



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

# Guardian Acuity Equity Fund

AS OF: 28<sup>th</sup> FEB 2014

Current Issue Price: LKR. 12.56  
Current Redemption Price: LKR. 12.31

## FUND SNAPSHOT

STRUCTURE:	<b>OPEN ENDED</b>
TYPE:	<b>GROWTH</b>
INCEPTION DATE:	<b>27/Feb/2012</b>
BLOOMBERG CODE:	<b>GACUEQI: SL</b>
FUND SIZE:	<b>LKR 52.11 MN</b>
MINIMUM INVESTMENT:	<b>LKR 1,000</b>
EXPENSE RATIO:	<b>3.26%</b>

## FUND FEES

	% of NAV
Management fee:	2.25
Trustee & custodian fee:	0.25% + 15,000 pm
Exit fee:	2.00*

\* If withdrawn prior to 1 year

## FUND MANAGER

Sumith Perera

## SECTOR ALLOCATION

	Portfolio Weight (%)
Diversified Holdings	27.49
Banks, Finance & Insurance	26.51
Construction & Engineering	9.87
Beverage, Food & Tobacco	8.58
Hotels & Travels	8.58
Telecommunications	5.17
Manufacturing	2.97

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

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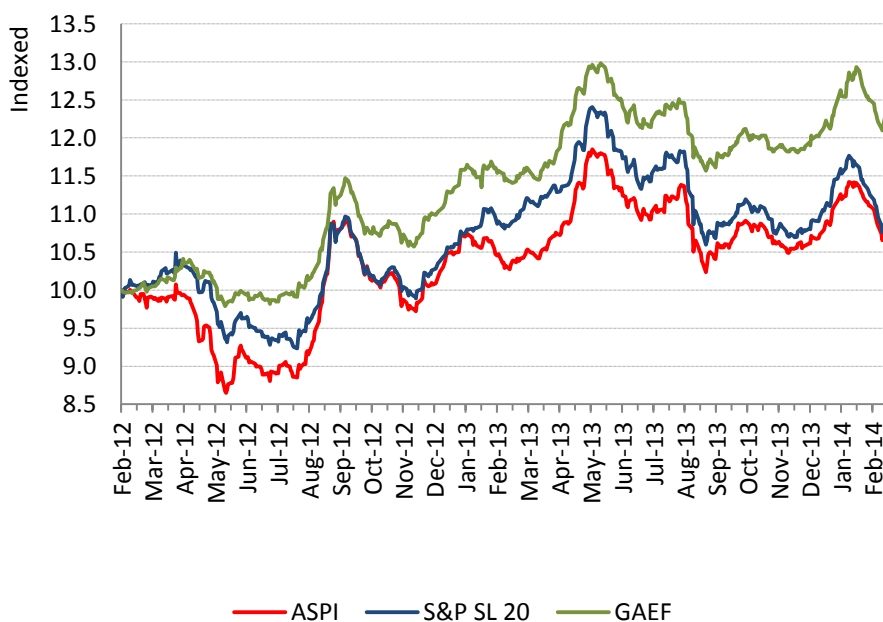
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## FUND DESCRIPTION

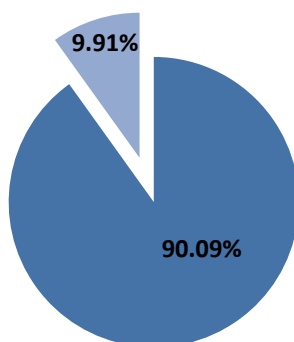
Guardian Acuity Equity Fund is a growth fund which invests in a diversified portfolio of listed equity securities with the objective of achieving medium to long term capital appreciation. The fund selects equity counters based on a bottom up selection process with a bias towards companies that promise strong growth potential under the prevailing economic conditions.

## FUND PERFORMANCE

Period	GAAM EQ Fund	All Share Index	S&P SL20
1 Month	-4.80%	-4.93%	-6.38%
3 Months	3.88%	2.86%	1.54%
YTD-2014	1.40%	0.47%	-1.23%
Since Inception	23.10%	8.47%	9.07%



## ASSET ALLOCATION



■ Equity ■ Other

## TOP 5 HOLDINGS

	% Of NAV
John Keells Holdings PLC	10.64
Hemas Holdings PLC	8.64
Nations Trust Bank PLC	8.35
Access Engineering PLC	8.21
Aitken Spence Hotel Holdings	7.43

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## FUND MANAGER COMMENTS

The month of February saw the All Share Price Index fall by 4.93% nearly wiping out the entire gain in January. The sharp fall in the month of February can largely be attributed to investors being concerned with JKH, one of the most liquid blue chip stocks in the market, share price falling by 14% and a net foreign outflow for the month of Rs. 5 billion. Foreign selling was witnessed across several large market cap counters having a significant impact on the index.

Overall quarterly earnings announced have been moderate but encouraging. The next few quarters should maintain this momentum as a result of the overall economic conditions improving. The banking sector will need to get loan growth back on track and is still dealing with loan loss and impairment provisions. Beverage, food and tobacco sector showed relatively strong earnings growth on account of Ceylon Tobacco and Distilleries. The hotels & travel sector which was struggling in earlier quarters has shown an improved bottom line performance with improved occupancies reported.

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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.*

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