

Monthly Report | Aug-2023

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

Fund Manager Comment

For the month of August, the fund generated an annualized returned of 20.70% compared to the benchmark return of 20.50%. To inject liquidity into the banking system and address the market liquidity deficit, the Central Bank of Sri Lanka (CBSL) decided to reduce the Statutory Reserve Ratio (SRR) for commercial banks from 4.00% to 2.00%, effective as of August 16, 2023. However, at the meeting held on 23 August 2023, decided to maintain key policy interest rates unchanged as it has already eased its monetary policy stance considerably since early June 2023 by reducing policy interest rates by 450 basis points. Furthermore, due to the insufficient downward adjustment in market lending interest rates compared to deposit rates, the CBSL imposed interest rate caps on pawning facilities, temporary overdrafts, and credit cards for all licensed banks. Treasury bill yields experienced a significant decrease this month compared to last month, with the 3-month, 6-month, and 12-month bills ending at 18.48%, 15.36%, and 13.58% respectively, in the last auction of the month. Meanwhile, yields on long-term treasury bonds continued to remain volatile due to the pressure on the restructuring of the country's largest social security fund and legislative barriers. As a result, the full implementation of the DDR has been delayed. The largest T-bond auction in the country was held on August 28, 2023, with an offered amount of LKR 200 billion, and the yields in the secondary market increased following the bond auction.

Source : SFAM and CBSL

Investment Objective

The objectives of the Fund are to provide investors with short term returns as well as liquidity by investing in a portfolio of diversified fixed income securities with a maturity of less than 397 days.

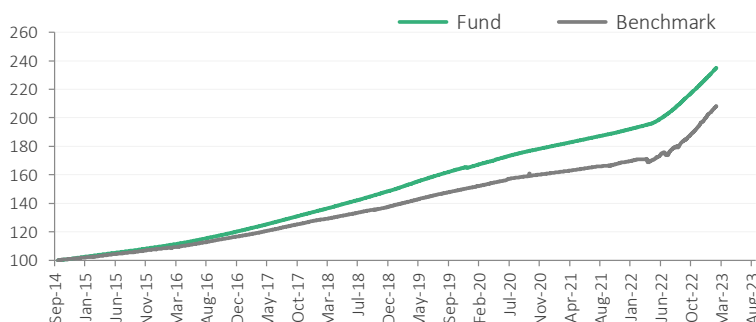
Key Facts

Fund Type	Open-ended Money Market Fund
NAV per unit (LKR)	21.9746
Fund AuM (LKR Millions)	4,018
Inception	17-Sep-14
Fund Domicile	Sri Lanka
ISIN	LKSMF000008
Fund Currency	LKR
Benchmark	NDBIB CRISIL 91 day T-Bill Index

Performance Since Inception

17/09/2014 to 31/08/2023

Growth of LKR 100 invested on 17/09/2014



Performance Summary

	Fund	Benchmark
Last Month	20.70%	20.50%
3 Month	22.31%	26.15%
6 Month	24.04%	28.61%
YTD	25.02%	30.29%
1 Year p.a.	26.30%	32.15%
2 Year p.a.	18.66%	19.83%
3 Year p.a.	14.49%	14.54%
5 Year p.a.	12.85%	12.08%
Since Inception p.a.	11.42%	10.17%

All returns shown are annualized

Risk - Reward Indicator

Low	Medium	High
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Money Market Funds are less risky compared to equity funds. Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

Investment Terms

Issue/redemption	Daily
Minimum investment (LKR)	1,000
Management fee p.a.	0.25%
Trustee fee p.a.	0.15%
Custodian fee p.m.(charged to the Fund)	LKR 20,000
Total Expense Ratio (TER)*	0.13%

* as at 31 Dec 2022

Monthly Performance

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	2.1%	1.9%	2.1%	2.0%	2.0%	2.0%	1.8%	1.8%					16.65%
2022	0.6%	0.6%	0.6%	0.6%	1.2%	1.5%	1.7%	1.9%	2.0%	2.0%	2.0%	2.1%	18.06%
2021	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.6%	0.6%	6.59%
2020	0.8%	0.8%	0.7%	0.9%	0.8%	0.8%	0.7%	0.6%	0.6%	0.6%	0.5%	0.5%	8.50%
2019	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.8%	0.8%	0.9%	0.7%	0.3%	10.83%

Past performance is not a guarantee, nor an indication of current or future performance. This performance data is calculated net of all fees and commissions. All performance data shown in the table are not annualized.

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Maturity Profile	% of AUM	Credit Profile ¹	Fitch	LRA ²	Total
<1 M	20.7%	G-Sec RF ³	-	-	91.3%
1-3M	34.7%	AAA	-	-	-
3-6M	30.5%	AA+	-	-	-
6-9M	11.1%	AA	-	-	-
9-12M	2.9%	AA-	-	-	-
	100.0%	A+	-	-	-
		A	6.2%	-	6.2%
		A-	2.5%	-	2.5%
		BBB+	-	-	-
		BBB	-	-	-
			8.7%	-	100.0%

Diversification

Largest exposure to any single institution*	91.3%
No. of institutions invested in	4

* T Bills and bonds issued by GOSL as a percentage of Net Asset Value

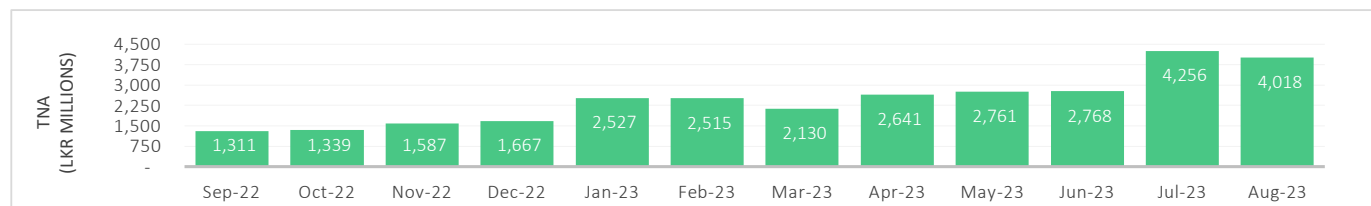
¹ Credit profile as % of AUM

² Lanka Rating ³ Risk free

Asset Allocation	% of TNA	Fund Indicators	Fund
Treasury Bills	80.6%	Duration (Yrs)	0.26
Repo on Government Securities	10.7%	Effective Maturity (Months)	3.15
Cash & Other Net Assets	6.1%	Yield to Maturity (YTM)*	19.14%
Fixed Deposit	2.5%		
	100.0%		

*YTM is calculated as at 31.08.2023 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)
 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.



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DISCLAIMER

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