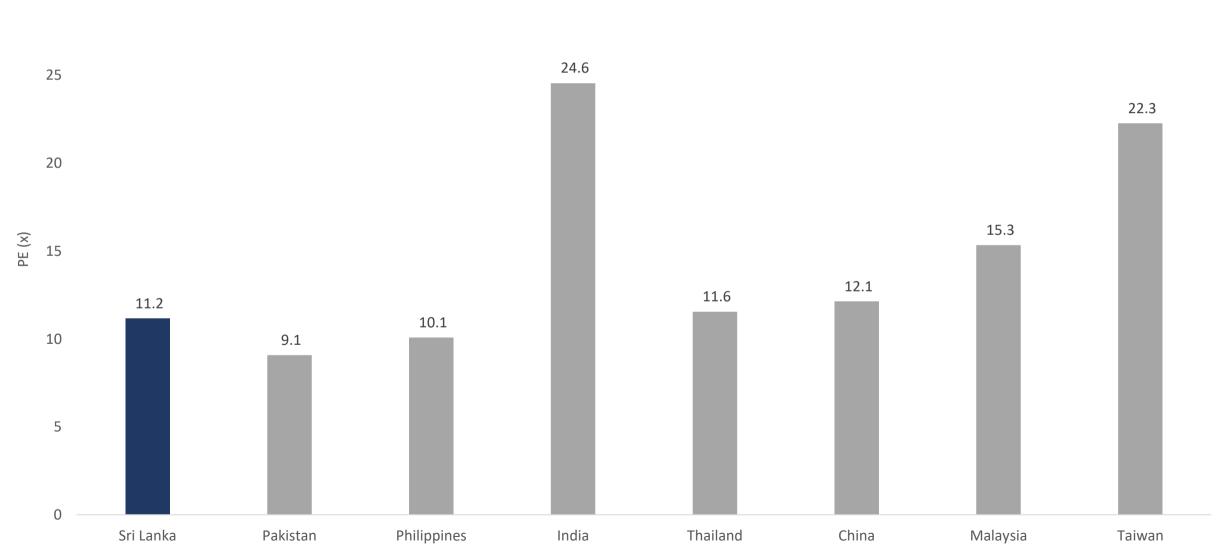
30

Sri Lanka is still cheaper than most of its regional peers



Member of the Colombo Stock Exchange

Sri Lanka still trades at attractive valuations, trading at a, a 54% discount to India, 49% discount to Taiwan and 27% discount to Malaysia.

