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MARKET UPDATE AND FUND REVIEW

2016
SEPTEMBER

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NDB | WEALTH

MARKET BRIEF BY NDB WEALTH

INFLATION CONTINUED TO DECLINE

Inflation rate (CCPI) decelerated to 3.9% on a year on year basis during September 2016, from 4% in August 2016. The annual average however, increased to 3.4% during September from 3% in the previous month. During the month of September, food inflation slowed down to 5.5%, dragging the CCPI index down to 188.5 from 189.1 in August 2016. Core inflation increased slightly to 4.2% on a point to point basis from 4.1% in August 2016. We expect inflationary pressures to build during the last quarter of 2016 amid pressure on exchange rate and higher taxes. Thus, inflation rate could increase to around 5% - 7%.

LKR CONTINUED TO DEPRECIATE DURING THE THIRD QUARTER

The Sri Lankan rupee depreciated by approximately 1% against the U. S. Dollar during the third quarter of 2016, resulting in an overall depreciation of 1.81% in 2016. The central bank has been a net seller of over USD 800 million in the market during 2016. Foreign investors continued to be net buyers of LKR denominated debt, as the foreign holding increased by over LKR 60 billion during the third quarter of 2016 to 6.71%. The Sri Lankan Rupee may come under pressure during the fourth quarter, as the import bill is expected to be higher compared to 2015, leading a higher trade deficit. However, continuous inflows from workers' remittances' and tourism earnings may extend some respite to the Sri Lankan Rupee. Due to the higher trade deficit and scheduled repayments of foreign debt, we continue to expect the Sri Lankan Rupee to be under pressure in 2016.

SHORT TERM VOLATILITY IN INTEREST RATES

The benchmark 364 day Treasury bill rate declined sharply by over 60 basis points to 10.11% as at end of September 2016. A similar trend was witnessed across the other long term maturities as well. The interest from foreigners in LKR denominated debt and less than expected supply of Treasury bonds may have been the main reasons for the sharp decline in interest rates. However, money market liquidity continued to be tight resulting in higher short term rates. Moreover, banks and finance companies continued to witness high levels of demand for credit, leading to higher premiums offered on corporate debt over the Treasury rates. We do not expect the current levels of interest rates in Treasury bills and Treasury bonds are sustainable and expect interest rates to bounce back up during the fourth quarter of 2016.

STOCK MARKET STAGED A RECOVERY

The two main indices of Colombo Stock Exchange, All Share Price Index and S&P SL 20 indices, gained 0.10% and 0.90% respectively, during September 2016. However, during the month, the indices were extremely volatile. Foreign investors continued to be net buyers of over LKR 700 million during the month of September. We continue to expect the stock market to be range bound, as investors may take a wait and see approach until the budget for 2017 is presented to the parliament in November 2016. Moreover, global events such the Brexit, U.S. presidential elections and U. S. rate hike may have a bearing on the Sri Lankan equity market.

ATTRACTIVE TAX FREE RETURNS THROUGH MONEY MARKET FUNDS

The money market funds of NDB Wealth are presenting short term investors with attractive returns as NDB Wealth Money Fund and NDB Wealth Money Plus Fund could be considered as the ideal investment vehicle for short term investors. Therefore, investors can maximize tax free returns through investing in NDB Wealth money markets funds compared to short term fixed deposits and savings products available in the market.

Indika De Silva
Fund Manager

EQUITY OUTLOOK

	Past month Performance (1st Sep – 30th Sep 2016)	Past 12 months Performance (Sep 2015 – Sep 2016)	Year to Date Performance (1st Jan – 30th Sep 2016)
All Share Price Index	0.10%	-7.32%	-5.22%
S&P SL 20	0.90%	-5.46%	-0.23%
MSCI Frontier Markets Index	2.56%	0.91%	2.16%
MSCI World Index	0.53%	11.36%	5.55%
MSCI Emerging Markets	1.29%	16.78%	16.02%
MSCI Asia Ex Japan	1.63%	16.84%	12.55%

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

- Sri Lankan equity market depicted volatility during September, before the two main indices of the Colombo Stock Exchange (CSE) closed in gains.

- The investor sentiment may have improved compared to beginning of the year, as the government took initiatives to restart some infrastructure projects which were put on hold in 2015 and signing of the Financial City project after renegotiating terms with China.

- MSCI emerging market index saw considerable negative impacts with investors moving out of risky markets and risk averseness creeping in due to concerns over the health of Germany's largest bank (Deutsche bank during the second half of September. However, a rally in early weeks helped to maintain the index for September in its fourth straight month of gains.

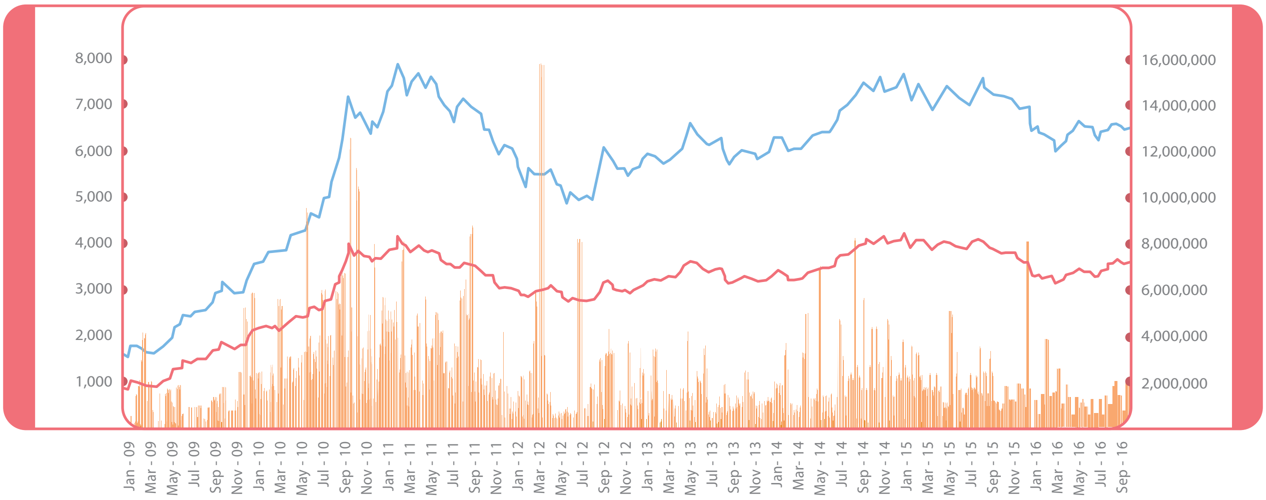
- Emerging markets, which has low market capitalization and liquidity relative to developed markets, witnessed many investors holding back from investing during the early part of the year.

