

Softlogic Money Market Fund

April 2022

Factsheet



Hi there
Investaa!

This right here is our April 2022 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)	2,483.50
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

In April 2022, the newly appointed CBSL governor and the finance minister concluded the long waited initial discussions with IMF. Further, later on, it indicated that the SL government is in the discussion to obtain a Rapid Funding Facility (RFF) from IMF, which is considered to be fewer strings attached facility compared to Extended Fund Facility. Under an RFF facility, SL will be able to secure a USD 800-1000Mn funding line. Receiving this type of funding facility would be crucial to the economy at this point. Because most of the macroeconomic issues are tied up with the USD shortages in SL.

The SL government & the CBSL has indicated their commitment to resolving the overall macro-level issues mainly arising from high external indebtedness. So far, they have started to do the monetary tightening and it seems the fiscal side tightening measures will take place shortly. We consider these amendments are a must under the current situation and we expect these it'll bring stability in the medium to long term.

We have seen headline inflation reaching almost 30% by the end of April 2022 and the overnight liquidity in the system continues to remain at a negative level. We expect inflation to taper down within the next 6 to 9 months, with the effects of the monetary and fiscal tightening. As a result, we expect short-term rates to maintain at elevated levels over next 6 months. The weighted average maturity of the money market fund is about 4.4 months in the end of this reporting period, and we expect a speedy recovery in the yield during next 3 months. Further, we maintain 80% of our investments in "A" rated instruments while maintaining the external ICRA rating of "A" (SL mutual fund rating)

Level of risk compared to Equity Fund

LOW

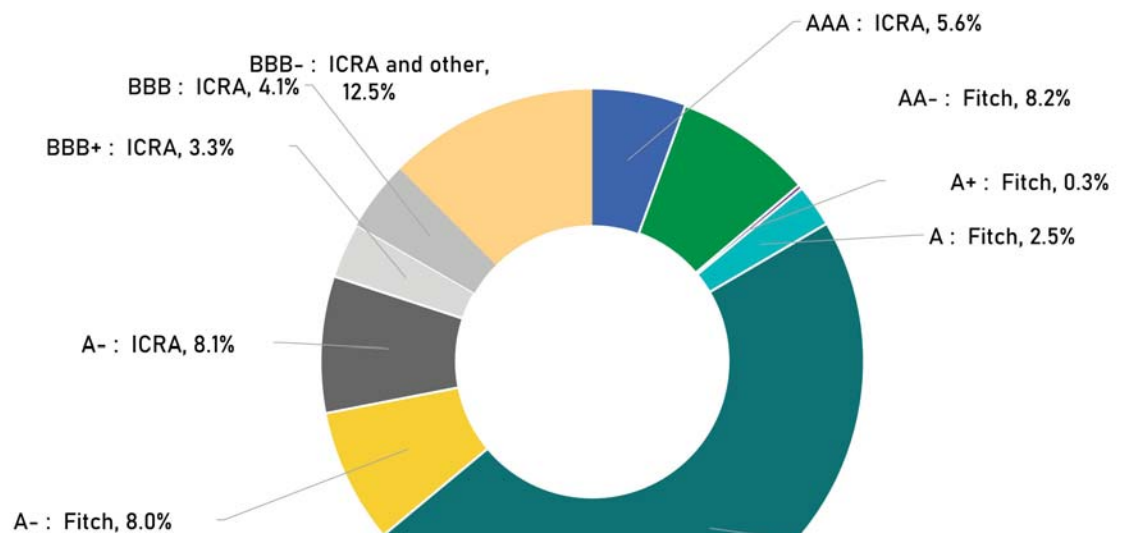
Medium

High

Since Inception SMMF return as at 30th April 2022 ¹	7.50%
Current annualized SMMF return as at 30th April 2022	7.71%
Current annualized NDB CRISIL 91-day return as at 30th April 2022	16.06%

