

Monthly Report | Jul-2023

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

Fund Manager Comment

The Colombo Stock Exchange indices recorded significant increases during July 2023 with ASPI gaining 20.58% while the S&P SL20 Index gained 21.96%. The Fund's benchmark ASTRI also gained 21.25% while the Fund gained of 8.56% during the same period. The Domestic Debt Optimization (DDO) was announced at the end of last month with mainly impacting CBSL T Bill holdings and Superannuation Funds. Since the severity of DDO was much lesser than anticipated, especially with no major impact to the banking system, it resulted in a significant upward momentum in the equity market. In addition, interest rates witnessed a steep fall as the risk premium on DDO no longer exists and that too assisted the positive momentum in the bourse anticipating a shift in some funds from fixed income to equities, seeking better returns. With improved macro-economic fundamentals such as declining inflation, improving foreign reserves, increasing tourist arrivals, improved remittances etc. as well as 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. Mudarabah rates are also expected decline in coming months. Considering that, the fund locked in its Mudarabah investments at higher rates.

Source: SFAM and CSE

Performance Since Inception 03/12/2012 to 31/07/2023

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%						15.60%
	ASTRI	4.4%	3.6%	1.2%	-3.4%	-4.7%	10.8%	21.3%						35.51%
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)	13.19
Fund AuM (LKR Millions)	73.69
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	8.56%	21.25%
YTD	15.60%	35.51%
3M	11.40%	28.06%
6M	12.35%	29.77%
1 Year	17.66%	48.80%
2 Year p.a.	5.95%	19.09%
3 Year p.a.	11.60%	31.07%
5 Year p.a.	5.17%	13.54%
Since Inception p.a.	4.92%	8.24%

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
1 Hemas Holdings PLC	13.42%
2 LB Finance PLC - Wakala	12.21%
3 Hayleys PLC	11.50%
4 Teejay Lanka PLC	9.60%
5 Vidullanka PLC - Wakala	8.64%
6 Hatton National Bank PLC - Wakala	6.78%
7 Cash & Other Net Assets	5.66%
8 Chevron Lubricants Lanka PLC	4.41%
9 Bairaha Farms PLC	4.09%
10 Lanka Tiles PLC	3.93%
	80.25%

Fund Indicators

Fund	Benchmark
1 Year Standard Deviation (%)	9.30
3 Years Standard Deviation (%)	10.25
1 Year Sharp Ratio	1.27
3 Years Sharp Ratio	2.08
3 Years Beta	
3 Years Alpha (%)	

Fund Performance Analysis

	12 months
Fund Turnover Ratio (%)	120.0
Maximum monthly Gain (%)*	9.5
Maximum monthly Loss (%)*	-9.3

Hit Ratio

Months Outperformance	4
Hit Ratio (%)	33.3

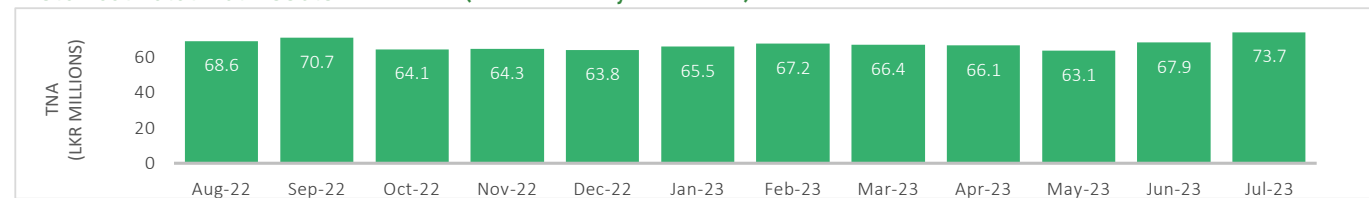
*Maximum Gain/Loss returns for the last 12 months (non annualized return)

Top 10 Equity Sector Allocation

	% of TNA
1 Capital Goods	32.53%
2 Consumer Durable & Apparel	9.60%
3 Materials	11.32%
4 Utilities	5.76%
5 Food Beverage & Tobacco	5.64%
	64.84%

Asset Allocation

Equities	64.84%
Fixed Income Securities	29.50%
Cash & Other Net Assets	5.66%
	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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DISCLAIMER

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