- According to International Institute of Finance, the sector saw strong inflows following the UK's decision to leave the European Union at the end of June as the sector attracted inflows of USD 24.8bn in July and USD 25bn in August, split between emerging market equities and debt.

- Moreover, reduced concerns over China and the Fed's approach to policy rate hikes being less aggressive than expected, provided emerging markets with some breathing space after a difficult first half in 2016.

- However, performance of emerging and frontier markets will continue to depend heavily on Federal Reserve rate hike and will keep investors on their toes for any new data released by the US that may give investors signs of such possibilities. For example, non-farm payroll numbers for the month of September is expected to provide more clues of the chance of a Federal Reserve interest rate hike in December, which is still seen at around 50-50 probability by market experts.

CSE PERFORMANCE



Source: www.cse.lk

		Sep 2016	Sep 2015
CSE	Market PER	13.51 X	18.38 X
	Market PBV	1.51 X	2.02 X
	Market DY	3.02%	2.13%
MSCI Frontier Markets	Market PER	12.28 X	10.18 X
	Market PBV	1.52 X	1.42 X
	Market DY	4.38%	4.28%

Source: www.cse.lk

Foreign investors were net buyers for the third consecutive month, as total net foreign purchases during the third quarter of 2016 were approximately LKR 3.2 billion.

Colombo Stock Exchange	Jan - Sep 2016	Jan - Sep 2015
Foreign Inflows	LKR 49.98 Billion	LKR 58.65 Billion
Foreign Outflows	LKR 52.93 Billion	LKR 61.82 Billion
Net Foreign Inflows/(Outflows)	(LKR 2.95 Billion)	(LKR 3.17 Billion)

Source: www.cse.lk

“ LOOK AT MARKET FLUCTUATIONS
AS YOUR FRIEND RATHER
THAN YOUR ENEMY; PROFIT FROM FOLLY
RATHER THAN PARTICIPATE IN IT ”

— Warren Buffet —

FIXED INCOME OUTLOOK

INTEREST RATES IN SRI LANKA

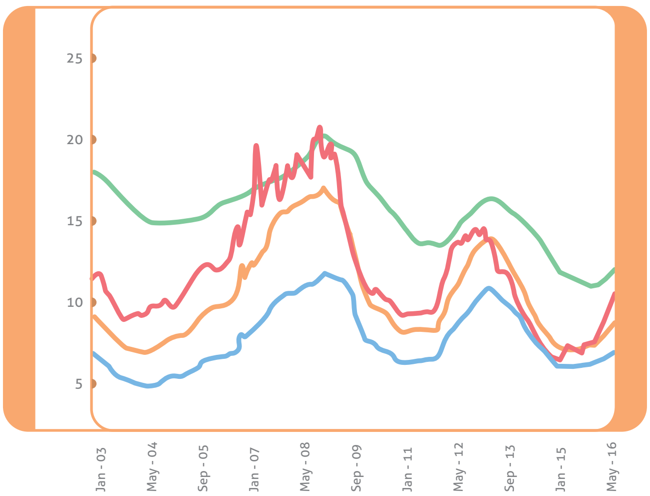
The Central Bank of Sri Lanka (CBSL) held the key policy rates stable during September maintaining the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) at 8.50% and 7.00% respectively.

	Sep 15	Dec 15	Aug 16	Sep 16
364 Day T-bill	7.18%	7.11%	10.75%	10.11%
5-Year Bond	9.59%	10.04%	11.98%	11.27%
1-Year Finance Company Fixed Deposit (A+)*	7.31%	8.29%	10.73%	10.73%

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

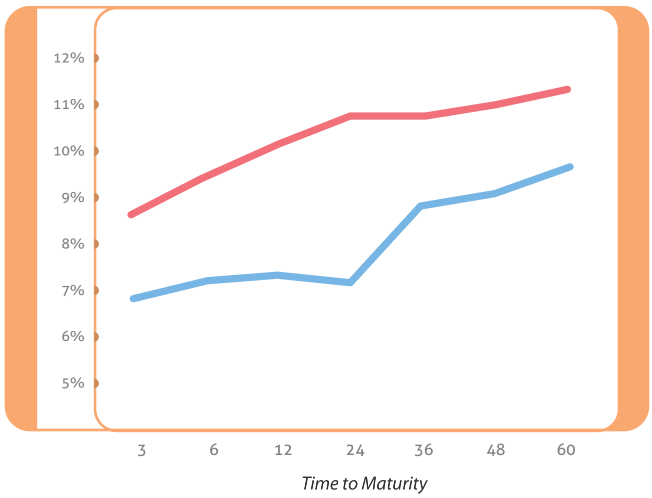
Source: Central Bank of Sri Lanka

AVERAGE LENDING & DEPOSIT RATES



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

YIELD CURVE - LKR TREASURIES



Sep - 15 Sep - 16

Source: Central Bank of Sri Lanka

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

Treasury Bill rates decreased with the 364-day T-Bill rate falling to 10.11% and the 182-day and 91-day Treasury Bills closing at 9.39% and 8.55% respectively in the latest auction.

Money supply (Broad money - M2b) increased by 17.8% year-on-year in July 2016, from 17% in the previous month whilst credit extended to the private sector grew by 28.5% year-on-year, the highest for the year. On a month-on-month basis private sector credit disbursements increased by LKR 62.8 billion. However we believe the pace of credit growth will slow down over the next few months with the latest policy rate hike that took place in late July taking effect.

Total Govt. Debt LKR 4,685 Billion / USD 32.31 Billion	
T Bills (Total)	T Bonds (Total)
LKR 719 Billion	LKR 3,966 Billion
Domestic (Bills & Bonds)	Foreign (Bills & bonds)
LKR 4,371 Billion	LKR 314 Billion
Total Foreign Holding of Bills and Bonds – 6.71%	

Source: Central Bank of Sri Lanka

Foreign holding of government securities increased (net) in September by LKR 10.35 billion to 6.71% from 6.47% in the previous month. On a year-to-date basis net foreign buying on Rupee denominated bills and bonds stood at LKR 10.69 billion.

