

MARKET UPDATE AND FUND REVIEW



2015 JUNE



MARKET BRIEF BY NDB WEALTH

INFLATION RATE CONTINUES TO BE LOW

Inflation rate declined to 0.1% in June, on a year on year basis, compared to 0.2% in May 2015. Annual average dropped to 1.7% in June from 1.9% in the previous month. However, on a month on month basis, inflation rate in June increased by 1% mainly owing to the increase in prices of some varieties of vegetables, fresh fish, dhal and sprats. Inflation is expected to remain at current levels during the third quarter of 2015.

SRI LANKAN RUPEE CONTINUES TO BE UNDER PRESSURE

The Rupee depreciated marginally (0.60%) against the US Dollar during the 2nd quarter of 2015, while it depreciated significantly against the other hard currencies; Sterling Pound (6.62%), Euro (3.86%) and the Japanese Yen (1.33%). The Central Bank continued to be a net seller of US Dollars in the market in an attempt to stabilize the value of the Sri Lanka Rupee against the US Dollar.

HIGH LIQUIDITY LEVELS NULLIFIES THE IMPACT OF FOREIGN SELLING

The benchmark 364 day Treasury bill rate was at 6.28% in June 2015. Credit to the private sector grew by 15.2% in April 2015 on a year on year basis. This is an increase of LKR 14.5 billion, lowest since July 2014. Foreign investors were seen to exit the market with foreign holding of LKR denominated government securities dropping below 10% during June 2015. However, the sovereign and development bond issuances and the high liquidity level in the money market have helped the Central Bank to maintain interest rates at current levels.

DAMPENED INVESTOR SENTIMENT IN THE COLOMBO STOCK EXCHANGE

Sri Lanka's equity market continued to be weak as the All Share Price Index (ASPI) and S&P SL 20 (S&P) index lost 2.76% and 2.32% respectively during the month. Uncertainties in the political front and non existence of a clear economic policy continued to dampen the investor sentiment. Moreover, volatility in international markets has resulted in foreigners exiting the equity market over the second quarter of 2015 and a similar trend could be expected in the third quarter as well. As a result, the equity market may remain volatile at least until general election is concluded in August 2015.

MAXIMIZE RETURNS VIA MYEAGLEFUNDS

The current economic outlook may not be suitable for long term investments. Therefore, we recommend investors to maintain high exposure to liquid funds via the money market funds offered by NDB Wealth Management Limited. However, further weakness in the equity market may present long term investors with a buying opportunity in the equity market through the Eagle Growth Fund.

Indika de Silva

Fund Manager

EQUITY OUTLOOK

	Past month Performance (1st Jun – 30th Jun 2015)	Past 12 months Performance (Jun 2014 – Jun 2015)	Year to Date Performance (1st Jan – 30th Jun 2015)
All Share Price Index	-2.76%	10.07%	-3.81%
S&P SL 20	-2.32%	10.57%	-4.43%
MSCI Frontier Markets Index	-0.06%	-13.58%	-2.83%
MSCI World Index	-2.28%	1.97%	2.95%
MSCI Emerging Markets	-2.60%	-5.12%	2.95%
MSCI Asia Ex Japan	-3.71%	3.84%	5.46%

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

Political instability and lack of policy direction continued to hamper the equity market in Sri Lanka, as the main two indices, All Share Price Index and S&P SL 20 Index recorded negative returns in 2015 thus far.

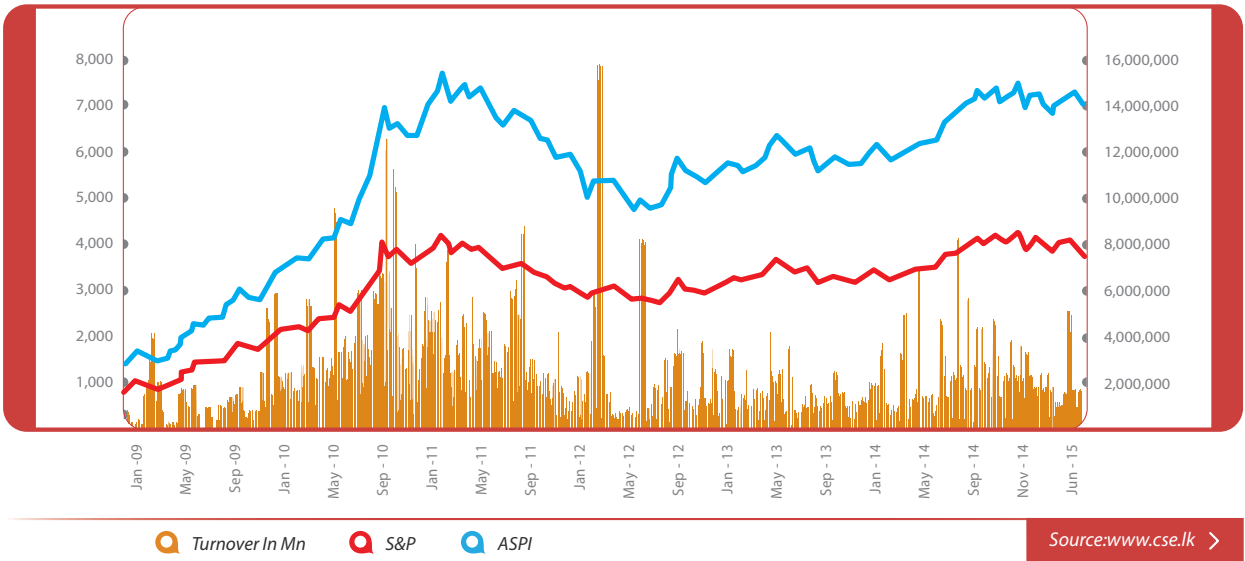
Emerging markets continued to record heavy falls amid the losses in Chinese stocks, which left MSCI emerging market index to slump sharply since April 2015.

MSCI Frontier Market index return, which includes an exposure to Sri Lanka, lagged returns of developed markets, mainly as a result of the high number of frontier market countries involved in the production and export of oil and other types of commodities, which have declined sharply during the past 12 months (MSCI Emerging and Frontier indices track performance in equity markets of countries which are illiquid, low in capitalization and risky compared to developed markets).

According to an article published in Interactive Investor by Rebbecca Jones, the largest markets in the MSCI frontier markets index belong to Kuwait (22.7%) and Nigeria (15.5%), where the oil and gas sectors account for 60% and 35% of gross domestic product, and 95% and 90% of total export revenues, respectively.

