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MARKET UPDATE AND FUND REVIEW

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NDB | WEALTH

2021
JULY

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MARKET BRIEF BY NDB WEALTH

INFLATION CONTINUES TO INCREASE

Inflation as measured by the CCPI (2013=100), continued to increase during July 2021 as it reached 5.7% on a year on year basis compared to July 2020 (5.2% in June 2021). While food inflation was primary factor for the increase in headline inflation, a notable increase in non-food inflation was witnessed during the month of July 2021. Core inflation, which excludes the more volatile aspects of price movements (food, energy and transport) increased to 3.7% year on year in July 2021 compared to 3.2% recorded in the previous month.

SRI LANKAN RUPEE CONTINUED TO BE UNDER PRESSURE

Sri Lankan Rupee continued to be under pressure against the hard currencies. Sri Lanka was due large foreign debt repayments (including the ISB) within the month of July 2021, which led the gross official reserves to decline below USD 3 billion as at July 2021. The Central Bank continued to be a net buyer of USD 126.6 million in the foreign currency market during the first half of 2021. In spite of the import restrictions, lower earnings from tourism, foreign debt repayments and limited fund inflows will continue to exert pressure on the LKR.

INTEREST RATES CONTINUES TO INCREASE

Interest rates continued its gradual incline as the benchmark 364 – day Treasury bill rate increased to 5.28%. Despite the authorities imposing travel restrictions during the month of June 2021, private sector credit recorded a growth of 12.9%, on a year-on-year basis during that corresponding month. Overnight market liquidity levels recorded a drastic reduction during July 2021, mainly as a result of the above-mentioned foreign fund outflows from the economy. CBSL holding of Government securities exceeded LKR 1.1 Trillion as at end July 2021. Given higher inflationary and exchange rate pressures towards the latter part of 2021 and the government's heavy reliance on domestic sources of funding, interest rates may increase gradually towards the fourth quarter of 2021.

COLOMBO STOCK EXCHANGE TO BE RANGE BOUND

Market participant optimistic expectation of improved corporate earnings for the second quarter of 2021, and the policymaker initiatives to improve the vaccination drive may have had a positive impact on the gains recorded during the month of July 2021. However, the overall market was more sentiment driven as retail and HNI interest was observed to be in speculative and trading counters. We continue to expect the equity market to be range bound during 2021 driven by low interest rates and limited alternative investments.

Indika De Silva

Fund Manager

EQUITY OUTLOOK

	Past month Performance (Jul 2021)	Past 12 months Performance (Jul 2020 - Jul 2021)	Year to Date Performance (upto 31st Jul 2021)
All Share Price Index	3.61%	58.47%	19.87%
S&P SL 20	3.16%	40.49%	16.07%
MSCI Frontier Markets Index	-0.26%	39.43%	14.89%
MSCI World Index	1.79%	35.07%	15.07%
MSCI Emerging Markets	-6.73%	20.64%	0.22%
MSCI Asia Ex Japan	-7.50%	19.06%	-1.57%

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

The two main indices of the Colombo Stock Exchange (CSE), All Share Price Index (ASPI) and S&P SL 20 Index (S&P SL), recorded gains during July 2021.

Expectation of improvement in overall corporate earnings and the improved efficiency in the vaccination drive in the country may have been the key reasons for the appreciation of the two indices. However, the overall market was more sentiment driven rather than fundamental driven.

The MSCI Emerging Markets Index declined by 6.73% during July 2021, as China's stocks, which is more than a third of the MSCI Emerging market index, witnessed a selloff by investors, which in turn caused emerging-market equities to erase most of their gains for the year.

Moreover, weakening currencies also pose a threat to emerging-market firms that have debt denominated in foreign currencies such as the Dollar and the Euro.

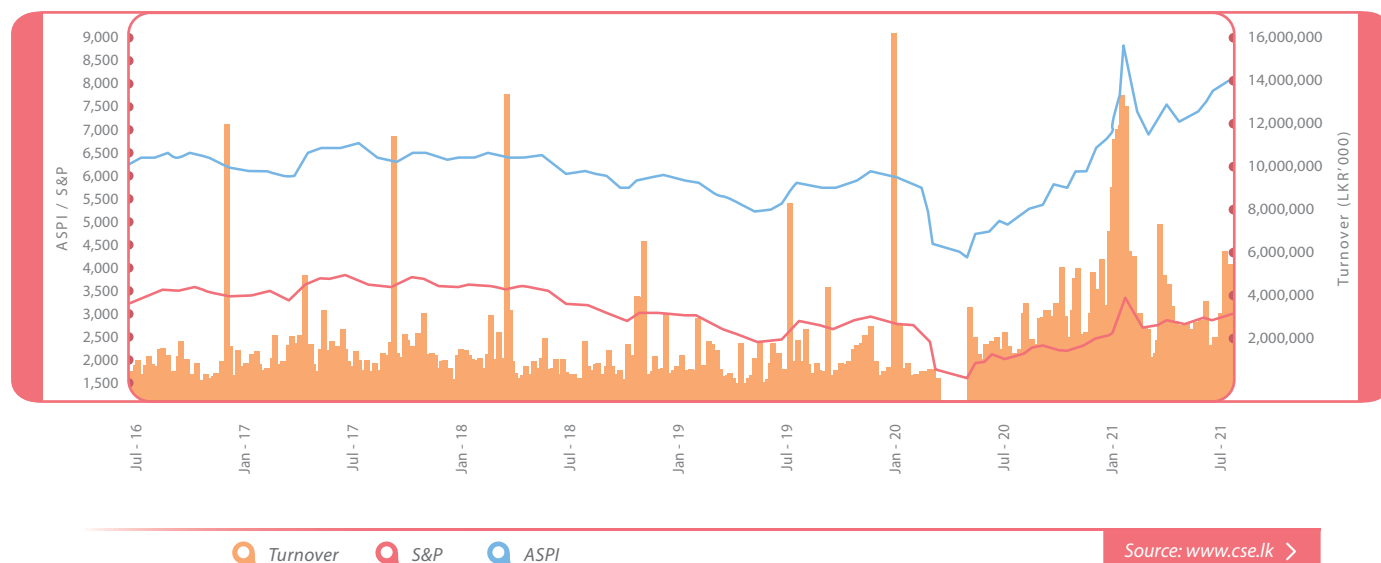
Slowing growth in China and the prospect of the Federal Reserve (the Central Bank of US), starting to withdraw stimulus are also exerting pressure on developing-nation currencies.

