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PRIVATE
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MARKET UPDATE AND FUND REVIEW

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NDB | WEALTH

2019
MARCH

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MARKET BRIEF BY NDB WEALTH

INFLATION RATE ON THE RISE

Inflation as measured by the CCPI increased to 4.3% in March 2019 from 4.0% in February 2019, on a year on year basis. While food inflation continued to decline, increase in non food inflation contributed to the overall increase in the inflation rate. This was further evident as core inflation recorded a slight increase during March 2019 compared to the previous month. We expect inflation to be in mid single digits in 2019.

SRI LANKA RUPEE APPRECIATES IN VALUE

The Sri Lankan rupee appreciated against all hard currencies during the first quarter of 2019. The Sri Lankan Rupee appreciated by 3.76% against the US Dollar during the first three months of 2019. Fund inflows from the sovereign bond issuance and the weaker US Dollar may have been the main reasons for the appreciation of the Sri Lankan Rupee during the first quarter. A similar trend was witnessed against the other hard currencies where the Sri Lankan Rupee appreciated by 0.74%, 5.66%, 4.09% and 2.63% against the Sterling Pound, the Euro, the Japanese Yen and the Indian Rupee respectively, during the first quarter of 2019. Foreign investors were net buyers of LKR denominated securities and the foreign holding increased by over LKR 3 billion during the first quarter of 2019, reversing the trend of capital outflows witnessed in 2018. The Central Bank was a net buyer of US Dollars in the first two months of 2019. Gross official reserves were estimated at USD 6 billion as at the end of February 2019.

BENCHMARK INTEREST RATE DECLINES

The benchmark 364-day Treasury bill rate decreased gradually to 10.40% as at the end of March 2019. The issuance of the sovereign bond, the reduction of the statutory reserve ratio by the Central Bank, coupled with the low credit demand led to improved liquidity in the market. As a result, the pressure on interest rates declined, leading to lower rates across the yield curve. We expect interest rates to decline during the second quarter of 2019, although pressure is expected to build up on interest rates during the second half of the year.

CONTINUATION OF WEAK SENTIMENT

The two main indices of Colombo Stock Exchange recorded losses during the first quarter of 2019. The All Share Price Index and the S&P SL 20 index declined by 8.18% and 12.64% respectively, during the first three months of 2019. Continuous foreign selling and weak corporate performance by majority of the listed companies further hampered the investor sentiment. We expect the equity market to be weak on the backdrop of uncertainty in the political front and the weak economic outlook.

Indika De Silva

Fund Manager

EQUITY OUTLOOK

	Past month Performance (1st Mar - 31st Mar 2019)	Past 12 months Performance (Mar 2018 - Mar 2019)	Year to Date Performance (1st Jan 2019 - 31st Mar 2019)
All Share Price Index	-4.45%	-14.20%	-8.18%
S&P SL 20	-8.06%	-24.96%	-12.64%
MSCI Frontier Markets Index	1.23%	-14.81%	6.90%
MSCI World Index	1.31%	4.01%	12.48%
MSCI Emerging Markets	0.84%	-7.41%	9.92%
MSCI Asia Ex Japan	1.72%	-5.22%	11.43%

Source: www.cse.lk and www.msci.com >

The equity market in Sri Lanka continued to record significant losses as the two main indices of the Colombo Stock Exchange (CSE), the All Share Price Index and the S&P SL 20 Index declined by 4.45% and 8.06% respectively, during March 2018.

The performance of the All Share Price Index (ASPI) over the last 12 month period is broadly in line with the MSCI Frontier market index. However, the ASPI return for the first quarter of 2019 was 15% lower compared to the benchmark frontier market index, depicting the continuous weak sentiment of the market.

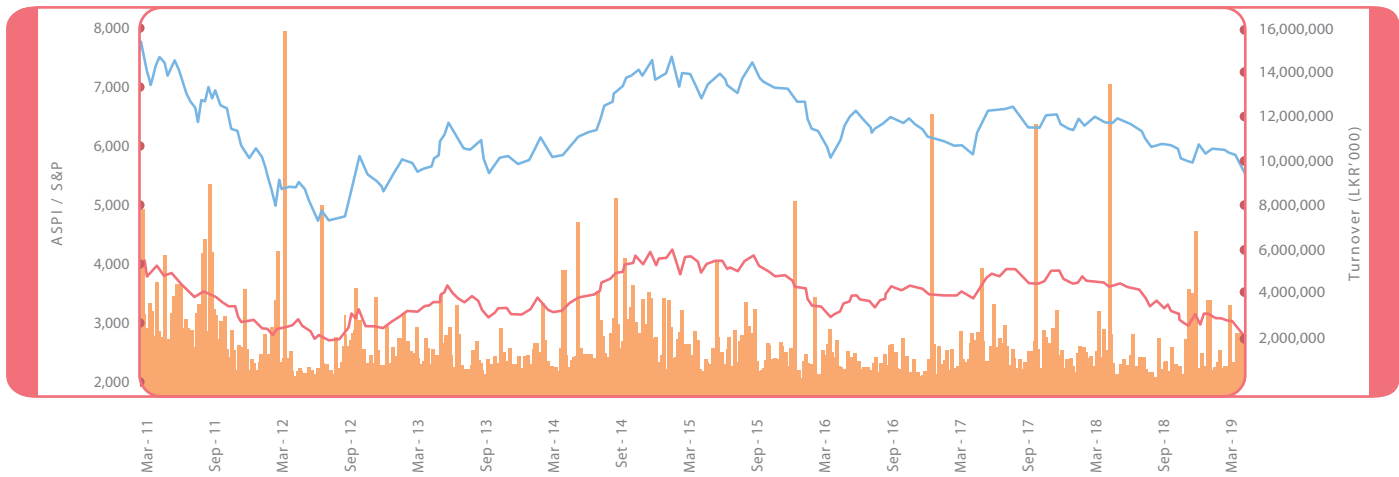
Factors such as the Federal Reserve's (the central bank in the US) decision to maintain policy rates at current levels as well as the progress made in trade discussions between the US and China appear to be constructive for frontier markets in the near term.

Chinese stocks led the performance in emerging market shares as positive Chinese manufacturing data eased worries about a broader economic slowdown while progress in U.S-China trade talks provided an additional boost.

A cooling in the Chinese economy, partly due to a bruising trade dispute with the United States has been one of the main drivers of a slowdown in global growth, spurring risk aversion and rattling markets around the globe during most of the last year.

Signals that trade negotiations between the United States and China have made headway, helped sentiment ahead of the next round of talks in Washington.

Colombo Stock Exchange Performance



Turnover S&P ASPI

Source: www.cse.lk >

		Mar 2019	Mar 2018
CSE	Market PER	8.72 X	11.19 X
	Market PBV	1.10 X	1.35 X
	Market DY	3.56%	2.91%
MSCI Frontier Market	Market PER	13.30 X	15.46 X
	Market PBV	1.83 X	2.01 X
	Market DY	3.88%	3.07%

Source: www.cse.lk >

Foreign investors continued to be net sellers for the 9th consecutive month, as total net foreign selling exceeded LKR 6 billion as at end of March 2019.