Emerging market countries such as Russia, India, Brazil, Malaysia, Indonesia, South Korea, Turkey, Thailand, Mexico and China have all experienced negative annual changes to their trade growth over time, while their latest import and export figures peg all but China in negative territory since the start of 2015 (The worst-performing country is Russia with over 35% negative change in its annual trade growth, fueled by sanctions as a result of the Ukraine Crisis).

CSE PERFORMANCE



		Jun 2015	Jun 2014
CSE	Market PER	17.84 X	17.19 X
	Market PBV	1.98 X	2.04 X
	Market DY	2.26%	3.01%
MSCI Frontier Markets	Market PER	11.19 X	12.09 X
	Market PBV	1.57 X	1.85 X
	Market DY	3.74%	3.75%

Source: www.cse.lk >



Both frontier and emerging markets have also been hurt by the US Federal Reserve's (Central Bank in the US) impending interest rate hike. This is generally interpreted as bad for emerging assets and currencies, as it is expected to send US investors flocking back to their home market.



The Colombo Stock Exchange witnessed a similar trend in June 2015, as foreigners were net sellers of over LKR 2.6 billion during the month.



It is imminent that during times of uncertainty and volatility, investors will move funds in to developed markets giving priority for safety over returns.

Colombo Stock Exchange	Jan – Jun 2015	Jan – Jun 2014
Foreign Inflows	LKR 37.18 Billion	LKR 43.85 Billion
Foreign Outflows	LKR 35.39 Billion	LKR 38.12 Billion
Net Foreign Inflows/(Outflows)	+ LKR 1.79 Billion	+ LKR 5.73 Billion

Source: www.cse.lk >

“INVESTING IS SIMPLE, BUT NOT EASY”

— WARREN BUFFET —



FIXED INCOME OUTLOOK

INTEREST RATES IN SRI LANKA

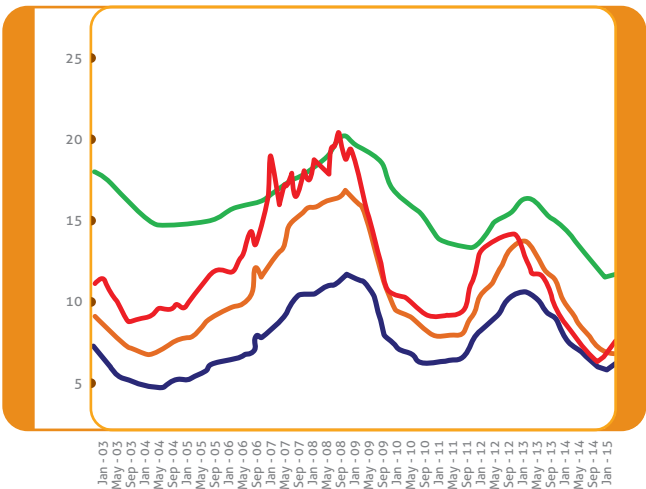
The Central Bank of Sri Lanka (CBSL) maintained its key policy rates at 7.50% (Standing Lending Facility Rate – or the rate CBSL lends to commercial banks) and at 6.00% (Standing Deposit Facility Rate – or the rate which commercial banks place their excess cash with CBSL).

	Jun 14	Dec 14	May 15	Jun 15
364 Day T-bill	6.99%	6.00%	6.29%	6.28%
5-Year Bond	8.71%	7.23%	8.07%	8.16%
Corporate Debt (A+)* (Net Rate)	8.29%	6.83%	7.07%	7.07%

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

Source: Central Bank of Sri Lanka >

AVERAGE LENDING & DEPOSIT RATES



AWDR (%)

AWFDR (%)

AWLR (%)

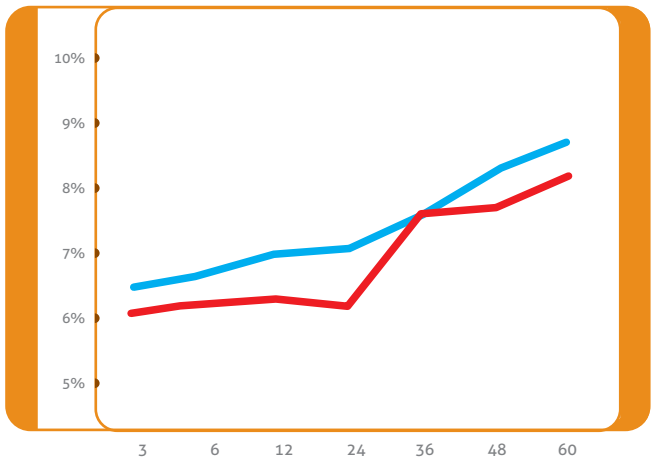
AWPR (%)

Jun-14

Jun-15

Source: Central Bank of Sri Lanka >

YIELD CURVE - LKR TREASURIES



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 remained more-or-less stable with the 364-day T- Bill rate closing at 6.28% in the latest auction and the 182-day and 91-day Treasury Bills closing at 6.26% and 6.14% respectively.

Broad money growth (M_2b) expanded by 13.9% year-on-year in April 2015, from 12.5% in the previous month while credit extended to the private sector grew at 15.2% on a year-on-year basis. On a month-on-month basis private sector credit disbursements grew at a mere 0.5% (LKR 14.5 billion in absolute terms) due to political uncertainty and strained investor confidence.

Total Govt. Debt LKR 4,287 Billion / USD 32.22 Billion	
T Bills (Total)	T Bonds (Total)
LKR 788 Billion	LKR 3,499 Billion
Domestic Holdings (Bills & Bonds)	Foreign Holdings (Bills & bonds)
LKR 3,862 Billion	LKR 425 Billion
Total Foreign Holding of Bills and Bonds – 9.93%	
Source: Central Bank of Sri Lanka >	

Total foreign holding of Government Bills and Bonds stand at 9.93% less than the limit of 12.50% allowed by the Central Bank.

1 Year FD Rates – Sri Lankan Banks – Jun 2015		Rates on Credit Cards	Jun 15
NSB	6.50%	HSBC	24.00%
COMB	6.50%	SCB	24.00%
SAMP	6.50%	Sampath	24.00%
HNB	6.50%	NDB	18.00%
NDB	6.25%	AMEX	24.00%
		Source: Respective Commercial Banks >	

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

The ceiling rate on credit cards is at a maximum of 8% over and above normal lending rates.

