



2026

FEBRUARY

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
1.6%

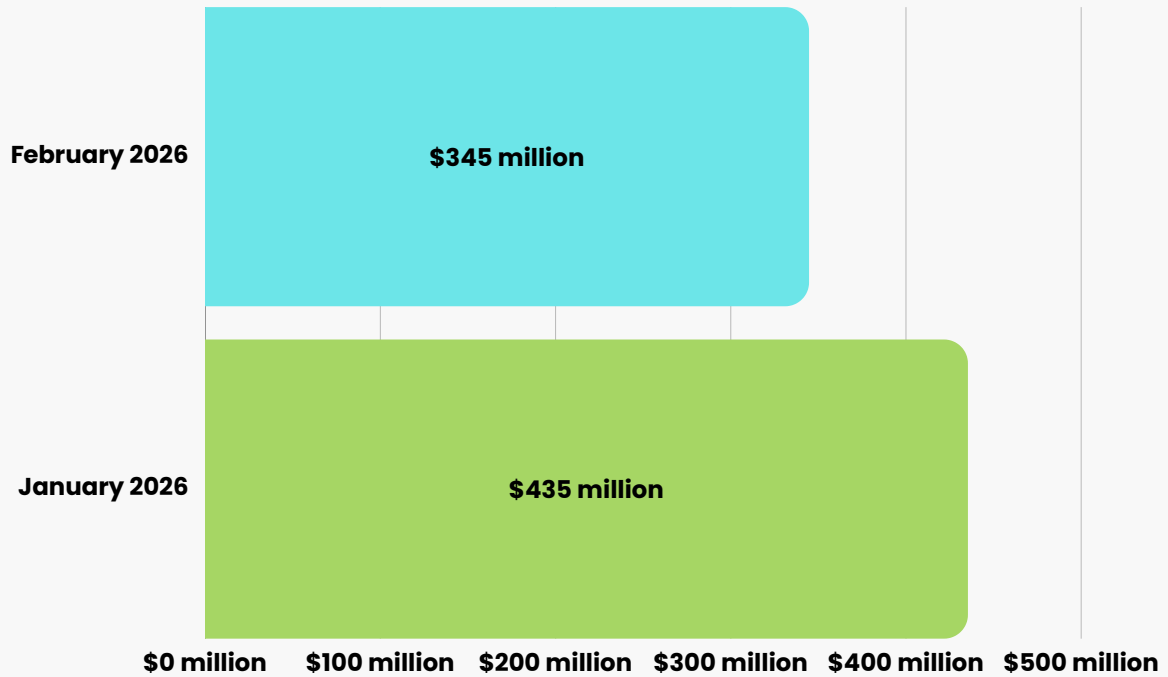
Policy Interest Rate and SRR
7.75

Exchange Rate LKR to USD
309.3091



As at 27 February 2026



MARKET TURNOVER



MARKET TURNOVER HIGHLIGHTS

-  Revenue (\$ Mn)
344.68
-  Domestic Turnover (\$ Mn)
298.99
-  Foreign Turnover (\$ Mn)
45.69

