

# Sri Lanka stock market looks to Dubai diaspora to reverse outflow in first post-COVID forum

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ECONOMYNEXT – Sri Lanka’s Colombo Stock Exchange (CSE) and the market regulator will kick start its first post-COVID investor forum in Dubai on Friday (05) to reverse outflow from the bourse and attract much needed foreign inflows from the Sri Lankan diaspora, the CSE said in an invitation to Sri Lankans in Dubai.

The latest move comes as Sri Lanka’s 4.5 trillion rupee (22.5 billion US dollar) worth stock market has suffered a foreign outflow of around 45 billion rupees so far this year with the country facing a risk of sovereign default in the face of a series of rating downgrades.

Sri Lanka’s central bank in its latest six-month policy framework has aimed to reverse the outflow trend and see 200 million US dollars into the country’s risky assets in the first quarter of next year. It has also targeted 250 million US dollar into rupee-denominated government securities in the fourth quarter of this year and 750 million US dollars in the next quarter,

The ‘Invest Sri Lanka’ forum is organized by the Securities and Exchange Commission of Sri Lanka (SEC) and the CSE to promote foreign investment in the Sri Lankan stock market and to showcase investment opportunities in leading Sri Lankan listed companies.

“Invest Sri Lanka Forum Dubai is expected to attract investor interest, encompassing Sri Lankans living in Dubai and the event will provide a comprehensive showcase for investment opportunities in the Sri Lankan capital market via the CSE. Mr. Ajith Nivard Cabraal, the Governor of the Central Bank of Sri Lanka will grace the occasion as the keynote speaker at the forum,” the CSE said in a statement.

The forum will be held at the Sheraton Grand Hotel, Dubai, from 6 pm to 9pm local time.

The Sri Lankan delegation includes the chairmen of the SEC and CSE. Senior representatives of the SEC, CSE, Stock Lanka to Dubai and Northern Emirates are also set to be present at the forum to make a collective case on Sri Lanka as an attractive investment destination.

“Upon the post-COVID imperative of accelerated economic revival, Sri Lanka remains focused and committed to stabilising and re-orienting the economy, and to ensure that our nation is on a path towards meaningful and sustainable growth,” the CSE statement said.

“In terms of the stock market, CSE trades at a discount compared to most frontier markets and is supported by a promising growth potential among listed corporates.”

It also said the main index – the All Share Price Index (ASPI) – in 2021 has performed strongly, recording the highest year-to-date (YTD) and yearly index growth in Asia, and Sri Lanka is committed to forging ahead with the country’s “reform agenda and bid to develop into a strong, stable and resilient economy, and an attractive place to do business”.

“We encourage you to continue to believe in Sri Lanka, and to be a part of the country’s future,” it said.  
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