

MARKET UPDATE AND FUND REVIEW



2015 JULY



MARKET BRIEF BY NDB WEALTH

INFLATION TO REMAIN LOW

Inflation turned negative, declining by 0.2% in July, on a year-on-year basis, owing to the higher base that prevailed during the same period last year. On a month-on-month basis though, inflation edged up 0.7% due to increases in prices of both food and non-food items. Low inflation levels are expected to prevail throughout the year.

SRI LANKAN RUPEE CONTINUES TO BE UNDER PRESSURE

The Sri Lankan Rupee (LKR) has depreciated 1.98% against the US Dollar and 2.97% against the Sterling Pound for the year so far, whilst appreciating 6.55% and 0.48% against the Euro and the Japanese Yen respectively. The Central Bank continued to be net sellers of US Dollars in the market, in an attempt to defend the value of the Sri Lankan Rupee against the US Dollar.

UPTICK IN CREDIT GROWTH

Interest rates edged up across maturities with the benchmark 364-day Treasury bill rate rising to 6.48% in July. Private sector borrowings are showing some signs of improvement with credit extended to the private sector growing by Rs. 48 billion in May translating to a 17.6% growth on a year-on-year basis. It is imperative that this growth in credit is sustained for economic activity to pick up in the ensuing periods.

THE COLOMBO STOCK EXCHANGE BOUNCES BACK

Sri Lanka's equity market bounced back as the All Share Price Index (ASPI) and the S&P SL 20 (S&P) index gained 4.43% and 5.12% respectively during July, reversing previous month's losses. However, foreigners continued to be net sellers on the bourse amidst volatility in international markets. The equity market may gather momentum in the short term if political stability and policy direction is restored in the country.

MAXIMISE RETURNS VIA MYEAGLEFUNDS

With the economy conclusion of general elections policy direction would become clearer and with the economy set to see direction, investor sentiment is expected to improve and markets to gather steam. However, careful observation of developments in the global economy needs to be examined, thus we recommend the Eagle Growth Fund for the long term investors with appetite for risk while for the risk averse investors, the two money market funds, the Eagle Money Fund and the Eagle Money Plus Fund is ideally placed to maximize after tax returns.

Amaya Nagodavithane

Research Analyst

EQUITY OUTLOOK

	Past month Performance (1st Jul – 31st Jul 2015)	Past 12 months Performance (Jul 2014 – Jul 2015)	Year to Date Performance (1st Jan – 30th Jul 2015)
All Share Price Index	4.43%	7.60%	0.45%
S&P SL 20	5.12%	8.89%	0.46%
MSCI Frontier Markets Index	-2.90%	-17.53%	-5.65%
MSCI World Index	1.83%	5.49%	4.83%
MSCI Emerging Markets	-6.93%	-13.38%	-4.19%
MSCI Asia Ex Japan	-6.35%	-6.29%	-1.23%

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

The two main indices of the Colombo Stock Exchange (CSE) staged a recovery amid improved results by listed companies and expectations on a stable government post general elections.

MSCI frontier market and MSCI emerging market indices continued to decline on the back drop of weak economic data released by Asian markets.

Both emerging and frontier markets (stock markets of countries which are illiquid, low in capitalization and risky compared to developed markets) came under pressure, as slowdown in China aggravated economic concerns of other emerging and frontier market countries.

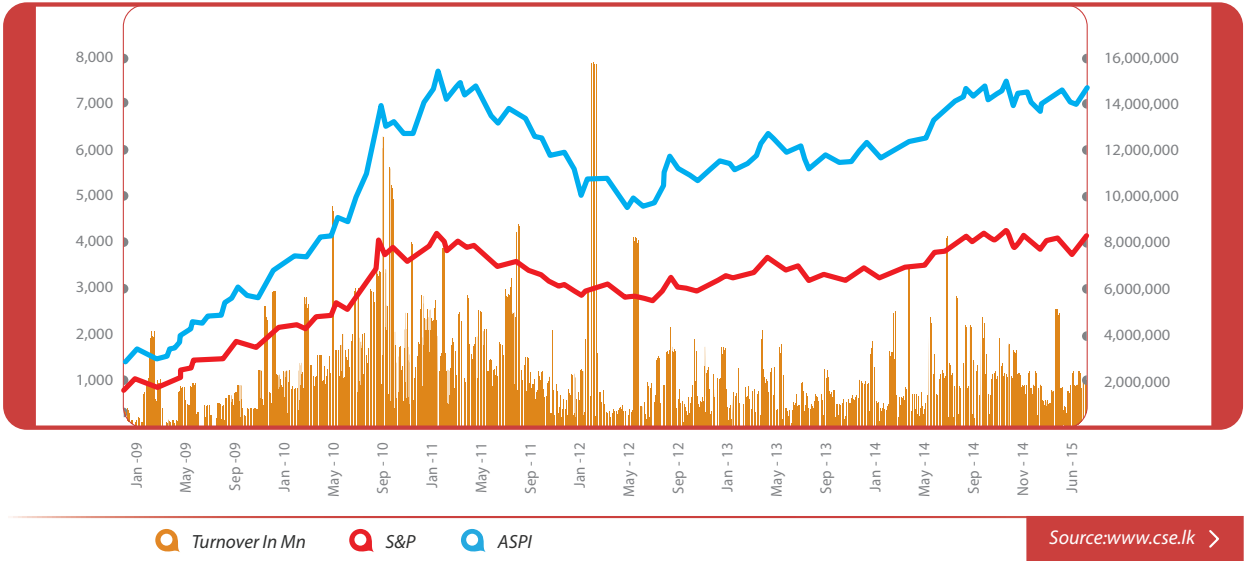
Currencies across Asia slumped to record lows and the situation continued to worsen with markets tumbling further when China devalued the Yuan in August 2015, amid drop in Chinese exports.

