

Guardian Acuity Equity Fund

Open Ended Growth Fund

April 2021

HIGHLIGHT

The fund recorded a -2.65% return for the month and -13.74% return for 3 Months.

The YTD return of the fund was -2.96% vs. benchmark ASPI return of 6.41%.

PERIOD*	FUND	BENCHMARK ASPI	S&P SL 20	ASTRI
2021 April	-2.65%	1.22%	0.67%	1.25%
3 Months	-13.74%	-16.84%	-18.35%	-16.77%
Year To Date (YTD 2021)	-2.96%	6.41%	8.76%	6.51%
Since Inception Cum.	75.88%	31.62%	-2.92%	45.41%
Since Inception CAGR	6.35%	3.04%	-0.32%	4.16%

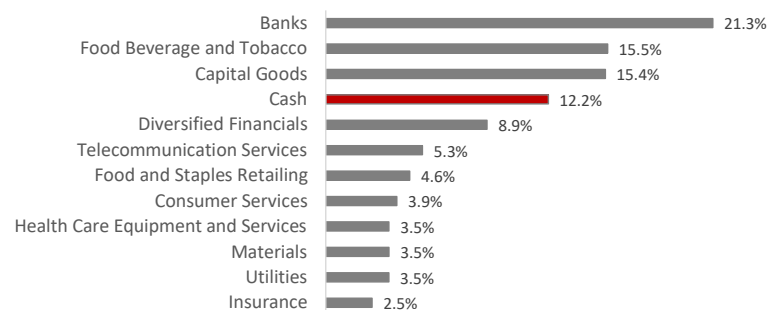
Note : All Share Price Index (ASPI) ,All Share Total Return Index(ASTRI) & S&P Srilanka 20 Index (S&P SL 20) are based on CSE data as of 30th April 2021

* Performances are based on month end prices as of 30th April 2021. Performance data included in this document represents past performance and is no guarantee of the future results.

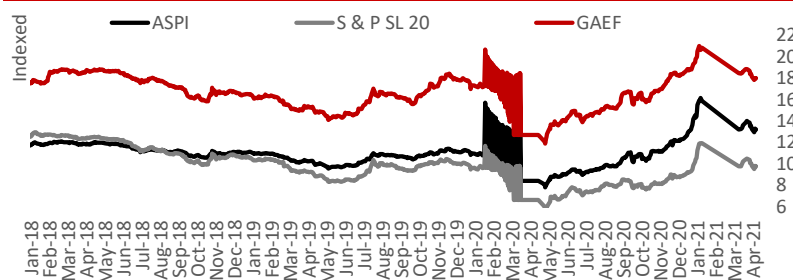
TOP 5 HOLDINGS BASED ON NAV

STOCK	TICKER	% OF NAV
HEMAS HOLDINGS PLC	HEMS.N0000	9.04%
COMMERCIAL BANK OF CEYLON PLC	COMB.N0000	8.70%
SAMPATH BANK PLC	SAMP.N0000	7.77%
JOHN KEELLS HOLDINGS PLC	JKH.N0000	6.33%
DISTILLERIES COMPANY OF SRI LANKA PLC	DIST.N0000	6.27%

SECTOR ALLOCATION (WITH CASH & CASH EQUIVALENTS)



GAEF VS. THE MARKET



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Crishani Perera
Fund Manager

Successful vaccine rollouts in developed economies is now indicating path for a possible sustained reopening of their economies. US & UK leading with now 44% & 51% of their respective populations having received at least one dose of the vaccine. US economy indicated an annualized GDP growth rate of 6.4% during 1Q and the growth is expected to accelerate henceforth. On this backdrop the US S&P500 gained 5.3% during April. The Chinese economy is continuing to normalize recording a 0.6% QoQ growth during 1Q. The Indian economy hit by the tragic rise of COVID-19 cases is expected to fall back. Amidst mixed sentiments the emerging market equities recorded a 2.5% gain during the month.

The local equities started off the month on a bullish note with the ASPI gaining 7.3% at its highest point mid-month. However with the unfortunate rapid resurgence of COVID-19 pandemic in the country, the shares shredded gains as the ASPI closed the month with a marginal 1.2% gain. The S&P SL20 index recorded a 0.7% increase. The top positive contributors to the index were led by retail favored stocks including LOLC Holdings, Browns Investment, Hayleys & Royal Ceramics. The key laggards to the index performance were blue chips including John Keells Holdings, Nestle, Sampath Bank, Cold stores, Dialog Axiata & Commercial Bank. The fund having relatively higher weight towards the latter, underperformed with a -2.65% drop during the month.

We expect the bourse to remain volatile in the short term with the re-emergence of COVID-19 and its impact across the economic sectors. Despite a countrywide lockdown has not been announced so far, we cannot rule out the possibility if the situation worsens. The fund would be cautiously picking shares on weakness as we expect the fundamentally sound shares to outperform as the economy gradually returns to normalcy.

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 30-04-2021	LKR 302.24Mn
Minimum Investment	LKR 1,000
Redemption Price as at 30-04-2021	LKR 17.5882

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.