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MARKET UPDATE AND FUND REVIEW

2020
APRIL

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MARKET BRIEF BY NDB WEALTH

INFLATION SLOW DOWN

Inflation as measured by the CCPI (2013=100), slowed further to 5.2% in April on a year-on-year basis from the previous month's 5.4%. Food inflation increased by 13.2% while Non-food prices declined to 2.1% in April as most activities other than essential services did not function due to the pandemic. We may see pressure on inflation with supply disruptions (due to the impact of the pandemic) coupled with imported inflation. However, we feel the Central Bank will broadly manage inflation at mid-single digit levels this year.

SRI LANKAN RUPEE CONTINUES TO FALL

The Sri Lankan Rupee depreciated by 2.19% against the USD in April to close the month at LKR 192.85 per USD leading to a year to date depreciation of 5.82%. The Rupee also lost a significant 3.13% against the Sterling Pound and 0.76% against the Euro in April. The Central Bank was a net seller of foreign exchange in the market in March amounting to USD 175 million (net), whilst gross official reserves stood at approximately USD 7.5 billion at end March.

INTEREST RATES DECLINE WITH INTERVENTION

Treasury Bill rates declined across the board in response to policy action taken by the CBSL during the past few months, with the benchmark 364-day T-Bill rate falling to 7.00% and the 91-day and 182-day T-Bills falling to 6.75% and 6.80% respectively. Foreign holding of LKR denominated bills and bonds fell further in April, falling to a low of 0.41%, as foreign investors were net sellers amounting to LKR 16.90 billion during the month. Sri Lanka's interest rates continued to be under pressure as a result of the overall macroeconomic vulnerability, which further deteriorated due to the continued spread of the coronavirus. However, policy makers are keen to maintain interest rates at low levels. This might be achievable given the expected low private sector credit demand.

STOCK MARKET CONTINUE TO BE CLOSED

The Colombo Stock Exchange (CSE) was continued to be closed for trading during the month of April 2020. CSE will reopen for trading in May 2020. Securities and Exchange Commission has introduced a Three Tiered Circuit Breaker structure which is to be attached to the S&P SL20 Index in order to eradicate distortion in the S&P SL20 Index by providing a layered approach. The circuit breaker mechanism will take effect from the date the market re-opens and remain in force until further notice.

Ranuka De Silva
Fund Manager

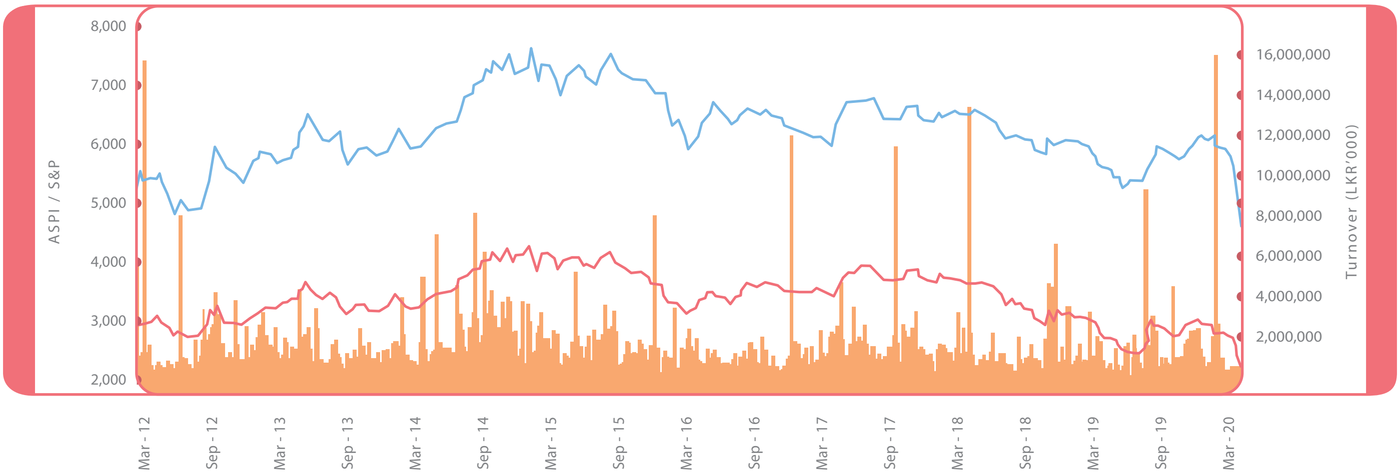
EQUITY OUTLOOK

	Past month Performance (1st Apr - 30th Apr 2020)	Past 12 months Performance (Apr 2019 - Apr 2020)	Year to Date Performance (1st Jan - 30th Apr 2020)
All Share Price Index	0.00%	-16.55%	-25.41%
S&P SL 20	0.00%	-25.88%	-33.69%
MSCI Frontier Markets Index	6.74%	-13.44%	-21.62%
MSCI World Index	10.92%	-4.00%	-12.43%
MSCI Emerging Markets	9.16%	-12.00%	-16.60%
MSCI Asia Ex Japan	8.96%	-7.45%	-11.07%

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

- The Colombo Stock Exchange was closed for trading during the month of April 2020. The stock market has been closed since 20th of March 2020.
- Sri Lanka and Bangladesh exchanges are among a handful of global stock markets that halted trading in March after the coronavirus contagion shut down economies and had significant negative impacts on equities.
- The seven-week closure of the Colombo Stock Exchange will likely to affect short term sentiment toward Sri Lankan equities once markets do re-open as selling pressure would have built up. Extended market closures may lead to long lasting consequences such as getting excluded from global indexes like MSCI.
- Both emerging and frontier markets recorded gains in April as they recovered to a certain extent from the heavy losses reported during the first quarter 2020. The MSCI Emerging Markets index was down 16.60% for 2020 as at April 2020.
- According to IMF projections published in April, emerging markets are set to contract by 1% in 2020 before rebounding 6.6% next year.
- However, it may also disguise the true extent of the slowdown, as the emerging-market group includes China, whose economy is set to recover relatively faster compared to other emerging market economies, which may not be able to bounce back as fast as the Chinese economy.
- Global trade is expected to decline by up to 30% in 2020, which in turn will lead to a steep drop in exports. Industries dependent on mobility, such as travel and tourism, will be negatively affected while declines in commodities prices, especially oil and metals, and lower volumes will affect many nations.
- The budget deficits of developing countries, particularly for oil exporters and those dependent on tourism and remittances, are potentially extremely large. More than 100 of the International Monetary Fund’s 189 member countries have already requested for aid.

