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# MARKET UPDATE AND FUND REVIEW

*!t's time*

**NDB** | WEALTH

2021  
DECEMBER

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## MARKET BRIEF BY NDB WEALTH

### INFLATION PICKS UP

Inflation as measured by the CCPI (2013=100), increased to 12.1% in December 2021 on a year-on-year basis from the previous month's 9.9%, primarily due to the increases in energy (fuel and LP gas) and food prices. Core inflation, which excludes the more volatile aspects of price movements (food, energy and transport) increased to 8.3% year-on-year in December and followed a similar trend on an annual average basis at 4.4%. Sri Lanka may witness inflationary pressures building up considering the supply side impact arriving from high fertilizer prices impacting food prices, increasing global commodity prices as well as the LKR depreciation.

### THE RUPEE CONTINUE TO DEVALUE

The Sri Lankan Rupee was under pressure against hard currencies during 2021 owing to weak macroeconomic fundamentals and shortage of foreign currency reserves in the economy. Foreign reserves fell to USD 1.58 billion during November 2021 and the China currency swap of USD 1.5 Billion was drawn down during December 2021 to raise foreign exchange reserves to around USD 3.1 Billion as at the year end. The Central Bank was a net seller of US Dollars, which was at an all-time high of USD 310 million during November 2021 on a net basis in the spot market as the policy makers intervened to peg the Rupee in the LKR 200 range.

### INTEREST RATES SORE

The benchmark 364-Day Treasury bill rate increased to 8.39% in January 2022 from 8.02% in December 2021. Money market liquidity level continued to decline as it dropped below negative LKR 300 Billion as at December 2021, while CBSL holding of Government securities stood at LKR 1.42 Trillion. Expanding budget deficit, increasing demand for private sector credit and rising inflation rate are expected exert pressure on interest rates during the first half of 2022. Based on high reliance on domestic funding in 2022 coupled with weak macroeconomic fundamentals prevailing in the country, interest rates may continue to increase during the first half of 2022.

### STOCK MARKET ADVANCES

The two main indices of Colombo Stock Exchange (CSE), the All Share Price Index and the S&P SL 20 Index, gained 80.48% and 60.47% respectively, during 2021. Contrary to macroeconomic fundamentals, CSE has been resilient, with continued positive investor sentiment driving the overall market in the backdrop of undesired fixed income yields and lack of alternative investment opportunities. We expect both the ASPI and S&P SL 20 indices to be range bound during the first quarter of 2022, under the overhang of weak macro environment prevailing in the country.

**Indika De Silva**

Fund Manager

## EQUITY OUTLOOK

|                             | Past month Performance<br>(1st Dec – 31st Dec 2021) | Past 12 months Performance<br>(Dec 2020 – Dec 2021) | Year to Date Performance<br>(1st Jan – 31st Dec 2021) |
|-----------------------------|---|---|---|
| All Share Price Index       | 6.87%   | 80.48%  | 80.48%  |
| S&P SL 20                   | 9.22%   | 60.47%  | 60.47%  |
| MSCI Frontier Markets Index | 1.50%   | 20.09%  | 20.09%  |
| MSCI World Index            | 4.27%   | 21.82%  | 21.82%  |
| MSCI Emerging Markets       | 1.88%   | -2.54%  | -2.54%  |
| MSCI Asia Ex Japan          | 1.37%   | -4.72%  | -4.72%  |

Source: [www.cse.lk](http://www.cse.lk) and [www.msci.com](http://www.msci.com) >

The All Share Price Index (ASPI) and the S&P SL 20 Index (S&P SL), the two main indices of the Colombo Stock Exchange (CSE), continued its climb to record gains during December 2021.

Negative real returns amidst rising inflation and low interest rates prompted continuous inflows into the equity markets during 2021, driving the ASPI and the S&P SL 20 to all-time highs.

Global markets are expected to slow down during 2022 as surging inflation is likely to prompt policy tightening and cause yields to rise during the year.

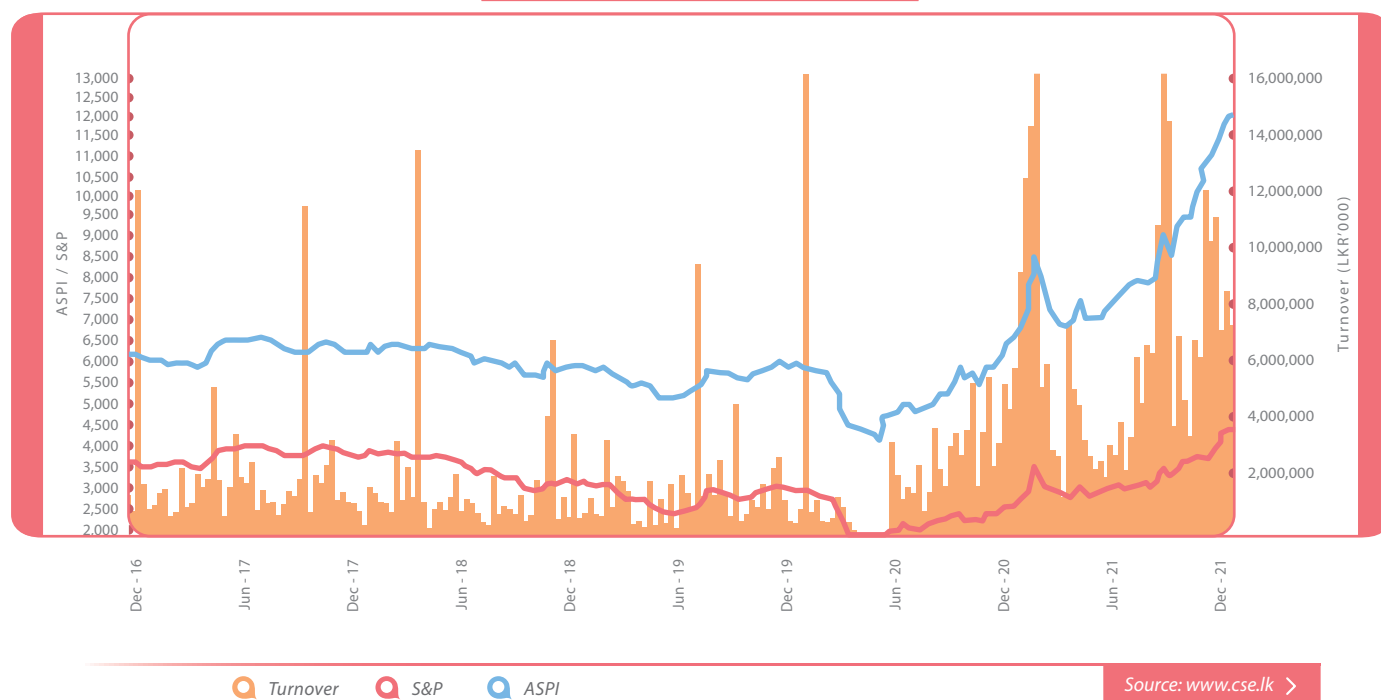
However, travel and leisure stocks are expected to perform as markets shrug off worries over the Omicron variant hindering global economic recovery.

