



“a confederation of trade associations, regional and sectoral chambers of commerce and industry, bilateral business councils and employer organisations in Sri Lanka”

April 16, 2022

Mr. Viraj Dayaratne,
Chairman,
Securities and Exchange Commission of Sri Lanka
World Trade Center,
Colombo 1

Dear Sir,

Temporary Closure of the Stock Market

The Ceylon Chamber of Commerce was dismayed to hear of your decision to direct the CSE to temporarily close the stock market for a period of five business days commencing from 18th April.

As pointed out by the Chamber when the market was closed during the early days of the Covid -19 pandemic, the sudden closure of the market creates many challenges to local and foreign investors as explained below:

1. One group of investors (potential sellers) is prevented from exiting the market at the time and price of their choice
2. Another group of investors (potential buyers) is prevented from acquiring shares at the time and price of their choice
3. All investors will be unable to carry out valuations and mark to market their respective investment portfolios

Since there are circuit breakers in place to arrest a sharp movement in market indices, we believe that there is absolutely no need to close the market in this manner sending out a wrong signal to all investors across the globe. This action will be seen by market participants as akin to the unsuccessful attempt made to hold the exchange rate constant against market forces.

Therefore, we earnestly request you to reconsider this move and direct the CSE to operate freely even amid challenging market conditions safeguarding its reputation as an investor-friendly stock market.

Thank you.

Yours sincerely

THE CEYLON CHAMBER OF COMMERCE

Vish Govindasamy
Chairman

Cc. Mr. Dumith Fernando, Chairman, CSE

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