

Monthly Report | Oct-2023

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

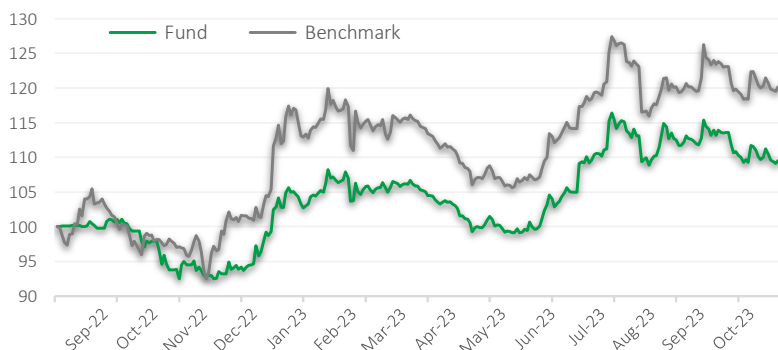
Fund Manager Comment

The Colombo Stock Exchange indices recorded a downturn during Oct 2023 with ASPI dropping by 6.07% while the S&P SL20 Index dipped by 6.36%. The fund's benchmark Insurance Sector Total Return Index (INSTRI) dropped 2.29% while the Fund dropped 3.43% during the same period. The benchmark index is mainly constituted by Ceylinco Insurance PLC Voting (CINS.N) and Non-Voting (CINS.X) shares which jointly constitutes approximately 60% of index weight. Almost all Insurance counters declined during the month in line with the overall market, but there were no sector specific catalysts that impacted INSTRI. With regard to the overall market as a whole, indices remained negative during most parts of the month mainly driven by the delay in IMF 2nd tranche and the uncertainty over possible tax hikes during the upcoming budget. Tensions around Israel added more impetus to the negativity. Eventually the IMF Staff Level Agreement was received and indices displayed a slight recovery. On future outlook, we anticipate interest rates to drop further and hence shift some fund inflows to equity from fixed income and expect further marked to market gains on Insurers' Bond Portfolios. In addition, with improved macro-economic fundamentals and forecasted rebound in economic activities, we believe there's further potential in equities to re-rate higher in the medium term despite this short term pull back.

Source: SFAM & CSE

Performance Since Inception 23/08/2022 to 31/10/2023

Growth of LKR 100 invested on 23.08.2022



Risk - Reward Indicator

< Less risk

More risk >



Investors should consider the following risks: Market risks, Industry risk, Dividend risk, 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 | SISF | 3.3% | -0.8% | -0.9% | -3.7% | -1.4% | 5.8% | 8.4% | -1.8% | 1.7% | -3.4% | | | 6.61% |
| | Benchmark | 3.6% | -2.1% | -1.0% | -4.7% | -1.2% | 7.0% | 8.4% | -3.6% | 3.1% | -2.3% | | | 6.51% |
| 2022 | SISF | | | | | | | | 0.2% | -2.3% | -5.3% | 1.3% | 9.6% | 2.90% |
| | Benchmark | | | | | | | | -1.2% | 1.2% | -2.5% | 3.4% | 11.9% | 12.75% |

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 achieve long term capital appreciation by investing in listed shares that have exposure to the Insurance Sector.

Key Facts

| | |
|-------------------------|----------------------------------|
| Fund Type | Open-ended Insurance Sector Fund |
| NAV per unit (LKR) | 10.9700 |
| Fund AuM (LKR Millions) | 51.06 |
| Inception | 23-Aug-22 |
| Fund Domicile | Sri Lanka |
| Distribution(s) | Semi Annually |
| ISIN | LKSISFU00003 |
| Fund Currency | LKR |
| Benchmark* | Insurance Sector TRI |

*Insurance Sector Total Return Index

Performance Summary

| | Fund | Benchmark |
|----------------------|--------|-----------|
| Last Month/1M | -3.43% | -2.29% |
| YTD | 6.61% | 6.51% |
| 3M | -3.60% | -2.88% |
| 6M | 9.05% | 11.34% |
| 1 Year | 18.34% | 23.22% |
| 2 Year p.a. | N/A | N/A |
| 3 Year p.a. | N/A | N/A |
| 5 Year p.a. | N/A | N/A |
| Since Inception p.a. | 8.10% | 16.77% |

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)* | 4.66% |

* as at 31st Dec 2022

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| Top 10 Holdings | | % of TNA* | Fund Indicators | Fund | Benchmark |
|-----------------|---------------------------------|-----------|--------------------------------|-------|-----------|
| 1 | Ceylinco Insurance PLC - Voting | 32.27% | 1 Year Standard Deviation (%) | 4.25 | 5.01 |
| 2 | Ceylinco Insurance PLC - NV | 13.43% | 3 Years Standard Deviation (%) | NA | NA |
| 3 | HNB Assurance PLC | 13.37% | 1 Year Sharp Ratio | -4.14 | -2.55 |
| 4 | Union Assurance PLC | 12.19% | 3 Year Sharp Ratio | NA | NA |
| 5 | Softlogic Life Insurance PLC | 7.64% | 1 Year Beta | 0.83 | |
| 6 | Peoples Insurance PLC | 6.04% | 1 Year Alpha (%) | -0.06 | |
| 7 | HNB Money Market Savings | 5.21% | | | |
| 8 | Janashakthi Insurance PLC | 4.50% | | | |
| 9 | LOLC General Insurance PLC | 4.25% | | | |
| 10 | Softlogic Capital PLC | 1.84% | | | |

* Total Net Assets

| Asset Allocation | % of TNA |
|--------------------------|----------|
| Equities | 95.52% |
| Money Market Savings a/c | 5.21% |
| Cash & Other Net Assets | -0.73% |
| | 100.00% |

Fund performance Analysis

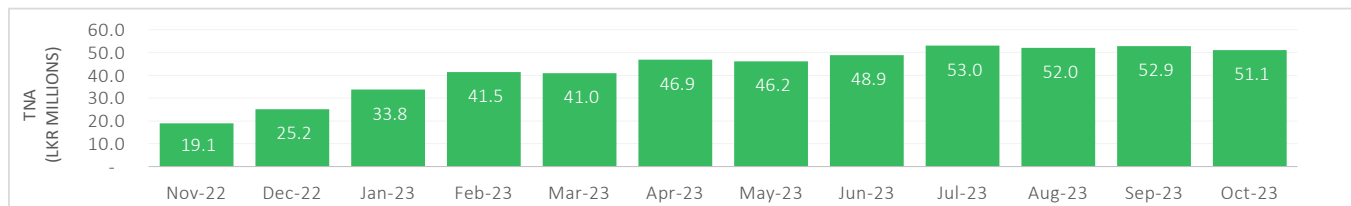
| | 12 months |
|-------------------------|--------------|
| Fund Turnover ratio (%) | 89.9 |
| Max. Monthly Gain (%)* | Dec-22 9.6% |
| Max. Monthly Loss (%)* | Apr-23 -3.7% |

*Non-annualized returns

Hit Ratio

| | 12 months |
|-----------------------|-----------|
| Months Outperformance | 4 |
| Hit Ratio (%) | 33.3 |

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.



ASSET MANAGER CODE

DISCLAIMER

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