Chinese stocks gathered momentum as Beijing emphasized on prioritizing economic stability whilst property shares rebounded on signs of policy easing.

Asian shares dipped during the month as US treasury yields rose which weighted on global tech firms, pushing the dollar to a five year high against the Japanese Yen.

Equity valuations in emerging markets are considered to be priced in much caution by global fund managers compared to developed markets and presents attractive long-term value.

### Colombo Stock Exchange Performance



|                      |            | Dec 2021 | Dec 2020 |
|----------------------|------------|----------|----------|
| CSE                  | Market PER | 13.63x   | 11.25x   |
|                      | Market PBV | 1.67x    | 1.13x    |
|                      | Market DY  | 2.17%    | 2.66%    |
| MSCI Frontier Market | Market PER | 15.53x   | 14.50x   |
|                      | Market PBV | 2.27x    | 1.81x    |
|                      | Market DY  | 2.70x    | 3.63%    |

Source: [www.cse.lk](http://www.cse.lk)

Total net foreign selling amounted to LKR 2.3 billion during December 2021, recording a total net foreign selling of LKR 52.60 billion for the year 2021.

| Colombo Stock Exchange                | Jan – Dec 2021             | Jan – Dec 2020             |
|---------------------------------------|----------------------------|----------------------------|
| Foreign Inflows                       | LKR 34.09 Billion          | LKR 53.14 Billion          |
| Foreign Outflows                      | LKR 86.69 Billion          | LKR 104.63 Billion         |
| <b>Net Foreign Inflows/(Outflows)</b> | <b>(LKR 52.60 Billion)</b> | <b>(LKR 51.48 Billion)</b> |

Source: [www.cse.lk](http://www.cse.lk)

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

— Warren Buffett —



# FIXED INCOME OUTLOOK

## Interest Rates in Sri Lanka

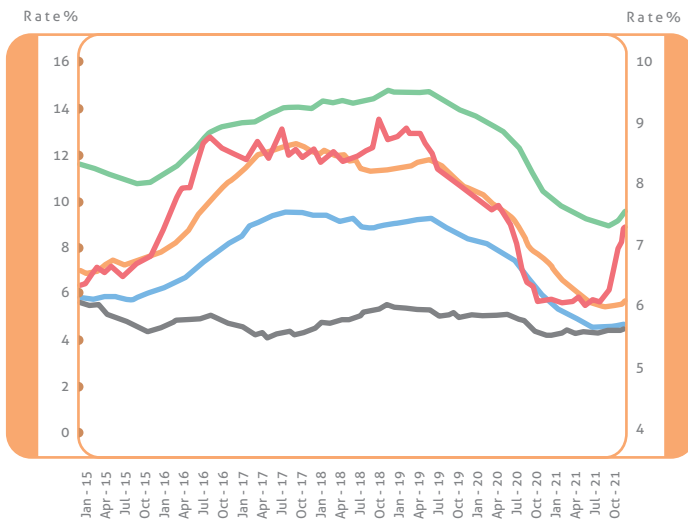
The Central Bank maintained the Standing Lending Facility Rate (the rate CBSL lends to commercial banks) and the Standing Deposit Facility Rate (the rate which commercial banks place their excess cash with CBSL) at 6.00% and 5.00% respectively during December.

|  | Dec 20 | Nov 21 | Dec 21 |
|--|--------|--------|--------|
| <b>364 Day T-bill</b>                                    | 5.03%  | 8.16%  | 8.24%  |
| <b>5-Year Bond</b>                                       | 6.63%  | 10.56% | 10.70% |
| <b>1-Year Finance Company Fixed Deposit Ceiling Rate</b> | 6.88%  | 9.88%  | 9.88%  |

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

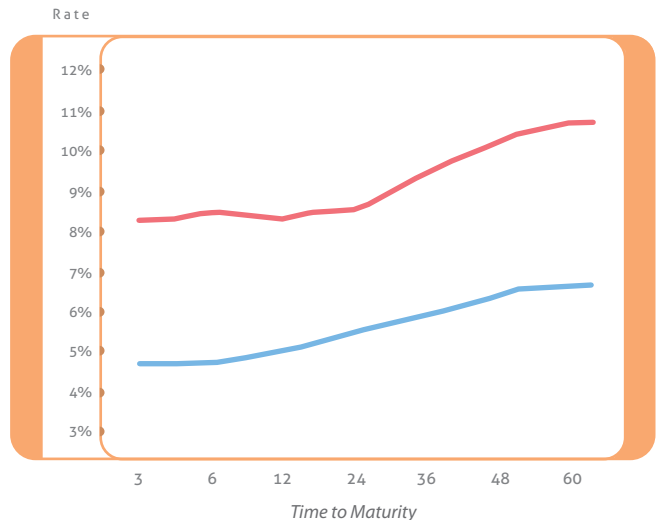
Source: Central Bank of Sri Lanka >

### AVERAGE LENDING & DEPOSIT RATES & SPREAD



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

### YIELD CURVE - LKR TREASURIES



Oct-20 Oct-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

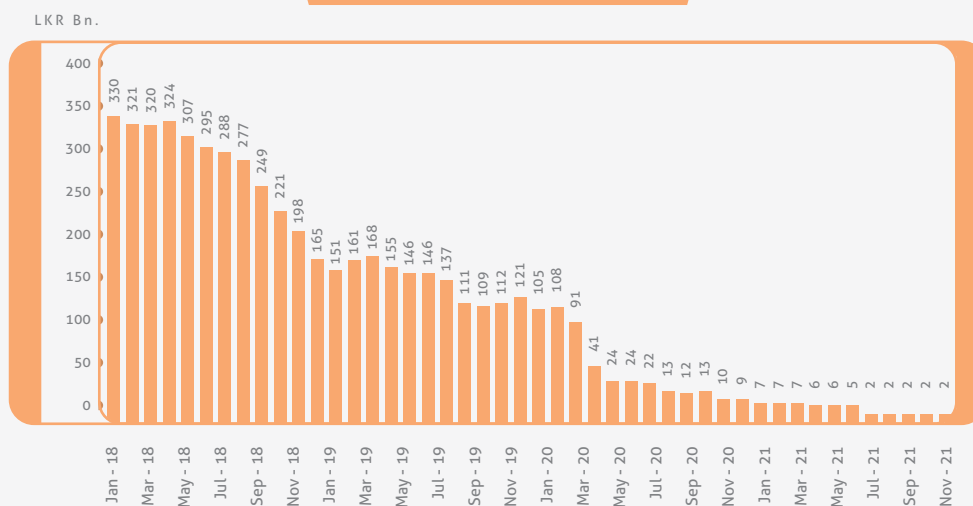
Treasury bill rates increased across the board, with the benchmark 364-day T-Bill rate rising marginally to 8.24% and the 182-day & the 91-day T-Bills increasing to 8.33% and 8.16% respectively.