Colombo Stock Exchange Performance



Source: www.cse.lk

		Apr 2020	Apr 2019
CSE	Market PER	8.38 X	8.61 X
	Market PBV	0.85 X	1.08 X
	Market DY	4.05%	3.61%
MSCI Frontier Market	Market PER	10.56 X	12.82 X
	Market PBV	1.48 X	1.77 X
	Market DY	4.92%	4.14%

Source: www.cse.lk

In Sri Lanka, foreign investors have not been net equity buyers since third quarter 2019. Overseas funds, which account for about a third of market volume have sold approximately net USD 29 million of local equities as at April 2020.

Colombo Stock Exchange	Jan - Apr 2020	Jan - Apr 2019
Foreign Inflows	LKR 30.54 Billion	LKR 20.65 Billion
Foreign Outflows	LKR 35.77 Billion	LKR 25.02 Billion
Net Foreign Inflows/(Outflows)	**(LKR 5.23 Billion)**	**(LKR 4.37 Billion)**

Source: www.cse.lk

“ ONLY BUY SOMETHING THAT
YOU'D BE PERFECTLY HAPPY TO HOLD
IF THE MARKET SHUT DOWN FOR 10 YEARS ”

— Warren Buffet —

FIXED INCOME OUTLOOK

Interest Rates in Sri Lanka

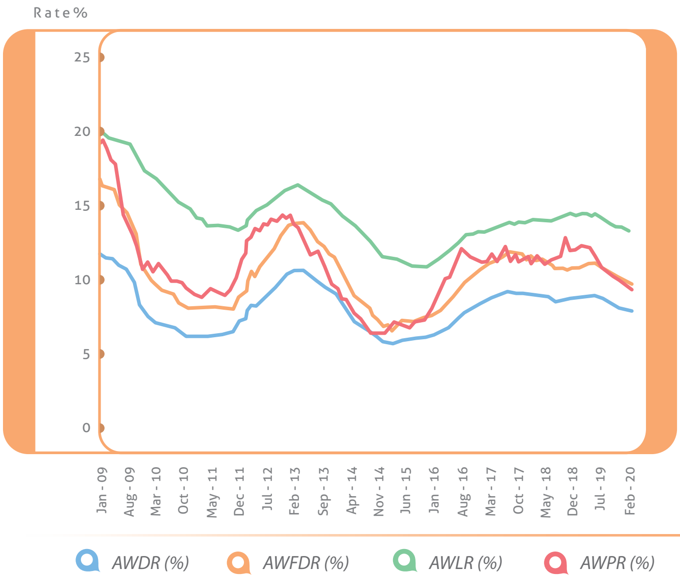
Since the last emergency rate cut at the beginning of April, the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) has been maintained at 7.00% and 6.00% respectively.

	Apr 19	Dec 19	Mar 20	Apr 20
364 Day T-bill	9.91%	8.45%	7.50%	7.00%
5-Year Bond	10.81%	9.94%	9.70%	8.97%
1-Year Finance Company Fixed Deposit Ceiling Rate	12.79%	11.63%	11.59%	10.19%

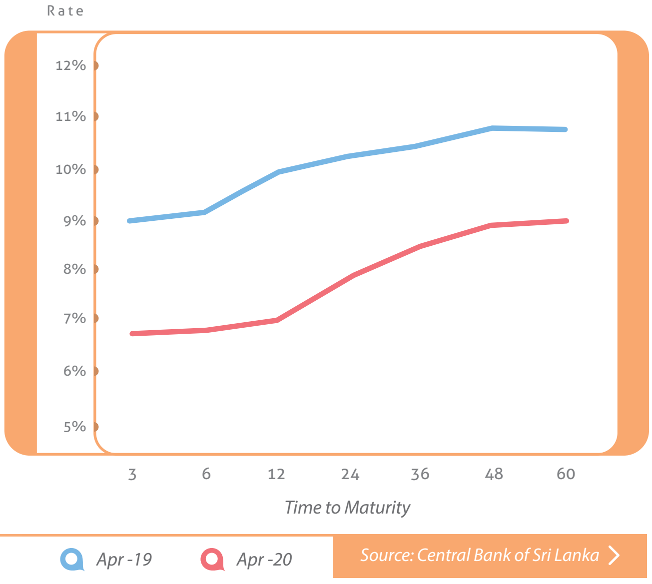
** Gross Rates provided. Net returns would change based on prevailing tax regulations.*

Source: Central Bank of Sri Lanka

AVERAGE LENDING & DEPOSIT RATES



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

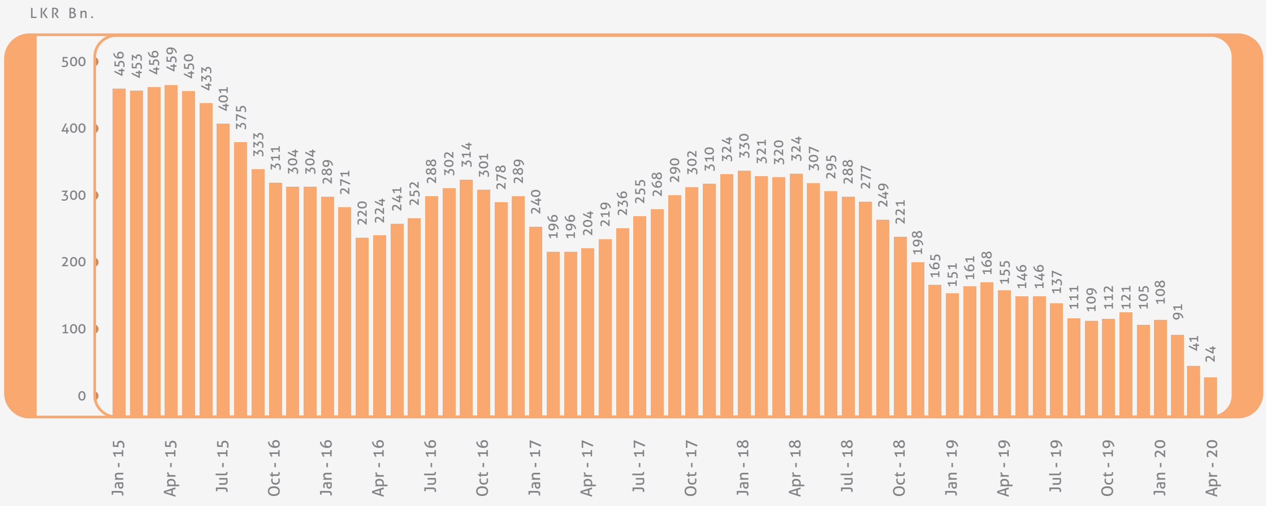
Treasury Bill rates declined across the board in view of policy action taken by the CBSL during the past few months, with the benchmark 364-day T-Bill rate falling to 7.00% and the 91-day and 182-day T-Bills falling to 6.75% and 6.80% respectively.

