

## 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 ASTRI fell by 5.85%, while the Fund declined 3.60% during the same period. The bourse 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 in Israel and Palestine added more impetus to the negativity. Eventually the IMF Staff Level Agreement was received and indices displayed a slight recovery around that. The activity levels witnessed a decline as Avg. daily turnover declined to LKR 891 Mn from LKR 1,409 Mn in previous month. We anticipate interest rates to drop further and hence shift some fund inflows to equity from fixed income. In addition, with improved macro-economic fundamentals and forecasted rebound in economic activities due to declining lending rates, we believe there's further potential in equities to re-rate higher in the medium term despite this short term pull back. Mudarabah rates are also expected decline in coming months. Considering that, the fund locked in some of its Mudarabah investments at higher rates wherever possible.

Source: SFAM and CSE

### Performance Since Inception 03/12/2012 to 31/10/2023

Growth of LKR 100 invested on 03.12.2012



ASTRI represents all shares listed on CSE, whereas the SSBF is limited to Shariah compliant shares, as per White List.

### Risk - Reward Indicator

Low	Medium	High
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The risk is considered Medium as the maximum equity allocation of the Fund is 70% in comparison with pure equity funds. 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	Sep	Oct	Nov	Dec	YTD
2023	SSBF	2.9%	2.5%	-1.2%	-0.4%	-4.5%	7.4%	8.6%	0.9%	0.2%	-3.6%			12.71%
	ASTRI	4.4%	3.6%	1.2%	-3.4%	-4.7%	10.8%	21.3%	-2.1%	2.0%	-5.8%			27.40%
2022	SSBF	8.1%	-11.3%	-16.5%	-5.0%	3.9%	-4.1%	5.3%	9.5%	3.0%	-9.3%	0.3%	-0.8%	-18.85%
	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	SSBF	5.6%	-7.7%	-2.0%	-0.7%	0.5%	-0.4%	2.9%	1.4%	-0.5%	3.8%	7.6%	6.1%	16.78%
	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%

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.

### Investment Objective

The objective of the Fund is to achieve over the medium to long term a balance between capital appreciation and income by investing in Shariah compliant equity securities listed on the CSE and Shariah compliant income securities as approved by the Shariah Council of the Fund and as permitted by the SEC.

### Key Facts

Fund Type	Open-ended Shariah Balanced Fund
NAV per unit (LKR)	12.86
Fund AuM (LKR Millions)	72.37
Inception	03-Dec-12
Fund Domicile	Sri Lanka
ISIN	LKSSBFU00008
Fund Currency	LKR
Benchmark*	ASTRI

\*All Share Total Return Index

### Performance Summary

	Fund	Benchmark
Last Month/ 1M	-3.60%	-5.85%
YTD	12.71%	27.40%
3M	-2.50%	-5.99%
6M	8.61%	20.40%
1 Year	12.12%	25.73%
2 Year p.a.	2.21%	3.21%
3 Year p.a.	7.09%	23.72%
5 Year p.a.	5.11%	12.86%
Since Inception p.a.	4.56%	7.43%

Only periods greater than 12 months are annualized.

### 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)*	2.65%

\*as at 31 Dec 2022

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Top 10 Holdings		% of TNA	Fund Indicators	Fund	Benchmark
1	Hemas Holdings PLC	12.75%	1 Year Standard Deviation (%)	3.72	7.23
2	LB Finance PLC Wakala	12.44%	3 Years Standard Deviation (%)	5.86	10.18
3	Vidullanka PLC Wakala	12.00%	1 Year Sharp Ratio	-6.41	-1.42
4	Teejay Lanka PLC	11.84%	3 Years Sharp Ratio	-0.63	1.27
5	Richard Pieris Finance Ltd Wakala	6.91%	3 Years Beta	0.51	
6	Chevron Lubricants Lanka PLC	6.36%	3 Years Alpha (%)	-0.42	
7	Bairaha Farms PLC	4.36%			
8	ACL Cables PLC	4.13%			
9	Lanka Tiles PLC	3.49%			
10	Kelani Valley Plantations PLC	3.30%			
		77.58%			

Fund Performance Analysis		12 months
Fund Turnover Ratio (%)		119.1
Maximum monthly Gain (%)*	(Jul '23)	8.6
Maximum monthly Loss (%)*	(May '23)	-4.5

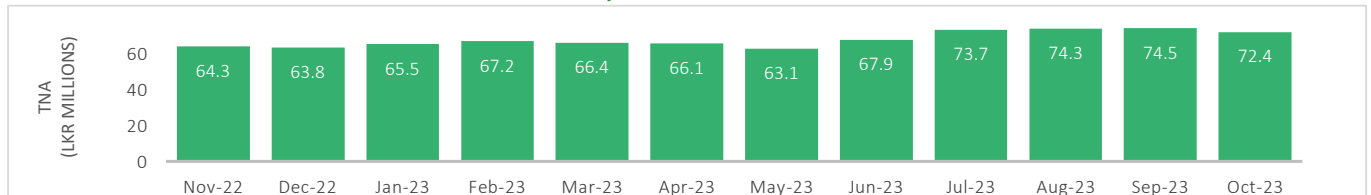
Top Equity Sector Allocation		% of TNA
1	Capital Goods	20.38%
2	Materials	12.47%
3	Consumer Durable & Apparel	11.84%
4	Food Beverage & Tobacco	11.44%
5	Utilities	5.87%
6	Energy	1.48%
7	Banks	0.00%
		63.47%

Hit Ratio		
Months Outperformance		5
Hit Ratio (%)		41.7

\*Maximum Gain/Loss returns for the last 12 months (non annualized return)

Asset Allocation		
Equities		63.47%
Fixed Income Securities		33.26%
Cash & Other Net Assets		3.27%
		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  
 Technical Partner : I Capital Limited  
 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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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

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