Broad money (M2b) growth slowed to 15.4% year-on-year in November, from the previous month's 17.3% whilst credit to the private sector increased marginally to 13.6% year-on-year in November, from 13.3% in October. Monthly private sector credit disbursements increased by LKR 60.5 bn or 0.88%, much higher than the LKR 35.1 bn growth recorded during the previous month.

| Outstanding LKR Govt. Securities<br>LKR 8,744 Billion  |                                    |
|--|------------------------------------|
| <b>T Bills (Total)</b>                                 | <b>T Bonds (Total)</b>             |
| LKR 2,424 Billion                                      | LKR 6,955 Billion                  |
| <b>Domestic (Bills &amp; Bonds)</b>                    | <b>Foreign (Bills &amp; bonds)</b> |
| LKR 9,378 Billion                                      | LKR 1.75 Billion                   |
| <b>Total Foreign Holding of Bills and Bonds: 0.02%</b> |                                    |

Source: Central Bank of Sri Lanka >

### FOREIGN HOLDING OF LKR G-SEC



Source: Central Bank of Sri Lanka >

Foreign selling of LKR denominated bills and bonds continued at a faster pace in comparison to the previous month through December, as holdings fell by LKR 52 Mn to a low 0.02%. Thus, foreign investors in Rupee denominated bills and bonds remained net sellers in 2021 at LKR 5.12 bn.

### 1 Year FD Rates - Sri Lankan Banks

|      | Dec 2021 | Nov 2021 |
|------|----------|----------|
| NSB  | 5.50%    | 5.50%    |
| COMB | 5.50%    | 5.50%    |
| SAMP | 5.75%    | 5.50%    |
| HNB  | 5.50%    | 5.50%    |
| NDB  | 5.00%    | 5.00%    |

### Rates on Credit Cards

Oct 21

|         |        |
|---------|--------|
| HSBC    | 18.00% |
| SCB     | 18.00% |
| Sampath | 18.00% |
| NDB     | 18.00% |
| AMEX    | 18.00% |

Source: Respective Commercial Banks >

Sampath Bank increased their 1 Year Fixed Deposit Rate by 0.25%, while the other banks maintained their rates.

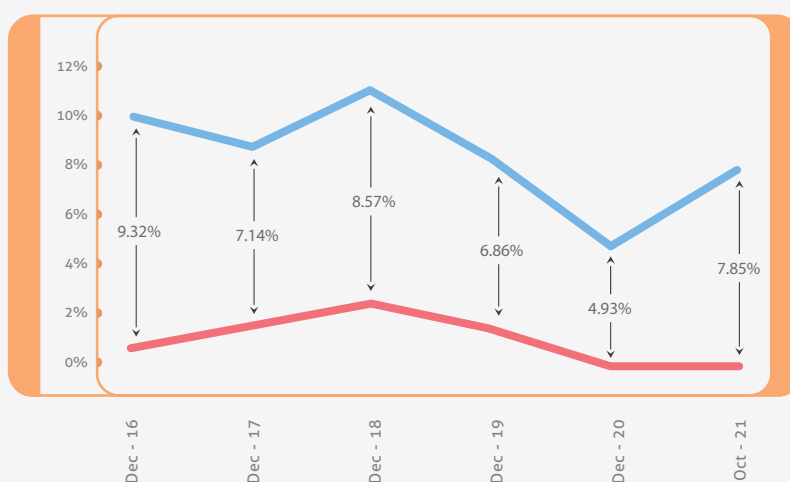
| NDBIB CRISIL Fixed Income Indices<br>Total return as at 31/12/2021 | 3 Month<br>Return | 1 Year<br>Return | 3 Year<br>Return |
|--|-------------------|------------------|------------------|
| NDBIB-CRISIL 91 Day T-Bill Index                                   | 1.61%             | 5.01%            | 6.91%            |
| NDBIB-CRISIL 364 Day T-Bill Index                                  | 0.81%             | 2.68%            | 7.78%            |
| NDBIB-CRISIL 3 Year T-Bond Index-TRI                               | -0.78%            | -1.41%           | 10.35%           |
| NDBIB-CRISIL 5 Year T-Bond Index-TRI                               | -2.12%            | -5.27%           | 11.03%           |

Source: [www.crisil.com](http://www.crisil.com) >

| Central Bank Policy Rates | 2018          | 2019          | 2020          | Latest        |
|---------------------------|---------------|---------------|---------------|---------------|
| Sri Lanka                 | 8.00%         | 7.00%         | 4.50%         | 5.00%         |
| 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](http://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 increased tapering during the month of December by reducing purchases of government securities by USD 30 Bn per month in order to tackle rapidly rising inflation in the country, with indications towards two or three rate hikes in 2022.




| 364 Day Treasury Bill Rate | Dec 20 | Nov 21 | Dec 21 |
|----------------------------|--------|--------|--------|
| <b>Sri Lanka</b>           | 5.03%  | 8.16%  | 8.24%  |
| <b>India</b>               | 3.44%  | 4.11%  | 4.25%  |
| <b>US</b>                  | 0.10%  | 0.24%  | 0.39%  |
| <b>Euro Zone</b>           | -0.76% | -0.86% | -0.72% |

Source: Respective Central Banks >

### Rates on Savings Accounts Oct 2021

|                  |       |
|------------------|-------|
| <b>Sri Lanka</b> | 3.50% |
| <b>US</b>        | 0.01% |
| <b>Euro Zone</b> | 0.11% |
| <b>Australia</b> | 0.25% |
| <b>India</b>     | 3.00% |

Source: Respective Commercial Banks >

 The Bank of England increased policy rates for the first time in 3 years from 0.1% to 0.25% in an attempt to control the surging prices.

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**“ A STEADY CASH FLOW IS THE FIRST STEP  
TOWARDS FINANCIAL INDEPENDENCE ”**

— NDB Wealth —



# INFLATION RATES

| Country   | Dec 20 | Sep 21 | Oct 21 |
|-----------|--------|--------|--------|
| Sri Lanka | 4.23%  | 9.92%  | 12.10% |
| US        | 1.36%  | 6.81%  | 6.81%* |
| Euro Zone | -0.27% | 4.90%  | 4.90%* |
| India     | 4.59%  | 4.91%  | 4.91%* |

\*Sep 2021

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

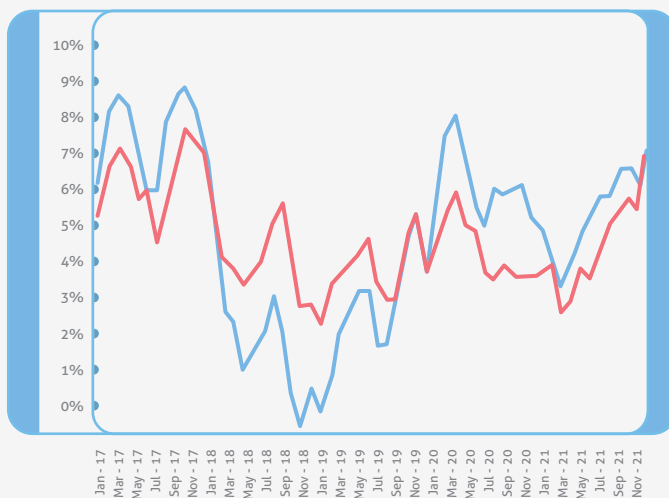
Inflation as measured by the CCPI (2013=100) rose significantly to 12.10% in the month of December from previous month figure of 9.92%. This significant increase is mainly due to a rise in price levels of food items. During the month the index rose by 2.70% with food prices rising by 5.40% and non-food prices rising by 1.30%. The surge in food inflation is due to the rise in price levels of vegetables, sea fish and green chilies and non-food inflation is due to the elevated price levels in the subsectors of restaurants and hotels, and transport. On an annual average basis inflation edged up to 6.00% in December.