Colombo Stock Exchange	Jan - Mar 2019	Jan - Mar 2018
Foreign Inflows	LKR 15.55 Billion	LKR 29.91 Billion
Foreign Outflows	LKR 21.65 Billion	LKR 32.53 Billion
Net Foreign Inflows/(Outflows)	(LKR 6.10 Billion)	(LKR 2.62 Billion)

Source: www.cse.lk >

“I NEVER TRY TO PREDICT THE MARKET”

— Warren Buffet —



FIXED INCOME OUTLOOK

INTEREST RATES IN SRI LANKA

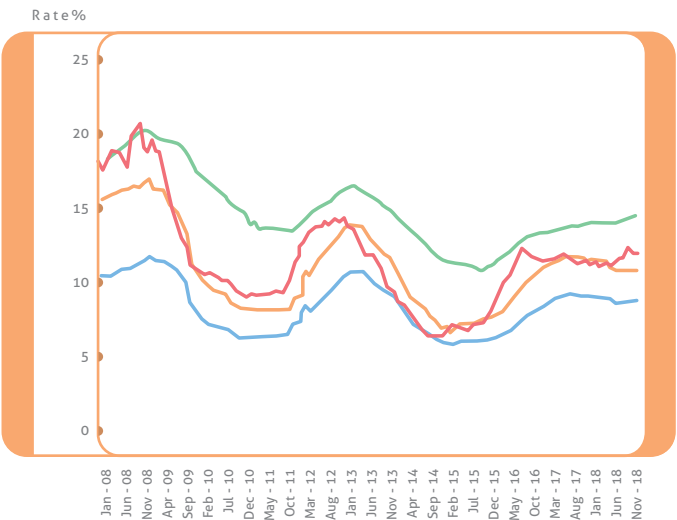
The Central Bank of Sri Lanka (CBSL) maintained its key policy rates stable in February holding the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) at 9.00% and 8.00% respectively.

	Mar 18	Dec 18	Feb 19	Mar 19
364 Day T-bill	9.69%	11.20%	10.67%	10.40%
5-Year Bond	10.06%	11.56%	11.11%	10.93%
1-Year Finance Company Fixed Deposit Ceiling Rate	12.11%	12.46%	14.22%	14.22%

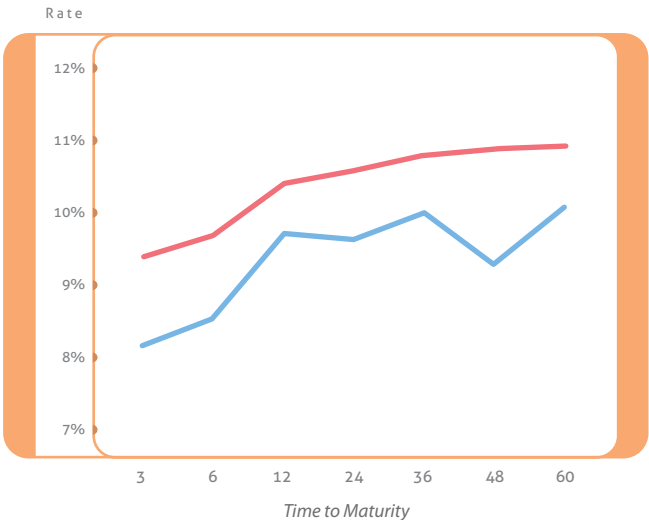
* Gross Rates provided. Net returns earned on Government Securities would vary depending on the individual's tax bracket while Fixed Deposits will be subject to a ~final WHT of 5% for individuals.

Source: Central Bank of Sri Lanka >

AVERAGE LENDING & DEPOSIT RATES



YIELD CURVE - LKR TREASURIES



AWDR (%) AWFDR (%) AWLR (%) AWPR (%)

Mar-18 Mar-19

Source: Central Bank of Sri Lanka >

AWDR: Average Weighted Deposit Rate | AWFDR: Average Weighted Fixed Deposit Rate | AWLR: Average Weighted Lending Rate
| AWPR: Average Weighted Prime Lending rate

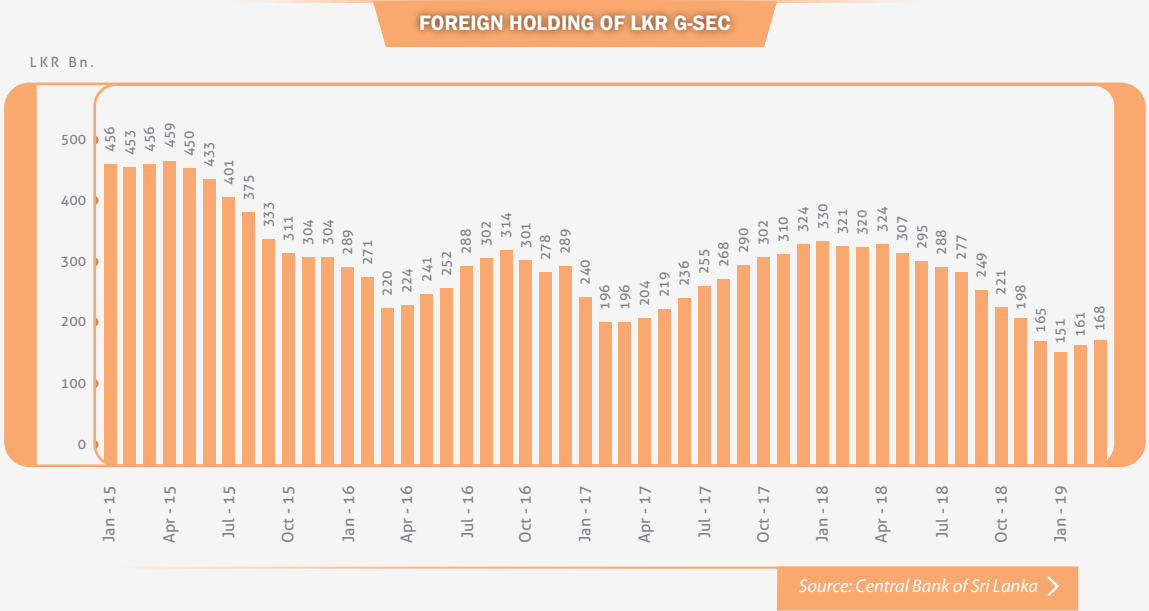
Treasury Bill rates decreased across the board with the benchmark 364-day T-Bill rate falling to 10.40% and the 91-day and 182-day T-Bill closing the month at 9.39% and 9.67% respectively.

Broad money (M2b) growth slowed to 11.5% year-on-year in January, from the previous month's 13% whilst growth in credit extended to the private sector tapered to 14.8% year-on-year in January 2019 from 15.9% recorded in December 2018.

During the month of January, private sector credit disbursements declined by LKR 4.3 Bn (-0.1% m-o-m), the first time credit to private borrowers turned negative in nearly five years, in the backdrop of import restrictions introduced by the government towards latter part of 2018, to curtail vehicle and other non-essential imports.

Outstanding LKR Govt. Securities LKR 5,354 Billion	
T Bills (Total)	T Bonds (Total)
LKR 929 Billion	LKR 4,425 Billion
Domestic (Bills & Bonds)	Foreign (Bills & Bonds)
LKR 5,186 Billion	LKR 168 Billion
Total Foreign Holding of Bills and Bonds - 3.14%	

Source: Central Bank of Sri Lanka >



Foreign holding of government securities continued to increase in March, improving by LKR 6.9 billion in March to 3.14% of outstanding Government Securities. On a year-to-date basis, foreigners were net buyers of government securities for the first time since January 2018, amounting to LKR 3.4 billion.

