



**REAL ESTATE NEWS FEEDS  
(SEPTEMBER 07 TO SEPTEMBER 11)**



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## 1. Real estate

- **Australia's Village Roadshow to enter Sri Lanka with EAP group**

Sri Lanka's EAP group, which has interests in entertainment and media said it inked a deal with Australia's Village Roadshow group to jointly develop cinema multiplexes in the island.

Village Cinemas, and EAP Films and Theatres Ltd will set up a joint venture which will make use incentives offered for multiplex cinemas, the company said in a statement.

Village Roadshow is in film exhibition, production and theme parks.

The chairman and executive team of Village Roadshow is expected to visit Sri Lanka around October.

Read More:

[http://www.economynext.com/Australia\\_s\\_Village\\_Roadshow\\_to\\_enter\\_Sri\\_Lanka\\_with\\_EAP\\_group-3-2896-7.html](http://www.economynext.com/Australia_s_Village_Roadshow_to_enter_Sri_Lanka_with_EAP_group-3-2896-7.html)

- **Sri Lanka's first smart city to be Kandy**

Sri Lanka's central city Kandy will be developed as the first 'Smart City' in the island, Rauf Hakeem, new Minister of Town Planning and Water Resources said in a media report.

"India under a plan of the Indian Prime Minister Narendra Modi has already begun forming smart cities and the country is on to set up 100 smart cities," he said.

"Prime Minister, Ranil Wickramasinghe has granted his approval to commence Kandy North Water Supply Project and had the government has already allocated 3 billion rupees to carry out three major water supply projects in the Kandy district."

While there is no single definition for a smart city, the purpose of the smart cities is to drive economic growth and improve the quality of life of people by enabling infrastructure development using information technology.

Read more: <http://www.lankabusinessonline.com/sri-lankas-first-smart-city-to-be-kandy/>



- **Sri Lanka's port city project still on hold, discussion positive says CHEC**

Sep 08, 2015 (LBO) – The builders of Sri Lanka's Chinese-funded port city project say discussions are still ongoing and they await a positive reply from the government after the suspension of work.

“We are actually at the discussion level,” Liang Thow Ming, Chief Sales and Marketing Officer, of CHEC Port City Colombo (Pvt) Ltd told Lanka Business Online.

“What I can say is the discussions direct at a positive level,” the official of the China Harbour Engineering Company said.

When asked whether the government has given a time frame to come up with a solution, Ming said, “There is no such plan given.”

Revealing the controversial port city plan at a forum in May, the builders said they are planning on a clean and green city. The new regime suspended the project in March this year due to a pending investigation report.

Read More: <http://www.lankabusinessonline.com/sri-lankas-port-city-project-still-on-hold-discussion-positive-says-chec/>



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## 2. LOCAL

- **Sri Lanka's historic election that voters lost**

The naming of deputy ministers of the new government has kept pace with the record-setting cabinet and confirmed that voters were the clear losers at the August 17 parliamentary election.

The business community had high hopes of seeing Harsha de Silva and Eran Wickremaratne getting key positions where their knowledge on monetary and fiscal matters could have been fully utilised.

Harsha has been given a subject foreign to him – Foreign Affairs -- while Eran as deputy of State-owned enterprises may be able to make a partial contribution, although his area of expertise is policy making.

Apart from them, the induction of 19 non-cabinet rank state ministers and 22 deputy ministers read more like a list of wanted criminals and left even senior ruling United National Party (UNP) stalwarts wondering what had hit them.

**Read More :** [http://www.economynext.com/Sri\\_Lanka\\_s\\_historic\\_election\\_that\\_voters\\_lost-3-2916-10.html](http://www.economynext.com/Sri_Lanka_s_historic_election_that_voters_lost-3-2916-10.html)

- **Sri Lanka appoints new State and Deputy Ministers**

He swearing in ceremony of the new State and Deputy Ministers of the government held today at the Presidential Secretariat.

**Read More :** <http://www.lankabusinessonline.com/sri-lanka-appoints-new-state-and-deputy-ministers/#comment-927>

- **‘My govt. cannot be toppled’ – *President***  
***‘We will run our full term until 2020’***

President Maithripala Sirisena said yesterday that his national government was strong and would run its full term even though some in the Opposition had predicted that it would not last even a year.

Addressing a ceremony to appoint three more Cabinet Ministers bringing the total number to 46 and 19 State and 21 Deputy Ministers at the Presidential Secretariat in Colombo, the President said that it was only wishful thinking on the part of some Opposition MPs who were going around claiming that they would topple his administration very soon.

**Read More :** [http://www.island.lk/index.php?page\\_cat=article-details&page=article-details&code\\_title=131461](http://www.island.lk/index.php?page_cat=article-details&page=article-details&code_title=131461)



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### **3. ECONOMY**

- **Ravi K, Harsha vow to put economy right, helps investors**

The Government yesterday promised it would put the economy right to achieve a sustainably high growth rate whilst helping investors.<sup>6</sup>

Sri Lanka's current economic model is unsustainable and "dramatic change" is needed if the country is to improve the growth rate, according to Parliamentarian Dr. Harsha De Silva.