Broad money (M2b) growth picked up marginally to 8.4% year-on-year in February, from the previous month's 8.3%. Credit extended to the private sector rose by 4.7% year-on-year from 4.5% in January. On a month-on-month basis credit disbursements were up by 0.4% (LKR 25.3 Bn.) during the month.

Outstanding LKR Govt. Securities LKR 5,957 Billion	
T Bills (Total)	**T Bonds (Total)**
LKR 1,114 Billion	LKR 4,843 Billion
Domestic (Bills & Bonds)	**Foreign (Bills & Bonds)**
LKR 5,933 Billion	LKR 24 Billion
Total Foreign Holding of Bills and Bonds - 0.41%	

Source: Central Bank of Sri Lanka

FOREIGN HOLDING OF LKR G-SEC



Source: Central Bank of Sri Lanka

Foreign holding of LKR denominated bills and bonds fell further in April, falling to a low of 0.41%, as foreign investors were net sellers amounting to LKR 16.90 bn during the month. As a result year-to-date net selling by foreigners increased to LKR 80.52 bn

1 Year FD Rates - Sri Lankan Banks		
	Apr 2020	Mar 2020
NSB	8.25%	8.75%
COMB	8.00%	8.00%
SAMP	8.50%	8.50%
HNB	8.50%	8.50%
NDB	8.25%	8.25%

Rates on Credit Cards	Apr 20
HSBC	28.00%*
SCB	28.00%*
Sampath	28.00%*
NDB	28.00%*
AMEX	28.00%*

Source: Respective Commercial Banks

**Credit card interest rate reduced to 15% p.a. on all local transactions performed up to LKR.50,000 within a statement cycle until 30 September 2020*

NSB reduced their fixed deposit rates during the month of April.

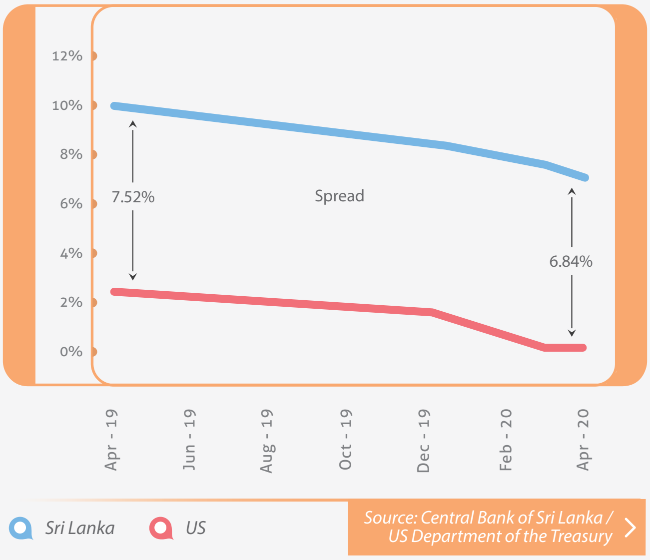
NDIB CRISIL Fixed Income Indices Total return as at 30/04/2020	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	1.99%	8.44%	8.86%
NDBIB-CRISIL 364 Day T-Bill Index	3.28%	10.88%	10.24%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	4.47%	16.50%	13.57%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	5.01%	19.60%	14.76%

Source: www.crisil.com

Central Bank Policy Rates	2017	2018	2019	Latest
Sri Lanka	7.25%	8.00%	7.00%	6.00%
US	1.25% - 1.50%	2.25% - 2.50%	1.50% - 1.75%	0.00% - 0.25%
Euro Zone	0.00%	0.00%	0.00%	0.00%
Australia	1.50%	1.50%	0.75%	0.25%
India	6.00%	6.50%	5.15%	4.40%

Source: www.cbrates.com

1 YEAR TREASURY RATE - USD Vs. LKR



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

First quarter GDP in the US contracted 4.8% as efforts to contain the Coronavirus brought economic activity to a virtual standstill. Further Euro area GDP also fell by a record 3.8% with the largest declines in activity felt by countries with the earliest and most severe lockdowns. Meanwhile China's GDP shrank a significant 6.8% during the quarter, its first decline since 1992, as production and spending were virtually frozen by the countrywide lockdown during the period.

364 Day Treasury Bill Rate	Apr 19	Dec 19	Mar 20	Apr 20
Sri Lanka	9.91%	8.45%	7.50%	7.00%
India	6.50%	5.29%	4.86%	3.60%
US	2.39%	1.59%	0.17%	0.16%
Euro Zone	-0.60%	-0.66%	-0.69%	-0.62%

Source: Respective Central Banks

	Rates on Savings Accounts Apr 2020
Sri Lanka	4.00%
US	0.01%
Euro Zone	0.11%
Australia	0.50%
India	3.25%

Source: Respective Commercial Banks

Most global sovereign yields declined given monetary policy easing measures undertaken by Central Banks to support their economies hampered by the virus outbreak.

“ YOU WON’T GO WRONG IF YOU LEARN TO INVEST FIRST AND SPEND AFTERWARDS. ”

— NDB Wealth —

INFLATION RATES

Country	Apr 19	Dec 19	Mar 20	Apr 20
Sri Lanka	4.53%	4.83%	5.37%	5.20%
US	2.00%	2.29%	1.54%	1.54%*
Euro Zone	1.72%	1.33%	0.75%	0.75%*
India	2.99%	7.35%	5.91%	5.91%*

* Mar 2020

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

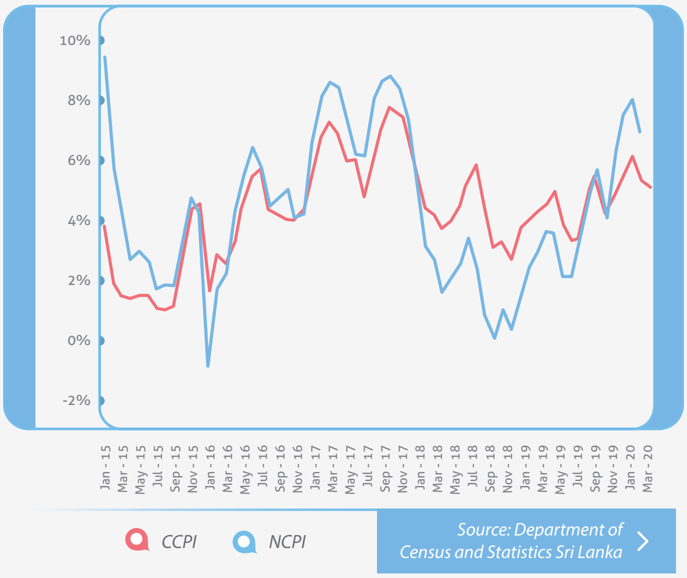
Inflation as measured by the CCPI (2013=100), slowed further to 5.2% in April on a year-on-year basis from the previous month's 5.4% mainly due to the base effect. During the month however the index was up marginally by 0.1% as prices in the food category increased by 0.4%. Non-food prices however remained stagnant in April as most activities other than essential services did not function due to the pandemic. Within the food category prices of mainly coconut, chilli powder and coconut oil increased. On an annual average basis inflation marginally increased to 4.8% in April.

