



Guardian Acuity Asset Management Limited
(A Joint Venture between Ceylon Guardian & Acuity Partners)

Guardian Acuity Fixed Income Fund

AS OF: 28th FEB 2014

Current Issue Price: LKR: 11.86

Current Redemption Price: LKR: 11.86

FUND SNAPSHOT

STRUCTURE:	OPEN ENDED
TYPE:	INCOME FUND
INCEPTION DATE:	27/Feb/2012
BLOOMBERG CODE:	GUAACFI: SL
FUND SIZE:	LKR 497.9 MN
MINIMUM INVESTMENT:	LKR 1,000

KEY INDICATORS

Current Yield* (Net of Fees):	9.76%
Duration:	0.37
Average Maturity (Months):	6.12
Expense Ratio:	0.80%

*Yield on existing assets of the fund.

FUND FEES

	% of NAV
Management fee:	0.60
Trustee & custodian fee:	0.15

FUND MANAGER

Sumith Perera

ASSET ALLOCATION

	Portfolio Weight (%)
Fixed Deposits	85.62
Commercial Papers	8.69
Debentures	4.05
Government Securities	1.83

For more information, Call Nuwani at +9477 600 37 55

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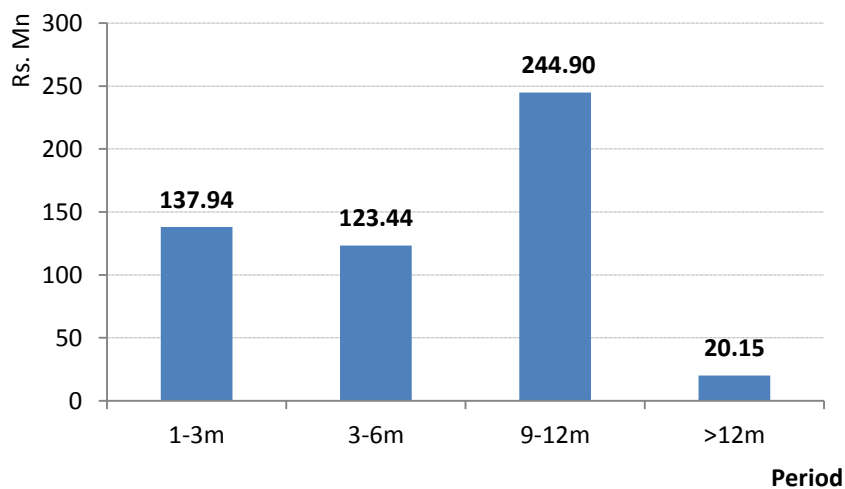
FUND DESCRIPTION

Guardian Acuity Fixed Income Fund is an open ended unit trust which invests in a portfolio of minimum investment grade fixed income securities consisting of commercial papers, corporate debentures, asset backed securities, government securities and other fixed income securities.

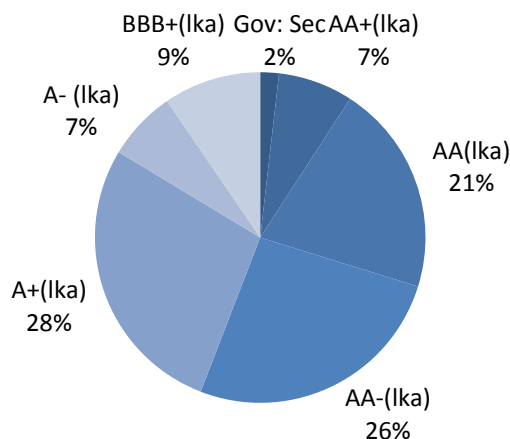
FUND PERFORMANCE

Period	GAFIF	NDBIB-CRISIL 91 Day T-Bill Index	GAFIF-Annualised
1 Month	0.76%	0.54%	9.97%
3 Months	2.51%	2.09%	10.17%
YTD-2014	1.63%	1.29%	10.07%
Since Inception	25.51%	21.95%	12.72%

MATURITY PROFILE



FUND CREDIT QUALITY



FUND MANAGER COMMENTS

The Central Bank decided to hold policy rates during its monetary policy review meeting in February. Emerging markets continue to have foreign investors selling out of their respective local currency government securities impacting their yields and exchange rates. Sri Lanka has thus far been unaffected but local bond investors are watchful for signs of outflows.

Short term money market rates such as fixed deposits and commercial papers continue to decline rapidly to keep in line with Treasury bill movements. Most institutions are flushed with cash and lack of lending opportunities is also resulting in less demand for funds and therefore lower fixed deposit rates.

Inflation continues to decline with 4.2% YOY announced in February which is a drop recorded for the 4th consecutive month. Core inflation also declined to 3.1% YOY in February which is an indicator of benign demand pressures in the economy.

Past Performance is not an indication of future performance. The price of units may fluctuate depending on prevailing market conditions. All details are intended purely for information purposes and on no account may the information supplied be construed as investment recommendations. Interested persons should consult a qualified specialist before taking investment decisions.