

# Softlogic Money Market Fund

## July 2023 Factsheet



Hi there  
Investaa!

This right here is our July 2023 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

**Inception Date**

2020 / 07 / 08

**Total Value of the Fund (LKR Mn)**

850

**Minimum Investment (LKR)**

5000

**Fund Management Company**

Softlogic Asset Management (Pvt) Ltd

**Portfolio Manager**

Uvin Atukorale

# The Fund Manager Corner

During the month of July, the Fund yielded a return of 22.09% compared to NDB CRSIL index return of 27.01%. The Central Bank of Sri Lanka further reduced the monetary policy rates at its meeting held on 05th July 2023, easing the Standard Deposit Facility Rate (SDFR) and Standard Lending Facility Rate (SLFR) by 200 basis points to 11% and 12% respectively. Consequently, the Government securities rates experienced a steep decline, with T Bill weighted average rates for tenors of 3, 6, and 12 months coming down to 19.96%, 17.69%, and 14.29% respectively at the auction held on 26th July 2023 with a 304-basis point drop compared to June 2023 in the 3 months T-bill. Looking ahead, it is anticipated that Government securities rates will further decrease as inflationary pressures gradually subside and potential future policy rate cuts are expected.

The Domestic Debt Restructuring (DDR) plan was presented by the Central Bank of Sri Lanka to the Cabinet of ministers and was approved on 28th June 2023. As per the plan, T – bills held by the central bank are to be converted to treasury bonds maturing between 2029 and 2028, meanwhile the treasury bonds held by EPF will be exchanged for longer maturity treasury bonds from 2027 to 2038, with a step-down coupon structure of 12% until 2025 and 9% until maturity. Commercial banks and NBFIs were excluded from the above restructuring plan.

July 2023, the Colombo Consumer Price Index is back to single digit levels at 6.3% year-on-year (YoY) compared to 12% YoY in June 2023, primarily influenced by the statistical base effect. The expectation is for inflation to moderate further in the medium term supported by the tight monetary and fiscal policies, repricing of goods and services resulting from exchange rate appreciation and the favourable impact of the statistical base effect. The fund would invest in medium to long dated maturities in the months to come, as we expect the rates to decrease further.