1 Year FD Rates – Sri Lankan Banks			Rates on Credit Cards		Mar 19
	Mar 2019	Feb 2019			
NSB	10.50%	10.50%	HSBC		28.00%
COMB	11.00%	11.00%	SCB		28.00%
SAMP	12.00%	12.00%	Sampath		28.00%
HNB	11.00%	11.00%	NDB		28.00%
NDB	11.75%	11.75%	AMEX		28.00%

Source: Respective Commercial Banks >

Commercial banks maintained their fixed deposit rates during the month of March.

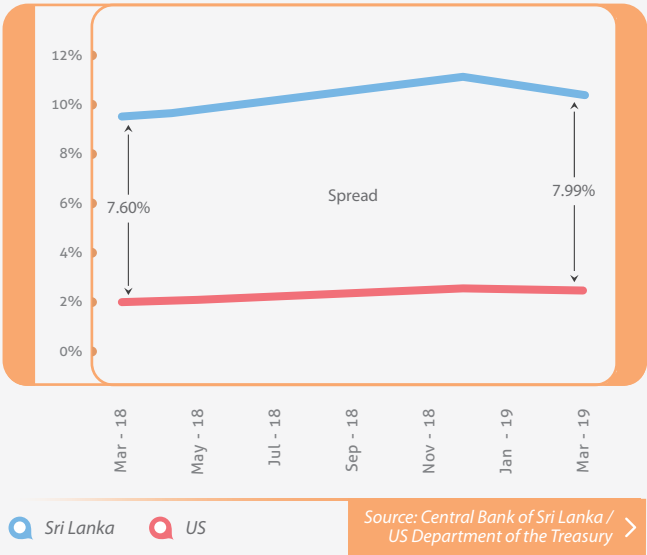
NDIB CRISIL Fixed Income Indices Total return as at 29/03/2019	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	2.40%	8.83%	9.00%
NDBIB-CRISIL 364 Day T-Bill Index	3.02%	9.04%	9.69%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	4.38%	9.23%	12.51%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	5.19%	7.82%	13.12%

Source: www.crisil.com >

Central Bank Policy Rates	2016	2017	2018	Latest
Sri Lanka	7.00%	7.25%	8.00%	8.00%
US	0.50% - 0.75%	1.25% - 1.50%	2.25% - 2.50%	2.25% - 2.50%
Euro Zone	0.00%	0.00%	0.00%	0.00%
Australia	1.50%	1.50%	1.50%	1.50%
India	6.25%	6.00%	6.50%	6.00%

Source: www.cbrates.com >

1 YEAR TREASURY RATE - USD Vs. LKR



The U.S. Federal Reserve does not expect to raise interest rates for the rest of 2019 amid slower economic activity in the U.S., with indicators pointing towards slower growth of household spending and business fixed investment in the first quarter of 2019.

364 Day Treasury Bill Rate	Mar 18	Dec 18	Feb 19	Mar 19
Sri Lanka	9.69%	11.20%	10.67%	10.40%
India	6.49%	6.94%	6.55%	6.39%
US	2.09%	2.63%	2.54%	2.41%
Euro Zone	-0.70%	-0.75%	-0.57%	-0.61%

Source: Respective Central Banks >

	Rates on Savings Accounts Mar 2019
Sri Lanka	4.00%
US	0.03%
Euro Zone	0.11%
Australia	1.65%
India	3.50%

Source: Respective Commercial Banks >

The Reserve Bank of India (RBI) cut its Policy Repo Rate for the second time this year by 0.25% to 6.00% with a view of boosting private investments and supporting domestic growth.

**“A GOOD FINANCIAL PLAN IS A ROAD MAP THAT
SHOWS US WHERE WE COULD END UP IN THE FUTURE”**

— NDB Wealth —



INFLATION RATES

Country	Mar 18	Dec 18	Feb 19	Mar 19
Sri Lanka	4.21%	2.77%	4.02%	4.28%
US	2.36%	1.91%	1.52%	1.52%*
Euro Zone	1.40%	1.52%	1.49%	1.49%*
India	4.28%	2.11%	2.57%	2.57%*

* Feb 2019

Source: Department of Census and Statistics - Sri Lanka, <http://www.inflation.eu/>, <https://tradingeconomics.com/> >

Inflation as measured by the CCPI (2013=100), increased to 4.3% in March on a year-on-year basis from the previous month's 4.0% mainly on account of the base effect. During the month however, the index was down 0.2% as prices in the food category declined by 1.6% despite non-food prices increasing by 0.4%.

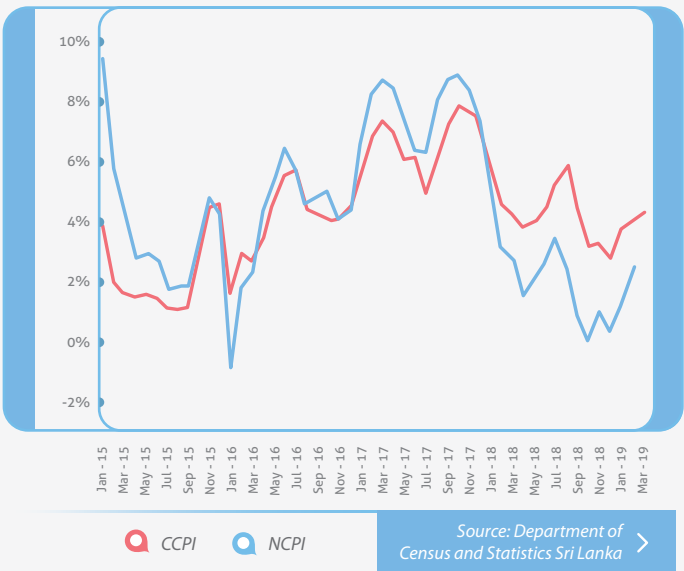
Within the food category prices of mainly rice and vegetables decreased whilst within the non-food category prices of alcoholic beverages and tobacco were the main driver of price increases following the hike in excise duties on liquor and tobacco through the Budget.

Core inflation, which excludes the more volatile aspects of price movements such as food, energy and transport, accelerated to 5.6% year-on-year in March from the previous month's 5.4%. On an annual average basis core inflation increased to 4.0%.

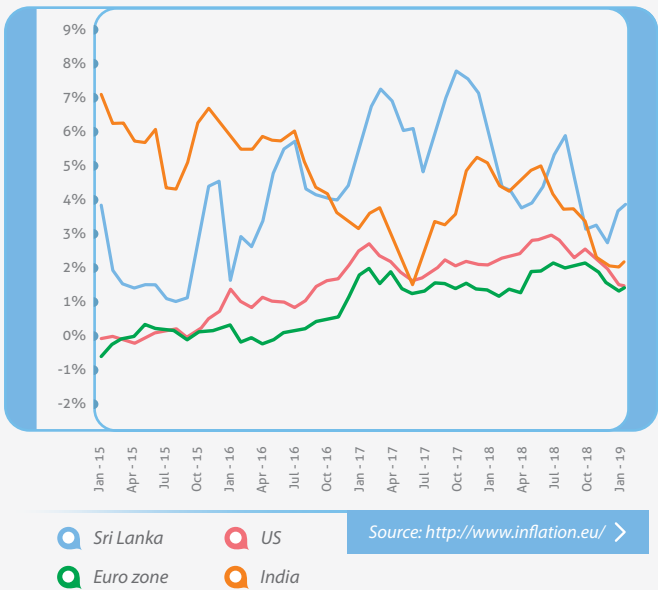
We are of the view that the Central Bank will manage inflation at mid-single digit levels this year despite supply-side pressures that could arise from unpredictable weather patterns which could exert pressure on price levels from time-to-time.

