

Softlogic Money Market Fund

April 2021 Factsheet



Hi there
Investaa!

This right here is our April 2021 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 Money Market Fund...just keep reading!

Inception Date	2020-07-08
Total Value of the Fund (LKR Mn)	1,896.99
Minimum Investment (LKR)	5,000.00
Fund Management Company	Softlogic Asset Management (Pvt) Ltd
External Fund Rating	"A" Rated (SL) Mutual Fund Scheme by ICRA
Portfolio Manager	Daham Hettiarachchi, CFA

The Fund Manager Corner

Overnight liquidity in the system bounced back to LKR150Bn on April 2021 from LKR 86Bn levels at the beginning of the month. This excess liquidity has supported CBSL to maintain the money market rates low. However, the credit growth has picked up 7.5%(YoY) in March 2021 resulting in LKR 112bn growth within the month. This indicates that the loose monetary conditions driving credit growth gradually.

During April 2021 CBSL maintained its policy stance and a higher probability is to maintain the same policy during its next policy meeting scheduled for 20th May 2021. This would be a warranted action due to the third wave of COVID in the country, which has a higher spreading rate.

However, the fiscal deficit as a % of GDP is expected to surpass 10% levels in 2020, and in 2021, it could further go up to 11%. This is mainly due to the pressure on revenue collection owing to lower import-based taxes, tax concessions, and lower consumption taxes. These circumstances can put pressure on interest rates as the govt. is focussing mainly on local sources for financing the budget deficit.

Your money market fund is having a weighted average maturity of 6months and 45% of it will be maturing after 6 months. So, we expect to maintain the yield at the optimum levels based on the gradual increase of the interest rate cycle.