NDIB CRISIL Fixed Income Indices Total return as at 30/06/2015	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index'	1.67%	6.25%	8.48%
NDBIB-CRISIL 364 Day T-Bill Index'	1.96%	6.78%	11.08%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	3.83%	8.64%	16.02%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	4.59%	9.69%	19.13%
Source: www.crisil.com >			



China’s central bank cut its benchmark lending rate 0.25% for the fourth time since November last year to a record low of 4.85% and lowered the reserve-requirement ratios for some lenders with a view of lowering borrowing costs and stabilizing growth, after stocks plunged and local government bond sales drained liquidity in the system.

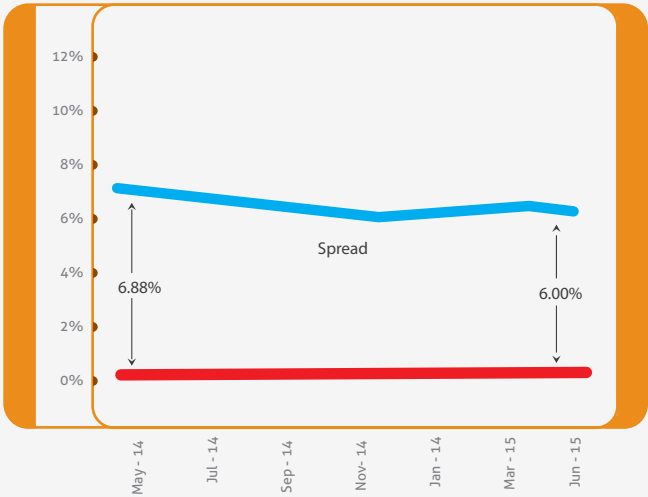


The Greek economy is now deep in crisis with years of overspending and mismanagement leaving the government short of money, banks been closed for over a week and cash withdrawals capped for individuals and businesses whilst the Greek government has formally requested a third international bailout to help pay its debts, and prevent economic collapse and ejection from the euro.



As a result premiums expected on frontier and emerging markets have increased.

1 YEAR TREASURY RATE - USD Vs. LKR



Sri Lanka



US

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



364 Day Treasury Bill Rate	Jun 14	Dec 14	May 15	Jun 15
Sri Lanka	6.99%	6.00%	6.29%	6.28%
India	8.70%	8.22%	7.83%	7.72%
US	0.11%	0.25%	0.26%	0.28%
Euro Zone	-0.01%	-0.09%	-0.25%	-0.26%

Source: Respective Central Banks >

	Rates on Savings Accounts - Jun 2015
Sri Lanka	5.00%
US	0.01%
Euro Zone	0.25%
Australia	2.90%
India	4.00%

Source: Respective Commercial Banks >

Central Bank Policy Rates	2012	2013	2014	Latest
Sri Lanka	7.50%	6.50%	6.50%	6.00%
US	0.0% - 0.25%	0.0% - 0.25%	0.0% - 0.25%	0.0% - 0.25%
Euro Zone	0.75%	0.25%	0.05%	0.05%
Australia	3.00%	2.50%	2.50%	2.00%
India	8.00%	7.75%	8.00%	7.25%

Source: www.cbrates.com >

“ POLICY DIRECTION AND POLITICAL STABILITY IS
ESSENTIAL FOR AN ECONOMY TO PROSPER ”

— NDB Wealth —



INFLATION RATES

Country	Jun 14	Dec 14	May 15	Jun 15
Sri Lanka	2.78%	2.10%	0.17%	0.11%
US	2.07%	0.76%	-0.04%	-0.04%*
Euro Zone	0.50%	-0.17%	-0.34%	0.34%*
India	6.49%	5.86%	5.74%	5.74%*

* May 2015

Source: Department of Census and Statistics - Sri Lanka >

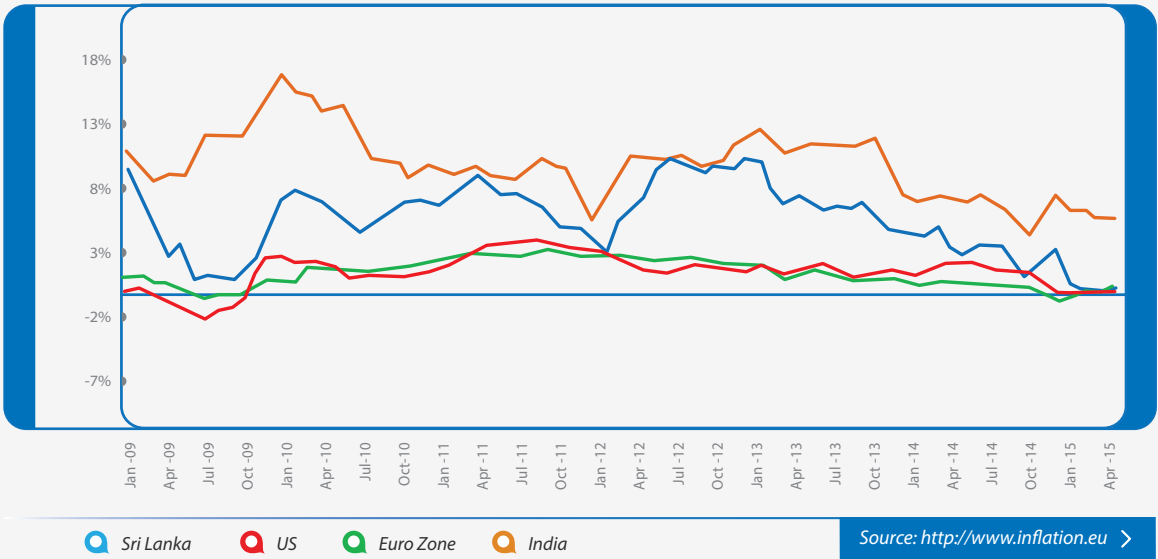


Sri Lanka's inflation declined marginally to 0.1% in June on a year-on-year basis from the previous months 0.2%.



On the global front inflation edged-up during the month of May.

GLOBAL INFLATION RATES



FOREX OUTLOOK

Exchange Rates Vs. LKR	Jun 15	Jun 14	1 Year App / (Dep) LKR
USD	133.70	130.30	-2.54%
GBP	210.30	221.86	5.50%
EURO	149.62	177.81	18.84%
YEN	1.09	1.29	17.71%
AUD	102.49	122.63	19.64%
CAD	107.64	122.09	13.43%
INR	2.10	2.17	3.48%
BHD	354.60	345.59	-2.54%
CNY	21.54	20.99	-2.56%

Source: Central Bank of Sri Lanka >



The Sri Lankan Rupee appreciated 0.15% against the US Dollar during June 2015.



Currencies were caught in “a vicious triangle” of fears over Greece, China and whether the US Federal Reserve will tighten policy this year.

