

Monthly Report | Jan-2024

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

Fund Manager Comment

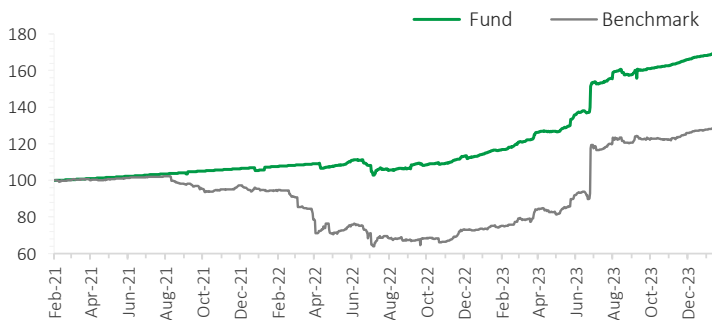
During the month of January, the Dynamic Income fund has generated a non-annualized return of 2.06% in comparison to the benchmark return of 2.93%. The first bond auction for the month was conducted raising LKR 120 Bn and was undersubscribed with LKR 116 Bn being accepted and as such the 01.02.2026, 15.03.2028 & 15.05.2030 recorded weighted average yields of 13.83%, 14.21% & 14.22% respectively. The second bond auction demonstrated a strong performance, accepting the total amount offered of LKR 40.0Bn and as such the 15.12.2026 & 15.12.2028 recorded weighted average yields of 13.08% and 13.65% respectively. By the end of the month the secondary bond market continued its bull run as robust buying interest pushed yields down further while sizeable volumes were transacted. Yields were seen declining throughout the last day of the month, with a surge in activity spurred by the impressive T-Bill auction results where the 3M, 6M and 12M Bills closed at 11.97%, 12.20% and 12.00% respectively, being the lowest levels recorded since March 2022. Moreover, in the 1st Monetary Policy Review for 2024, the CBSL decided to maintain the SDFR and the SLFR at their current levels of 9% and 10% respectively.

Source : SFAM and CBSL

Performance Since Inception

10/02/2021 to 31/1/2024

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%	2.06%
Benchmark	-5.2%	-22.99%	74.66%	2.93%

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)	17.1265
Fund AuM (LKR Mns)	1,580.13
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	2.06%	2.93%
3 Month	5.58%	7.34%
6 Month	11.02%	10.72%
YTD	2.06%	2.93%
1 Year p.a.	46.78%	75.81%
2 Year p.a.	24.99%	17.83%
3 Year p.a.	N/A	N/A
5 Year p.a.	N/A	N/A
Since Inception p.a.	19.84%	9.58%

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 2022

*Non annualized YTD Return.

Monthly Report | Jan-2024

Maturity Profile	% of AUM	Credit Profile	Fitch	LRA	Total
<3M	16.3%	G. Sec RF*	-	-	68.6%
3M-12M	16.6%	AAA	-	-	-
1Y -2Y	10.3%	AA+	-	-	-
2Y-3Y	5.2%	AA	-	-	-
>3Y	51.6%	AA-	-	-	-
	100.0%	A+	-	-	-
		A	8.1%	6.8%	15.0%
		A-	6.8%	-	6.8%
		BBB+	-	-	-
		BBB	3.2%	-	3.2%
		<BBB	-	-	-
		Unrated	-	-	6.4%
		*Risk Free	18.2%	6.8%	100.0%

Diversification

Largest exposure to any single institution*	68.6%
No. of institutions invested in	9

*Govt of SL

Asset Allocation

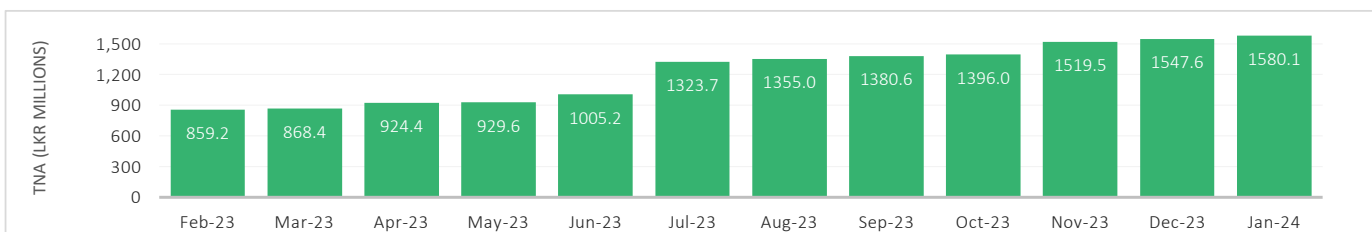
Asset Allocation	% of TNA
Treasury Bonds	53.9%
Debentures	17.9%
Treasury Bills	14.7%
Trust Certificates	6.8%
Unit Trusts	6.4%
Cash & Other Net Assets	0.3%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	2.75
Average Effective Maturity (Months)	33.14
Yield to Maturity (YTM)*	25.43%

*YTM is calculated as at 31.1.2024 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.



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