However, globally, fund managers continue to consider both developed and emerging markets for equity investments.

Developed markets are preferred by some fund managers as they are ahead in vaccination rates and re-opening the economies. Countries such as the US and UK have boosted returns from developed-market equities with the MSCI world index up 15.07% this year.

In spite of surging virus outbreaks weighing on earnings in emerging market assets, certain fund managers will continue to consider emerging markets that would likely to be supported by a recovery in risk appetite.

Colombo Stock Exchange Performance



		Jul 2021	Jul 2020
CSE	Market PER	10.49 X	9.50 X
	Market PBV	1.15 X	0.95 X
	Market DY	2.72%	3.57%
MSCI Frontier Market	Market PER	17.97 X	11.27 X
	Market PBV	2.18 X	1.49 X
	Market DY	2.72%	4.29%

Source: www.cse.lk

Foreign investors continued to be net sellers in CSE, as net foreign selling for the month of July exceeded LKR 8.1 billion, which in turn dampened the performance of banking sector and blue-chip shares of CSE.

Colombo Stock Exchange	Jan-Jul 2021	Jan-Jul 2020
Foreign Inflows	LKR 24.15 Billion	LKR 42.90 Billion
Foreign Outflows	LKR 58.76 Billion	LKR 67.33 Billion
Net Foreign Inflows/(Outflows)	(LKR 34.61 Billion)	(LKR 24.43 Billion)

Source: www.cse.lk

**“ FOCUS ON RETURN ON EQUITY,
NOT EARNINGS PER SHARE ”**

— Warren Buffett —



FIXED INCOME OUTLOOK

Interest Rates in Sri Lanka

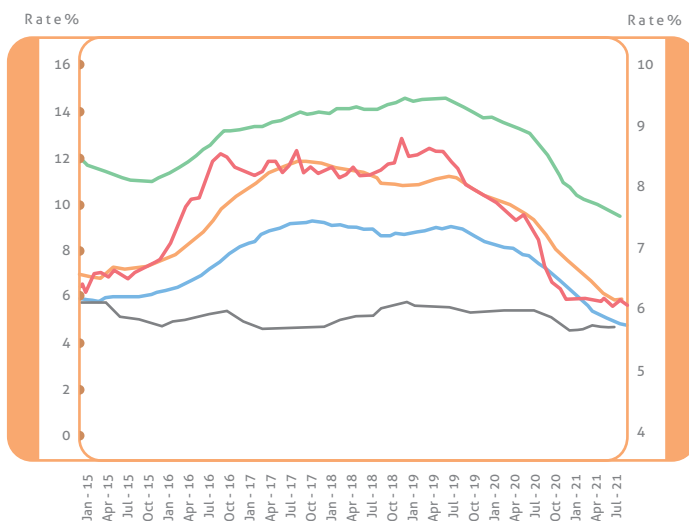
The Central Bank maintained the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) at 5.50% and 4.50% respectively at the monetary policy meeting in July.

	Jul 20	Dec 20	Jan 21	Jul 21
364 Day T-bill	4.86%	5.03%	5.21%	5.25%
5-Year Bond	6.53%	6.63%	7.27%	7.38%
1-Year Finance Company Fixed Deposit Ceiling Rate	8.53%	6.88%	7.11%	7.21%

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

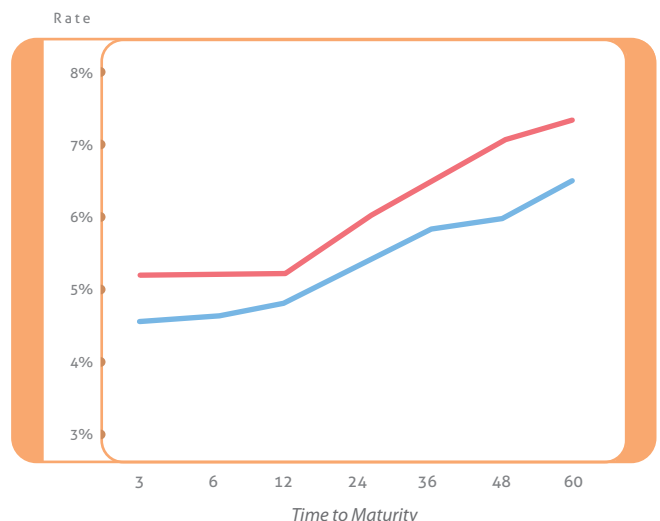
Source: Central Bank of Sri Lanka >

AVERAGE LENDING & DEPOSIT RATES & SPREAD



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

YIELD CURVE - LKR TREASURIES



Jul-20 Jul-21

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

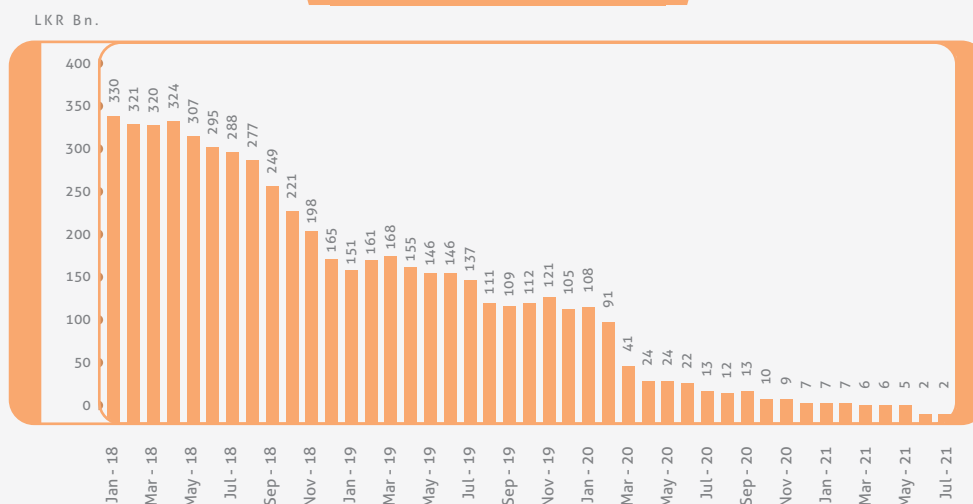
Treasury Bill rates increased across the board marginally, with the benchmark 364-day T-Bill rate rising to 5.25% and the 182-day & the 91-day T-Bills increasing to 5.23% and 5.22% respectively.

