

Monthly Report | Jan-2025

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

Fund Manager Comment

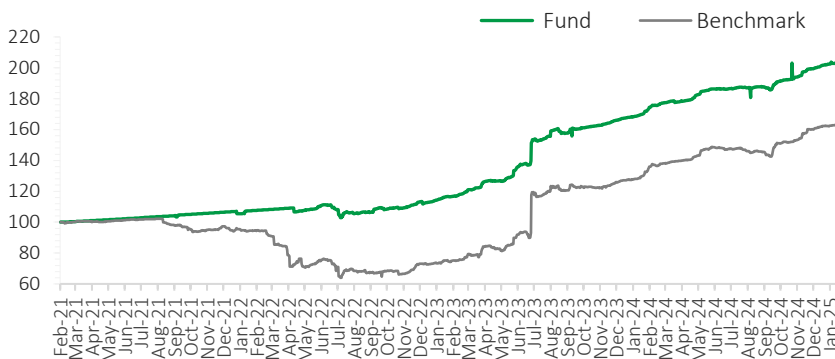
In Jan 2025, the Dynamic Income Fund delivered a 0.62% return vs its benchmark return of 0.70%. The first T-Bond auction of the month raised Rs. 179.25 bn out of the Rs. 190.00 bn offered, with the 15.10.28 maturity (11.00% coupon) seeing strong demand and a weighted average yield of 10.42%. The 15.10.30 maturity (11.00% coupon) was issued at 11.23%, while the 01.11.33 maturity (09.00% coupon) saw a weighted avg yield of 11.47%. The second T-Bond auction of the month successfully raised the full Rs. 40.00 bn, reflecting bullish sentiment in the secondary bond market. The 15.12.29 maturity (11.00% coupon) was issued at 10.73% weighted avg yield, while 01.06.33 maturity (09.00% coupon) was issued at 11.47%. At its first Monetary Policy Announcement for 2025, the CBSL kept policy rates unchanged, maintaining the Overnight Policy Rate (OPR) at 8.00%. T-bills yields continued its decline at the start of the year by 69bps, 68bps and 49bps on a MoM basis for the 3M, 6M and 12M tenors respectively. As a result, T-bill yields for the 3M, 6M and 12M tenors closed in for Jan 2025 at 7.93%, 8.09% and 8.47% vs 8.62%, 8.77% and 8.96% respectively as at the end of Dec 2024. In the secondary market, booking profits was largely witnessed amidst declining rates. Foreign holdings in Rupee bonds saw an outflow of Rs. 2.03 Bn for the week ending 31 Jan 2025, marking the first decline in three weeks.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 31/01/2025

Growth of LKR 100 invested on 10/02/2021



Risk - Reward Indicator



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	2024*
Fund	6.9%	5.88%	48.25%	0.62%
Benchmark	-5.2%	-22.99%	74.66%	0.70%

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.

*Non annualized YTD Return.

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)	20.3174
Fund AuM (LKR Mn)	2,131.79
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	0.62%	0.70%
3 Month	5.42%	7.50%
6 Month	8.54%	11.13%
YTD	0.62%	0.70%
1 Year p.a.	18.63%	24.58%
2 Year p.a.	31.91%	47.92%
3 Year p.a.	23.65%	20.02%
5 Year p.a.	N/A	N/A
Since Inception p.a.	19.52%	13.16%

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)*	0.88%

*as of 31 Dec 2023

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Maturity Profile	% of AUM	Credit Profile	G-Sec	Fitch	LRA	Total
<3M	12.9%	G-Sec RF*	57.9%	-	-	57.9%
3M - 12M	9.9%	AAA	-	-	-	-
1Y -2Y	6.5%	AA+	-	-	-	-
2Y-3Y	19.7%	AA	-	-	-	-
>3Y	51.0%	AA-	-	6.6%	-	6.6%
	100.0%	A+	-	2.4%	-	2.4%
		A	-	9.6%	-	9.6%
		A-	-	2.4%	-	2.4%
		BBB+	-	-	-	-
		BBB	-	12.3%	-	12.3%
		BBB-	-	-	4.2%	4.2%
		Unrated	-	-	-	4.7%
		*Risk Free	57.9%	33.2%	4.2%	100.0%

Diversification

Largest exposure to any single institution*	57.9%
No. of institutions invested in	12

*Govt of SL

Asset Allocation

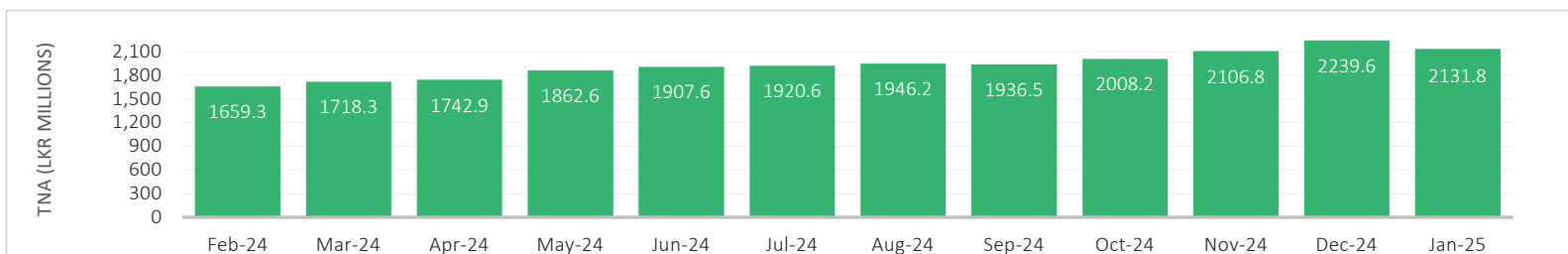
Asset Allocation	% of TNA
Treasury Bonds	54.7%
Trust Certificates with Coupon	12.1%
Un Quoted Debenture	11.5%
Debentures	6.8%
Commercial Papers	4.7%
Fixed Deposits	4.0%
Treasury Bills	3.2%
Unit Trusts	2.8%
Cash & Other Net Assets	0.2%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	3.40
Average Effective Maturity (Months)	35.65
Yield to Maturity (YTM)*	23.29%

*YTM is calculated as at 31.1.2025 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
 and Custodian : Hatton National Bank PLC - Head Office Branch Redemption
 Payment Days : Monday-Friday (Excluding holidays)

Trustee
 Cut-

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.



ASSET MANAGER CODE

DISCLAIMER

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