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MARKET UPDATE AND FUND REVIEW

2017
NOVEMBER

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NDB | WEALTH

MARKET BRIEF BY NDB WEALTH

INFLATION TO STABILIZE

Inflation as measured by the CCPI slowed to 7.6% in November 2017 on a year-on-year basis from the previous month's 7.8% mainly on account of slowdown in non-food inflation, although overall prices rose 1.2% during the month. Core inflation too slowed to 5.2% year-on-year. We are of the view that inflation will continue to be at current levels by year-end however not ruling out the possibility of festive demand exerting pressure on overall price levels.

RUPEE DEPRECIATION TO BE AT CONTROLLABLE LEVELS

The Sri Lankan Rupee depreciated by 0.13% against the US Dollar in November and 2.45% for the year thus far. The Central Bank continued to be a net buyer of USD in October with purchases of USD 97.0 mn and no sales of the currency. Gross official reserves stood at USD 7.3 bn by end November. IMF 4th tranche and Hambantota Port 1st Tranche in December expected to further boost reserves. We expect LKR to be at manageable levels.

INTEREST RATES EASING

Interest rates decreased marginally in November with the 364-day Treasury Bill rate closing the month at 9.44%. The net foreign buying in November stood at LKR 8.12 Bn, increasing the foreign holding of Rupee denominated bills and bonds to 6.43%. Credit growth has been displaying signs of easing in line with the government's policy tightening measures slowing to 17.5% year-on-year in September. We expect interest rates to remain at current levels in the short – medium term. However rates may come under pressure with a possible policy rate hike by the US federal reserve prompting capital flight from emerging markets.

STOCK MARKET SLOWDOWN

The two main indices of the Colombo Stock Exchange (CSE), All Share Price Index (ASPI) and the S&P SL 20 index declined sharply by 3.11% and 4.48% respectively, during November 2017. Foreign Selling for the month of November stood at LKR 1.76 bn. However, year-to-date net foreign buying was LKR 17.77 bn. We expect the market momentum to further slowdown owing to business confidence been lower and tax implications of budget 2018 affecting corporate net earnings.

Ranuka de Silva
Research Analyst

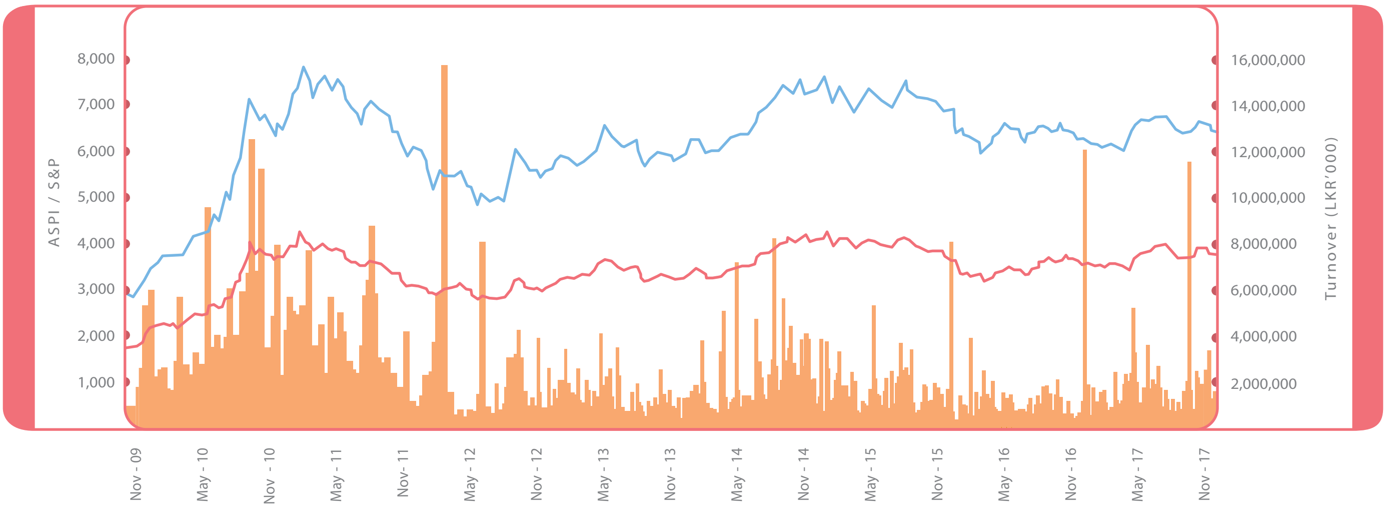
EQUITY OUTLOOK

	Past month Performance (1st Nov – 30th Nov 2017)	Past 12 months Performance (Nov 2016 – Nov 2017)	Year to Date Performance (1st Jan – 30th Nov 2017)
All Share Price Index	-3.11%	2.74%	2.95%
S&P SL 20	-4.48%	7.44%	6.54%
MSCI Frontier Markets Index	1.17%	31.82%	28.30%
MSCI World Index	2.17%	23.66%	20.77%
MSCI Emerging Markets	0.20%	32.82%	32.53%
MSCI Asia Ex Japan	0.63%	35.17%	37.99%

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

- The two main indices of the Colombo Stock Exchange (CSE), All Share Price Index (ASPI) and the S&P SL 20 index declined sharply by 3.11% and 4.48% respectively, during November 2017.
- Earnings released for the September quarter, which were below expectations for most sectors, may have triggered selling pressure on the market.
- Moreover, the budget proposals for 2018 and tax revisions through the proposed Inland Revenue Act may have detrimental effects on companies and shareholders.
- Equities in emerging markets measured by MSCI emerging market index, gained 3.51% and 0.20% in October and November, respectively, after a mild setback at the end of the third quarter. During the 11 months of 2017, MSCI Emerging Market Index has yielded an impressive 32.53%.
- MSCI frontier market index too concluded the month in gains, extending the year to date gains to 28.30% from January to November 2017.
- Frontier Markets are considered riskier than Emerging Markets because they carry additional political, economic and currency risks.
- Impressive performance by emerging markets is mainly due to the main emerging market countries such as Russia and Brazil moving out of a recession, while China and India continue to be the engines of growth in Asia.