Core inflation, which excludes the more volatile aspects of price movements (food, energy and transport) rose to 3.1% year-on-year in April reversing its decline for the last six months. On an annual average basis however core inflation slowed to 4.7%.

We may see pressure on inflation with supply disruptions (due to the impact of the pandemic) coupled with imported inflation, however we feel the Central Bank will broadly manage inflation at mid-single digit levels this year.

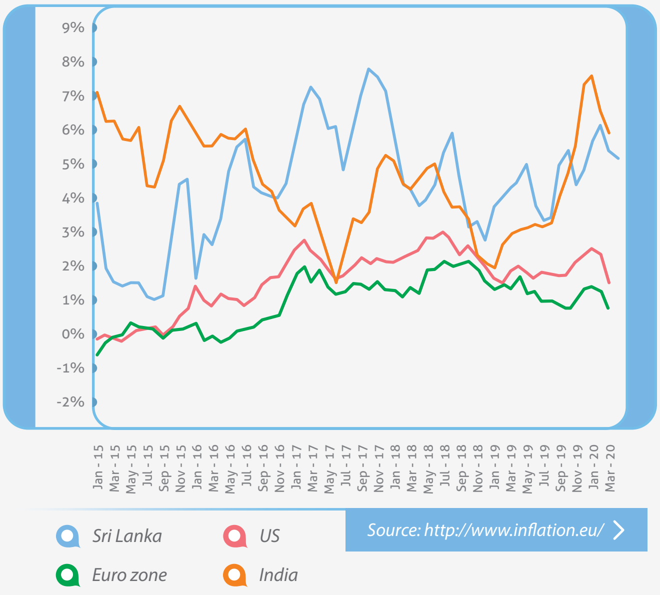
On the global front, both US and Euro zone inflation decreased to 1.54% and 0.75% year-on-year respectively in March.

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	Apr 19	Dec 19	Apr 20	1 Year App/(Dep) LKR	YTD App/(Dep) LKR
USD	175.46	181.63	192.85	-9.02%	-5.82%
GBP	227.05	238.46	240.18	-5.47%	-0.71%
EURO	196.34	203.67	209.55	-6.30%	-2.81%
YEN	1.57	1.67	1.81	-13.00%	-7.49%
AUD	123.68	127.25	126.19	-1.99%	0.84%
CAD	130.34	139.21	139.01	-6.23%	0.15%
INR	2.51	2.55	2.56	-1.72%	-0.39%
BHD	465.41	481.78	500.73	-7.05%	-3.78%
CNY	26.05	26.01	26.57	-1.96%	-2.08%

Source: Central Bank of Sri Lanka

- The Sri Lankan Rupee depreciated considerably once again against the USD in April, falling by 2.19% to close the month at LKR 192.85 per 1 USD and now stands a net loser at 5.82% on a year-to-date basis. The Rupee also lost a significant 3.13% against the Pound Sterling and 0.76% against the Euro in April.
- The US Dollar strengthened further as escalating tensions between the US and China increased demand for the safe haven currency.
- The Pound Sterling fell against its main rivals, the US Dollar and the Euro as the UK did not show any signs of relaxing its lockdown. This followed with other European countries laying out plans to re-open their economies which improved risk sentiment in the region.
- Asian currencies fell across the board, as investors fled to the safety of the US Dollar after dismal economic data from the United States intensified fears of a global recession.

USD PER 1 EURO MOVEMENT

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

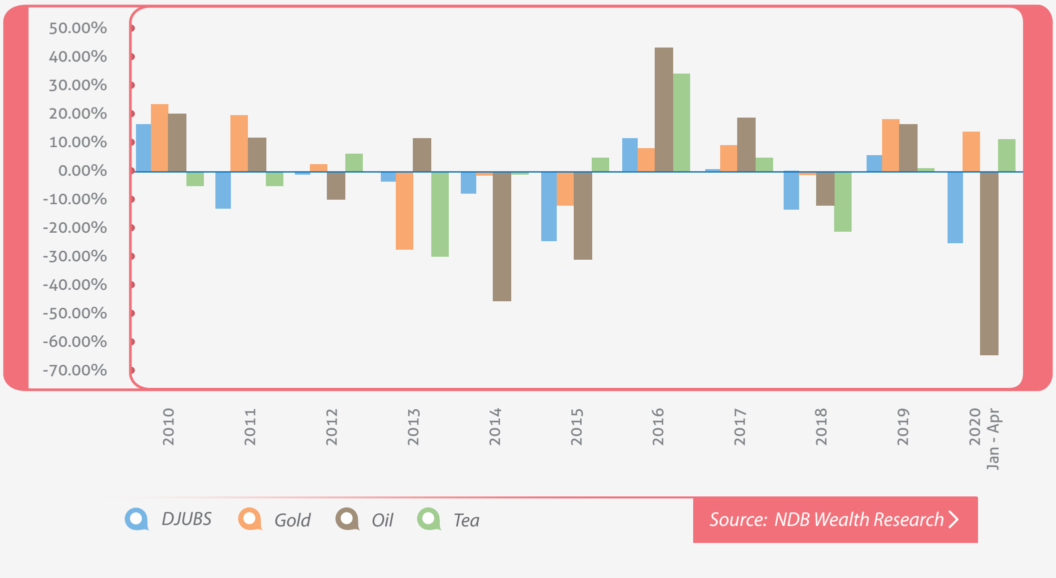
COMMODITY OUTLOOK

	Past month Performance (1st Apr - 30th Apr 2020)	Past 12 months Performance (Apr 2019 - Apr 2020)	Year to Date Performance (1st Jan - 30th Apr 2020)
Bloomberg Commodity Index	-1.55%	-24.41%	-24.71%
Gold	5.73%	30.89%	13.79%
Tea	9.58%	6.89%	11.21%
Oil (Brent)	-29.23%	-67.22%	-64.56%

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

- The Bloomberg Commodity Index, which tracks 23 commodities, closed at 60.90, down 1.55% for the month of April 2020. It posted a fourth straight monthly decline (in March 2020 it closed at 59.48, the lowest point based on records dating back to January 1991).
- The loss of demand due to COVID-19 pandemic resulted in negative returns for most commodities. However, safe haven assets such as gold gained as investors switched due to market volatility.
- Global oil demand has slumped by around 30% as the pandemic has curtailed movement across the world, building up inventories globally. In order to reduce the oversupply, the OPEC and allied producers agreed to cut production from May 2020 by about 10 million barrels per day in an effort to support prices.
- Decision to reduce policy rates by Central banks coupled with higher investor demand for safe investments, drove up Gold prices in April 2020.
- Commodity prices are expected to recoup some of their losses due to coronavirus-related demand destruction once the world moves out of the crisis. However, signs of a second wave may have severe impact as it will delay the recovery of commodity prices.

