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MARKET UPDATE AND FUND REVIEW

July 2023

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Market Brief By NDB Wealth

Inflation velocity continues to decrease

During the month of July 2023, inflation, as measured by the CCPI showed a notable decrease dropping to 6.30% on a year-on-year basis. The decline was primarily attributed to a significant drop in the food category, which experienced deflation of 1.42% during July 2023. Further, non-food inflation decelerated by 10.48% during July 2023 on a year-on-year basis. The deceleration in inflation is expected to continue towards the end of the year, supported by subdued demand and supply-side factors.

The Rupee remains weak

The Sri Lankan Rupee depreciated by 6.23% against the US Dollar during July 2023, to close at LKR 329.36 by month end. Further, CBSL was a net seller of foreign exchange in the market in June amounting to USD 13.50 Mn, whilst gross official reserves stood at USD 3.7 bn due to improvements in foreign fund inflows from worker remittances and increase in tourism earnings in the backdrop of improved tourist arrivals. Therefore, it is expected that the currency will be under limited stress for the remainder of the year despite the systematic loosening of import controls.

Steep decline in Interest rates

The Monetary Board of the Central Bank of Sri Lanka (CBSL), decided to reduce policy rates by 250 bps in the 4th monetary policy review for 2023 with the changes taking effect from the 1st of June 2023. A further 200 basis points was reduced in July 2023 following the announcement of the Domestic Debt Optimization plan (DDO) in end June. Overall, market interest rates witnessed a steep decline across the yield curve, where the Benchmark 364-day Treasury bill rate declined to 13.86% at the first Treasury bill auction held post DDO announcement. The foreign holding of LKR denominated Government securities continued to increase during Q2 2023, accounting for 1.32% of the outstanding stock of Government securities compared to 0.52% in Q1 2023.

Interest rates continue to decline

The Central Bank of Sri Lanka decided to reduce its policy rates further in July by 200 bps in the 5th monetary policy review for 2023. Accordingly, the Standing Lending Facility Rate was reduced to 12.00% and the Standing Deposit Facility Rate reduced to 11.00%. The T-bill yields continued to decline across the yield curve during the month, with the benchmark 364 T-bill yield decreasing by 270 bps in July to 14.29% from 16.99% in June 2023. The 91-days weighted average T-bill reduced by 304 bps to 19.96% and the 182-days weighted average T-bill decreased by 180 bps to 17.69%. Foreign investors were net buyers on a year to date basis at LKR 156.8 Bn for 2023.

Stock market continues its positive momentum

Equity markets commenced July 2023 with a positive note and the momentum continued following the DDO announcement, which sent banking and finance stocks soaring, as the uncertainties surrounding the financial sector was mitigated. During the month the ASPI increased by 20.58%, and S&P SL20 increased by 21.96%. Market turnover for the month was also higher as retail investors and foreign participants reentered the market, driven by the overall positive macroeconomic sentiment. Net foreign inflows for the month of July stood at Rs. 2.23 Billion.

Indika De Silva

Fund Manager

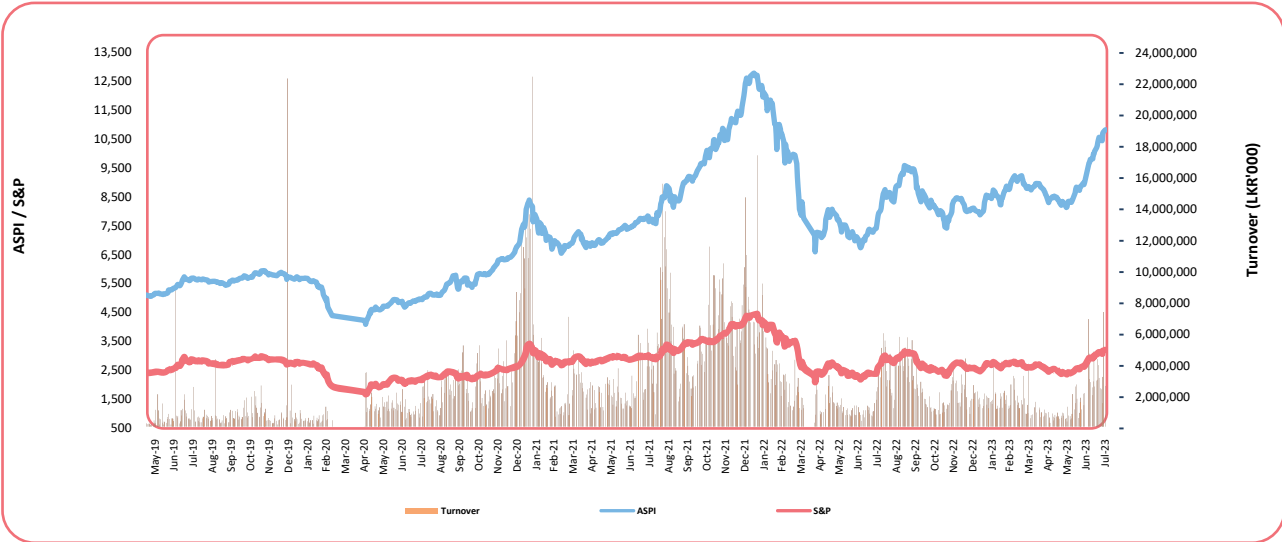
Equity Outlook

	Past month Performance (July 2023)	Past 12 months Performance (June 2022 – July 2023)	Year to Date Performance (YTD upto July 2023)
All Share Price Index	20.58%	47.28%	34.12%
S&PSL 20	21.96%	35.18%	25.57%
MSCI Frontier Markets Index	7.09%	3.71%	13.05%
MSCI World Index	3.38%	14.07%	19.34%
MSCI Emerging Markets	6.23%	8.35%	11.42%
MSCI Asia Ex Japan	6.20%	6.59%	9.59%