1 Year FD Rates – Sri Lankan Banks		
	Sep 2016	Aug 2016
NSB	11.00%	11.00%
COMB	10.00%	10.00%
SAMP	11.00%	11.00%
HNB	10.50%	10.50%
NDB	12.00%	11.00%

Rates on Credit Cards	Sep 16
HSBC	24.00%
SCB	24.00%
Sampath	24.00%
NDB	21.00%
AMEX	24.00%

Source: Respective Commercial Banks

NDB increased their fixed deposit rates during the month of September.

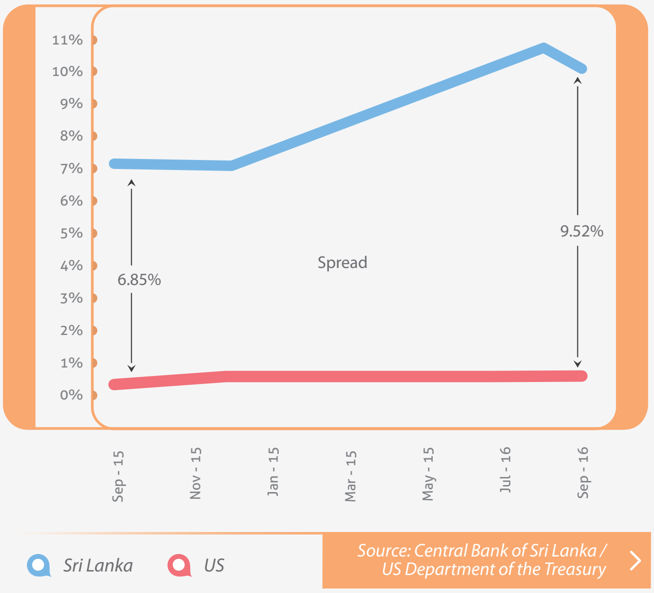
NDIB CRISIL Fixed Income Indices Total return as at 30/09/2016	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	2.29%	7.58%	7.09%
NDBIB-CRISIL 364 Day T-Bill Index	2.82%	5.97%	7.57%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	5.22%	8.06%	10.76%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	6.06%	6.52%	11.50%

Source: www.crisil.com

Central Bank Policy Rates	2013	2014	2015	Latest
Sri Lanka	6.50%	6.50%	6.00%	7.00%
US	0.0% - 0.25%	0.0% - 0.25%	0.25% - 0.50%	0.25% - 0.50%
Euro Zone	0.25%	0.05%	0.05%	0.00%
Australia	2.50%	2.50%	2.00%	1.50%
India	7.75%	8.00%	6.75%	6.50%

Source: www.cbrates.com

1 YEAR TREASURY RATE - USD Vs. LKR



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

A statement by a fed official indicates that there was a strong case for raising interest rates, arguing that borrowing costs might need to rise significantly to keep inflation under control, provided economic data remains firm.

364 Day Treasury Bill Rate	Sep 15	Dec 15	Aug 16	Sep 16
Sri Lanka	7.18%	7.11%	10.75%	10.11%
India	7.17%	7.25%	6.67%	6.58%
US	0.33%	0.65%	0.61%	0.59%
Euro Zone	-0.27%	-0.40%	-0.64%	-0.72%

Source: Respective Central Banks

	Rates on Savings Accounts - Sep 2016
Sri Lanka	4.25%
US	0.01%
Euro Zone	0.01%
Australia	1.95%
India	4.00%

Source: Respective Commercial Banks

UK. Prime Minister Theresa May, set a March 2017 deadline to begin talks to exit the European Union by March 2019 and indicated that maintaining its privileged access to the country's largest trading partner was a lower priority than controlling immigration.

> "BECOME 'MONEY SMART' AT AN EARLY AGE TO ENSURE A BRIGHT FINANCIAL FUTURE."
>
> — NDB Wealth —

INFLATION RATES

Country	Sep 15	Dec 15	Aug 16	Sep 16
Sri Lanka	-0.27%	2.77%	3.96%	3.91%
US	-0.04%	0.73%	1.06%	1.06%*
Euro Zone	-0.09%	0.23%	0.24%	0.24%*
India	5.14%	6.32%	6.46%**	6.46%**

*August 2016 **July 2016

Source: Department of Census and Statistics - Sri Lanka

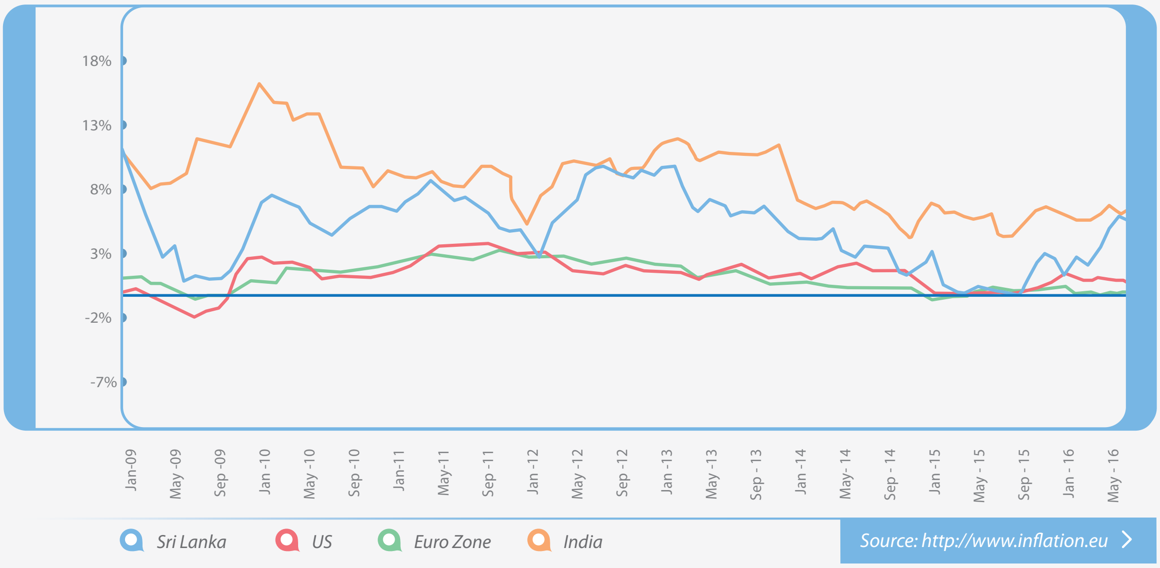
Inflation as measured by the CCPI (2006/07=100), slowed to 3.9% in September on a year-on-year basis from the previous month's 4% owing to a decline in prices in the food category. On an annual average basis however inflation has been steadily rising, increasing to 3.4% in September. Core inflation, which excludes the more volatile aspects of price movements however increased to 4.2% in September from 4.1% in the previous month.

