

## Monthly Report | Dec-2022

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

### Fund Manager Comment

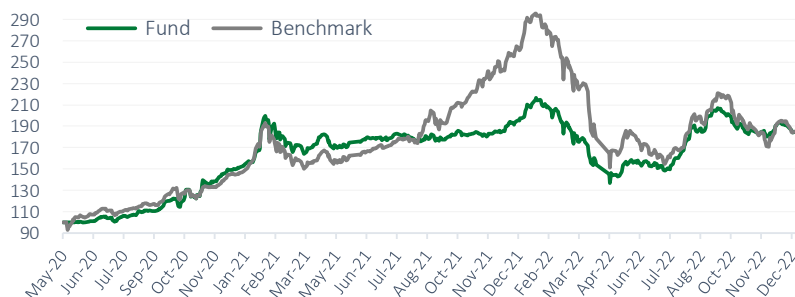
The Colombo Stock Exchange indices recorded a decrease during Dec 2022 with ASPI decreasing by 1.87% while the S&P SL20 Index decreasing by 3.46%. The Fund's benchmark ASTRI also decreased by 1.87% while the Fund decreased by 2.36%. Positive sentiment was witnessed during early part of the month on the back of expectations on interest rate decline, improved tourism earnings, declining inflation etc. However, the bourse headed downwards through the mid and latter part of the month due to concerns over delay in IMF Board Level Approval & possible local debt restructuring, steep decline in GDP numbers, profit booking and also due to usual dull sentiment around the holiday season. Foreign activity significantly increased to LKR 15.2 Bn in Dec 2022 from LKR 3.8 Bn in Nov 2022. Foreigners were net buyers with a net foreign inflow of LKR 13.0 Bn during the month. Although the country is showing glimpse of recovery, we believe that there are further challenges in the short run such as tax reforms, fiscal consolidation measures required by IMF, proposed further electricity tariff hikes, challenges in debt restructuring and concerns of a global recession. However, beyond short term testing times, we look forward positively on equity in the medium run.

\*Source: SFAM and CSE

### Performance Since May 2020

06/05/2020\* to 31/12/2022

Growth of LKR 100 invested on 06.05.2020



\*The largest investor in the Fund (holding 98%) redeemed all its units in the Fund by end of June 2019, resulting in the Fund's total NAV falling to LKR 1.6Mn. With the takeover of the management company by Senkadagala Finance PLC in March 2020, the Fund's NAV gradually increased with new investors coming into the Fund. Therefore, in order to reflect the performance of the Fund after the takeover by the new management, the above graph depicts the Fund and Benchmark performances from 6th May 2020 onwards, when new investments began coming into the Fund.

### Risk - Reward Indicator

|     |        |      |
|-----|--------|------|
| Low | Medium | High |
|-----|--------|------|

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

### Monthly Performance

| Year |       | Jan   | Feb    | Mar    | Apr    | May  | Jun   | Jul   | Aug   | Sept  | Oct    | Nov   | Dec   | YTD     |
|------|-------|-------|--------|--------|--------|------|-------|-------|-------|-------|--------|-------|-------|---------|
| 2022 | SGF   | 6.9%  | -8.2%  | -17.8% | -9.4%  | 7.9% | -2.6% | 9.5%  | 17.9% | 2.7%  | -7.5%  | 2.3%  | -2.4% | -6.03%  |
|      | ASTRI | 6.4%  | -11.0% | -23.1% | -14.4% | 6.3% | -9.4% | 5.3%  | 17.3% | 9.5%  | -13.4% | 0.6%  | -1.9% | -30.56% |
| 2021 | SGF   | 27.3% | -10.8% | -2.2%  | 0.7%   | 1.4% | 1.5%  | 2.9%  | -2.1% | 2.5%  | 1.6%   | -0.3% | 6.8%  | 28.30%  |
|      | ASTRI | 28.0% | -13.7% | -4.7%  | 1.2%   | 2.7% | 5.9%  | 3.6%  | 10.8% | 5.1%  | 7.5%   | 12.7% | 6.9%  | 80.91%  |
| 2020 | SGF   | -6.7% | -11.7% | -30.6% | -3.8%  | 0.8% | 4.9%  | 0.4%  | 4.8%  | 9.7%  | 3.4%   | 14.2% | 7.4%  | -14.99% |
|      | ASTRI | -3.2% | -5.7%  | -18.3% | 0.0%   | 6.0% | 6.3%  | -0.5% | 4.0%  | 12.3% | -4.3%  | 9.1%  | 8.5%  | 10.66%  |

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 on NAV to NAV. All performance data shown in the table are not annualized.

### Investment Objective

The objective of the Fund is to achieve long-term capital growth by investing in a well-diversified portfolio of equity securities listed on the Colombo Stock Exchange.

