

Guardian Acuity Equity Fund

Open Ended Growth Fund

March 2021

HIGHLIGHT

The fund recorded a -0.69% return for the month and -0.32% return for 3 Months. The

YTD return of the fund was -0.32% vs. benchmark ASPI return of 5.12%.

RETURNS*

PERIOD*	FUND	BENCHMARK ASPI	S&P SL 20	ASTRI
2021 March	-0.69%	-4.75%	-3.93%	-4.69%
3 Months	-0.32%	5.12%	8.04%	5.20%
Year To Date (YTD 2021)	-0.32%	5.12%	8.04%	5.20%
Since Inception Cum.	80.66%	30.03%	-3.57%	43.62%
Since Inception CAGR	6.72%	2.93%	-0.40%	4.06%

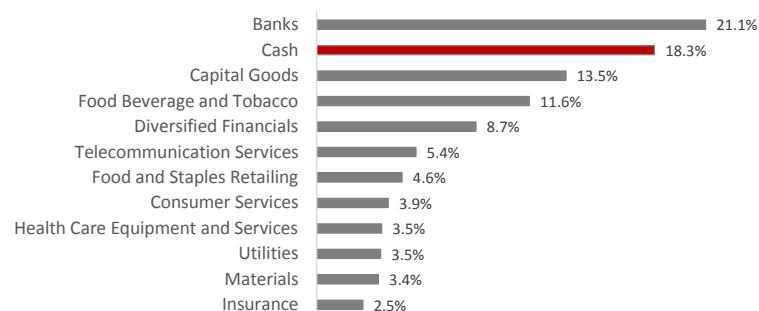
Note : All Share Price Index (ASPI) ,All Share Total Return Index(ASTRI) & S&P Srilanka 20 Index (S&P SL 20) are based on CSE data as of 31st March 2021

* Performances are based on month end prices as of 31st March 2021. Performance data included in this document represents past performance and is no guarantee of the future results.

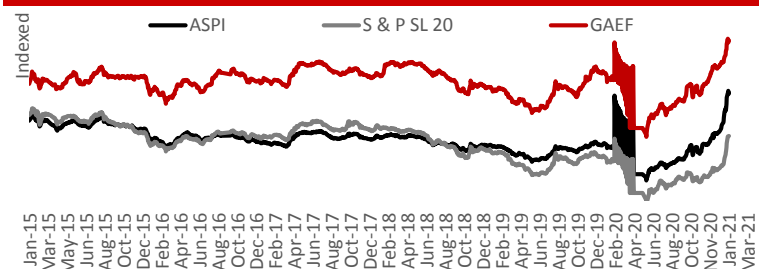
TOP 5 HOLDINGS BASED ON NAV

STOCK	TICKER	% OF NAV
COMMERCIAL BANK OF CEYLON PLC	COMB.N0000	9.07%
HEMAS HOLDINGS PLC	HEMS.N0000	8.00%
SAMPATH BANK PLC	SAMP.N0000	7.21%
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.N0000	6.23%
JOHN KEELLS HOLDINGS PLC	JKH.N0000	5.54%

SECTOR ALLOCATION (WITH CASH & CASH EQUIVALENTS)



GAEF VS. THE MARKET



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Crishani Perera
Fund Manager

Developed market equities continued to rally to end 1Q2021 with attractive gains. The rising optimism about global growth outlook, further massive fiscal stimulus in the US, successful vaccine rollouts in US & UK were the main driving factors. However emerging markets shredded gains from the start of the year potentially amidst concerns over rising infections rates in selected countries including India, Brazil and also due to fears of Federal policy tightening sooner than expected.

The developed market equities as measured by MSCI world index recorded a 5% gain. The emerging markets underperformed with a gain of 2.3% in MSCI EM index.

Sri Lankan equities wiped out gains further during the month as the benchmark ASPI closed with a -4.7% decrease and S&P SL20 with a -3.9%. LOLC Holdings, Ceylon Tobacco & Melstacorp were among the largest detractors to the index performance. Meanwhile foreign investor outflows continued with YTD figure topping -Rs.17.7 bn. Due to the fund's relatively less exposure to above mentioned sectors it outperformed both the indices closing at -0.69%.

Following a 2 month losing streak, the bourse is expected to regain some momentum amidst bargain hunting. The local investor confidence was further reiterated by demand experienced by the WindForce Limited's IPO which was oversubscribed by 8X. The company is the largest energy sector player in Sri Lanka with operations in 3 other countries. The fund has taken the opportunity from the recent sharp upturn to realize gains on its tactical positions. The core continues to remain on its stock selection strategy focusing on valuations based on medium term normalized earnings and active rebalancing.

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 31-03-2021	LKR 307.26Mn
Minimum Investment	LKR 1,000
Redemption Price as at 31-03-2021	LKR 18.0662

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

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.