Level of risk compared to Equity Fund

LOW

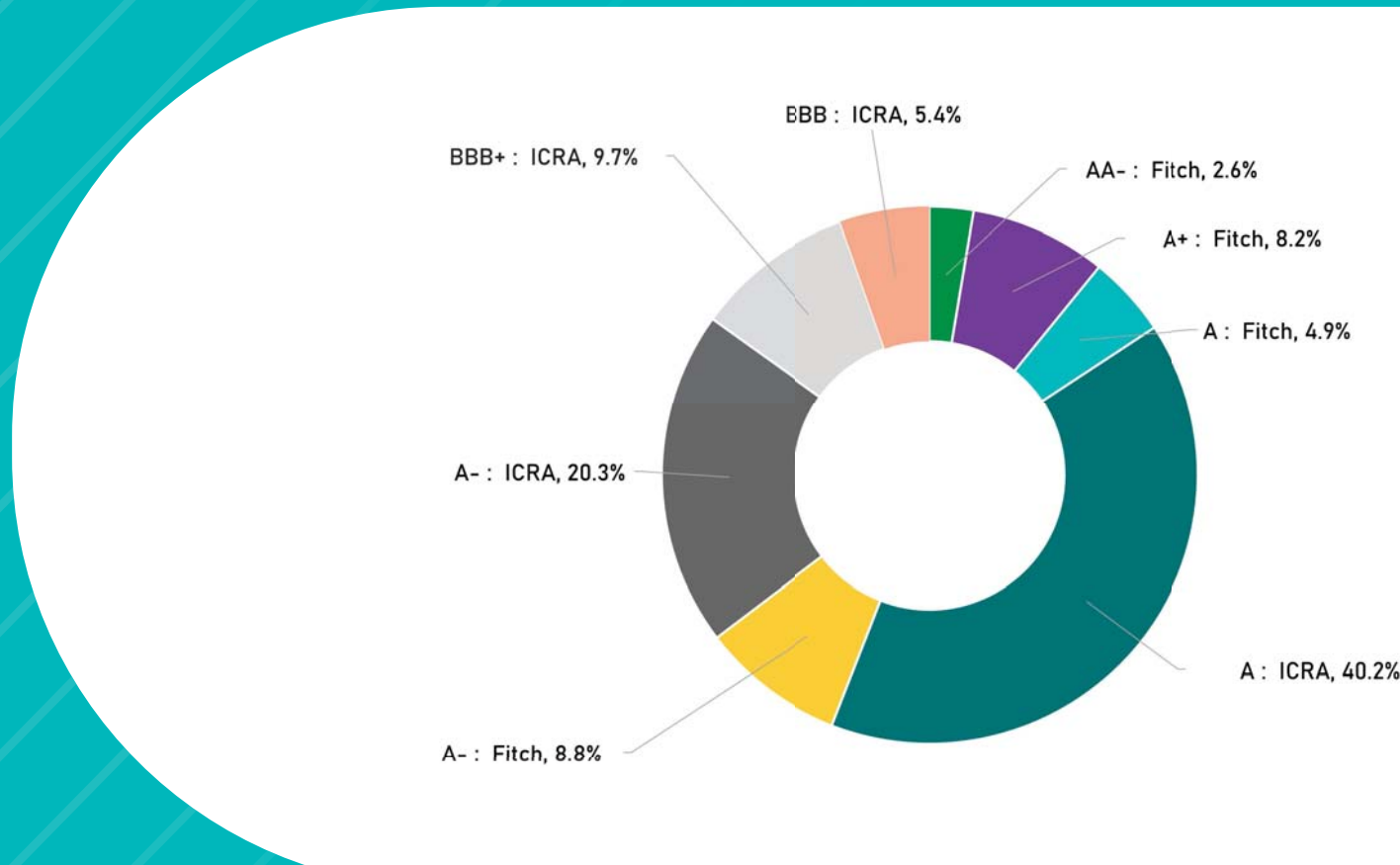
Medium

High

Since Inception SMMF return as at 30th April 2021 ¹	7.88%
7 day annualized SMMF return as at 30th April 2021	7.45%
7 day annualized NDB CRISIL 91-day return as at 30th April 2021	4.24%

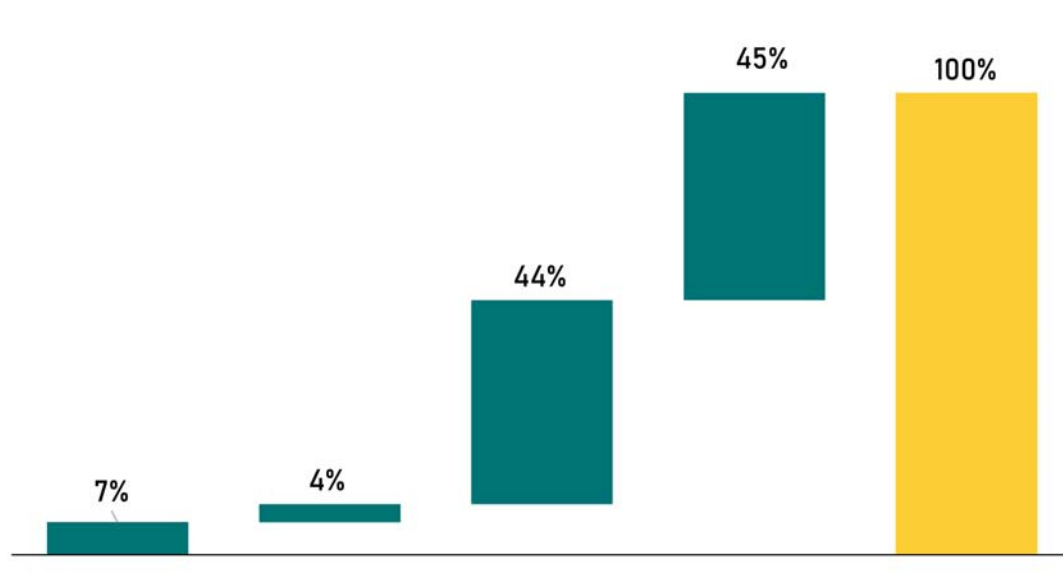
What's a Rating Profile?

The rating profile will give you an overall picture of the portfolio's level of risk

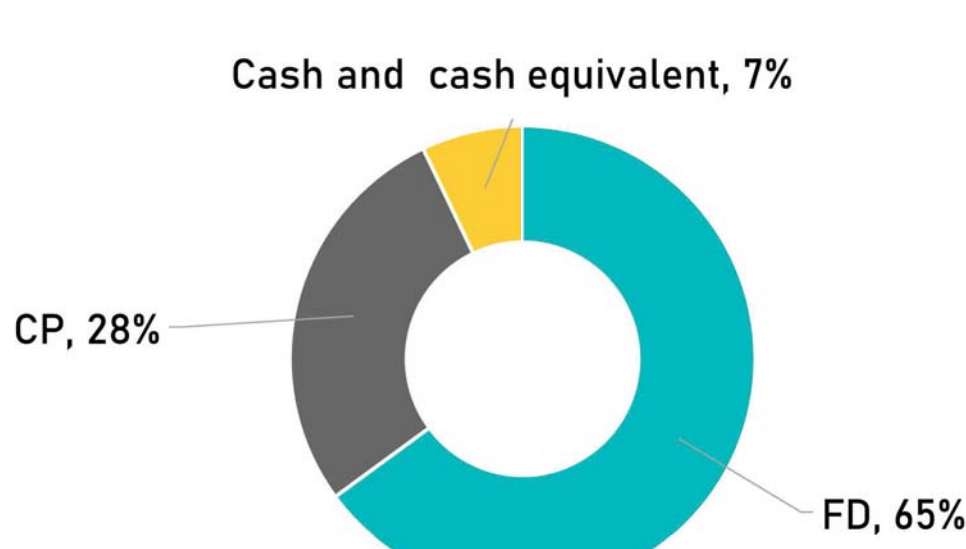


Here's a quick run through of our Maturity Profile

Maturity basically means the average maturity period of the different assets we have invested in. As a strategy, we hold a higher portion of our investments in assets with relatively longer durations due to the present interest rate environment



Types of instruments this fund invests in



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Softlogic Money Market 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.