USD PER 1 EURO MOVEMENT



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

COMMODITY OUTLOOK

	1 month (1st – 30st Jun 2015)	Past 12 months (Jun 2014 – Jun 2015)	YTD (1st – 30st Jun 2015)
DJ UBS Index	1.73%	-23.72%	-1.56%
Tea*	7.93%	42.95%	28.98%
Gold	-1.71%	-10.95%	-2.90%
Oil	-2.54%	-44.35%	9.38%

Source: Bloomberg, NDB Wealth Research >



Global commodity markets continued to be weak amid lower demand and uncertainties in global markets.



Oil prices declined further as worries over the Greek debt crisis and China's stock market turmoil outweighed an expected US inventory drop.



In spite of reduced supply of oil from the US, inventories continued to be on the higher side. Moreover, if the speculation of lifting of sanctions on Iran turns in to a reality, oil prices may come further under pressure with the added supply from Iran.



Strengthening US Dollar continued to bring down the demand for Gold and other commodities, driving down the prices in the world market. As a result, the currencies of the countries with high commodities exports have come under pressure.

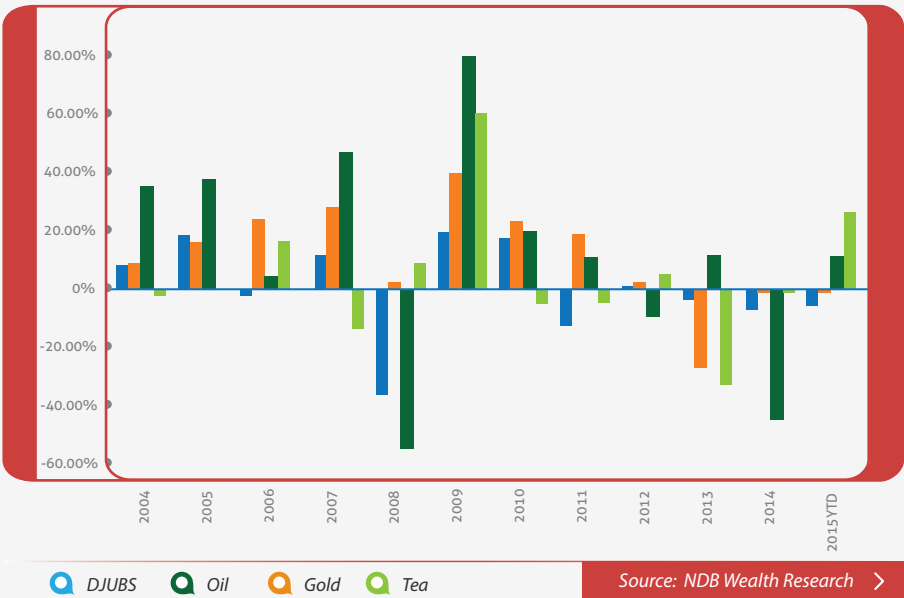


Chinese demand for oil, copper, gold, iron ore and other commodities is on the decline, and this has hampered economic growth for all of China's trading partners as well. The Russian economy is in ruin and the country has experienced major capital flight following credit rating declines and increasing isolation in the international markets.



Several Asian economies, such as Bangladesh, Pakistan and Sri Lanka, are net importers of oil and are benefiting of lower commodity prices.

Commodity Price Movemets



PROPERTY OUTLOOK

The emergence of residential apartments by local and foreign real estate firms has become a customary observation in Colombo city and suburbs.

The demand for such investments is an encouraging sign for real estate companies, who are trying to establish their presence in Sri Lanka's real estate space, and for the overall construction and manufacturing sectors of the economy.

Judging by the demand for apartments in Colombo, it is clear that the affordability of an increasing number of local high-net-worth individuals has increased. According to a recent study carried out by Real-estate Intelligence Unit (RIU), the number of people entering the market for apartments that are sold for LKR 25 million and above is growing at a rate that reflects the average per capital GDP growth rate of 7.2 percent since 2009.

Furthermore, according to the article "Above the fourth floor – rising interest from overseas", published by RIU, the expat share of the luxury condo market is estimated at between 30% - 50% with a higher concentration at the top end of the market.

Moreover, according to the same article, the levels of interest from the Middle East have been steadily increasing.

A major barrier to greater foreign participation in Sri Lankan real estate comes in the form of the Land (Restriction on Alienation) Act No. 38 of 2014. This Act was introduced to restrict the transfer, lease or mortgage of lands within the island to foreign individuals and foreign companies and institutions.

Head of Research Intelligence Unit (RIU) stated that the recent upswing in the service sector from finance, tourism and the IT sector in Colombo has triggered a healthy demand for residential space in the capital's real estate market.

The development of premium condominium projects is most prominent in the capital and villas in the suburbs have emerged as the preferred choice for middle-income buyers.

ISLAMIC FINANCE INDUSTRY

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

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

In **June 2015**, **NDB WM** launched a Shari'ah compliant unit trust fund. **The Islamic Money Plus Fund**, a fund approved by the **Securities Exchange Commission of Sri Lanka**, will be investing in a diversified portfolio of Shari'ah compliant short term securities issued by corporates and in Mudharabah deposits and savings accounts. The fund would provide a high level of 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 May 2015									
Profit Sharing Ratio*	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	2.70%	-	5.75%	6.25%	6.75%	7.21%	7.66%	-	8.10%
Bank of Ceylon Islamic Business Unit - As of June 2015									
Profit Sharing Ratio*	45:55	-	-	-	-	-	-	-	-
Distributed Profit	2.92%	-	-	-	-	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of May 2015									
Profit Sharing Ratio*	30:70	35:65	40:60	42:58	45:55	50:50	52:48	55:45	60:40
Distributed Profit	-	5.76%	6.58%	6.91%	7.41%	8.23%	8.56%	9.05%	9.87%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of May 2015									
Profit Sharing Ratio*	15:85	23:77	25:75	27:73	30:70	-	-	-	-
Distributed Profit	4.49%	6.07%	6.60%	7.13%	7.92%	-	-	-	-
Peoples Leasing Islamic Business Unit - As of May 2015									
Profit Sharing Ratio*	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	6.24%	-	5.82%	6.31%	7.28%	-	-	-	-
Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of March 2014									
Profit Sharing Ratio*	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	3.00%	-	3.62%	4.26%	5.4%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of March 2015									
Profit Sharing Ratio*	45:55	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	3.85%	-	5.75%	6.00%	6.25%	-	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of May 2015									
Profit Sharing Ratio*	-	-	46:54	50:50	56:44	74:26	78:22	-	-
Distributed Profit	-	-	6.48%	7.04%	7.89%	10.43%	10.99%	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of March 2015									
Profit Sharing Ratio*									
1-3 Mn	30:70	-	-	55:45	60:40	65:35	70:30	-	-
3Mn - 50Mn	40:60	-	-	60:40	65:35	70:30	75:25	-	-
50Mn & Above	50:50	-	-	65:35	70:30	75:25	80:20	-	-
Distributed Profit									
1-3 Mn	2.88%	-	-	-	5.77%	-	-	-	-
3Mn - 50Mn	3.85%	-	-	5.77%	6.25%	-	-	-	-
50Mn & Above	4.81%	-	-	-	-	-	-	-	-