**Companies
Listed**

289

**Market Performance
(2025)**

41.89%

TURNOVER

| | Feb 2026 | Jan 2026 | Dec 2025 | Nov 2025 | Oct 2025 | Sep 2025 | Aug 2025 | Jul 2025 |
|--------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Total Turnover (\$ Mn) | 344.68 | 435.36 | 254.91 | 314.06 | 521.46 | 493.40 | 437.49 | 81.97 |
| Domestic Turnover (\$ Mn) | 298.99 | 411.63 | 245.89 | 298.26 | 493.40 | 451.51 | 415.42 | 79.75 |
| Foreign Turnover (\$ Mn) | 45.69 | 23.74 | 9.02 | 15.80 | 28.07 | 41.89 | 22.07 | 2.22 |
| Daily Average Turnover (\$ Mn) | 18.14 | 21.77 | 12.14 | 16.53 | 24.83 | 23.49 | 21.87 | 20.49 |
| Crossings TO/Total TO (%) | 27.39% | 22.11% | 16.78% | 16.59% | 25.96% | 20.53% | 19.40% | 24.16% |
| Market Liquidity (Equity) | | | | | | | | |
| Share Volume (Mn) | 4.33 | 3.94 | 2.47 | 3.02 | 6.67 | 5.17 | 4.78 | 0.77 |
| No. of Trades (No.'000) | 743.93 | 884.93 | 657.55 | 693.45 | 877.36 | 852.38 | 808.20 | 140.53 |
| Daily Average Trades (No.) | 39,154 | 44,246 | 31,312 | 36,498 | 41,779 | 40,590 | 40,410 | 35,133 |
| Market Size (Equity) | | | | | | | | |
| Market Capitalization (\$ Bn) | 27.21 | 27.45 | 26.76 | 26.94 | 26.94 | 25.71 | 24.63 | 22.87 |
| Market Multiples | | | | | | | | |
| Market P/E (x) | 11.66 | 11.30 | 10.73 | 11.16 | 10.06 | 9.59 | 9.81 | 9.14 |
| Market P/BV (x) | 1.50 | 1.52 | 1.45 | 1.50 | 1.50 | 1.43 | 1.41 | 1.31 |
| Dividend Yield (%) | 2.62 | 2.49 | 2.62 | 2.37 | 2.36 | 2.47 | 2.30 | 2.52 |
| Companies Listed (@ EOY) | 289 | 289 | 288 | 285 | 284 | 286 | 286 | 286 |
| Trading Period | | | | | | | | |
| No. of Market Days | 19 | 20 | 21 | 19 | 21 | 21 | 20 | 4 |

CONTRIBUTION TO TURNOVER

| | 2026 | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|
| Foreign Companies (%) | 7.75% | 4.84% | 8.72% | 8.29% | 6.60% | 4.32% | 19.03% |
| Foreign Individuals (%) | 1.15% | 1.34% | 1.19% | 1.27% | 1.00% | 0.83% | 0.77% |
| Total Foreign Contribution (%) | 8.90% | 6.19% | 9.90% | 9.56% | 7.60% | 5.14% | 19.80% |
| Domestic Companies (%) | 44.51% | 44.49% | 44.85% | 44.65% | 37.67% | 37.69% | 32.21% |
| Domestic Individuals (%) | 46.60% | 49.32% | 45.24% | 45.79% | 54.73% | 57.16% | 48.02% |
| Total Domestic Contribution (%) | 91.11% | 93.82% | 90.10% | 90.44% | 92.40% | 94.86% | 80.23% |

