

Softlogic Equity Fund

September 2021 Factsheet



Hi there
Investaa!

This right here is our September 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 Equity Fund...just keep reading!

Inception Date	2020-07-08
Total Value of the Fund (LKR Mn)	133.55
Minimum Investment (LKR)	5,000.00
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

Month of September 2021 was a another superb month for equity continuing the momentum from August. Both ASPI & S&P SL 20 gained 5.14% & 5.06% within the month. The top five contributors to the overall index were Expo Lanka PLC, Commercial Leasing & Finance PLC, JKH Holdings PLC, LOLC holdings PLC, and Melstacorp PLC. The five companies contributed 70.2% of the ASPI gain and the important highlight was Expo Lanka and Commercial Leasing PLC continued to secure their top place as the biggest index contributors. The total market PER gained 5.13% from 10.91X to 11.47% during the month, our opinion is that the expectations were building only among the top index contributors due to sentiment-driven retailers.

Foreign investors continued their selling stance during September and sold LKR 6.9Bn worth of equities on a net basis. With this, the total year-to-date net foreign selling went up to LKR44.8Bn. On the flip side, local market participants absorbed net total selling and as a result, overall total daily average turnover remained at LKR 6.4Bn level.

During the month, the Fixed Deposit ceiling for Licensed Finance Companies went up by 95Bps from 7.21% to 8.16% (for 1YR FDs) with the elevated T-Bill rate. However, with the prevailing low-interest-rate environment, we still believe the rise in the current interest rates is having a low impact on equity sentiment, due to relatively low historic real interest rates. With all the other factors remains the same, only a significant rise in the interest will have a bearing on the equity market sentiment.

During the period we partially realized profits for investors and brought down the portfolio allocation of your fund to 74% from last month's 83%. This has given a good return to investors in September. We are currently maintaining a healthy cash position to exploit market opportunities.

Level of risk compared to Money Market Fund

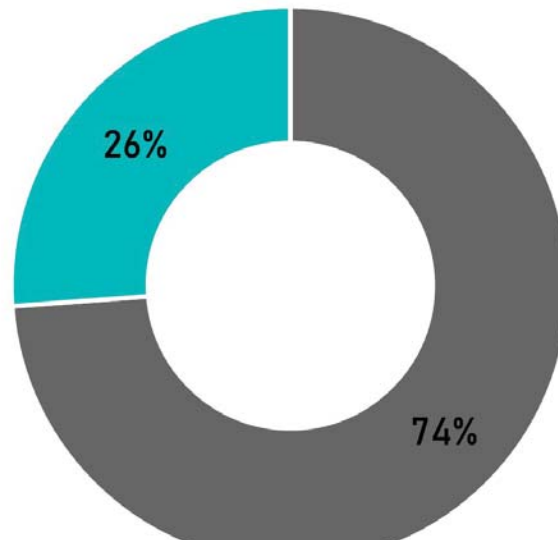
LOW

Medium

High

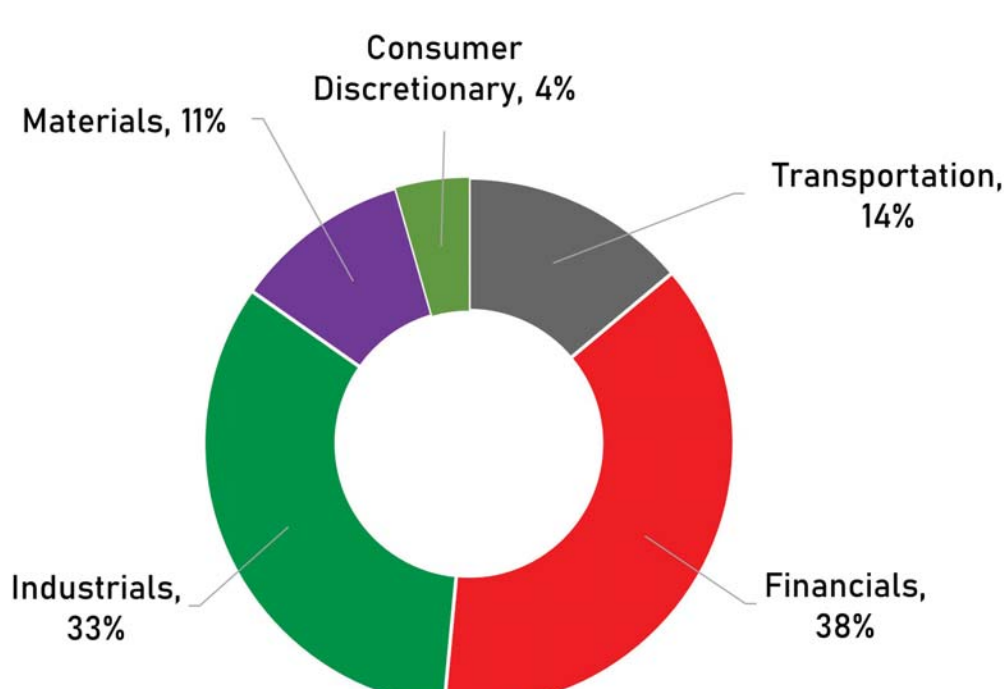
A sector wise allocation of funds

Asset Allocation

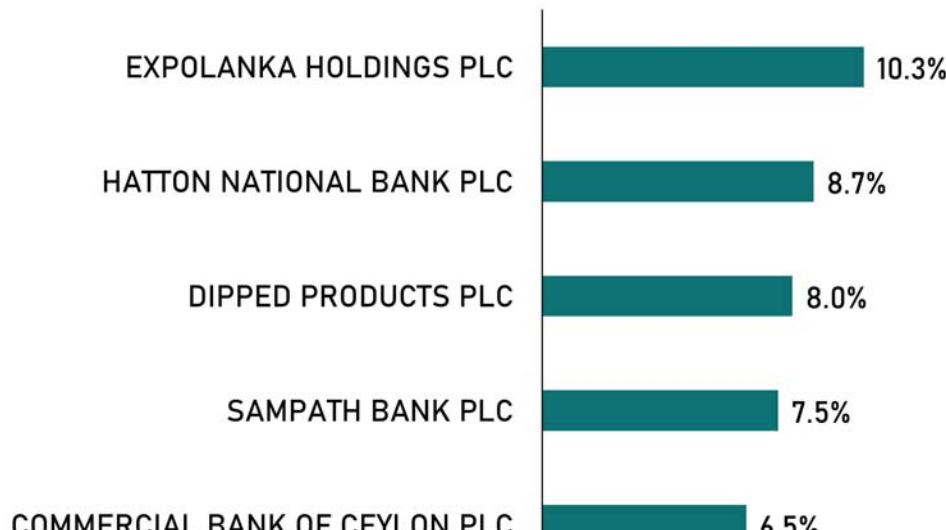


■ Equity Allocation ■ Cash & Cash equivalent

Equity Allocation



The top 5 companies your funds are invested in



The Fund Return Rate

	September 2021	Year to date 2021	SINCE INCEPTION¹
ASPI	5.14%	39.65%	86.60%
S&P SL 20	5.06%	33.99%	60.99%
SOFTLOGIC EQUITY FUND	2.42%	28.46%	40.55%

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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