



Senfin

Senfin Asset Management (Pvt) Ltd
A SUBSIDIARY OF SENKADAGALA FINANCE PLC

Senfin Dynamic Income Fund (LKR)

An ICRA [SL]A mfs Rated Fund

Monthly Report | Jul-2022

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

Fund Manager Comment

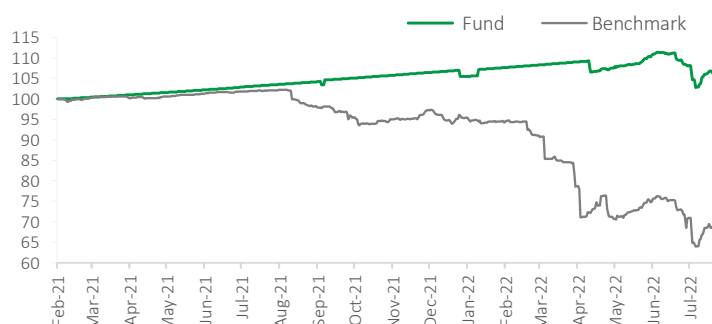
On a Year-to-Date basis, the Fund generated an annualized returned of -1.17% as of 31st July, compared to a benchmark annualized return of -47.46%. The volatile political environment in the country caused interest rates on government securities to edge higher. The Monetary Board of the CBSL increased policy rates further by 100 basis points in a bid to curtail spiking inflation with the Standing Deposit Facility Rate climbing to 14.50% while the Standing Lending Facility Rate increasing to 15.50%. Despite changes in the heads of state and on-going discussions with the IMF, market participants remained sceptic as the country continued to face severe economic pressures due to lack of dollar liquidity, mounting inflation exceeding 60%, fuel and gas shortages and lack of foreign funding. Consequently, yields on government securities saw a sharp increase during July with Treasury Bill and Treasury Bond yields moving up by an average of 760 basis points and 350 basis points respectively. Foreign holdings in government securities had increased to Rs. 4.1 Bn compared to 3.6 Bn in June.

Source: SENFIN & CBSL website

Performance

10/02/2021 to 31/07/2022

Growth of LKR 100 invested on 10/02/2021



Risk - Reward Indicator

< Lower risk

Higher risk >

3

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	YTD*
Fund	6.91%	-0.68%
Benchmark	-5.21%	-27.56%

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.

¹ Fund Rating

ICRA Lanka Limited has assigned a long term credit risk rating of [SL]A mfs to the Senfin Dynamic Income Fund. The rating indicates ICRA Lanka's opinion on the credit quality of the portfolio held by the fund. In the event that the rating is changed by ICRA, the Fund Manager will amend the rating accordingly.

Key Facts

Fund Type	Open-ended Income Fund
NAV per unit (LKR)	10.6184
Fund AuM (LKR Millions)	750.86
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
Fund Rating ¹	ICRA [SL] A mfs

Performance Summary

	Fund	Benchmark
YTD p.a.	-1.17%	-47.46%
1 Year p.a.	2.76%	-32.70%
2 Year p.a. (CAGR)	N/A	N/A
3 Year p.a. (CAGR)	N/A	N/A
5 Year p.a. (CAGR)	N/A	N/A
Since Inception p.a.	6.59%	-18.85%

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)*	0.77%

*as of 31 Dec 2021

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Maturity Profile	% of AUM	Credit Profile	Fitch	ICRA	Total
<3M	15.3%	G. Sec RF*	-	-	79.7%
3M-12M	36.3%	AAA	0.0%	0.0%	0.0%
1Y -2Y	0.0%	AA+	0.0%	0.0%	0.0%
2Y-3Y	21.6%	AA	0.0%	0.0%	0.0%
>3Y	26.9%	AA-	10.4%	0.0%	10.4%
	100.0%	A+	0.0%	0.0%	0.0%
		A	0.0%	4.5%	4.5%
		A-	0.0%	0.0%	0.0%
		BBB+	5.5%	0.0%	5.5%
		BBB	0.0%	0.0%	0.0%
		<BBB	0.0%	0.0%	0.0%
		*Risk Free	15.8%	4.5%	100.0%

Diversification

Largest exposure to any single institution*	75.1%
No. of institutions invested in	6
*Govt of SL	

Asset Allocation

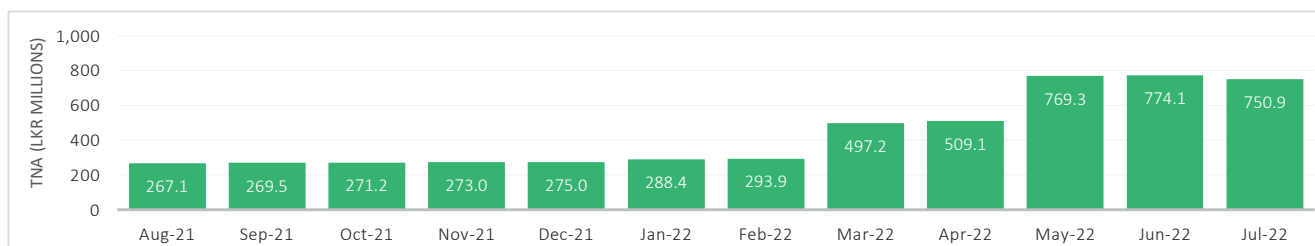
	% of TNA
Treasury Bonds	43.0%
Treasury Bills	32.1%
Fixed Deposits	7.0%
Debentures	5.5%
Repo on Government Securities	4.7%
Cash & Other Net Assets	3.3%
Trust Certificates	2.2%
Commercial Papers	2.2%
	100.0%

Fund Indicators

	Fund
Duration (Yrs)	1.69
Average Effective Maturity (Months)	28.65
Yield to Maturity (YTM)*	18.76%

*YTM is calculated as at 31.07.2022 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

"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

Unit Trust investments are subject to market risks and there is no assurance or guarantee that the objectives of the Fund will be achieved. As with any investment in securities, the value of units and income from them can go up or down. The contents herein should not be construed as investment, legal or tax advice. Investors should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which may be encountered under the laws of the countries of citizenship, residence or domicile, and which may be relevant to the subscription for and redemption of units in the Fund. This document is prepared on the basis of publicly available information, internally developed data and other sources, believed to be reliable. Detailed information provided in the Explanatory Memorandum of the Fund should be read and understood prior to investing.