Colombo Stock Exchange Performance



Source: www.cse.lk

		Nov 2017	Nov 2016
CSE	Market PER	10.71 X	12.95 X
	Market PBV	1.33 X	1.43 X
	Market DY	3.08%	3.12%
MSCI Frontier Markets	Market PER	14.77 X	11.85 X
	Market PBV	1.82 X	1.49 X
	Market DY	3.09%	4.47%

Source: www.cse.lk

Foreign investors were net sellers of LKR 1.76 billion in November 2017, mainly owing to selling witnessed on Commercial Bank and the transfer on United Motors.

Colombo Stock Exchange	Jan - Nov 2017	Jan - Nov 2016
Foreign Inflows	LKR 106.67 Billion	LKR 57.34 Billion
Foreign Outflows	LKR 88.90 Billion	LKR 58.97 Billion
Net Foreign Inflows/(Outflows)	LKR 17.77 Billion	(LKR 1.64 Billion)

Source: www.cse.lk

“A GREAT COMPANY IS NOT A GREAT INVESTMENT IF YOU PAY TOO MUCH FOR THE STOCK”

— Ben Graham —

FIXED INCOME OUTLOOK

INTEREST RATES IN SRI LANKA

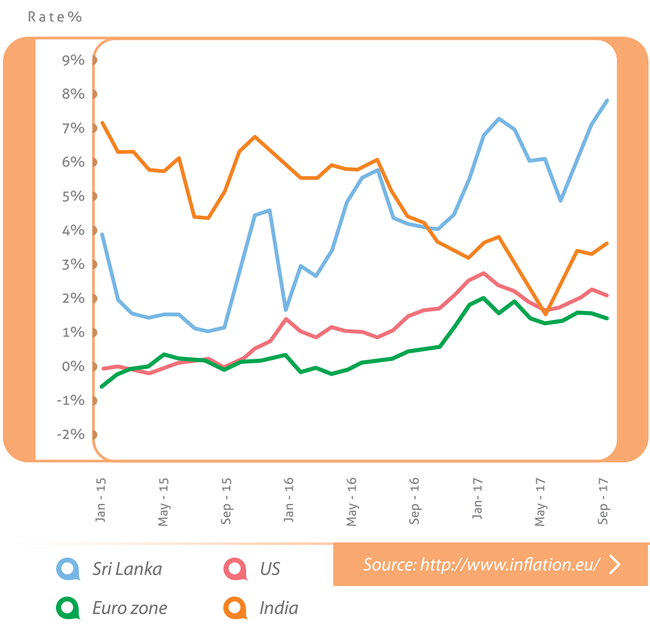
The Central Bank of Sri Lanka (CBSL) maintained the key policy rates stable in November holding the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) at 8.75% and 7.25% respectively.

	Nov 16	Dec 16	Oct 17	Nov 17
364 Day T-bill	10.25%	10.17%	9.51%	9.44%
5-Year Bond	12.42%	12.21%	10.13%	10.12%
1-Year Finance Company Fixed Deposit (A+)*	11.70%	11.70%	11.70%	11.70%