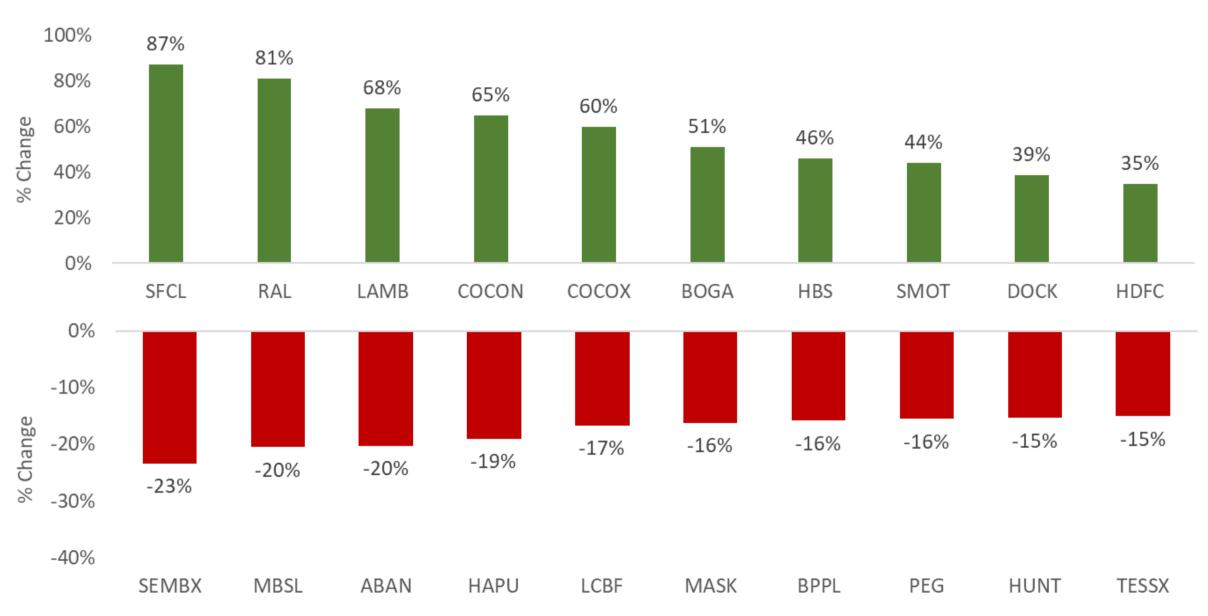




Top ten gainers and losers for the month

Member of the Colombo Stock Exchange

SFCL, RAL & LAMB as the biggest price gainers for the month.





ASPI gained 42.4% YTD and S&P SL20 returns gained 28.9% YTD



Member of the Colombo Stock Exchange

Total net foreign selling stood at LKR 3.7Bn for the month

| | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | YTD |
|---------------------------------|---------|----------|----------|----------|----------|--------|---------|---------|----------|
| ASPI (Year End) | 6369.3 | 6052.4 | 6129.2 | 6774.2 | 12226.0 | 8489.7 | 10654.2 | 15944.6 | 22712.8 |
| ASPI Return (%) | 2.3% | -5.0% | 1.3% | 10.5% | 80.5% | -30.6% | 25.5% | 49.7% | 42.4% |
| S&P SL20 | 3671.7 | 3135.2 | 2937.0 | 2638.1 | 4233.3 | 2635.6 | 3068.4 | 4862.1 | 6267.0 |
| S&P SL20 Return (%) | 5.0% | -14.6% | -6.3% | -10.2% | 60.5% | -37.7% | 16.4% | 58.5% | 28.9% |
| Average Daily Turnover (LKR Mn) | 915 | 834 | 711 | 1899 | 4888 | 2972 | 1697 | 2240 | 5326 |
| YoY Growth | 24% | -9% | -15% | 167% | 157% | -39% | -43% | 32% | 138% |
| Avg USD =LKR | 152.5 | 162.5 | 178.8 | 185.4 | 203.0 | 371.6 | 328.8 | 292.6 | 308.0 |
| Average Daily Turnover (USD Mn) | 6.0 | 5.1 | 4.0 | 10.2 | 24.1 | 8.0 | 5.2 | 7.7 | 17.3 |
| Foreign Purchases (LKR Mn) | 113,276 | 76,621 | 56,649 | 53,901 | 34,085 | 67,508 | 41,471 | 49,797 | 55,487 |
| Foreign Sales (LKR Mn) | 95,052 | 99,979 | 68,366 | 104,233 | 86,687 | 36,906 | 37,124 | 59,722 | 91,785 |
| Net Foreign flows (LKR Mn) | 18,224 | (23,358) | (11,717) | (50,332) | (50,284) | 30,601 | 4,348 | (9,925) | (32,631) |
| Foreign Purchases (USD Mn) | 743 | 471 | 317 | 291 | 168 | 182 | 126 | 170 | 180 |
| Foreign Sales (USD Mn) | 623 | 615 | 382 | 562 | 427 | 99 | 113 | 204 | 298 |
| Net Foreign Flows (USD Mn) | 119 | (144) | (66) | (271) | (248) | 82 | 13.2 | (33.9) | (105.9) |
| Market Cap (LKR Bn) | 2,899 | 2,839 | 2,851 | 2,959 | 5,489 | 3,888 | 4,249 | 5,696 | 8,123 |
| Market Cap (USD Mn) | 19,010 | 17,469 | 15,944 | 15,959 | 27,039 | 10,463 | 12,924 | 19,467 | 26,370 |
| CSE - PER (Year End) | 10.7 | 9.7 | 11.5 | 15.2 | 13.6 | 5.0 | 11.1 | 8.9 | 11.2 |

