



First Capital  
A Janashakthi Group Company

# *EQUITY STRATEGY*

## *“CAUTIOUSLY STEPPING INTO BUYING”*

04<sup>th</sup> APR 2022

FIRST CAPITAL RESEARCH

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# RECAP: MAR 2022

*Accuracy maintained*

Reduce exposure to 10% from 25%; Cash 90%



Source: CSE, First Capital Research

# We **maintain** our ASPI expectations for 2022E at 9,000-10,000 as stated in our Equity Strategy (Dec 2021)



Source: CSE, First Capital Research

# Some positive in the environment...

- Dr. Indrajit Coomaraswamy appointed to the Advisory Committee to assist in the talks with the IMF
- Appointment of a New Governor to Central Bank of Sri Lanka - Dr. Nandalal Weerasinghe

# WAY FORWARD

“Gradually **BUY** into the market, Increase Equity Exposure **upto 25%** from 10%”

# Piece of advice for investors



## *Investors with substantial **CASH** allocation*

The investors who have followed FCR equity recommendations all throughout would currently possess a cash allocation of 90% by now. Therefore, we recommend such investors to start gradually buying into the stocks that we recommend under Top Picks and to increase the equity allocation up to 25%.

## *Investors with substantial **EQUITY** allocation*

The investors who have built up a large equity portfolio with substantial losses are advised to restructure the portfolio via cautiously moving into a diversified equity portfolio comprising with prospective and defensive counters as mentioned in our Top Picks.

Stock	Stock Code	Price as at 04.04.2022
		LKR
 Teejay Lanka	TJL.N0000	38.30
 Hayleys Fabric	MGT.N0000	26.90
 Hayleys	HAYL.N0000	70.30
 Commercial Bank of Ceylon	COMB.N0000	60.00
 Hatton National Bank	HNB.N0000	100.75
 Sampath Bank	SAMP.N0000	39.30
 National Development Bank	NDB.N0000	50.40
 HNB Assurance	HASU.N0000	34.30
 Access Engineering	AEL.N0000	15.40
 Nestle Lanka	NEST.N0000	929.00
 Ceylon Tobacco	CTC.N0000	564.25
 LVL Energy Fund	LVEF.N0000	8.50
 Windforce	WIND.N0000	15.30
 Softlogic Life Insurance	AAIC.N0000	39.80
 Expolanka Holdings	EXPO.N0000	158.25
 Royal Ceramics	RCL.N0000	33.60



# Top Picks 2022

# THANK YOU

“Successful Investment Is About Managing Risk...”

## CONTACT US

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