



2026

MAY

MARKET LENS & ECONOMIC PULSE

This report delivers a strategic overview of capital market performance and key economic indicators in Sri Lanka, offering decision-makers a structured view of market direction, risks, and opportunities within the current macroeconomic landscape.

ABOUT COLOMBO STOCK EXCHANGE

The Colombo Stock Exchange (CSE) is Sri Lanka's principal stock exchange and the only licensed securities exchange in the country established to provide a platform for buying and selling stocks and other tradable securities.

Market Operator: It provides a fair, transparent, and orderly trading platform for securities including equities (shares), corporate debt, and government debt instruments.

Capital Raising: Enables companies to raise capital, supporting business expansion and economic growth.

Clearing & Settlement: Through its fully owned subsidiary, the Central Depository Systems (Pvt.) Ltd. (CDS), the CSE facilitates clearing, settlement, and safekeeping of securities.

Regulation & Governance: It oversees compliance with listing rules, promotes good corporate governance, and supports transparent disclosure by listed companies.

Investor Education: Actively involved in improving financial literacy and investor awareness through programs and educational initiatives

MAIN ECONOMIC INDICATORS

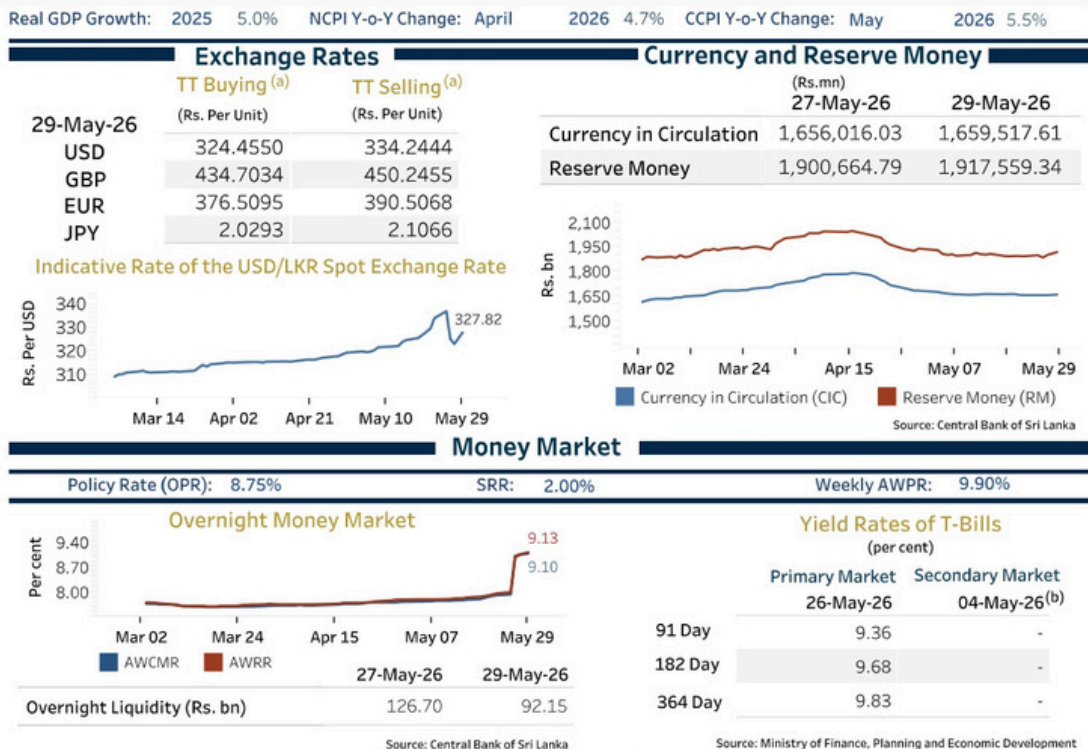
To analyze the current economic situation, the main macroeconomic indicators are used: inflation rate, exchange rate, policy interest rate, and Statutory Reserve Ratio (SRR). These indicators provide a comprehensive view of price stability, currency performance, monetary policy stance, and liquidity conditions in the economy.

