

Monthly Report | Mar-2023

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

Fund Manager Comment

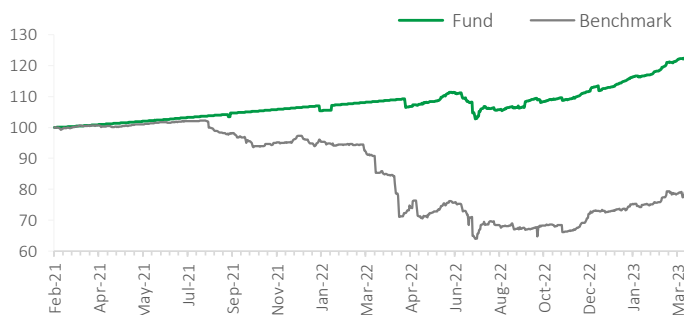
For the month of March, the fund generated a return of 3.30% compared to a benchmark return of 4.21%. The Central Bank increased policy rates by 1.00% as a means of fulfilling all "prior-actions" in order to move forward with the IMF's Extended Fund Facility arrangement. However, market interest rates fell further on positive investor sentiments as the IMF granted its Board Level approval for the Extended Fund Facility to Sri Lanka. Inflation (CCPI) dropped marginally to 50.3% as at March 2023 as the decline in food inflation was off-set against the rise in non-food inflation. Treasury bill yields saw a significant drop during the month as the 3,6 and 12 month bills ended at 25.99%, 25.79% and 24.31% respectively at the last auction for the month. This was mainly attributed to the Governor's indication on only the Central Bank's holding on Treasury Bills being subject to a debt restructure and excluding other T-Bill holders. However, yields on long-term treasury bonds continued to remain volatile as investors remained cautious over the Governor's comments of a voluntary optimization for T-Bond holdings. Yield in the secondary markets further edged higher due to selling pressures seen on selected maturities. Foreign investors continued to be bullish on local government securities as the foreign holdings on domestic government securities surged from Rs.32.4 Bn to Rs.71.5Bn with a majority of the inflows being directed to Treasury Bills.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 31/03/2023

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	YTD*
Fund	6.9%	5.88%	8.20%
Benchmark	-5.2%	-22.99%	8.26%

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)	12.2476
Fund AuM (LKR Millions)	868.35
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*	3.30%	4.21%
3 Month*	8.20%	8.26%
6 Month*	12.50%	22.06%
Year to date*	8.20%	8.26%
1 Year p.a.	12.58%	-6.60%
2 Year p.a.	10.22%	-11.35%
3 Year p.a.	N/A	N/A
5 Year p.a.	N/A	N/A
Since Inception p.a.	9.97%	-10.44%

* Non-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

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Maturity Profile	% of AUM	Credit Profile	Fitch	LRA	Total
<3M	26.7%	G. Sec RF*	-	-	82.3%
3M-12M	13.0%	AAA	-	-	-
1Y -2Y	4.6%	AA+	-	-	-
2Y-3Y	14.9%	AA	-	-	-
>3Y	40.9%	AA-	-	-	0.0%
	100.0%	A+	-	-	-
		A	13.1%	-	13.1%
		A-	-	-	-
		BBB+	4.6%	-	4.6%
		BBB	-	-	-
		<BBB	-	-	-
		*Risk Free	17.7%	0.0%	100.0%

Diversification

Largest exposure to any single institution*	82.3%
No. of institutions invested in	5

*Govt of SL

Asset Allocation

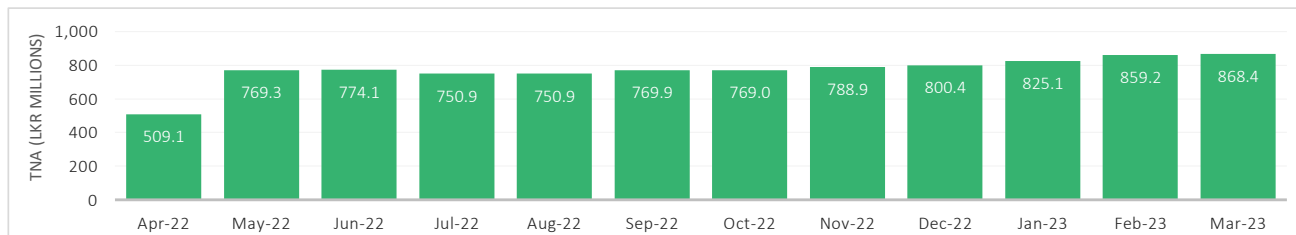
Asset Allocation	% of TNA
Treasury Bonds	55.8%
Treasury Bills	21.9%
Fixed Deposits	6.9%
Cash & Other Net Assets	6.1%
Repo on Government Securities	4.6%
Debentures	4.6%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	2.47
Average Effective Maturity (Months)	30.91
Yield to Maturity (YTM)*	24.90%

*YTM is calculated as at 31.03.2023 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

"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.