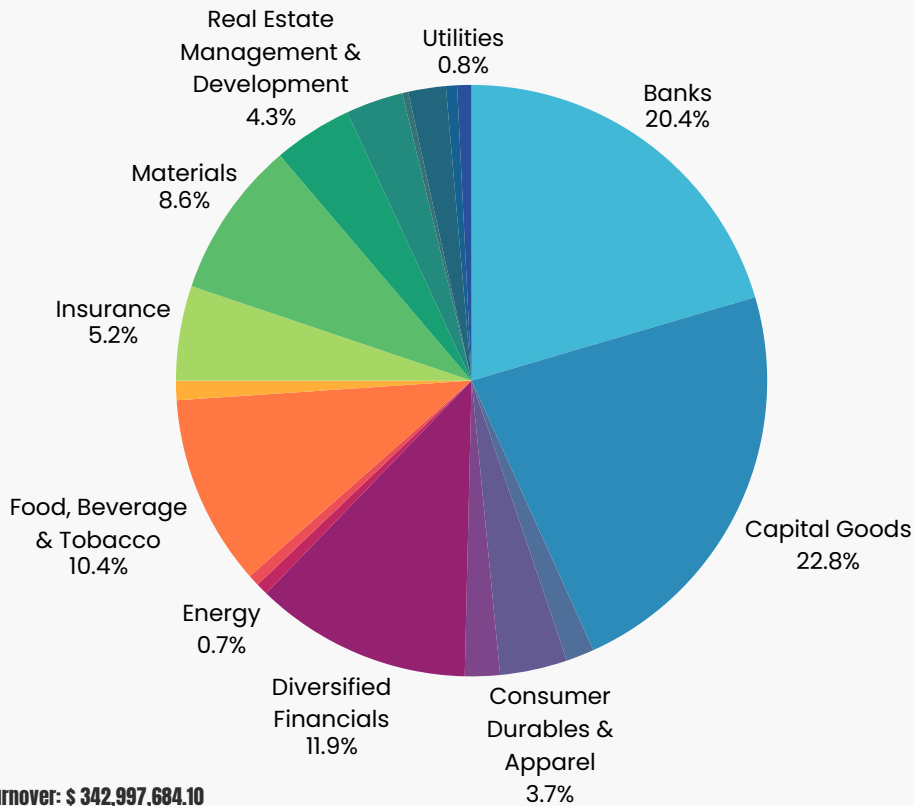
FOREIGN TRADING ACTIVITIES

| | 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) | 43.35 | 188.83 | 155.74 | 120.67 | 239.51 | 176.33 | 287.51 |
| Foreign sales (\$ Mn) | 95.51 | 316.95 | 189.73 | 107.97 | 130.83 | 449.24 | 566.69 |
| Net Foreign Flow (\$ Mn) | -52.17 | -128.12 | -33.99 | 12.70 | 108.69 | -272.91 | -279.18 |
| Total Net foreign Flow (\$ Mn) | -52.17 | -127.09 | 66.52 | 17.97 | 181.54 | -245.32 | -229.08 |

SECTOR WISE TURNOVER

As at 27 February 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



February Market Turnover: \$ 342,997,684.10

SECTOR WISE PERFORMANCE

| SECTOR | PERFORMANCE (AGAINST JANUARY) |
|--------------------------------------|----------------------------------|
| Automobiles & Components | -1.00% |
| Banks | 0.79% |
| Capital Goods | -1.26% |
| Commercial & Professional Services | 30.10% |
| Consumer Durables & Apparel | 1.68% |
| Consumer Services | -1.29% |
| Diversified Financials | -2.61% |
| Energy | -2.93% |
| Food & Staples Retailing | -2.10% |
| Food, Beverage & Tobacco | -1.52% |
| Health Care Equipment & Services | 3.81% |
| Household & Personal Products | -5.67% |
| Insurance | 3.20% |
| Materials | -1.88% |
| Real Estate Management & Development | 11.31% |
| Retailing | -7.59% |
| Software & Services | -2.08% |
| Telecommunication Services | 2.27% |
| Transportation | -4.59% |
| Utilities | 2.61% |

INDEX PERFORMANCE

| | Feb 2026 | Jan 2026 | Dec 2025 | Nov 2025 | Oct 2025 | Sep 2025 | Aug 2025 | Jul 2025 |
|-------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| All Share Price Index | 23,734.06 | 23,812.31 | 22,624.31 | 22,712.82 | 22,804.84 | 21,778.60 | 20,997.36 | 19,642.48 |
| ASPI MTD Return | -0.33% | 5.25% | -0.39% | -0.40% | 4.71% | 3.72% | 6.90% | 8.96% |
| ASPI YTD Return (%) | 4.91% ↑ | 5.25% ↑ | 41.89% ↑ | 42.45% ↑ | 43.03% ↑ | 36.59% ↑ | 31.69% ↑ | 23.19% ↑ |
| S&P SL20 Index | 6,635.97 | 6,641.15 | 6,157.38 | 6,267.03 | 6,213.91 | 6,126.53 | 6,076.79 | 5,762.17 |
| S&PSL20 MTD Return | -0.08% | 7.86% | -1.75% | 0.85% | 1.43% | 0.82% | 5.46% | 7.65% |
| S&P SL20 YTD Return (%) | 7.77% ↑ | 7.86% ↑ | 26.64% ↑ | 28.90% ↑ | 27.80% ↑ | 26.01% ↑ | 24.98% ↑ | 18.51% ↑ |

