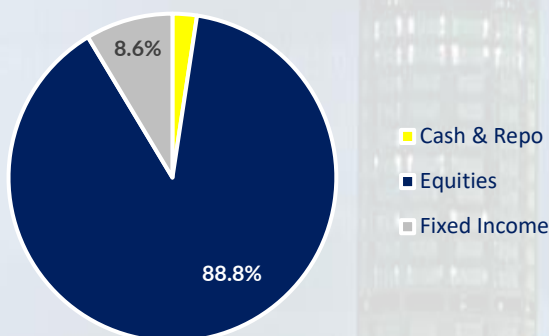


Fund Manager's View of the Market – October 2023

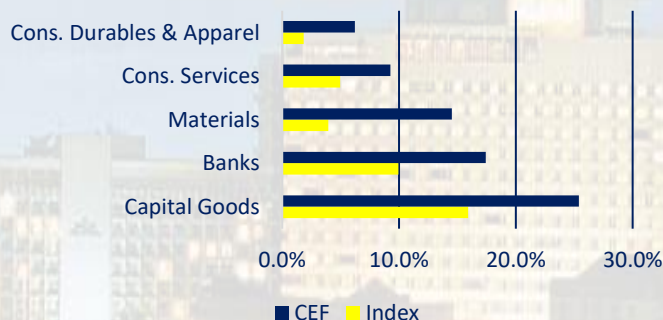
The Colombo Stock Exchange (CSE) experienced a broad based decline in October (-6.1% MoM) as investors fled equities owing to global geopolitical tensions and uncertainties surrounding the annual budget 2024E scheduled for 13th Nov. Despite a steady drop in G-sec yields and market interest rates, average daily turnover at the bourse fell below Rs.1bn mark; Foreigners turned net buyers in Oct. Your Fund's performance slipped in line with the index, falling -6.1% MoM; +29.9% YTD, dragged down by negative contributions from Aitken Spence Hotel Holdings (AHUN; -0.9%), and Sampath Bank (SAMP; -0.6%). Meanwhile, the fund's largest positive contribution came from Cargills Ceylon (CARG; +0.3% MoM led by the signing of a JV agreement with Indian partners including AMUL). In October, the fund took advantage of the market pullback to further increase equity allocation to ~89% (vs. ~85% in Sep 2023).

Moving forward, the budget reading for 2024E, the IMF board approval for the second tranche of the extended fund facility, progress on the external debt restructuring front and the quarterly earnings announcements for 3Q2023 are expected to determine the direction of the equity market in the remainder of 2023E

Asset Allocation (as a % of NAV) – 31 Oct 2023



Sector Exposures (as a % of Equity) – 31 Oct 2023



Fund Details – 31 Oct 2023

Category	Balanced Fund
AUM	330.9mn
NAV per Unit (Rs.)	31.48
3 Year CAGR - CEF	31.1%
3 Year CAGR - ASPI	23.0%
Inception Date	Feb-1992
3M 6M 12M Returns – CEF	-1.4% 22.5% 33.2%
3M 6M 12M Returns – ASPI	-6.5% 18.5% 23.8%

Risk and Return Characteristics – 31 Oct 2023

YTD Return - CEF	29.9%
YTD Return - ASPI	25.4%
Over/Under Performance (alpha)	4.5%
Tracking Error (annualized)*	8.7%
Information Ratio (annualized)*	0.59
Beta (daily)	0.61

**Tracking Error is a measure of volatility relative to the index – a low figure is desirable; Information Ratio is a measure of Risk Adjusted Returns - a figure above 0.5 is desirable*

Top 5 Holdings	As a % of NAV	Relative to Index	Price to Book Value^	Gross Dividend Yield^	YTD Price Movement	6m Price Movement	Est. Portfolio Contribution-Oct 2023
Sampath Bank	7.8%	Overweight	0.5x	7.1%	+87.5%	+33.8%	-0.6%
John Keells Holdings	6.9%	Overweight	0.8x	0.8%	+41.6%	+39.3%	0.0%
Aitken Spence Hotel Holdings	5.6%	Overweight	1.2x	0.0%	+32.7%	+15.5%	-0.9%
Hayleys Fabric	5.5%	Overweight	1.7x	5.5%	+91.6%	+71.7%	-0.6%
Hayleys	4.9%	Overweight	0.8x	6.5%	+21.3%	+17.9%	-0.6%

**Risk measures are calculated based on YTD performance (annualized). ^based on current book value and last 12 month dividends*

About CT CLSA Equity Fund

CT CLSA Equity Fund is a balanced fund that invests in CSE listed equities and LKR denominated fixed income securities. The fund aims to generate alpha over its benchmark (the All share Price Index of the Colombo Stock Exchange) with a medium to long term investment horizon through active stock selection. The fund's investment objective is to provide its unitholders superior risk adjusted returns whilst limiting downside volatility through risk management practices. The fund's investment philosophy is centered around investing in securities with strong fundamental qualities such as sustainable earnings growth, superior free cash flow generation, structural revenue growth and industry leadership in terms of price, cost or differentiation, combined with reasonable valuations.

CT CLSA Equity Fund – Monthly Performance Matrix – 2019-2023 YTD

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	ASPI
2019	-0.5%	-0.9%	-3.0%	-0.7%	-1.7%	0.3%	7.8%	-1.2%	-2.1%	5.2%	3.7%	-2.9%	3.6%	1.3%
2020	-1.8%	-4.6%	-15.6%	0.1%	1.5%	4.6%	-2.3%	3.8%	4.3%	-1.8%	11.4%	6.6%	3.7%	10.5%
2021	23.6%	-12.4%	-2.4%	4.2%	-0.6%	-2.0%	3.3%	1.6%	2.6%	2.7%	18.9%	18.8%	67.6%	80.5%
2022	4.9%	-11.2%	-11.5%	-5.3%	2.5%	-2.7%	3.5%	10.4%	6.8%	-10.6%	2.7%	-0.1%	-12.9%	-30.6%
2023	4.0%	1.7%	3.0%	-2.7%	-2.5%	9.5%	16.3%	2.7%	2.3%	-6.1%			29.9%	25.4%

CT CLSA Equity Fund NAV vs ASPI – Indexed to October 2018



Trustee

Hatton National Bank

Management Fee

2.0%

Front End Fee

3.0%

Minimum Investment

Rs.1,000

Disclaimer

Current yields can fluctuate daily. Past Performance is not an indicator of future returns. Investors are advised to read and understand the contents of the Explanatory Memorandum before investing including but not limited to all fees/charges and risks. If required, please contact CT CLSA Asset Management (Ltd) for any clarifications prior to investing.