Broad money (M2b) growth increased marginally to 21.5% year-on-year in June, from the previous month's 21.0% whilst credit to the private sector accelerated by 12.9% year-on-year from 10.5% in May owing to a significant month-on-month growth and also the base effect. Monthly private sector credit disbursements increased by LKR 83.4 bn. or 1.3%, much faster from last month's LKR 55.6 bn., with economic activities picking up following the easing of the third wave travel restrictions.

Outstanding LKR Govt. Securities LKR 8,216 Billion	
T Bills (Total)	T Bonds (Total)
LKR 2,006 Billion	LKR 6,209 Billion
Domestic (Bills & Bonds)	Foreign (Bills & bonds)
LKR 8,214 Billion	LKR 2 Billion
Total Foreign Holding of Bills and Bonds: 0.03%	

Source: Central Bank of Sri Lanka >

FOREIGN HOLDING OF LKR G-SEC



Source: Central Bank of Sri Lanka >

Foreign holding of LKR denominated bills and bonds remained largely unchanged in July from the previous month at a low 0.03%. Foreign investors in Rupee denominated bills and bonds remained net sellers on a year to date basis at LKR 4.38 bn.

1 Year FD Rates - Sri Lankan Banks

	Jul 2021	Jun 2021
NSB	5.00%	5.00%
COMB	4.50%	4.50%
SAMP	4.25%	4.25%
HNB	4.50%	4.50%
NDB	5.00%	5.00%

Rates on Credit Cards

Jul 21

HSBC	18.00%
SCB	18.00%
Sampath	18.00%
NDB	18.00%
AMEX	18.00%

Source: Respective Commercial Banks >

Banks maintained their fixed deposit rates during the month of July.

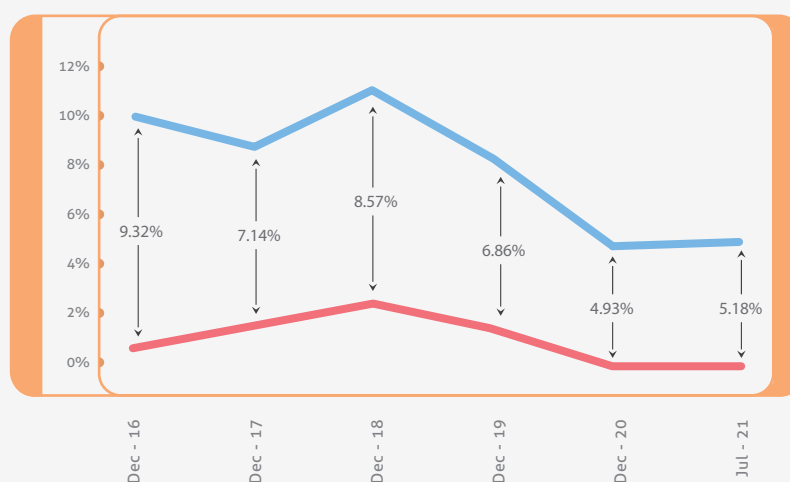
NDBIB CRISIL Fixed Income Indices Total return as at 30/07/2021	3 Month Return	1 Year Return	3 Year Return
NDBIB-CRISIL 91 Day T-Bill Index	1.26%	4.75%	7.35%
NDBIB-CRISIL 364 Day T-Bill Index	1.20%	4.56%	8.59%
NDBIB-CRISIL 3 Year T-Bond Index-TRI	1.55%	5.00%	12.10%
NDBIB-CRISIL 5 Year T-Bond Index-TRI	1.81%	4.30%	13.41%

Source: www.crisil.com >

Central Bank Policy Rates	2018	2019	2020	Latest
Sri Lanka	8.00%	7.00%	4.50%	4.50%
US	2.25% - 2.50%	1.50% - 1.75%	0.00% - 0.25%	0.00% - 0.25%
Euro Zone	0.00%	0.00%	0.00%	0.00%
Australia	1.50%	0.75%	0.10%	0.10%
India	6.50%	5.15%	4.00%	4.00%

Source: www.cbrates.com >

1 YEAR TREASURY RATE - USD Vs. LKR & SPREAD



Sri Lanka US

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

The US Federal Reserve is expected to raise interest rates in 2023, earlier than expected, as the US economy is projected for faster growth and much higher inflation in 2021 than initially anticipated.

364 Day Treasury Bill Rate	Jul 20	Dec 20	Jun 21	Jul 21
Sri Lanka	4.86%	5.03%	5.23%	5.25%
India	3.50%	3.44%	3.88%	3.72%
US	0.11%	0.10%	0.07%	0.07%
Euro Zone	-0.65%	-0.76%	-0.69%	-0.75%

Source: Respective Central Banks >

Global industries are slowly moving towards normal operations. However, resurgence is quite uneven as sectors such as tourism see no hope in the near future as lower-income level countries lag on their vaccination processes. The new pandemic-led lockdowns in China brings further uncertainty in the manufacturing sector.

Eurozone is moving out of recession with a 2% GDP growth for 2Q2021, although still below pre-pandemic levels.

	Rates on Savings Accounts Jul 2021
Sri Lanka	3.50%
US	0.01%
Euro Zone	0.11%
Australia	0.35%
India	3.00%

Source: Respective Commercial Banks >

**“ MONEY IN THE RIGHT HANDS,
MULTIPLIES AND GROWS ”**

— NDB Wealth —



INFLATION RATES

Country	Jul 20	Dec 20	Jun 21	Jul 21
Sri Lanka	4.15%	4.23%	5.25%	5.69%
US	0.99%	1.36%	5.39%	5.39%*
Euro Zone	0.39%	-0.27%	1.90%	1.90%*
India	6.73%	4.59%	6.26%	6.26%*

*Jun 2021

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

Inflation as measured by the CCPI (2013=100), recorded a figure of 5.69% in July on a year-on-year basis from the previous month's figure of 5.25% making it the third consecutive month of rise in prices. The increase has primarily been due to the effect of rising fuel prices.