Moreover, economic data released by Asian countries led to cut down in economic growth forecasts by considerable margins, adding to the picture of sluggish emerging market growth (Singapore's data showed gross domestic product fell 4% in the second quarter from the previous quarter).

The above regional developments, emerging and frontier market currency risk remains high, reflecting weak fundamentals and deteriorating economic environment in these countries.

It is imperative to note that such developments may have an impact on the Sri Lankan market, albeit, with a lag effect.

CSE PERFORMANCE



		Jul 2015	Jul 2014
CSE	Market PER	18.98 X	18.39 X
	Market PBV	2.10 X	2.14 X
	Market DY	2.13%	2.83%
MSCI Frontier Markets	Market PER	10.88 X	12.35 X
	Market PBV	1.53 X	1.88 X
	Market DY	3.86%	3.70%

Source: www.cse.lk



Foreigners were net sellers of around LKR 835 million in July 2015, as risk aversion in the region continued to affect the Colombo Stock Exchange.



Based on the current developments in emerging and frontier markets, we expect foreign investors to be net sellers in the CSE.

Colombo Stock Exchange	Jan – Jul 2015	Jan – Jul 2014
Foreign Inflows	LKR 45.92 Billion	LKR 54.14 Billion
Foreign Outflows	LKR 44.96 Billion	LKR 43.69 Billion
Net Foreign Inflows/(Outflows)	+ LKR 0.96 Billion	+ LKR 10.45 Billion

Source: www.cse.lk >

“THE INVESTOR OF TODAY DOES NOT PROFIT
FROM YESTERDAY'S GROWTH”

— WARREN BUFFET —



FIXED INCOME OUTLOOK

INTEREST RATES IN SRI LANKA

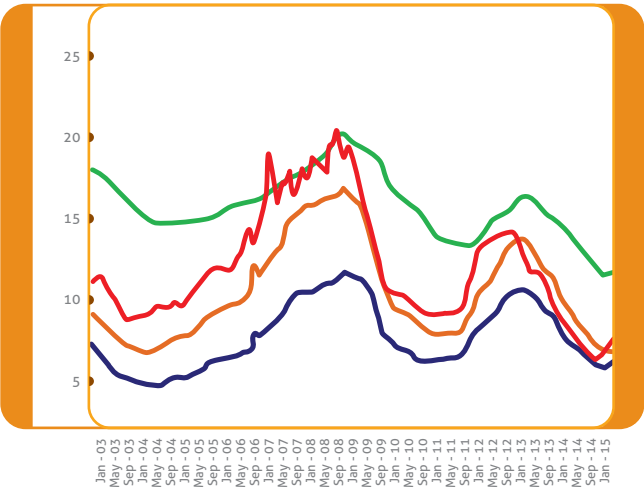
The Central Bank of Sri Lanka (CBSL) maintained its key policy rates at 7.50% (Standing Lending Facility Rate – or the rate CBSL lends to commercial banks) and at 6.00% (Standing Deposit Facility Rate – or the rate which commercial banks place their excess cash with CBSL)

	Jul 14	Dec 14	Jun 15	Jul 15
364 Day T-bill	6.68%	6.00%	6.28%	6.48%
5-Year Bond	7.84%	7.23%	8.16%	8.35%
Corporate Debt (A+)* (Net Rate)	7.80%	6.83%	7.07%	7.31%

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

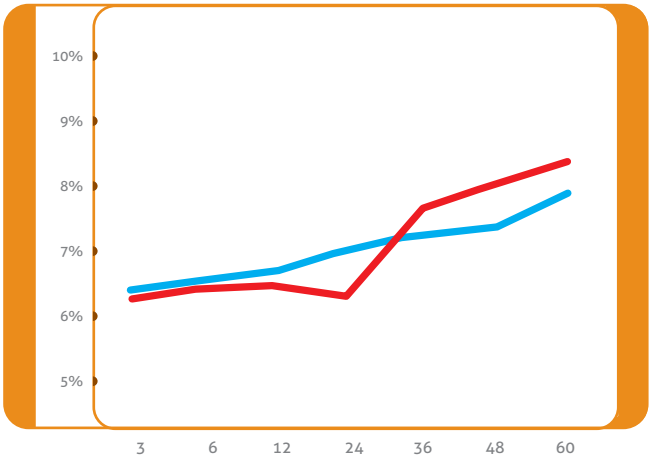
Source: Central Bank of Sri Lanka >

AVERAGE LENDING & DEPOSIT RATES



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

YIELD CURVE - LKR TREASURIES



Jul-14 Jul-15

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.