**High**



**Medium**

**Low**

**Current annualized SMMF return as at 31st July 2023**

**22.09%**

**Current annualized NDB CRISIL 91-day return as at 31st July 2023**

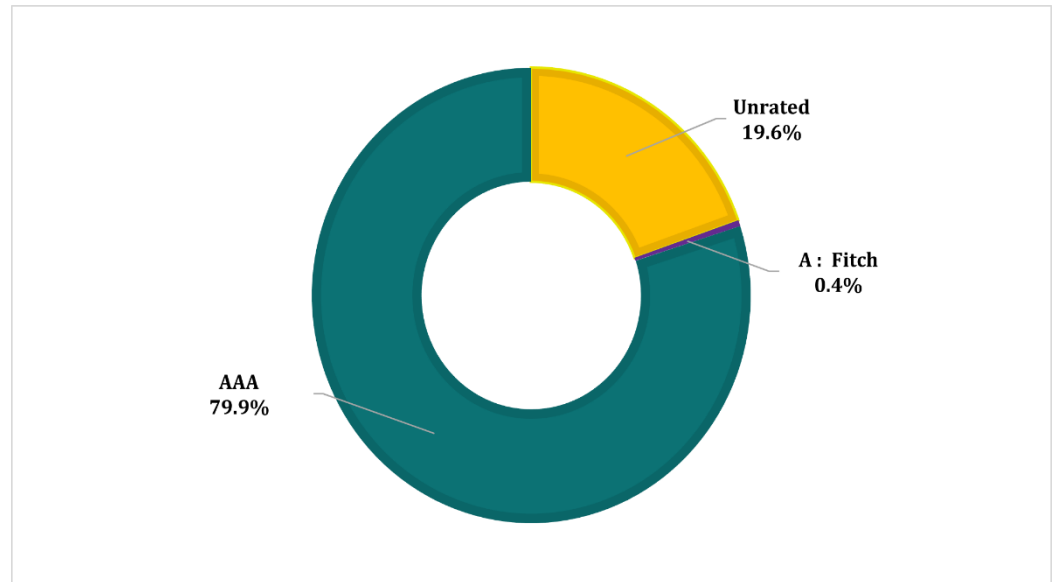
**27.01%**



# What's Rating profile?



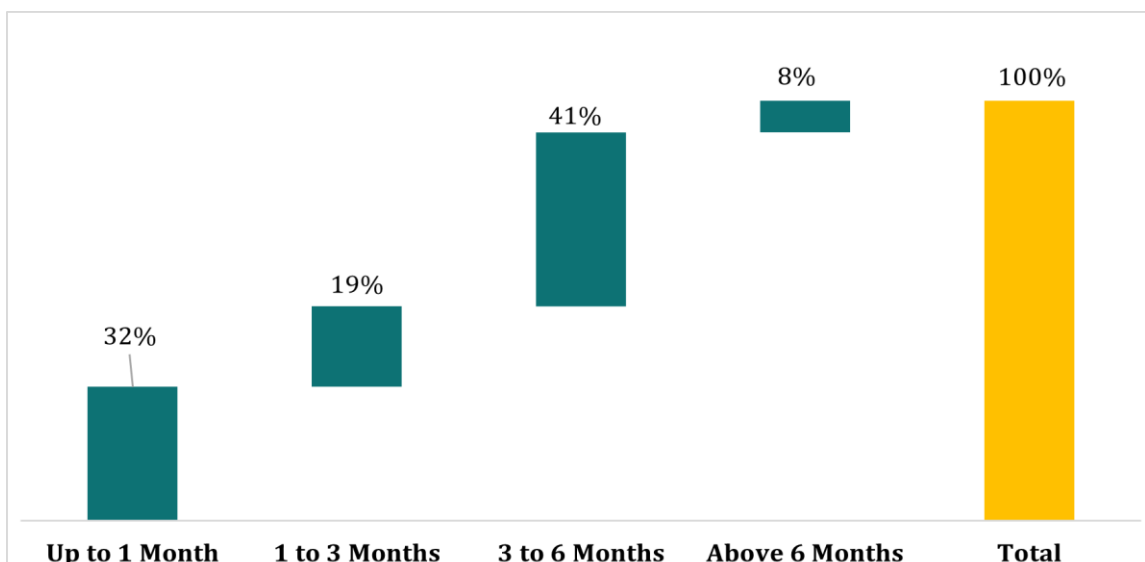
The rating profile will gives you an overall picture of the portfolio's level of risk



# Types of instruments this fund invests in



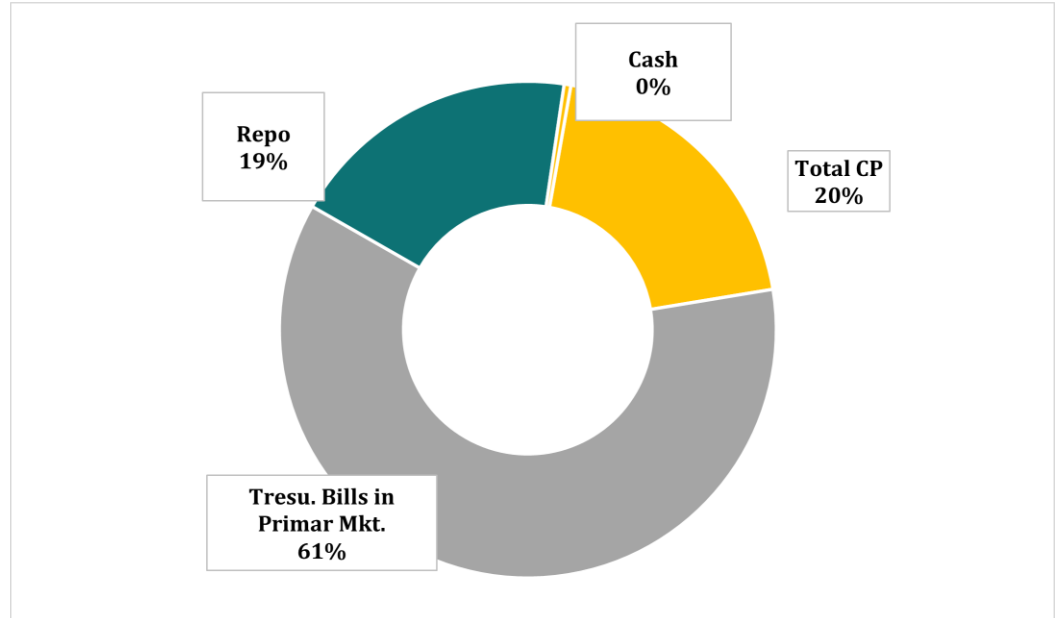
Maturity basically means the average maturity period of the different assets we have invested in. As a strategy, we hold a higher portion of our investment in assets with relatively longer duration due to the present interest rate environment







# 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**