Inflation as measured by the NCPI (2013=100), (which has a time lag of 21 days), decreased to 4.5% on a year-on-year basis in August from 5.8% in July due to a 4% fall in food prices during the month of August.

While demand management policies and supply side dynamics have kept inflation in check, we expect inflationary pressures to build during the last quarter of 2016 amid pressure on exchange rate and higher taxes. We are of the view that inflation will hover around mid-single-digit levels towards the end of the year.

On the global front, US and Euro zone inflation increased to 1.06% and 0.24% year-on-year respectively during the month of August.

GLOBAL INFLATION RATES



Source: http://www.inflation.eu

FOREX OUTLOOK

Exchange Rates Vs. LKR	Sep 16	Sep 15	1 Year App / (Dep) LKR
USD	146.72	141.23	-3.74%
GBP	190.17	214.00	12.53%
EURO	164.56	158.92	-3.43%
YEN	1.45	1.18	-18.92%
AUD	111.91	98.94	-11.59%
CAD	111.54	105.20	-5.68%
INR	2.20	2.14	-2.36%
BHD	389.18	374.11	-3.87%
CNY	22.00	22.22	1.02%

Source: Central Bank of Sri Lanka

The Sri Lankan Rupee depreciated by 0.75% against the US Dollar during September to close the month at LKR 146.7229 per 1 USD however continued to appreciate against the British Pound rising 0.32%.

The British Pound slumped to its lowest level against the US dollar in 31-years as markets continued to digest the news that the UK seems to be heading for a 'hard' exit from the European Union.

Emerging Asian currencies declined, led by the South Korean won and the Malaysian ringgit, as investors sought safe havens amid the first US presidential debate and as concerns mounted about Deutsche Bank. The flight to safety accelerated after shares in Deutsche Bank fell to a record low, fuelling a selloff in global financial stocks, amid speculation the bank will need to raise capital.

USD PER 1 EURO MOVEMENT

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

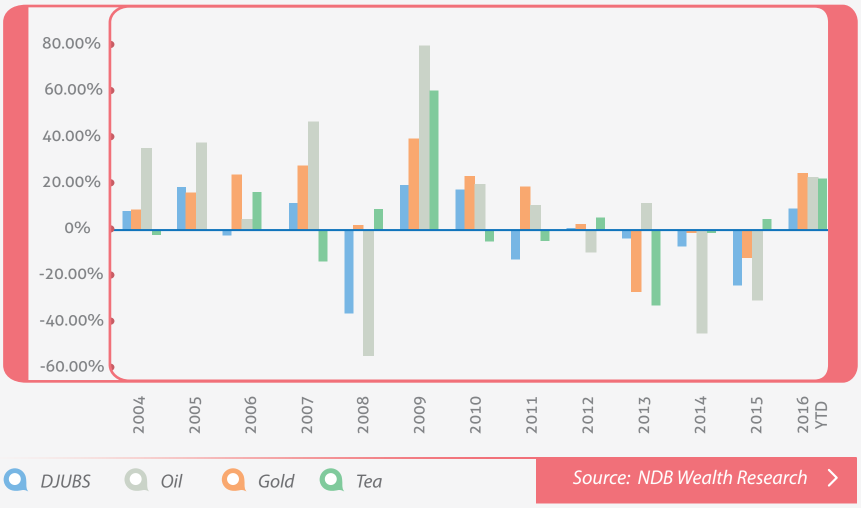
COMMODITY OUTLOOK

	1 month (1st Aug – 30th Sep 2016)	Past 12 months (Sep 2015 – Sep 2016)	YTD (1st Jan - 30th Sep 2016)
Bloomberg Commodity Index	3.10%	-2.82%	8.63%
Tea	7.64%	33.65%	21.73%
Gold	-1.01%	17.95%	24.19%
Oil (Brent)	0.11%	-2.22%	22.45%

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

- Commodity markets showed signs of strength as the Bloomberg Commodity Index rose 3.10% during September, improving the year to date gains to 8.63% in 2016.
- Expectations of stabilized global economic growth together with better than expected growth in China in 2016 may have supported the commodity prices.
- Oil prices rose, supported by a planned production cut by OPEC, although the existing supply overhang could temper a longer-lasting rally.
- OPEC announced it would cut output to between 32.5 million and 33 million barrels per day from about 33.5 million barrels per day, with details to be finalised at its policy meeting in November.
- However, while oil prices have risen on expectations of a November deal to cut production, there is also risk of a steep price decline should an agreement fail to be achieved of cutting output back to less than 33 million barrels per day.
- Moreover, since Libya, Iran and Nigeria will get production cut exemptions, it is interesting to observe whether Saudi Arabia and others will volunteer to lower production levels and cede market share to competitors.
- The expectations of Gold prices may depend on Europe's banking woes (Deutsche bank, Germany's largest financial institution, was imposed a penalty of USD 14 billion) against expectations of a Fed rate increase.
- Gold benefits during times of uncertainty as some investors buy the commodity believing it will hold its value better than other assets in times of political or economic uncertainty, while increasing expectations on rising interest rates weigh on gold, as the asset yields nothing and struggles to compete with Treasuries.