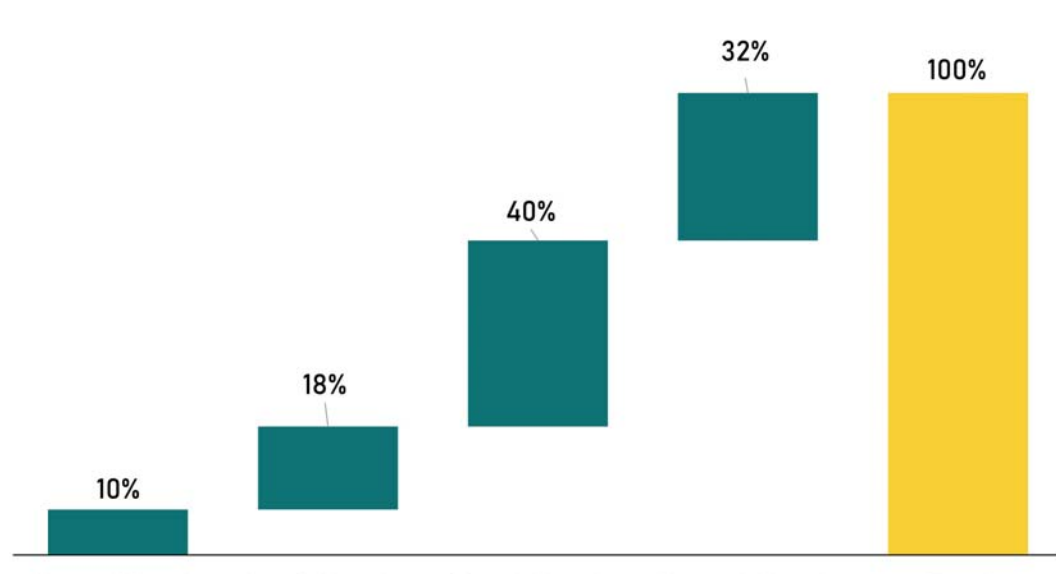
What's a Rating Profile?

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

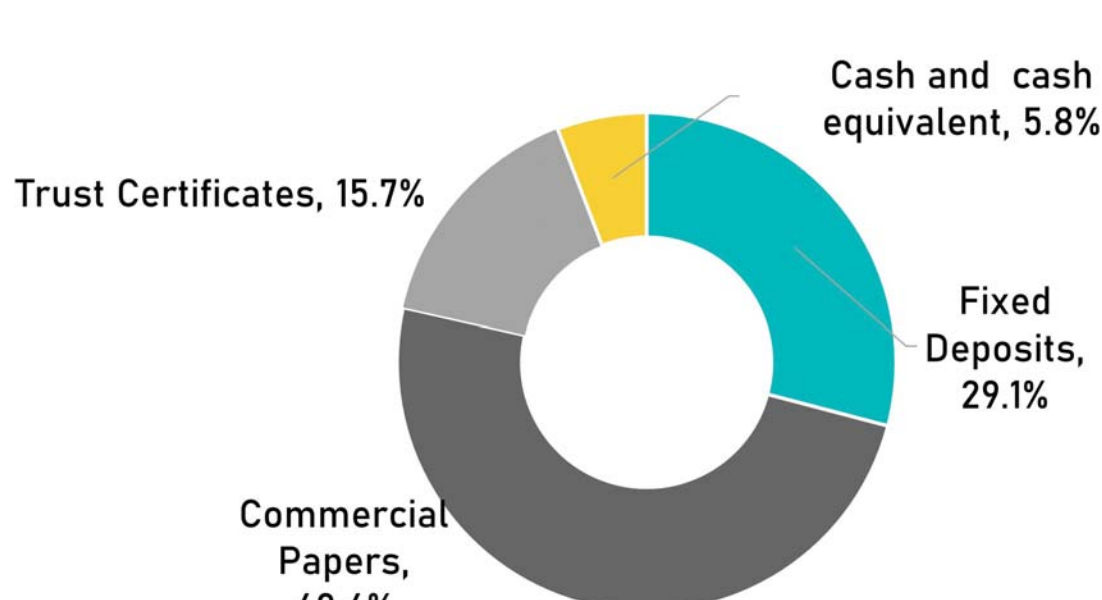


Here's a quick run through of our Maturity Profile

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.