Sri Lanka – Market and Economic Update



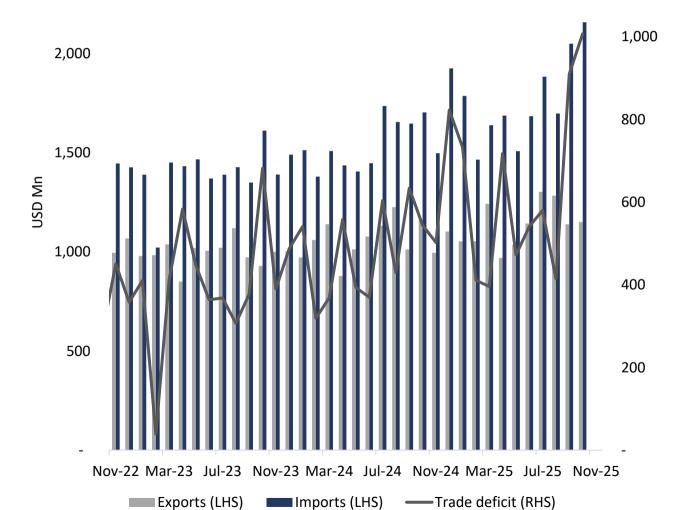
Member of the Colombo Stock Exchange

Economic Indicators – Nov'25



Export income fell slightly by 0.7%YoY, while the import bill soared by 26.7%YoY in Oct'25. As a result, the trade deficit widened by 85% YoY to USD 1.0Bn.





- Merchandise trade dynamics continue to shift, with the trade deficit increasing in Oct'25 to USD 1Bn, nearly doubling from USD 544Mn a year ago.
- Sri Lanka's export sector continues to show strong resilience, with merchandise exports reaching over USD 11.36Bn in the first ten months of 2025, up 6% YoY, despite flat MoM export earnings. During the first 10 months, earnings from Apparel and Textiles, which account for the largest share of export revenue grew by 5.6%YoY to USD 4.4Bn. Agriculture exports also witnessed a remarkable growth during the first 10 months. Tea exports, which comprised 12% of total merchandise exports, rose by 8.72%YoY to over USD 1.28Bn, whilst coconut-based exports increased by 43.8%YoY to USD 1.03Bn.
- Imports in Oct'25 rose by 26.7%YoY to USD 2.16Bn, while in the first 10 months, the growth was 13.8% to USD 17.55Bn. The surge in import expenditure was primarily driven by vehicle imports, which reached USD 205Mn in October, bringing total vehicle imports to USD 1.1Bn in the first ten months of 2025. Additionally, the fuel import bill also rose by 6%YoY to USD 358Mn during the month of Oct'25.



Cumulative textile and garments exports improved by 6%YoY while cumulative import bill on fuel plummeted by 8%YoY.



