

# Softlogic Money Market Fund

May 2022

Factsheet



Hi there Investaa!

This right here is our May 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!

<b>Inception Date</b>	2020-07-08
<b>Total Value of the Fund (LKR Mn)</b>	2,056.72
<b>Minimum Investment (LKR)</b>	5,000.00
<b>Fund Management Company</b>	Softlogic Asset Management (Pvt) Ltd
<b>External Fund Rating</b>	"A" Rated (SL) Mutual Fund Scheme by ICRA
<b>Portfolio Manager</b>	Daham Hettiarachchi, CFA

## The Fund Manager Corner

The weighted average maturity of the money market fund is about 3.22 months in the end of this reporting period, and we expect a speedy recovery in the yield during next 3 months. Further, we maintain 78% of our investments in "A" rated instruments while maintaining the external ICRA rating of "A" (SL mutual fund rating)

CBSL maintained its policy rates at the same level during the policy meeting held on April. However, the inflation indicated by the CCPI index almost touched the 40% level. This indicates a further potential upside in the interest rates within the near term. With the current situation we expect inflation to reach 45-55% level before it stabilizes. The USD reserve position of the country is at a challenging level with usable reserves of USD 50Mn In May. However, SL has negotiated the terms to extend USD 900Mn which was due early this year, further the government is in the discussions to secure LKR1.5Mn funding line from India. Overall, SL needs to secure bridging finance for its day today survival until it secures a formal IMF deal.

The overnight liquidity in the system continues to remain at a negative level and we expect this phenomenon to remain till SL solves its USD shortage. The recent tax proposals are a key positive to improve SL fiscal deficit. However, its estimated that SL requires USD 5Bn funding to source fuel, fertilizer, and other essentials. Under this scenario, we are still in the view that the interest rates could further go up within next 6 months period.

## Level of risk compared to Equity Fund

LOW

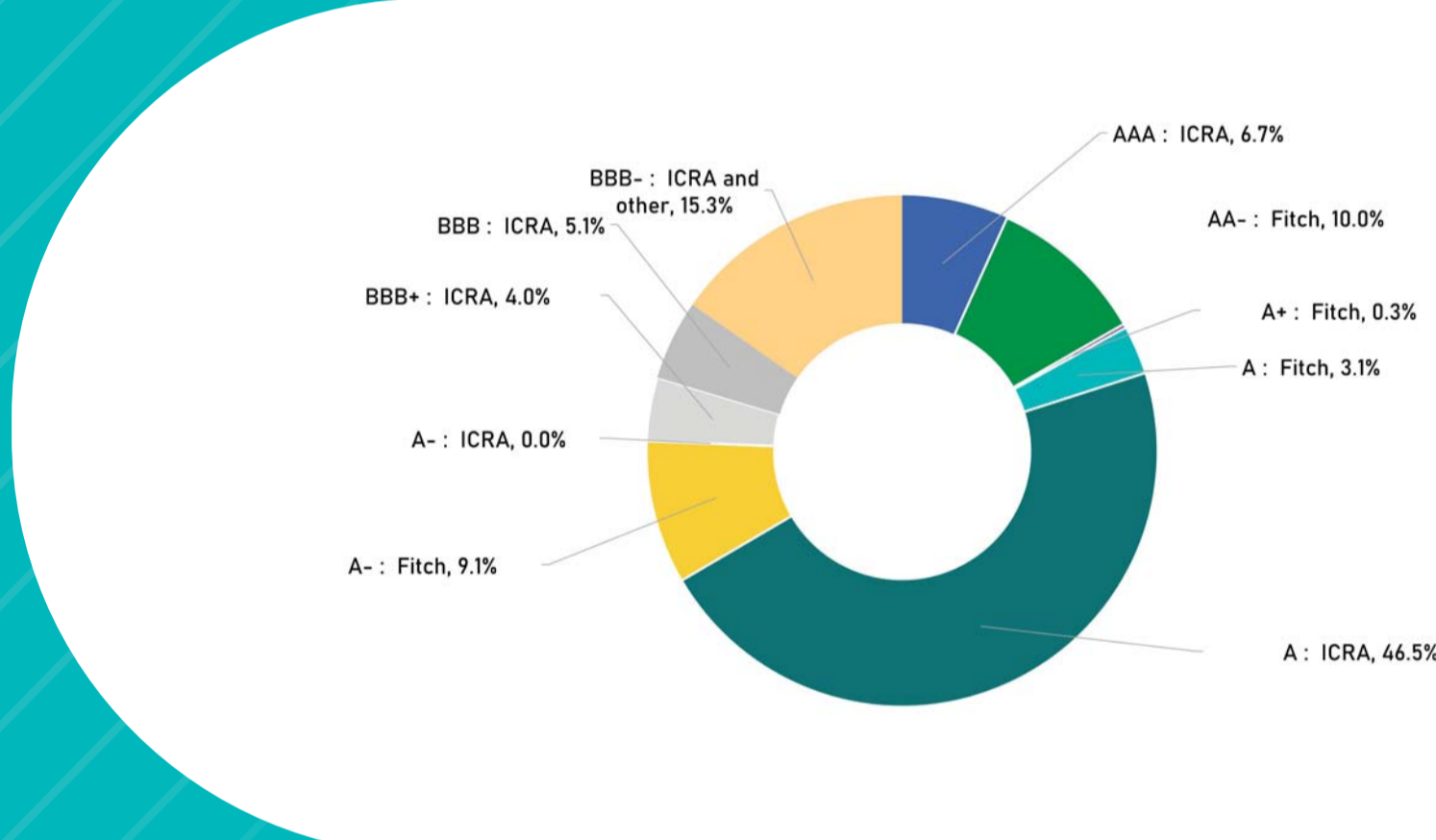
Medium

HIGH

Since Inception SMMF return as at 31st May 2022 <sup>1</sup>	7.51%
Current annualized SMMF return as at 31st May 2022	9.61%
Current annualized NDB CRISIL 91-day return as at 31st May 2022	9.61%