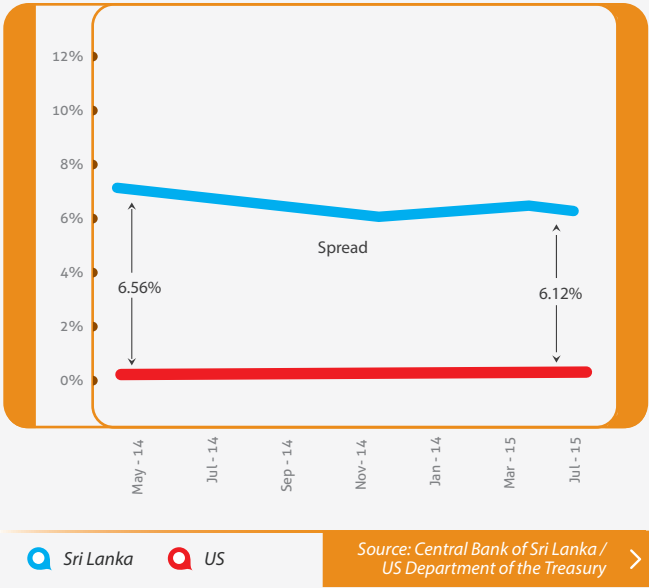
Treasury Bill rates edged up with the 364-day T- Bill rate closing at 6.54% in the latest auction and the 182-day and 91-day Treasury Bills closing at 6.50% and 6.28% respectively.

Broad money growth (M2b) expanded by 15.4% year-on-year in May 2015, from 13.9% in the previous month while credit extended to the private sector grew at 17.6% on a year-on-year basis. On a month-on-month basis private sector credit disbursements grew at an encouraging 1.7% (LKR 48.6 billion in absolute terms) showing promising signs of credit growth.

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 >

1 YEAR TREASURY RATE - USD Vs. LKR



The People's Bank of China lowered the Yuan reference rate by 1.85% the largest decline in the reference rate to date. A weaker currency tends to help a nation whose main source of revenue is derived from exports. This record drop in the Yuan reference rate could potentially boost exports for China.

Total Govt. Debt LKR 4,304 Billion / USD 32.33 Billion	
T Bills (Total)	T Bonds (Total)
LKR 807 Billion	LKR 3,497 Billion
Domestic Holdings (Bills & Bonds)	Foreign Holdings (Bills & bonds)
LKR 3,903 Billion	LKR 401 Billion
Total Foreign Holding of Bills and Bonds – 9.32%	

Source: Central Bank of Sri Lanka >



Total foreign holding of Government Bills and Bonds stand at 9.32% much less than the limit of 12.50% allowed by the Central Bank. Foreign investors have seen to continuously exit the fixed income market over the past few months amid lower local interest rates and expected currency depreciation

364 Day Treasury Bill Rate	Jul 14	Dec 14	Jun 15	Jul 15
Sri Lanka	6.68%	6.00%	6.28%	6.48%
India	8.70%	8.22%	7.72%	7.62%
US	0.12%	0.25%	0.28%	0.36%
Euro Zone	-0.02%	-0.09%	-0.26%	-0.29%

Source: Respective Central Banks >

Rates on Savings Accounts - Jul 2015

Sri Lanka	5.00%
US	0.01%
Euro Zone	0.25%
Australia	2.90%
India	4.00%

Source: Respective Commercial Banks >



The US Federal Reserve is expected to raise its key interest rate next month for the first time in almost a decade. The move would signal that the U.S. economy is steadily improving in health. While most expect a Fed rate hike in the latter part of 2015 following the positive US Jobs report in July, this may be postponed due to impacts of the Yuan devaluation by China.

1 Year FD Rates – Sri Lankan Banks – Jul 2015		Rates on Credit Cards	Jul 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 July.

NDIB CRISIL Fixed Income Indices Total return as at 30/07/2015	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	1.46%	6.14%	8.32%
NDBIB-CRISIL 364 Day T-Bill Index	1.42%	6.26%	10.85%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	1.94%	6.11%	15.70%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	2.10%	5.42%	19.05%

Source: www.crisil.com >

“ SECURITY, STABILITY AND GROWTH ARE ESSENTIAL
FOR THE ECONOMY TO GATHER MOMENTUM ”

— NDB Wealth —



INFLATION RATES

Country	Jul 14	Dec 14	Jun 15	Jul 15
Sri Lanka	3.62%	2.10%	0.11%	-0.22%
US	1.99%	0.76%	0.12%	0.12%*
Euro Zone	0.38%	-0.17%	0.22%	0.22%*
India	7.23%	5.86%	6.10%	6.10%*