Commodity Price Movements



Source: NDB Wealth Research

PROPERTY OUTLOOK

Office Space Market

- The COVID-19 virus has been threatening lives in Sri Lanka since January 2020 and the island has been in lock down since March 2020.
- In this light we expect this pandemic to put pressure on the office space market. Further, we expect given the weak macro outlook, rental growths will struggle in the short to medium term.
- The lackluster macro performance is in lieu of the forecasted negative corporate performance due to the demand and supply side constrains faced by a majority of corporate.
- With the ongoing cost-cutting and human capital reduction programs been implemented by businesses across the island, office occupancy rates are expected to drop below their normal average levels.
- Therefore, rental properties that are most vulnerable will be properties on short term leasing options and properties with leases up for expiration.
- However, for landlords to maintain occupancy, they may have to offer concessions on lease terms in the short term which will ensure faster deal execution during the challenging times.
- In the backdrop of the COVID – 19 pandemic, when the island wide lockdown is lifted, many businesses are expected to struggle to get back to normalcy.
- We expect many businesses to transition to remote working and collaborative technology to execute day to day operations of businesses.
- As remote working and collaborative technology was forced to be used by most corporates during the pandemic, this might become the norm in the work culture as many businesses were forced to adapt. This may have a long-term implication on the overall demand for office space.
- As mentioned on our previous publications, co-working spaces and flexible office spaces were emerging in the island. We expect the co-working space business to have a positive impact in demand in the long run due to the working culture changes.

ISLAMIC FINANCE INDUSTRY

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

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

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

Mudharabah Deposit Rates of Selected Service Providers

	Savings	1 month	3 month	6 month	1 Year^{+}	2 Year^{+}	3 Year^{+}	4 Year^{+}	5 Year^{+}
Amana Bank - As of March 2020									
*Profit Sharing Ratio**	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	3.01%	-	5.52%	5.98%	6.90%	7.36%	7.82%	-	8.28%
Bank of Ceylon Islamic Business Unit - As of March 2020									
*Profit Sharing Ratio**	45:55	-	-	-	-	-	-	-	-
Distributed Profit	4.00%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-Al Adalah Islamic Banking unit - As of March 2020									
*Profit Sharing Ratio**	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	4.89%	-	6.03%	7.07%	8.17%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of March 2020 (Released Quarterly)									
*Profit Sharing Ratio**	30:70	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	3.50%	-	7.50%	8.00%	8.50%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of February 2020									
Profit Sharing Ratio (3Mn - 50Mn)*	40:60	60:40	65:35	40:60	65:35	-	-	-	-
Distributed Profit	5.20%	6.50%	7.00%	7.50%	9.25%	-	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of August 2019									
*Profit Sharing Ratio**	32:68	52:48	52:48	52:48	55:45	62:38	62:38	-	-
Distributed Profit	6.43%	8.23%	8.64%	9.24%	11.05%	11.65%	12.25%	-	-
Commercial Leasing & Finance PLC- Islamic Finance - As of March 2020									
*Profit Sharing Ratio**	30 :70	50:50	53:47	55:45	55:45	59:41	60:40	64:36	65:35
Distributed Profit	6.03%	7.87%	8.05%	8.41%	9.66%	10.02%	10.20%	10.56%	10.91%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of February 2020									
*Profit Sharing Ratio**	25:75	31:69	34:66	36:64	38:62	-	-	-	-
Distributed Profit	6.76%	8.38%	9.19%	9.73%	10.27%	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of March 2020									
*Profit Sharing Ratio**	30:70	60:40	62:38	66:34	66:34	67:33	69:31	70:30	74:26
Distributed Profit	3.96%	6.60%	6.86%	7.26%	8.05.%	8.97%	9.24%	9.50%	9.77%
Peoples Leasing Islamic Business Unit - As of January 2020									
*Profit Sharing Ratio**	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	6.28%	-	8.37%	9.06%	10.46%	-	-	-	-

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

Source: Respective Company Data

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 JULY 2019

Beverages and Food	Singer Industries (Ceylon) Plc
Bairaha Farms PLC	Teejay Lanka PLC
Dilmah Ceylon Tea Company PLC	Power & Energy
Kotmale Holdings PLC	Lanka IOC PLC
Nestle Lanka PLC	Lotus Hydro Power PLC
Renuka Agri Foods PLC	Vallibel Power Erathna PLC
Tea Smallholder Factories PLC	Vidullanka PLC
Chemicals and Pharmaceuticals	Services
Union Chemicals Lanka Plc	Lake House Printing & Publishers PLC
Diversified Holdings	Stores & Supplies
Hemas Holdings PLC	Gestetner of Ceylon PLC
Healthcare	Hunter & Company PLC
Asiri Surgical Hospitals PLC	Trading
Manufacturing	Office Equipment PLC
ACL Plastics PLC	Motors
Bogala Graphite Lanka PLC	Autodrome PLC
Ceylon Grain Elevators PLC	Plantations
Chevron Lubricants Lanka PLC	Aitken Spence Plantation Managements PLC
Lanka Ceramic PLC	Elpitiya Plantations PLC
Richard Pieris Exports PLC	Hatton Plantations PLC
Sierra Cables PLC	Namunukula Plantation PLC

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

NOTE 1: The White List has taken to consideration based on the December 2018 company financials

