



# Guardian Acuity Fixed Income Fund

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

AS OF: 31<sup>st</sup> MAY 2014

Current Issue Price: LKR: 11.47  
Current Redemption Price: LKR: 11.47

## FUND SNAPSHOT

STRUCTURE:	<b>OPEN ENDED</b>
TYPE:	<b>INCOME FUND</b>
INCEPTION DATE:	<b>27/Feb/2012</b>
BLOOMBERG CODE:	<b>GUAACFI: SL</b>
FUND SIZE:	<b>LKR 671.1 MN</b>
MINIMUM INVESTMENT:	<b>LKR 1,000</b>

## KEY INDICATORS

Current Yield* (Net of Fees):	8.48%
Duration:	0.32
Average Maturity (Months):	4.95
Expense Ratio:	0.77%

\*Yield on existing assets of the fund.

## FUND FEES

	<b>% of NAV</b>
Management fee:	0.60
Trustee & custodian fee:	0.15

## FUND MANAGER

Sumith Perera

## ASSET ALLOCATION

	<b>Portfolio Weight (%)</b>
Fixed Deposits	79.70
Commercial Papers	8.77
Debentures	3.07
Government Securities	8.49

For more information, Call Nuwani  
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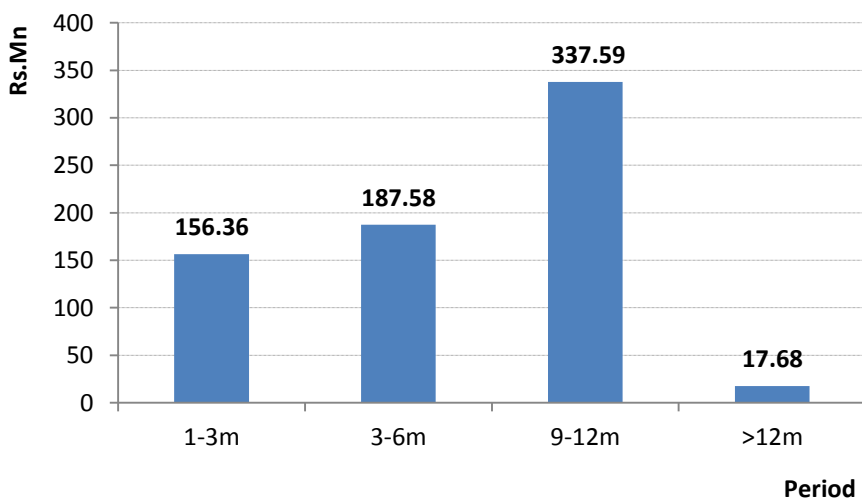
## FUND DESCRIPTION

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.

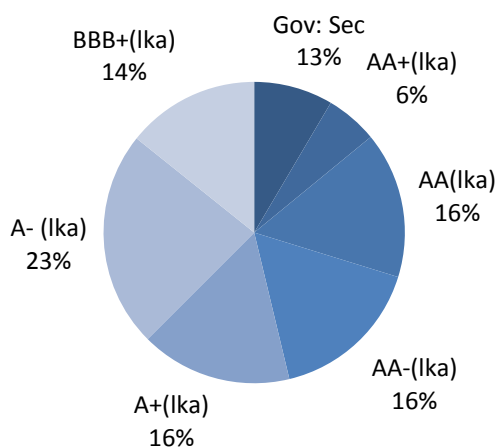
## FUND PERFORMANCE

Period	GAFIF	NDBIB-CRISIL 91 Day T-Bill Index	GAFIF-Annualised
1 Month	0.70%	0.54%	8.27%
3 Months	2.23%	1.66%	8.85%
YTD-2014	3.90%	2.97%	9.42%
Since Inception	26.52%	23.97%	11.75%

## MATURITY PROFILE



## FUND CREDIT QUALITY



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## FUND MANAGER COMMENTS

Treasury bill auction rates continue to edge lower with Treasury bond rates also declining. Bank fixed deposit rates have experienced sharper drops as a result of benign credit growth in the private sector. April inflation announcement of 4.9% accentuates the subdued inflation outlook while broad money (M2b) is conforming to Central bank targets of 14% levels.

The central bank in its May monetary policy review has commented on the need of commercial banks to “pass the benefit of eased monetary policy to borrowers”. The slow decline of lending rates has given rise to a school of thought that the credit growth remains subdued as a result of this lagged reaction from commercial banks. Lower loan rates may lead to the eventual pick up in consumption which is still relatively lacking in existing economic activity.

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*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.*