On the global front, US inflation slowed to 1.52% whilst Euro Zone inflation increased to 1.49% year-on-year in February.

INFLATION - POINT TO POINT CHANGE - CCPI VS. NCPI



GLOBAL INFLATION RATES



FOREX OUTLOOK

Exchange Rates Vs. LKR	Mar 18	Dec 18	Mar 19	1 Year App/(Dep) LKR	YTD App/(Dep) LKR
USD	155.97	182.75	176.13	-11.44%	3.76%
GBP	219.54	231.86	230.16	-4.61%	0.74%
EURO	192.22	208.99	197.80	-2.82%	5.66%
YEN	1.46	1.65	1.59	-7.94%	3.79%
AUD	119.36	128.87	124.87	-4.41%	3.21%
CAD	120.72	134.08	131.16	-7.96%	2.23%
INR	2.39	2.61	2.55	-5.99%	2.51%
BHD	413.64	484.78	467.19	-11.46%	3.76%
CNY	24.75	26.57	26.16	-5.40%	1.55%

Source: Central Bank of Sri Lanka >

The Sri Lankan Rupee continued to appreciate against the USD rising by a considerable 2.08% in March against the US Dollar (USD) to close the month at LKR 176.13 per 1 USD.

Year-to-date appreciation against the USD stands at 3.76% as at March 2019.

The Rupee also rose 3.94% against the Pound Sterling and 3.42% against the Euro during the month.

The USD weakened against a basket of currencies as weak consumption, retail sales and payroll data exacerbated worries over the strength of its economy.

Most Asian currencies gained against the USD in the backdrop of easing US treasury yields and progress on US-China trade tensions, boosting demand for currency in the region.

USD PER 1 EURO MOVEMENT



Source: <http://www.x-rates.com/> >

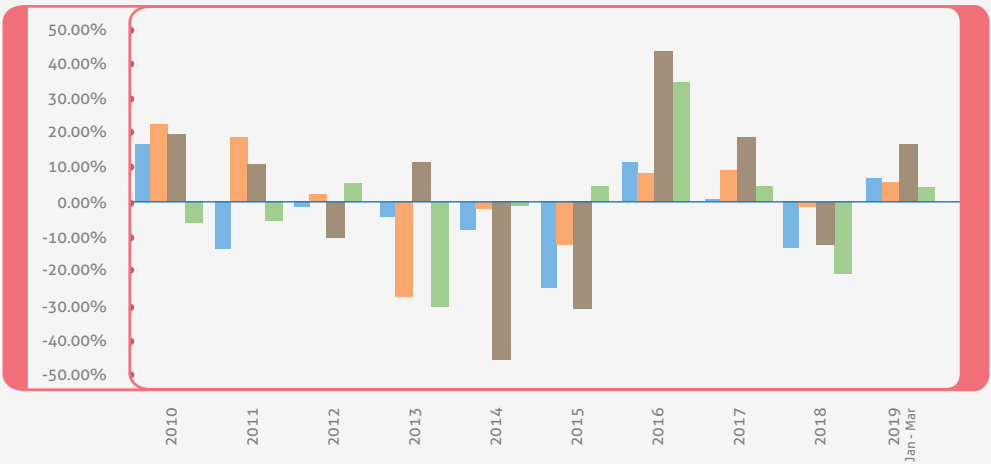
COMMODITY OUTLOOK

	Past month Performance (1st Mar - 31st Mar 2019)	Past 12 months Performance (Mar 2018 - Mar 2019)	Year to Date Performance (1st Jan 2019 - 31st Mar 2019)
Bloomberg Commodity Index	-0.37%	-7.30%	5.70%
Gold	-1.45%	-1.79%	4.04%
Tea	0.91%	-16.35%	3.75%
Oil (Brent)	3.56%	-0.06%	17.62%

Source: www.worldbank.com, Bloomberg and NDB Wealth Research >

- Total returns for the Bloomberg Commodity Index rose 5.70%, the highest for a quarter since the quarter ended in June 2016, led by oil prices.
- Oil prices rallied in the first quarter, recovering from worries about a global oversupply that pushed crude into a nosedive by the end of 2018. Orchestrated production cuts by OPEC, Russia and other major suppliers as well as the outlook for interest rates in the US calmed investors helping surge in prices.
- The price of oil continues to climb mainly based on the demand side of the equation, as recent data suggest a recovery in the global economy.
- However, an immediate injection from the supply side could exert pressure on overall prices.
- Gold prices declined in March, in spite of the policy decision taken by the U.S. Federal Reserve to hold interest rates steady. It is unlikely that investors would pour money into the zero-yielding safe-haven metal in the backdrop of U.S. and China closing in on a trade deal and global indicators hinting at a revival of the global industrial cycle.

Commodity Price Movements



DJUBS Gold Oil Tea

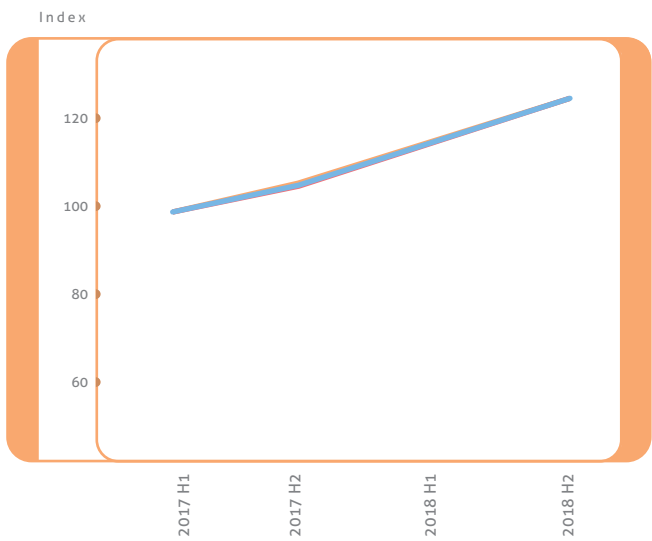
Source: NDB Wealth Research >

PROPERTY OUTLOOK

Land prices in Colombo increased by 18% in the second half of 2018 on a year-on-year (y-o-y) basis according to the Land Price Index compiled by the Central Bank of Sri Lanka.

Industrial property increased the most recording a 19.4% y-o-y growth in the second half of 2018, while commercial property and residential property increased by 17.4% and 17.2% respectively.

MOVEMENTS OF LPI AND SUB-INDICES



GEOGRAPHICAL COVERAGE OF LPI SINCE 2017: COLOMBO DISTRICT



Residential LPI Commercial LPI Industrial LPI LPI

Source: Central Bank of Sri Lanka >

Many local firms believe that the real estate market is currently stabilizing, in the backdrop of the rapid growth seen over the past two years.

Impacts of the Budget 2019 is also expected to have a negative effect on the residential apartment market with VAT being imposed on any condominium housing unit over Rs. 15 million effective from April 1, 2019.

However, the Budget granted some benefits to the construction property sector including a 30% reduction in Cess on imported construction material and granting of residential visas for 3 years to foreigners who invest USD 400,000 or more in condominiums.

