

Monthly Report | Nov-2023

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

Fund Manager Comment

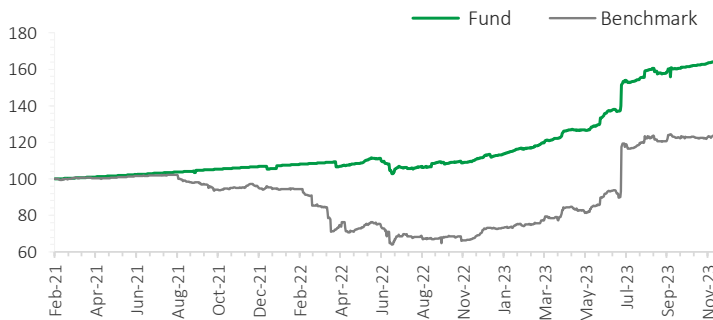
During the month of November, the Dynamic Income fund has generated a non-annualized return of 1.67% in comparison to the benchmark return of 1.73%. The first bond auction for the month was conducted raising LKR 250.0Bn and was undersubscribed with only LKR 73.3Bn of the total offered being accepted and as such the 15.01.2027, 15.03.2028 & 15.03.2031 recorded weighted average yields of 15.22%, 14.52% & 13.56% respectively. The second bond auction held this month demonstrated a strong performance, being fully subscribed during both the first and second phases and as such the 15.01.2027 & 01.09.2028 recorded weighted average yields of 14.48% and 14.52% respectively. By the end of the month the secondary bond market saw activity moderating with yields stabilizing and holding broadly steady. However, T-bill yields experienced a gradual decline with the 3-month, 6-month, and 12-month Bills closing at 14.86%, 14.52% and 12.89% respectively as at end of November 2023, compared to 16.10%, 14.93% and 13.02% as at end of October 2023. Meanwhile, in secondary market bills, May 2024 maturities were seen trading at 14.45%. During the 8th Monetary Policy Review, the CBSL reduced the SDFR and SLFR by 100 bps, bringing them down to 9% and 10% respectively, while the SRR remained unchanged. The 100 bps reduction in policy interest rates is anticipated to provide additional room for market interest rates to decrease and normalize in the coming period.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 30/11/2023

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	2023*
Fund	6.9%	5.88%	45.70%
Benchmark	-5.2%	-22.99%	70.38%

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)	16.4927
Fund AuM (LKR Millions)	1,519.46
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	1.67%	1.73%
3 Month	4.68%	3.24%
6 Month	27.16%	45.29%
YTD	45.70%	70.38%
1 Year p.a.	47.83%	76.41%
2 Year p.a.	24.61%	14.38%
3 Year p.a.	N/A	N/A
5 Year p.a.	N/A	N/A
Since Inception p.a.	19.54%	8.09%

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)*	0.74%

*as of 31 Dec 2022

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Maturity Profile	% of AUM	Credit Profile	Fitch	LRA	Total
<3M	18.0%	G. Sec RF*	-	-	78.9%
3M-12M	18.2%	AAA	-	-	-
1Y -2Y	14.4%	AA+	-	-	-
2Y-3Y	5.3%	AA	-	-	-
>3Y	44.1%	AA-	-	-	-
	100.0%	A+	-	-	-
		A	7.0%	6.9%	13.9%
		A-	-	-	-
		BBB+	-	-	-
		BBB	3.3%	-	3.3%
		<BBB	-	-	-
		Unrated	-	-	4.0%
		*Risk Free	10.2%	6.9%	100.0%

Diversification

Largest exposure to any single institution*	78.9%
No. of institutions invested in	6

*Govt of SL

Asset Allocation

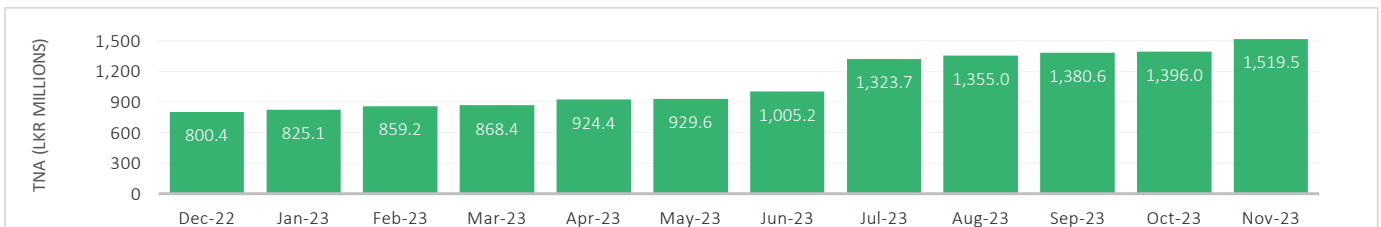
Asset Allocation	% of TNA
Treasury Bonds	54.1%
Treasury Bills	20.6%
Debentures	9.9%
Trust Certificates	6.9%
Repo on Government Securities	4.3%
Unit Trusts	4.0%
Cash & Other Net Assets	0.3%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	2.81
Average Effective Maturity (Months)	31.32
Yield to Maturity (YTM)*	23.02%

*YTM is calculated as at 30.11.2023 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)

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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