| | | | | | | Member of the Colombo Stock Exchange | | |
|-------------------------------|--------|--------|----------|----------------|----------------|--------------------------------------|-----------------|--|
| | 0.104 | 0 .105 | | | | | Contribution to | |
| USD Mn | Oct'24 | Oct'25 | Variance | Jan - Oct 2024 | Jan - Oct 2025 | Variance | Exports | |
| Total Exports | 1,158 | 1,150 | -1% | 10,676 | 11,365 | 6% | | |
| Industrial Exports | 900 | 881 | -2% | 8,342 | 8,735 | 5% | 77% | |
| Textiles and garments | 431 | 431 | 0% | 4,215 | 4,452 | 6% | 39% | |
| Rubber Products | 82 | 77 | -6% | 822 | 767 | -7% | 7% | |
| Agricultural Exports | 254 | 265 | 4% | 2,290 | 2,588 | 13% | 23% | |
| Tea | 127 | 127 | 0% | 1,186 | 1,290 | 9% | 11% | |
| | | | | | | | Contribution to | |
| USD Mn | Oct'24 | Oct'25 | Variance | Jan - Oct 2024 | Jan - Oct 2025 | Variance | Imports | |
| Total Imports | 1,703 | 2,157 | 27% | 15,421 | 17,546 | 14% | | |
| Consumer Goods | 292 | 570 | 95% | 2,749 | 4,386 | 60% | 25% | |
| Food and beverages | 151 | 202 | 34% | 1,508 | 1,767 | 17% | 10% | |
| Non-food consumer goods | 142 | 368 | 160% | 1,241 | 2,619 | 111% | 15% | |
| Medical and pharmaceuticals | 48 | 68 | 42% | 458 | 544 | 19% | 3% | |
| Personal vehicles | 2 | 206 | 10180% | 58 | 1,138 | 1859% | 6% | |
| Intermediate goods | 1079 | 1161 | 8% | 9,870 | 9,779 | -1% | 56% | |
| Fuel | 337 | 358 | 6% | 3,610 | 3,319 | -8% | 19% | |
| Textiles and textile articles | 272 | 257 | -6% | 2,353 | 2,295 | -2% | 13% | |
| Investment goods | 330 | 425 | 29% | 2,796 | 3,369 | 21% | 19% | |
| Machinery and equipment | 238 | 256 | 7% | 1,905 | 2,103 | 10% | 12% | |
| USD Mn | Oct'24 | Oct'25 | Variance | Jan - Oct 2024 | Jan - Oct 2025 | Variance | | |
| Trade balance | -545 | -1007 | 85% | -4745 | -6,182 | 30% | | |
| Earnings from tourism | 186 | 186 | 0% | 2,534 | 2,659 | 5% | | |
| Workers' remittances | 588 | 712 | 21% | 5,432 | 6,524 | 20% | | |
| Current Account Balance | 108.6 | -199.5 | -284% | 1,548 | 1,657 | 7% | | |

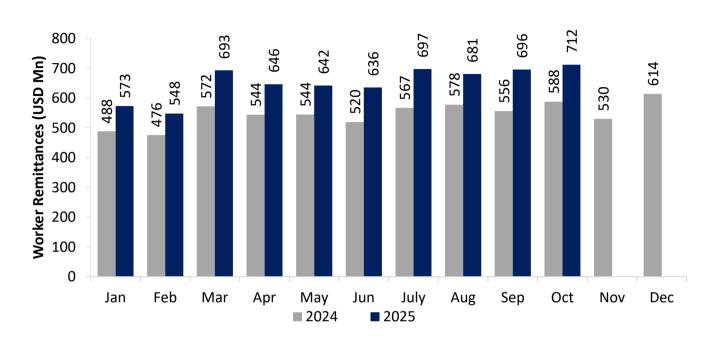


Remittances and Tourism

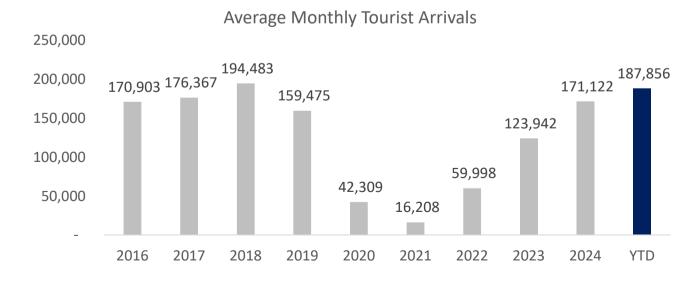
ACS CAPITAL

Member of the Colombo Stock Exchange

Remittances soared by 21%YoY in Oct'25 while tourist arrivals exceeds 2.05 Mn YTD



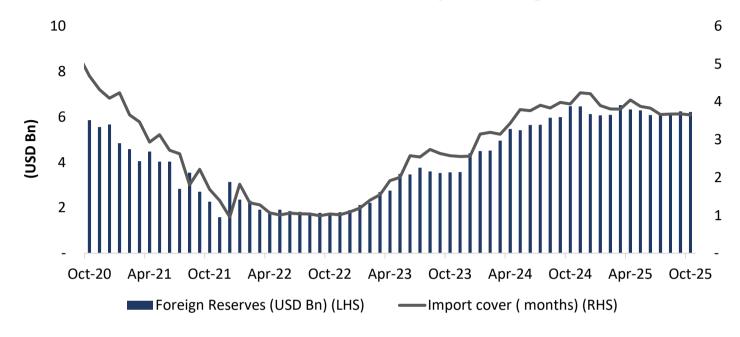
 Workers' remittances have recorded the highest monthly inflow since December 2020. Remittances in Oct'25 stood at USD 712Mn a YoY increase of 21.2% compared to USD 588Mn in Oct'24. On a cumulative basis, remittances during the first ten months of the year recorded a YoY growth of 20.1%.



