

## Monthly Report | Oct-2023

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

### Fund Manager Comment

For the month of Oct 2023, the fund generated an annualized return of 13.15%. T-bill yields witnessed a continuous decline during the month with demand remaining strong on the 3-month tenor, resulting with a highest drop in yield by 132bps MoM. T-bill yields for the 3-month, 6-month and 12-month tenors closed in for Oct 2023 at 16.10%, 14.93% and 13.02% respectively compared to 17.42%, 15.13% and 13.30% respectively as at the end of Sep 2023. The subject month had two T-bond auctions with 12-Oct 2023 auction saw a decline in yields as expected while the 30-Oct-2023 auction was fully rejected. In the secondary market, a strong demand was seen for T-bonds as investors remained bullish at the lower end of the yield curve, with the anticipation of the bond auctions that were held during the month, resulting with yields of the short to mid-term maturities fluctuating within the course of the month. During the Monetary Policy Review (MPR) in Oct 2023, CBSL reduced the SDFR and SLFR by 100bps to 10% and 11% respectively. For the upcoming MPR in Nov 2023, market is forecasting a rate cut by a minimum of 50bps. 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.

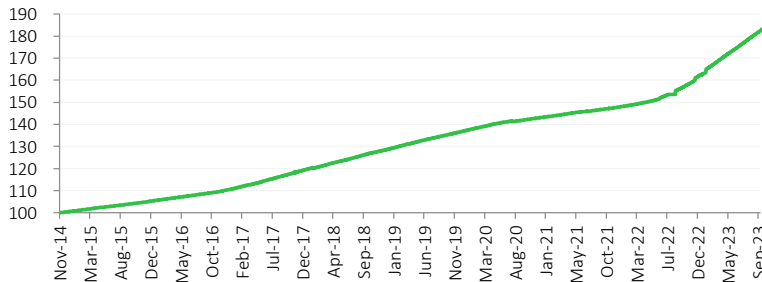
### Key Facts

Fund Type	Open-ended Shariah Income Fund
NAV per unit (LKR)	15.9388
Fund AuM (LKR Millions)	127.84
Inception	02-Nov-14
Fund Domicile	Sri Lanka
ISIN	LKSSIFU00003
Fund Currency	LKR

### Performance Since Inception

02/11/2014 to 31/10/2023

Growth of LKR 100 invested on 02/11/2014



### Performance Summary

Last Month	13.15%
3 Month	14.00%
6 Month	14.61%
YTD p.a.	16.05%
1 Year p.a.	16.57%
2 Year p.a.	11.32%
3 Year p.a.	8.59%
5 Year p.a.	7.45%
Since Inception p.a.	6.91%

All returns shown are annualized

### Risk - Reward Indicator

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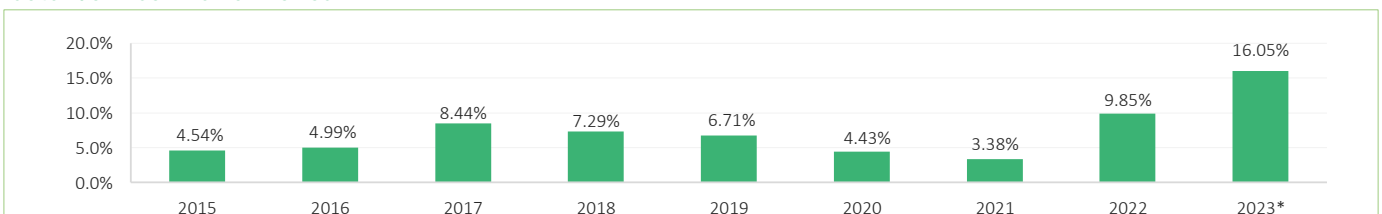
Shariah-compliant income funds are less risky compared to equity funds. Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

### 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	31.9%	AAA	-	-	-
1-3M	19.1%	AA+	-	-	-
3-6M	22.0%	AA	-	-	-
6-9M	27.0%	AA-	-	-	-
9-12M	0.0%	A+	8.9%	-	8.9%
	100.0%	A	26.0%	13.0%	39.0%
		A-	36.5%	-	36.5%
		BBB+	12.5%	0.0%	12.5%
		<BBB	1.3%	-	1.3%
		Unrated*	-	-	1.7%
			85.2%	13.0%	100.0%

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

### Diversification

Largest exposure to any single institution	14.1%
No. of institutions invested in	11

### Asset Allocation

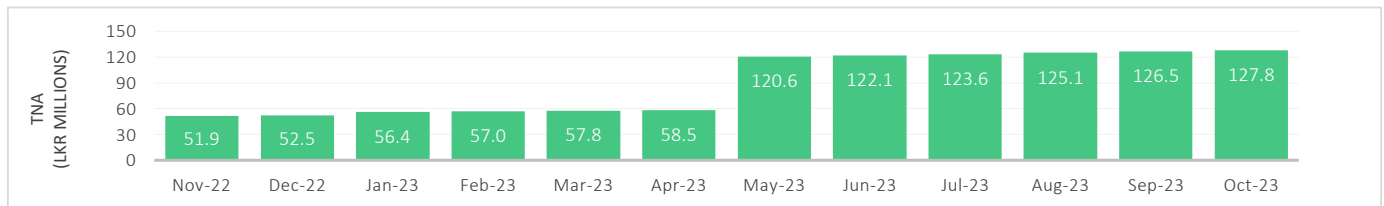
Asset Allocation	% of TNA
Wakala Investments	80.5%
Mudharaba Term Deposits	11.0%
Mudharaba Savings	8.3%
Cash & Other Net Assets	0.1%
	100.0%

### Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	0.28
Average Effective Maturity (Months)	3.43
Yield to Maturity (YTM)*	15.33%

\*YTM is calculated as at 31.10.2023 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.



### DISCLAIMER

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