

# Guardian Acuity Equity Fund

Open Ended Growth Fund

November 2018

## HIGHLIGHT

The fund recorded a 2.15% return for the month and -1.76% return for 3 Months. The YTD return of the fund was -3.94% vs. Benchmark ASPI return of -5.49%, recording a 1.55% outperformance.

## RETURNS\*

PERIOD*	FUND	BENCHMARK ASPI	S&P SL 20	ASTRI
2018 November	2.15%	1.11%	3.06%	1.15%
3 Months	-1.76%	-1.00%	-1.57%	-0.94%
Year To Date (YTD 2018)	-3.94%	-5.49%	-13.43%	-5.14%
Since Inception Cum.	63.94%	9.91%	7.54%	20.64%
Since Inception CAGR	7.58%	1.41%	1.08%	2.81%

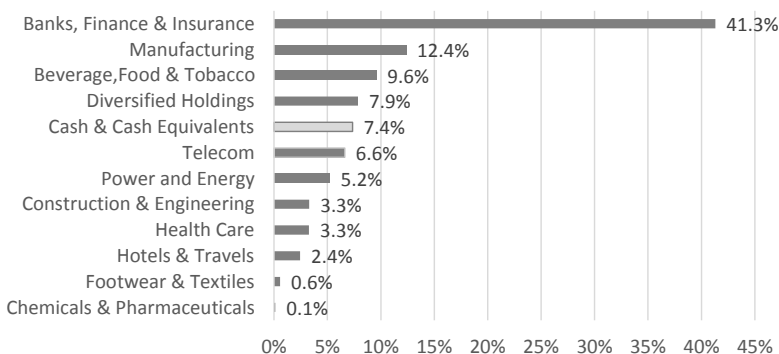
Note : All Share Price Index (ASPI) ,All Share Total Return Index(ASTRI) & S&P Srilanka 20 Index (S&P SL 20) are based on CSE data as of 30th November 2018

\* Performances are based on month end prices as of 30th November 2018. Performance data included in this document represents past performance and is no guarantee of the future results.

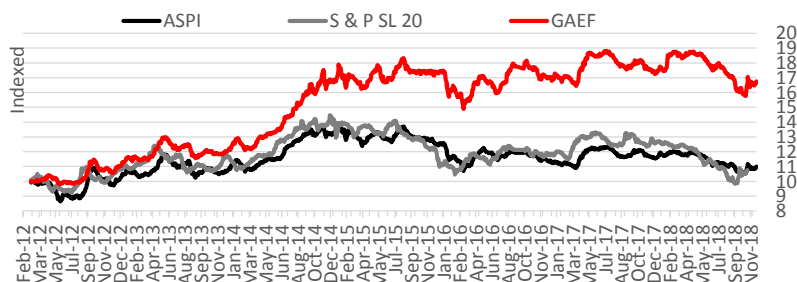
## TOP 5 HOLDINGS BASED ON NAV

STOCK	TICKER	% OF NAV
NATIONS TRUST BANK PLC	NTB.N	10.26%
CARGILLS (CEYLON) PLC	CARG.N	9.58%
PEOPLE'S LEASING & FINANCE PLC	PLC.N	8.44%
SAMPATH BANK PLC	SAMP.N	8.30%
CENTRAL FINANCE COMPANY PLC	CFIN.N	7.90%

## SECTOR ALLOCATION (WITH CASH & CASH EQUIVALENTS)



## GAEF VS. THE MARKET



Investors are advised to read and understand the contents of the Explanatory Memorandum before investing. Among others, investors should consider the fees and the charges involved.



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Senior Fund Manager

In November, US (MSCI USA +1.9%) and emerging (MSCI EM +3.0%) equity markets recovered after having a sharp drop in October while European stocks continued to retreat during the month. Geopolitical events continue to weigh on the risk appetite of the investors which held the equity markets bouncing back to previous levels after October's rout albeit strong growth in corporate earnings.

Local events dominated in the Colombo bourse in November as political volatility reached its climax. Though the month closed with positive return of 1.11%, net foreign outflow continued and recorded Rs 5.3bn for the month. John Keells Holdings' turnover accounted for the majority of CSE's turnover (33%) and its net foreign outflow, Rs 5.8bn, was the main reason for ending the market foreign activities with a heavy outflow. Despite foreign selling spree on JKH, its price went up by 7.2% contributing 51% of the ASPI growth in November as per the decomposed analysis of ASPI growth in November.

Against this backdrop, the fund recorded a return of 2.15% outperforming benchmark ASPI return of 1.11%. Nation Trust Bank, Chevron Lubricant, Sampath Bank and JKH were the top contributors to the positive performance of the fund. The main detractors were Central Finance and Dialog Axiata. Year to date return was still at the negative territory, -3.94%, while ASPI recorded -5.49% growth.

The short term outlook of the market is unpredictable with the current political situation. Therefore we stick to our investment philosophy and review the portfolio with a medium term outlook.

## ABOUT THE FUND

Guardian Acuity Equity Fund is a growth fund which invests in a diversified portfolio of listed equity securities with the objective of achieving medium to long term capital appreciation.

## FUND SNAPSHOT

Inception Date	27th February 2012
Bloomberg Code	GACUEQI: SL
Fund Size as of 30-11-2018	LKR 323.07 Mn
Minimum Investment	LKR 1,000
Redemption Price as at 30-11-2018	LKR 16.3939

## FUND FEES

Management Fee*	2.25% p.a.
Custodian & Trustee Fee*	0.30% p.a.
Exit Fee**	2.00% p.a.

\*As a percentage of NAV

\*\*If withdrawn prior to 1 year