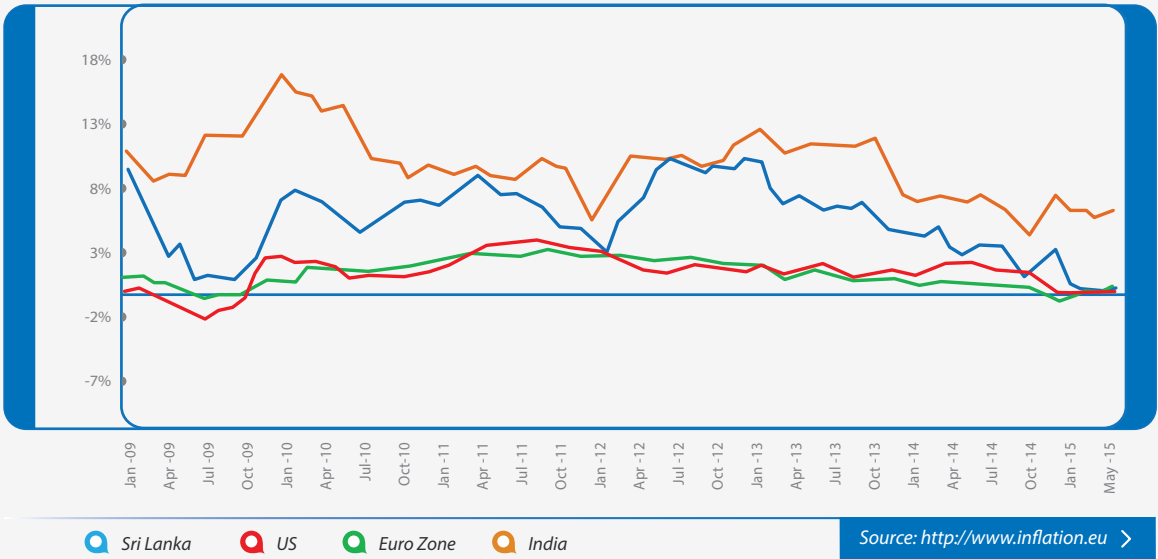
* June 2015

Source: Department of Census and Statistics - Sri Lanka >

Sri Lanka's inflation turned negative declining 0.2% in July on a year-on-year basis from the previous months 0.1% primarily owing to the higher base coming from the previous year.

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

GLOBAL INFLATION RATES



FOREX OUTLOOK

Exchange Rates Vs. LKR	Jul 15	Jun 14	1 Year App / (Dep) LKR
USD	133.60	130.21	-2.54%
GBP	208.48	220.33	5.68%
EURO	146.60	174.47	19.01%
YEN	1.08	1.27	17.75%
AUD	97.74	121.47	24.29%
CAD	103.13	119.42	15.79%
INR	2.09	2.17	3.70%
BHD	354.32	345.38	-2.52%
CNY	21.52	21.09	-1.97%

Source: Central Bank of Sri Lanka >

The Sri Lankan Rupee appreciated 0.07% against the US Dollar during July 2015 although it had depreciated 1.98% against the greenback for the year so far.

The US Dollar edged higher broadly after the U.S. service sector surged in July, helping to reinforce recent signals from the Federal Reserve that interest rates can be raised as early as September.

Asian currencies weakened the most in ten months in July as slowing economic growth and the prospect of higher U.S. interest rates spurred outflows.

USD PER 1 EURO MOVEMENT



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

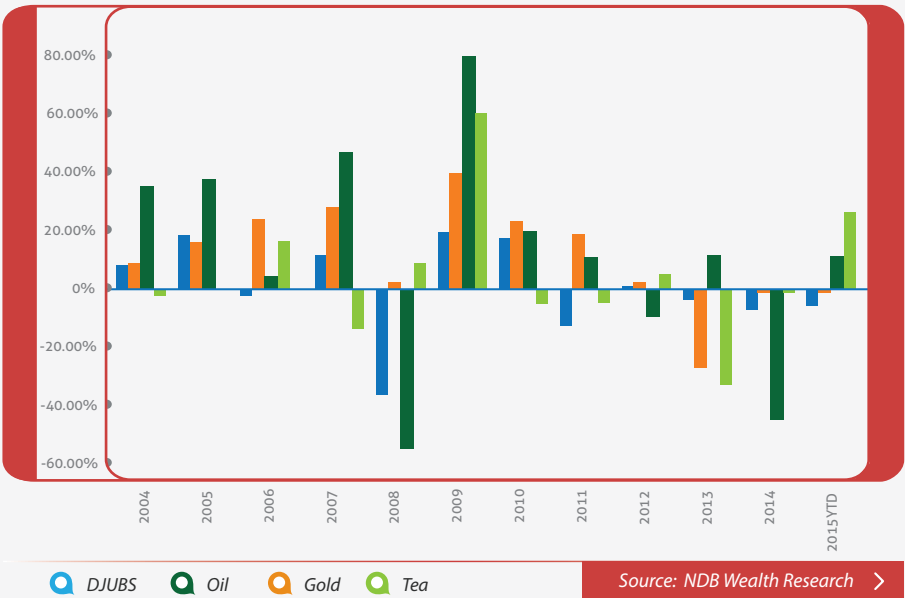
COMMODITY OUTLOOK

	1 month (1st – 31st Jul 2015)	Past 12 months (Jul 2014 – Jul 2015)	YTD (1st Jan – 31st Jul 2015)
DJ UBS Index	-10.62%	-28.25%	-12.02%
Tea	13.25%	73.43%	65.65%
Gold	-6.20%	-14.54%	-8.92%
Oil	-20.35%	-52.25%	-12.88%

Source: Bloomberg, NDB Wealth Research >

- DJ UBS commodity index plunged to multi-year lows after China decided to devalue its currency.
- China is the world's primary driver of commodity demand, and its recent equity market meltdown and disappointing economic data have been rattling commodity markets for weeks.
- Oil and copper both dropped to their lowest levels since 2009, as China allowed its currency to drop, triggering concerns over the economic health of emerging markets.
- Crude oil production hit multi year highs in July 2015, while OPEC also raised its forecast of oil supplies from non-member countries in 2015. However, the group forecast no extra demand for its crude oil this year.
- Metals also have been hit by weaker demand in China and continued supply from miners, which have benefited from low energy costs and a stronger dollar.
- While this may help Sri Lanka in terms of importation of crude oil, emerging markets overall may be negatively affected due to increased perception of risk in the region.