NOTE 2: Removals - Amana Takaful PLC, Amana Takaful Life PLC, Amana Bank PLC, Harischandra Mills PLC, Raigam Wayamba Salterns PLC, Renuka Foods PLC, Three Acre Farms PLC, Chemanex PLC, Haycarb PLC, Industrial Asphalts (Ceylon) PLC, J.L. Morison Son & Jones (Ceylon) PLC, Access Engineering PLC, Lankem Developments PLC, Expolanka Holdings PLC, Sunshine Holdings PLC, Ceylon Leather Products PLC,Hayleys Fabric PLC, Odel PLC, Ceylon Hospitals PLC (Durdans), Singhe Hospitals PLC, Ascot Holdings PLC, Lanka Century Investments PLC, Renuka Holdings PLC,Colombo Land & Development Company PLC, Serendib Engineering Group PLC, Abans Electricals PLC, ACL Cables PLC, Agstar Fertilizers PLC, Alufab PLC, Alumex PLC, B P P L Holdings PLC, Central Industries PLC, Dankotuwa Porcelain PLC, Dipped Products PLC, Kelani Cables PLC, Lanka Aluminium Industries PLC, Lanka Tiles PLC, Lanka Walltiles PLC, Laxapana Batteries PLC, Piramal Glass Ceylon PLC, Printcare (Ceylon) PLC, Regnis(Lanka) PLC,Royal Ceramic Lanka PLC, Samson International, Swadeshi Industrial Works PLC, Swisstek Ceylon PLC, Tokyo Cement (Company) PLC, C M Holdings PLC, Diesel & Motor Engineering PLC, Sathosa Motors PLC, United Motors Lanka PLC, Balangoda Plantations PLC, Bogawantalawa Tea Estates PLC,Horana Plantations PLC, Kahawatte Plantation PLC, Kelani Valley Plantations PLC, Madulsima Plantations PLC, Malwatte Valley Plantations PLC, Maskeliya Plantations PLC, Talawakelle Tea Estates PLC, Udapussellawa Plantations PLC, Watawala Plantations PLC, Hapugastanne Plantations PLC, Panasian Power PLC, Paragon Ceylon PLC, Dialog Axiata PLC, Sri Lanka Telecom PLC, C. W. Mackie PLC, Eastern Merchants PLC

NOTE 3: Additions - Kotmale Holdings PLC, Hemas Holdings PLC, Hatton Plantations PLC

UNIT TRUST FUNDS OFFERED BY NDB WM

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

NDB | WEALTH

Fund Overview

NDB Wealth Growth Fund

Type: Open Ended
Currency: LKR

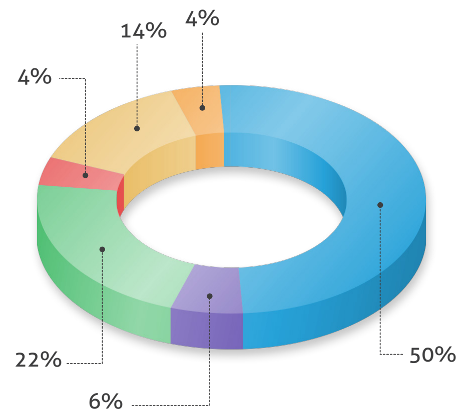
Investments: Listed Equities
ISIN: LKNWGRU00005

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

Fund Snapshot	31-Mar-20
YTD Yield	-27.72%
NAV per unit	7.33
AUM (LKR Mn.)	140.83
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	2.78%
Max Equity Allocation	97.00%
Current Equity Allocation	75.19%
Fund Leverage	0.00%

Equity Allocation



- Banks
- Consumer Durables & Apparel
- Diversified Financials
- Food Beverage & Tobacco
- Insurance
- Materials

Top 5 Portfolio Holdings (In Alphabetical Order)

- CENTRAL FINANCE COMPANY PLC
- COMMERCIAL BANK OF CEYLON PLC
- HATTON NATIONAL BANK PLC
- PEOPLES INSURANCE LTD
- SEYLAN BANK PLC

Historical Returns

Period	Fund Returns *	ASPI Returns
Last Month	-19.26%	-18.26%
Last 3 months	-27.72%	-25.41%
Last 6 months	-21.41%	-20.33%
Last 12 months	-19.38%	-17.74%
Year 2019	-0.59%	1.27%
Year 2018	-6.79%	-4.98%

* After fees, excluding front end and back end loads

Fixed Income Allocation

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	24.81%
Average Duration	0.0863

Maturity	% Holding
Under 1 Month	34.33%
1 Month - 3 Months	65.67%

Other Features

Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis. Instruments greater than one year - n/a.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Exposure Restrictions	Maximum exposure restrictions to listed equity 15% of NAV; maximum exposure restrictions on fixed income investments depend on the features of each security, (Ex: Rated, Guaranteed, etc.), and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 2.25% p.a. of NAV. Trustee fee : 0.10 - 0.19% p.a. of NAV. Custodian fee : 0.05% p.a.of NAV, depending on fund size Front-end fee : 2% / Exit fee : 1% if less than 1 year ; 0 if greater than 1 year.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

Fund Overview

NDB Wealth Growth and Income Fund

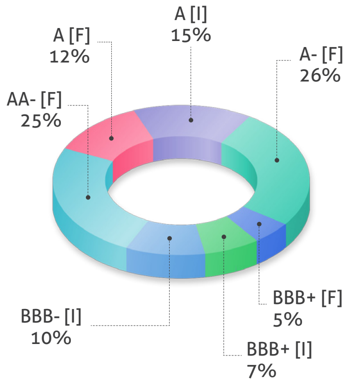
Type: Open Ended
Currency: LKR
Investments: Listed Equities and Corporate Debt
ISIN: LKNWGIU00004

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	31-Mar-20
YTD Yield	-2.24%
NAV per unit	38.35
AUM (LKR Mn.)	317.53
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.89%
Max Equity Allocation	97.00%
Current Equity Allocation	1.81%
Fund Leverage	0.00%

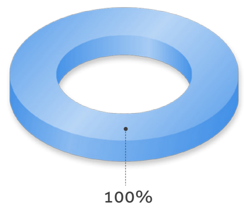
Portfolio Allocation

By Credit Rating



F - FITCH
I - ICRA
G - GOSL

By Equity Sector



Banks

Top Portfolio Holdings (In Alphabetical Order)

DFCC BANK PLC

Historical Returns

Period	Fund Returns*	ASPI Returns
Last month	0.21%	-18.26%
Last 3 months	-2.24%	-25.41%
Last 6 months	2.22%	-20.33%
Last 12 months	6.84%	-17.74%
Year 2019	11.09%	1.27%
Year 2018	7.47%	-4.98%

* After fees, excluding front end and back end loads.