** Net Rate assuming consistent WHT of 2.5% for comparison purposes*

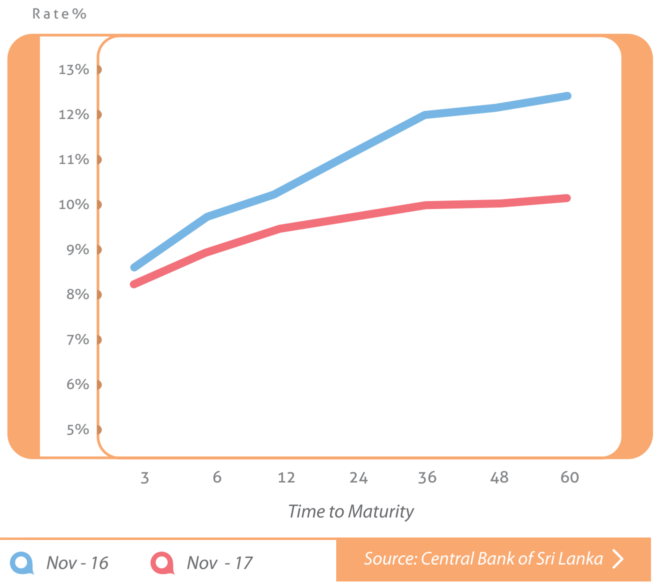
Source: Central Bank of Sri Lanka

GLOBAL INFLATION RATES



Source: http://www.inflation.eu/

YIELD CURVE - LKR TREASURIES



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

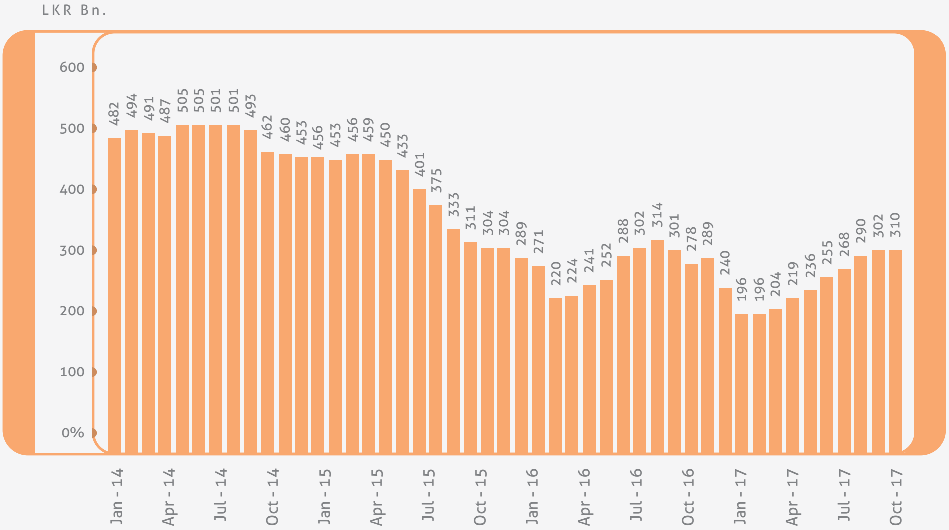
Treasury Bill rates fell across the board with the 364-day T-Bill rate decreasing to 9.44% and the 182-day and 91-day Treasury Bills closing the month at 8.88% and 8.20% respectively.

Broad money (M2b) growth slowed to 20.3% year-on-year in September 2017, from 21.3% in the previous month whilst credit extended to the private sector continued its slowdown from the highs observed at the beginning of the year growing by 17.5% year-on-year in September following the appetite for credit tapering after the policy rate hike in March. Given the current environment and the slowdown in consumption we believe the pace of credit growth will settle around 15% levels by year-end.

Outstanding LKR Govt. Securities LKR 4,819 Billion / USD 31.58 Billion	
T Bills (Total)	T Bonds (Total)
LKR 734 Billion	LKR 4,085 Billion
Domestic (Bills & Bonds)	Foreign (Bills & bonds)
LKR 4,509 Billion	LKR 310 Billion
Total Foreign Holding of Bills and Bonds - 6.43%	

Source: Central Bank of Sri Lanka

FOREIGN HOLDING OF LKR G-SEC



Foreign holding of government securities continued to improve albeit slowly, increasing by LKR 8.12 billion (net) in November to 6.43%, on account of foreign buying interest on local government securities. On a year-to-date basis foreigners continued to be net buyers on Rupee denominated bills and bonds amounting to LKR 20.76 billion.

1 Year FD Rates – Sri Lankan Banks		
	Nov 2017	Oct 2017
NSB	11.00%	11.00%
COMB	10.50%	10.50%
SAMP	10.50%	10.25%
HNB	10.00%	10.50%
NDB	11.00%	11.00%

Rates on Credit Cards	Nov 17
HSBC	28.00%
SCB	28.00%
Sampath	28.00%
NDB	28.00%
AMEX	28.00%

Source: Respective Commercial Banks

Sampath Bank increased their fixed deposit rates whilst HNB decreased its rate during the month of November.

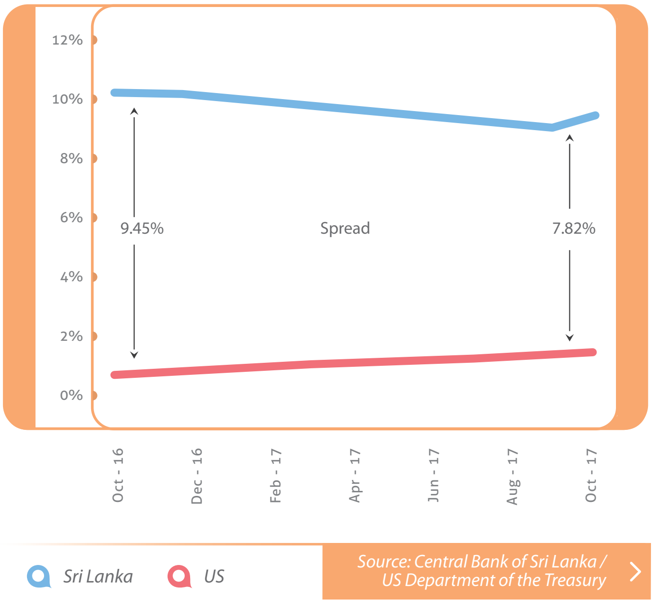
NDIB CRISIL Fixed Income Indices Total return as at 30/11/2017	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	2.37%	9.47%	7.78%
NDBIB-CRISIL 364 Day T-Bill Index	2.45%	10.65%	7.29%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	2.98%	16.25%	8.41%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	3.49%	19.56%	7.49%

Source: www.crisil.com

Central Bank Policy Rates	2014	2015	2016	Latest
Sri Lanka	6.50%	6.00%	7.00%	7.25%
US	0.0% - 0.25%	0.25% - 0.50%	0.50% - 0.75%	1.00% - 1.25%
Euro Zone	0.05%	0.05%	0.00%	0.00%
Australia	2.50%	2.00%	1.50%	1.50%
India	8.00%	6.75%	6.25%	6.00%

Source: www.cbrates.com

1 YEAR TREASURY RATE - USD Vs. LKR



Source: Central Bank of Sri Lanka / US Department of the Treasury

The Federal Reserve is widely expected to raise rates at its December policy meeting, amidst solid US economic growth. Fed officials are confident in the recovery, and are expected to stick to forecasts for another three or even four rate increases in 2018.