During the month the Index rose by 0.5% with food prices declining by 0.2% and nonfood items increasing by 0.8%. The monthly decline in food prices was mainly due to the reduction of prices in coconut, sea fish and coconut oil whilst increases in prices in the non-food category is linked to rise in prices of transport, restaurants and hotels and clothing and footwear.

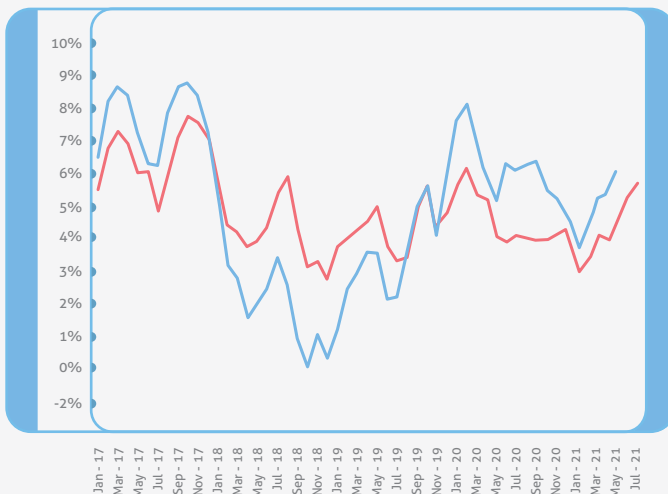
On an annual average basis inflation edged up to 4.2% in July.

Core inflation, which excludes the more volatile aspects of price movements (food, energy and transport) increased to 3.7% year on year in July from the previous month's 3.2% while annual average core inflation rose marginally to 3.1% in July from 3% in June.

Looking ahead, we expect the fertilizer ban to negatively impact food prices in the medium term. That coupled with the impact of the recent price hike in fuel could lead to pressures building on inflation.

On the global front, US inflation increased to 5.39% while Euro Zone inflation slowed to 1.9% in June.

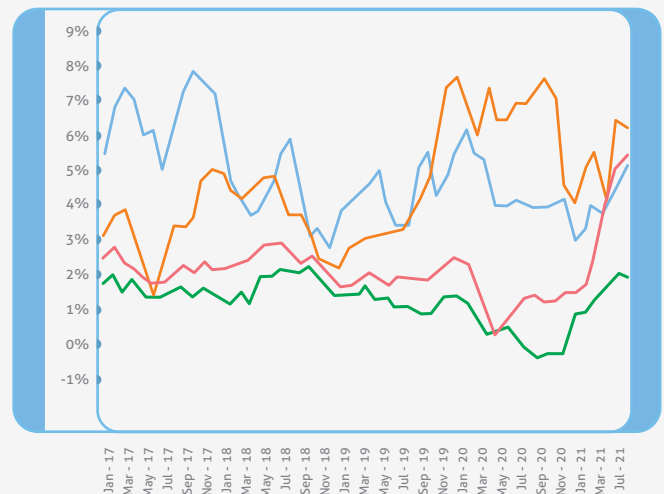
INFLATION - POINT TO POINT CHANGE - CCPI VS. NCPI



CCPI NCPI

Source: Department of Census and Statistics Sri Lanka >

GLOBAL INFLATION RATES



Sri Lanka US
Euro zone India

Source: <http://www.inflation.eu/> >

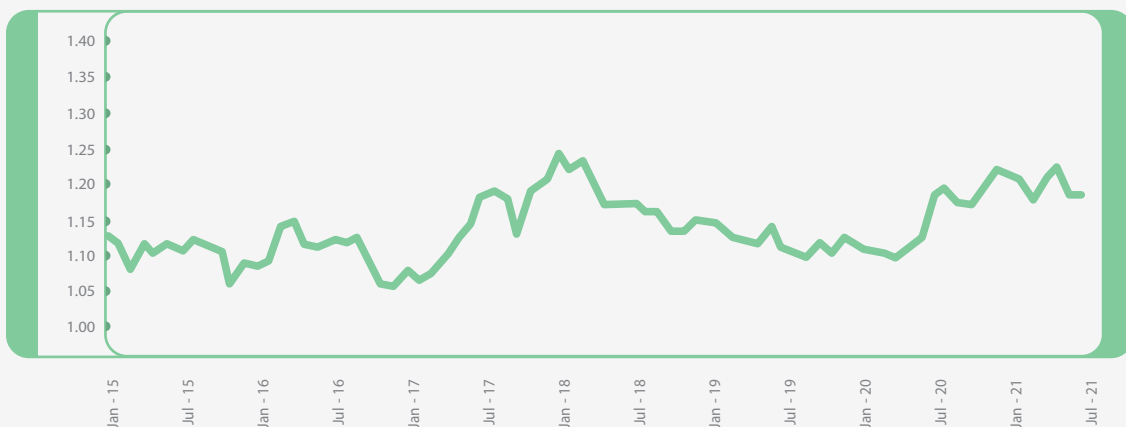
FOREX OUTLOOK

Exchange Rates Vs. LKR	Jul 20	Dec 20	Jul 21	1 Year App/(Dep) LKR	YTD App/(Dep) LKR
USD	185.68	186.41	199.90	-7.12%	-6.75%
GBP	243.83	254.35	278.95	-12.59%	-8.82%
EURO	220.70	229.42	237.53	-7.08%	-3.41%
YEN	1.78	1.81	1.83	-2.42%	-0.86%
AUD	133.86	143.66	147.79	-9.42%	-2.79%
CAD	138.36	146.35	160.47	-13.78%	-8.80%
INR	2.44	2.55	2.69	-9.51%	-5.24%
BHD	491.73	494.38	530.24	-7.26%	-6.76%
CNY	26.58	28.59	30.95	-14.12%	-7.62%

Source: Central Bank of Sri Lanka >

- The Sri Lankan Rupee appreciated marginally against the USD in July by 0.62% to close the month at LKR 199.90. However, the Rupee remains as a net loser on a year to date basis at 6.75%.
- The Rupee also appreciated 0.82% against the Euro but depreciated marginally against the Pound Sterling by 0.08% during the month.
- US Dollar depreciated against a basket of currencies following the slow incline of the job market rendering the U.S Federal Reserve unable to ease monetary stimulus to sustain the economy.
- The Euro strengthened against the US Dollar owing to the European countries easing its travel restrictions.
- Asian currencies continue to dampen with the Delta variant showing strong emergence within many countries.