Commodity Price Movemets



PROPERTY OUTLOOK

- The real estate sector in Colombo has become one of the most talked about subjects amongst local and foreign investors, with interest ranging from private and government institutions to individuals.
- Expats who return to the island tend to buy an apartment in Colombo or consider building a house in suburbs such as Malabe, Battaramulla and Maharagama.
- However, a segment of professionals believe that the ongoing building frenzy, focusing mainly on high-end apartment development in Colombo, could turn in to an economic threat if the current trend of concentration continues.
- According to an article published by LBO, Sri Lanka's real estate sector is not facing a danger of reaching a property bubble as it is still growing at a faster pace than the economy and is showing signs of continuing to do so (since 2005 the real estate market has grown from 7.6% to 10.3% in 2013).
- Managing director of Lamudi Sri Lanka, Kolff says the key market driver still remains to be the luxury condominium market which has picked up in the last year with big players like JHK Waterfront and Altair also coming into the picture.
- The current estimates indicate that up to 80% of real estate sector investments by large firms are concentrated around high-end apartment development.
- However, the current demand and occupancy rates of office space in Colombo suggest that there are substantial opportunities in office and retail space, as supply of grade A office and retail space is on the lower side.
- According to the Chairman and country head of JLL India, there is demand from office occupiers for good quality buildings as the economy is growing and local and foreign companies are expanding operations here.
- Moreover, on the residential side it is evident that affordability is based on salary and income of individuals and going forward, the demand for housing and apartments in suburbs is expected to grow at prices which are affordable to the middle class society of the country.

Future Supply of Grade A Office Space

Name	Location	Developer	Year	Square Footage
AEC Towers	Colombo 14	AEC Group	2014	75,000
Orion City Phase II	Colombo 9	St. Anthony's Industries	2015	200,000
LHP	Colombo 3	LHP Construction	2015	60,000
Laugfs	Colombo 5	Laugfs Holdings Ltd	2015	65,000
Access Towers Phase II	Colombo 2	Access Realties	2016	200,000
Waterfront	Colombo 2	John Keells	2018	500,000
Shangri - La	Colombo 2	Shangri - La	2018	600,000

Source: JLL Research, Sri Lanka – Scaling New Heights >

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**, would invest 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 July 2015									
Profit Sharing Ratio*	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	2.77%	-	5.50%	6.25%	6.84%	7.30%	7.75%	-	8.21%
Bank of Ceylon Islamic Business Unit - As of July 2015									
Profit Sharing Ratio*	45:55	-	-	-	-	-	-	-	-
Distributed Profit	3.01%	-	-	-	-	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of July 2015									
Profit Sharing Ratio*	30:70	35:65	40:60	42:58	45:55	50:50	52:48	55:45	60:40
Distributed Profit	5.35%	6.25%	7.14%	7.50%	8.04%	8.93%	9.29%	9.82%	10.71%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of June 2015									
Profit Sharing Ratio*	15:85	15:85	18:82	19:81	20:80	-	-	-	-
Distributed Profit	4.95%	5.54%	6.02%	6.50%	7.23%	-	-	-	-
Peoples Leasing Islamic Business Unit - As of July 2015									
Profit Sharing Ratio*	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	6.41%	-	5.98%	6.48%	7.47%	-	-	-	-
Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of June 2014									
Profit Sharing Ratio*	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	3.80%	-	4.20%	4.94%	5.74%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of June 2015									
Profit Sharing Ratio*	45:55	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	4.07%	-	5.75%	6.00%	6.50%	-	-	-	-
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	-	-	-	-	-	-	-	-	-
3Mn - 50Mn	40:60	-	-	60:40	65:35	70:30	75:25	-	-
50Mn & Above	-	-	-	-	-	-	-	-	-
Distributed Profit									
1-3 Mn	-	-	-	-	-	-	-	-	-
3Mn - 50Mn	3.85%	-	-	5.77%	6.25%	-	-	-	-
50Mn & Above	-	-	-	-	-	-	-	-	-

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 MARCH 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
		Information Technology	E B Creasy & Company PLC
		PC House PLC	Gestetner of Ceylon PLC

Source: www.amanaasset.com >

UNIT TRUST FUNDS OFFERED BY NDB WM



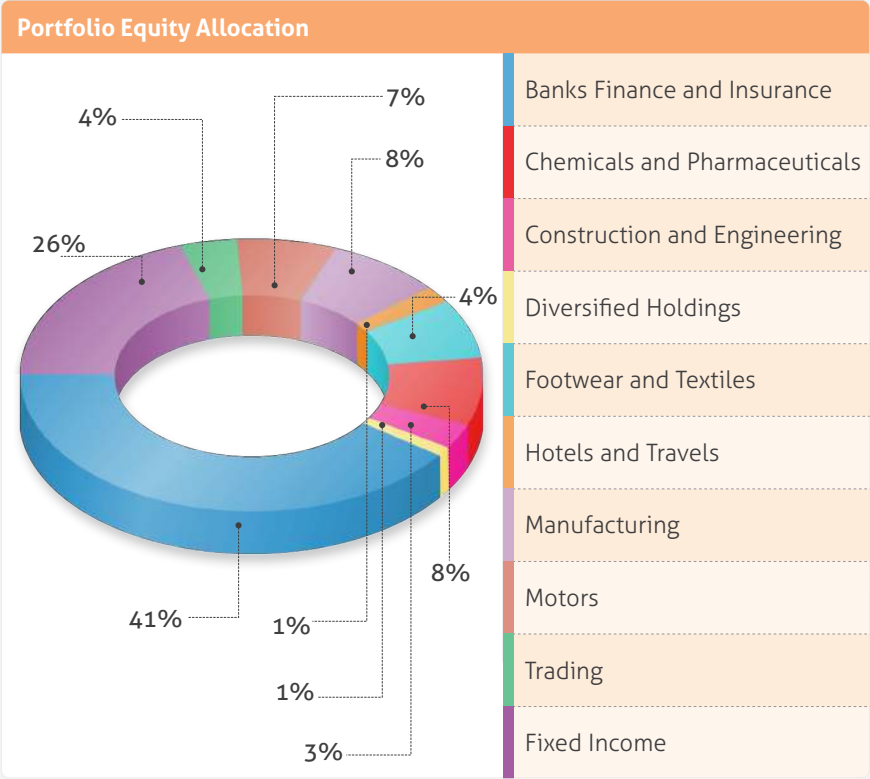
- Eagle Growth Fund
- Eagle Growth and Income Fund
- Eagle Gilt Edged Fund
- Eagle Income Fund
- Eagle Money Fund
- Eagle Money Plus Fund
- Islamic Money Plus Fund
- LKR Short Term Treasury Fund