364 Day Treasury Bill Rate	Nov 16	Dec 16	Oct 17	Nov 17
Sri Lanka	10.25%	10.17%	9.51%	9.44%
India	6.46%	6.34%	6.22%	6.22%
US	0.80%	0.85%	1.43%	1.62%
Euro Zone	-0.80%	-0.82%	-0.79%	-0.76%

Source: Respective Central Banks

	Rates on Savings Accounts - Nov 2017
Sri Lanka	4.00%
US	0.01%
Euro Zone	0.01%
Australia	1.65%
India	3.50%

Source: Respective Commercial Banks

The Bank of England raised interest rates for the first time in more than 10 years increasing their benchmark Bank Rate to 0.50% from 0.25% but said it expected only very gradual further increases as Britain prepares to leave the European Union. The rate hike came amidst UK.'s economy overheating with inflation soaring to a five-year high of 3% in September.

“ THINK BIG – START SMALL.
IT’S TIME TO INVEST IN MY WEALTH FUNDS ”

— NDB Wealth —

INFLATION RATES

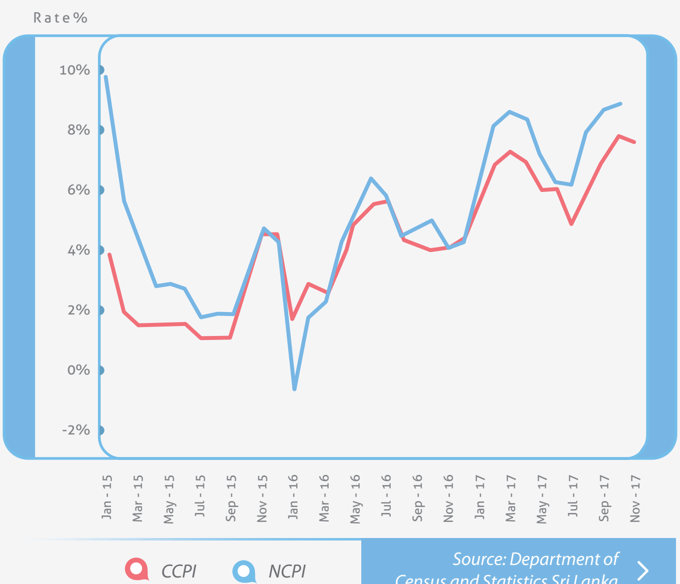
Country	Nov 16	Dec 16	Oct 17	Nov 17
Sri Lanka	4.03%	4.46%	7.76%	7.57%
US	1.69%	2.07%	2.04%	2.04%*
Euro Zone	0.57%	1.14%	1.38%	1.38%*
India	3.63%	3.41%	3.58%	4.88%

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

*October 2017

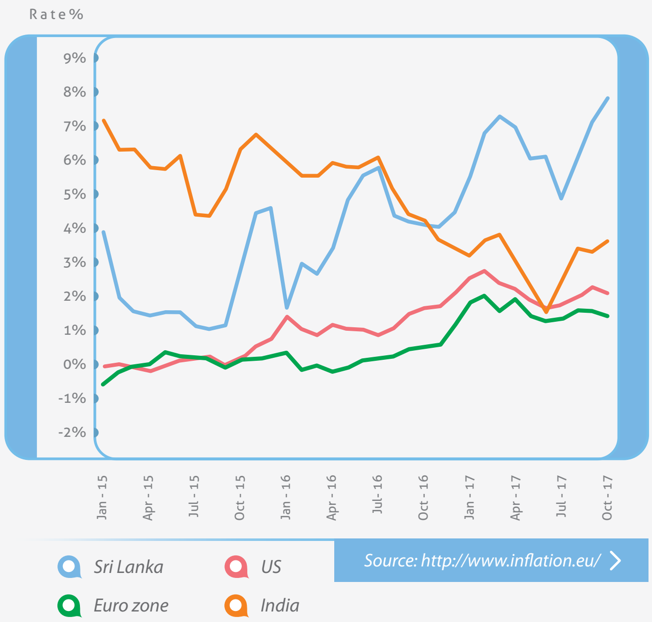
- Inflation as measured by the CCPI (2013=100), slowed to 7.6% in November 2017 on a year-on-year basis from the previous month's 7.8% mainly on account of slowdown in non-food inflation. During the month prices increased by 1.2%, of which prices in the food category increased by 1.7% and non-food by 0.9%. Within the food category prices of mainly coconut, vegetables and rice increased. On an annual average basis however inflation edged up, rising to 6.4% in November.
- Core inflation which excludes the more volatile aspects of price movements (food, energy and transport), slowed to 5.2% year-on-year in November from the previous month's 5.8%. On an annual average basis core inflation however remained stable at 6%.
- We are of the view that inflation will remain at current levels by year-end however not ruling out the possibility of festive demand exerting pressure on overall price levels.
- On the global front, US inflation and Euro zone inflation decreased to 2.04% and 1.38% year-on-year respectively in October 2017.