There has been a long-standing requirement for around 500,000-1,000,000 square feet of Grade A space in Colombo. However, there are likely to be less firms willing to move up to Grade A spaces from current lower grade offices in the current economic context.

Some companies not meeting their revenue targets under the current economic conditions may be reluctant to spend on higher grade office space and experts believe firms will move from high-end office buildings to residential units within or outside Colombo as they get hit with a sluggish economy and political uncertainty.

However, most firms may be used to the prestige linked to high-end office spaces, and would try to remain in them, as they have better usable areas, security, common facilities, environment, ambiance, and location.

ISLAMIC FINANCE INDUSTRY

Islamic Financing is finance activity that is consistent with principles of Islamic law (Shari’ah) which prohibits the payment or acceptance of interest.

NDB WM provides our client’s discretionary management services on a shari’ah compliant basis for portfolio values above Rs. 100.0 million.

The Islamic Money Plus Fund is a unit trust fund offered by NDB Wealth Management and approved by the Securities Exchange Commission of Sri Lanka, investing in a diversified portfolio of Shari’ah compliant short term securities issued by corporates and in Mudharabah deposits and savings accounts. The fund provides reasonable liquidity and tax free income to its investors and would be an ideal substitute for direct investments in Mudharabah savings accounts and deposits. (Trustee: Hatton National Bank PLC)

Mudharabah Deposit Rates of Selected Service Providers

	Savings	1 month	3 month	6 month	1 Year ⁺	2 Year ⁺	3 Year ⁺	4 Year ⁺	5 Year ⁺
Amana Bank - As of March 2019									
Profit Sharing Ratio*	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	3.52%	-	7.04%	7.63%	8.80%	9.39%	9.98%	-	10.56%
Bank of Ceylon Islamic Business Unit - As of February 2019									
Profit Sharing Ratio*	45:55	-	-	-	-	-	-	-	-
Distributed Profit	4.83%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of February 2019									
Profit Sharing Ratio*	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	6.48%	-	7.96%	9.44%	10.94%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of December 2018 (Released Quarterly)									
Profit Sharing Ratio*	30:70	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	4.10%	-	9.50%	10.00%	10.75%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of February 2019									
Profit Sharing Ratio* (3Mn - 50Mn)	40:60	60:40	65:35	40:60	65:35	65:35	-	-	-
Distributed Profit	5.65%	7.10%	7.70%	8.15%	11.50%	11.50%	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of February 2019									
Profit Sharing Ratio*	32:68	52:48	52:48	52:48	55:45	62:38	62:38	-	-
Distributed Profit	6.45%	11.49%	12.09%	12.50%	13.10%	14.10%	14.51%	-	-
Commercial Leasing & Finance PLC- Islamic Finance – As of February 2019									
Profit Sharing Ratio*	35 :65	50:50	53:47	55:45	55:45	59:41	60:40	64:36	65:35
Distributed Profit	8.56%	12.23%	12.48%	12.72%	12.97%	13.94%	14.19%	14.68%	15.41%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of February 2019									
Profit Sharing Ratio*	20:80	26:74	28:72	30:70	31:69	-	-	-	-
Distributed Profit	7.83%	10.18%	10.96%	11.74%	12.13%	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of February 2019									
Profit Sharing Ratio*	30:70	60:40	62:38	66:34	66:34	67:33	69:31	70:30	74:26
Distributed Profit	5.62%	11.31%	11.69%	12.45%	12.45.%	12.63%	13.01%	13.20%	13.95%
Peoples Leasing Islamic Business Unit - As of February 2019									
Profit Sharing Ratio*	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	8.24%	-	10.98%	11.90%	13.73%	-	-	-	-

* Profit sharing ratio provides profit ratio for Customer: Financial Institution; * Profits distributed at Maturity

The white list of shari’ah compliant stocks provides investors a means of ethical investing. The Core business is screened to ensure that corporate dealing in conventional banking, conventional insurance, alcoholic drinks, tobacco, pork production, arms manufacturing, pornography or related activities are excluded. Companies are also screened in terms of levels of debt, illiquid assets and non compliant investments.

WHITE LIST AS OF APRIL 2018

Finance and Insurance	Healthcare	Laxapana Batteries PLC	Namunukula Plantation PLC
Amana Takaful PLC	Asiri Surgical Hospitals PLC	Piramal Glass Ceylon PLC	Talawakelle Tea Estates PLC
Amana Takaful Life PLC	Ceylon Hospitals PLC (Durdans)	Printcare (Ceylon) PLC	Udapussellawa Plantations PLC
Amana Bank PLC	Singhe Hospitals PLC	Regnis(Lanka) PLC	Watawala Plantations PLC
Beverages and Food	Investment Trust	Royal Ceramic Lanka PLC	Hapugastanne Plantations PLC
Bairaha Farms PLC	Ascot Holdings PLC	Samson International	Power & Energy
Dilmah Ceylon Tea Company PLC	Lanka Century Investments PLC	Sierra Cables PLC	Lanka IOC PLC
Harischandra Mills PLC	Renuka Holdings PLC	Singer Industries (Ceylon) Plc	Lotus Hydro Power PLC
Nestle Lanka PLC	Land and Property	Swadeshi Industrial Works PLC	Panasian Power PLC
Raigam Wayamba Salterns PLC	Colombo Land & Development Company PLC	Swisstek Ceylon PLC	Vallibel Power Erathna PLC
Renuka Agri Foods PLC	Serendib Engineering Group PLC	Teejay Lanka PLC	Vidullanka PLC
Renuka Foods PLC	Manufacturing	Tokyo Cement (Company) PLC	Services
Tea Smallholder Factories PLC	Abans Electricals Plc	Richard Pieris Exports PLC	Lake House Printing & Publishers PLC
Three Acre Farms PLC	ACL Cables PLC	Motors	Paragon Ceylon PLC
Chemicals and Pharmaceuticals	ACL Plastics PLC	Autodrome PLC	Stores & Supplies
Chemanex PLC	Agstar Fertilizers PLC	C M Holdings PLC	Gestetner of Ceylon PLC
Haycarb PLC	Alufab PLC	Diesel & Motor Engineering PLC	Hunter & Company PLC
Industrial Asphalts (Ceylon) Plc	Alumex PLC	Sathosa Motors PLC	Telecommunications
J.L. Morison Son & Jones (Ceylon) PLC	B P P L Holdings PLC	United Motors Lanka PLC	Dialog Axiata PLC
Union Chemicals Lanka Plc	Bogala Graphite Lanka PLC	Plantations	Sri Lanka Telecom PLC
Construction & Engineering	Central Industries PLC	Aitken Spence Plantation Managements PLC	Trading
Access Engineering PLC	Ceylon Grain Elevators PLC	Balangoda Plantations PLC	C. W. Mackie PLC
Lankem Developments PLC	Chevron Lubricants Lanka PLC	Bogawantalawa Tea Estates PLC	Eastern Merchants PLC
Diversified Holdings	Dankotuwa Porcelain PLC	Elpitiya Plantations PLC	Office Equipment PLC
Expolanka Holdings PLC	Dipped Products PLC	Horana Plantations PLC	
Sunshine Holdings Plc	Kelani Cables PLC	Kahawatte Plantation PLC	
Footwear & Textiles	Lanka Aluminium Industries PLC	Kelani Valley Plantations PLC	
Ceylon Leather Products PLC	Lanka Ceramic PLC	Madulsima Plantations PLC	
Hayleys Fabric PLC	Lanka Tiles PLC	Malwatte Valley Plantations PLC	
Odel PLC	Lanka Walltiles PLC	Maskeliya Plantations PLC	

