

Monthly Report | Dec-2023

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

Fund Manager Comment

For the month of Dec 2023, the fund generated an annualized return of 12.18%. Following the same trend similar to past few months, T-bill yields, especially on the 3M and 6M tenures witnessed a continuous decline during Dec 2023 by 35bps and 36bps respectively, while 12M yield witnessed a marginal increase of 4 bps during the month. T-bill yields for the 3M, 6M and 12M tenures closed in for Dec 2023 at 14.51%, 14.16% and 12.93% compared to 14.86%, 14.52% and 12.89% respectively as at the end of Nov 2023. The month had two T-bond auctions, the first auction offered LKR 160bn, but only LKR 130Bn accepted, while the second auction offered LKR 155Bn and LKR 150bn was accepted. In the secondary market, yields of T-bonds remained mixed across maturities with yields inclining on the short tenure maturities. During Dec 2023, Sri Lanka received the 2nd tranche from IMF. This along with receipts of \$ 200 Mn and \$ 250 Mn from ADB and World Bank respectively assisted Gross Official Reserves to reach \$ 4.4 Bn level. GDP turned around to 1.6% in 3Q2023 recording the first positive growth since 4Q2021. In terms of Monetary Policy, it is expected that there will be a temporary pause in further relaxation of Monetary Policy in the short run. Mudarabah rates have also followed the declining trend similar to conventional rates and is expected to slightly decline further in coming months.

Source: SFAM and CBSL

Investment Objective

The objective of the Fund is to provide current income and liquidity to unit holders by investing in Shariah compliant income-based securities.

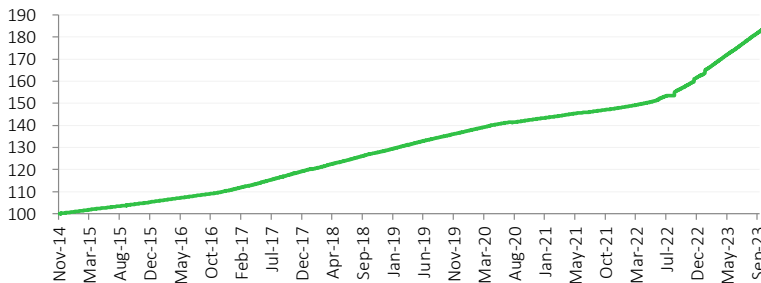
Key Facts

Fund Type	Open-ended Shariah Income Fund
NAV per unit (LKR)	16.2677
Fund AuM (LKR Millions)	130.44
Inception	02-Nov-14
Fund Domicile	Sri Lanka
ISIN	LKSSIFU00003
Fund Currency	LKR

Performance Since Inception

02/11/2014 to 31/12/2023

Growth of LKR 100 invested on 02/11/2014



Performance Summary

	Fund
Last Month	12.18%
3 Month	12.71%
6 Month	13.90%
YTD p.a.	15.71%
1 Year p.a.	15.71%
2 Year p.a.	12.74%
3 Year p.a.	9.53%
5 Year p.a.	7.92%
Since Inception p.a.	7.15%

All returns shown are annualized

Risk - Reward Indicator

Low	Medium	High
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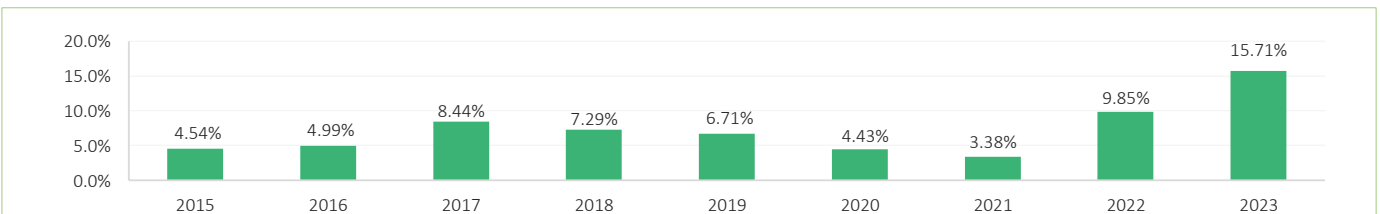
Shariah-compliant income funds are less risky compared to equity funds. Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

Investment Terms

Issue/redemption	Daily
Minimum investment (LKR)	1,000
Management fee p.a.	0.60%
Trustee fee p.a.	0.15%
Custodian fee p.m.(charged to the Fund)	LKR 20,000
Total Expense Ratio (TER)*	1.77%

*as of 31 Dec 2022

Calendar Year Performance



Past performance is not a guarantee, nor an indication of current or future performance. Current performance may be lower or higher than that shown. Performance data is calculated net of all fees and commissions. This chart shows how the Fund has performed in each of the last 8 calendar years.

*Annualized Year to Date (YTD) Return

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Maturity Profile	% of AUM	Credit Profile	Fitch	LRA	Total
<1 M	16.4%	AA+	-	-	-
1-3M	26.9%	AA	-	-	-
3-6M	34.6%	AA-	-	-	-
6-9M	0.0%	AA-	9.1%	-	9.1%
9-12M	22.1%	A+	20.0%	15.0%	34.9%
	100.0%	A	25.9%	-	25.9%
		A-	13.8%	-	13.8%
		BBB+	13.3%	-	13.3%
		<BBB	1.3%	-	1.3%
		Unrated*	-	-	1.7%
			83.4%	15.0%	100.0%

Diversification

Largest exposure to any single institution	14.8%
No. of institutions invested in	10

*Previously A+ rated by ICRA before their discontinuation in Sri Lanka.

Asset Allocation

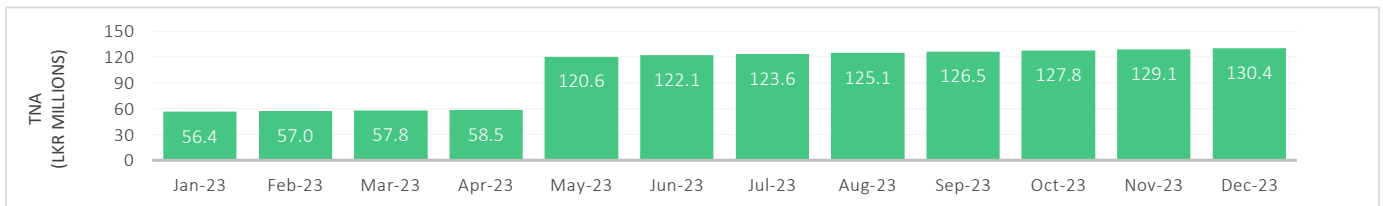
Asset Allocation	% of TNA
Wakala Investments	85.0%
Mudharaba Savings	9.0%
Mudharaba Term Deposits	5.0%
Cash & Other Net Assets	1.0%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	0.38
Average Effective Maturity (Months)	4.76
Yield to Maturity (YTM)*	13.38%

*YTM is calculated as at 31.12.2023 and does not take into account market fluctuations and expenses to the portfolio. The YTM is an indication only and is subject to change.

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.



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.



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