Commodity Price Movemets

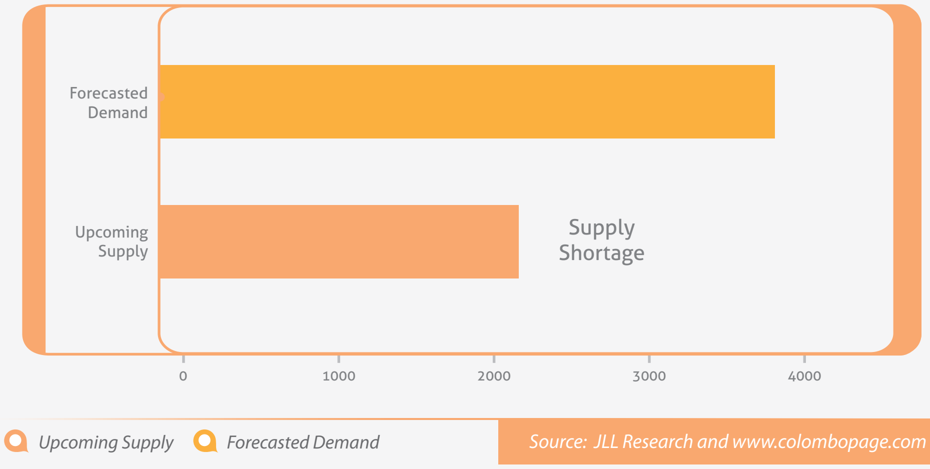


Source: NDB Wealth Research

PROPERTY OUTLOOK

- Sri Lanka's commercial capital, Colombo, is considered one of the upcoming commercial hubs of South Asia, which is expected to generate higher level of activity in commercial real estate in the coming years.
- Sri Lanka has a shortage of Grade A office buildings to meet the current demand. Existing floor area of Grade A commercial space stands at approximately 2.3 million sq ft, all of which are nearly fully occupied (occupancy rate of these buildings is around 95% as at the end of 2015).
- The government's infrastructure developments have led to the multinational companies, construction, food processing and IT businesses showing interest in opening up offices in Colombo city limits.
- From the market research carried out by JLL in 2015, there were clear signs that the office space demand would be greater than the quality supply by end of 2020.
- The government's current five year plan to make Sri Lanka one of the most competitive economies in South Asia may contribute to incremental demand of office space from Business Process Outsource sector.

Expected Demand and Supply Scenario (Medium Term)



Source: JLL Research and www.colombopage.com

- The demand for Grade A office space is based not only on the location and the office space infrastructure, but also on modern amenities, parking, proper maintenance, energy savings, power backup and security, as these services play a key role for corporate occupiers in improving operational efficiency.
- Currently, the landlords of Grade A buildings are able to increase rents 10-15% biennially, while JLL Research estimates that the pace of capital value appreciation is likely to be higher than rent appreciation in upcoming quarters.
- Nevertheless as the capital value appreciation is expected to be in the range of 7-8% on a year on year basis, the total returns could reach 11% to 14% on an annual basis.

- The planned Port City project is expected to address shortage of commercial property as it will quadruple the amount of commercial office space in Colombo.
- According to an article in LBO, Chief Marketing Officer of CHEC Port City Colombo, Liang Thow Ming, Port City is expected to add approximately 1.5 million square meters (over 16 million square feet).
- However, in the meantime, Colombo will witness an improved supply of Grade A commercial property in the next couple of years, prior to the commencement of Port City project.
- In the medium term, this may address the shortage of commercial property depending on the rates they will be offered at to the market.

ISLAMIC FINANCE INDUSTRY

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

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

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

Mudharabah Deposit Rates of Selected Service Providers

	Savings	1 month	3 month	6 month	1 Year+	2 Year+	3 Year+	4 Year+	5 Year+
Amana Bank - As of September 2016									
*Profit Sharing Ratio**	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	2.87%	-	7.00%	7.25%	8.50%	9.50%	9.55%	-	10.00%
Bank of Ceylon Islamic Business Unit - As of September 2016									
*Profit Sharing Ratio**	45:55	-	-	-	-	-	-	-	-
Distributed Profit	3.81%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-Al Adalah Islamic Banking unit - As of August 2016									
*Profit Sharing Ratio**	45:55	-	55:45	65:35	75:25				
Distributed Profit	5.75%	-	7.00%	8.23%	9.67%				
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of June 2016									
*Profit Sharing Ratio**	40:60	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	4.16%	-	7.00%	7.50%	8.00%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of August 2016									
*Profit Sharing Ratio**	40:60	40:60	45:65	60:40	65:35	-	-	-	-
3Mn - 50Mn									
Distributed Profit	5.00%	6.00%	7.50%	8.75%	10.50%	-	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of September 2016									
*Profit Sharing Ratio**	40:60	42:58	54:46	60:40	64:36	72:28	75:25	-	-
Distributed Profit	6.58%	6.91%	8.88%	9.87%	10.53%	11.85%	12.34%	-	-
Commercial Leasing & Finance PLC- Islamic Finance – As of September 2016									
*Profit Sharing Ratio**	35:65	45:55	47:53	47:53	55:45	59:41	61:39	63:47	65:35
Distributed Profit	7.23%	9.29%	9.71%	10.33%	11.36%	12.18%	12.60%	13.01%	13.42%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of August 2016									
*Profit Sharing Ratio**	30:70	30:70	34:66	38:62	42:58	-	-	-	-
Distributed Profit	7.50%	8.86%	9.40%	10.48%	11.01%	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of August 2016									
*Profit Sharing Ratio**	30:70	60:40	62:38	66:34	66:34	56:44	59:41	60:40	63:37
Distributed Profit	5.09%	10.17%	10.51%	11.19%	11.19%	9.49%	10.00%	10.17%	10.68%
Peoples Leasing Islamic Business Unit - As of September 2016									
*Profit Sharing Ratio**	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	7.18%	-	9.58%	10.38%	11.97%	-	-	-	-

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 2015

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	Lake House Printing & Publishers PLC
Ceylon Tea Services PLC	The Colombo Fort Land & Building Co. PLC	Alumex PLC	Kalamazoo Systems 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 Wayamba 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 PLC
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

Note 1: The White List has taken to consideration company financials as at December 31, 2015 and March 31, 2016

Note 2: No exclusions from previously published White List

Note 3: No new inclusions from previously published White List

UNIT TRUST FUNDS OFFERED BY NDB WM

- NDB Wealth Growth Fund
- NDB Wealth Growth & Income Fund
- NDB Wealth Income Fund
- NDB Wealth Income Plus Fund
- NDB Wealth Money Fund
- NDB Wealth Money Plus Fund
- NDB Wealth Islamic Money Plus Fund
- LKR Short Term Treasury Fund
- NDB Wealth Gilt Edged Fund

