

Softlogic Equity Fund

December 2020 Factsheet



Hi there Investaa!

This right here is our December factsheet and to put it simply this will explain to you how the respective Unit Trust Funds are performing and where it is that we have invested your money in. As you know we have 2 funds, namely, the Softlogic Money Market Fund and the Softlogic Equity Fund.

For a status update on the Softlogic Equity Fund...just keep reading!

Inception Date	08/07/2020
Total Value of the Fund	LKR 88Mn
Minimum Investment	LKR 5,000
Fund Management Company	Softlogic Asset Management (Pvt) Ltd
Portfolio Manager	Daham Hettiarachchi, CFA

As you all know the Softlogic Equity Fund invests in shares listed on the Colombo Stock Exchange. Our objective is therefore to ensure we achieve capital growth by investing in companies that show promising value characteristics that could bring returns over a longer time period.

The Fund Manager Corner

During December both ASPI (All Share Price Index) and S&P SL 20 gained by 8.5% and 7.5% respectively. The top 5 main contributors for the ASPI gain in December were Browns Investment LTD, Melstarcorp PLC, Ceylon Tobacco PLC, Asiri Hospitals PLC, and Brown & Company PLC.

At the end of the month, we have maintained a ~91% allocation to equity (as a % of total assets). During the month, ACL Cables PLC, HNB Bank PLC, Sunshine Holdings PLC, Ceylon Tobacco PLC & Tokyo Cement PLC were among the top five contributors to your return.

Central Bank of Sri Lanka (CBSL) has indicated about maintaining single-digit interest rates for a longer time horizon in their "Road Map 2021". This may enable further local inflows into the equity market amidst low fixed deposit rates and saving rates. Due to the same reason Industry sources say that they are seeing more enthusiasm among individual investors towards equity markets.

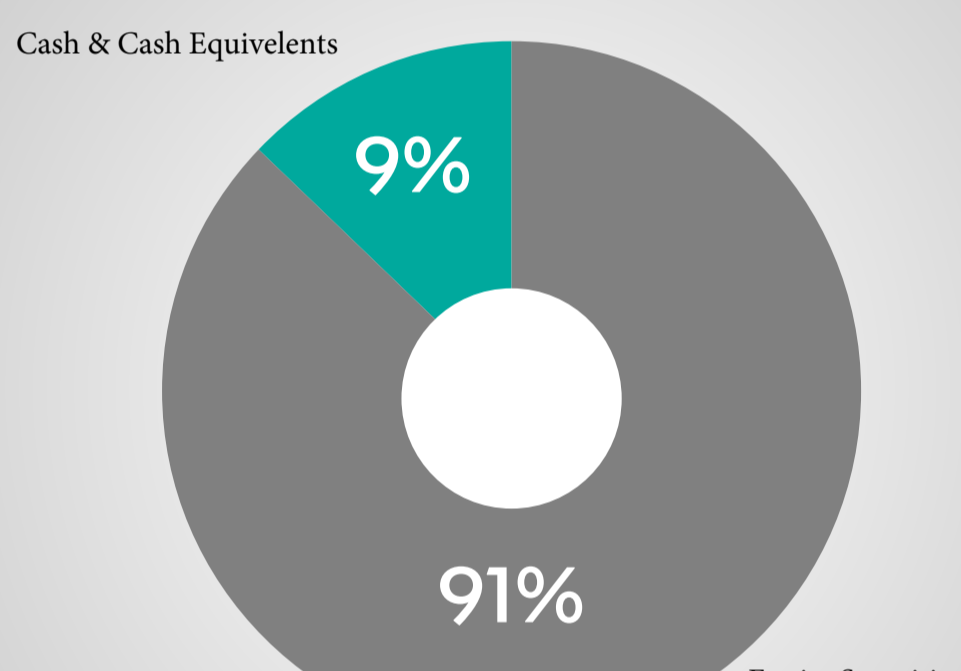
We believe that we have already passed the difficult year 2020 with a GDP contraction (according to the CBSL Road Map's growth expectation of negative 3.9% for 2021). But the outlook for 2021 is positive since we are starting with a low base. Further, the potential SWAP agreement with India & China can bring some comfort to our reserve levels and could help to raise the sovereign rating.