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 DECEMBER 2014

Finance and Insurance	Diversified Holdings	Manufacturing	Services
Amana Takaful PLC	Expo Lanka Holdings PLC	Abans Electricals PLC	Asia Siyaka Commodities Limited
Amana Bank PLC	Free Lanka Capital Holdings PLC	ACL Cables PLC	Ceylon Printers PLC
Beverages and Food	PCH Holdings PLC	ACL Plastics PLC	Hunter & Company PLC
Bairaha Farms PLC	Sunshine Holdings PLC	Agstar Fertilizers PLC	Kalamazoo Systems PLC
Ceylon Tea Services PLC	The Colombo Fort Land & Building Co. PLC	Alumex PLC	Lake House Printing & Publishers PLC
Convenience Foods PLC	Healthcare	Central Industries PLC	Power & Energy
Harischandra Mills Ltd.	Asiri Surgical Hospitals PLC	Ceylon Grain Elevators PLC	Hemas Power PLC
Heladiv Foods PLC	Ceylon Hospitals PLC (Durdans)	Chevron Lubricants Lanka PLC	Lanka IOC PLC
Kotmale Holdings PLC	Nawaloka Hospitals PLC	Dankotuwa Porcelain PLC	Laugfs Gas PLC
Nestle Lanka PLC	The Lanka Hospital Corporation PLC	Dipped Products PLC	Panasian Power PLC
Raigam Wayaba Salterns PLC	Land and Property	Hayleys Fibre PLC	Vallibel Power Erathna PLC
Renuka Agri Foods PLC	City Housing & Real Estate Company PLC	Kelani Cables PLC	Vidullanka PLC
Renuka Shaw Wallace PLC	Colombo Land & Development Com PLC	Kelani Tyres PLC	Plantations
Tea SmallHolder Factories PLC	CT Land Development PLC	Lanka Cement PLC	Balangoda Plantations PLC
Three Acre Farms PLC	Huejay International Investment PLC	Lanka Ceramic PLC	Elpitiya Plantations PLC
Motors	Serendib Engineering Group PLC	Lanka Floortiles PLC	Hapugastanne Plantations PLC
Colonial Motors PLC	Serendib Land PLC	Lanka Walltiles PLC	Horana Plantations PLC
DIMO PLC	Seylan Developments PLC	Laxapana Batteries PLC	Kahawatte Plantation PLC
Lanka Ashok Leyland PLC	York man Holdings PLC	Printcare PLC	Kelani Valley Plantations PLC
Sathosa Motors PLC	Chemicals and Pharmaceuticals	Regnis (Lanka) PLC	Kotagala Plantations
United Motors Lanka PLC	Chemanex PLC	Royal Ceramic Lanka PLC	Madulsima Plantations PLC
Construction & Engineering	Haycarb PLC	Samson International PLC	Malwatte Valley Plantations PLC
Access Engineering PLC	Industrial Asphalts (Ceylon) PLC	Sierra Cables PLC	Maskeliya Plantations PLC
Colombo Dockyard PLC	J.L. Morison Son & Jones (Ceylon) PLC	Singer Industries (Ceylon) PLC	Metropolitan Resource Holdings PLC
Lankem Development PLC	Lankem Ceylon PLC	Swisstek (Ceylon) PLC	Namunukula Plantation PLC
MTD Walkers PLC	Union Chemical Lanka PLC	Textured Jersey Lanka PLC	Talawakelle Tea Estate PLC
Footwear and Textiles	Trading	Tokyo Cement (Company) PLC	Tess Agro PLC
Ceylon Leather Products PLC	C. W. Mackie PLC	Telecommunications	Udapussellawa Plantation PLC
Kuruwita Textile Mills PLC	Eastern Merchants PLC	Dialog Axiata PLC	Watawala Plantations PLC
Odel PLC	Office Equipment PLC	Sri Lanka Telecom PLC	Stores & Supplies
	Singer (Sri Lanka) PLC	Information Technology	E B Creasy & Company PLC
		PC House PLC	Gestetner of Ceylon PLC

UNIT TRUST FUNDS OFFERED BY NDB WM



- Eagle Growth Fund
- Eagle Growth and Income Fund
- Eagle Gilt Edged Fund
- Eagle Income Fund
- Eagle Money Fund
- Eagle Money Plus Fund
- Islamic Money Plus Fund
- LKR Short Term Treasury Fund

Fund Overview

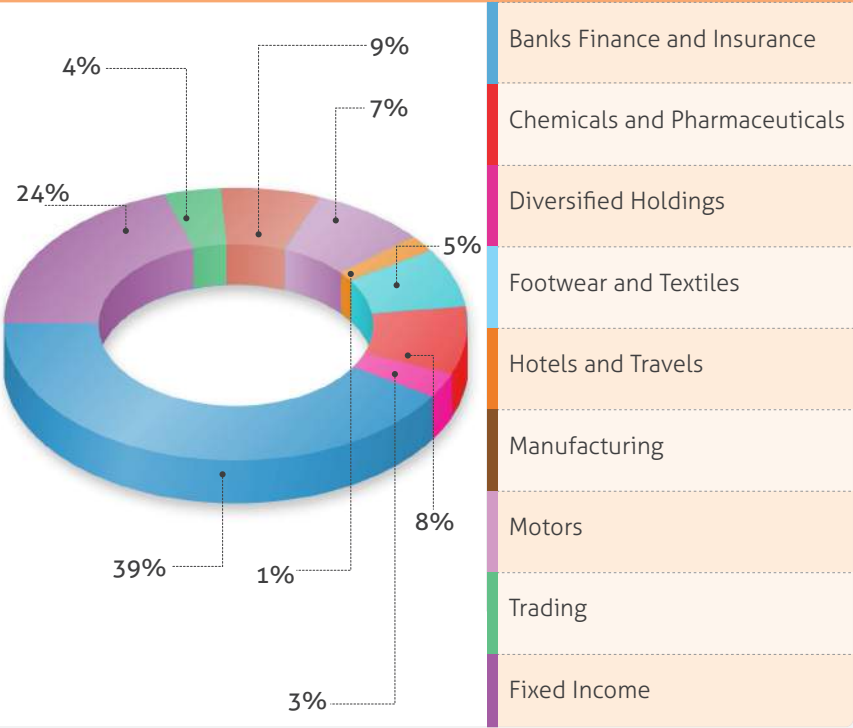
Type : Open Ended

Currency: LKR

Investments: Listed Equities

Eagle Growth Fund is an open-end 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.

