

## Monthly Report | May-2023

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

### Fund Manager Comment

For the month of May, the fund generated a return of 2.41% compared to a benchmark return of 3.53%. Market interest rates witnessed higher volatility for the majority of the month due to the uncertainty over a possible domestic debt restructure and speculation over the monetary policy announcement in June. Inflation (Rebased CCPI index) fell further to 25.2% as at May 2023 mainly owing to the steep reduction in food inflation. With no bond auctions being announced for the month, treasury bill rates remained at relatively elevated levels as the 3,6 and 12 month bills ended at 25.65%, 25.29% and 22.91% respectively at the last auction for the month. Yields on long-term treasury bonds in the secondary market continued to edge higher, as investor uncertainty and skepticism drove yields to remain volatile ahead of the government's announcement on the debt restructure program. Foreign investors however continued to be bullish on local government securities as the foreign holdings on domestic government securities surged from Rs. 125.1 Bn to Rs. 167.3Bn.

Source : SFAM and CBSL

### 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.

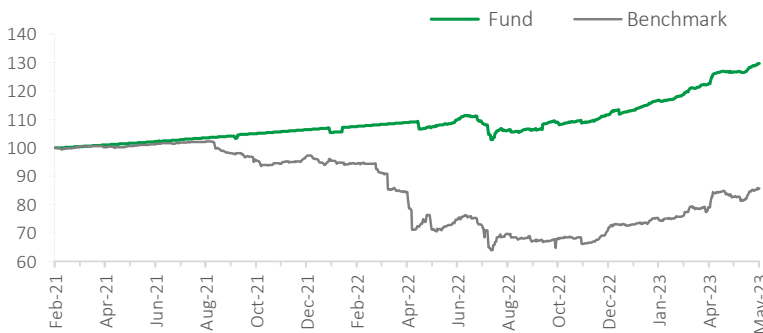
### Key Facts

Fund Type	Open-ended Income Fund
NAV per unit (LKR)	12.9705
Fund AuM (LKR Millions)	929.63
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 Since Inception

10/02/2021 to 31/05/2023

Growth of LKR 100 invested on 10/02/2021



### Performance Summary

	Fund	Benchmark
Last Month	2.41%	3.53%
3 Month	9.40%	12.89%
6 Month	16.26%	21.42%
YTD	14.58%	17.27%
1 Year p.a.	19.22%	16.34%
2 Year p.a.	12.77%	-7.96%
3 Year p.a.	N/A	N/A
5 Year p.a.	N/A	N/A
Since Inception p.a.	11.97%	-6.53%

Only periods greater than 12 months are annualized.

### 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.

### 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

### Calendar Year Performance

Year	2021	2022	YTD*
Fund	6.9%	5.88%	14.58%
Benchmark	-5.2%	-22.99%	17.27%

Past performance is not a guarantee, nor an indication of current or future performance. Current performance may be lower or higher than that shown. 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.

\*Non annualized YTD Return.

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Maturity Profile	% of AUM	Credit Profile	Fitch	LRA	Total
<3M	18.0%	G. Sec RF*	-	-	91.2%
3M-12M	23.7%	AAA	-	-	-
1Y -2Y	4.6%	AA+	-	-	-
2Y-3Y	21.3%	AA	-	-	-
>3Y	32.4%	AA-	-	-	0.0%
	100.0%	A+	-	-	-
		A	4.3%	-	4.3%
		A-	-	-	-
		BBB+	4.6%	-	4.6%
		BBB	-	-	-
		<BBB	-	-	-
		*Risk Free	8.8%	0.0%	100.0%

### Diversification

Largest exposure to any single institution*	91.2%
No. of institutions invested in	4

\*Govt of SL

### Asset Allocation

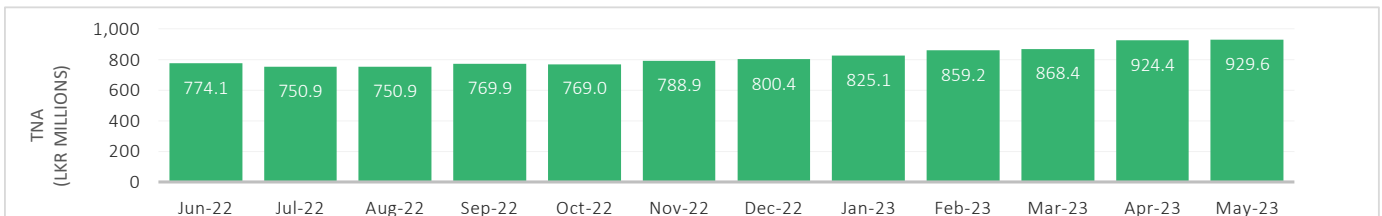
Asset Allocation	% of TNA
Treasury Bonds	53.8%
Treasury Bills	25.1%
Repo on Government Securities	12.4%
Debentures	4.6%
Cash & Other Net Assets	4.2%
Fixed Deposits	0.0%
	100.0%

### Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	2.51
Average Effective Maturity (Months)	29.65
Yield to Maturity (YTM)*	24.46%

\*YTM is calculated as at 31.05.2023 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.



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