Core inflation, which excludes the more volatile aspects of price movements (food, energy, and transport), increased to 8.30% in December on a year-on-year basis from the previous month's 7.00% with annual average core inflation accelerating to 4.40% in December from previous 4.00% in November.

Looking ahead, we expect short term prices to remain elevated due to rising supply constraints exerting inflationary pressures on the economy.

On the global front, both US and Euro Zone inflation levels saw notable increase with US inflation rising in December to 6.81% from 5.39% in November and Euro Zone rising to 4.90% from previous month 4.05%.

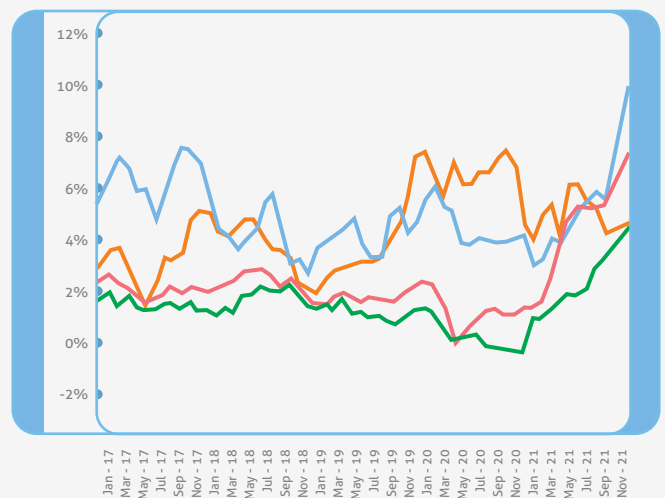
INFLATION - POINT TO POINT CHANGE - CCPI VS. NCPI



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 | Dec 20 | Dec 21 | 1 Year App/(Dep) LKR |
|------------------------|--------|--------|----------------------|
| USD                    | 186.41 | 200.43 | -7.00%               |
| GBP                    | 254.35 | 270.60 | -6.00%               |
| EURO                   | 229.42 | 226.86 | 1.13%                |
| YEN                    | 1.81   | 1.74   | 3.82%                |
| AUD                    | 143.66 | 145.35 | -1.16%               |
| CAD                    | 146.35 | 157.23 | -6.92%               |
| INR                    | 2.55   | 2.69   | -5.45%               |
| BHD                    | 494.38 | 531.61 | -7.00%               |
| CNY                    | 28.59  | 31.44  | -9.07%               |

Source: Central Bank of Sri Lanka >

The Sri Lankan rupee appreciated marginally against the US dollar by 0.81% during December to close the year at LKR 200.43. However, remained a net loser for 2021 at 7.00%. The Rupee depreciated by 0.50% against the Pound Sterling whilst appreciating against the Euro by 0.65% in December.

The US Dollar dipped against a basket of currencies after investors favored riskier currencies and asset classes as market participants struggled to assess the consequences of the Omicron variant, hurting the dollar index.

The Sterling Pound gained due to the Bank of England's sudden decision to raise policy rates in order to tackle existing inflation issues.

Asian currencies such as the Korean Won, the Thai baht and Malaysia's ringgit all recorded good performance after data showed that industrial output data in the Asian region was better than expected.

### USD PER 1 EURO MOVEMENT



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

# COMMODITY OUTLOOK

|                                  | Past month Performance<br>(1st Dec - 31st Dec 2021) | Past 12 months Performance<br>(Dec 2020 - Dec 2021) | Year to Date Performance<br>(1st Jan - 31st Dec 2021) |
|----------------------------------|---|---|---|
| <b>Bloomberg Commodity Index</b> | 3.52%   | 27.06%  | 27.06%  |
| <b>Gold</b>                      | -1.72%  | -3.66%  | -3.66%  |
| <b>Tea</b>                       | 1.90%   | -7.07%  | -7.07%  |
| <b>Oil (Brent)</b>               | -8.00%  | 49.01%  | 49.01%  |

Source: [www.worldbank.com](http://www.worldbank.com), Bloomberg and NDB Wealth Research >

Bloomberg Commodity Index (BCOM) has recorded a gain of 3.52% during the month of December 2021.

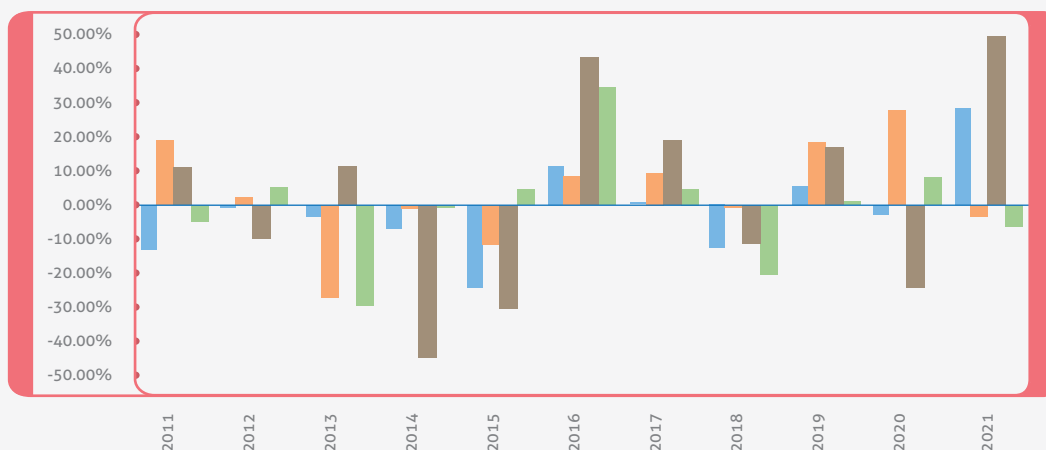
Global freight rates (particularly air freight rates) increased sharply in December, recording an all-time high during the holiday season. Freight rates are likely to remain high in 2022 owing to the global supply chain bottlenecks, labor shortage at ports, the large shift towards online purchases during the pandemic and the high demand for transportation of pandemic-related and medicinal products.

Crude oil prices saw an 8.00% decline in December 2021, amidst uncertainties in the global economy. It is noteworthy that oil prices are nearly 50% higher than the prices recorded a year ago, despite cooling down in the latter part of 2021. The price volatility in the global oil market is expected to continue as long as the supply-side uncertainties driven by the pandemic exist.

