

Monthly Report | Oct-2024

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

Fund Manager Comment

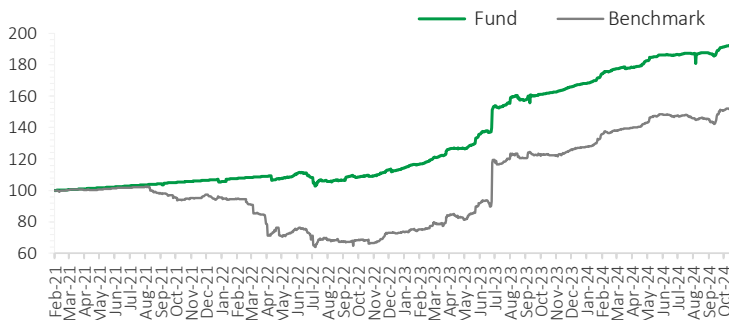
In Oct 2024, the Dynamic Income Fund posted a return of 1.46%, surpassing its benchmark of 1.27%. The first Treasury bond auction of the month showed strong demand, with a 15.03.28 bond (10.75% coupon) issued at an 11.79% yield, raising the full Rs 70 Bn offered. Additionally, 01.10.32 bond (9.00% coupon) was issued at 12.36%, lower than market expectations, and raised the entire Rs 25 Bn offered. This optimism followed positive economic news, including the World Bank's forecast that Sri Lanka's economy would grow by 4.4% in Year 2024. The second T bond auction of the month also saw high demand with 15.10.28 bond (11.00% coupon) was issued at 11.84%, raising Rs 20 Bn in the first phase while 01.06.33 bond (9.00% coupon) was issued at 12.36%, raising Rs. 12.5 Bn. Treasury bill yields generally declined in the first three auctions, falling by 1.17%, 1.07%, and 0.10% for 3-month, 6-month, and 12-month tenors. During the 4th auction, rates remained steady and during the last auction of Oct 2024, short-term yields increased slightly, with the 91-day and 182-day tenors rising by 3 basis points each, while the 364-day rate held steady at 9.95%. In the secondary market, market participants booked profits during the month. Buying interest remained sporadic, which were subsequently met with selling pressure to make profits. There was no Monetary Policy Review in Oct 2024 and the CBSL is to carry out its next Monetary Policy Review on 27 Nov 2024.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 31/10/2024

Growth of LKR 100 invested on 10/02/2021



Risk - Reward Indicator



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%	14.84%
Benchmark	-5.2%	-22.99%	74.66%	19.29%

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)	19.2721
Fund AuM (LKR Mn)	2,008.25
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	1.46%	1.27%
3 Month	2.96%	3.37%
6 Month	6.86%	7.05%
YTD	14.84%	19.29%
1 Year p.a.	18.80%	24.39%
2 Year p.a.	33.07%	51.58%
3 Year p.a.	22.21%	17.12%
5 Year p.a.	N/A	N/A
Since Inception p.a.	19.27%	11.92%

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

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Maturity Profile	% of AUM	Credit Profile	G-Sec	Fitch	LRA	Total
<3M	5.4%	G. Sec RF*	69.5%	-	-	69.5%
3M - 12M	23.2%	AAA	-	-	-	-
1Y -2Y	4.4%	AA+	-	-	-	-
2Y-3Y	10.0%	AA	-	-	-	-
>3Y	56.9%	AA-	-	-	-	-
	100.0%	A+	-	2.7%	-	2.7%
		A	-	9.2%	-	9.2%
		A-	-	9.2%	-	9.2%
		BBB+	-	3.7%	-	3.7%
		BBB	-	3.2%	-	3.2%
		BBB-	-	-	2.5%	2.5%

Diversification

Largest exposure to any single institution*	69.5%
No. of institutions invested in	11

*Govt of SL

*Risk Free 69.5% 28.0% 2.5% 100.0%

Asset Allocation

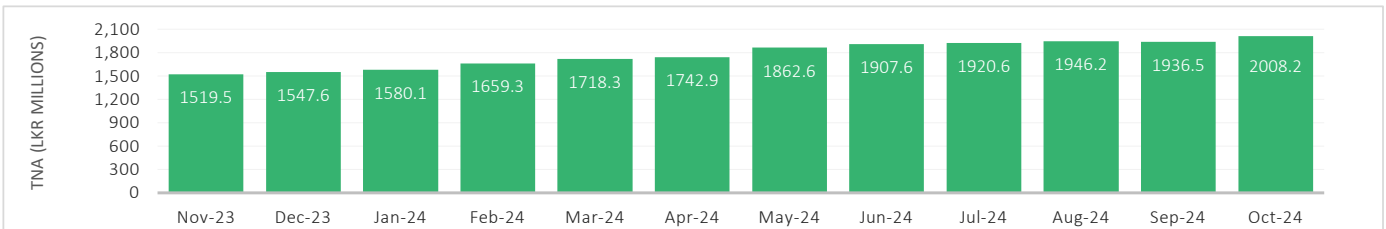
Asset Allocation	% of TNA
Treasury Bonds	57.6%
Un Quoted Debenture	13.2%
Treasury Bills	12.0%
Debentures	6.7%
Unit Trusts	3.2%
Trust Certificates without Coupon	2.7%
Trust Certificates with Coupon	2.5%
Cash & Other Net Assets	2.1%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	3.50
Average Effective Maturity (Months)	34.13
Yield to Maturity (YTM)*	23.83%

*YTM is calculated as at 31.10.2024 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)

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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