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) | 43.35 | 188.83 | 155.74 | 120.67 | 239.51 | 176.33 | 287.51 |
| Foreign sales (\$ Mn) | 95.51 | 316.95 | 189.73 | 107.97 | 130.83 | 449.24 | 566.69 |
| Net Foreign Flow (\$ Mn) | -52.17 | -128.12 | -33.99 | 12.70 | 108.69 | -272.91 | -279.18 |
| Total Net foreign Flow (\$ Mn) | -52.17 | -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 | 23,734.06 | 22,624.31 | 15,944.61 | 10,654.16 | 8,489.66 | 12,226.01 | 6,774.22 |
| Return (%) | 4.91% ↑ | 41.89% ↑ | 49.66% ↑ | 25.50% ↑ | -30.56% ↓ | 80.48% ↑ | 10.52% ↑ |
| S&P SL 20 Index | 6,635.97 | 6,157.38 | 4,862.10 | 3,068.36 | 2,635.63 | 4,233.25 | 2,638.10 |
| Return (%) | 7.77% ↑ | 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 | 22,864.08 | 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 | 6,186.09 | 4,264.84 | 2,896.48 | 2,420.73 | 2,125.96 | 2,687.45 | 1,685.45 |

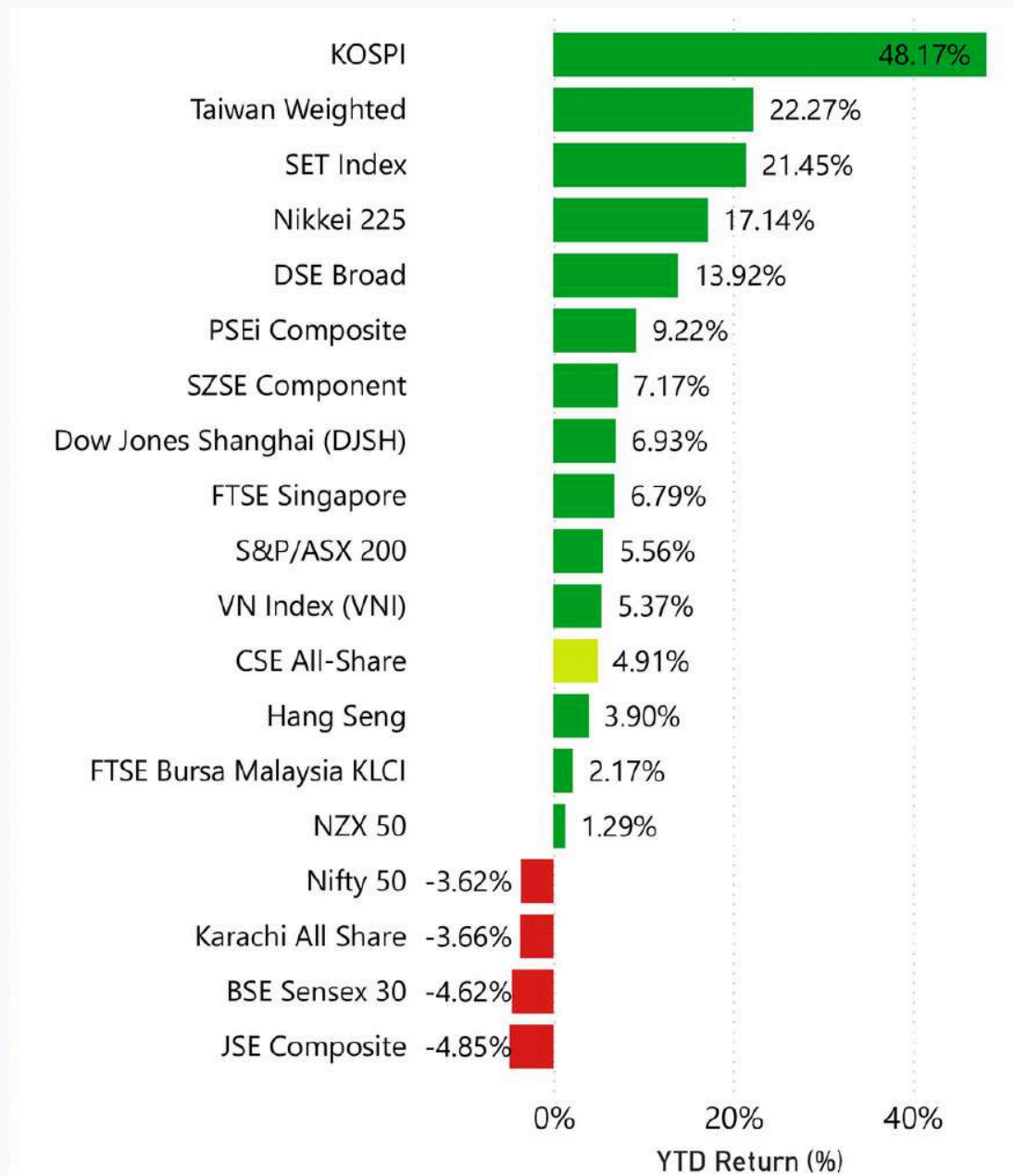
REGIONAL MARKET PERFORMANCE 2026

(Data for the month ended 27 February 2026)

| Country | Index | Daily Return | YTD Return |