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

- ◆ Equity markets were up at the start of July as the market rallied following the DDO announcement, which sent banking and finance stocks soaring, as the anticipated negative impact on the financial sector due to the DDO being mitigated. Overall, for the month ASPI was up by 20.58% while the S&P SL20 was up by 21.96%.
- ◆ Market turnover for the month was also recorded at higher levels of Rs. 73 Bn versus Rs. 29 bn recorded a month ago, as retail investors and foreign participants re-entered the market in the back drop of overall improvement in macroeconomic sentiment. Net foreign inflows for the month of July was Rs. 2.23 Billion which is up against and outflow of Rs. 1.07 Billion observed in June.
- ◆ U.S. markets managed to sustained upward momentum despite differing opinions on the potential for a recession. On one hand, improved consumer activity and positive earnings, along with improved growth projections helped the market rally. However, on the other hand, the IT and finance sectors experienced heightened layoffs, reduced hiring and the Federal Reserve's decision to raise interest rates created uncertainty in the economy and tempered sentiment. Despite varying viewpoints on Wall Street, the market closed the month with an increase of 3.11% compared to the previous month, with the energy sector playing a pivotal role.
- ◆ European shares concluded the last trading day of July on a positive note, driven by advancements in healthcare stocks and a report indicating a further easing of euro zone inflation in July. However, the positive momentum was somewhat tempered by encouraging growth data, which led to cautiousness regarding a potential pause in rate hikes. The pan-European STOXX 600 index concluded with a 0.1% increase. This marks a continuation of its upward trend, as the index recorded a 2% rise during July, marking its second consecutive month of gains.
- ◆ Throughout July, the Japanese stock market experienced a gradual ascent, as evidenced by a 1.5% increase in the TOPIX Total Return index in local currency terms. This growth was propelled by mid and small cap stocks, which had previously lagged behind during the June surge. Consequently, the Nikkei 225 saw a relatively subdued performance, slightly declining by 0.1% for the month. The month commenced with the Nikkei 225 reaching another peak not seen in 33 years. However, subsequent profit-taking exerted downward pressure, causing a dip in its performance.

Colombo Stock Exchange Performance



Source: www.cse.lk

		July 2023	July 2022
CSE	Market PER	5.84x	4.90x
	Market PBV	1.07x	0.83x
	Market DY	3.48%	4.32%
MSCI Frontier Market	Market PER	11.35x	10.91x
	Market PBV	1.66x	1.85x
	Market DY	4.23 %	3.92%

Colombo Stock Exchange	Jan-July 2023	Jan- July 2022
Foreign Inflows	LKR 6.17 Billion	LKR 25.55 Billion
Foreign Outflows	LKR 3.94 Billion	LKR 25.93 Billion
Net Foreign Inflows /Outflows	LKR 2.23 Billion	(LKR 0.38 Billion)

Source: www.cse.lk

**“The individual investor should act consistently
as an investor and not as a speculator.”
-Ben Graham**



Fixed Income Outlook

Interest Rates in Sri Lanka

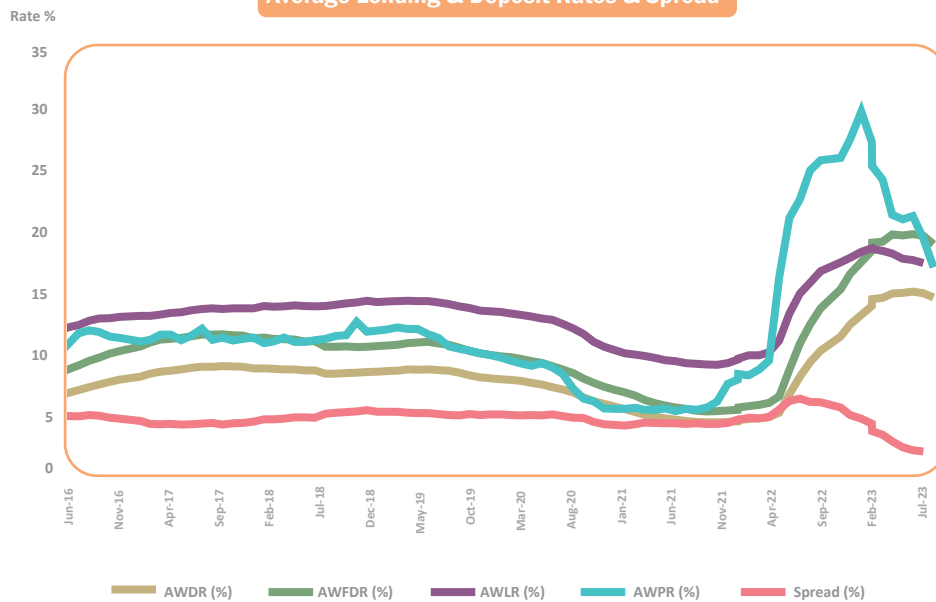
- The Central Bank of Sri Lanka decided to reduce its policy rates further in July by 200 bps in the 5th monetary policy for 2023. Accordingly, the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) was reduced to 12.00% and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) reduced to 11.00%.

	Jul-22	Dec-22	Jun-23	Jul-23
364 Day T-bill	29.53%	29.27%	16.99%	14.29%
5-Year Bond	23.10%	26.76%	22.16%	14.72%
1-Year Finance Company Fixed Deposit Ceiling Rate	31.33%	31.31%	19.79%	16.14%

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

Source: Central Bank of Sri Lanka

Average Lending & Deposit Rates & Spread

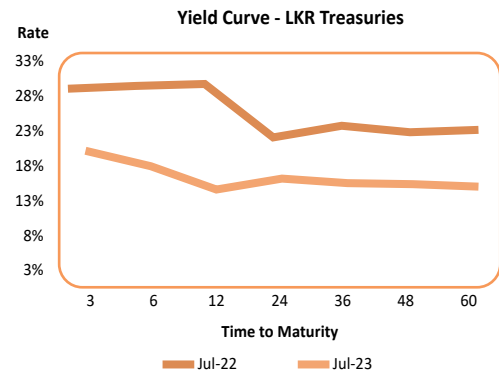


AWDR: Average Weighted Deposit Rate | AWFDR: Average Weighted Fixed Deposit Rate | AWLR: Average Weighted Lending Rate |