USD PER 1 EURO MOVEMENT



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

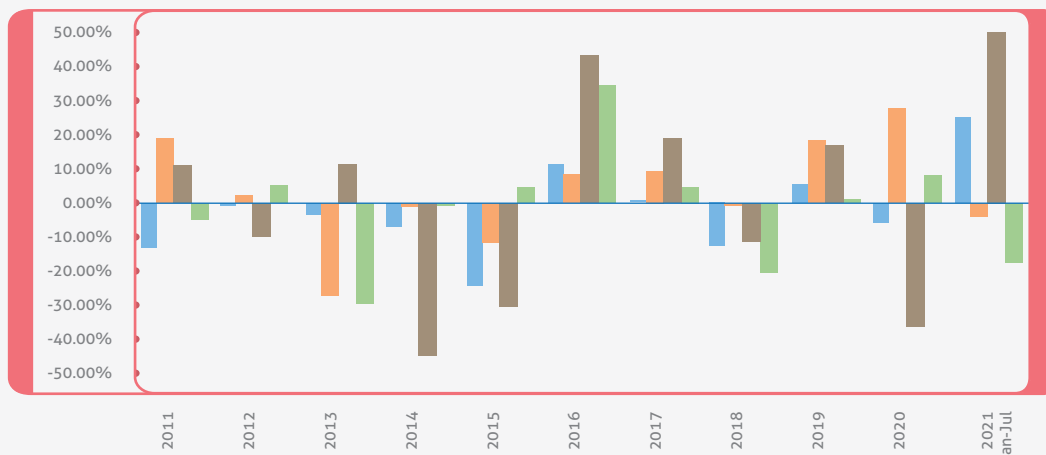
COMMODITY OUTLOOK

	Past month Performance (Jul 2021)	Past 12 months Performance (Jul 2020 - Jul 2021)	Year to Date Performance (up to 31st Jul 2021)
Bloomberg Commodity Index	1.84%	40.19%	23.36%
Gold	-1.46%	-2.09%	-2.72%
Tea	0.20%	-11.19%	-13.53%
Oil (Brent)	1.81%	73.77%	49.17%

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

- Bloomberg Commodity Index (BCOM) has appreciated by more than 20% from January to July 2021, and over 49% in the case of crude oil. The BCOM is at a decade high and recorded its fourth-straight monthly increase.
- The world's recovery from the pandemic has sent prices for energy, metals and food soaring, helping big commodity exporters while negatively affecting those nations that import their raw materials from others.
- Oil and gas producers in the Arabian Gulf are set to be the biggest winners economically, according to a Bloomberg Economics survey of almost 45 nations. The UAE and Qatar will each see their net exports increase by more than 10% of GDP compared with 2020, while Saudi Arabia won't be far behind.
- Countries such as Sri Lanka, Japan and most of Western Europe will be negatively impacted as they are forced to spend more on commodity imports.
- Crude oil prices are under pressure on concerns of weak economic growth in China, rising coronavirus cases and an increase in OPEC+ output.
- In global markets, spot gold rates eased as a stronger US Dollar weighed on the precious metal. Any stability in equity market or US Dollar may keep a check on upside in gold.

Commodity Price Movements



DJUBS Gold Oil Tea

Source: NDB Wealth Research >

PROPERTY OUTLOOK

Sri Lanka has gained popularity as a second home destination for foreigners, given its warm year-round climate, gorgeous beaches, exotic jungle locales, picturesque paddy fields and a population that to a great extent speaks English.

The investor base in the property market has been widening from a British and Dutch dominated market to now include German, French and Italian buyers to the mix.

Many of these foreign home owners were generally seen to rent out their properties to other tourists to generate additional rental income.

Sri Lanka was just recovering from the Easter Sunday attacks in 2019 when the pandemic hit the island in January 2020, resulting in authorities restricting tourists from many destinations.

With the non-existence of tourists, and tourist dedicated properties no longer generating rental income, foreign homeowners in Sri Lanka have put up their homes for sale and experts believe there is stiff demand to accrue those luxury properties by locals.

Currently the highest demand has been observed for high-value properties in Colombo and coastal areas such as Galle.

Currently, foreign buyers have been evaporating from this market and local demand has been increasing.

Traditionally Sri Lankans invest in real estate as a hedge against inflation and to mitigate the impact on the depreciation in the Sri Lankan rupee.

The current investors are optimistic that when the pandemic is over the properties can be sold on to foreign investors at USD value as opposed to LKR.

During May and June 2021 the island was trying to recovering from the 3rd wave of the pandemic. However, the real estate market has remained stable. The Lanka Property Web housing price index shows that the average house price in Sri Lanka grew by 20.7% year over year in the first quarter of 2021.

The pandemic has not discouraged Sri Lankans to buy properties, as historical returns on real-estate have given high returns, making it a high conviction investment.

Traditionally foreign investors buy in the Colombo area and coastal locations, with the southwestern coast being popular. However, in the recent past with the highway system in place, interest has also moved towards Weligama, Matara and Tangalle regions.