Portfolio Equity Allocation



Fund Snapshot

30 Jun 2015

YTD Yield	2.20%
NAV per unit	102.9471
AUM (LKR Mn.)	302.70
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	3.16%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	75.87%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

CIC HOLDINGS PLC
NATIONAL DEVELOPMENT BANK PLC
SEYLAN BANK PLC
TEXTURED JERSEY LANKA PLC
UNITED MOTORS LANKA PLC

Historical Returns

Period	Fund Returns **	ASPI Returns
Last Month	-4.62%	-2.76%
Last 3 Months	6.64%	-2.94%
Last 6 Months	2.20%	-3.81%
Last 12 Months	23.96%	10.07%
Year 2014	32.45%	23.44%
Year 2013	11.44%	4.78%
★ 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	24.13%
Average Rating of Fixed Income	AAA
Average Duration	0.01

Marurity Profile

	Marurity	% Holding
	Under 1 Month	100.00%

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 depending on fund size Custodian fee : 0.05% p.a.of NAV Front-end fee : 2% Exit fee : 1% if less than 1 year ; 0 if greater than 1 year.

Fund Manager

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Bank of Ceylon,
01 BOC Square, BOC Mawatha,
Colombo 01, Sri Lanka.

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Sales Hotline - +94 719 788788

Disclaimer

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Fund Overview

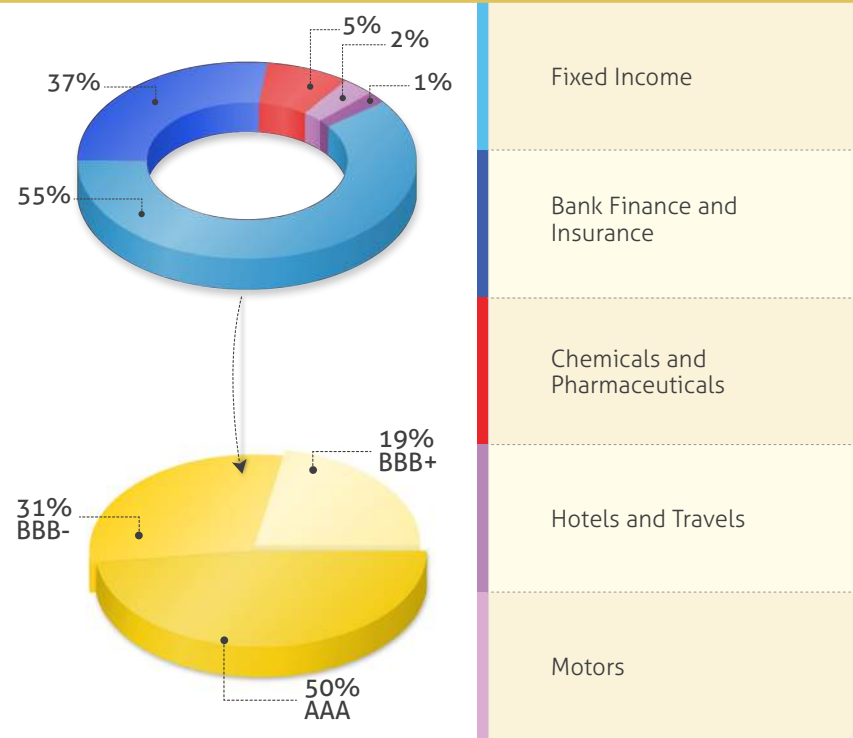
Type : Open Ended

Investments: Listed Equities and Corporate Debt

Currency: LKR

Eagle Growth and Income Fund is an open-end 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.

Portfolio Allocation



Fund Snapshot	30 Jun 2015
YTD Yield	2.85%
NAV per unit	35.9696
AUM (LKR Mn.)	206.37
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	2.58%
Dividend Frequency	Irregular
Last Dividend (LKR)	3.00
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	44.22%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

CIC HOLDINGS PLC
COMMERCIAL BANK OF CEYLON PLC
NATIONAL DEVELOPMENT BANK PLC
PEOPLE'S LEASING COMPANY PLC
SEYLAN BANK PLC

Historical Returns

Period	Fund Returns **	ASPI Returns
Last Month	-2.97%	-2.76%
Last 3 Months	3.41%	2.94%
Last 6 Months	2.85%	-3.81%
Last 12 Months	17.49%	10.07%
Year 2014	24.64%	23.44%
Year 2013	16.43%	4.78%

★ 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	55.78%
Average Rating of Fixed Income	A
Average Duration	0.67

Marurity Profile

Marurity	% Holding
Under 1 Month	50.40%
6 Months - 1 Year	9.40%
1 Year - 4 Years	40.20%

Other Features

Valuation	Daily Valuation. Instruments less than one year – cost plus accrued basis. Instruments greater than one year – mark 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 : 0.25% p.a. of NAV Custodian fee : 0.10% p.a.of NAV Front-end fee : 5%.

Fund Manager

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Deutsche Bank,
No 86, Galle Road,
Colombo 03, Sri Lanka.

Contact

General - +94 11 2 303 232
Corporates - +94 773 567550
Sales Hotline - +94 719 788788

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Fund Overview

Type : Open Ended

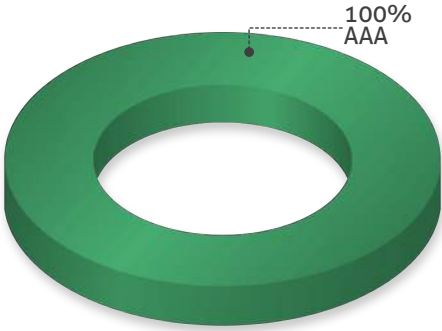
Investments: Government of Sri Lanka Securities

Currency: LKR

Eagle Gilt Edged Fund is an open-end 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. The fund pays a regular income through the **quarterly dividends** which can be automatically reinvested in the fund.

The Eagle Gilt Edged Fund is rated “AAAmf” by ICRA Lanka Limited (a fully owned subsidiary of ICRA Limited of India, an associate Company of Moody’s Investors service, Inc).