Fixed Income Allocation

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	98.19%
Average Duration	0.42

Maturity	% Holding
Under 1 Month	18.96%
1 Month - 3 Months	15.16%
3 Months - 6 Months	39.28%
6 Months - 1 Year	19.76%
1 Year - 10 Years	6.84%

Other Features

Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis. Instruments greater than one year - marked to market.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Exposure Restrictions	Maximum exposure restrictions to listed equity 15% of NAV; maximum exposure restrictions on fixed income investments depend on the features of each security, (Ex: Rated, Guaranteed, etc.), and are regulated by the Trustee and the SEC.
Fee Details	Management Fee : 1.5% p.a. of NAV / Trustee fee : 0.11-0.15% p.a. of NAV, depending on fund size. Custody Fee : Rs.10,000 per Month, Front-end fee : 1.5%.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Hatton National Bank PLC

Fund Overview

NDB Wealth Income Fund

Type: Open Ended
Currency: LKR

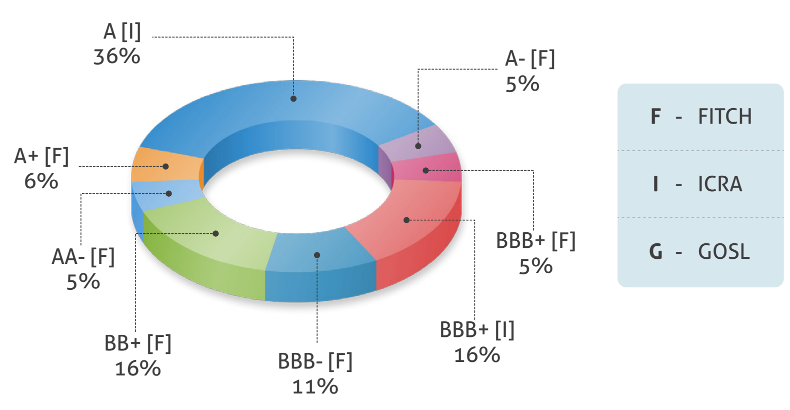
Investments: Corporate Debt Instruments
ISIN: LKNWINU00000

NDB Wealth Income Fund is an open-ended fixed income fund incorporated in Sri Lanka, invested in LKR based corporate debt instruments including commercial paper, securitized paper, quoted and unquoted debentures as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to enhance returns by investing in a diversified portfolio of corporate debt securities.

Fund Snapshot

Fund Snapshot	31-Mar-20
YTD Yield	3.73%
YTD Yield (Annualized)	14.98%
NAV per unit	14.5915
AUM (LKR Mn.)	337.93
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.36%
Average Maturity (Yrs)	1.87
Average Duration	1.39

Portfolio Allocation By Credit Rating



Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	16.12%	11.87%
1 Month - 3 Months	1.64%	11.00%
3 Months - 6 Months	4.45%	12.60%
6 Months - 1 Year	24.90%	12.60%
1 Year - 10 Years	52.88%	12.70%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	3.73%	14.98%
Last month	1.36%	16.06%
Last 3 months	3.73%	14.98%
Last 6 months	6.66%	13.28%
Last 12 months	13.42%	13.42%
Year 2019	12.97%	12.97%
Year 2018	10.00%	10.00%

Other Features

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

Fund Overview

NDB Wealth Income Plus Fund

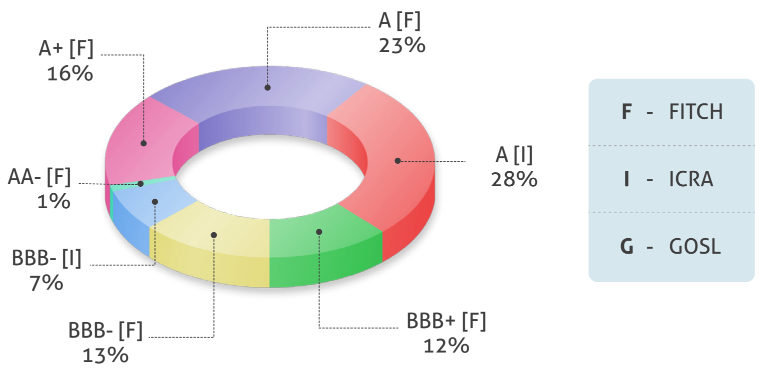
Type: Open Ended
Currency: LKR
Investments: Fixed Income Securities
ISIN: LKNWIPU00005

NDB Wealth Income Plus Fund is an open-ended fixed Income fund incorporated in Sri Lanka, invested in LKR based corporate debt instruments including commercial paper, securitized paper, quoted and unquoted debentures,bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions.
The Fund aims to provide higher returns by investing in a portfolio of Gilt Edged and Corporate Debt securities.

Fund Snapshot

Fund Snapshot	31-Mar-20
YTD Yield	3.18%
YTD Yield (Annualized)	12.77%
NAV per unit	15.6002
AUM (LKR Mn.)	429.79
Fund Currency	LKR
Fund Inception	7-Apr-16
Expense Ratio	0.76%
Average Maturity (Yrs)	0.24
Average Duration	0.23

Portfolio Allocation By Credit Rating



Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	41.73%	10.93%
1 Month - 3 Months	19.39%	12.30%
3 Months - 6 Months	35.57%	12.30%
6 Months - 1 Year	3.31%	13.70%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	3.18%	12.77%
Last month	1.01%	11.84%
Last 3 months	3.18%	12.77%
Last 6 months	6.17%	12.32%
Last 12 months	12.58%	12.58%

Other Features

Valuation	Daily Valuation Cost plus accrued basis
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Fee Details	Management Fee : 0.50% p.a. of NAV. Trustee and Custodian fee : 0.065 - 0.1% p.a. of NAV, based on fund size. Exit fee : 2% if less than 1 year ; 0 if greater than 1 year
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

Fund Overview

NDB Wealth Money Fund

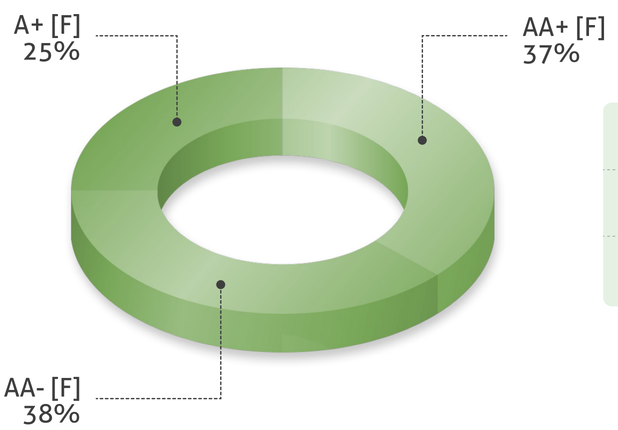
Type: Open Ended
Currency: LKR

Investments: Short Term Bank Deposits
ISIN: LKNWMNU00002

NDB Wealth Money Fund is an open-ended money market fund incorporated in Sri Lanka, invested in short-term high credit quality LKR based bank deposits.

The Fund aims to provide optimal returns with low risk and moderate liquidity to investors by investing in short-term high quality bank deposits with maturities less than 365 days with credit ratings of A- and above.