INFLATION - POINT TO POINT CHANGE - CCPI VS. NCPI



Source: Department of Census and Statistics Sri Lanka

GLOBAL INFLATION RATES



Source: http://www.inflation.eu/

FOREX OUTLOOK

Exchange Rates Vs. LKR	Nov 17	Nov 16	1 Year App / (Dep) LKR
USD	153.77	147.95	-3.78%
GBP	207.15	184.63	-10.87%
EURO	182.50	157.55	-13.67%
YEN	1.37	1.32	-4.03%
AUD	116.65	110.75	-5.06%
CAD	119.56	110.18	-7.85%
INR	2.39	2.16	-9.76%
BHD	407.57	392.42	-3.72%
CNY	23.27	21.44	-7.86%

Source: Central Bank of Sri Lanka

- The Sri Lankan Rupee depreciated 0.11% against the US Dollar (USD) in November to close the month at LKR 153.76 per 1 USD (year-to-date depreciation stood at 2.58%) and lost 2.15% against the British Pound.
- The US dollar rose against a basket of currencies as investors expected the US Federal Reserve remains in the best position to raise interest rates in December amidst solid US economic growth.
- The British Pound fell against both the euro and the US dollar as UK's inflation hit 3.1% in November its highest level since 2012.
- Most Asian currencies weakened against the US dollar as caution prevailed in expectation of a possible US Federal Reserve rate hike in December.

USD PER 1 EURO MOVEMENT

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

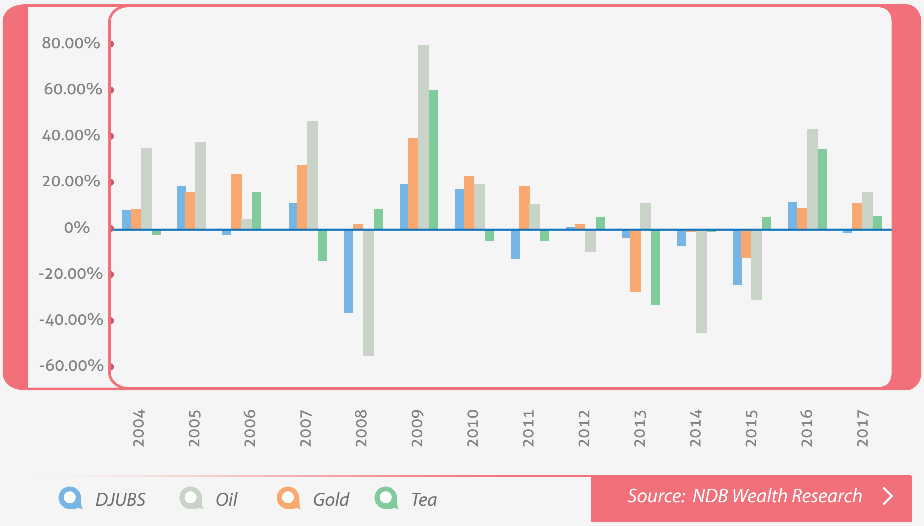
COMMODITY OUTLOOK

	1 month (1st Nov – 30th Nov 2017)	Past 12 months (Nov 2016 – Nov 2017)	YTD (1st Jan - 30th Nov 2017)
Bloomberg Commodity Index	-0.56%	-0.35%	-2.07%
Tea	-3.16%	3.70%	5.15%
Gold	0.19%	3.52%	10.76%
Oil (Brent)	8.59%	34.73%	15.72%

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

- The Bloomberg Commodity Index declined by 0.56% in November 2017, led by weakness in global energy prices.
- Oil prices dipped as refined product inventories in the United States rose due to lackluster demand. Lower prices came after a report by the American Petroleum Institute (AI) indicated that gasoline stocks have increased by 9.2 million barrels during November.
- However, analysts said the supply cut led by the Organization of the Petroleum Exporting Countries (OPEC) and Russia, which is expected to last throughout 2018, has helped Brent prices rise by over 15% in 2017, and by more than 130% since January 2016, when they hit their lowest level since 2003.
- One factor that could undermine OPEC's and Russia's effort to cut supplies and prop up prices is US oil production, which has risen by 15 per cent since mid-2016 to 9.68 million barrels per day, close to top producers Russia and Saudi Arabia.
- Benchmark spot gold prices recorded gain of 0.19% in November, following the sharp decline of 2.63% witnessed in October 2017.The losses come amid continued strength in the U.S. Dollar where investors weigh the currency over non interest yielding commodity.

Commodity Price Movemets



Source: NDB Wealth Research

PROPERTY OUTLOOK

- In the view of Oxford Business Group Sri Lankan high end residential real-estate sector is heading in to a period of consolidation and flat returns on the back of increase in supply.
- The report estimates up to 5,000 luxury homes to enter the real-estate market between now and 2020. Further supply is expected to peak during 2019 with 2,800 units scheduled for completion.
- This influx of units available in the market will force developers to lower prices in the short to medium term to maintain revenue flows and sales activity.
- With the policy maker decision to introduce capital gain tax on real-estate (by 1st April 2018) and sector-specific limit on the loan-to-value ratio inclusive of the construction and real-estate sector will add to the negative impact, on to the industry.
- Under the newly ratified inland revenue act which was approved on 7th September 2017 by the parliament, calls for a 10% levy to be applied to capital gains generated from the sale of housing or other property over a 10 year period, and further, that all capital gain taxes are to be settled with in one month of the asset sale.
- However capital gains tax is unlikely to affect buyers who are looking for a home or a long term investment.
- Moody's lowered its outlook for Sri Lanka's banks from stable to negative, citing poor asset quality and weaker profitability in the real estate sector. The agency further expects the ratio of non-performing loans to rise following a period of significant loan growth.
- Moody’s further goes to elaborate, stating that the loan growth main contributor was housing and construction which accounts for a quarter of the 24% loan growth recorded in 2016.
- Policy makers have informed the IMF that they are to implement macro prudential measures to strengthen the industry lending book credit quality.
- These measures are expected to have a considerable impact on the demand locally; however, it might be offset by a demand pick up from the foreign investors.
- Lower prices will benefit local buyers by been able to reduce borrowings and, buyers will be encouraged to seek property beyond the central areas of Colombo to the peripherals due to affordability.