General Inflation
5.50%

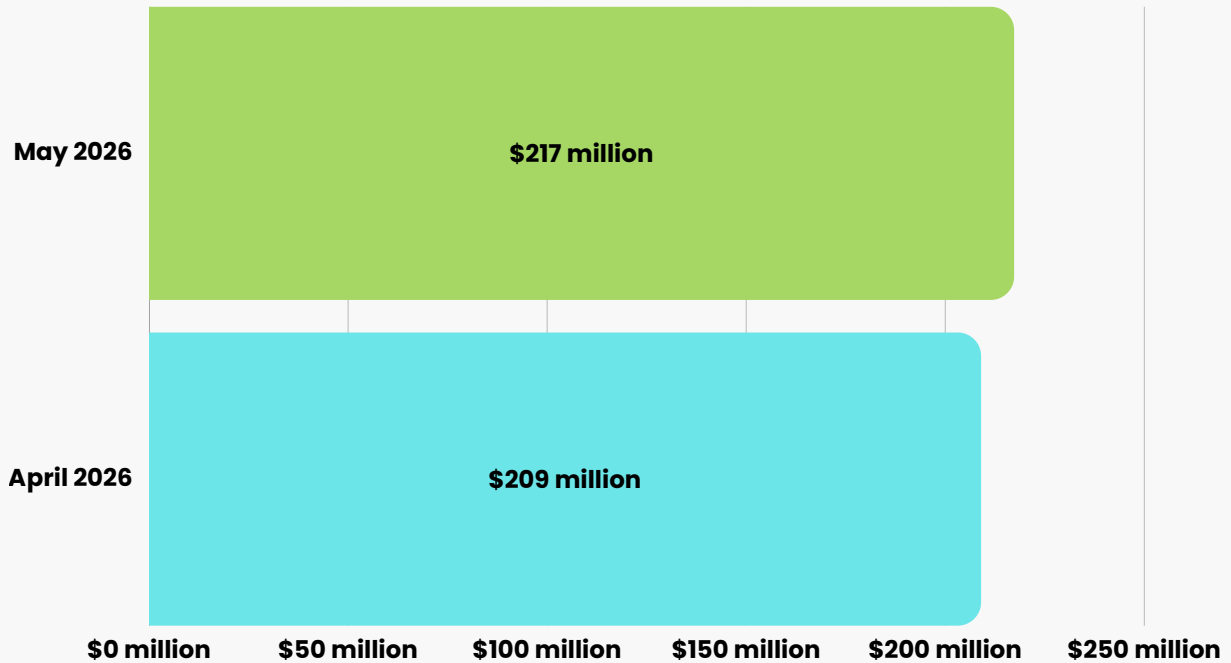
Policy Interest Rate and SRR
8.75%

Exchange Rate LKR to USD
324.4

As at 31 May 2026



MARKET TURNOVER



MARKET TURNOVER HIGHLIGHTS



Revenue (\$ Mn)

217.30



Domestic Turnover (\$ Mn)

196.93



Foreign Turnover (\$ Mn)

20.37

**Companies
Listed**

290

**ASPI Performance
(May)**

-1.39%

**Market
Performance
(2025)**

41.89%

TURNOVER

	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026	Dec 2025	Nov 2025	Oct 2025
Total Turnover (\$ Mn)	217.30	206.31	309.89	334.68	422.73	254.91	314.06	44.40
Domestic Turnover (\$ Mn)	196.93	190.75	297.97	290.31	399.68	245.89	298.26	40.15
Foreign Turnover (\$ Mn)	20.37	15.56	11.93	44.37	23.05	9.02	15.80	4.25
Daily Average Turnover (\$ Mn)	11.44	11.46	14.76	17.61	21.14	12.14	16.53	22.20
Crossings TO/Total TO (%)	31.01%	17.09%	18.53%	27.39%	22.11%	16.78%	16.59%	36.61%
Market Liquidity (Equity)								
Share Volume (Mn)	3.55	3.15	4.66	4.33	3.94	2.47	3.02	0.38
No. of Trades (No.'000)	554.02	571.15	844.42	743.93	884.93	657.55	693.45	69.87
Daily Average Trades (No.)	29,159	31,731	40,210	39,154	44,246	31,312	36,498	34,934
Market Size (Equity)								
Market Capitalization (\$ Bn)	25.45	25.63	23.59	26.42	26.65	26.76	26.94	26.94
Market Multiples								
Market P/E (x)	11.37	11.57	10.64	11.66	11.30	10.73	11.16	10.06
Market P/BV (x)	1.41	1.42	1.31	1.50	1.52	1.45	1.50	1.50
Dividend Yield (%)	2.85	2.83	3.07	2.62	2.49	2.62	2.37	2.36
Companies Listed (@ EOY)	290	290	289	289	289	288	285	284
Trading Period								
No. of Market Days	19	18	21	19	20	21	19	2