NDB | WEALTH

NDB | WEALTH

GROWTH FUND

Fund Overview

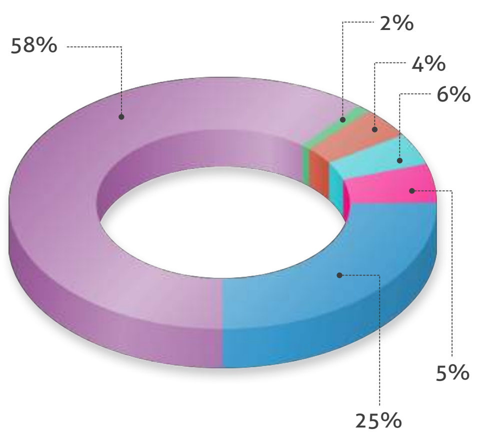
Type : Open Ended
Currency: LKR
Investments: Listed Equities

NDB Wealth 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 30 Sep 2016

YTD Yield	0.32%
NAV per unit	10.3770
AUM (LKR Mn.)	311.68
Fund Currency	LKR
Fund Inception	1 Dec 97
Expense Ratio	2.35%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	42.02%
Fund Leverage	0.00%

Portfolio Equity Allocation



- Banks Finance and Insurance
- Footwear and Textiles
- Manufacturing
- Motors
- Trading
- Fixed Income

Top 5 Portfolio Holdings (In Alphabetical Order)

- HAYLEYS MGT KNITTING MILLS PLC
- PEOPLES INSURANCE LTD
- SEYLAN BANK PLC
- TEXTURED JERSEY LANKA PLC
- UNITED MOTORS LANKA PLC

Historical Returns

Period	Fund Returns **	ASPI Returns
Last Month	1.28%	0.10%
Last 3 Months	5.76%	4.00%
Last 6 Months	7.91%	7.62%
Last 12 Months	-0.70%	-7.32%
Year 2015	2.69%	-5.54%
Year 2014	32.45%	23.44%

* 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	57.98%
Average Rating of Fixed Income	A+
Average Duration	0.1

Marurity Profile

Maturity	% Holding
Under 1 Month	52.30%
1 Month - 3 Months	47.70%

Other Features

Valuation	Daily Valuation. Instruments less than one year - cost plus accrued basis. Instruments greater tha.n one year - n/a.
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 42, 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
Currency: LKR

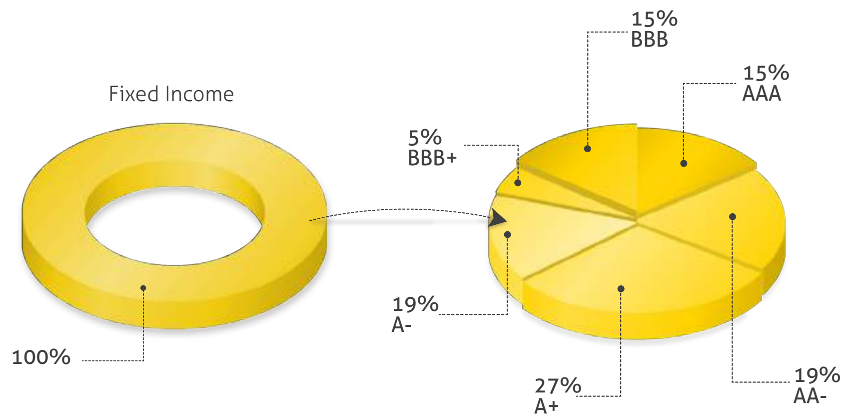
Investments: Listed Equities and Corporate Debt

NDB Wealth 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.

Fund Snapshot

Fund Snapshot	30 Sep 2016
YTD Yield	2.12%
NAV per unit	33.8651
AUM (LKR Mn.)	195.51
Fund Currency	LKR
Fund Inception	1 Dec 97
Expense Ratio	1.89%
Dividend Frequency	Irregular
Last Dividend (LKR)	2.50
Max Equity Allocaiton	97.00%
Current Equity Allocaiton	0.00%
Fund Leverage	0.00%

Portfolio Allocation



Fixed Income Allocaiton

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	100.00%
Average Rating of Fixed Income	A
Average Duration	0.79

Marurity Profile

Marurity	% Holding
Under 1 Month	17.60%
1 Month - 3 Months	37.30%
3 Months - 6 Months	10.50%
6 Months - 1 Year	18.50%
1 Year - 5 Years	10.90%
Over 5 Years	5.20%

Historical Returns

Period	Fund Returns*•	ASPI Returns
Last Month	0.98%	0.10%
Last 3 Months	2.21%	4.00%
Last 6 Months	4.36%	7.62%
Last 12 Months	1.23%	-7.32%
Year 2015	2.16%	-5.54%
Year 2014	24.64%	23.44%

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

Other Features

Valuation	Daily Valuation. Instruments less than one year - cost plus accrued basis. Instruments greater than one year - marked to market.
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 42, 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

NDB | WEALTH

INCOME FUND

Fund Overview

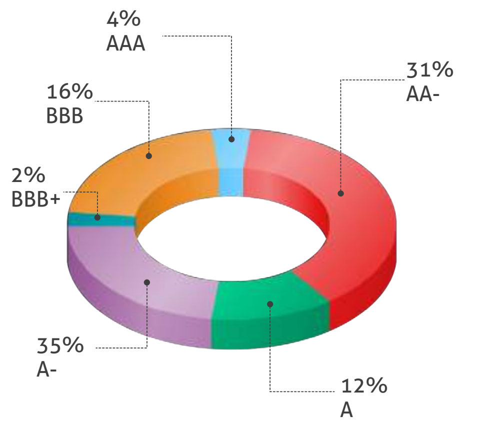
Type : Open Ended
Currency: LKR
Investments: Corporate Debt Instruments

NDB Wealth 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 Sep 2016

YTD Yield	5.98%
YTD Yield (Annualized)	7.96%
NAV per unit	10.2533
AUM (LKR Mn.)	339.02
Fund Currency	LKR
Fund Inception	1 Dec 97
Expense Ratio	1.27%
Dividend Frequency	Semi Annual
Last Dividend	0.45
Average Maturity (Yrs)	1.58
Average Duration	0.89
Average Rating	A

Credit Profile



Rating	Duration
AAA	0.01
AA-	0.2
A	0.1
A-	0.01
BBB+	0.6
BBB	4.9

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	48.10%	6.30%
1 Month - 3 Months	18.30%	8.80%
3 Months - 6 Months	15.30%	8.40%
6 Months - 1 Year	2.10%	10.50%
Over 5 Years	16.20%	12.00%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Year to Date	5.98%	7.96%	11.06%
Last Month	1.20%	14.55%	20.21%
Last 3 Months	2.36%	9.37%	13.01%
Last 6 Months	4.46%	8.89%	12.35%
Last 12 Months	7.62%	7.62%	10.58%
Year 2015	6.65%	6.65%	9.24%
Year 2014	10.68%	10.68%	14.84%