AWPR: Average Weighted Prime Lending rate

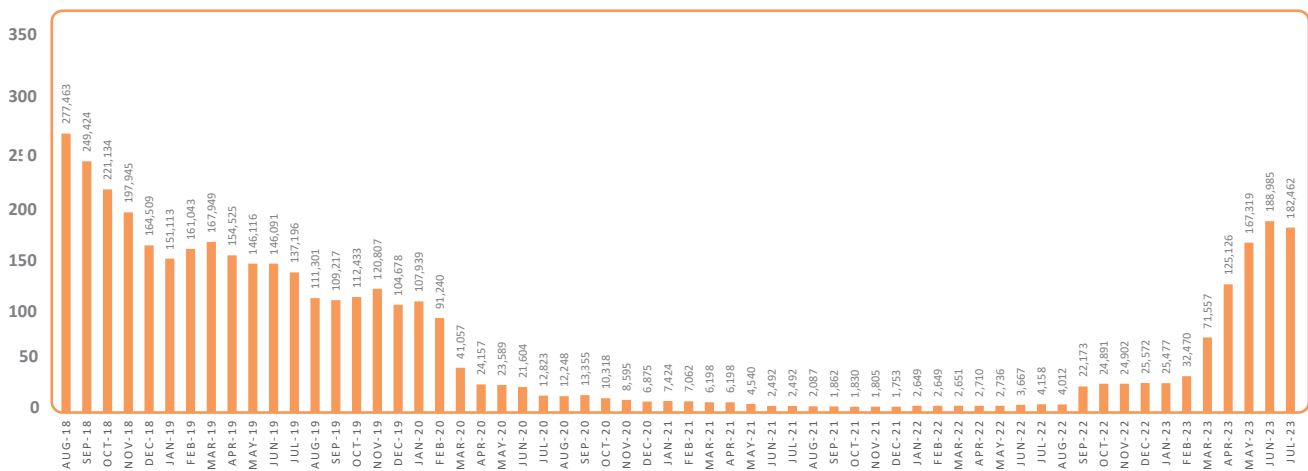
- The T-bill yields continued to decline across the yield curve during the month, with the benchmark 364 T-bill yield decreasing by 270 bps in July to 14.29% from 16.99% in June 2023. The 91-days weighted average T-bill reduced by 304 bps to 19.96% and the 182-days weighted average T-bill decreased by 180 bps to 17.69%.
- Broad money (M2b) growth increased to 5.2% on a year-on-year basis in June, from the previous month's 3.4%, whilst the credit to the private sector contracted by 8.0% year-on-year basis in June from the 9.5% contraction recorded in the previous month. Monthly private sector credit disbursement increased by LKR 73.80 billion or by 1.1% in June 2023.

Outstanding LKR Govt. Securities	
T Bills (Total)	T Bonds (Total)
LKR 5,583 Billion	LKR 9,023 Billion
Domestic (Bills & Bonds)	Foreign (Bills & bonds)
LKR 14,424 Billion	LKR 182.46 Billion
Total Foreign Holding of Bills and Bonds - 1.25%	



Foreign Holding of LKR G-Sec

LKR Bn.



Source: Central Bank of Sri Lanka

- Foreign investors were net sellers in LKR denominated bills and bonds recording LKR 6.52 billion of outflows during the month, with the foreign holdings reducing to 1.25% of the total outstanding government securities from 1.32% last month. However, foreign investors remain net buyers on a year to date basis with net inflows of LKR 156.8 Bn in 2023.

1 Year FD Rates – Sri Lankan Banks		
	Jul-23	Jun-23
NSB	10.00%	10.00%
COMB	9.50%	9.50%
SAMP	9.50%	11.00%
HNB	9.50%	9.50%
NDB	11.00%	11.00%

Source: Respective Commercial Banks

Rates on Credit Cards		Jul-23
HSBC		34.00%
SCB		34.00%
Sampath		34.00%
NDB		34.00%
AMEX		34.00%

Source: Respective Commercial Banks

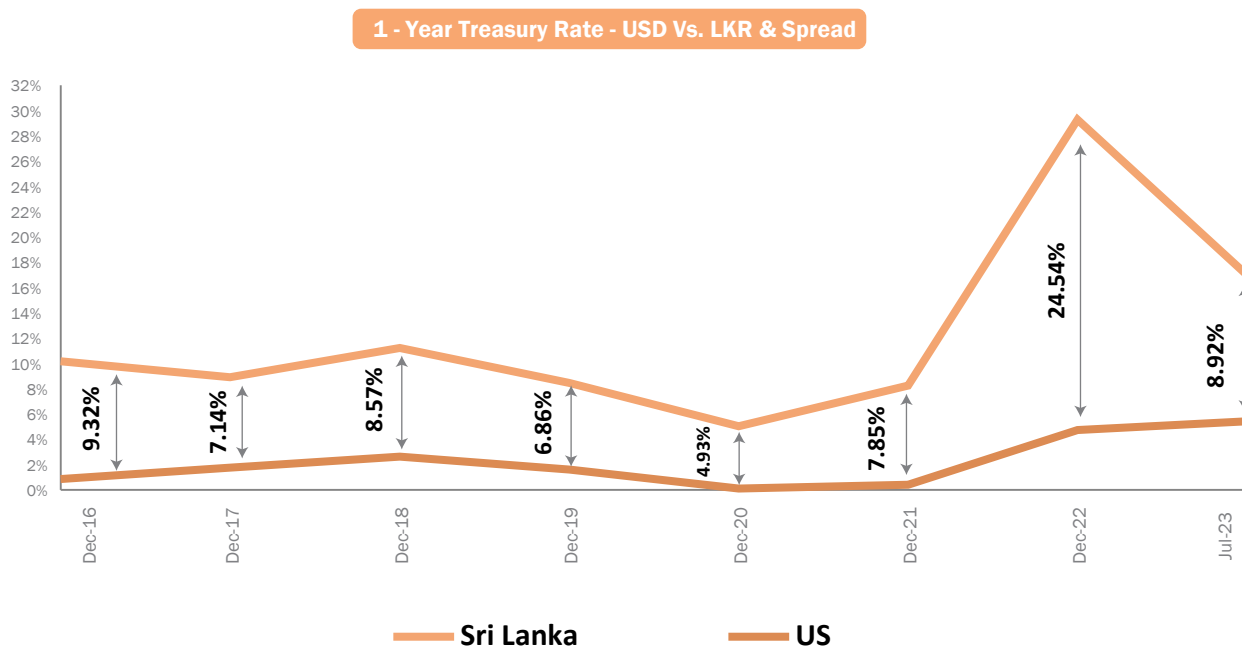
- Sampath Bank reduced their fixed deposit rate by 150 bps in July 2023.

NDIB CRISIL Fixed Income Indices Total return as at 31/07/2023	3 month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	6.88%	31.93%	14.04%
NDBIB-CRISIL 364 Day T-Bill Index	11.57%	37.02%	9.71%
NDBIB CRISIL 3 Year T-Bond Index -TRI	35.48%	56.81%	8.52%
NDBIB - CRISIL 5 Year T- Bond Index -TRI	43.35%	72.63%	6.61%

Source: www.crisil.com

Central Bank Policy Rates	2020	2021	2022	July-23
Sri Lanka	4.50%	5.00%	14.50%	11.00%
US	0.00% - 0.25%	0.00% - 0.25%	4.25% - 4.50%	5.25% - 5.50%
Euro Zone	0.00%	0.00%	2.50%	4.25%
Australia	0.10%	0.10%	3.10%	4.10%
India	4.00%	4.00%	6.25%	6.50%

Source: www.cbrates.com



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

- ◆ The European Central bank increased interest rates by 25 basis points during the month. It was indicated that rate hikes might pause in September as inflation pressures show signs of easing.