CONTRIBUTION TO TURNOVER

	2026	2025	2024	2023	2022	2021	2020
Foreign Companies (%)	6.74%	4.84%	8.72%	8.29%	6.60%	4.32%	19.03%
Foreign Individuals (%)	0.99%	1.34%	1.19%	1.27%	1.00%	0.83%	0.77%
Total Foreign Contribution (%)	7.73%	6.19%	9.90%	9.56%	7.60%	5.14%	19.80%
Domestic Companies (%)	44.53%	44.49%	44.85%	44.65%	37.67%	37.69%	32.21%
Domestic Individuals (%)	47.74%	49.32%	45.24%	45.79%	54.73%	57.16%	48.02%
Total Domestic Contribution (%)	92.27%	93.82%	90.10%	90.44%	92.40%	94.86%	80.23%

FOREIGN TRADING ACTIVITIES

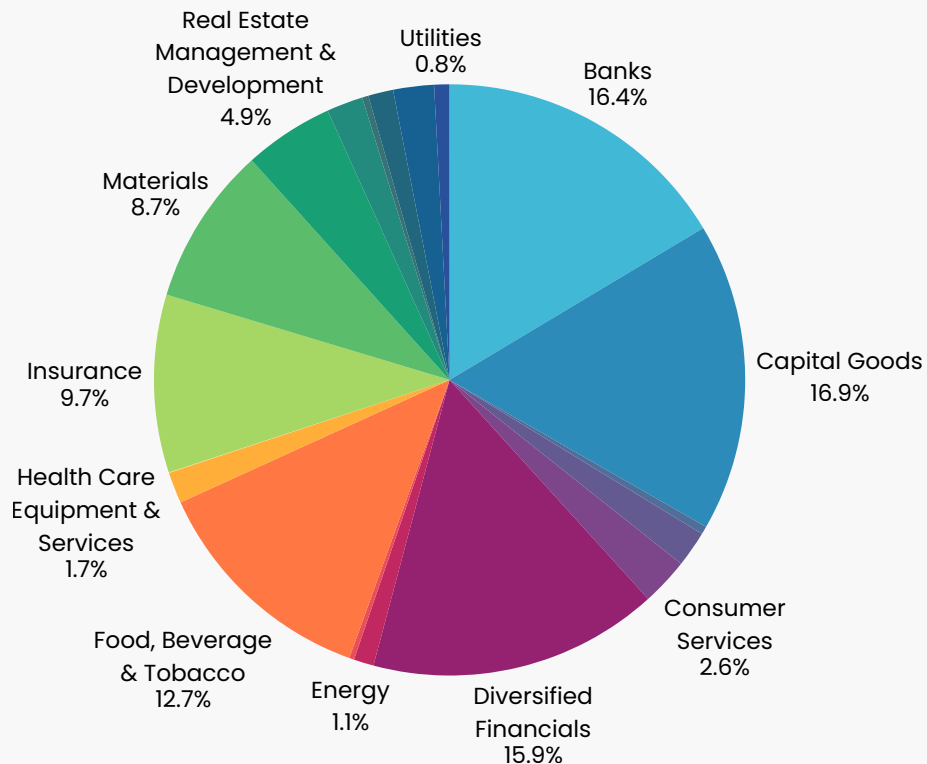
	2026	2025	2024	2023	2022	2021	2020
Primary Market							
Purchases (\$ Mn)		1.03	100.51	5.26	72.86	27.59	50.10
Sales (\$ Mn)		-	-	-	-	-	-
Net foreign Flow (\$ Mn)		1.03	100.51	5.26	72.86	27.59	50.10
Secondary Market							
Foreign Purchases (\$ Mn)	64.71	188.83	155.74	120.67	239.51	176.33	287.51
Foreign sales (\$ Mn)	165.83	316.95	189.73	107.97	130.83	449.24	566.69
Net Foreign Flow (\$ Mn)	-101.12	-128.12	-33.99	12.70	108.69	-272.91	-279.18
Total Net foreign Flow (\$ Mn)	-101.12	-127.09	66.52	17.97	181.54	-245.32	-229.08

GICS SECTOR WISE TURNOVER (%)

The numbers below are rounded up.