Tea prices increased for the third straight month in December by 1.90%. Despite this being a positive news for the Sri Lankan economy with tea being a major export commodity, prices are still below December 2020 levels.

In global markets, spot gold rates saw a slight decline in December 2021. Going forward, the price of gold may be more or less stable with effects of the US central bank increasing policy rates and inflation netting off each other. Reduction of disposable income due to rising inflation may cause investors to shy away from the precious metal, driving prices down as well.

## Commodity Price Movements



DJUBS Gold Oil Tea

Source: NDB Wealth Research >

## PROPERTY OUTLOOK

- Real estate activity which accounts to 6.1% of total GDP, grew by 1.6% during the third quarter 2021 over the same period last year, which was a slowdown compared to the 5.5% growth recorded in the June quarter.
- Real estate sector exhibited resilient performance during 2021 amidst low interest rates increasing affordability and promoting majority of middle- and upper-income class to hunt for houses in urban and sub urban areas.
- According to the condominium property volume index published by the Central Bank of Sri Lanka, condominium sales recorded during the September quarter of 2021 witnessed an increase compared to a year ago as well as the previous quarter.
- Majority of the condominium units sold during the quarter was in the price range of LKR 25 million and below.
- However, units at the price range of LKR 25 to 50 million recorded the highest volume growth during the quarter at 32% of the total units sold, compared to 24% in the June quarter.
- According to the central bank, 96% of the condominium units completed have been sold off by the end of the third quarter and majority of the buyers have been identified to be Sri Lankan residents. It was also observed that pre-sale deposits have increased during the quarter compared to the previous quarter.
- Expectation of a possible devaluation of the local currency and surging material and labour prices may have led to the sudden increase in demand for condominiums during the second half of 2021. A similar trend may continue in to the first quarter of 2022, as investors may consider purchasing condominiums in Colombo as a viable investment option, especially given the lack of alternative investments in the country.

Source: CBSL, Daily Mirror: Condominium market rebounds in 3Q from pandemic induced slump >

# 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 <sup>+</sup> | 2 Year <sup>+</sup> | 3 Year <sup>+</sup> | 4 Year <sup>+</sup> | 5 Year <sup>+</sup> |
|--|---------|---------|---------|---------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Amana Bank - As of December 2021</b>  |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 30:70   | -       | 55:45   | 60:40   | 65:35               | 70:30               | 75:25               | -                   | 90:10               |
| Distributed Profit   | 2.20%   | -       | 4.01%   | 4.40%   | 5.25%               | 5.14%               | 5.50%               | -                   | 6.61%               |
| <b>Bank of Ceylon Islamic Business Unit - As of December 2021</b>                            |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 45:55   | -       | -       | -       | -                   | -                   | -                   | -                   | -                   |
| Distributed Profit   | 3.00%   | -       | -       | -       | -                   | -                   | -                   | -                   | -                   |
| <b>Commercial Bank of Ceylon PLC-AI Adalah Islamic Banking unit - As of December 2021</b>    |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 45:55   | -       | 55:45   | 65:35   | 75:25               | -                   | -                   | -                   | -                   |
| Distributed Profit   | 3.50%   | -       | 3.80%   | 4.80%   | 5.50%               | -                   | -                   | -                   | -                   |
| <b>Hatton National Bank PLC-"Hnb Al- Najah" Islamic Banking unit - As of December 2021</b>   |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 30:70   | -       | 55:45   | 60:40   | 70:30               | -                   | -                   | -                   | -                   |
| Distributed Profit   | 2.50%   | -       | 3.75%   | 4.25%   | 5.50%               | -                   | -                   | -                   | -                   |
| <b>National Development Bank PLC-"Shareek" Islamic Banking unit - As of December 2021</b>    |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*<br>(3Mn - 50Mn)  | 40:60   | 60:40   | 65:35   | 40:60   | 65:35               | -                   | -                   | -                   | -                   |
| Distributed Profit   | 2.50%   | 3.25%   | 4.25%   | 4.75%   | 6.00%               | -                   | -                   | -                   | -                   |
| <b>Citizen Development Business Finance PLC- Islamic Banking unit - As of August 2019</b>    |         |         |         |         |                     |                     |                     |                     |                     |
| 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%              | -                   | -                   |
| <b>Commercial Leasing &amp; Finance PLC- Islamic Finance - As of November 2021</b>           |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 30 :70  | 37:63   | 38:62   | 40:60   | 47:53               | 49:51               | 50:50               | 52:48               | 54:46               |
| Distributed Profit   | 5.00%   | 7.85%   | 8.06%   | 8.38%   | 9.88%               | 10.13%              | 10.60%              | 10.63%              | 11.13%              |
| <b>LB Al Salamah (LB Finance PLC - Islamic Business Unit) - As of December 2021</b>          |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 25:75   | 31:69   | 34:66   | 36:64   | 38:62               | -                   | -                   | -                   | -                   |
| Distributed Profit   | 3.99%   | 4.95%   | 5.43%   | 5.75%   | 6.07%               | -                   | -                   | -                   | -                   |
| <b>LOLC Al-Falaah (Lanka Orix Finance PLC - Islamic Business Unit) - As of December 2021</b> |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 30:70   | 32:68   | 34:66   | 36:64   | 49:51               | 54:46               | 57:43               | 60:40               | 63:37               |
| Distributed Profit   | 4.35%   | 4.64%   | 4.93%   | 5.08%   | 7.11%               | 7.83%               | 8.27%               | 8.71%               | 9.14%               |
| <b>Peoples Leasing Islamic Business Unit - December 2021</b>                                 |         |         |         |         |                     |                     |                     |                     |                     |
| Profit Sharing Ratio*  | 45:55   | -       | 60:40   | 65:35   | 75:25               | -                   | -                   | -                   | -                   |
| Distributed Profit   | 4.48%   | -       | 5.98%   | 6.48%   | 7.47%               | -                   | -                   | -                   | -                   |

\* 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 AUGUST 2021

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

Source: [www.takaful.lk](http://www.takaful.lk) (Amana Takaful Life 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

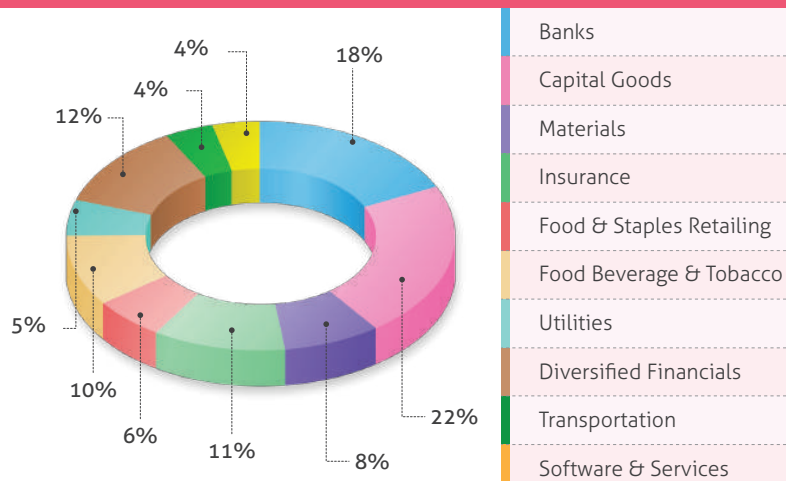
## NDB Wealth Growth Fund

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



## Fund Snapshot

31-Dec-21

|                           |          |
|---------------------------|----------|
| YTD Yield                 | 27.93%   |
| NAV per unit              | 12.40    |
| AUM (LKR Mn.)**           | 344.57   |
| Fund Currency             | LKR      |
| Fund Inception            | 1-Dec-97 |
| Expense Ratio             | 2.67%    |
| Max Equity Allocation     | 97.00%   |
| Current Equity Allocation | 91.72%   |
| Fund Leverage             | 0.00%    |