ISLAMIC FINANCE INDUSTRY

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

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

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

Mudharabah Deposit Rates of Selected Service Providers

	Savings	1 month	3 month	6 month	1 Year ⁺	2 Year ⁺	3 Year ⁺	4 Year ⁺	5 Year ⁺
Amana Bank - As of July 2021									
Profit Sharing Ratio*	30:70	-	60:40	65:35	75:25	80:20	85:15	-	90:10
Distributed Profit	2.21%	-	4.05%	4.42%	4.79%	5.16%	5.53%	-	6.63%
Bank of Ceylon Islamic Business Unit - As of July 2021									
Profit Sharing Ratio*	45:55	-	-	-	-	-	-	-	-
Distributed Profit	1.20%	-	-	-	-	-	-	-	-
Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of July 2021									
Profit Sharing Ratio*	45:55	-	55:45	65:35	75:25	-	-	-	-
Distributed Profit	2.50%	-	3.20%	3.79%	4.30%	-	-	-	-
Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of June 2021 (Published Quarterly)									
Profit Sharing Ratio*	30:70	-	55:45	60:40	70:30	-	-	-	-
Distributed Profit	2.50%	-	3.25%	3.50%	4.50%	-	-	-	-
National Development Bank PLC-"Shareek" Islamic Banking unit - As of July 2021									
Profit Sharing Ratio* (3Mn - 50Mn)	40:60	60:40	65:35	40:60	65:35	-	-	-	-
Distributed Profit	2.35%	2.90%	3.00%	3.50%	4.90%	-	-	-	-
Citizen Development Business Finance PLC- Islamic Banking unit - As of August 2019									
Profit Sharing Ratio*	32:68	52:48	52:48	52:48	55:45	62:38	62:38	-	-
Distributed Profit	6.43%	8.23%	8.64%	9.24%	11.05%	11.65%	12.25%	-	-
Commercial Leasing & Finance PLC- Islamic Finance - As of June 2021									
Profit Sharing Ratio*	30 :70	37:63	38:62	40:60	47:53	49:51	50:50	52:48	54:46
Distributed Profit	4.50%	5.11%	5.36%	5.61%	7.11%	7.86%	8.18%	8.36%	8.83%
LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of July 2021									
Profit Sharing Ratio*	25:75	31:69	34:66	36:64	38:62	-	-	-	-
Distributed Profit	3.42%	4.24%	4.65%	4.93%	5.20%	-	-	-	-
LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of July 2021									
Profit Sharing Ratio*	30:70	32:68	34:66	36:64	49:51	54:46	57:43	60:40	63:37
Distributed Profit	3.84%	4.09%	4.35%	4.60%	6.27%	6.90%	7.29%	7.67%	8.06%
Peoples Leasing Islamic Business Unit - July 2021									
Profit Sharing Ratio*	45:55	-	60:40	65:35	75:25	-	-	-	-
Distributed Profit	3.45%	-	4.60%	4.99%	5.75%	-	-	-	-

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

Source: Respective Company Data >

The white list of shari'ah compliant stocks provides investors a means of ethical investing. The Core business is screened to ensure that corporate dealing in conventional banking, conventional insurance, alcoholic drinks, tobacco, pork production, arms manufacturing, pornography or related activities are excluded. Companies are also screened in terms of levels of debt, illiquid assets and non compliant investments.

WHITE LIST AS OF JULY 2019

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

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

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

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

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

UNIT TRUST FUNDS OFFERED BY NDB WM



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

Fund Overview

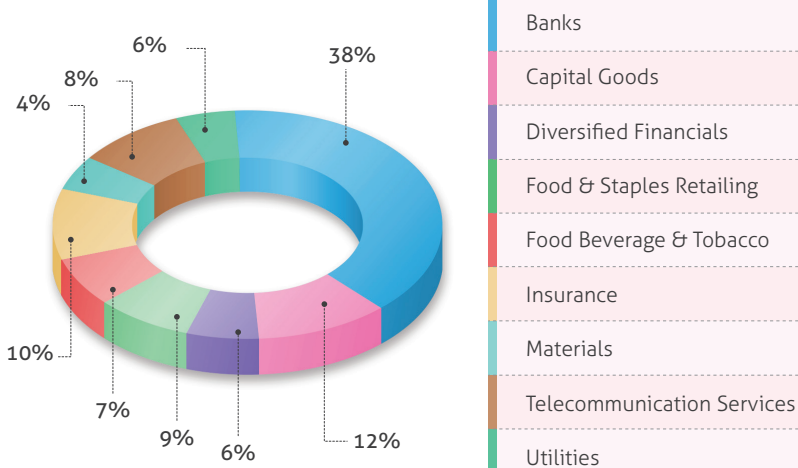
NDB Wealth Growth Fund

Type: Open Ended
Currency: LKR

Investments: Listed Equities
ISIN: LKNWGRU00005

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

Equity Allocation



Historical Returns

Period	Fund Returns *	ASPI Returns
Last Month	-0.53%	3.61%
Last 3 months	5.58%	12.66%
Last 6 months	-8.21%	-6.32%
Last 12 months	32.24%	58.47%
Year 2020	-4.46%	10.52%
Year 2019	-0.59%	1.27%

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

Fund Snapshot

31-Jul-21

YTD Yield	10.70%
NAV per unit	10.73
AUM (LKR Mn.)**	315.78
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	3.05%
Max Equity Allocation	97.00%
Current Equity Allocation	82.92%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

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

Fixed Income Allocation

Minimum Fixed Income Allocation	3.00%
Current Fixed Income Allocation	17.08%
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

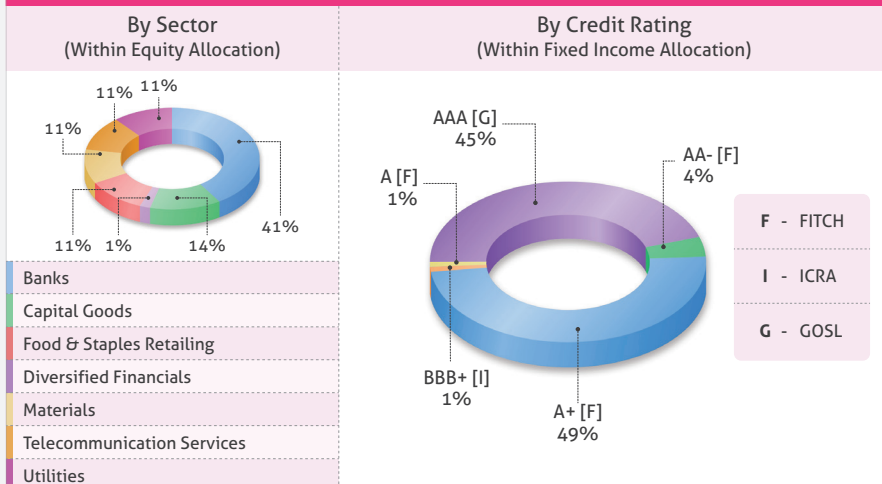
NDB Wealth Growth and Income Fund

Type: Open Ended
Currency: LKR

Investments: Listed Equities and Corporate Debt
ISIN: LKNWGIU00004

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

Portfolio Allocation



Fund Snapshot

31-Jul-21

YTD Yield	8.40%
NAV per unit	46.70
AUM (LKR Mn.)**	2,996.83
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.81%
Max Equity Allocation	97.00%
Current Equity Allocation	52.26%
Fund Leverage	0.00%