364 Day Treasury Bill Rate	Jul-22	Dec-22	Jun-23	Jul-23
Sri Lanka	29.53%	29.27%	16.99%	14.29%
India	6.31%	6.89%	6.86%	6.88%
US	2.98%	4.73%	5.40%	5.37%
Euro Zone	0.16%	2.46%	3.45%	3.42%

Source: Respective Commercial Banks

Rates on Savings Accounts Jul 2023	
Sri Lanka	3.25%
US	0.01%
Euro Zone	0.50%
Australia	4.65%
India	3.00%

Source: Respective Central Banks

- ◆ The U.S. Federal Reserve increased policy rate by 25 basis points in its July policy meeting. It was observed that the slower pace of inflation, cooling job creation and modest economic growth might lead the Federal reserve to conclude its aggressive rate hike campaign.

“Yield and maturity are crucial factors in
fixed income investing,
as they determine the potential income and
the time horizon of an investment.”

- NDB Wealth



Inflation Rates

Country	Jul-22	Dec - 22*	Jun-23	Jul-23
Sri Lanka	60.80%*	57.20%	12.00%**	6.30%**
US	8.53%	6.45%	2.97%	2.97%***
Euro Zone	8.90%	9.20%	5.50%	5.50%***
India	6.70%	5.72%	4.81%	4.81%***

Source: Department of Census and Statistics - Sri Lanka, inflation.eu/, rateinflation.com/inflation-rate/usa-inflation-rate/, tradingeconomics.com/india/inflation-cpi

* Base Year (2013=100)

**Base Year (2021=100)

***June 2023

- ◆ In July 2023, inflation, as measured by the CCPI (2021=100), showed a notable decrease dropping to 6.30% on a year-on-year basis, down from 12.00% in June 2023. This decline was primarily attributed to a significant drop in the food category, which experienced deflation of 1.42% in July 2023, compared to a 4.10% inflation rate in June 2023, on a year-on-year basis. Furthermore, non-food inflation also decreased from 16.23% in June 2023 to 10.48% in July 2023 on a year-on-year basis.
- ◆ On a month-on-month basis, the overall inflation rate for July 2023 declined by 1.09%. However, distinct patterns emerged within the two categories of inflation. Food inflation showed a marginal increase of 0.04%, indicating relative stability in food prices, while non-food inflation decreased by 1.70%, suggesting a notable reduction in the prices of non-food items.
- ◆ During the month, price increases were primarily observed in the food category, particularly in vegetables and fruits. On the other hand, the decline in non-food inflation was mainly driven by the 'Housing, Water, Electricity & Gas' and 'Health' sectors.
- ◆ In July 2023, core inflation, which excludes the volatile components of food, energy, and transport prices, experienced a significant decrease to 6.09%, down from 9.83% in the previous month.
- ◆ Similarly, inflation, as measured by the NCPI (2021=100), declined to 10.79% year-on-year in June 2023 from 22.13% in the preceding month.
- ◆ Based on our projections, we anticipate inflation to fall below mid-single digit level temporarily and stabilize around mid-single digit level in the medium term. This decline can be attributed to several factors, including the lagged impact of tight monetary and fiscal policies, a decline in domestic prices amidst LKR appreciation against USD and the favorable impact of statistical base effect.
- ◆ On the global front, in June 2023, there was a notable slowdown in inflation in the United States and the Euro Zone, with rates of 2.97% and 5.50% respectively. This was primarily driven by declining energy and transportation costs. Conversely, India experienced an increase in inflation to 4.81% from the previous month's rate of 4.31%, mainly due to rising food prices.

Forex Outlook

Exchange Rates Vs. LKR	Jul-22	Dec-22	Jul-23	1 Year. Apr/(Dep) LKR	YTD App/(Dep) LKR
USD	360.80	363.11	329.36	9.55%	10.25%
GBP	439.09	437.35	423.19	3.76%	3.35%
EUR	367.80	386.93	362.65	1.42%	6.69%
YEN	2.69	2.74	2.33	15.39%	17.67%
AUD	252.43	245.61	219.88	14.81%	11.70%
CAD	281.66	267.95	248.59	13.30%	7.79%
INR	4.53	4.39	4.00	13.14%	9.54%
BHD	956.99	963.09	873.65	9.54%	10.24%
CNY	53.48	52.19	46.12	15.95%	13.15%

Source: Central Bank of Sri Lanka

- ◆ The Sri Lankan rupee depreciated by 6.23% against the U.S. Dollar during July 2023, closing at LKR 329.36 by the month end. The Sri Lankan rupee also declined by 7.13% and 6.80% against the Sterling Pound and Euro respectively, during the month.
- ◆ The U.S. Dollar declined against a basket of currencies, on expectations that the US Federal Reserve will soon end its rate hike cycle amid softening inflation.
- ◆ The strengthening of the Sterling Pound against the U.S. Dollar was further backed by data indicating that the British economy shrank by less than expected in May.
- ◆ The Chinese Yuan strengthened to a two-week high against the U.S. Dollar as the Dollar weakened in the global markets on indication of a potential end to the rate tightening cycle.

