

## Monthly Report | Oct-2023

Senfin Asset Management (Pvt) Ltd  
 No. 267, Galle Road, Colombo 03,  
 Sri Lanka.

### Fund Manager Comment

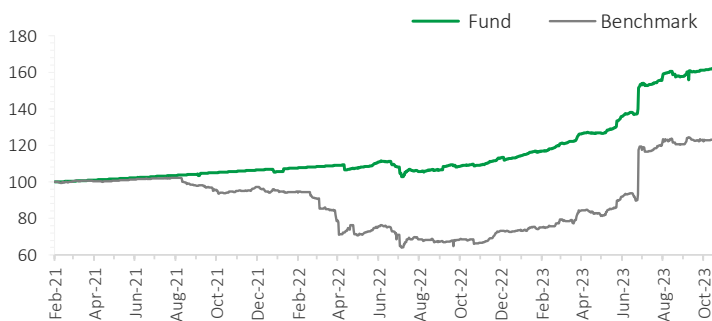
During the month of October, the fund generated a non-annualized return of 1.14% in comparison to the benchmark return of -0.31%. The month saw strong demand for T-bonds as investors remained bullish at the lower end of the yield curve at the secondary market with the anticipation of the bond auctions that were held during the month, resulting with yields of the short to mid-term maturities fluctuating within the course of the month. A continuous decline in T-bill yields was seen during the month of October with demand remaining strong on the 3-month tenor, resulting with higher drops in yields by 132bps month on month (MoM). The T-bills yields for the 3-month, 6-month and 12-month tenors closed in for the month of October 2023 at 16.10%, 14.93% and 13.02% respectively compared to 17.42%, 15.13% and 13.30% respectively as at the end of September 2023. It is expected that T-bill rates would continue their downward trajectory, whilst T-bond rates would remain at the current levels in the upcoming month as all bids were rejected at the last bond auction held on the 30th of October 2023. During the Monetary Policy Review (MPR), the Central Bank of Sri Lanka (CBSL) had cut the Standing Deposit Facility Rate (SDFR) and Standing Lending Facility Rate (SLFR) by 100bps to 10% and 11% respectively and the market is forecasting a further rate cut during the upcoming November MPR.

Source : SFAM and CBSL

### Performance Since Inception

10/02/2021 to 31/10/2023

Growth of LKR 100 invested on 10/02/2021



### Risk - Reward Indicator

< Lower risk

Higher risk >



The risk profile of the Fund can be considered moderate because the Fund invests primarily in Gilt edge and corporate fixed income securities with varying tenors. Market risk, Credit Risk, Liquidity risk, Currency risk and Re-investment risks are normally associated with investing in medium to long term fixed income securities.

### Calendar Year Performance

Year	2021	2022	2023*
Fund	6.9%	5.88%	43.31%
Benchmark	-5.2%	-22.99%	67.49%

Past performance is not a guarantee, nor an indication of current or future performance. Performance data is calculated net of all fees and commissions. This table shows how the Fund has performed in each calendar year and the inception date of the Fund is Feb 10, 2021. Current performance may be lower or higher than that shown.

### Investment Objective

The primary objective of the Fund is to maximize returns through active management of a portfolio of long term and money market fixed income securities. A secondary objective is to provide an annual dividend to unitholders.

### Key Facts

Fund Type	Open-ended Income Fund
NAV per unit (LKR)	16.2220
Fund AuM (LKR Millions)	1,395.96
Inception	10-Feb-21
Fund Domicile	Sri Lanka
Distribution(s)	Fund Manager's discretion
ISIN	LKSDIFU00005
Fund Currency	LKR
Benchmark	NDBIB-CRISIL 5 Year T-Bond Index

### Performance Summary

	Fund	Benchmark
Last Month	1.14%	-0.31%
3 Month	5.15%	3.15%
6 Month	28.09%	47.87%
YTD	43.31%	67.49%
1 Year p.a.	49.17%	84.91%
2 Year p.a.	23.28%	13.67%
3 Year p.a.	N/A	N/A
5 Year p.a.	N/A	N/A
Since Inception p.a.	18.96%	7.67%

Only periods greater than 12 months are annualized.

