

Monthly Report | Oct-2022

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

Fund Manager Comment

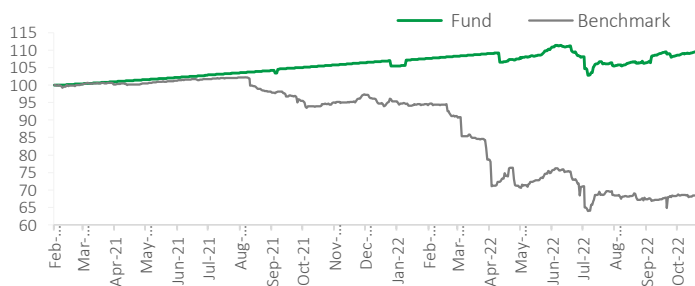
On a Year-to-Date basis, the Fund generated a returned of 1.72% as of 31st October, compared to a benchmark return of -30.24%. Market interest rates continued to remain at it's elevated levels as investors remained sceptic over a possible domestic debt restructure as the government pushed towards securing an extended fund facility with the IMF. Inflation (CCPI) however declined for the first time in a year but continued to remain high at 66.0% as at October 2022 mainly driven by the easing of food inflation during the month. Investors continued to pile their funds on shorter term instruments as the weekly T-bill auctions saw demand being concentrated mainly on the 3 month T-bill. Treasury bills yielded 33.05%, 32.53% and 29.60% on the 3 month, 6 month & 12 month bills respectively at the last auction of the month. Longer tenured Treasury bonds edged up owing to economic uncertainty. Notably rates of the 01/07/2025 and 15/01/2028 bonds, which were auctioned during the last week of October, yielded 32.63% & 31.78% respectively while all other long-tenured treasury instruments yielded rates above 30.00% Foreign Holdings on government securities increased yet another month from Rs.22.1 Bn to Rs.22.48Bn

Source: SENFIN & CBSL website

Performance

10/02/2021 to 31/10/2022

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	YTD*
Fund	6.91%	1.72%
Benchmark	-5.21%	-30.24%

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.

Special Notice

Fund Rating has been taken off due to the cessation of business operations of the ICRA Lanka rating agency

Key Facts

Fund Type	Open-ended Income Fund
NAV per unit (LKR)	10.8747
Fund AuM (LKR Millions)	768.99
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
YTD p.a.	1.72%	-30.24%
1 Year p.a.	3.04%	-30.13%
2 Year p.a. (CAGR)	N/A	N/A
3 Year p.a. (CAGR)	N/A	N/A
5 Year p.a. (CAGR)	N/A	N/A
Since Inception p.a.	4.99%	-21.37%

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)*	0.77%

*as of 31 Dec 2021

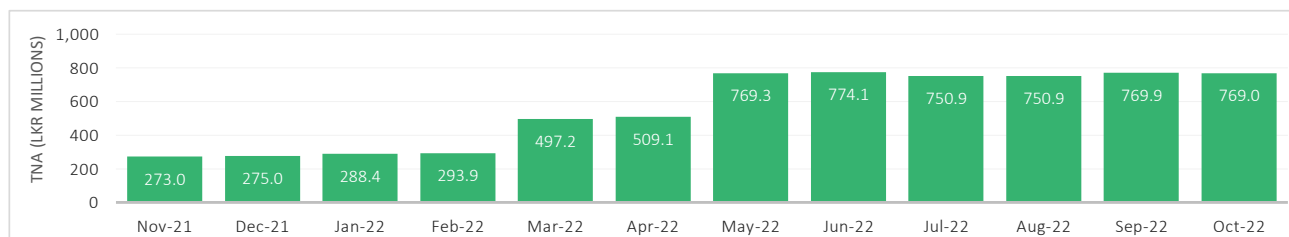
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Maturity Profile	% of AUM	Credit Profile	Fitch	ICRA	Total
<3M	7.7%	G. Sec RF*	-	-	80.1%
3M-12M	39.8%	AAA	0.0%	0.0%	0.0%
1Y -2Y	6.7%	AA+	0.0%	0.0%	0.0%
2Y-3Y	16.5%	AA	0.0%	0.0%	0.0%
>3Y	29.4%	AA-	11.0%	0.0%	11.0%
	100.0%	A+	0.0%	0.0%	0.0%
		A	0.0%	2.2%	2.2%
		A-	0.0%	0.0%	0.0%
		BBB+	6.7%	0.0%	6.7%
		BBB	0.0%	0.0%	0.0%
		<BBB	0.0%	0.0%	0.0%
		*Risk Free	17.7%	2.2%	100.0%

Diversification	% of TNA	Fund Indicators	Fund
Largest exposure to any single institution*	80.4%	Duration (Yrs)	1.64
No. of institutions invested in	6	Average Effective Maturity (Months)	30.32
Govt of SL		Yield to Maturity (YTM)	23.72%
		*YTM is calculated as at 31.10.2022 and does not take into account market fluctuations and expenses to the portfolio. The YTM is an indication only and is subject to change.	

Asset Allocation	% of TNA
Treasury Bonds	45.9%
Treasury Bills	31.7%
Fixed Deposits	7.2%
Debentures	6.7%
Cash & Other Net Assets	3.7%
Repo on Government Securities	2.6%
Trust Certificates	2.2%
	100.0%

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.