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

Other Features

Valuation	Daily Valuation. All Instruments are Marked to market.
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,
No 42, 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
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Sales Hotline - +94 719 788788

NDB | WEALTH

INCOME PLUS FUND

Fund Overview

Type : Open Ended
Currency: LKR

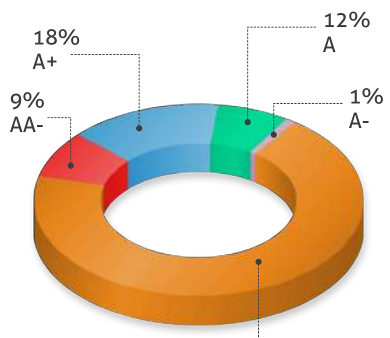
Investments: Fixed Income Securities

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

Fund Snapshot 30 Sep 2016

Inception to date Yield	5.14%
Inception to date Yield (Annualized)	10.65%
NAV per unit	10.5137
AUM (LKR Mn.)	1,736.38
Fund Currency	LKR
Fund Inception	7 Apr 16
Expense Ratio	0.65%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.58
Average Duration	0.54
Average Rating	AA

Credit Profile



Rating	Duration
AAA	0.5
AA-	0.5
A+	0.8
A	0.4
A-	0.2

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	4.50%	12.50%
1 Month - 3 Months	3.80%	11.40%
6 Months - 1 Year	91.70%	10.80%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Inception to Date	5.14%	10.65%	14.80%	13.32% Net of WHT
Last Month	0.85%	10.33%	14.35%	12.91% Net of WHT
Last 3 months	2.63%	10.45%	14.52%	13.07% 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. Cost plus accrued basis
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,
No 42, 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
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Sales Hotline - +94 719 788788

NDB | WEALTH

MONEY FUND

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Short Term Government Securities

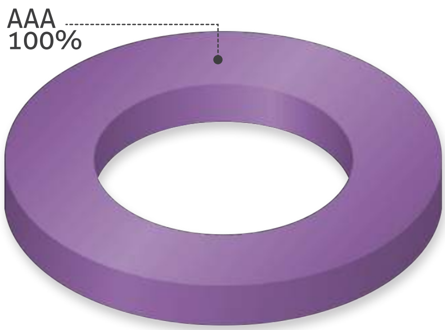
NDB Wealth Money Fund is an open-end money market fund incorporated in Sri Lanka, invested in Government of Sri Lanka Treasury Bills, government securities backed Repurchase transactions and short term bank deposits.

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.

Fund Snapshot

Fund Snapshot	30 Sep 2016
YTD Yield	6.32%
YTD Yield (Annualized)	8.42%
NAV per unit	14.1169
AUM (LKR Mn.)	4,594.37
Fund Currency	LKR
Fund Inception	1 Jun 12
Expense Ratio	0.72%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.13
Average Duration	0.12
Average Rating	AAA

Credit Profile



Rating	Duration
AAA	0.1

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	39.00%	10.00%
1 Month - 3 Months	57.70%	10.70%
3 Months - 6 Months	3.30%	10.70%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)**	
Year to Date	6.32%	8.42%	11.70%	10.53% Net of WHT
Last month	0.78%	9.55%	13.26%	11.94% Net of WHT
Last 3 months	2.37%	9.39%	13.04%	11.73% Net of WHT
Last 6 months	4.60%	9.18%	12.75%	11.48% Net of WHT
Last 12 months	8.03%	8.03%	11.15%	10.04% Net of WHT
Year 2015	6.62%	6.62%	9.19%	8.27% Net of WHT
Year 2014	6.82%	6.82%	9.48%	8.53% 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.
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 42, 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

NDB | WEALTH

MONEY PLUS FUND

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Money Market Corporate Debt Securities

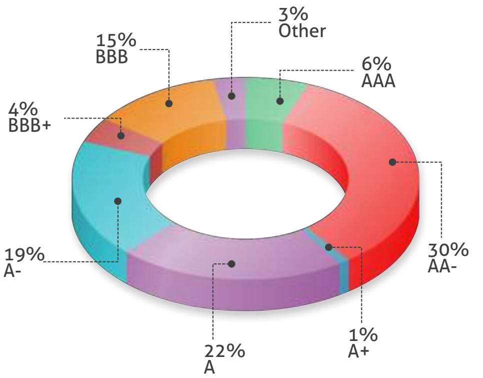
NDB Wealth Money Plus Fund is an open-end money market fund incorporated in Sri Lanka, invested in short term LKR based corporate debt instruments including commercial paper, securitized paper, bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions.

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.

Fund Snapshot — 30 Sep 2016

YTD Yield	6.04%
YTD Yield (Annualized)	8.04%
NAV per unit	15.0425
AUM (LKR Mn.)	5,616.87
Fund Currency	LKR
Fund Inception	1 Jun 12
Expense Ratio	0.81%
Dividend Frequency	Irregular
Last Dividend	None
Average Maturity (Yrs)	0.3
Average Duration	0.28
Average Rating	A

Credit Profile



Rating	Duration
AAA	0.4
AA-	0.5
A+	0.01
A	0.2
A-	0.1
BBB+	0.1
BBB	0.1
Other	0.5

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	21.30%	9.90%
1 Month - 3 Months	45.50%	10.20%
3 Months - 6 Months	4.10%	11.20%
6 Months - 1 Year	29.10%	11.40%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Year to Date	6.04%	8.04%	11.17%
Last Month	0.77%	9.42%	13.09%
Last 3 Months	2.22%	8.82%	12.25%
Last 6 Months	4.14%	8.27%	11.48%
Last 12 Months	7.93%	7.93%	11.01%
Year 2015	6.85%	6.85%	9.52%
Year 2014	8.66%	8.66%	12.02%

★ 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.
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 42, 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

Fund Overview

Type : Open Ended
Currency: LKR

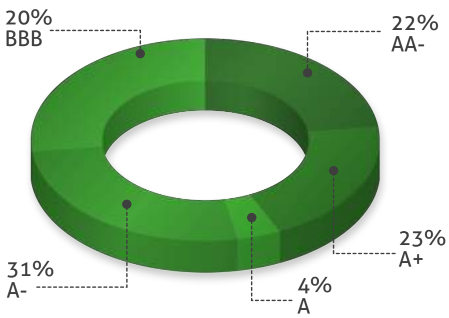
Investments: Short Term Shariah Compliant Investments