USD per 1 Euro Movement



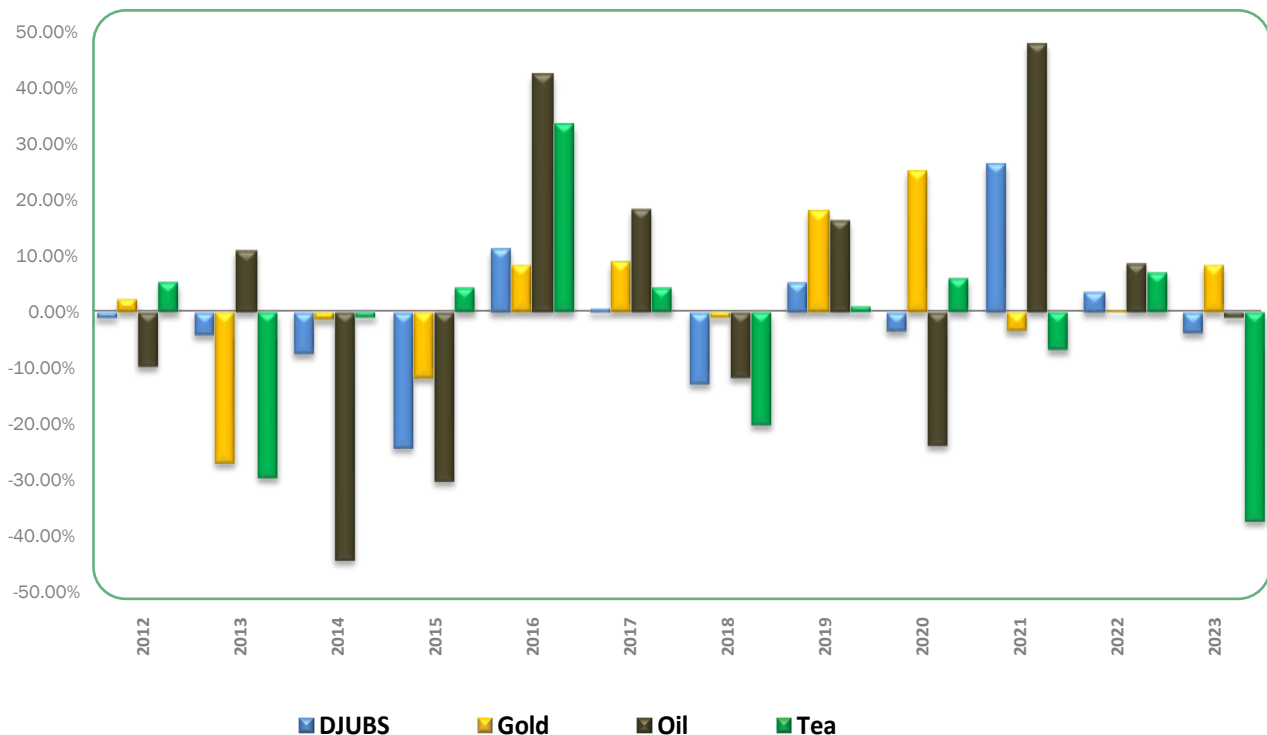
Commodity Outlook

	Past month Performance (Up to 31st July 2023)	Past 12 months Performance (Up to 31st July 2023)	Year to Date Performance (Up to 31st July 2023)
Bloomberg Commodity Index	5.77%	-11.89%	-3.99%
Gold	0.42%	12.60%	8.54%
Tea	-23.42%	-38.27%	-37.96%
Oil (Brent)	6.96%	-26.46%	-0.99%

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

- ◆ The Bloomberg Commodity Index (BCOM) gained 5.77% in July, as majority of the commodities in the index experienced an increase in prices. The major price increments were seen in natural gas, crude oil and soybeans.
- ◆ During the month, Crude oil prices experienced an increase of 6.96% mainly as a result of multiple factors aligning to boost market sentiment. Market sentiment was especially bolstered by the anticipated recovery of the Indian economy, which is poised to counterbalance the challenges posed by the slow recovery of the Chinese economy.
- ◆ Crude oil price will continue to depend heavily on the recovery of demand from China and further decisions on the overall supply by OPEC+ countries.
- ◆ Tea prices continued to decline for the third consecutive month as the prices declined by 23.42% on a month on basis despite the weakening of Sri Lankan Rupee against the USD, as the demand for high and mid-grown tea declined resulting a drop in invoicing price.
- ◆ In July, the price of gold experienced a slight increase of 0.42%. This subtle uptick could be attributed to the sentiment prevailing in the global financial landscape, with several central banks hinting at potential easing of monetary tightening policies in the future. This development has led some investors to consider gold as a safe haven, protecting their wealth amid possible economic uncertainty and turmoil.

Commodity Price Movements



Property Outlook

- ◆ The pricing trends for houses and condominiums within Colombo district indicated a state of stagnation in their quarter-on-quarter asking price levels at the end of the first quarter of 2023. Conversely, the valuation trajectory of lands displayed a downward movement.
- ◆ The Asking Price Indices published by the CBSL in respect of Houses and Condominiums in the Colombo District indicated a year on year increase of 20.1% and 35.3% respectively while the Land Index for the Colombo District declined by 9.8% for the first half of the year.
- ◆ According to the Purchasing Managers Index for Construction published by the CBSL, in June 2023, the construction sector contracted with the Total Activity Index of 44.4, primarily due to limited project availability and sub-optimal operational levels among companies.
- ◆ Furthermore, the scarcity of new projects persisted, leading to a continuous decline in new orders. Respondents from the survey conducted by CBSL highlighted a lack of significant projects, except for select foreign-funded ventures, and noted intense competition for available tenders. Expectations remain for the gradual restart of suspended large-scale projects later in the year.
- ◆ The CBSL report on the Purchasing Managers Index (PMI) for the construction sector also highlights that employment remained reduced in June, attributed to post-project layoffs. Additionally, Suppliers' Delivery Time shortened due to low order quantities, reflecting the industry's challenges.
- ◆ The CBSL report concludes by claiming that the industry's prospects appear promising, primarily driven by the gradual economic recovery, relaxation of import limitations, and the anticipated resumption of halted projects. Nevertheless, respondents emphasized that the market's borrowing rates, which are resistant to downward movement, are causing delays in initiating numerous private-sector construction endeavours.

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. 200 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 and Wakala deposits and savings accounts. The fund provides liquidity with higher returns compared to savings accounts to its investors and would be an ideal substitute for direct investments in Mudharabah savings accounts and deposits. (Trustee: Hatton National Bank PLC)

Mudharabah and Wakala Deposit Rates of Selected Service Providers

	Savings	1 month	3 month	6 month	1 Year+	2 Year	3 Year	4 Year	5 Year
Amana Bank - As of July 2023									
Mudharabah PSR*	30:70	-	55:45	60:40	65:35	70:30	75:25	-	90:10
Distributed Profit	3.72%	-	8.00%	9.00%	10.00%	11.00%	12.00%	-	13.00%
Bank of Ceylon Islamic Business Unit - As of July 2023									
Mudharabah PSR*	45:55	-	-	-	-	-	-	-	-
Distributed Profit	3.69%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of June 2023									
Mudharabah PSR*	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	7.23%	-	8.87%	11.44%	12.22%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of June 2023									
Mudharabah PSR*	15:85	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	2.50%	-	11.00%	13.00%	14.00%	-	-	-	-
Wakala Rates	-	-	12.00%	10.00%	9.50%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of July 2023									
Mudharabah PSR*	40:60	-	-	-	-	-	-	-	-
Distributed Profit	3.50%	-	-	-	-	-	-	-	-
Wakala Rates	-	10.00%	12.00%	11.50%	11.25%	-	-	-	-
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of July 2023									
Wakala Rates	-	12.00%	13.00%	12.75%	12.00%	12.25%	12.75%	12.75%	13.75%
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of July 2023**									
Mudharabah PSR*	25:75	69:31	71:29	72:28	79:21	82:18	85:15	69:31	75:25
Distributed Profit	4.69%	14.46%	14.87%	15.08%	16.55%	17.18%	17.81%	14.46%	15.71%
Wakala Rates	-	13.00%	13.50%	12.00%	11.00%	11.00%	11.50%	12.00%	13.00%
Peoples Leasing Islamic Business Unit - As of July 2023									
Wakala Rates	-	10.50%	10.50%	11.50%	12.00%	12.50%	12.50%	-	-

