

Monthly Report | May-2024

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

Fund Manager Comment

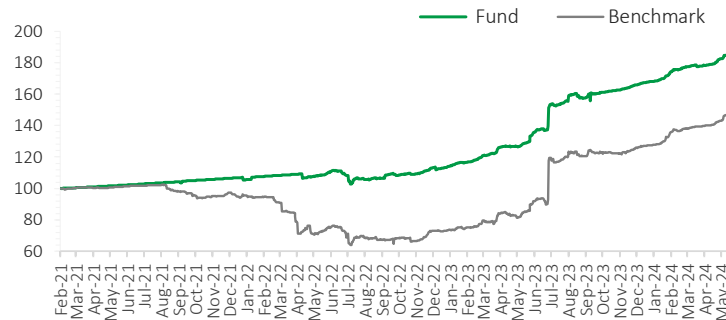
During the month of May 2024, the Dynamic Income Fund generated a non-annualized return of 3.12% vs benchmark return of 4.06%. The only T-bond auction for the month recorded a bullish outcome with yields declining sharply and the entire offered amount of Rs. 70 Bn being snapped up during the 1st phase. As such the 01.05.2028, 15.10.2030 and 01.10.2032 recorded weighted average yields of 11.01%, 11.85% and 12.17 respectively. T-bill yields witnessed a downward momentum during May 2024 over the all four auctions held. During the final T-bill auction conducted in May 2024, the weighted average yields declined across all three maturities for an eighth consecutive week, reaching the lowest levels since 2nd March 2022. T-bill yields for the 3M, 6M and 12M tenures closed in for May 2024 at 8.62%, 9.04% and 9.18% compared to 9.61%, 9.89% and 9.99% respectively as at the end of Apr 2024, witnessing decreases of 99bps, 85bps and 81bps respectively during the month. CCPI based inflation for May 2024 was recorded at 0.9% on a year-on-year basis vs 1.5% recorded in April 2024. The Monetary Board of CBSL, at its meeting held on 27 May 2024, decided to maintain the Standing Deposit Facility Rate (SDFR) and the Standing Lending Facility Rate (SLFR) at their current levels of 8.50% and 9.50% respectively.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 31/05/2024

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	2024*
Fund	6.9%	5.88%	48.25%	10.83%
Benchmark	-5.2%	-22.99%	74.66%	15.96%

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)	18.5986
Fund AuM (LKR Mns)	1,862.63
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 Summary

	Fund	Benchmark
Last Month	3.12%	4.06%
3 Month	5.19%	7.32%
6 Month	12.77%	18.88%
YTD	10.83%	15.96%
1 Year p.a.	43.39%	72.72%
2 Year p.a.	30.70%	41.68%
3 Year p.a.	22.15%	13.51%
5 Year p.a.	N/A	N/A
Since Inception p.a.	20.66%	12.56%

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

*Non annualized YTD Return.

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Maturity Profile	% of AUM	Credit Profile	G-Sec	Fitch	Total
<3M	20.0%	G. Sec RF*	55.7%	-	55.7%
3M - 12M	10.9%	AAA	-	-	-
1Y -2Y	14.1%	AA+	-	-	-
2Y-3Y	10.0%	AA	-	-	-
>3Y	45.1%	AA-	-	-	-
	100.0%	A+	-	6.0%	6.0%
		A	-	13.1%	13.1%
		A-	-	8.5%	8.5%
		BBB+	-	-	-
		BBB	-	16.6%	16.6%
		<BBB	-	-	-
		*Risk Free	55.7%	44.3%	100.0%

Diversification

Largest exposure to any single institution*	55.7%
No. of institutions invested in	10

*Govt of SL

Asset Allocation

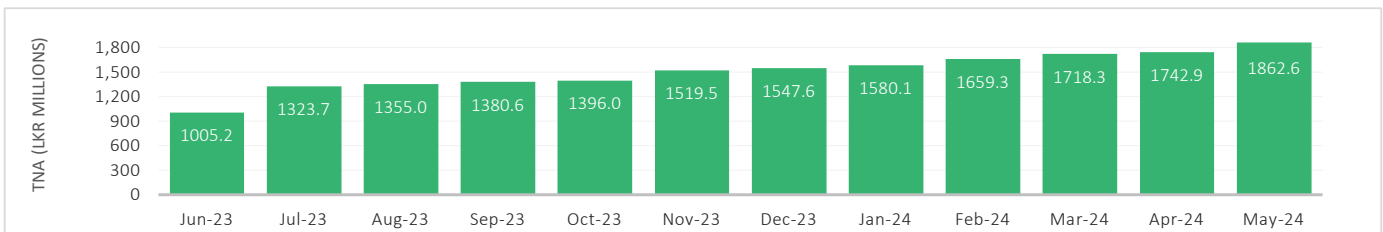
Asset Allocation	% of TNA
Treasury Bonds	53.2%
Un Quoted Debenture	14.0%
Unit Trusts	9.4%
Debentures	9.2%
Trust Certificates	6.0%
Cash & Other Net Assets	5.5%
REPO	1.6%
Treasury Bills	1.0%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	3.58
Average Effective Maturity (Months)	31.87
Yield to Maturity (YTM)*	22.09%

*YTM is calculated as at 31.05.2024 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.



ASSET MANAGER CODE

DISCLAIMER

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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 Key Investor Information Document of the Fund should be read and understood prior to investing.