As at 31 May 2026

- Automobiles & Components ● Banks
- Capital Goods
- Commercial & Professional Services
- Consumer Durables & Apparel
- Consumer Services
- Diversified Financials ● Energy
- Food & Staples Retailing
- Food, Beverage & Tobacco
- Health Care Equipment & Services
- Household & Personal Products
- Insurance ● Materials
- Real Estate Management & Development
- Retailing ● Software & Services
- Telecommunication Services
- Transportation ● Utilities ●



May Market Turnover: \$217.30 million

SECTOR WISE PERFORMANCE

SECTOR	TURNOVER (APRIL)	TURNOVER (MAY)	PERFORMANCE (APRIL)
Turnover = \$217.30 million			
Automobiles & Components	0.03%	0.01%	-0.02%
Banks	12.98%	16.39%	3.41%
Capital Goods	18.43%	16.86%	-1.57%
Commercial & Professional Services	0.93%	0.43%	-0.50%
Consumer Durables & Apparel	1.95%	1.96%	0.01%
Consumer Services	5.56%	2.59%	-2.97%
Diversified Financials	14.39%	15.86%	1.47%
Energy	1.92%	1.09%	-0.83%
Food & Staples Retailing	0.18%	0.26%	0.08%
Food, Beverage & Tobacco	13.71%	12.68%	-1.03%
Health Care Equipment & Services	2.77%	1.70%	-1.07%
Household & Personal Products	0.10%	0.03%	-0.07%
Insurance	8.02%	9.71%	1.69%
Materials	6.84%	8.67%	1.83%
Real Estate Management & Development	4.57%	4.90%	0.33%
Retailing	3.26%	1.98%	-1.28%
Software & Services	0.81%	0.34%	-0.47%
Telecommunication Services	1.11%	1.36%	0.25%
Transportation	1.29%	2.23%	0.94%
Utilities	1.15%	0.83%	-0.32%

INDEX PERFORMANCE

	May 2026	Apr 2026	Mar 2026	Feb 2026	Jan 2026	Dec 2025	Nov 2025	Oct 2025
All Share Price Index	22,310.80	22,549.53	21,066.18	23,734.06	23,812.31	22,624.31	22,712.82	22,804.84
ASPI MTD Return	-1.06%	7.04%	-11.24%	-0.33%	5.25%	-0.39%	-0.40%	4.71%
ASPI YTD Return (%)	-1.39% ↓	-0.33% ↓	-6.89% ↓	4.91% ↑	5.25% ↑	41.89% ↑	42.45% ↑	43.03% ↑
S&P SL20 Index	6,159.15	6,207.56	5,904.10	6,635.97	6,641.15	6,157.38	6,267.03	6,213.91
S&PSL20 MTD Return	-0.78%	5.14%	-11.03%	-0.08%	7.86%	-1.75%	0.85%	1.43%
S&P SL20 YTD Return (%)	0.03% ↑	0.81% ↑	-4.11% ↓	7.77% ↑	7.86% ↑	26.64% ↑	28.90% ↑	27.80% ↑

FOREIGN TRADING ACTIVITY

	2026	2025	2024	2023	2022	2021	2020
Primary Market							
Purchases (\$ Mn)		1.03	100.51	5.26	72.86	27.59	50.10
Sales (\$ Mn)		-	-	-	-	-	-
Net foreign Flow (\$ Mn)		1.03	100.51	5.26	72.86	27.59	50.10
Secondary Market							
Foreign Purchases (\$ Mn)	64.71	188.83	155.74	120.67	239.51	176.33	287.51
Foreign sales (\$ Mn)	165.83	316.95	189.73	107.97	130.83	449.24	566.69
Net Foreign Flow (\$ Mn)	-101.12	-128.12	-33.99	12.70	108.69	-272.91	-279.18
Total Net foreign Flow (\$ Mn)	-101.12	-127.09	66.52	17.97	181.54	-245.32	-229.08

INDEX PERFORMANCE (ANNUAL)