* PSR/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 June 2023

Beverages and Food	Chevron Lubricants Lanka PLC
Bairaha Farms PLC	Dipped Products PLC
Ceylon Grain Elevators PLC	Samson International PLC
Three Acre Farms PLC	Union Chemicals Lanka PLC
Ceylon Cold Stores PLC	
Lanka Milk Foods PLC	Chemicals and Pharmaceuticals
Nestle Lanka PLC	Haycarb PLC
Renuka Agri Foods PLC	Muller and Phipps (Ceylon) PLC
Renuka Foods PLC	Union Chemicals Lanka PLC
Telecommunication	Banks / Insurance / Diversified Financials
Dialog Axiata PLC	Amana Bank PLC
Sri Lanka Telecom PLC	Amana Takaful PLC
Diversified Holdings	Amana Takaful Life PLC
Sunshine Holdings PLC	Textile
Expo Lanka Holdings PLC	Hayleys Fabric PLC
Healthcare	Teejay Lanka PLC
Ceylon Hospitals PLC	Engineering & Construction
Manufacturing	Access Engineering PLC
ACL Cables PLC	Unisyst Engineering PLC
Central Industries PLC	Plantations
E B Creasy & Company PLC	Kelani Valley Plantations PLC
Kelani Cables PLC	Agalawatte Plantations PLC
Lanka Tiles PLC	Kotagala Plantations PLC
Lanka Walltiles PLC	Malwatte Valley Plantations PLC
Laxapana Batteries PLC	Namunukula Plantations PLC
Royal Ceramics Lanka PLC	Talawakelle Tea Estates PLC
Sierra Cables PLC	Watawala Plantations PLC
Dankotuwa Porcelain PLC	Tea Smallholder Factories PLC
Regnis (Lanka) PLC	Others
ACL Plastics PLC	Vallibel Power Erathna PLC
PGP Glass Ceylon PLC	Colombo Dockyard PLC
Lanka Aluminium Industries PLC	Lanka Ashok Leyland 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

Fund Overview

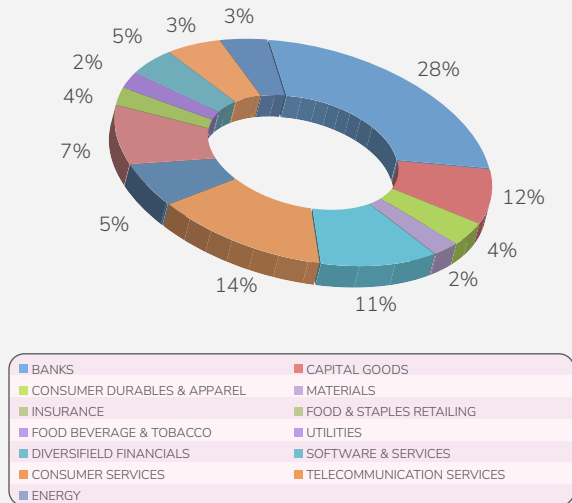
NDB Wealth Growth Fund

Type : Open Ended Currency: LKR
Investments: Listed Equities

NDB Wealth Growth Fund is an open-ended equity fund incorporated in Sri Lanka, invested in listed shares of the Colombo Stock Exchange. The Fund aims to achieve capital growth on a medium to long term basis by investing in a diversified portfolio of stocks of stable companies with a proven track record.

Equity Allocation

By Sector (Within Equity Allocation)



Fund Snapshot 31-Jul-23

YTD Yield	42.48%
NAV per unit	12.15
AUM (LKR Mn.) **	222.00
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	2.97%
Max Equity Allocation	97.00%
Current Equity Allocation	94.39%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

CARGILLS (CEYLON) PLC
COMMERCIAL BANK OF CEYLON PLC
HATTON NATIONAL BANK PLC
PEOPLES INSURANCE LTD
SAMPATH BANK PLC

Historical Returns

Period	Fund Returns *	ASPI Returns
Last Month	19.98%	20.58%
Last 3 months	27.32%	26.76%
Last 6 months	38.62%	28.45%
Last 12 months	48.16%	47.28%
Year 2022	-31.26%	-30.56%
Year 2021	27.93%	80.48%

* After fees, excluding front end and back end loads ** AUM before expense allowance adjustment

Fixed Income Allocation

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	5.61%
Average Duration	0.0027
Maturity	% Holding
Under 1 Month	100.00%

Other Features

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

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Fund Overview

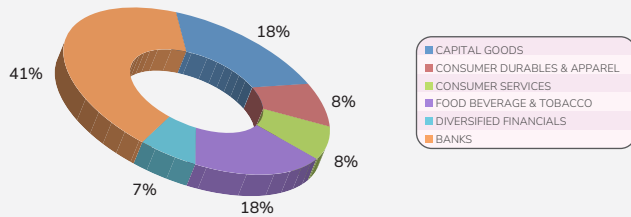
NDB Wealth Growth and Income Fund

Type: Open Ended | **Investments:** Listed Equities and Corporate Debt
Currency: LKR

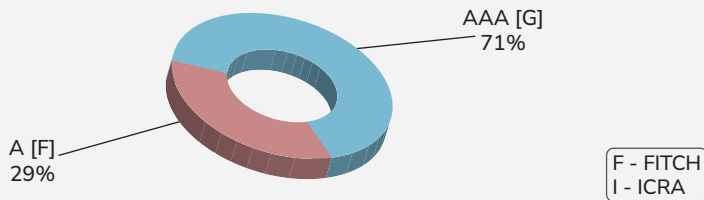
NDB Wealth Growth and Income Fund is an open-ended balanced fund incorporated in Sri Lanka, invested in a combination of listed shares in the Colombo Stock Exchange and LKR based corporate debt instruments and government securities. The Fund aims to achieve income on a medium to long term basis by investing in a diversified portfolio of stocks of stable companies with a proven track record.