## Top 5 Portfolio Holdings (In Alphabetical Order)

|                          |
|--------------------------|
| ACCESS ENG LTD           |
| CARGILLS (CEYLON) PLC    |
| HATTON NATIONAL BANK PLC |
| HAYLEYS PLC              |
| PEOPLES INSURANCE LTD    |

## Historical Returns

| Period         | Fund Returns * | ASPI Returns |
|----------------|----------------|--------------|
| Last Month     | 13.26%         | 6.87%        |
| Last 3 months  | 17.68%         | 29.24%       |
| Last 6 months  | 14.95%         | 55.99%       |
| Last 12 months | 27.93%         | 80.48%       |
| 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

## Fixed Income Allocation

| Minimum Fixed Income Allocation | 3.00%     |
|---------------------------------|-----------|
| Current Fixed Income Allocation | 8.28%     |
| Average Duration                | 0.0027    |
| Maturity                        | % Holding |
| Under 1 Month                   | 100.00%   |

## Other Features

|                       |  |
|-----------------------|--|
| Valuation             | Daily Valuation<br>Instruments less than one year - cost plus accrued basis.<br>Instruments greater than one year - n/a.   |
| Investment/Withdrawal | Any Time<br>A notice period of 07 working days may be required prior to large redemptions.<br>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.<br>Custodian fee : 0.05% p.a. of NAV, depending on fund size<br>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   |

## Disclaimer

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# Fund Overview

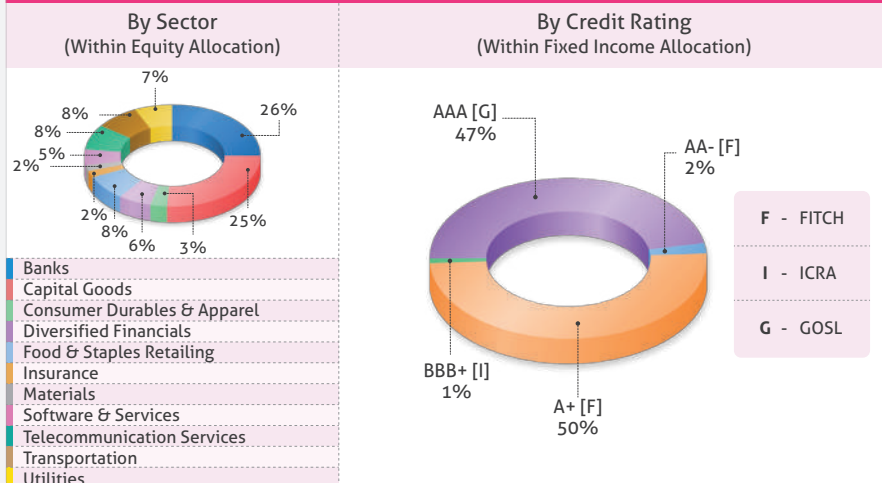
## NDB Wealth Growth and Income Fund

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-Dec-21

|                           |          |
|---------------------------|----------|
| YTD Yield                 | 19.02%   |
| NAV per unit              | 51.27    |
| AUM (LKR Mn.)**           | 3,045.34 |
| Fund Currency             | LKR      |
| Fund Inception            | 1-Dec-97 |
| Expense Ratio             | 1.80%    |
| Max Equity Allocation     | 97.00%   |
| Current Equity Allocation | 64.47%   |
| 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      |
| HAYLEYS PLC                   |

## Historical Returns

| Period         | Fund Returns* | ASPI Returns |
|----------------|---------------|--------------|
| Year to Date   | 19.02%        | 80.48%       |
| Last month     | 7.33%         | 6.87%        |
| Last 3 months  | 11.12%        | 29.24%       |
| Last 6 months  | 9.16%         | 55.99%       |
| Last 12 months | 19.02%        | 80.48%       |
| 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 | 35.53%    |
| Average Duration                | 0.02      |
| Maturity                        | % Holding |
| Under 3 Months                  | 98.97%    |
| 1 Year - 5 Years                | 1.03%     |

## Other Features

|                       |  |
|-----------------------|--|
| Valuation             | Daily Valuation<br>Instruments less than one year - cost plus accrued basis,<br>Instruments greater than one year - marked to market.  |
| Investment/Withdrawal | Any Time<br>A notice period of 07 working days may be required prior to large redemptions.<br>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.<br>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

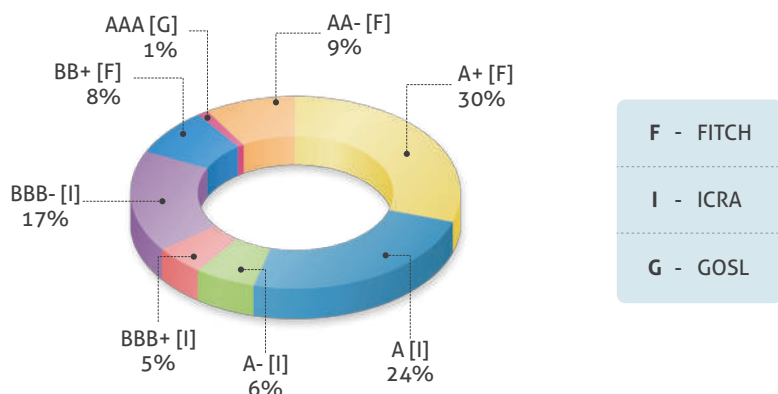
### NDB Wealth Income Fund

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-Dec-21

|                        |          |
|------------------------|----------|
| YTD Yield              | 6.74%    |
| YTD Yield (Annualized) | 6.74%    |
| NAV per unit           | 16.9832  |
| AUM (LKR Mn.)          | 656.58   |
| Fund Currency          | LKR      |
| Fund Inception         | 1-Dec-97 |
| Expense Ratio          | 1.05%    |
| Average Maturity (Yrs) | 1.18     |
| Average Duration       | 1.00     |

### Maturity Profile

| Maturity            | % Holding | AVG YTM (Net) |
|---------------------|-----------|---------------|
| Under 1 Month       | 9.41%     | 7.84%         |
| 1 Month - 3 Months  | 6.33%     | 6.50%         |
| 3 Months - 6 Months | 20.47%    | 10.60%        |
| 6 Months - 1 Year   | 50.42%    | 8.30%         |
| 1 Year - 5 Years    | 13.37%    | 11.60%        |