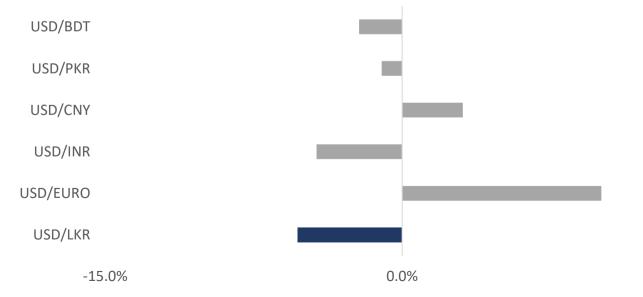
• Sri Lanka records over 2.0Mn tourist arrivals so far in 2025 with 164,293 arrivals during the first 23 days of Nov'25. Tourism earnings rose a marginal 0.3%YoY to USD 186Mn during the month, and cumulative earnings for January to October recorded a 4.9%YoY increase to USD 2.66Bn. Meanwhile, India remains the largest source market contributing 24% of November's arrivals, followed by the Russia, the UK and Germany.



Reserves stood at USD 6.21Bn in Oct'25, representing near 4 month's worth of imports.



Sri Lanka's Gross Official Reserves were USD 6.2
Bn in Oct'25, down USD 27Mnvfrom a month
earlier and USD 256Mn from a year earlier. The
monthly import bill is also around USD 1.7Bn,
which is comfortable to cover near 4 month's
worth of imports.



Official exchange rate of LKR against USD depreciated by 5.3% YTD and the BDT, PKR and INR also depreciated by 2.2%, 1.0% and 4.3% YTD respectively against USD. While the EURO, and CNY appreciated by 10.1%, and 3.1% YTD against USD.

Source: CBSL, Xe Currency,

Note: LKR: Sri Lankan Rupee, EURO: Euro'INR: Indian Rupee, CNY:Chinese yuan, PKR:Pakistan Rupee, and BDT:Bangladesh Taka