Speaking at an interactive luncheon meeting yesterday with former US Deputy Secretary of State Richard Armitage, Dr. De Silva added that major reforms could be expected within the next year as a result

Read more: <http://www.ft.lk/article/468161/Ravi-K--Harsha-vow-to-put-economy-right--help-investors>

- **Sri Lanka \* market updates \* global markets rally, Nikkei +5.7pct**

**US and European markets** rally on optimism China will be able to stabilize its markets. **Nikkei's 5.7 percent** gain its biggest in two years.

Shanghai rose 2.9 percent, Hang Seng up 1.7 percent, FTSE up 1.1 percent, S&P 500 rose 2.5 percent, Nasdaq rose 2.7 percent. **Australia dollar** strengthened, **Malaysia ringgit** gains 0.8 percent. **Bonds** from Japan to New Zealand fell with less demand for safe haven assets.

The **futures market** expects more gains in Chinese stocks. Contracts on FTSE China A50 Index up 0.5 percent and CSI 300 Index gaining 4.9 percent last session.

Market eyes on next **Fed meeting** Sept 16-17, with some analysts saying more volatility possible ahead of it.

*(Sept 09, 2015 7.19 am)*

Read More: <http://www.lankabusinessonline.com/sri-lanka-market-updates/>



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- **Sri Lanka should reduce oil prices: Gammanpila**

Sep 09, 2015 (LBO) – Sri Lanka should pass the benefit of falling crude oil prices to consumers, Parliamentarian Udaya Gammanpila said.

Speaking at a press briefing Gammanpila asked the government to reveal the reason as to why the reduction is being delayed.

The benchmark US crude oil price has hit a six-year low recently and the price of a barrel of crude oil had plunged to around 40 US dollars in the world market.

“US crude is now down to 48 US dollars a barrel. It is a 56 percent drop against the prices of October 2014,” Gammanpila said.

The newly appointed Petroleum and Petroleum Gas Minister Chandima Weerakkody said that the government would bring down the oil prices considering the world prices.

Read More : <http://www.lankabusinessonline.com/sri-lanka-should-reduce-oil-prices-gammanpila/>

- **Cabinet increases Treasury Bill Limit to Rs. 1,250 billion**  
\* **Prime Minister proposes Common Programme**

The new Cabinet of Ministers at their first meeting on Wednesday approved an increase in the Treasury Bill Limit from Rs. 850 billion to Rs. 1,250 billion. The increase proposed by Finance Minister Ravi Karunanayake would be submitted for Parliamentary approval at its next sittings, government sources said yesterday. The maximum borrowing limit approved by Parliament through debt instruments such as Treasury Bills, Bonds and Administrative Borrowings is Rs. 1,780 billion. Since 2012, the ceiling on Treasury Bills had, in terms of the Local Treasury Bills Ordinance, remained at Rs. 850 billion.

Read More- [http://www.island.lk/index.php?page\\_cat=article-details&page=article-details&code\\_title=131521](http://www.island.lk/index.php?page_cat=article-details&page=article-details&code_title=131521)

- **IMF has not made budget proposals: Finance Minister**

Sri Lanka’s Finance Minister Ravi Karunanayake said that no budget proposals have been made by the visiting mission from the International Monetary Fund who met him on September 09 ahead of the budget in November.

“IMF comes on a normal routine but we have very clearly told them that we will decide as to how the government will run,” Karunanayake said, answering a question raised by a reporter.

Read More - <http://www.lankabusinessonline.com/imf-has-not-made-budget-proposals-finance-minister/>



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- **Sri Lanka falls on Open Budget Index 2015, says Verité**

Sri Lanka has ranked among countries in the world that provides the public with minimal budget information, a new survey showed.

International Budget Partnership released its latest survey which measures the state of budget transparency, participation, and oversight in 100 countries around the world.

The Open Budget Index measures the level of information and timely publication of eight key budget documents using a score out of 100.

In Sri Lanka, the survey was conducted by Verité Research. It shows the country's budget transparency score declined from 46 in the world in 2012 to 39 this year which is below the present global average of 45.

The survey has evaluated the budget that was implemented for the year 2014, and the score resulted in Sri Lanka being ranked 69 among 102 countries. This means 68 countries before us had a more transparent budget process, Verité Research said.

**Read More -** <http://www.lankabusinessonline.com/sri-lanka-falls-on-open-budget-index-2015-says-verite/>

- **China's stock crash a direct result of authoritarian policies: Razeen Sally**

China's stock bubble and subsequent crash that sent shockwaves across the global economy is the direct result of authoritarian policies, Razeen Sally from the National University of Singapore told Lanka Business Online.

"The stock bubble is the direct result of government policies because the state-run financial system has few other profitable outlets for personal savings," he said.