|-------------|---------------------------|--------------|------------|
| South Korea | KOSPI | -1.00% | 48.17% |
| Taiwan | Taiwan Weighted | 0.00% | 22.27% |
| Thailand | SET Index | -0.24% | 21.45% |
| Japan | Nikkei 225 | 0.85% | 17.14% |
| Bangladesh | DSE Broad | -0.19% | 13.92% |
| Philippines | PSEi Composite | -0.21% | 9.22% |
| China | SZSE Component | -0.06% | 7.17% |
| China | Dow Jones Shanghai (DJSH) | 0.48% | 6.93% |
| Singapore | FTSE Singapore | -0.28% | 6.79% |
| Australia | S&P/ASX 200 | 0.25% | 5.56% |
| Vietnam | VN Index (VNI) | 0.04% | 5.37% |
| Sri Lanka | CSE All-Share | -0.20% | 4.91% |
| Hong Kong | Hang Seng | 0.95% | 3.90% |
| Malaysia | FTSE Bursa Malaysia KLCI | -1.40% | 2.17% |
| New Zealand | NZX 50 | 0.38% | 1.29% |
| India | Nifty 50 | -1.22% | -3.62% |
| Pakistan | Karachi All Share | -0.10% | -3.66% |
| India | BSE Sensex 30 | -1.17% | -4.62% |
| Indonesia | JSE Composite | -0.09% | -4.85% |

MARKET PERFORMANCE BY YTD RETURN

(Data for the month ended 27 February 2026)