Source: www.icp.lk (I Capital Partners - former Amana Capital Limited) >

NOTE 1: The White List has taken to consideration the latest company financials and September 2017 Management Accounts

NOTE 2: No changes from the previous month's list

UNIT TRUST FUNDS OFFERED BY NDB WM



- NDB Wealth Growth Fund
- NDB Wealth Growth & Income Fund
- NDB Wealth Income Fund
- NDB Wealth Income Plus Fund
- NDB Wealth Money Fund
- NDB Wealth Money Plus Fund
- NDB Wealth Islamic Money Plus Fund
- NDB Wealth Gilt Edged Fund

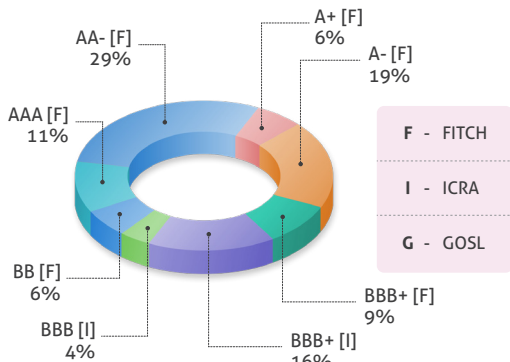
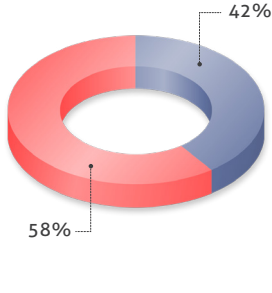
Fund Overview

NDB Wealth Growth Fund		Fund Snapshot		28-Feb-19
Type: Open Ended	Investments: Listed Equities	YTD Yield	-5.81%	
Currency: LKR	ISIN: LKNWGRU00005	NAV per unit	9.6153	
NDB Wealth Growth Fund is an open-ended equity fund incorporated in Sri Lanka, invested in listed shares of the Colombo Stock Exchange. The Fund aims to achieve capital growth on a medium to long term basis by investing in a diversified portfolio of stocks of stable companies with a proven track record.		AUM (LKR Mn.)	195.46	
		Fund Currency	LKR	
		Fund Inception	1-Dec-97	
		Expense Ratio	2.53%	
		Max Equity Allocation	97.00%	
		Current Equity Allocation	85.34%	
		Fund Leverage	0.00%	
Equity Allocation		Top 5 Portfolio Holdings (In Alphabetical Order)		
		CENTRAL FINANCE COMPANY PLC		
		COMMERCIAL BANK OF CEYLON PLC		
		HATTON NATIONAL BANK PLC		
		PEOPLES INSURANCE LTD		
		SEYLAN BANK PLC		
Historical Returns		Fixed Income Allocation		
Period	Fund Returns ★	Minimum Fixed Income Allocation		3.00%
Last Month	-5.15%	Current Fixed Income Allocation		14.66%
Last 3 months	-6.10%	Average Duration		0.02
Last 6 months	-8.62%	Maturity	% Holding	
Last 12 months	-14.46%	Under 1 Month	100.00%	
Year 2018	-6.79%			
Year 2017	7.09%			
★ After fees, excluding front end and back end loads				
Other Features				
Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis. Instruments greater than one year - n/a.			
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.			
Exposure Restrictions	Maximum exposure restrictions to listed equity 15% of NAV; maximum exposure restrictions on fixed income investments depend on the features of each security, (Ex: Rated, Guaranteed, etc.), and are regulated by the Trustee and the SEC.			
Fee Details	Management Fee : 2.25% p.a. of NAV. Trustee fee : 0.10 - 0.19% p.a. of NAV. Custodian fee : 0.05% p.a. of NAV, depending on fund size Front-end fee : 2% / Exit fee : 1% if less than 1 year ; 0 if greater than 1 year.			
Fund Manager	NDB Wealth Management Ltd.			
Trustee & Custodian	Bank of Ceylon			

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Fund Overview

NDB Wealth Growth and Income Fund			Fund Snapshot		28-Feb-19			
Type: Open Ended	Investments: Listed Equities and Corporate Debt		YTD Yield	1.30%				
Currency: LKR	ISIN: LKNWGIU00004		NAV per unit	35.7723				
NDB Wealth Growth and Income Fund is an open-ended balanced fund incorporated in Sri Lanka, invested in a combination of listed shares in the Colombo Stock Exchange and LKR based corporate debt instruments and government securities. The Fund aims to achieve income on a medium to long term basis by investing in a diversified portfolio of stocks of stable companies with a proven track record.			AUM (LKR Mn.)	191.48				
			Fund Currency	LKR				
			Fund Inception	1-Dec-97				
			Expense Ratio	2.02%				
			Max Equity Allocation	97.00%				
			Current Equity Allocation	8.51%				
			Fund Leverage	0.00%				
			Portfolio Allocation			Top 4 Portfolio Holdings (In Alphabetical Order)		
			By Credit Rating 		By Equity Sector 	COMMERCIAL BANK OF CEYLON PLC		
			DIALOG AXIATA PLC					
			SAMPATH BANK PLC					
			SINGER FINANCE (LANKA) PLC					
Historical Returns			Fixed Income Allocation					
Period	Fund Returns★	ASPI Returns	Minimum Fixed Income Allocation		3.00%			
Last month	0.41%	-2.90%	Current Fixed Income Allocation		91.49%			
Last 3 months	1.51%	-3.37%	Average Duration		0.84			
Last 6 months	2.25%	-4.34%	Maturity	% Holding				
Last 12 months	7.29%	-11.23%	Under 1 Month	3.88%				
Year 2018	7.47%	-4.98%	1 Month - 3 Months	9.64%				
Year 2017	10.10%	2.26%	3 Months - 6 Months	19.12%				
★ After fees, excluding front end and back end loads.			6 Months - 1 Year	42.25%				
			1 Year - 5 Years	25.10%				
Other Features								
Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis. Instruments greater than one year - marked to market.							
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.							
Exposure Restrictions	Maximum exposure restrictions to listed equity 15% of NAV; maximum exposure restrictions on fixed income investments depend on the features of each security, (Ex: Rated, Guaranteed, etc.), and are regulated by the Trustee and the SEC.							
Fee Details	Management Fee : 1.5% p.a. of NAV / Trustee fee : 0.11-0.15% p.a. of NAV, depending on fund size. Custody Fee : Rs.10,000 per Month, Front-end fee : 1.5%.							
Fund Manager	NDB Wealth Management Ltd.							
Trustee & Custodian	Hatton National Bank PLC							

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Fund Overview

NDB Wealth Income Fund	
Type: Open Ended Currency: LKR	Investments: Corporate Debt Instruments ISIN: LKNWINU00000
NDB Wealth Income Fund is an open-ended fixed income fund incorporated in Sri Lanka, invested in LKR based corporate debt instruments including commercial paper, securitized paper, quoted and unquoted debentures as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to enhance returns by investing in a diversified portfolio of corporate debt securities.	
Portfolio Allocation By Credit Rating	
AA- [F] 24% A [I] 23% BB+ [F] 18% BBB+ [F] 19% BBB+ [F] 16% F - FITCH I - ICRA G - GOSL	

