

Monthly Report | May-2023

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

Fund Manager Comment

The Colombo Stock Exchange indices recorded declines during May 2023 with ASPI declining 4.76% while the S&P SL20 Index declined 7.50%. The Fund's benchmark ASTRI also declined 4.70% while the Fund declined of 4.91% during the same period. The negative momentum during the month was mainly driven by the uncertainty regarding a possible Domestic Debt Restructure which made investors adopting a cautious approach. In addition, weaker earnings reported by many listed corporates for March 2023 quarter further enhanced the negative sentiment. Average daily turnover dropped to LKR 666 Mn in May 2023 from LKR 964 Mn in Apr 2023. Foreign activity too decreased to LKR 3.0 Bn in May 2023 vs LKR 3.7 Bn in Apr 2023, while foreigners were net sellers with a net foreign outflow of LKR 184 Mn during the month. In upcoming months, we expect interest rates to sharply decline which in turn is positive for equities. Furthermore, with IMF Board Level Approval received, overall inflation heading downwards, LKR showing signs of appreciation, improving foreign reserves, increasing tourist arrivals and increasing remittances etc., the country is witnessing a recovery from the lows of last year. Therefore we look forward positively on equity in the medium run.

*Source: SFAM and CSE

Performance Since Inception

06/05/2021 to 31/05/2023

Growth of LKR 100 invested on 06.05.2021



Risk - Reward Indicator

< Less risk

More risk >

4

Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks, Political and Legal risks.

Monthly Performance

| Year | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|------|-------|------|--------|--------|--------|-------|-------|------|-------|------|--------|-------|-------|---------|
| 2023 | SDF | 4.4% | 2.6% | 0.7% | 0.1% | -4.9% | | | | | | | | 2.54% |
| | ASTRI | 4.4% | 3.6% | 1.2% | -3.4% | -4.7% | | | | | | | | 0.84% |
| 2022 | SDF | 4.4% | -7.2% | -19.6% | -7.4% | 6.1% | -5.8% | 5.4% | 12.0% | 6.2% | -12.3% | 0.6% | -2.1% | -21.51% |
| | ASTRI | 6.4% | -11.0% | -23.1% | -14.4% | 6.3% | -9.4% | 5.3% | 17.3% | 9.5% | -13.4% | 1.1% | -1.9% | -30.56% |
| 2021 | SDF | - | - | - | - | 2.0% | -0.2% | 1.5% | -0.6% | 0.4% | 4.2% | 1.0% | 2.6% | 11.33% |
| | ASTRI | - | - | - | - | 2.7% | 5.9% | 3.6% | 10.8% | 5.1% | 7.5% | 12.7% | 6.9% | 70.32% |

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

Investment Objective

The objective of the Fund is to generate current income by investing in a portfolio of diversified dividend paying stocks and by way of capital gains. The dividends received and the capital gains generated may distribute to unitholders on a semiannual basis. Distributions can be irregular and/or of varying amounts.

Key Facts

| | |
|-------------------------|--------------------------|
| Fund Type | Open-ended Dividend Fund |
| NAV per unit (LKR) | 8.7937 |
| Fund AuM (LKR Millions) | 101.91 |
| Inception | 06-May-21 |
| Fund Domicile | Sri Lanka |
| Distribution(s) | Semi Annually |
| ISIN | LK0SDFU00000 |
| Fund Currency | LKR |
| Benchmark* | ASTRI |

*All Share Total Return Index

Performance Summary

| | Fund | Benchmark |
|----------------------|--------|-----------|
| Last Month/ 1M | -4.91% | -4.70% |
| YTD | 2.54% | 0.84% |
| 3M | -4.19% | -6.83% |
| 6M | 0.44% | -1.04% |
| 1 Year p.a. | 5.21% | 5.58% |
| 2 Year p.a. | -6.29% | 7.60% |
| 3 Year p.a. | N/A | N/A |
| 5 Year p.a. | N/A | N/A |
| Since Inception p.a. | -5.17% | 8.89% |

Only periods greater than 12 months are annualized.

