

Monthly Report | Jan-2023

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

Fund Manager Comment

The Colombo Stock Exchange indices recorded an increase during Jan 2023 with ASPI increasing by 4.42% while the S&P SL20 Index increasing by 4.89%. The Fund's benchmark ASTRI* also increased by 4.42% while the Fund increased by 2.89%. Indices declined initially during the month due to concerns over the proposed electricity tariff hike and uncertainty regarding delay in IMF Agreement. However once India provided assurance to IMF regarding Sri Lanka's debt restructuring, the bourse gained positive momentum with the expectation of a sooner IMF Agreement. Despite that, indices turned red in the last few trading days due to weaker earnings releases of several companies. Foreigners were net buyers with a net foreign inflow of LKR 0.4 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 reducing corporate earnings and consumer disposable income levels, proposed electricity tariff hikes, challenges in debt restructuring and impact of a global recession. However, beyond short term testing times, we look forward positively on equity in the medium run. On fixed income, Mudarabah rates have indicated a gradual drop from the peak and expected to follow a similar trend in the coming quarter.

Source: SFAM and CSE

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)	11.74
Fund AuM (LKR Millions)	65.55
Inception	03-Dec-12
Fund Domicile	Sri Lanka
ISIN	LKSSBFU00008
Fund Currency	LKR
Benchmark	ASTRI

Performance Since Inception 03/12/2012 to 31/01/2023

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.

Performance Summary

	Fund	Benchmark
Last Month/ 1M	2.89%	4.42%
YTD	2.89%	4.42%
3M	2.35%	3.06%
6M	4.73%	14.67%
1 Year	-22.76%	-31.86%
2 Year p.a. (CAGR)	-3.89%	1.24%
3 Year p.a. (CAGR)	4.79%	14.46%
5 Year p.a. (CAGR)	2.59%	6.72%
Since Inception (Cumulative)	48.58%	79.20%
Since Inception p.a. (CAGR)	3.97%	5.91%

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

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

Monthly Performance

Year		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	SSBF	2.9%												2.89%
	ASTRI	4.4%												4.42%
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.

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Top 10 Holdings		% of TNA	Fund Indicators	Fund	Benchmark
1	LB Finance PLC - Wakala	13.73%	1 Year Standard Deviation (%)	7.30	11.32
2	Hemas Holdings PLC	11.70%	3 Years Standard Deviation (%)	6.31	10.26
3	Teejay Lanka PLC	11.10%	1 Year Sharp Ratio	-3.54	-3.09
4	Hayleys PLC	10.13%	3 Years Sharp Ratio	-0.01	0.93
5	Vidullanka PLC - Wakala	9.76%	3 Years Beta	0.55	
6	National Development Bank PLC - Wakala	7.63%	3 Years Alpha (%)	-0.32	
7	Peoples Leasing & Finance Mudarabah	4.66%			
8	Lanka Tiles PLC	3.93%			
9	Hayleys Fabric PLC	3.60%			
10	Bairaha Farms PLC	3.51%			
		79.74%			

Fund Performance Analysis

	12 months
Fund Turnover Ratio (%)	102.9
Maximum monthly Gain (%)*	(Aug '22) 9.5
Maximum monthly Loss (%)*	(Mar '22) -16.5

Hit Ratio

Months Outperformance	5
Hit Ratio (%)	41.7

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

Asset Allocation

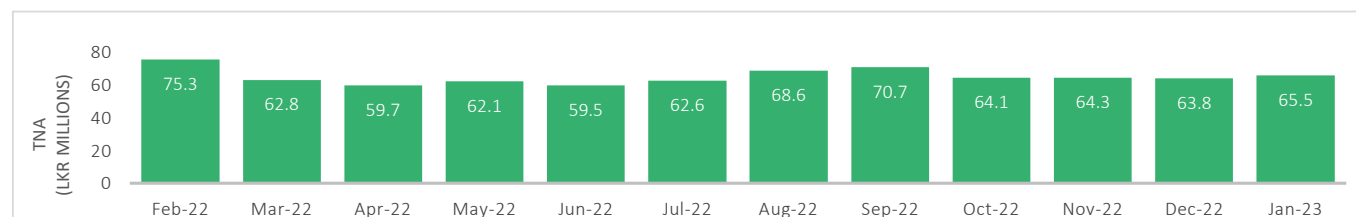
Equities	62.75%
Fixed Income Securities	36.21%
Cash & Other Net Assets	1.04%
	100.00%

Top 10 Equity Sector Allocation

	% of TNA
1 Capital Goods	25.76%
2 Consumer Durable & Apparel	14.70%
3 Food Beverage & Tobacco	8.13%
4 Utilities	6.17%
5 Materials	5.31%
6 Transportation	2.69%
	62.75%

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

"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.