Fund Snapshot		28-Feb-19
YTD Yield	2.23%	
YTD Yield (Annualized)	13.82%	
NAV per unit	12.7288	
AUM (LKR Mn.)	292.45	
Fund Currency	LKR	
Fund Inception	1-Dec-97	
Expense Ratio	1.34%	
Average Maturity (Yrs)	1.96	
Average Duration	1.40	
Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	15.32%	14.78%
6 Months - 1 Year	46.68%	11.10%
1 Year - 5 Years	20.37%	13.20%
Over 5 Years	17.63%	12.00%

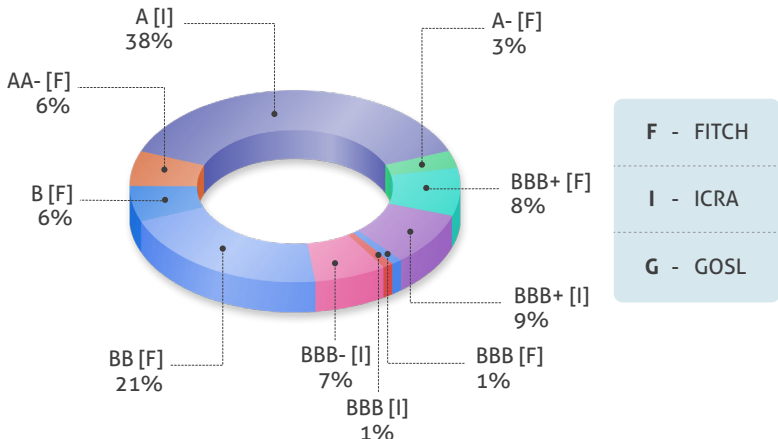
Historical Returns			
Period	Fund Returns	Annualized Return	Equivalent Gross Return (Annualized) *
Year to Date	2.23%	13.82%	14.55%
Last month	0.99%	12.87%	13.55%
Last 3 months	3.43%	13.90%	14.63%
Last 6 months	4.15%	8.36%	8.80%
Last 12 months	10.32%	10.32%	10.87%
Year 2018	10.00%	10.00%	10.52%
Year 2017	14.34%	14.34%	15.10%
★ Reflects the equivalent return from a similar investment prior to deducting WHT of 5%			

Other Features	
Valuation	Daily Valuation All Instruments are marked to market.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Exposure Restrictions	Maximum exposure restrictions on investments depend on the features of each security, (Ex: Rated, Guaranteed, etc), and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 1.00% p.a. of NAV. Trustee fee : 0.10 - 0.19% p.a. of NAV, based on fund size. Custodian fee : 0.05% p.a.of NAV.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

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Fund Overview

NDB Wealth Income Plus Fund			
Type: Open Ended Currency: LKR	Investments: Fixed Income Securities ISIN: LKNWIPU00005		
NDB Wealth Income Plus Fund is an open-ended fixed Income fund incorporated in Sri Lanka, invested in LKR based corporate debt instruments including commercial paper, securitized paper, quoted and unquoted debentures,bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to provide higher returns by investing in a portfolio of Gilt Edged and Corporate Debt securities.			
Portfolio Allocation By Credit Rating			
			
Fund Snapshot			
YTD Yield	1.85%		
YTD Yield (Annualized)	11.42%		
NAV per unit	13.7236		
AUM (LKR Mn.)	626.86		
Fund Currency	LKR		
Fund Inception	7-Apr-16		
Expense Ratio	0.70%		
Average Maturity (Yrs)	0.17		
Average Duration	0.15		
Maturity Profile			
Maturity	% Holding	AVG YTM (Net)	
Under 1 Month	33.18%	11.16%	
1 Month - 3 Months	30.67%	12.20%	
3 Months - 6 Months	36.15%	12.60%	
Historical Returns			
Period	Fund Returns	Annualized Return	Equivalent Gross Return (Annualized) *
Year to Date	1.85%	11.42%	12.02%
Last month	0.87%	11.35%	11.95%
Last 3 months	2.83%	11.46%	12.06%
Last 6 months	5.75%	11.60%	12.21%
Last 12 months	12.12%	12.12%	12.75%
★ Reflects the equivalent return from a similar investment prior to deducting WHT of 5%.			
Other Features			
Valuation	Daily Valuation Cost plus accrued basis		
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.		
Fee Details	Management Fee : 0.50% p.a. of NAV. Trustee and Custodian fee : 0.065 - 0.1% p.a. of NAV, based on fund size. Exit fee : 2% if less than 1 year ; 0 if greater than 1 year		
Fund Manager	NDB Wealth Management Ltd.		
Trustee & Custodian	Bank of Ceylon		

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Fund Overview

NDB Wealth Money Fund	
Type: Open Ended Currency: LKR	Investments: Short Term Government Securities ISIN: LKNWMNU00002
NDB Wealth Money Fund is an open-ended money market fund incorporated in Sri Lanka,invested in Government of Sri Lanka Treasury Bills, government securities backed Repurchase transactions and short term bank deposits.	
The Fund aims to provide liquidity to investors by investing in short term high quality instruments with maturities less than 365 days which include government securities, government guaranteed securities and short term bank deposits with credit ratings of AA- and above.	
Portfolio Allocation By Credit Rating	
A [F] 30% AAA [F] 30% AA- [F] 40% F - FITCH I - ICRA G - GOSL	

Fund Snapshot		28-Feb-19
YTD Yield	1.69%	
YTD Yield (Annualized)	10.44%	
NAV per unit	17.5132	
AUM (LKR Mn.)	169.14	
Fund Currency	LKR	
Fund Inception	1-Jun-12	
Expense Ratio	0.96%	
Average Maturity (Yrs)	0.57	
Average Duration	0.51	
Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	10.26%	9.03%
1 Month - 3 Months	29.83%	11.70%
6 Months - 1 Year	59.91%	12.30%

Historical Returns		
Period	Fund Returns	Annualized Return
Year to Date	1.69%	10.44%
Last month	0.82%	10.65%
Last 3 months	2.54%	10.31%
Last 6 months	4.68%	9.44%
Last 12 months	9.18%	9.18%
Year 2018	8.74%	8.74%
Year 2017	9.50%	9.50%

Other Features	
Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis, Instruments greater than one year - n/a.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Fee Details	Management Fee : 0.55% p.a. of NAV. Trustee fee : 0.11-0.15% p.a. of NAV, depending on fund size. Custody Fee : Rs.10,000 per Month
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Hatton National Bank PLC