Level of risk compared to Money Market Fund

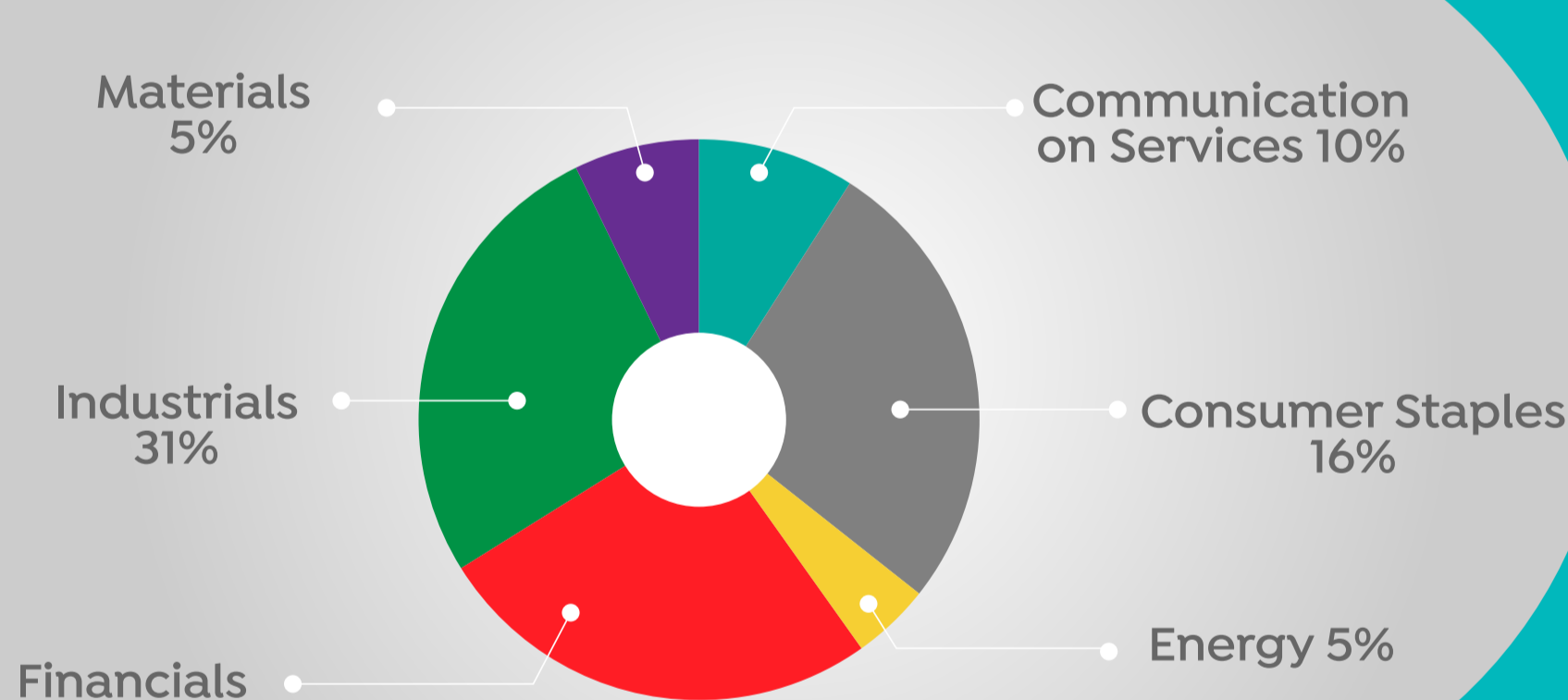


A sector wise allocation of funds

Asset Allocation



Equity Allocation



The top 5 companies your funds are invested in

DIALOG TELEKOM LIMITED	9%
ACL CABLES PLC	9%
COMMERCIAL BANK OF CEYLON LIMITED	9%
HATTON NATIONAL BANK LIMITED	8%
CEYLON TOBACCO CO. LTD	7%

The Fund Return Rate

	NOVEMBER 2020	DECEMBER 2020	SINCE INCEPTION ¹
ASPI	9.0%	8.5%	33.6%
S&P SL 20	7.5%	7.5%	20.1%
SOFTLOGIC EQUITY FUND	5.9%	5.6%	9.4%

Contact us

+94112 104 304

www.softlogicinvest.lk

info@softlogicinvest.lk

Softlogic Equity Fund managed by Softlogic Asset Management Pvt Ltd

Current rate is variable and subject to change. Past performance is not indicative of future performance. Investors are advised to read and understand the contents of the Explanatory Memorandum before investing. Among others investors should consider the fees and charges involved.

*Before you invest in any fund, consider how the fund would work with your other investments and your risk tolerance.

Notes

1. Since inception from 08/07/2020