

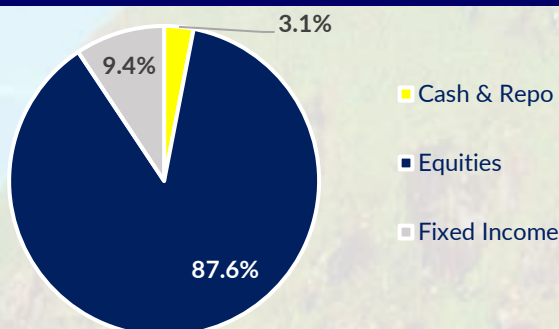
## Fund Manager's View of the Market – December 2023

The Colombo Stock Exchange (CSE) gained in December (+0.6% MoM) as external budget support from the IMF and other multilateral lenders cushioned fiscal coffers whilst the Sri Lankan economy recorded a positive growth in 3Q2023 after six quarters of consecutive YoY contractions. Meanwhile, daily average turnover at CSE picked up marginally in December despite the onset of the holiday season. However, foreign investors turned net sellers in the month after remaining net buyers for the two preceding months.

Your Fund recorded a gain of +0.2% MoM (+29.2% YTD) led by positive contributions from Sampath Bank (SAMP; +0.3%), PGP Glass Ceylon (GLAS; +0.3%), and the fund's G-Sec portfolio which gained on declining G-sec interest rates. In December, the fund broadly maintained its equity exposure at ~88%.

As we head into 2024, we expect market sentiments to remain volatile in the near term due to political uncertainty brought about by the upcoming election cycle and further exacerbated by the recent tightening of fiscal measures. However, continued normalization of market interest rates combined with an improvement in corporate earnings are expected to attract domestic fund flows to equities

## Asset Allocation (as a % of NAV) – 29 Dec 2023



## Fund Details – 29 Dec 2023

Category	Balanced Fund
AUM	328.8mn
NAV per Unit (Rs.)	31.32
3 Year CAGR - CEF	23.6%
3 Year CAGR - ASPI	16.3%
Inception Date	Feb-1992
3M   6M   12M Returns – CEF	-6.6%   14.1%   29.2%
3M   6M   12M Returns – ASPI	-6.0%   12.8%   25.5%

## Sector Exposures (as a % of Equity) – 29 Dec 2023



## Risk and Return Characteristics – 29 Dec 2023

YTD Return - CEF	29.2%
YTD Return - ASPI	25.5%
Over/Under Performance (alpha)	3.7%
Tracking Error (annualized)*	8.1%
Information Ratio (annualized)*	0.40
Beta (daily)	0.62

*\*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- Dec 2023
Sampath Bank	7.4%	Overweight	0.5x	6.5%	+104.9%	+25.9%	+0.3%
John Keells Holdings	6.7%	Overweight	0.8x	0.8%	+40.7%	+27.5%	0.0%
Hayleys Fabric	5.8%	Overweight	1.6x	6.6%	+79.1%	+70.0%	0.0%
Aitken Spence Hotel Holdings	5.5%	Overweight	1.1x	0.0%	+24.8%	+12.5%	-0.1%
People's Leasing & Finance	4.8%	Overweight	0.5x	13.1%	+109.8%	+30.5%	0.0%

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

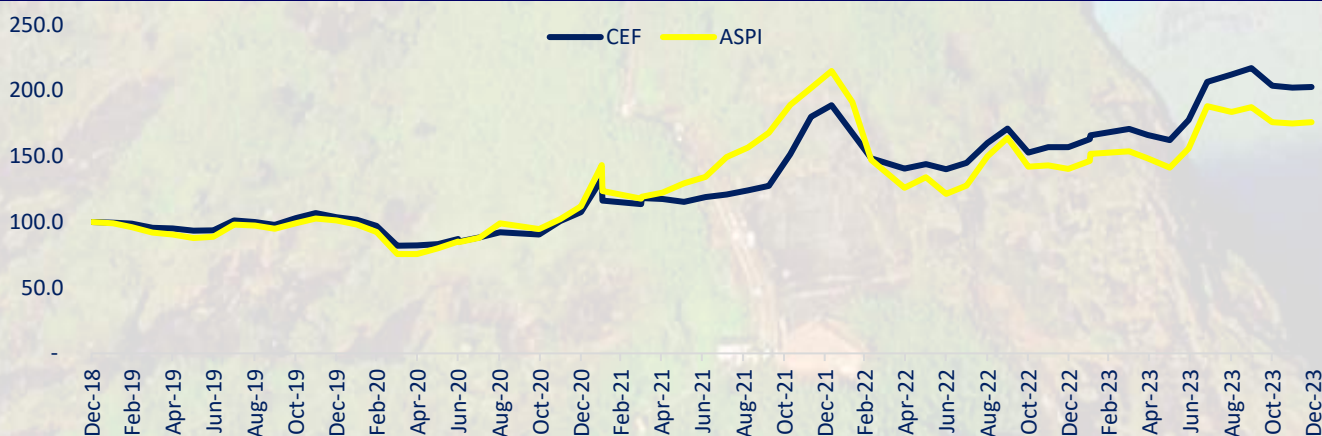
### About CT CLSA Equity Fund

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%	-0.7%	0.2%	29.2%	25.5%

### CT CLSA Equity Fund NAV vs ASPI – Indexed to December 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.