Top 5 Portfolio Holdings (In Alphabetical Order)

ACCESS ENG LTD
COMMERCIAL BANK OF CEYLON PLC
DIALOG AXIATA PLC
HATTON NATIONAL BANK PLC
WINDFORCE LIMITED

Historical Returns

Period	Fund Returns*	ASPI Returns
Year to Date	8.40%	19.87%
Last month	-0.58%	3.61%
Last 3 months	2.45%	12.66%
Last 6 months	-7.36%	-6.32%
Last 12 months	16.40%	58.47%
Year 2020	9.82%	10.52%
Year 2019	11.09%	1.27%

* 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	47.74%
Average Duration	0.03
Maturity	% Holding
Under 3 Months	99.27%
3 Months - 2 Years	0.73%

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

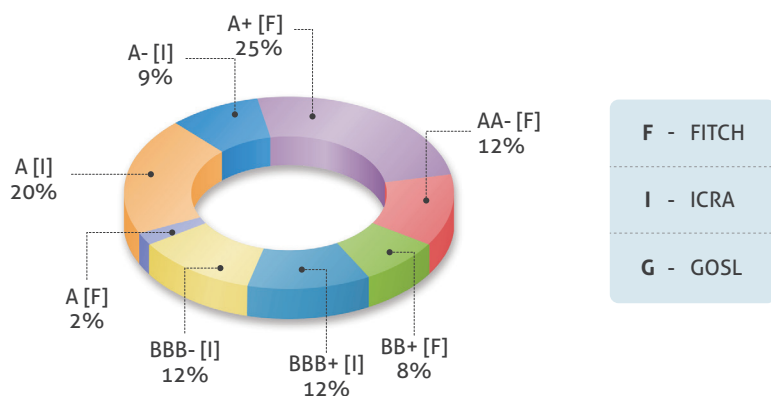
NDB Wealth Income Fund

Type: Open Ended
Currency: LKR

Investments: Corporate Debt Instruments
ISIN: LKNWINU00000

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-21

YTD Yield	4.47%
YTD Yield (Annualized)	7.70%
NAV per unit	16.6234
AUM (LKR Mn.)	697.54
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.35%
Average Maturity (Yrs)	1.37
Average Duration	1.12

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	17.03%	6.39%
1 Month - 3 Months	9.21%	9.40%
3 Months - 6 Months	6.22%	9.70%
6 Months - 1 Year	26.36%	8.20%
1 Year - 5 Years	41.19%	9.50%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	4.47%	7.70%
Last month	0.61%	7.18%
Last 3 months	1.94%	7.70%
Last 6 months	3.72%	7.49%
Last 12 months	8.25%	8.25%
Year 2020	13.12%	13.12%
Year 2019	12.97%	12.97%

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.
Fund Manager	NDB Wealth Management Ltd.
Trustee & Custodian	Bank of Ceylon

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Fund Overview

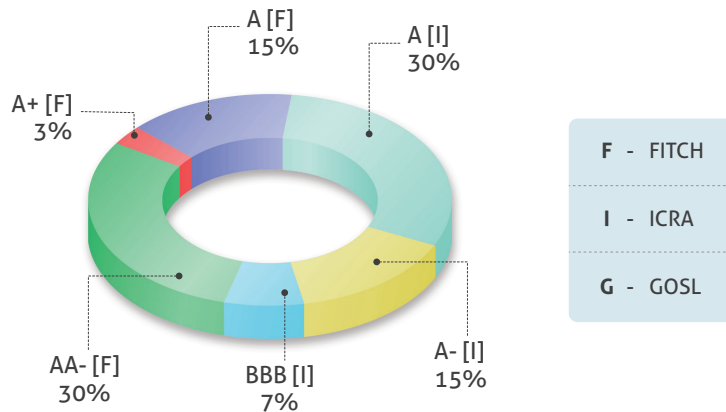
NDB Wealth Income Plus Fund

Type: Open Ended
Currency: LKR

Investments: Fixed Income Securities
ISIN: LKNWIPU00005

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-21

YTD Yield	3.76%
YTD Yield (Annualized)	6.47%
NAV per unit	17.5888
AUM (LKR Mn.)	579.32
Fund Currency	LKR
Fund Inception	7-Apr-16
Expense Ratio	0.69%
Average Maturity (Yrs)	0.31
Average Duration	0.30

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	3.49%	5.50%
3 Months - 6 Months	81.53%	6.30%
6 Months - 1 Year	14.98%	8.30%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	3.76%	6.47%
Last month	0.51%	6.02%
Last 3 months	1.53%	6.08%
Last 6 months	2.95%	5.94%
Last 12 months	8.46%	8.46%

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

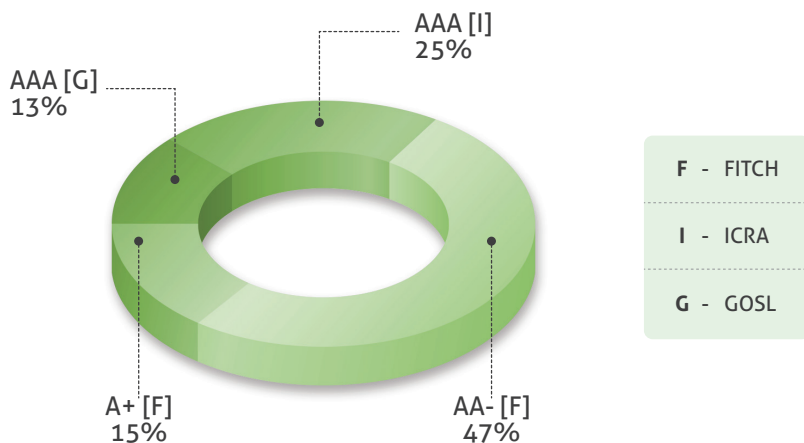
Type: Open Ended
Currency: LKR

Investments: Short Term Bank Deposits
ISIN: LKNWMNU00002

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

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-21

YTD Yield	2.94%
YTD Yield (Annualized)	5.07%
NAV per unit	21.1482
AUM (LKR Mn.)	752.07
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.78%
Average Maturity (Yrs)	0.22
Average Duration	0.22