NDB Wealth 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

Fund Snapshot	30 Sep 2016
YTD Yield	5.50%
YTD Yield (Annualized)	7.33%
NAV per unit	10.86
AUM (LKR Mn.)	18.23
Fund Currency	LKR
Fund Inception	1 Jun 15
Expense Ratio	1.05%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Average Duration	0.36
Average Rating	A-

Credit Profile



Rating	Duration
AA-	0.30
A+	0.49
A	0.78
A-	0.24
BBB	0.35

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	23.37%	6.42%
1 Months - 3 Months	9.64%	5.80%
3 Months - 6 Months	38.01%	8.30%
6 Months - 1 Year	28.99%	8.80%

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 / Special-ised Banks / Finance Companies or anyother authorized deposit taking Institution. Sukuk / Wakala / Mudharabah securities issued by corporate entities subject to Shariah council approval.
Shariah compliant money market investments less than 15 days	Mudharabah savings deposits

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*
Year to Date	5.50%	7.33%	10.18%
Last month	0.59%	7.15%	9.93%
Last 3 months	1.98%	7.84%	10.88%
Last 6 months	3.80%	7.58%	10.52%
Last 12 months	6.86%	6.86%	9.53%

* 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.
Withdrawal	Any Time. (A notice period of 07 working days may be required prior to large redemptions. However, the time period can be discussed with potential investors prior to the investment).
Fee Details	Management Fee : 0.80% p.a. of NAV Trustee fee : 0.10% - 0.20% p.a. of NAV, based on the fund size.

Fund Manager
NDB Wealth Management Ltd,
No 42, 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

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Short Term Government & Government backed Securities

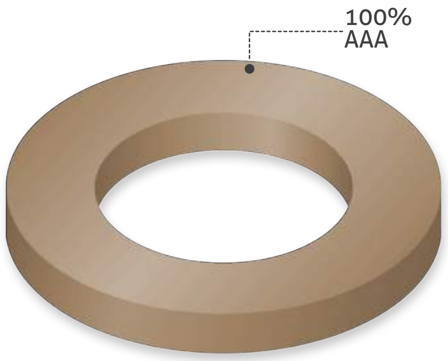
Short-term LKR Treasury Fund is an open-end money market fund which will invest exclusively in Government and Government backed securities.

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, Government securities backed Repurchase Agreements, Treasury bonds with matutiry less than 366 days.

Fund Snapshot

Fund Snapshot	30 Sep 2016
YTD Yield	5.95%
YTD Yield (Annualized)	7.93%
NAV per unit	11.2119
AUM (LKR Mn.)	1,947.15
Fund Currency	LKR
Fund Inception	19 Dec 14
Expense Ratio	0.73%
Dividend Frequency	Irregular
Last Dividend (LKR)	None
Average Maturity (Yrs)	0.12
Average Duration	0.11
Average Rating	AAA

Credit Profile



Rating	Duration
AAA	0.1

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	45.20%	9.60%
1 Month - 3 Months	54.80%	10.50%

Historical Returns

Period	Fund Returns	Annualized Return	Tax Equivalent Return (Annualized)*•	
Year to Date	5.95%	7.93%	11.01%	9.91% Net of WHT
Last month	0.77%	9.36%	12.99%	11.69% Net of WHT
Last 3 months	2.32%	9.22%	12.80%	11.52% Net of WHT
Last 6 months	4.32%	8.62%	11.98%	10.78% Net of WHT
Last 12 months	7.48%	7.48%	10.39%	9.35% 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.
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,
No 42, Nawam Mawatha,
Colombo 02, Sri Lanka.

Trustee and Custodian
Deutsche Bank,
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Contact
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Corporates - +94 773 567550
Sales Hotline - +94 719 788788

NDB | WEALTH

GILT EDGED FUND

Fund Overview

Type : Open Ended
Currency: LKR

Investments: Government of Sri Lanka Securities

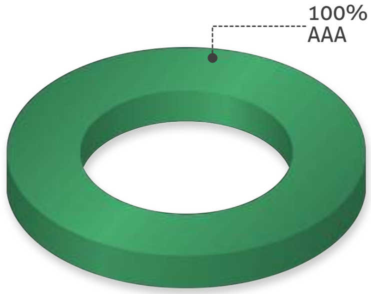
NDB Wealth Gilt Edged Fund is an open-end fund incorporated in Sri Lanka, invested in Government of Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to maximize returns from investments by investing the fund exclusively in government securities and government guaranteed securities. The fund pays a regular income through the **quarterly dividends** which can be automatically reinvested in the fund.

The NDB Wealth 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).

Fund Snapshot — 30 Sep 2016

YTD Yield	17.50%
YTD Yield (Annualized)	23.31%
NAV per unit	11.5868
AUM (LKR Mn.)	557.44
Fund Currency	LKR
Fund Inception	1 Dec 97
Expense Ratio	1.21%
Dividend Frequency	Quarterly
Last Dividend (LKR)	0.15
Average Maturity (Yrs)	0.23
Average Duration	0.22
Average Rating	AAA

Credit Profile



AAA Rated By ICRA

Rating	Duration
AAA	0.2

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	0.3%	10.50%
1 Month - 3 Months	89.7%	10.70%
6 Months - 1 Year	10.0%	10.50%

Historical Returns

Period	Fund Returns	Tax Equivalent Return*●	
Year to Date	17.50%	24.31%	21.88% Net of WHT
Last Month	10.95%	15.21%	13.69% Net of WHT
Last 3 Months	13.35%	18.54%	16.69% Net of WHT
Last 6 Months	16.34%	22.69%	20.42% Net of WHT
Last 12 Months	19.47%	27.04%	24.33% Net of WHT
Year 2015	6.04%	8.39%	7.55% Net of WHT
Year 2014	7.46%	10.36%	9.33% Net of WHT

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

Other Features

Valuation	Daily Valuation. All Instruments are Marked to market.
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.

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Disclaimer

Past performance is not a guide to future performance. The value of any investment and the income from it can fall as a result of market and currency fluctuations and investors could get back less than the amount originally invested. This report does not constitute a financial promotion, a recommendation or an offer to sell or a solicitation to buy units in the fund. See Information Memorandum for important information.

DISCLAIMER

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