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: Deutsche Bank)

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 November 2017									
*Profit Sharing Ratio**	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	3.43%	-	6.85%	7.42%	8.57%	9.14%	9.71%	-	10.28%
Bank of Ceylon Islamic Business Unit - As of November 2017									
*Profit Sharing Ratio**	45:55	-	-	-	-	-	-	-	-
Distributed Profit	4.03%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-Al Adalah Islamic Banking unit - As of November 2017									
*Profit Sharing Ratio**	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	5.70%	-	7.10%	8.40%	9.80%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of September 2017 (Released Quarterly)									
*Profit Sharing Ratio**	30:70	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	4.10%	-	8.50%	9.50%	10.50%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of November 2017									
Profit Sharing Ratio* 3Mn - 50Mn	40:60	60:40	65:35	40:60	65:35	65:35	-	-	-
Distributed Profit	5.00%	6.00%	7.50%	9.00%	11.00%	11.00%	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of November 2017									
*Profit Sharing Ratio**	34:66	58:42	62:38	66:34	68:32	72:28	72:28	-	-
Distributed Profit	6.61%	10.50%	11.60%	12.05%	12.63%	14.00%	14.00%	-	-
Commercial Leasing & Finance PLC- Islamic Finance - As of November 2017									
*Profit Sharing Ratio**	35:65	55:45	58:42	60:40	61:39	65:35	66:34	71:29	72:28
Distributed Profit	5.00%	11.49%	12.12%	12.53%	12.74%	13.58%	13.79%	14.83%	15.04%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of October 2017									
*Profit Sharing Ratio**	19:81	26:74	27:73	29:71	30:70	-	-	-	-
Distributed Profit	6.62%	9.09%	9.44%	10.14%	10.49%	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of August 2017									
*Profit Sharing Ratio**	30:70	60:40	62:38	66:34	66:34	67:33	69:31	70:30	74:26
Distributed Profit	5.58%	9.75%	11.08%	10.73%	10.73%	10.89%	11.21%	11.38%	12.03%
Peoples Leasing Islamic Business Unit - As of November 2017									
*Profit Sharing Ratio**	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	6.64%	-	8.86%	9.60%	11.07%	-	-	-	-

Source: Respective Company Data

* 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 AUGUST 2017

Finance and Insurance	Shalimar (Malay) PLC	Telecommunications
Amana Takaful PLC	Diversified Holdings	Sri Lanka Telecom PLC
Amana Takaful Life PLC	The Colombo Fort Land & Building PLC	Manufacturing
Amana Bank PLC	Browns Capital PLC	ACL Cables PLC
Beverages and Food	Expo Lanka Holdings PLC	Agstar Fertilizers PLC
Bairaha Farms PLC	Hayleys PLC	Ceylon Grain Elevators PLC
Ceylon Cold Stores PLC	Hemas Holdings PLC	Chevron Lubricants Lanka PLC
Dilmah Ceylon Tea Company PLC	Richard Pieris and Company PLC	Dankotuwa Porcelain PLC
Harischandra Mills PLC	Sunshine Holdings PLC	Dipped Products PLC
Nestle Lanka PLC	Healthcare	Kelani Tyres PLC
Renuka Agri Foods PLC	Asiri Surgical Hospitals PLC	Kelani Cables PLC
Renuka Foods PLC	Ceylon Hospitals PLC (Durdans)	Lanka Ceramic PLC
Three Acre Farms PLC	The Lanka Hospital Corpoartion PLC	Lanka Tiles PLC
Motors	Land and Property	Lanka Walltiles PLC
Autodrome PLC	CT Land Development PLC	Lanka Cement PLC
C M Holdings PLC	Chemicals and Pharmaceuticals	Piramal Glass Ceylon PLC
Diesel & Motor Engineering PLC	Chemanex PLC	Printcare PLC
Lanka Ashok Leyland PLC	Haycarb PLC	Royal Ceramic Lanka PLC
Sathosa Motors PLC	J.L. Morison Son & Jones (Ceylon) PLC	Sierra Cables PLC
United Motors Lanka PLC	Trading	Bogala Graphite Lanka PLC
Construction & Engineering	Brown & Company PLC	Teejay Lanka PLC
Access Engineering PLC	C. W. Mackie PLC	Tokyo Cement (Company) PLC
Colombo Dockyard PLC	Eastern Merchants PLC	Services
Footwear and Textiles	Stores & Supplies	Hunter & Company PLC
Ceylon Leather Products PLC	Colombo City Holdings PLC	Lake House Printing & Publishers PLC
Odel PLC	Hunters & Company PLC	Kalamazoo Systems PLC
Hayleys Fabric PLC	Plantations	Power & Energy
Oil Palms	Bogawantalawa Tea Estates PLC	Lanka IOC PLC
Good Hope PLC	Kahawatte Plantation PLC	Panasian Power PLC
Indo Malay Plc	Namunukula Plantation PLC	Vallibel Power Erathna PLC
Selinsing PLC	Watawala Plantations PLC	

Source: www.amanaasset.com

Note 1: The White List has taken to consideration company financials as at March 31, 2017 and June 30, 2017

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
- LKR Short Term Treasury Fund
- NDB Wealth Gilt Edged Fund

NDB | WEALTH

Fund Overview

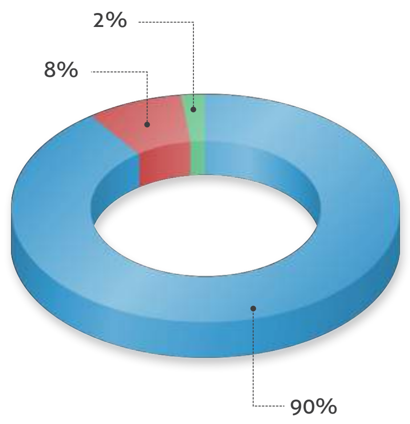
Type : Open Ended
Currency: LKR
Investments: Listed Equities

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.