Credit Profile



Rating	Duration
AAA	0.1

Fund Snapshot

30 Jun 2015

YTD Yield	2.84%
YTD Yield (Annualized)	5.72%
NAV per unit	10.2364
AUM (LKR Mn.)	889.31
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	0.92%
Dividend Frequency	Quarterly
Last Dividend (LKR)	0.1
Average Maturity (Yrs)	0.06
Average Duration	0.06
Average Rating	AAA

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	85.20%	6.70%
1 Month - 3 Months	11.50%	6.10%
3 Months - 6 Months	3.30%	6.10%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.52%	5.93%	8.24%	7.41% Net of WHT
Last 3 Months	1.47%	5.90%	8.19%	7.37% Net of WHT
Last 6 Months	2.84%	5.73%	7.95%	7.16% Net of WHT
Last 12 Months	6.17%	6.17%	8.57%	7.71% Net of WHT
Year 2014	7.46%	7.46%	10.36%	9.33% Net of WHT
Year 2013	11.22%	11.22%	15.58%	14.02% 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. 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 : 0.15% to 0.24% p.a. of NAV, depending on fund size.

Fund Manager

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Bank of Ceylon,
01 BOC Square, BOC Mawatha,
Colombo 01, Sri Lanka.

Contact

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Corporates - +94 773 567550
Sales Hotline - +94 719 788788

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Fund Overview

Type : Open Ended

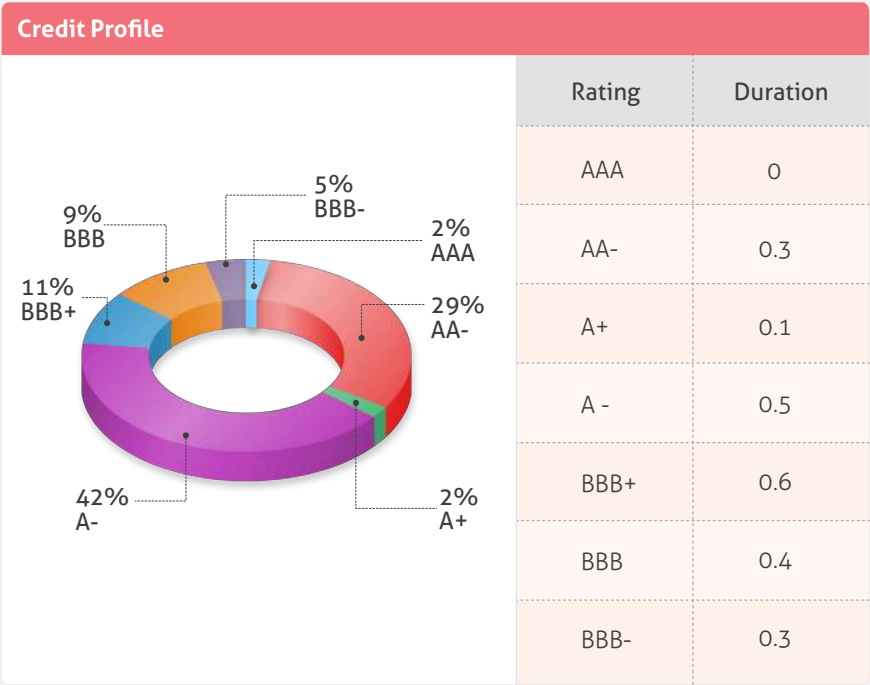
Currency: LKR

Investments: Corporate Debt Instruments

Eagle Income Fund is an open-end 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.

The fund pays a regular income through the **semi-annual dividends** which can be automatically reinvested in the fund.

Fund Snapshot	30 Jun 2015
YTD Yield	3.30%
YTD Yield (Annualized)	6.66%
NAV per unit	10.3731
AUM (LKR Mn.)	2,732.78
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	1.25%
Dividend Frequency	Semi Annual
Last Dividend	0.50
Average Maturity (Yrs)	0.42
Average Duration	0.4
Average Rating	A-



Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	25.20%	7.10%
1 Month - 3 Months	10.60%	7.70%
3 Months - 6 Months	33.00%	7.90%
6 Months - 1 Years	25.70%	8.60%
1 Year - 4 Years	5.60%	10.00%

Historical Returns			
Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Last Month	0.59%	6.77%	9.40%
Last 3 Months	1.57%	6.30%	8.75%
Last 6 Months	3.30%	6.66%	9.25%
Last 12 Months	8.13%	8.13%	11.30%
Year 2014	10.68%	10.68%	14.84%
Year 2013	13.83%	13.83%	19.21%
★ 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, et), and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 1.00% p.a. of NAV Trustee fee : 0.15-0.24% p.a. of NAV, based on fund size.

Fund Manager

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Bank of Ceylon,
01 BOC Square, BOC Mawatha,
Colombo 01, Sri Lanka.

Contact

General - +94 11 2 303 232
Corporates - +94 773 567550
Sales Hotline - +94 719 788788

Fund Overview

Type : Open Ended

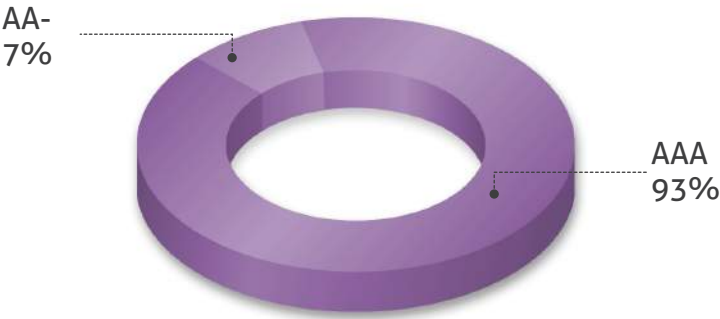
Investments: Short Term Government Securities

Currency: LKR

Eagle Money Fund is an open-end 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.

Credit Profile



Rating	Duration
AAA	0.1
AA-	0.9

Fund Snapshot

30 Jun 2015

YTD Yield	3.34%
YTD Yield (Annualized)	6.74%
NAV per unit	12.8694
AUM (LKR Mn.)	1,435.69
Fund Currency	LKR
Fund Inception	1 Jan 2012
Expense Ratio	0.76%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.18
Average Duration	0.18
Average Rating	AA+

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	62.40%	7.70%
1 Month - 3 Months	5.30%	6.10%
3 Months - 6 Months	25.40%	6.40%
6 Months - 1 Year	7.00%	6.90%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.57%	6.91%	9.60%	8.64% Net of WHT
Last 3 Months	1.86%	7.45%	10.34%	9.31% Net of WHT
Last 6 Months	3.34%	6.74%	9.36%	8.42% Net of WHT
Last 12 Months	6.69%	6.69%	9.29%	8.36% Net of WHT
Year 2014	6.82%	6.82%	9.48%	8.53% Net of WHT
Year 2013	10.33%	10.33%	14.35%	12.91% 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. 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

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Deutsche Bank,
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Colombo 03, Sri Lanka.