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	31.68%	5.28%
1 Month - 3 Months	45.28%	5.30%
3 Months - 6 Months	13.60%	5.50%
6 Months - 1 Year	9.44%	5.90%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.94%	5.07%
Last month	0.39%	4.56%
Last 3 months	1.18%	4.70%
Last 6 months	2.46%	4.96%
Last 12 months	5.85%	5.85%
Year 2020	8.20%	8.20%
Year 2019	10.24%	10.24%

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
ISIN: LKNWMPU00007

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

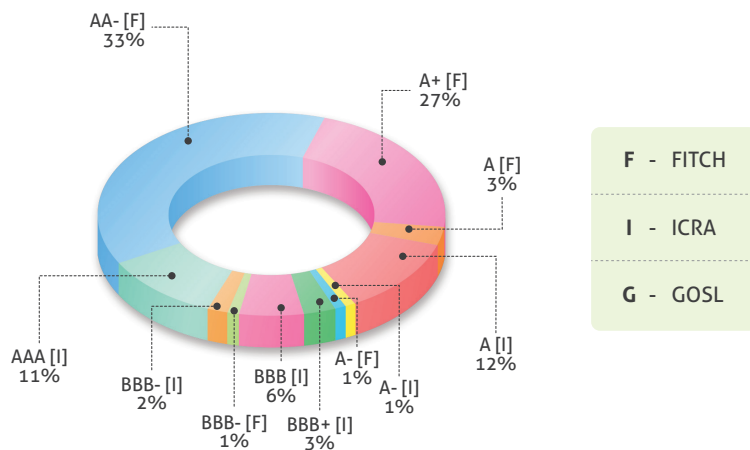
The Fund aims to provide liquidity to investors while enhancing returns by investing in a diversified portfolio of short term corporate debt securities with maturities less than 365 days

Fund Snapshot

31-Jul-21

YTD Yield	3.28%
YTD Yield (Annualized)	5.64%
NAV per unit	24.2193
AUM (LKR Mn.)	66,231.91
Fund Currency	LKR
Fund Inception	1-Jun-12
Expense Ratio	0.80%
Average Maturity (Yrs)	0.31
Average Duration	0.30

Portfolio Allocation By Credit Rating



Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	26.64%	5.32%
1 Month - 3 Months	30.16%	5.50%
3 Months - 6 Months	23.44%	5.60%
6 Months - 1 Year	19.77%	7.40%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	3.28%	5.64%
Last month	0.44%	5.17%
Last 3 months	1.33%	5.27%
Last 6 months	2.74%	5.53%
Last 12 months	6.35%	6.35%
Year 2020	9.46%	9.46%
Year 2019	11.73%	11.73%

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

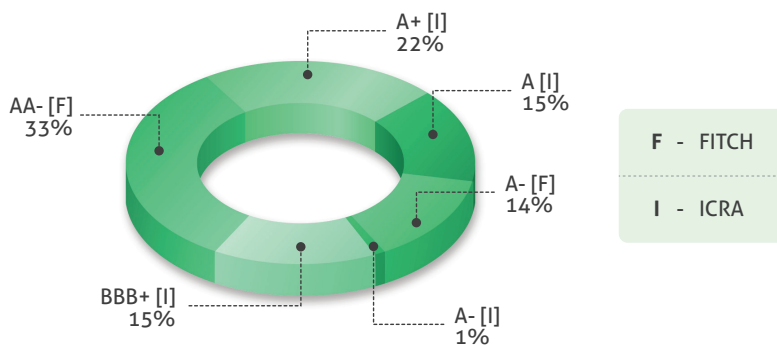
Type: Open Ended
Currency: LKR

Investments: Short Term Shariah Compliant Investments
ISIN: LKNWISU00009

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

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-21

YTD Yield	2.91%
YTD Yield (Annualized)	5.02%
NAV per unit	16.7147
AUM (LKR Mn.)	1,339.10
Fund Currency	LKR
Fund Inception	1-Jun-15
Expense Ratio	1.09%
Average Duration	0.31

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	42.82%	3.61%
1 Month - 3 Months	14.28%	6.90%
3 Months - 6 Months	14.13%	5.70%
6 Months - 1 Year	28.78%	7.10%

Target Asset Allocation

Investment Type	Asset Allocation
Shariah compliant money market investments up to 366 days	Max 90%
Shariah compliant money market investments less than 15 days	Min 10%

Approved Investments

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

Shariah Supervisory Board

Shafique Jakhura	Mufti
Muhammed Huzaifah	Maulana

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.91%	5.02%
Last month	0.38%	4.44%
Last 3 months	1.18%	4.67%
Last 6 months	2.44%	4.93%
Last 12 months	6.15%	6.15%

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

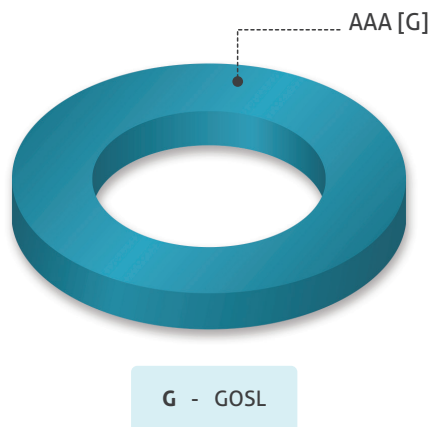
NDB Wealth Gilt Edged Fund

Type: Open Ended
Currency: LKR

Investments: Government of Sri Lanka Securities
ISIN: LKNWGEU00003

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

Portfolio Allocation By Credit Rating



Fund Snapshot

31-Jul-21

YTD Yield	2.28%
YTD Yield (Annualized)	3.93%
NAV per unit	19.0763
AUM (LKR Mn.)	60.43
Fund Currency	LKR
Fund Inception	1-Dec-97
Expense Ratio	1.45%
Average Maturity (Yrs)	0.02
Average Duration	0.02

Maturity Profile

Maturity	% Holding	AVG YTM (Net)
Under 1 Month	100%	6.20%

Historical Returns

Period	Fund Returns	Annualized Return
Year to Date	2.28%	3.93%
Last month	0.34%	3.97%
Last 3 months	1.00%	3.97%
Last 6 months	1.95%	3.93%
Last 12 months	8.79%	8.79%
Year 2020	10.14%	10.14%
Year 2019	19.12%	19.12%

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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