### Historical Returns

| Period         | Fund Returns | Annualized Return |
|----------------|--------------|-------------------|
| Year to Date   | 6.74%        | 6.74%             |
| Last month     | 0.69%        | 8.15%             |
| Last 3 months  | 1.66%        | 6.58%             |
| Last 6 months  | 2.79%        | 5.53%             |
| Last 12 months | 6.74%        | 6.74%             |
| Year 2020      | 13.12%       | 13.12%            |
| Year 2019      | 12.97%       | 12.97%            |

### Other Features

|                       |   |
|-----------------------|---|
| Valuation             | Daily Valuation<br>All Instruments are marked to market.  |
| Investment/Withdrawal | Any Time<br>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.<br>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

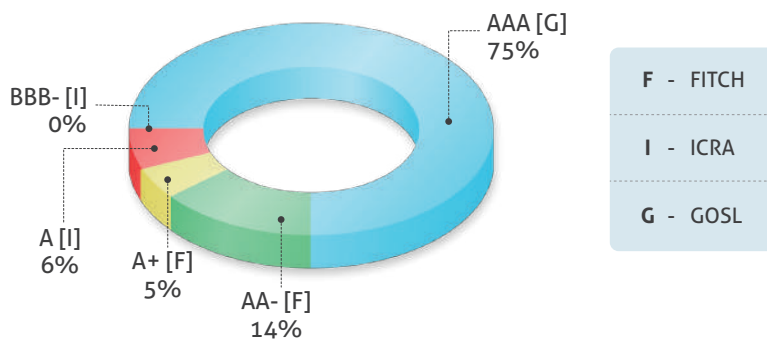
### NDB Wealth Income Plus Fund

Type: Open Ended  
Currency: LKR

Investments: Fixed Income Securities  
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-Dec-21

|                        |          |
|------------------------|----------|
| YTD Yield              | 6.70%    |
| YTD Yield (Annualized) | 6.70%    |
| NAV per unit           | 18.0875  |
| AUM (LKR Mn.)          | 1,567.23 |
| Fund Currency          | LKR      |
| Fund Inception         | 7-Apr-16 |
| Expense Ratio          | 0.61%    |
| Average Maturity (Yrs) | 0.08     |
| Average Duration       | 0.08     |

### Maturity Profile

| Maturity            | % Holding | AVG YTM (Net) |
|---------------------|-----------|---------------|
| Under 1 Month       | 94.26%    | 8.19%         |
| 3 Months - 6 Months | 5.74%     | 8.00%         |

### Historical Returns

| Period         | Fund Returns | Annualized Return |
|----------------|--------------|-------------------|
| Year to Date   | 6.70%        | 6.70%             |
| Last month     | 0.65%        | 7.68%             |
| Last 3 months  | 1.81%        | 7.20%             |
| Last 6 months  | 3.36%        | 6.67%             |
| Last 12 months | 6.70%        | 6.70%             |

### Other Features

|                       |  |
|-----------------------|--|
| Valuation             | Daily Valuation<br>Cost plus accrued basis   |
| Investment/Withdrawal | Any Time<br>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.<br>Trustee and Custodian fee : 0.065 - 0.1% p.a. of NAV, based on fund size.<br>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

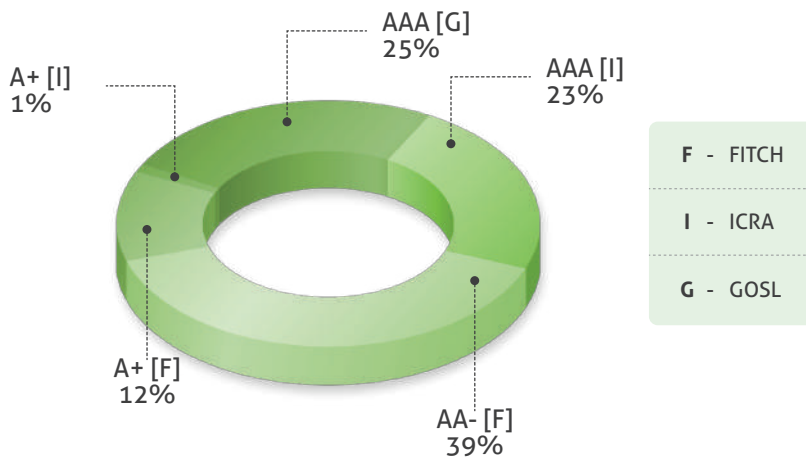
Type: Open Ended  
Currency: LKR

Investments: Short Term Bank Deposits  
ISIN: LKNWMNU00002

NDB Wealth Money Fund is an open-ended money market fund incorporated in Sri Lanka, 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-Dec-21

|                        |           |
|------------------------|-----------|
| YTD Yield              | 5.58%     |
| YTD Yield (Annualized) | 5.58%     |
| NAV per unit           | 21.6908   |
| AUM (LKR Mn.)          | 23,576.07 |
| Fund Currency          | LKR       |
| Fund Inception         | 1-Jun-12  |
| Expense Ratio          | 0.70%     |
| Average Maturity (Yrs) | 0.19      |
| Average Duration       | 0.18      |

### Maturity Profile

| Maturity            | % Holding | AVG YTM (Net) |
|---------------------|-----------|---------------|
| Under 1 Month       | 28.69%    | 7.37%         |
| 1 Month - 3 Months  | 43.51%    | 8.10%         |
| 3 Months - 6 Months | 25.66%    | 8.30%         |
| 6 Months - 1 Year   | 2.13%     | 8.70%         |

### Historical Returns

| Period         | Fund Returns | Annualized Return |
|----------------|--------------|-------------------|
| Year to Date   | 5.58%        | 5.58%             |
| Last month     | 0.63%        | 7.43%             |
| Last 3 months  | 1.75%        | 6.95%             |
| Last 6 months  | 2.96%        | 5.88%             |
| Last 12 months | 5.58%        | 5.58%             |
| Year 2020      | 8.20%        | 8.20%             |
| Year 2019      | 10.24%       | 10.24%            |

### Other Features

|                       |   |
|-----------------------|---|
| Valuation             | Daily Valuation<br>Instruments less than one year - cost plus accrued basis,<br>Instruments greater than one year - n/a.  |
| Investment/Withdrawal | Any Time<br>A notice period of 07 working days may be required prior to large redemptions.<br>However, the time period can be discussed with potential investors prior to the investment. |
| Fee Details           | Management Fee : 0.55% p.a. of NAV.<br>Trustee fee : 0.11-0.15% p.a. of NAV, depending on fund size.<br>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.