Fund Snapshot 30-Nov-2017

YTD Yield	7.73%
NAV per unit	11.0408
AUM (LKR Mn.)	291.25
Fund Currency	LKR
Fund Inception	1-Dec-97
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	45.82%
Fund Leverage	0.00%

Protfolio Allocation by Credit Rating



Banks Finance and Insurance

Footwear and Textiles

Motors

Top 5 Portfolio Holdings (In Alphabetical Order)

- CENTRAL FINANCE COMPANY PLC
- COMMERCIAL BANK OF CEYLON PLC
- HAYLEYS MGT KNITTING MILLS PLC
- PEOPLES INSURANCE LTD
- SEYLAN BANK PLC

Historical Returns

Period	Fund Returns *●	ASPI Returns
Last Month	-1.07%	-3.20%
Last 3 Months	1.75%	0.24%
Last 6 Months	2.86%	-4.02%
Last 12 Months	8.29%	2.64%
Year 2016	-0.92%	-9.66%
Year 2015	2.69%	-5.54%

* Returns in LKR terms
● After fees, excluding front end and back end loads

Fixed Income Allocaiton

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	54.18%

Maturity	% Holding
Under 1 Month	33.40%
1 Month - 3 Months	48.50%
3 Months - 6 Months	18.10%

Other Features

Valuation	Daily valuation Instruments less than one year - cost plus accrued basis. Instruments greater tha.n 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.
NDB Capital Building, Level G, No: 135,
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NDB | WEALTH

GROWTH AND INCOME FUND
(LKNWGIU00004)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Listed Equities and Corporate Debt

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.

Fund Snapshot 30-Nov-2017

YTD Yield	9.22%
NAV per unit	35.5088
AUM (LKR Mn.)	190.65
Fund Currency	LKR
Fund Inception	1-Dec-97
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	9.85%
Fund Leverage	0.00%

Historical Returns

Period	Fund Returns*●	ASPI Returns
Last Month	0.23%	-3.11%
Last 3 Months	1.01%	0.33%
Last 6 Months	4.07%	-3.93%
Last 12 Months	10.19%	2.74%
Year 2016	4.13%	-9.66%
Year 2015	2.16%	-5.54%

★ Returns in LKR terms.
● After fees, excluding front end and back end loads.
☆ Past performance is not a guide to future performance.

Top 3 Portfolio Holdings (In Alphabetical Order)

- SAMPATH BANK PLC
- SAMPATH BANK RIGHT ISSUE
- SINGER FINANCE (LANKA) PLC

Fixed Income Allocaiton

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	90.15%

Maruriy	% Holding
Under 1 Month	25.20%
1 Month - 3 Months	12.70%
3 Months - 6 Months	24.10%
6 Months - 1 Year	19.10%
1 Year - 5 Years	18.90%

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 to listed equity 15% of NAV; maximum exposure restrictions on fixed income investments depend on the features of each security, (Ex: Rated, Guaranteed, etc.).
Fee Details	Management Fee : 1.5% p.a. of NAV. Trustee fee : 0.25% p.a. of NAV. Custodian fee : 0.10% p.a.of NAV. Front-end fee : 1.5%.

Fund Manager
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Fund Overview

Type : Open Ended
Currency: LKR

Investments: Corporate Debt Instruments

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.

Fund Snapshot

Fund Snapshot	30-Nov-2017
YTD Yield	13.07%
YTD Yield (Annualized)	14.28%
NAV per unit	11.2048
AUM (LKR Mn.)	337.96
Fund Currency	LKR
Fund Inception	1-Dec-97

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Year to Date	13.07%	14.28%	19.84%
Last Month	0.93%	11.36%	15.78%
Last 3 Months	3.07%	12.33%	17.13%
Last 6 Months	7.04%	14.04%	19.50%
Last 12 Months	14.24%	14.24%	19.77%
Year 2016	8.00%	8.00%	11.12%
Year 2015	6.65%	6.65%	9.24%

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%

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
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NDB | WEALTH

INCOME PLUS FUND
(LKNWIPU00005)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Fixed Income Securities

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.

Fund Snapshot 30-Nov-2017

YTD Yield	10.34%
YTD Yield (Annualized)	11.30%
NAV per unit	11.9006
AUM (LKR Mn.)	235.65
Fund Currency	LKR
Fund Inception	7-Apr-16

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)★●	
Year to date	10.34%	11.30%	15.70%	14.13% Net of WHT
Last Month	0.94%	11.49%	15.95%	14.36% Net of WHT
Last 3 months	2.86%	11.46%	15.91%	14.32% Net of WHT
Last 6 months	5.80%	11.57%	16.07%	14.47% Net of WHT
Last 12 months	11.29%	11.29%	15.68%	14.11% Net of WHT

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%.
● The tax equivalent return net of Withholding Taxes (WHT) indicate the equivalent annualized government securities rate.

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.
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NDB | WEALTH

MONEY FUND
(LKNWMNU00002)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Short Term Government Securities

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.