Portfolio Allocation By Credit Rating



F -	FITCH
I -	ICRA
G -	GOSL

Fund Snapshot	31-Mar-20
YTD Yield	2.27%
YTD Yield (Annualized)	9.11%
NAV per unit	19.4181
AUM (LKR Mn.)	162.98
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.97%
Average Maturity (Yrs)	0.56
Average Duration	0.53

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	29.94%	8.27%
3 Months - 6 Months	10.02%	9.00%
6 Months - 1 Year	60.05%	9.60%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.27%	9.11%
Last month	0.75%	8.78%
Last 3 months	2.27%	9.11%
Last 6 months	4.69%	9.35%
Last 12 months	9.86%	9.86%
Year 2019	10.24%	10.24%
Year 2018	8.74%	8.74%

Other Features

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

Fund Overview

NDB Wealth Money Plus Fund

Type: Open Ended
Currency: LKR

Investments: Money Market Corporate Debt Securities
ISIN: LKNWMPU00007

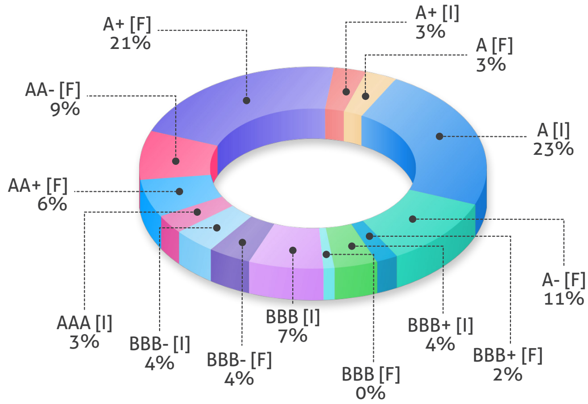
NDB Wealth Money Plus Fund is an open-ended money market fund incorporated in Sri Lanka, invested in short term LKR based corporate debt instruments including commercial paper, securitized paper, bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions.

The Fund aims to provide liquidity to investors while enhancing returns by investing in a diversified portfolio of short term corporate debt securities with maturities less than 365 days

Fund Snapshot

Fund Snapshot	31-Mar-20
YTD Yield	2.84%
YTD Yield (Annualized)	11.39%
NAV per unit	22.0323
AUM (LKR Mn.)	38,778.93
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.82%
Average Maturity (Yrs)	0.37
Average Duration	0.35

Portfolio Allocation By Credit Rating



F - FITCH
I - ICRA
G - GOSL

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	22.76%	9.29%
1 Month - 3 Months	22.54%	10.90%
3 Months - 6 Months	27.12%	11.20%
6 Months - 1 Year	27.58%	11.20%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.84%	11.39%
Last month	0.89%	10.51%
Last 3 months	2.84%	11.39%
Last 6 months	5.52%	11.01%
Last 12 months	11.65%	11.65%
Year 2019	11.73%	11.73%
Year 2018	11.53%	11.53%

Other Features

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

Fund Overview

NDB Wealth Islamic Money Plus Fund

Type: Open Ended
Currency: LKR

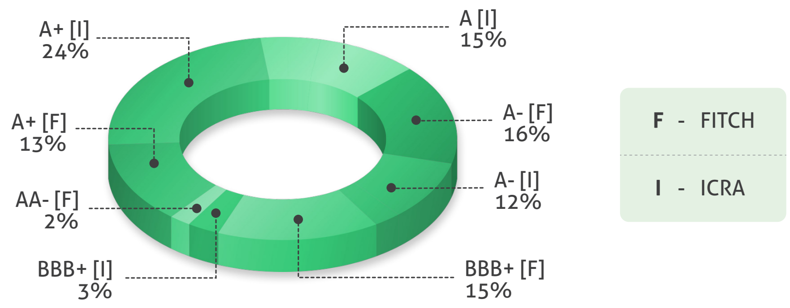
Investments: Short Term Shariah Compliant Investments
ISIN: LKNWISU00009

NDB Wealth Islamic Money Plus Fund is an open-ended money market fund incorporated in Sri Lanka, invested exclusively in short term LKR based Shariah compliant investments including Mudharabah term deposits, Mudharabah savings deposits, Wakala investments and sukuk investments less than 366 days.
The Fund aims to provide investors with liquidity and regular income through investing in a portfolio of short term shariah compliant securities.

Fund Snapshot

Fund Snapshot	31-Mar-20
YTD Yield	2.72%
YTD Yield (Annualized)	10.93%
NAV per unit	15.2676
AUM (LKR Mn.)	409.45
Fund Currency	LKR
Fund Inception	1-Jun-15
Expense Ratio	1.35%
Average Duration	0.33

Portfolio Allocation By Credit Rating



Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	17.83%	8.34%
1 Month - 3 Months	39.00%	10.50%
3 Months - 6 Months	15.23%	11.70%
6 Months - 1 Year	27.95%	11.00%

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%

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

Shariah Supervisory Board

Shafique Jakhura	Mufti
Muhammed Huzaifah	Maulana

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.72%	10.93%
Last month	0.85%	9.95%
Last 3 months	2.72%	10.93%
Last 6 months	5.18%	10.32%
Last 12 months	10.82%	10.82%

Other Features

Valuation	Daily Valuation Instruments less than one year - cost plus accrued basis, Instruments greater than one year - n/a.
Investment/Withdrawal	Any Time A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment.
Fee Details	Management Fee : 0.80% p.a. of NAV. Trustee fee : 0.11% - 0.15% p.a. of NAV, based on the fund size Custody Fee : Rs.10,000 per Month.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Hatton National Bank PLC

Fund Overview

NDB Wealth Gilt Edged Fund

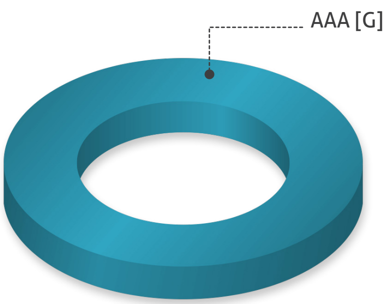
Type: Open Ended
Currency: LKR

Investments: Government of Sri Lanka Securities
ISIN: LKNWGEU00003

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

Fund Snapshot	31-Mar-20
YTD Yield	1.67%
YTD Yield (Annualized)	6.72%
NAV per unit	17.2166
AUM (LKR Mn.)	61.09
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.81%
Average Maturity (Yrs)	0.06
Average Duration	0.06

Portfolio Allocation By Credit Rating



G - GOSL

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	100.0%	7.50%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	1.67%	6.72%
Last month	0.55%	6.43%
Last 3 months	1.67%	6.72%
Last 6 months	3.27%	6.53%
Last 12 months	14.58%	14.58%
Year 2019	19.12%	19.12%
Year 2018	11.45%	11.45%

Other Features

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

DISCLAIMER

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