

# Guardian Acuity Money Market Gilt Fund

Open Ended Money Market Fund

November 2017



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## HIGHLIGHT

The fund is currently providing a current yield of 8.74% p.a. to its investors\*\*. \*\*



**Sashika Wickramaratne**  
Fund Manager

## RETURNS\*\*\*

PERIOD	FUND	NDBIB-CRISIL 91 T-BILL INDEX	ANNUALISED FUND RETURN/CAGR*
2017 November	0.73%	0.82%	8.86%
3 Months	2.25%	2.33%	9.04%
YTD 2017	8.71%	8.71%	9.52%
Since Inception Cum.	23.86%	23.28%	8.28%*

\*\* Current yield based on last 07 days average up to 30th November 2017. The current yield/ return is variable and subject to change

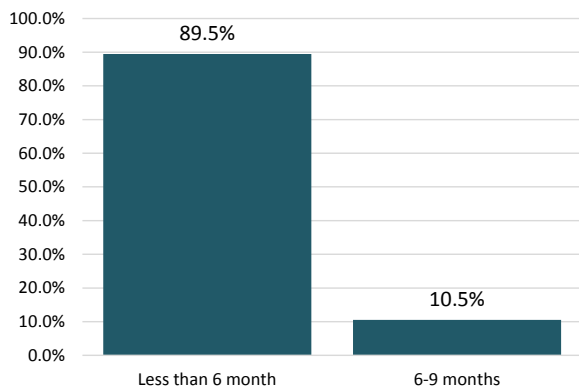
\*\*\* Performances are based on month end prices as of 30th November 2017. Performance data included in this document represents past performance and is no guarantee of the future results.

## KEY INDICATORS

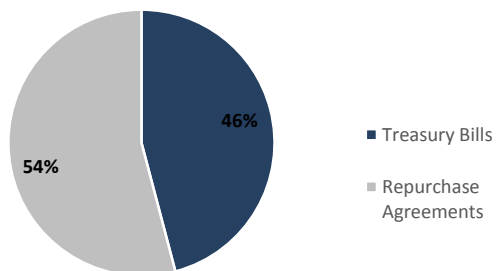
Average Maturity	(Months)	2.27
Expense Ratio	%	0.49%
Unit Price as at 30 th November	Rs.	123.8577

## MATURITY PROFILE

Percentage of NAV



## ASSET ALLOCATION



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.

We expect the Central Bank to maintain the current policy rates in the near future given the improving macro conditions.

Gross Official Reserve levels remained strong at USD 7.3 billion in November 2017. We expect the 4th tranche of IMF Extended Fund Facility (EFF), USD 251 billion and the Hambantota Port sale inflow of USD 292mn will help to further boost the country's reserve position in December however, high demand for rice and refined petroleum imports on the back of extreme weather conditions to add pressure on reserves.

Given the slow GDP growth of 4.0% YoY recorded in 2Q 2017 and slowing down in credit growth to 17.5% YoY in September after hitting a peak of 28.5% in July 2016 justify the current policy rates to remain static in the near future unless the inflation continue to pick up.

Inflation measured by the Colombo Consumer Price Index (CCPI) declined by 0.2 basis points in November to 7.6% YoY, after picking up for three consecutive quarters (7.8% in October 2017). The fall in inflation was a result of lower non-food inflation, while food inflation continued to pick up for the fourth consecutive month. Government is currently planning to import rice to control the rising rice prices.

## ABOUT THE FUND

The fund objective is to provide a secure annual income by investing in a portfolio of Government securities maturing within 365 days. The fund will maintain a minimum level of liquidity and look to invest in Treasury bills, Treasury bonds and repurchase agreements.

## FUND SNAPSHOT

Inception Date	24th March 2015
Fund Size as at 30th November 2017	LKR 1,800.93Mn
Minimum Investment	LKR 1,000

## FUND FEES

Management Fee*	Max 0.30% p.a.
Custodian & Trustee Fee*	Max 0.20% p.a.

\*As a percentage of NAV