Fund Snapshot 30-Nov-2017

YTD Yield	8.74%
YTD Yield (Annualized)	9.55%
NAV per unit	15.7286
AUM (LKR Mn.)	1,633.68
Fund Currency	LKR
Fund Inception	1-Jun-12

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Year to Date	8.74%	9.55%	13.27%	11.94% Net of WHT
Last month	0.68%	8.28%	11.50%	10.35% Net of WHT
Last 3 months	2.16%	8.66%	12.03%	10.83% Net of WHT
Last 6 months	4.61%	9.19%	12.76%	11.48% Net of WHT
Last 12 months	9.63%	9.63%	13.38%	12.04% Net of WHT
Year 2016	8.94%	8.94%	12.42%	11.17% Net of WHT
Year 2015	6.62%	6.62%	9.19%	8.27% Net of WHT

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%.

● The tax equivalent return net of Withholding Taxes (WHT) indicate the equivalent annualized government securities rate.

☆ Past performance is not a guide to future performance.

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 : 0.10-0.20% p.a. of NAV, depending on fund size.

Fund Manager
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NDB | WEALTH

MONEY PLUS FUND
(LKNWMPU00007)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Money Market Corporate Debt Securities

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.

Fund Snapshot 30-Nov-2017

YTD Yield	10.39%
YTD Yield (Annualized)	11.36%
NAV per unit	17.0392
AUM (LKR Mn.)	17,544.52
Fund Currency	LKR
Fund Inception	1-Jun-12

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Year to Date	10.39%	11.36%	15.77%
Last Month	0.88%	10.67%	14.82%
Last 3 Months	2.73%	10.94%	15.19%
Last 6 Months	5.59%	11.15%	15.48%
Last 12 Months	11.41%	11.41%	15.85%
Year 2016	8.81%	8.81%	12.23%
Year 2015	6.85%	6.85%	9.52%

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%
☆ Past performance is not a guide to future performance.

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 - 0.16% p.a. of NAV, depending on fund size.

Fund Manager
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NDB | WEALTH

ISLAMIC MONEY PLUS FUND
(LKNWISU00009)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Short Term Shariah Compliant Investments

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 compalaint securities.

Fund Snapshot 30-Nov-2017

YTD Yield	8.85%
YTD Yield (Annualized)	9.67%
NAV per unit	12.07
AUM (LKR Mn.)	1,006.63
Fund Currency	LKR
Fund Inception	1-Jun-15

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	Tax Equivalent Return (Annualized)*
Year to Date	8.85%	9.67%	13.43%
Last month	0.72%	8.73%	12.13%
Last 3 months	2.39%	9.59%	13.33%
Last 6 months	4.94%	9.84%	13.67%
Last 12 months	9.56%	9.56%	13.27%

* Tax equivalent return is calculated assuming a corporate tax rate of 28%.
* Past performance is not a guide to future performance.

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 : 0.10% - 0.20% p.a. of NAV, based on the fund size.

Fund Manager
NDB Wealth Management Ltd.
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NDB | WEALTH

LKR TREASURY FUND
(LKSTLKU00005)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Short Term Government Securities

Short-term LKR Treasury Fund is an open-ended money market fund which will invest exclusively in Government and Government backed securities.
The Fund aims to provide reasonable returns and liquidity commensurate with low risk through a portfolio of Government securities with maturities up to 366 days which include Treasury bills, Government securities backed Repurchase Agreements, Treasury bonds with matutiry less than 366 days.

Fund Snapshot 30-Nov-2017

YTD Yield	9.47%
YTD Yield (Annualized)	10.35%
NAV per unit	12.5685
AUM (LKR Mn.)	326.95
Fund Currency	LKR
Fund Inception	19-Dec-14

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Year to Date	9.47%	10.35%	14.37%	12.94% Net of WHT
Last month	0.64%	7.76%	10.78%	9.70% Net of WHT
Last 3 months	1.92%	7.71%	10.71%	9.64% Net of WHT
Last 6 months	4.73%	9.43%	13.09%	11.78% Net of WHT
Last 12 months	10.36%	10.36%	14.38%	12.94% Net of WHT

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%.
● The tax equivalent return net of Withholding Taxes (WHT) indicate the equivalent annualized government securities rate.
☆ Past performance is not a guide to future performance.

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 : 0.10% p.a. of NAV.

Fund Manager
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NDB | WEALTH

GILT EDGED FUND
(LKNWGEU00003)

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Government of Sri Lanka Securities

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.

Fund Snapshot

Fund Snapshot	30-Nov-2017
YTD Yield	9.62%
YTD Yield (Annualized)	10.51%
NAV per unit (LKR)	12.6632
AUM (LKR Mn.)	553.76
Fund Currency	LKR
Fund Inception	1-Dec-97

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*•	
Year to Date	9.62%	10.51%	14.60%	13.14% Net of WHT
Last Month	0.58%	7.00%	9.72%	8.75% Net of WHT
Last 3 Months	3.42%	13.73%	19.07%	17.17% Net of WHT
Last 6 Months	6.07%	12.11%	16.82%	15.13% Net of WHT
Last 12 Months	10.30%	10.30%	14.31%	12.88% Net of WHT
Year 2016	20.19%	20.19%	28.05%	25.24% Net of WHT
Year 2015	6.04%	6.04%	8.39%	7.55% Net of WHT

★ Tax equivalent return is calculated assuming a corporate tax rate of 28%.
● The tax equivalent return net of Withholding Taxes (WHT) indicate the equivalent government securities rate.

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
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DISCLAIMER

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