### Investment Terms

Issue/redemption	Daily
Minimum investment (LKR)	1,000
Management fee p.a.	0.50%
Trustee fee p.a.	0.15%
Exit fee - if units are redeemed within one year	1.00%
Custodian fee p.m.(charged to the Fund)	LKR 20,000
Total Expense Ratio (TER)*	0.74%

\*as of 31 Dec 2022

\*Non annualized YTD Return.

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Maturity Profile	% of AUM
<3M	12.0%
3M-12M	25.3%
1Y -2Y	15.3%
2Y-3Y	6.1%
>3Y	41.3%
	100.0%

### Diversification

Largest exposure to any single institution*	86.0%
No. of institutions invested in	4

\*Govt of SL

Asset Allocation	% of TNA
Treasury Bonds	59.4%
Treasury Bills	22.1%
Trust Certificates	7.4%
Repo on Government Secu	4.6%
Debentures	3.5%
Cash & Other Net Assets	2.9%
	100.0%

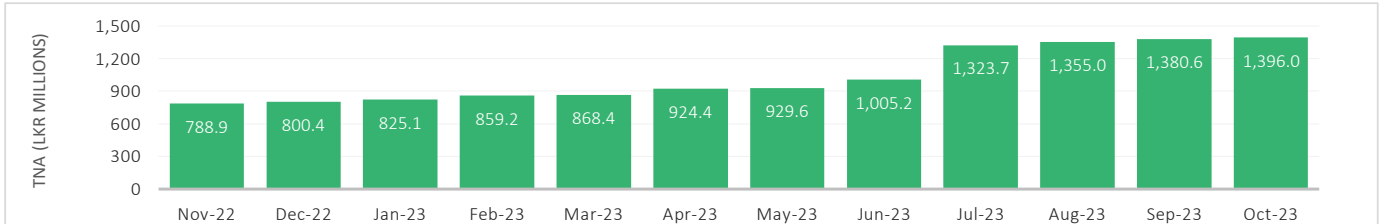
Credit Profile	Fitch	LRA	Total
G. Sec RF*	-	-	86.0%
AAA	-	-	-
AA+	-	-	-
AA	-	-	-
AA-	-	-	-
A+	-	-	-
A	3.0%	7.4%	10.5%
A-	-	-	-
BBB+	-	-	-
BBB	3.5%	-	3.5%
<BBB	-	-	-
*Risk Free	6.5%	7.4%	100.0%

### Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	2.74
Average Effective Maturity (Months)	31.00
Yield to Maturity (YTM)*	24.48%

\*YTM is calculated as at 31.10.2023 and does not take into account market fluctuations and expenses to the portfolio. The YTM is an indication only and is subject to change.

### Historical Total Net Assets (Fund currency in LKR Mn)



### Regulatory Information

Regulated by : Securities & Exchange Commission of Sri Lanka  
 Trustee and Custodian : Hatton National Bank PLC - Head Office Branch  
 Redemption Payment Days : Monday-Friday (Excluding holidays)  
 Cut-off Time & Day : Before 3.00 pm on any working day

### Global Investment Performance Standards (GIPS®) compliance statement

Senfin Asset Management (Pvt) Ltd (SFAM) claims compliance with the Global investment performance standards (GIPS®), and has prepared and presented this report in compliance with the GIPS® Standards. Senfin Asset Management (Pvt) Limited has not been independently verified. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. CFA Institute has not been involved in the preparation or review of this report.



### CFA Asset Manager Code™

Senfin Asset Management (Pvt) Ltd claims compliance with the CFA Institute Asset Manager Code of Professional Conduct. This claim has not been verified by CFA Institute.



### DISCLAIMER

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