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.



Fund Snapshot	31 Jul 2015
YTD Yield	7.98%
NAV per unit	108.7752
AUM (LKR Mn.)	339.34
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	3.06%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	73.30%
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	5.66%	4.43%
Last 3 Months	5.81%	2.13%
Last 6 Months	10.05%	2.12%
Last 12 Months	24.70%	7.60%
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 Allocation			
Minimum Fixed Income Allocation			3.00%
Current Fixed Income Allocation			26.70%
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 / 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, 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
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Disclaimer

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Fund Overview

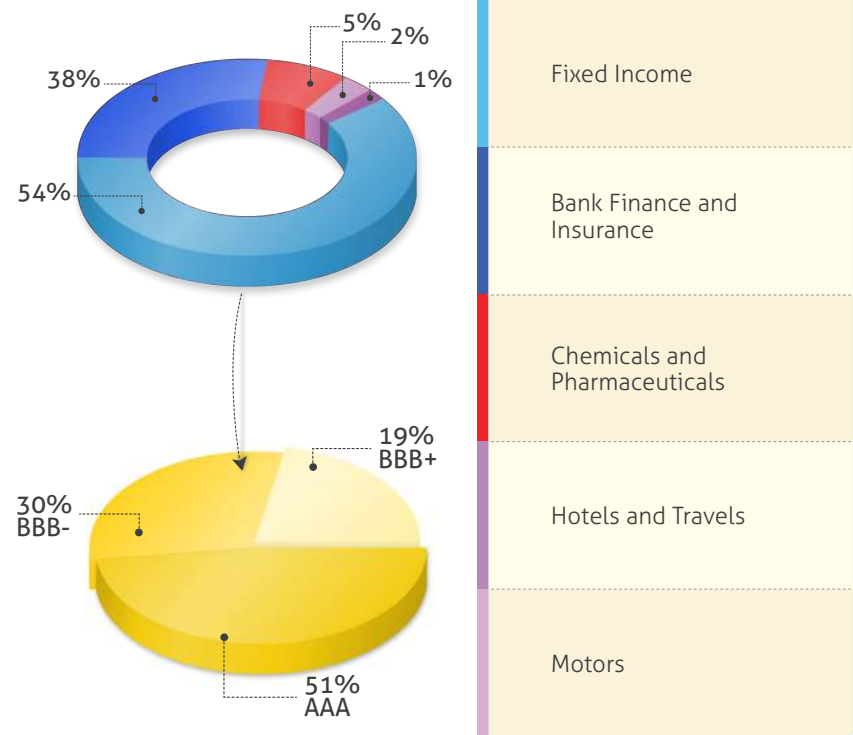
Type : Open Ended

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

31 Jul 2015

YTD Yield	6.61%
NAV per unit	37.2869
AUM (LKR Mn.)	213.95
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	2.44%
Dividend Frequency	Irregular
Last Dividend (LKR)	3.00
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	46.80%
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	3.66%	4.43%
Last 3 Months	3.35%	2.13%
Last 6 Months	7.10%	2.12%
Last 12 Months	18.12%	7.60%
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	53.20%
Average Rating of Fixed Income	A+
Average Duration	0.62

Marurity Profile

	Marurity	% Holding
	Under 1 Month	51.10%
	6 Months - 1 Year	9.30%
	1 Year - 5 Years	39.60%

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 : 1.5%.

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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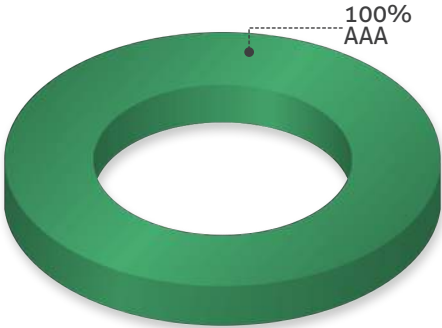
Fund Overview

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	0.2

Fund Snapshot

31 Jul 2015

YTD Yield	3.29%
YTD Yield (Annualized)	5.67%
NAV per unit	10.2820
AUM (LKR Mn.)	852.54
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	0.94%
Dividend Frequency	Quarterly
Last Dividend (LKR)	0.1
Average Maturity (Yrs)	0.18
Average Duration	0.18
Average Rating	AAA