15.0%

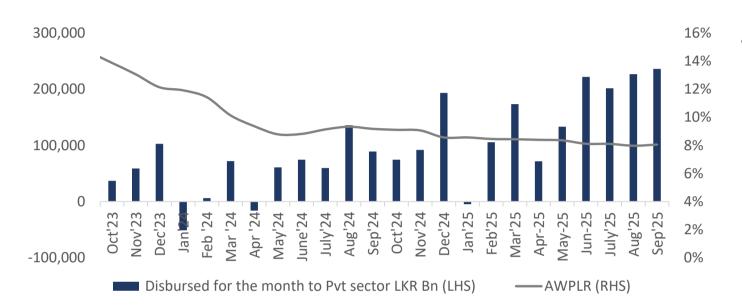


Pvt sector credit & Foreign Intervention

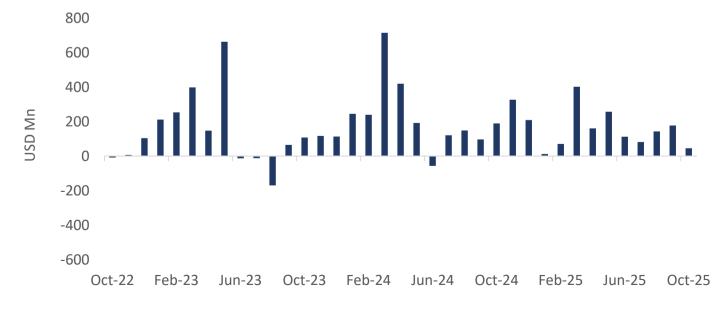
ACS CAPITAL

Member of the Colombo Stock Exchange

Private sector credit picks up by 22.1% YoY for Sep'25



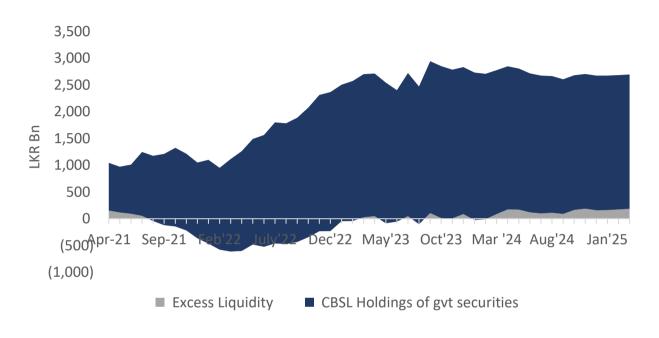
 Private sector credit edged up by LKR 236Bn in Sep'25, up 22.1%YoY. Private credit has expanded LKR 1.364Tn in the first nine months of 2025, compared to only LKR 430.2Bn for the same period last year.



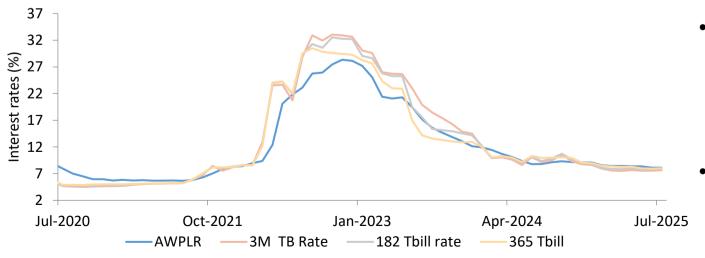
The CBSL purchased USD 55Mn in Oct'25 and USD 9.5Mn selling has reported in Oct'25, resulting in a net purchase of USD 45.5Mn. Meanwhile, the net purchases during the first ten months of 2025 amounted to USD 1.46Bn.

Source: CBSL

Tbill rates remains unchanged. AWPLR edges up marginally



 Overnight liquidity levels meanwhile ended positive of LKR 105.Bn. CBSL's holdings of government securities meanwhile remained at LKR 2.509Tn.



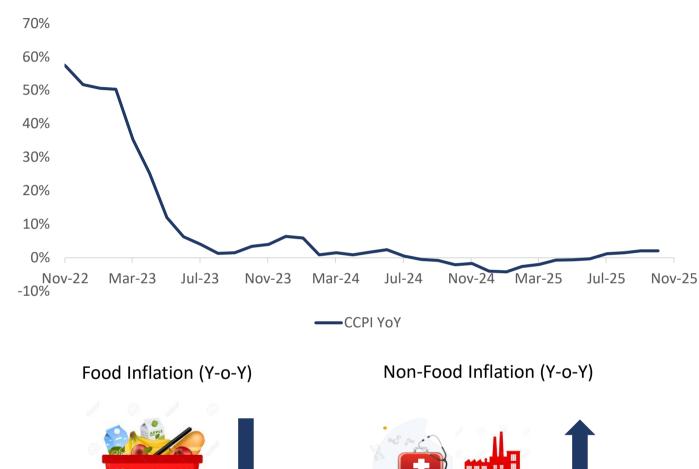
- T bill rates remained largely unchanged with 91 days,182 days and 365Bill hovering around 7.52%, 7.91% and 8.03% on the back of policy rate remain unchanged.
- AWPLR meanwhile increased to 8.64% from 8.31% from last month due to demand in the loans.