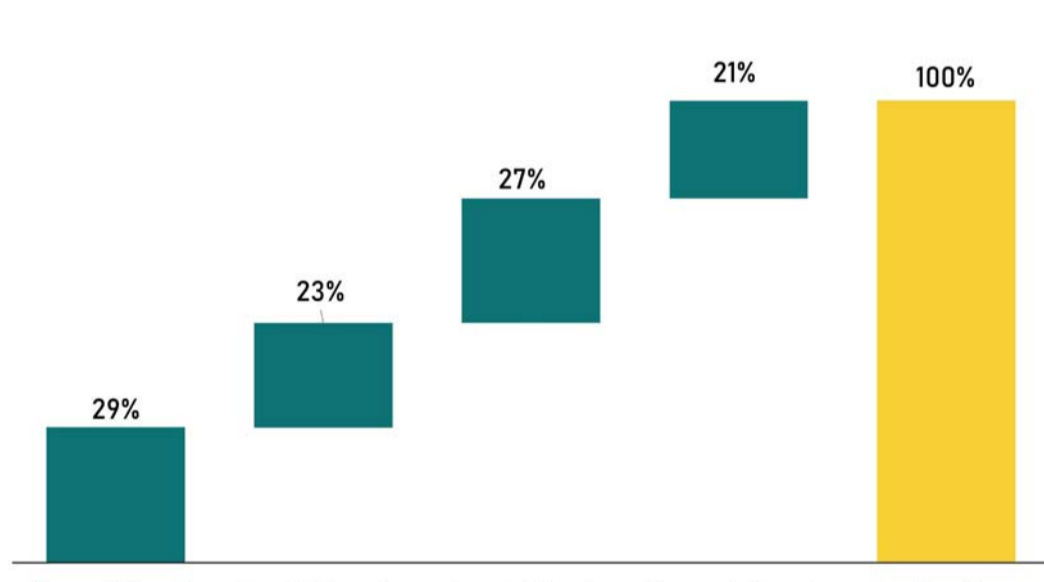
## What's a Rating Profile?

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

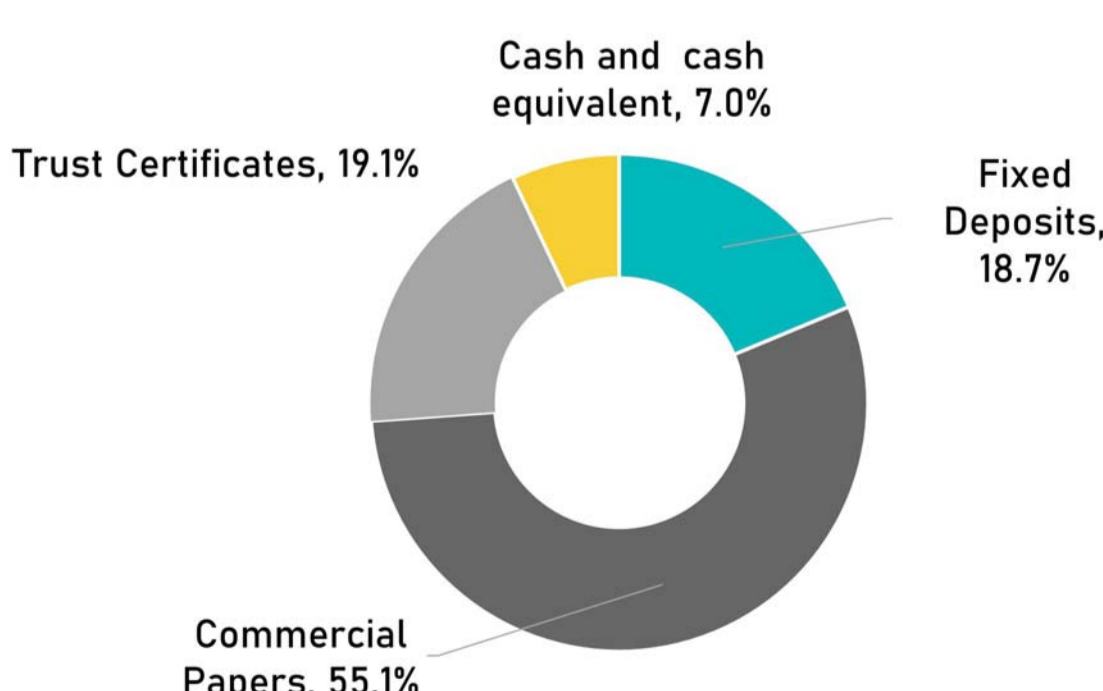


## Here's a quick run through of our Maturity Profile

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



## Contact us

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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.