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Fund Overview

Type : Open Ended

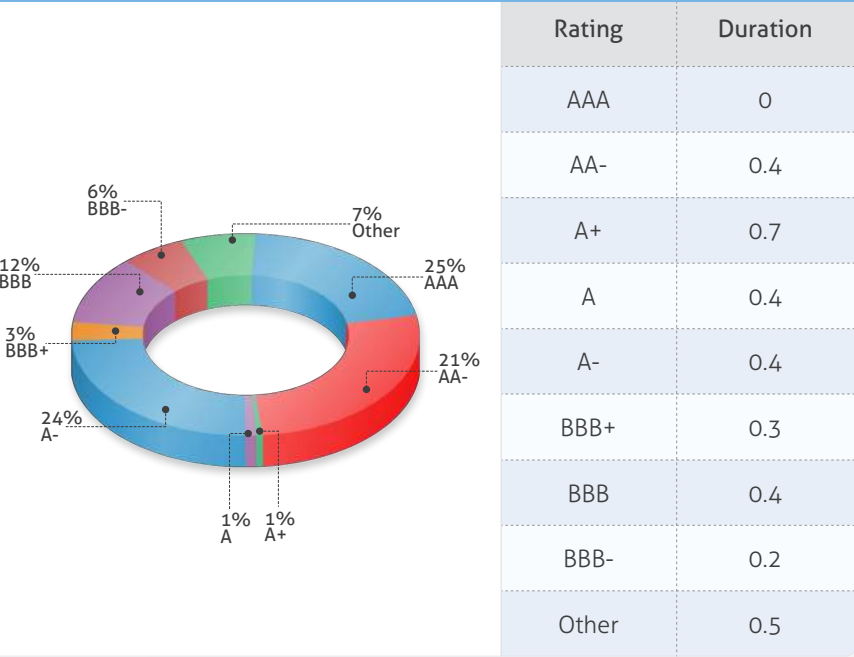
Investments: Money Market Corporate Debt Securities

Currency: LKR

Eagle Money Plus Fund is an open-end 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.

Credit Profile



Fund Snapshot

30 Jun 2015

YTD Yield	3.24%
YTD Yield (Annualized)	6.52%
NAV per unit	13.7060
AUM (LKR Mn.)	27,656.18
Fund Currency	LKR
Fund Inception	1 Jan 2012
Expense Ratio	0.80%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.31
Average Duration	0.3
Average Rating	A

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	35.80%	6.90%
1 Month - 3 Months	20.60%	7.60%
3 Months - 6 Months	22.50%	7.00%
6 Months - 1 Year	21.20%	7.70%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Last Month	0.55%	6.70%	9.31%
Last 3 Months	1.67%	6.70%	9.31%
Last 6 Months	3.24%	6.52%	9.06%
Last 12 Months	7.16%	7.16%	9.94%
Year 2014	8.66%	8.66%	12.02%
Year 2013	13.62%	13.62%	18.92%

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

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, et), and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 0.65% p.a. of NAV. Trustee fee : 0.10-0.20% p.a. of NAV, depending on fund size.

Fund Manager

NDB Wealth Management Ltd,
No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Deutsche Bank,
No 86, Galle Road,
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Fund Overview

Type : Open Ended

Currency: LKR Denominated

Investments: Shariah Compliant Money Market Securities

Islamic Money Plus Fund is an open-end 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 compaliant securities.

Fund Snapshot	30 Jun 2015
Launch Date	Jun 01, 2015
IPO period	15th Apr - 30th Apr 2015
Unit Issue Price	Rs. 10 during IPO period
Fund Currency	LKR
Dividend	Irregular
Frequency	-

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

Credit Profile

100%
AAA

Rating	Duration
A-	0.9

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Less than - 1 Year	100.00%	7.70%

Historical Returns				
Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.50%	3.43%	4.76%	4.29% 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. (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 : Annual fee of 0.80% p.a. of NAV Trustee fee : Variable; Annual fee of 0.10%-0.20% p.a. of NAV based on fund size Exit fee: NIL Front-end fee: NIL.

Fund Manager NDB Wealth Management Ltd, No 40, Nawam Mawatha, Colombo 02, Sri Lanka.	Trustee and Custodian Deutsche Bank, No 86, Galle Road, Colombo 03, Sri Lanka	Contact General - +94 11 2 303 232 Corporates - +94 773 567550 Sales Hotline - +94 719 788788
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Fund Overview

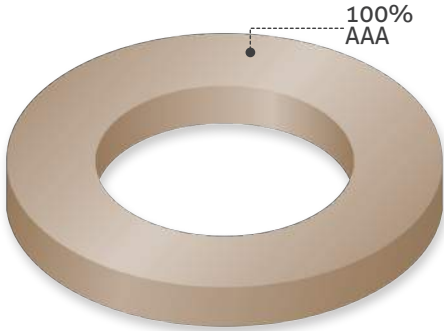
Type : Open Ended
Currency: LKR

Investments: Short Term Government
& Government backed Securities

Short-term LKR Treasury Fund is an open-end money market fund which will invest exclusively in Government and Government backed securities.

The Fund aims to provide reasonable returns, commensurate with low risk while providing high level of liquidity through a portfolio of Government securities with maturities up to 366 days which include Treasury bills, Treasury bonds (including reverse repo and cash).

Credit Profile



Rating	Duration
AAA	0.2

Fund Snapshot	30 Jun 2015
YTD Yield	2.69%
YTD Yield (Annualized)	5.42%
NAV per unit	10.2391
AUM (LKR Mn.)	501.68
Fund Currency	LKR
Fund Inception	19 Dec 2014
Expense Ratio	0.74%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Average Maturity (Yrs)	0.18
Average Duration	0.18
Average Rating	AAA

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	0.10%	5.80%
1 Month - 3 Months	99.90%	6.10%

Historical Returns				
Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.46%	5.55%	7.71%	6.94% Net of WHT
Last 3 Months	1.47%	5.89%	8.18%	7.36% 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. 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

NDB Wealth Management Ltd,
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Colombo 02, Sri Lanka.

Trustee and Custodian

Deutsche Bank,
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Colombo 03, Sri Lanka

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