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	24.70%	6.10%
1 Month - 3 Months	70.50%	6.40%
3 Months - 6 Months	4.70%	6.50%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.44%	5.24%	7.27%	6.55% Net of WHT
Last 3 Months	1.42%	5.65%	7.85%	7.07% Net of WHT
Last 6 Months	2.82%	5.65%	7.85%	7.06% Net of WHT
Last 12 Months	6.04%	6.04%	8.39%	7.55% 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 : 0.10-0.19% 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

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

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Fund Overview

Type : Open Ended

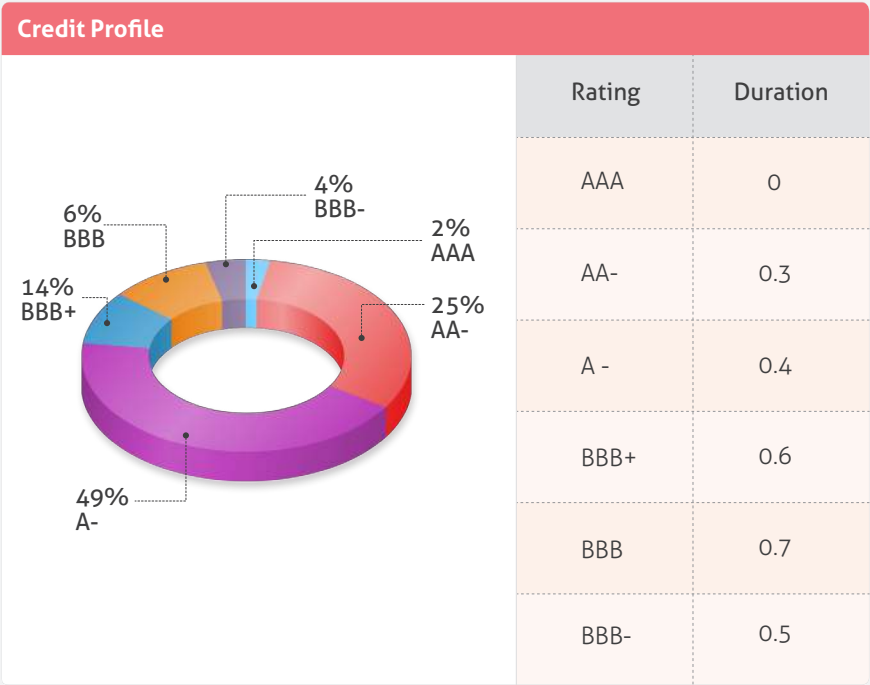
Investments: Corporate Debt Instruments

Currency: LKR

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	31 Jul 2015
YTD Yield	3.88%
YTD Yield (Annualized)	6.71%
NAV per unit	10.4313
AUM (LKR Mn.)	2,092.22
Fund Currency	LKR
Fund Inception	1 Dec 1997
Expense Ratio	1.25%
Dividend Frequency	Semi Annual
Last Dividend	0.50
Average Maturity (Yrs)	0.46
Average Duration	0.44
Average Rating	A-



Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	9.20%	7.20%
1 Month - 3 Months	18.70%	8.30%
3 Months - 6 Months	39.80%	7.90%
6 Months - 1 Years	25.50%	8.40%
1 Year - 4 Years	6.80%	10.00%

Historical Returns			
Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Last Month	0.56%	6.82%	9.47%
Last 3 Months	1.71%	6.85%	9.51%
Last 6 Months	3.30%	6.65%	9.24%
Last 12 Months	7.87%	7.87%	10.93%
Year 2014	10.68%	10.68%	14.83%
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 : 0.10 - 0.19% 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

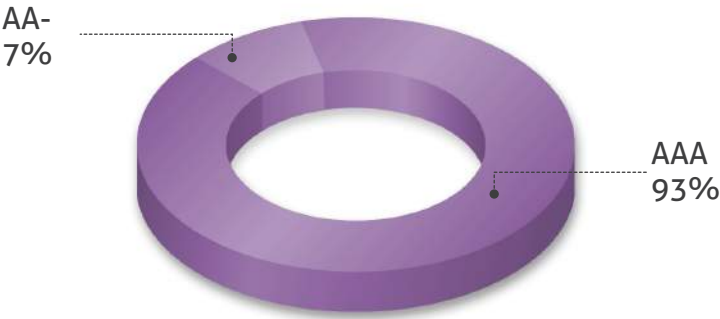
Investments: Short Term Government Securities

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-	0.8

Fund Snapshot

31 Jul 2015

YTD Yield	3.85%
YTD Yield (Annualized)	6.63%
NAV per unit	12.9326
AUM (LKR Mn.)	1,489.28
Fund Currency	LKR
Fund Inception	1 Jun 2012
Expense Ratio	0.76%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.16
Average Duration	0.16
Average Rating	AA+

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	55.10%	6.00%
1 Month - 3 Months	25.40%	6.40%
3 Months - 6 Months	12.70%	6.20%
6 Months - 1 Year	6.80%	6.90%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.49%	5.78%	8.03%	7.23% Net of WHT
Last 3 Months	1.68%	6.67%	9.26%	8.34% Net of WHT
Last 6 Months	3.38%	6.81%	9.45%	8.51% Net of WHT
Last 12 Months	6.63%	6.63%	9.20%	8.28% 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 : 0.20-0.10% 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,
Colombo 03, Sri Lanka.

