

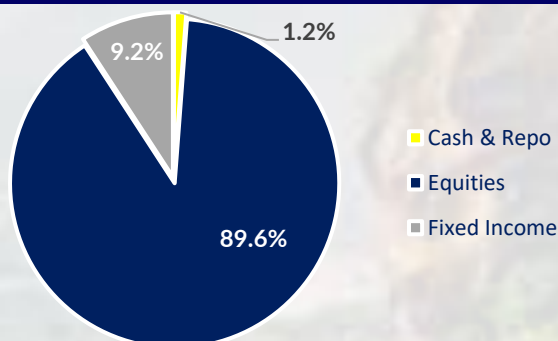
Fund Manager's View of the Market – November 2023

The Colombo Stock Exchange (CSE) remained lacklustre in November (-0.5% MoM) as investors opted to stay on the sidelines amid delays in the receipt of the IMF second tranche and concerns surrounding the strength of the economic recovery. However, the bourse witnessed a pickup in average daily turnover as foreign investors continued to remain net buyers of equities (+Rs.862mn in Nov)

Your Fund marginally underperformed the index in November, -0.7% MoM though up +29.0% YTD, due to negative contributions from Hayleys (HAYL; -0.4%), and Hayleys Fabric (MGT; -0.3%). Meanwhile, the fund's largest positive contribution came from Sampath Bank (SAMP; +0.4% benefiting from strong earnings growth in 3Q2023). In November, the fund broadly maintained its equity exposure.

Moving forward, we believe that continued normalization of market interest rates could drive domestic fund flows to equity, albeit recently proposed tax hikes and higher utility costs may exert pressure on disposable incomes and corporate profitability till 1Q2024E. Meanwhile, reaching an agreement with commercial creditors on the restructure of ISBs and meaningful progress on the divestment of SoEs in 1Q2024E could attract higher foreign investor participation

Asset Allocation (as a % of NAV) – 30 Nov 2023



Fund Details – 30 Nov 2023

Category	Balanced Fund
AUM	328.4mn
NAV per Unit (Rs.)	31.26
3 Year CAGR - CEF	26.2%
3 Year CAGR - ASPI	19.7%
Inception Date	Feb-1992
3M 6M 12M Returns – CEF	-4.7% 24.7% 28.8%
3M 6M 12M Returns – ASPI	-4.7% 23.8% 22.5%

Sector Exposures (as a % of Equity) – 30 Nov 2023



Risk and Return Characteristics – 30 Nov 2023

YTD Return - CEF	29.0%
YTD Return - ASPI	24.8%
Over/Under Performance (alpha)	4.2%
Tracking Error (annualized)*	8.7%
Information Ratio (annualized)*	0.50
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- Nov 2023
Sampath Bank	7.9%	Overweight	0.5x	6.8%	+97.7%	+39.6%	+0.4%
John Keells Holdings	6.7%	Overweight	0.8x	0.8%	+41.6%	+41.4%	0.0%
Aitken Spence Hotel Holdings	5.6%	Overweight	1.2x	0.0%	+25.9%	+13.6%	-0.3%
Hayleys Fabric	5.6%	Overweight	1.6x	5.8%	+80.0%	+79.2%	-0.3%
People's Leasing & Finance	4.9%	Overweight	0.5x	6.6%	+107.8%	+45.2%	+0.2%

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

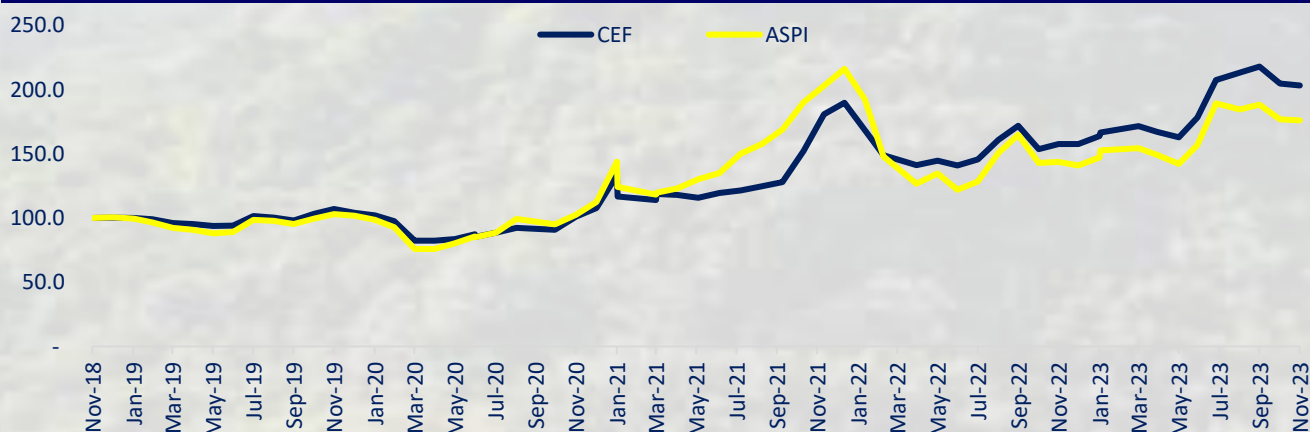
About CT CLSA Equity Fund

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%		29.0%	24.8%

CT CLSA Equity Fund NAV vs ASPI – Indexed to November 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.