3.0%

Member of the Colombo Stock Exchange

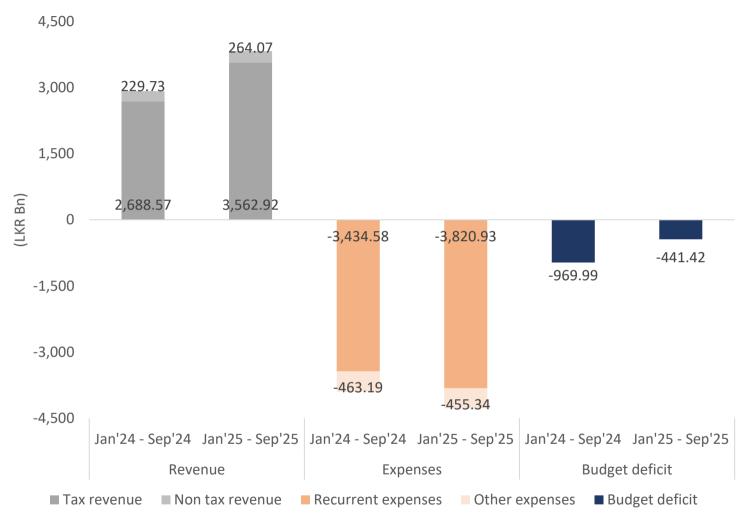
CCPI headline inflation remained steady at 2.1% YoY in Nov'25, unchanged from the rate recorded in Oct'25.



1.7%

- CCPI headline inflation on YoY basis, was 2.1% in Nov'25, unchanged from the YoY inflation rate of 2.1% recorded in Oct'25. The food inflation decelerated to 3.0%YoY (from 3.5%YoY in Oct'25). While non-food inflation rose to 1.7%YoY (from 1.4% YoY in Oct'25).
- For the month of Nov'25, on YoY basis, contribution to food commodities was 0.95%. The contribution of Non Food Items was 1.14%. This was mainly due to price increases in groups of 'Education' (0.27%), 'Restaurants and Hotels' (0.25%), 'Health' (0.18%), 'Housing, Water, Electricity, Gas and Other Fuels' (0.13%), 'Clothing and Footwear' (0.10%), 'Furnishing Household Equipment and Routine Household Maintenance' (0.10%), 'Miscellaneous Goods and Services' (0.07%), 'Alcoholic beverages Tobacco and Narcotics' (0.04%), 'Communication' (0.01%), 'Recreation and Culture' (0.01%). However, price decrease was reported for the group of 'Transport' (0.03%).





- Government revenue for Jan'25-Sep'25 soared by 31%YoY to LKR 3,826.99Bn, with tax revenue also growing by 33%YoY (accounts for 93% of total revenue) and the non-tax revenue increased by 15%YoY for the same period.
- Recurrent expenses soared by 11%YoY while capital expenses plunged by 2%YoY during Jan'25-Sep'25. Consequently, the total expenses recorded at LKR 4,276.27Bn for the same period, reflecting an increase of 10%YoY.
- Meanwhile, the Budget deficit plummeted by 54%YoY to LKR 441.42Bn during the same period.

Source: CBSL

Disclaimer



Member of the Colombo Stock Exchange

The report has been prepared by ACS Capital (Pvt) Ltd. The information and opinions contained herein has been compiled or arrived at based upon information obtained from sources believed to be reliable and in good faith. Such information has not been independently verified, no representation or warranty, express or implied is made as to its accuracy, completeness or correctness, reliability or suitability. All such information and opinions are subject to change without notice and are not responsible for the communication of the same. This document is for information purposes only, descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be construed as, an offer, or solicitation of an offer, to buy or sell any securities or other financial instruments. In no event will ACS Capital (Pvt) Ltd. be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising out of, or in connection with the use of this report and any reliance you place on such information is therefore strictly at your own risk.

ACS Capital (Pvt) Ltd may, to the extent permissible by applicable law or regulation, use the above material, conclusions, research or analysis in which they are based before the material is disseminated to their customers. Not all customers will receive the material at the same time. ACS Capital (Pvt) Ltd, their respective directors, officers, representatives, employees, related persons and/or ACS Capital (Pvt) Ltd., may have a long or short position in any of the securities or other financial instruments mentioned or issuers described herein at any time and may make a purchase and/or sale, or offer to make a purchase and/or sale of any such securities or other financial instruments from time to time in the open market or otherwise, in each case either as principal or agent.

The information contained in this report is for general information purposes only. This report and its content is copyright of ACS Capital (Pvt) Ltd. and all rights reserved. This report- in whole or in part- may not, except with the written permission of ACS Capital (Pvt) Ltd. be reproduced or distributed or commercially exploited in any material form by any means whether graphic, electronic, mechanical or any means.