	2026	2025	2024	2023	2022	2021	2020
All Share Price Index	22,310.80	22,624.31	15,944.61	10,654.16	8,489.66	12,226.01	6,774.22
Return (%)	-1.39% ↓	41.89% ↑	49.66% ↑	25.50% ↑	-30.56% ↓	80.48% ↑	10.52% ↑
S&P SL 20 Index	6,159.15	6,157.38	4,862.10	3,068.36	2,635.63	4,233.25	2,638.10
Return (%)	0.03% ↑	26.64% ↑	58.46% ↑	16.42% ↑	-37.74% ↓	60.47% ↑	-10.18% ↓
Highest ASPI	23,992.11	23,659.70	15,944.61	11,724.22	13,462.39	12,226.01	6,774.22
Lowest ASPI	20,264.01	14,660.45	10,274.39	8,262.58	6,905.37	6,854.32	4,247.95
Highest S&P SL20	6,750.50	12,114.26	4,862.10	3,470.13	4,627.03	4,253.83	2,929.09
Lowest S&P SL20	5,651.41	4,264.84	2,896.48	2,420.73	2,125.96	2,687.45	1,685.45

MARKET HIGHLIGHTS

	2026	2025	2024	2023	2022	2021	2020
Total Turnover (\$ Mn)	1,490.91	4,088.45	1,743.96	1,195.37	2,436.73	6,081.30	2,158.03
Domestic Turnover (\$ Mn)	1,375.64	3,835.56	1,571.22	1,081.05	2,251.56	5,768.52	1,730.93
Foreign Turnover (\$ Mn)	115.27	252.89	172.74	114.32	185.17	312.78	427.10
Daily Average Turnover (\$ Mn)	15.37	17.18	7.27	4.94	10.55	25.34	10.32
Crossings TO/Total TO (%)	23.15%	21.10%	23.88%	19.18%	11.24%	8.76%	20.34%
Turnover Velocity (%)	14.54%	18.06%	10.81%	10.06%	15.28%	27.77%	15.69%
Market Liquidity (Equity)							
Share Volume (Mn)	19.63	46.65	23.25	16.99	29.05	59.77	21.35
No. of Trades (No.'000)	3,598.44	7,493.00	3,524.07	3,618.96	6,057.23	8,131.51	3,070.02
Daily Average Trades (No.)	37,097	31,483	14,684	14,954	26,222	33,881	14,689
Market Size (Equity)							
Market Capitalization (\$ Bn)	25.45	26.76	18.47	12.37	13.65	28.45	16.09
Market Cap- to-GDP (%)	27.14%	26.99%	19.05%	14.21%	12.87%	18.36%	9.90%
Market Multiples							
Market P/E (x)	11.37	10.73	8.89	11.10	4.95	13.63	11.25
Market P/BV (x)	1.41	1.45	1.17	0.93	0.91	1.67	1.13
Dividend Yield (%)	2.85	2.62	3.57	3.31	4.10	2.17	2.66
Companies Listed (@ EOY)	290	288	284	290	290	296	283
Trading Period							
No. of Market Days	97	238	240	242	231	240	209

*The Market Cap-to-GDP ratio is calculated using GDP based on current market prices.

HISTORICAL MILESTONES

Highest Ever...	Value	Date
ASPI	23,992.11	January 28, 2026
S&P SL20	12,114.26	February 18, 2026
Market Cap (\$ Mn)	26,848.21	January 28, 2026
Trades (No.)	86,492	March 3, 2026
Daily Turnover (\$ Mn)	104.81	April 1, 2008