Portfolio Allocation

By Sector (Within Equity Allocation)



By Credit Rating (Within Fixed Income Allocation)



Historical Returns

Period	Fund Returns	ASPI Returns
Year to Date	31.36%	34.12%
Last Month	17.16%	20.58%
Last 3 Months	24.57%	26.76%
Last 6 Months	28.87%	28.45%
Last 12 Months	28.03%	47.28%
Year 2022	-19.49%	-30.56%
Year 2021	19.02%	80.48%

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

** AUM before expense allowance adjustment.

Fund Snapshot

31-Jul-23

YTD Yield	31.36%
NAV per unit	54.23
AUM (LKR Mn.)**	253.79
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.93%
Max Equity Allocation	97.00%
Current Equity Allocation	68.97%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

CEYLON COLD STORES PLC
HATTON NATIONAL BANK PLC
HAYLEYS PLC
SAMPATH BANK PLC
SUNSHINE HOLDINGS PLC

Fixed Income Allocation

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	31.03%
Average Duration	3.51
Maturity	% Holding
Under 3 Months	11.02%
1 Yrs - 5 Yrs	17.74%
5 Yrs - 10 Yrs	71.24%

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

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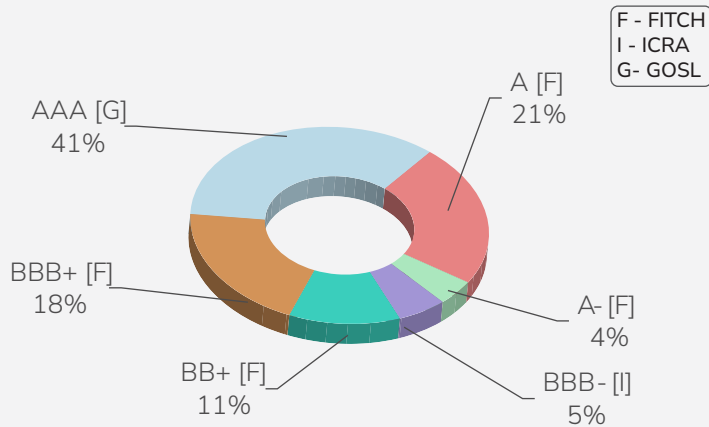
Fund Overview

NDB Wealth Income Fund

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

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-23

YTD Yield	27.70%
YTD Yield (Annualized)	47.70%
NAV per unit	23.4677
AUM (LKR Mn.)	489.86
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	0.87%
Average Maturity (Yrs)	4.03
Average Duration	2.51

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	0.56%	9.47%
1 Month - 3 Months	9.08%	14.90%
3 Months - 6 Months	1.65%	11.80%
6 Months - 1 Year	7.18%	21.30%
1 Year - 5 Years	55.07%	18.20%
5 Years	26.46%	14.70%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	27.70%	47.70%
Last month	13.15%	154.82%
Last 3 months	18.04%	71.55%
Last 6 months	25.33%	51.08%
Last 12 months	36.17%	36.17%
Year 2022	8.21%	8.21%
Year 2021	6.74%	6.74%

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 : 0.65% 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. Exit Fee – 1% on redemptions, switches or transfer of units made within 365 days from the creation date of any investment made after 1st October 2021.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

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Fund Overview

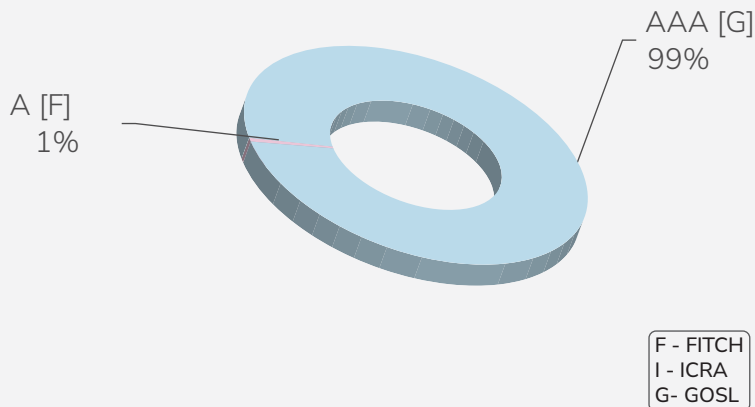
NDB Wealth Income Plus Fund

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

NDB Wealth Income Plus Fund is an open-ended fixed Income fund incorporated in Sri Lanka, invested in LKR based corporate debt instruments including commercial paper, securitized paper, quoted and unquoted debentures, bank deposits as well as Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions.

The Fund aims to provide higher returns by investing in a portfolio of Gilt Edged and Corporate Debt securities.

Portfolio Allocation By Credit Rating



Fund Snapshot	31-Jul-23
YTD Yield	15.47%
YTD Yield (Annualized)	26.63%
NAV per unit	24.9496
AUM (LKR Mn.)	688.49
Fund Currency	LKR
Fund Inception	7-Apr-16
Expense Ratio	0.74%
Average Maturity (Yrs)	0.80
Average Duration	0.71

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	0.52%	9.44%
1 Mths - 3 Mths	2.79%	19.80%
6 Mths - 1 Yrs	96.61%	17.50%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	15.47%	26.63%
Last month	1.58%	18.59%
Last 3 months	4.73%	18.77%
Last 6 months	12.53%	25.27%
Last 12 months	27.30%	27.30%

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

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Fund Overview

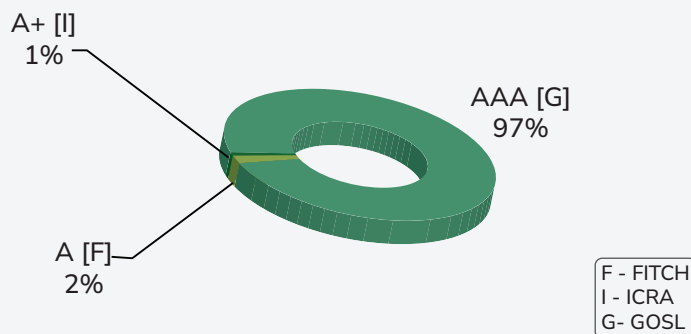
NDB Wealth Money Fund

Type : Open Ended | Investments: Short Term Bank Deposits
Currency: LKR

NDB Wealth Money Fund is an open-ended money market fund incorporated in Sri Lanka, investing in short-term government securities and 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 government securities and high-quality bank deposits with maturities less than 365 days with credit ratings of A- and above.