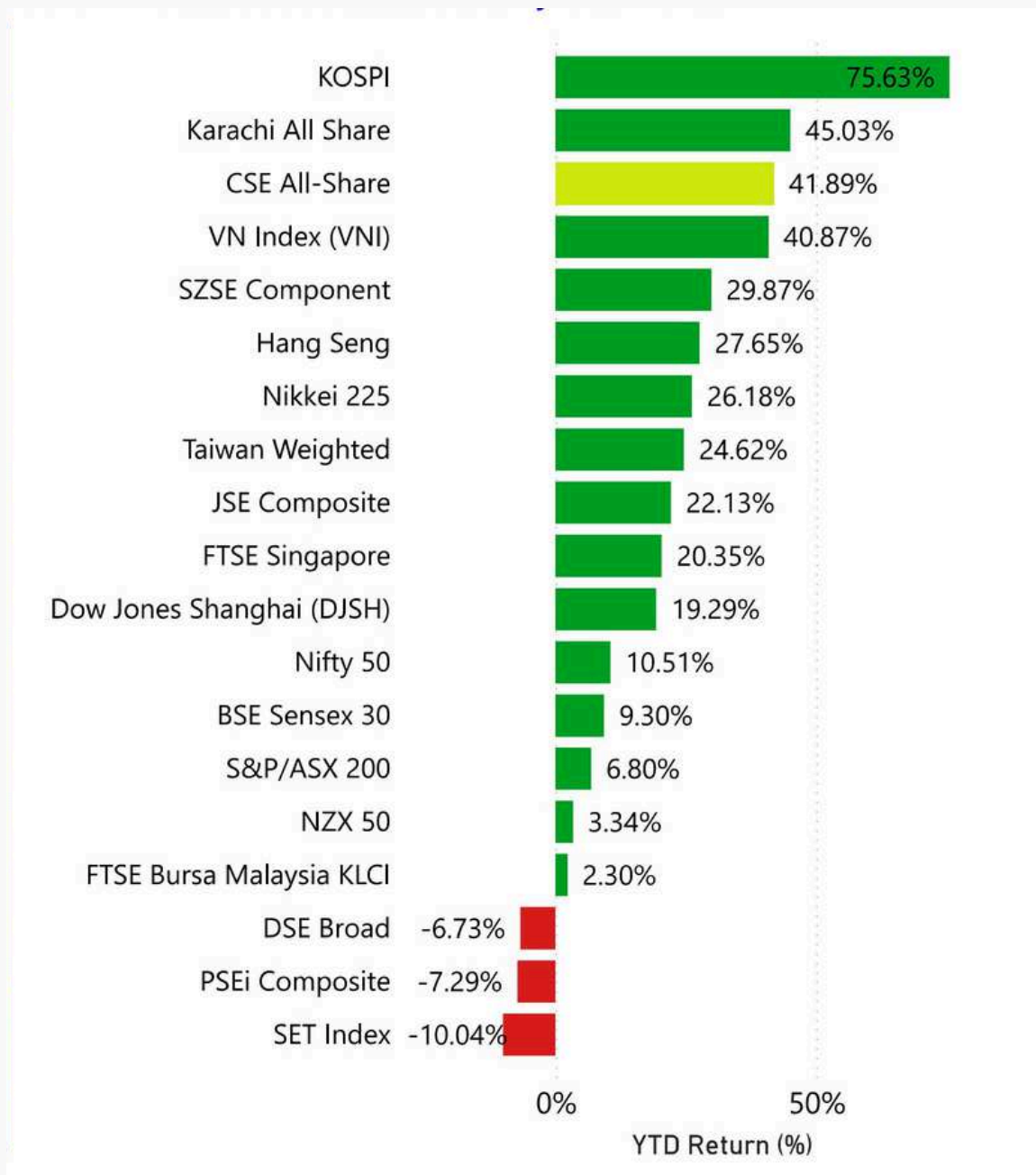
REGIONAL MARKET PERFORMANCE 2025

(Data for the year ended 31 December 2025)

| Country | Index | Daily Return | YTD Return |
|-------------|---------------------------|--------------|------------|
| South Korea | KOSPI | -0.15% | 75.63% |
| Pakistan | Karachi All Share | 0.02% | 45.03% |
| Sri Lanka | CSE All-Share | 0.79% | 41.89% |
| Vietnam | VN Index (VNI) | 1.00% | 40.87% |
| China | SZSE Component | -0.58% | 29.87% |
| Hong Kong | Hang Seng | -0.96% | 27.65% |
| Japan | Nikkei 225 | -0.37% | 26.18% |
| Taiwan | Taiwan Weighted | -0.36% | 24.62% |
| Indonesia | JSE Composite | 0.03% | 22.13% |
| Singapore | FTSE Singapore | -0.08% | 20.35% |
| China | Dow Jones Shanghai (DJSH) | -0.05% | 19.29% |
| India | Nifty 50 | 0.74% | 10.51% |
| India | BSE Sensex 30 | 0.87% | 9.30% |
| Australia | S&P/ASX 200 | -0.03% | 6.80% |
| New Zealand | NZX 50 | 0.00% | 3.34% |
| Malaysia | FTSE Bursa Malaysia KLCI | -0.26% | 2.30% |
| Bangladesh | DSE Broad | 0.08% | -6.73% |
| Philippines | PSEi Composite | -0.21% | -7.29% |
| Thailand | SET Index | 0.45% | -10.04% |

MARKET PERFORMANCE BY YTD RETURN

(Data for the year ended 31 December 2025)



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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