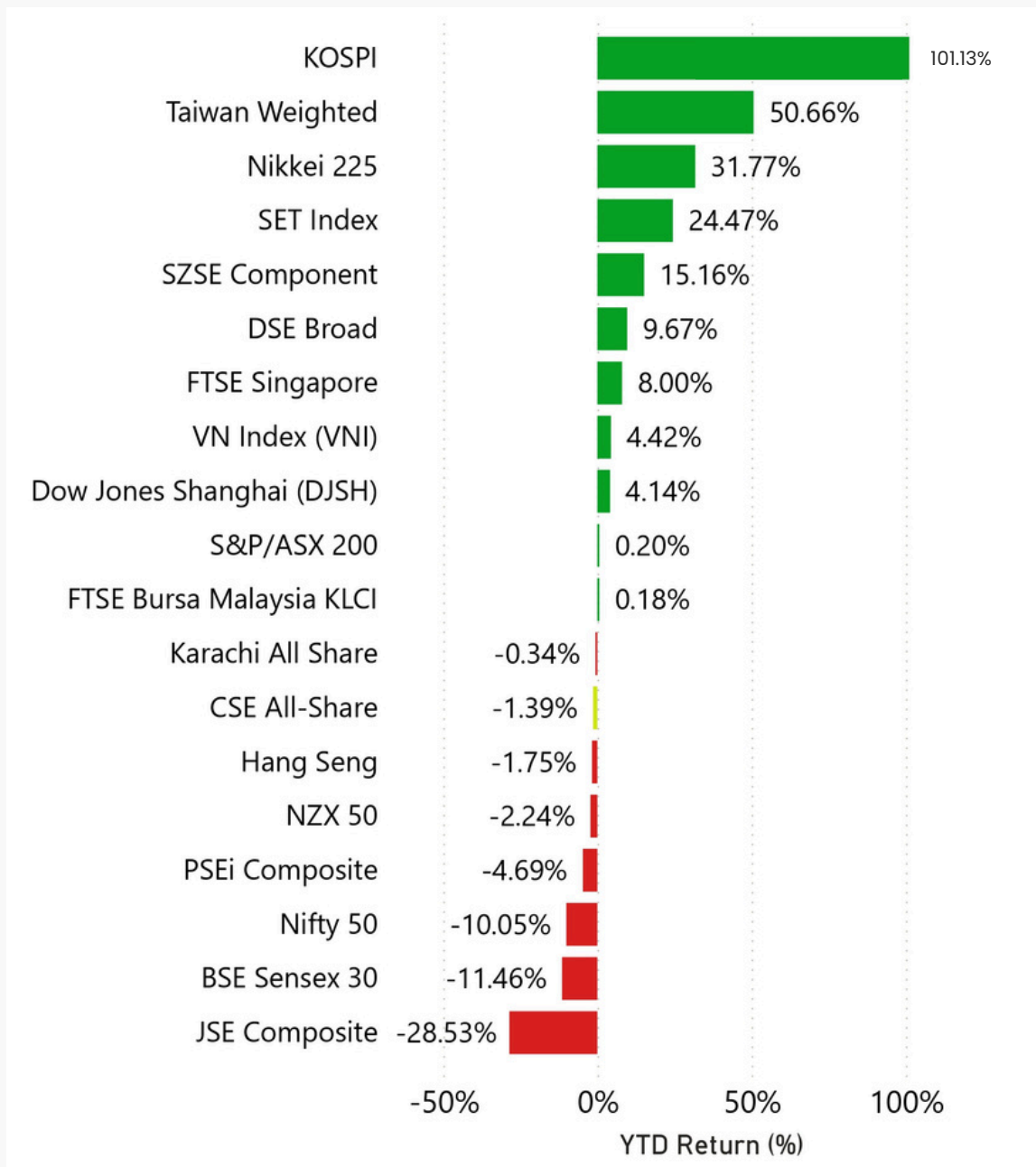
REGIONAL MARKET PERFORMANCE 2026

(Data for the month ended 31 May 2026)

Country	Index	Daily Return	YTD Return
South Korea	KOSPI	3.55%	101.13%
Taiwan	Taiwan Weighted	-1.40%	50.66%
Japan	Nikkei 225	0.90%	31.77%
Thailand	SET Index	-0.07%	24.47%
China	SZSE Component	-1.81%	15.16%
Bangladesh	DSE Broad	1.36%	9.67%
Singapore	FTSE Singapore	-0.64%	8.00%
Vietnam	VN Index (VNI)	-0.01%	4.42%
China	Dow Jones Shanghai (DJSH)	-1.06%	4.14%
Australia	S&P/ASX 200	1.62%	0.20%
Malaysia	FTSE Bursa Malaysia KLCI	-0.11%	0.18%
Pakistan	Karachi All Share	1.01%	-0.34%
Sri Lanka	CSE All-Share	0.50%	-1.39%
Hong Kong	Hang Seng	0.70%	-1.75%
New Zealand	NZX 50	0.29%	-2.24%
Philippines	PSEi Composite	-1.56%	-4.69%
India	Nifty 50	-1.69%	-10.05%
India	BSE Sensex 30	-0.54%	-11.46%
Indonesia	JSE Composite	0.81%	-28.53%

MARKET PERFORMANCE BY YTD RETURN

(Data for the month ended 31 May 2026)



THANK YOU!

This month's market performance and economic data continue to highlight the powerful connection between long-term investing and economic growth. The market remains one of the best ways to create wealth and value and the time to participate is now.



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