Portfolio Allocation By Credit Rating



Fund Snapshot	31-Jul-23
YTD Yield	15.27%
YTD Yield (Annualized)	26.30%
NAV per unit	29.4506
AUM (LKR Mn.)	103,213.17
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.78%
Average Maturity (Yrs)	0.30
Average Duration	0.28

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	21.23%	18.55%
1 Month - 3 Months	29.89%	20.70%
3 Months - 6 Months	30.20%	18.70%
6 Months - 1 Year	18.68%	16.00%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	15.27%	26.30%
Last month	1.88%	22.13%
Last 3 months	6.03%	23.92%
Last 6 months	12.71%	25.63%
Last 12 months	27.91%	27.91%
Year 2022	17.79%	17.79%
Year 2021	5.58%	5.58%

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

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Fund Overview

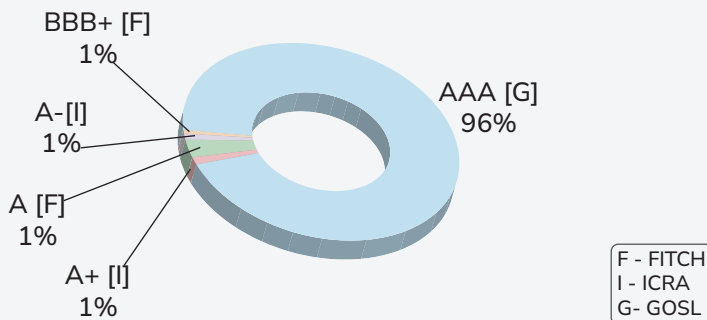
NDB Wealth Money Plus Fund

Type : Open Ended Currency: LKR
Investments: Money Market Corporate Debt Securities

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

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

Portfolio Allocation By Credit Rating



Fund Snapshot	31-Jul-23
YTD Yield	14.50%
YTD Yield (Annualized)	24.96%
NAV per unit	32.3685
AUM (LKR Mn.)	4,019.43
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.97%
Average Maturity (Yrs)	0.48
Average Duration	0.43

Maturity Profile		
Maturity	% Holding	AVG YTM (Net)
Under 1 Month	9.65%	19.82%
1 Month - 3 Months	15.83%	21.30%
3 Months - 6 Months	43.68%	19.40%
6 Months - 1 Year	30.84%	14.90%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	14.50%	24.96%
Last month	1.85%	21.83%
Last 3 months	6.07%	24.10%
Last 6 months	12.26%	24.71%
Last 12 months	24.69%	24.69%
Year 2022	14.08%	14.08%
Year 2021	5.67%	5.67%

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 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

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Fund Overview

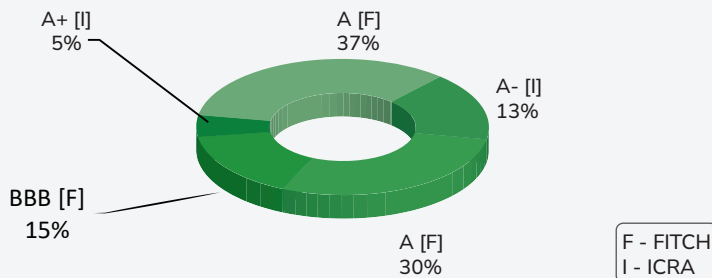
NDB Wealth Islamic Money Plus Fund

Type : Open Ended Currency: LKR
Investments: Short Term Shariah compliant investments

NDB Wealth Islamic Money Plus Fund is an open-ended money market fund incorporated in Sri Lanka, invested exclusively in short term LKR based Shariah compliant investments including Mudharabah term deposits, Mudharabah savings deposits, Wakala investments and sukuk investments less than 366 days.

The Fund aims to provide investors with liquidity and regular income through investing in a portfolio of short term shariah compliant securities.

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-23

YTD Yield	9.70%
YTD Yield (Annualized)	16.71%
NAV per unit	21.2730
AUM (LKR Mn.)	792.61
Fund Currency	LKR
Fund Inception	1-Jun-15
Expense Ratio	1.24%
Average Duration	0.52

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	15.34%	14.67%
1 Month - 3 Months	10.41%	18.50%
3 Months - 6 Months	11.69%	19.10%
6 Months - 1 Year	62.56%	15.30%

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	Investment Type
Shariah compliant money market investments up to 366 days	Mudharabah term deposits and Wakala Investments in Commercial Banks / Specialised Banks / Finance Companies or any other authorized deposit taking Institution Sukuk / Wakala / Mudharabah securities issued by corporate entities subject to Shariah council approval.
Shariah compliant money market investments less than 15 days	Mudharabah savings deposits

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	9.70%	16.71%
Last month	1.31%	15.45%
Last 3 months	4.15%	16.46%
Last 6 months	8.36%	16.86%
Last 12 months	17.93%	17.93%

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

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Fund Overview

NDB Wealth Gilt Edged Fund

Type : Open Ended Currency: LKR
Investments: Government of Sri Lanka Securities

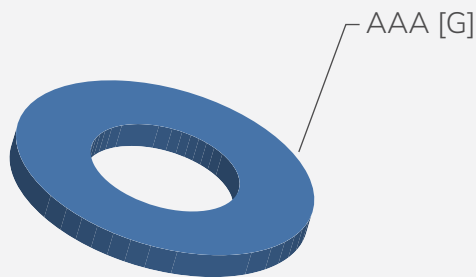
NDB Wealth Gilt Edged Fund is an open-ended unit trust fund incorporated in Sri Lanka, invested in Government of Sri Lanka Treasury Bills, Bonds and government securities backed Repurchase transactions. The Fund aims to maximize returns from investments by investing the fund exclusively in government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

Fund Snapshot

31-Jul-23

YTD Yield	46.51%
YTD Yield (Annualized)	80.07%
NAV per unit	27.6843
AUM (LKR Mn.)	201.46
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.35%
Average Maturity (Yrs)	5.59
Average Duration	3.57

Portfolio Allocation By Credit Rating



G- GOSL

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	16.92%	12.50%
1 Year - 5 Years	0.87%	15.20%
Over 5 Years	82.22%	14.70%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	46.51%	80.07%
Last month	16.21%	190.88%
Last 3 months	29.53%	117.14%
Last 6 months	39.97%	80.61%
Last 12 months	62.17%	62.17%
Year 2022	-2.93%	-2.93%
Year 2021	4.38%	4.38%

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

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NDB Capital Building, Level G, No: 135, Bauddhaloka Mawatha, Colombo 4, Sri Lanka.
Tel (+94) 77 744 8888 | (+94) 11 230 3232
E-mail : contact@ndbinvestors.com | Web : www.ndbwealth.com