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Fund Overview

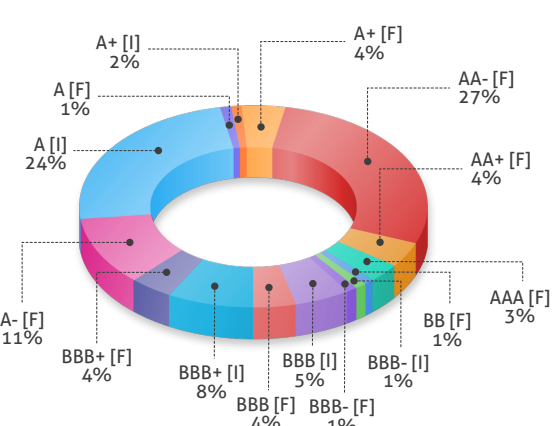
NDB Wealth Islamic Money Plus Fund			
Type: Open Ended	Investments: Short Term Shariah Compliant Investments		
Currency: LKR	ISIN: LKNWISU00009		
NDB Wealth Islamic Money Plus Fund is an open-ended money market fund incorporated in Sri Lanka, invested exclusively in short term LKR based Shariah compliant investments including Mudharabah term deposits, Mudharabah savings deposits, Wakala investments and sukuk investments less than 366 days.			
The Fund aims to provide investors with liquidity and regular income through investing in a portfolio of short term shariah compliant securities.			
Portfolio Allocation By Credit Rating			
A+ [F] 30% A [I] 25% A- [F] 14% BBB+ [F] 6% BBB+ [I] 12% AA- [F] 12% F - FITCH I - ICRA			
Fund Snapshot			
YTD Yield	1.69%		
YTD Yield (Annualized)	10.48%		
NAV per unit	13.65		
AUM (LKR Mn.)	267.88		
Fund Currency	LKR		
Fund Inception	1-Jun-15		
Expense Ratio	1.44%		
Average Duration	0.25		
Maturity Profile			
Maturity	% Holding	AVG YTM (Net)	
Under 1 Month	21.76%	9.67%	
1 Month - 3 Months	38.44%	11.50%	
3 Months - 6 Months	19.52%	13.60%	
6 Months - 1 Year	20.28%	12.10%	
Target Asset Allocation			
Investment Type	Asset Allocation		
Shariah compliant money market investments up to 366 days	Max 90%		
Shariah compliant money market investments less than 15 days	Min 10%		
Shariah Supervisory Board			
Shafique Jakhura	Mufti		
Muhammed Huzaifah	Maulana		
Approved Investments			
	Investment Type		
Shariah compliant money market investments up to 366 days	Mudharabah term deposits and Wakala Investments in Commercial Banks / Specialised Banks / Finance Companies or any other authorized deposit taking Institution Sukuk / Wakala / Mudharabah securities issued by corporate entities subject to Shariah council approval.		
Shariah compliant money market investments less than 15 days	Mudharabah savings deposits		
Historical Returns			
Period	Fund Returns	Annualized Return	Equivalent Gross Return (Annualized)*
Year to Date	1.69%	10.48%	11.03%
Last month	0.79%	10.34%	10.89%
Last 3 months	2.56%	10.38%	10.92%
Last 6 months	5.16%	10.41%	10.96%
Last 12 months	10.52%	10.52%	11.07%
★ Reflects the equivalent return from a similar investment prior to deducting WHT of 5%			
Other Features			
Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis, Instruments greater than one year - n/a.		
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.		
Fee Details	Management Fee : 0.80% p.a. of NAV. Trustee fee : 0.11% - 0.15% p.a. of NAV, based on the fund size Custody Fee : Rs.10,000 per Month.		
Fund Manager	NDB Wealth Management Ltd.		
Trustee & Custodian	Hatton National Bank PLC		

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Fund Overview

NDB Wealth Money Plus Fund	
Type: Open Ended Currency: LKR	Investments: Money Market Corporate Debt Securities ISIN: LKNWMPU00007
NDB Wealth Money Plus Fund is an open-ended money market fund incorporated in Sri Lanka, invested in short term LKR based corporate debt instruments including commercial paper, securitized paper, bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions.	
The Fund aims to provide liquidity to investors while enhancing returns by investing in a diversified portfolio of short term corporate debt securities with maturities less than 365 days	

Portfolio Allocation By Credit Rating	
	
F - FITCH I - ICRA G - GOSL	

Fund Snapshot		28-Feb-19
YTD Yield	1.88%	
YTD Yield (Annualized)	11.61%	
NAV per unit	19.5341	
AUM (LKR Mn.)	16,432.77	
Fund Currency	LKR	
Fund Inception	1-Jun-12	
Expense Ratio	0.86%	
Average Maturity (Yrs)	0.43	
Average Duration	0.39	

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	23.87%	12.30%
1 Month - 3 Months	27.11%	12.70%
3 Months - 6 Months	9.80%	13.00%
6 Months - 1 Year	39.21%	13.10%

Historical Returns			
Period	Fund Returns	Annualized Return	Equivalent Gross Return (Annualized) *
Year to Date	1.88%	11.61%	12.22%
Last month	0.90%	11.67%	12.28%
Last 3 months	2.85%	11.56%	12.16%
Last 6 months	5.69%	11.47%	12.08%
Last 12 months	11.74%	11.74%	12.36%
Year 2018	11.53%	11.53%	12.14%
Year 2017	11.38%	11.38%	11.98%
* Reflects the equivalent return from a similar investment prior to deducting WHT of 5%			

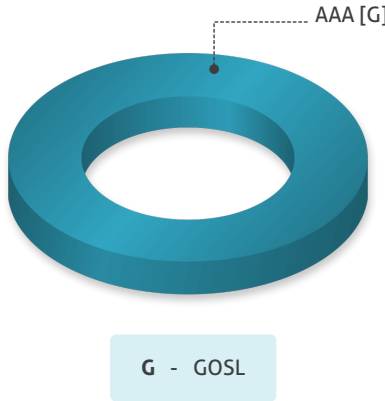
Other Features	
Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis, Instruments greater than one year - n/a.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Exposure Restrictions	Maximum exposure restrictions on investments depend on the features of each security, (Ex: Rated, Guaranteed, etc) and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 0.65% p.a. of NAV. Trustee fee : 0.11-0.15% p.a. of NAV, depending on fund size. Custody Fee : Rs.10,000 per Month
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Hatton National Bank PLC

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Fund Overview

NDB Wealth Gilt Edged Fund	
Type: Open Ended Currency: LKR	Investments: Government of Sri Lanka Securities ISIN: LKNWGEU00003
NDB Wealth Gilt Edged Fund is an open-ended unit trust fund incorporated in Sri Lanka, invested in Government of Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to maximize returns from investments by investing the fund exclusively in government securities and government guaranteed securities.	

Portfolio Allocation By Credit Rating	
	

Fund Snapshot		28-Feb-19
YTD Yield	4.48%	
YTD Yield (Annualized)	27.73%	
NAV per unit	14.8526	
AUM (LKR Mn.)	59.64	
Fund Currency	LKR	
Fund Inception	1-Dec-97	
Expense Ratio	0.55%	
Average Maturity (Yrs)	9.76	
Average Duration	5.31	

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	4.0%	8.90%
Over 5 Years	96.0%	11.60%

Historical Returns		
Period	Fund Returns	Annualized Return
Year to Date	4.48%	27.73%
Last month	2.05%	26.77%
Last 3 months	7.53%	30.55%
Last 6 months	10.57%	21.32%
Last 12 months	15.07%	15.07%
Year 2018	11.45%	11.45%
Year 2017	10.41%	10.41%

Other Features	
Valuation	Daily Valuation All Instruments are marked to market.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Fee Details	Management Fee : 0.65% p.a. of NAV Trustee fee : 0.10-0.19% p.a. of NAV, depending on fund size Custodian fee : 0.05% p.a.of NAV.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

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NDB WEALTH MANAGEMENT LTD

NDB Capital Building, Level G, No: 135, Bauddhaloka Mawatha, Colombo 4, Sri Lanka

Tel (+94) 77 744 8888 | (+94) 11 230 3232

E-mail : contact@ndbinvestors.com | Web : www.ndbwealth.com