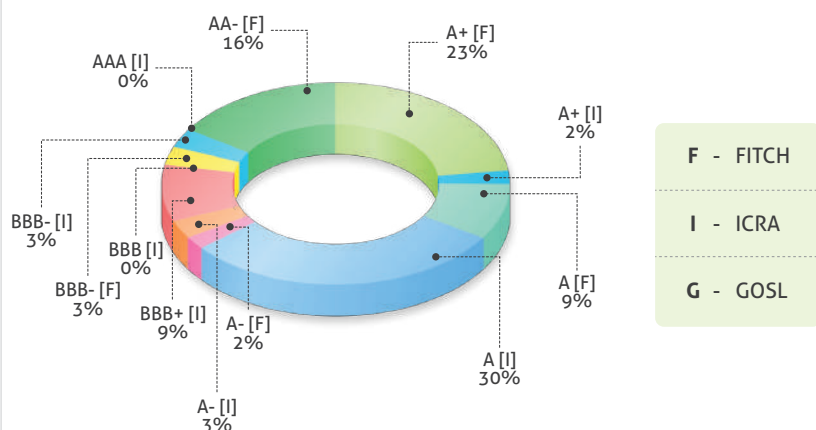
The Fund aims to provide liquidity to investors while enhancing returns by investing in a diversified portfolio of short term corporate debt securities with maturities less than 365 days

### Fund Snapshot

31-Dec-21

|                        |           |
|------------------------|-----------|
| YTD Yield              | 5.67%     |
| YTD Yield (Annualized) | 5.67%     |
| NAV per unit           | 24.7802   |
| AUM (LKR Mn.)          | 25,126.66 |
| Fund Currency          | LKR       |
| Fund Inception         | 1-Jun-12  |
| Expense Ratio          | 0.80%     |
| Average Maturity (Yrs) | 0.29      |
| Average Duration       | 0.28      |

### Portfolio Allocation By Credit Rating



### Maturity Profile

| Maturity            | % Holding | AVG YTM (Net) |
|---------------------|-----------|---------------|
| Under 1 Month       | 13.05%    | 4.41%         |
| 1 Month - 3 Months  | 38.65%    | 6.30%         |
| 3 Months - 6 Months | 31.99%    | 7.50%         |
| 6 Months - 1 Year   | 16.31%    | 8.10%         |

### Historical Returns

| Period         | Fund Returns | Annualized Return |
|----------------|--------------|-------------------|
| Year to Date   | 5.67%        | 5.67%             |
| Last month     | 0.47%        | 5.53%             |
| Last 3 months  | 1.42%        | 5.62%             |
| Last 6 months  | 2.77%        | 5.49%             |
| Last 12 months | 5.67%        | 5.67%             |
| Year 2020      | 9.46%        | 9.46%             |
| Year 2019      | 11.73%       | 11.73%            |

### Other Features

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

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## Fund Overview

### NDB Wealth Islamic Money Plus Fund

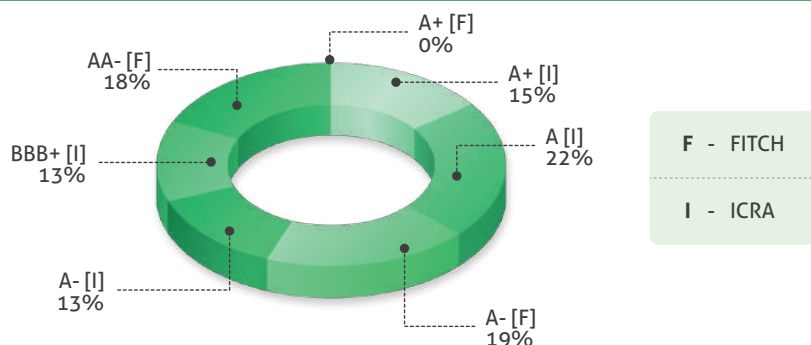
Type: Open Ended  
Currency: LKR

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-Dec-21

|                        |          |
|------------------------|----------|
| YTD Yield              | 5.26%    |
| YTD Yield (Annualized) | 5.26%    |
| NAV per unit           | 17.0960  |
| AUM (LKR Mn.)          | 799.20   |
| Fund Currency          | LKR      |
| Fund Inception         | 1-Jun-15 |
| Expense Ratio          | 1.07%    |
| Average Duration       | 0.29     |

### Maturity Profile

| Maturity            | % Holding | AVG YTM (Net) |
|---------------------|-----------|---------------|
| Under 1 Month       | 21.00%    | 7.11%         |
| 1 Month - 3 Months  | 22.22%    | 8.00%         |
| 3 Months - 6 Months | 39.83%    | 7.20%         |
| 6 Months - 1 Year   | 16.95%    | 6.80%         |

### 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%          |

### 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<br>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   | 5.26%        | 5.26%             |
| Last month     | 0.55%        | 6.44%             |
| Last 3 months  | 1.44%        | 5.70%             |
| Last 6 months  | 2.67%        | 5.29%             |
| Last 12 months | 5.26%        | 5.26%             |

### Other Features

|                       |   |
|-----------------------|---|
| Valuation             | Daily Valuation<br>Instruments less than one year - cost plus accrued basis, Instruments greater than one year - n/a.   |
| Investment/Withdrawal | Any Time<br>A notice period of 07 working days may be required prior to large redemptions.<br>However, the time period can be discussed with potential investors prior to the investment. |
| Fee Details           | Management Fee : 0.80% p.a. of NAV.<br>Trustee fee : 0.11% - 0.15% p.a. of NAV, based on the fund size<br>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

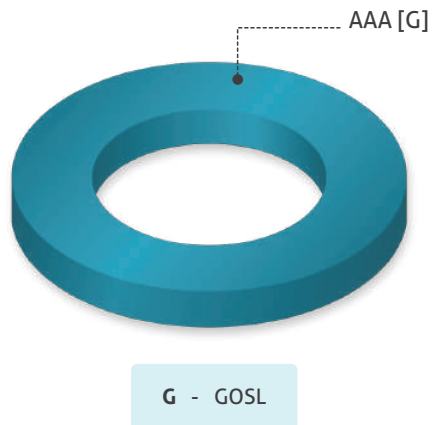
### NDB Wealth Gilt Edged Fund

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-Dec-21

|                        |          |
|------------------------|----------|
| YTD Yield              | 4.38%    |
| YTD Yield (Annualized) | 4.38%    |
| NAV per unit           | 19.4662  |
| AUM (LKR Mn.)          | 61.54    |
| Fund Currency          | LKR      |
| Fund Inception         | 1-Dec-97 |
| Expense Ratio          | 1.10%    |
| Average Maturity (Yrs) | 0.05     |
| Average Duration       | 0.06     |

### Maturity Profile

| Maturity      | % Holding | AVG YTM (Net) |
|---------------|-----------|---------------|
| Under 1 Month | 100%      | 6.80%         |

### Historical Returns

| Period         | Fund Returns | Annualized Return |
|----------------|--------------|-------------------|
| Year to Date   | 4.38%        | 4.38%             |
| Last month     | 0.49%        | 5.83%             |
| Last 3 months  | 1.32%        | 5.22%             |
| Last 6 months  | 2.39%        | 4.74%             |
| Last 12 months | 4.38%        | 4.38%             |
| Year 2020      | 10.14%       | 10.14%            |
| Year 2019      | 19.12%       | 19.12%            |

### Other Features

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

### 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.

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