"It shows the contradictions of the Chinese economy and how difficult it is to reform the economy," he added.

An associate professor at the Lee Kuan Yew School of Public Policy in Singapore, Sally has called for simple, clear and predictable policies in Sri Lanka for the economy to move ahead. This requires simplification, and where possible, elimination of import tariffs and non-tariff barriers.

**Read More -** <http://www.lankabusinessonline.com/chinas-stock-crash-a-direct-result-of-authoritarian-policies-razeen-sally/>





- Ravi K assures rupee will be brought to acceptable level

Sri Lanka's rupee, which is hovering near a record low after being floated by the central bank last week, will be brought to an acceptable level before too long, Finance Minister Ravi Karunanayake said on Wednesday. The rupee fell for a fourth straight session to 138.80/95 per dollar on Wednesday, 0.36 percent weaker than Tuesday's close of 138.30/50 and near the record low of 139.00 it reached on Friday after being floated.

"We will ensure that before too long it will be brought back to an acceptable level," Karunanayake told Reuters in an interview, adding that a realignment is taking place after the currency was floated.

Read More: <http://www.ft.lk/article/468623/Ravi-K-assures-rupee-will-be-brought-to-acceptable-level#sthash.T7k0t5VA.dpuf>

- Sri Lanka \* market updates \* Shanghai up 0.4 pct, S&P up 0.5 pct

ASPI opens up 0.09 percent at 7,166.58 with much interest in Kalamazoo Systems with the stock trading currently at a 52 week high of 1945.00 rupees (up 81.45 percent), brokers said. Interest also seen in high caps, JKH, Nestle, CTC (Sept 11, 2015 10.00 am)

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USD/LKR quoted at 138.95/139.05 says dealer (Sept 11, 2015 9.40 am)

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Share prices in **Next 11** countries, including Philippines, Turkey and Mexico, down 19 percent this year, according to MSCI's Next 11 equity index, compared with 14 percent for the **BRIC index** countries. Shows foreign investment outflow from equity in these emerging economies with prospect of higher US interest rates and China slow down (Sept 11, 2015 8.19 am)

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**Shanghai** opens up slow with **US markets** having fairly quiet sessions overnight considering recent volatility; Shanghai up 0.4 percent, S&P closed up 0.5 percent. Market eyes on **Fed** meeting Sept 16-17 (Sept 11, 2015 8.11 am)

Read More - <http://www.lankabusinessonline.com/sri-lanka-market-updates/>



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## **4. INTERNATIONAL**

- **Interview: Japan's JICA, big infrastructure lender with a small case of understatement**

Sept 08, 2010 (LBO) – Out of the multilateral and bilateral lenders to the island of Sri Lanka, JICA may be the most important, and the least well known.

“Lot of people don't really seem to know what JICA is. They know the ADB and the World Bank. Maybe its because we don't have word ‘bank’ in our name,” Namal Ralapanawe, a senior project specialists at JICA, said wistfully.

Except for a tendency to drive Japanese cars, Sri Lankans don't think they have a special affinity with the Japanese. Sushi restaurants are becoming quietly popular, but otherwise, the two cultures couldn't be more different.

But Japan's impact on the island, through its international development agency JICA, is clear.

Through technical cooperation, grants and concessionary loans, Japan has been behind 21 percent of the Ceylon Electricity Board's generation capacity, 24 percent of the island's pipe-borne water production, and 48 percent of expressways currently in operation, Ralapanawe said.

The cryptic letters in the acronym can be confusing. The Japanese culture of understatement could also have something to do with it. But those involved in infrastructure know of JICA's role.

Read More: <http://www.lankabusinessonline.com/interview-japans-jica-big-infrastructure-lender-with-a-small-case-of-understatement/>

- **Iran nuclear deal passes one test, months away from going into effect**

The Iran nuclear agreement passed one test in the U.S. Senate on Thursday, but it is still months away from going into effect, media reports said. Republicans have insisted they will keep blocking it.

A Republican disapproval resolution was kept from proceeding in a procedural vote by a count of 58 to 42, and the Senate will hold another vote on it next week. The deal won't go in to effect for months as Iran's parliament must also consider it, and weapons inspectors have to certify that Iran is meeting requirements of the agreement.

Read More: <http://www.lankabusinessonline.com/iran-nuclear-deal-passes-one-test-months-away-from-going-into-effect/>



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## 5. LEISURE

- **Popular UK newspaper Sunday Times declares Sri Lanka as the destination of the year**

Sri Lanka got a boost from the popular UK newspaper Sunday Times last week with the country promoted as the holiday destination of the year for Britons.

Two promotional articles in the Sunday Times' travel section gave pride of place to Sri Lanka.

In an article titled 'Follow the sun this winter', the newspaper featured 10 destinations and Sri Lanka was tagged 'Destination of the Year' for tea and sea.



Read More: <http://www.ft.lk/article/467705/Kudos-to-SL-holiday-for-Britons>

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