Contact

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Sales Hotline - +94 719 788788

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Fund Overview

Type : Open Ended

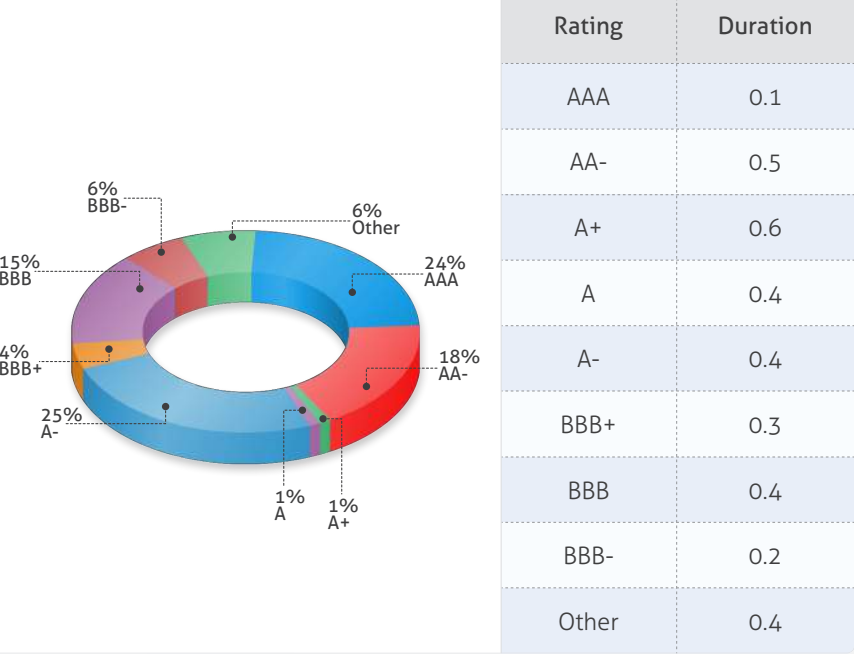
Currency: LKR

Investments: Money Market Corporate Debt Securities

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

31 Jul 2015

YTD Yield	3.80%
YTD Yield (Annualized)	6.54%
NAV per unit	13.7809
AUM (LKR Mn.)	28,148.39
Fund Currency	LKR
Fund Inception	1 Jun 2012
Expense Ratio	0.79%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.34
Average Duration	0.32
Average Rating	A

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	33.80%	6.70%
1 Month - 3 Months	19.50%	7.30%
3 Months - 6 Months	21.10%	7.00%
6 Months - 1 Year	25.60%	7.70%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Last Month	0.55%	6.44%	8.94%
Last 3 Months	1.67%	6.61%	9.18%
Last 6 Months	3.25%	6.56%	9.12%
Last 12 Months	7.01%	7.01%	9.73%
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 : 0.20-0.10% p.a. of NAV, depending on fund size.

Fund Manager

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No 40, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian

Deutsche Bank,
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Colombo 03, Sri Lanka.

Contact

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Fund Overview

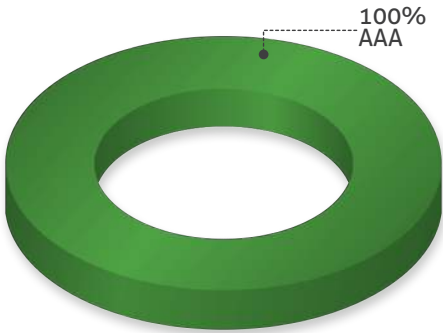
Type : Open Ended

Currency: LKR Denominated

Investments: Short Term Shariah Compliant Investments

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.

Credit Profile



Rating	Duration
A-	0.8

Fund Snapshot

31 Jul 2015

YTD Yield	0.86%
YTD Yield (Annualized)	4.23%
NAV per unit	10.09
AUM (LKR Mn.)	2.20
Fund Currency	LKR
Fund Inception	1 Jun 2015
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Average Maturity (Yrs)	0.84
Average Duration	0.8
Average Rating	A-

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Less than - 1 Year	100.00%	7.60%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.36%	4.23%	5.88%	5.29% Net of WHT
Last 3 Months	0.86%	3.41%	4.74%	4.26% 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 : 0.80% p.a. of NAV Trustee fee : 0.10% - 0.20% p.a. of NAV, based on the fund size.

Fund Manager

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Trustee and Custodian

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Fund Overview

Type : Open Ended

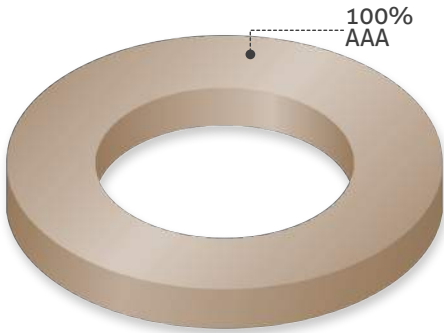
Currency: LKR

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	0.1

Fund Snapshot

31 Jul 2015

YTD Yield	3.15%
YTD Yield (Annualized)	5.43%
NAV per unit	10.3323
AUM (LKR Mn.)	503.94
Fund Currency	LKR
Fund Inception	19 Dec 2014
Expense Ratio	0.74%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Average Maturity (Yrs)	0.09
Average Duration	0.1
Average Rating	AAA

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	0.00%	5.80%
1 Month - 3 Months	100.00%	6.30%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Last Month	0.45%	5.31%	7.38%	6.64% Net of WHT
Last 3 Months	1.43%	5.66%	7.86%	7.07% 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, based on the fund size.

Fund Manager

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