Investment Terms

| | |
|---|------------|
| Issue/Redemption | Daily |
| Minimum investment (LKR) | 1,000 |
| Front-end-fee | Nil |
| Management & Administration fee p.a. | 0.75% |
| Trustee fee p.a. | 0.15% |
| Custodian fee p.m.(charged to the Fund) | LKR 20,000 |
| Total Expense Ratio (TER)* | 1.51% |

*as at 31 Dec 2022

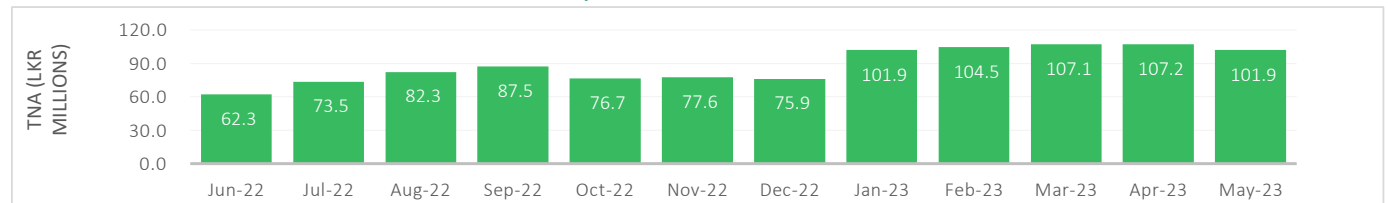
Monthly Report | May-2023

| Top 10 Holdings | | % of TNA* | Fund Indicators | Func | Benchmark |
|-------------------|-------------------------------|-----------|--------------------------------|-------|-----------|
| 1 | Teejay Lanka PLC | 8.39% | 1 Year Standard Deviation (%) | 6.11 | 7.91 |
| 2 | John Keells Holdings PLC | 7.87% | 3 Years Standard Deviation (%) | NA | NA |
| 3 | Ceylon Cold Stores PLC | 6.53% | 1 Year Sharp Ratio | -3.10 | -2.35 |
| 4 | HNB Money Market Savings | 6.34% | 3 Year Sharp Ratio | NA | NA |
| 5 | Dialog Axiata PLC | 5.82% | 1 Year Beta | 0.75 | |
| 6 | Hemas Holdings PLC | 5.63% | 1 Year Alpha (%) | 0.04 | |
| 7 | Chevron Lubricants Lanka PLC | 4.85% | | | |
| 8 | Ceylon Tobacco Company PLC | 4.63% | | | |
| 9 | Commercial Bank of Ceylon PLC | 4.21% | | | |
| 10 | Hayleys Fabric PLC | 4.20% | | | |
| *Total Net Assets | | 58.46% | | | |

| Fund performance Analysis | | 12 months |
|---------------------------|-----------|-----------|
| Fund Turnover ratio (%) | | 129.2 |
| Max. Monthly Gain* (%) | (Aug '22) | 12.0 |
| Max. Monthly Loss* (%) | (Oct '22) | -12.3 |

| Top 10 Equity Sector Allocation | | % of TNA | Hit Ratio |
|---------------------------------|----------------------------|----------|---|
| 1 | Food Beverage & Tobacco | 25.43% | Months Outperformance 5 |
| 2 | Capital Goods | 22.77% | Hit Ratio (%) 41.7 |
| 3 | Consumer Durable & Apparel | 12.59% | *Maximum Gain/Loss returns for the last 12 months (non annualized return) |
| 4 | Materials | 8.39% | |
| 5 | Telecommunication Services | 5.82% | |
| 6 | Banks | 4.21% | |
| 7 | Utilities | 3.92% | |
| 8 | Energy | 3.79% | |
| 9 | Food & Staples Retailing | 3.72% | |
| 10 | Diversified Financials | 3.02% | |
| | | 93.65% | |

| Asset Allocation | | % of TNA |
|--------------------------|--|----------|
| Equities | | 93.65% |
| Money Market Savings a/c | | 6.34% |
| Cash & Other Net Assets | | 0.01% |
| | | 100.00% |

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

Dividend Distributions

31-Dec-21 **LKR**
0.20

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.