### Key Facts

|                         |                        |
|-------------------------|------------------------|
| Fund Type               | Open-ended Growth Fund |
| NAV per unit (LKR)      | 9.50                   |
| Fund AuM (LKR Millions) | 1,752                  |
| Inception               | 03-Feb-12              |
| Fund Domicile           | Sri Lanka              |
| Distribution(s)         | None                   |
| ISIN                    | LK0SGFU00003           |
| Fund Currency           | LKR                    |
| Benchmark               | ASTRI                  |

### Performance Summary

|                              | Fund   | Benchmark |
|------------------------------|--------|-----------|
| Last Month/1M                | -2.36% | -1.87%    |
| YTD                          | -6.03% | -30.56%   |
| 3M                           | -7.59% | -14.51%   |
| 6M                           | 22.58% | 15.63%    |
| 1 Year p.a.                  | -6.03% | -30.56%   |
| 2 Year p.a.                  | 9.80%  | 12.08%    |
| 3 Year p.a.                  | 0.82%  | 11.59%    |
| 5 Year p.a.                  | -8.13% | 6.16%     |
| Since Inception (Cumulative) | -5.00% | 68.27%    |
| Since Inception p.a.         | -0.47% | 4.88%     |

### Investment Terms

|  |            |
|--|------------|
| Issue/Redemption                         | Daily      |
| Minimum investment (LKR)                 | 1,000      |
| Front-End-Fee                            | 1.50%      |
| Management & Administration fee p.a.     | 1.75%      |
| Trustee fee p.a.                         | 0.15%      |
| Custodian fee p.m. (charged to the Fund) | LKR 20,000 |
| Total Expense Ratio (TER)*               | 1.94%      |

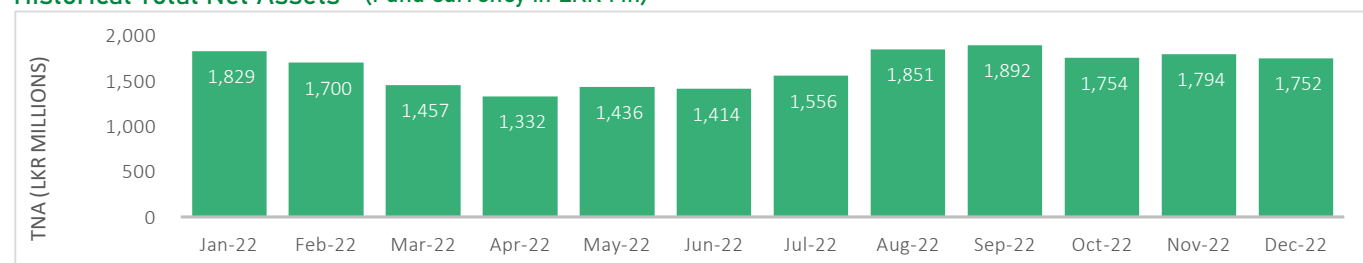
\*as at 31 Dec 2021

## Monthly Report | Dec-2022

| Top 10 Holdings |                            | % of TNA | Fund Indicators                  |           | Fund      | Benchmark |
|-----------------|----------------------------|----------|----------------------------------|-----------|-----------|-----------|
| 1               | Aitken Spence PLC          | 16.18%   | 1 Year Standard Deviation (%)    |           | 9.48      | 11.43     |
| 2               | John Keells Holdings PLC   | 10.59%   | 3 Year Standard Deviation (%)    |           | 9.92      | 10.28     |
| 3               | Gvt. Security REPO         | 8.14%    | 1 Year Sharp Ratio               |           | -0.70     | -2.72     |
| 4               | Teejay Lanka PLC           | 7.51%    | 3 Year Sharp Ratio               |           | -0.34     | 0.72      |
| 5               | Cargills (Ceylon) PLC      | 6.70%    | 3 Year Beta                      |           | 0.84      |           |
| 6               | Government Securities      | 4.83%    | 3 Year Alpha (%)                 |           | -0.64     |           |
| 7               | Hayleys PLC                | 3.88%    | <b>Fund Performance Analysis</b> |           |           |           |
| 8               | Ceylon Grain Elevators PLC | 3.72%    |                                  |           | 12 months |           |
| 9               | Lanka Milk Foods PLC       | 3.60%    | Fund Turnover Ratio (%)          |           |           | 62.9      |
| 10              | Ceylon Cold Stores PLC     | 3.43%    | Max. Monthly Gain (%)*           | (Aug '22) |           | 17.9      |
|                 |                            | 68.58%   | Max. Monthly Loss (%)*           | (Mar '22) |           | -17.8     |

| Top 10 Equity Sector Allocation |                            | % of TNA | Hit Ratio   |        |
|---------------------------------|----------------------------|----------|---|--------|
| 1                               | Capital Goods              | 33.17%   | Months Outperformance   | 10     |
| 2                               | Food Beverage & Tobacco    | 16.19%   | Hit Ratio (%)   | 83.3   |
| 3                               | Consumer Durable & Apparel | 7.69%    | *Maximum Gain/Loss returns for the last 12 months (non annualized return) |        |
| 4                               | Food & Staples Retailing   | 6.70%    | <b>Asset Allocation</b>   |        |
| 5                               | Banks                      | 5.53%    | % of TNA  |        |
| 6                               | Insurance                  | 3.21%    | Equities  | 83.57% |
| 7                               | Telecommunication Services | 3.16%    | Govt Securities REPO  | 8.14%  |
| 8                               | Utilities                  | 2.99%    | Govt Securities   | 4.83%  |
| 9                               | Diversified Financials     | 2.73%    | HNB Money Market Savings a/c  | 3.42%  |
| 10                              | Materials                  | 1.12%    | Cash & Other Net Assets   | 0.05%  |
|                                 |                            | 82.48%   | 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             |

"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.