



Interim Report

30th June 2019

“The SEC in granting approval does not extend to either endorsing or ratifying the accuracy of the specific details set out therein, and that the Management Company and Trustee remains at all times responsible for the specific details set out in the Interim Report.”

CEYBANK SAVINGS PLUS MONEY MARKET FUND - Interim Report 2019

REPORT OF THE MANAGER

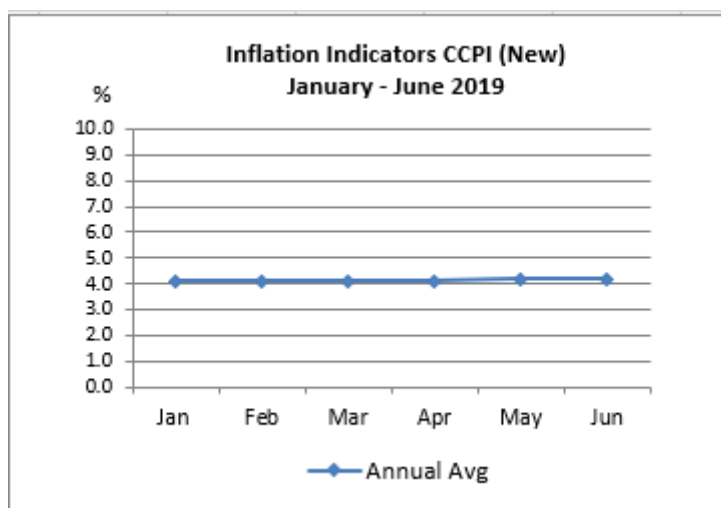
We have great pleasure in presenting the Interim Report and Accounts of the Ceybank Savings Plus Money Market Fund for the six-month period ended 30th June 2019.

The Net Asset Value per unit of your Fund appreciated by 7.28% (AER 15.22%) during the period, 31st December 2018 to 30th June 2019.

Economy

The Sri Lankan Economy recorded a GDP growth of 3.7% for the 1st quarter of 2019. Contribution to the expansion in the first quarter, sector wise, was seen in Agriculture 5.5%, Services 4.1% and Industry 3.0%.

Average Annual Inflation measured by the CCPI (New) which was at 4.1% at the beginning of the year, remained flat, ending marginally higher at 4.2% in June 2019.



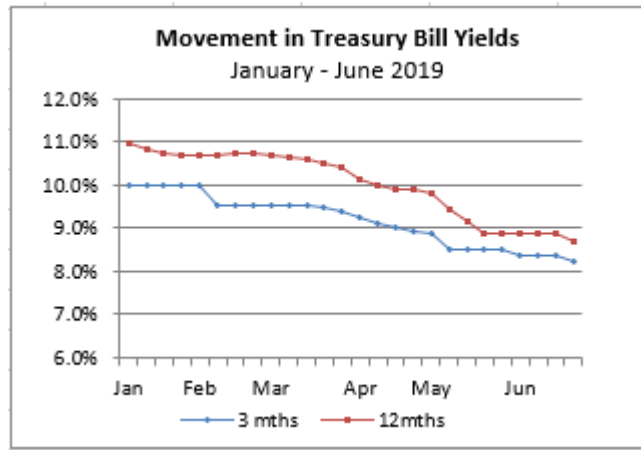
Market interest rates declined gradually during the period. The benchmark 12-month Treasury bill rate which was at 10.99% in January closed lower at 8.70% by the end of June. The long-term Treasury bond market continued to be volatile. The premium to Treasuries offered on Corporate Debt remained between 2% - 3%.

Overnight call money rates moved within a band of 7.80% and 9.00% p.a. The exchange rate which was at 182.91 (Rs/US\$) at the beginning of the year witnessed an appreciation of 3.48% during the period under review. The Rupee was quoted at 176.54 (Rs/ US\$) as at 28th June 2019.

During the period under review, the Central Bank reduced the Standard Deposit Facility Rate (SDFR) and Standard Lending Facility Rate (SLFR) by 50 basis points on 30th May 2019. As at end June 2019 the rates on the SDFR and SLFR were 7.50% and 8.50% respectively. The Statutory Reserve Ratio (SRR) for Commercial Banks' was reduced by 1% and was at 5%.

*update

Central Bank has further reduced the SDFR and SLFR rates by 50 basis points on 22nd August 2019.



Fund Performance

The Net Asset Value per unit of your Fund appreciated by 7.28% (AER 15.22%) during the period under review.

The Fund generated a net income of Rs 16.44 million during the period under review. The Fund is invested in a mix of Treasury Bills and Corporate Securities with maturities less than a year.

Future Outlook

The economy is expected to grow at around 3.0% in 2019. The Future outlook on growth will depend on the execution of Government policy, and the recovery after the Easter Sunday Bombing.

The country will need to position itself better if it is to capture opportunities from any possible fallouts from Trade wars and uncertain tariffs. International commodity prices including crude oil remain volatile and a concern. Local weather conditions which were somewhat favorable, will have a significant impact on the growth performance.

Interest rates are expected to flatten out towards the end of the year depending on increased demand by the Government for the envisaged development projects and a Presidential election, which might see an increase in Government spending.

The Fund being a Money Market Fund is invested in a mix of Government securities and Corporate Debt within a one-year maturity period. The Managers will continue to monitor the interest rate environment and make changes to the investment profile, to fulfill the Fund objective of providing liquidity for the investor.

Chitra Sathkumara
Executive Director/ CEO
August 2019

CEYBANK SAVINGSPLUS FUND

Statement of comprehensive income

(all amounts in Sri Lanka Rupees)

	Period from 1 January to 30 June 2019	Period from 1 January to 30 June 2018
Income		
Net income on financial Assets	16,444,140	14,642,970
Total investment income	16,444,140	14,642,970
Operating Expenses	(2,049,468)	(11,147,387)
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Net operating profit before tax	14,394,672	3,495,583
Income tax expense	-	(635,879)
Increase in net assets attributable to unitholders	14,394,672	2,859,704

CEYBANK SAVINGS PLUS FUND

Statement of financial position

(all amounts in Sri Lanka Rupees)

	30 June	
	2019	2018
<u>Assets</u>		
Cash and cash equivalents	687,913	796,228
Financial assets at Amortized Cost	208,883,177	186,765,975
Total Assets	209,571,090	187,562,203
UNIT HOLDERS' FUNDS AND LIABILITIES		
<u>Liabilities</u>		
Other payables	738,672	1,174,143
Money Payable on Unit redemption	-	31,718
Unclaimed Redemption	10,888	10,888
Total Liabilities (excluding net assets attributable to unit holders)	749,560	1,216,749
Net assets attributable to unit holders – liability	208,821,530	186,345,454
Total Unit Holders' funds and Liabilities	209,571,090	187,562,203

Statement of changes in Unitholders' funds

(all amounts in Sri Lanka Rupees)

	30 June	
	2019	2018
Unitholders' funds at beginning of the year	199,121,136	198,034,380
Increase / (Decrease) in net assets attributable to unit holders	14,394,672	2,859,704
Received on unit creations	-	2,600
Paid on unit redemptions	(4,694,278)	(14,551,230)
Unitholders' funds as at 30th June	208,821,530	186,345,454