

## Monthly Report | Sep-2023

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

### Fund Manager Comment

For the month of September, the fund generated an annualized return of 13.79%. The largest T-bond auction in the country was held on September 25, 2023 with an offered amount of LKR 220 Bn. The yield on the 3-year bond increased by 6bp, while the yield on the 5-year bond decreased by 51bp. The secondary market bond yields too witnessed volatility and mixed sentiment during the month. However, T-bill yields experienced a gradual decline with the 3-month, 6-month, and 12-month Bills closing at 17.42%, 15.13% and 13.30% respectively as at end of Sep 2023, compared to 18.48%, 15.36% and 13.58% as at end of Aug 2023. Another noteworthy development during the month was the conversion of CBSL held T-bills into long term bonds as a part of Domestic Debt Optimisation programme. This is expected to reduce government's future short-term borrowing requirements and was immediately reflected in the subsequent and final T-bill auction of the month with the offer amount reducing to LKR 50 Bn from the previous range of LKR 140-170Bn during previous auctions in the month. With this move, it was also expected that the upward pressure on the T-bill rates would gradually ease. There was no Monetary Policy Review (MPR) during the subject month and the market is forecasting a rate cut during upcoming October MPR.

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.

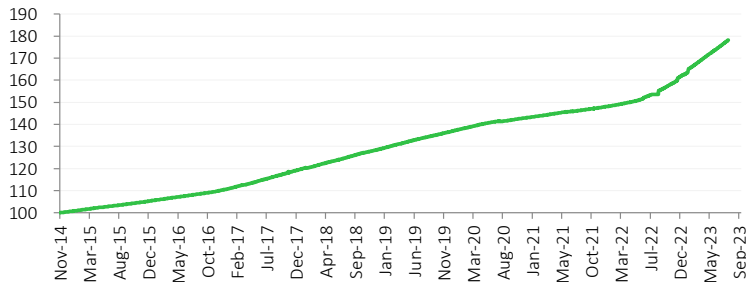
### Key Facts

Fund Type	Open-ended Shariah Income Fund
NAV per unit (LKR)	15.7627
Fund AuM (LKR Millions)	126.46
Inception	02-Nov-14
Fund Domicile	Sri Lanka
ISIN	LKSSIFU00003
Fund Currency	LKR

### Performance Since Inception

02/11/2014 to 30/09/2023

Growth of LKR 100 invested on 02/11/2014



### Performance Summary

Period	Fund Return
Last Month	13.79%
3 Month	14.62%
6 Month	14.98%
YTD p.a.	16.20%
1 Year p.a.	16.49%
2 Year p.a.	11.46%
3 Year p.a.	8.71%
5 Year p.a.	7.58%
Since Inception p.a.	6.98%

All returns shown are annualized

### Risk - Reward Indicator

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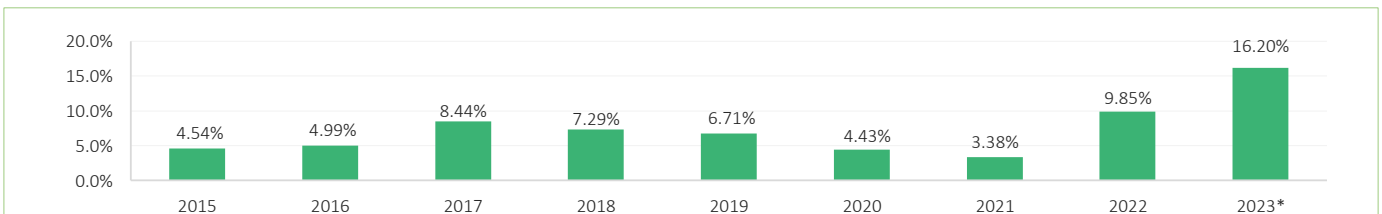
Shariah-compliant income funds are less risky compared to equity funds. Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

### 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	8.9%	AAA	-	-	-
1-3M	35.3%	AA+	-	-	-
3-6M	29.0%	AA	-	-	-
6-9M	26.8%	AA-	-	-	-
9-12M	0.0%	A+	8.9%	-	8.9%
	100.0%	A	26.8%	13.0%	39.8%
		A-	35.8%	-	35.8%
		BBB+	12.5%	1.7%	14.2%
		BBB	1.3%	-	1.3%
		<BBB	-	-	-
			85.3%	14.7%	100.0%

### Diversification

Largest exposure to any single institution	14.1%
No. of institutions invested in	10

### Asset Allocation

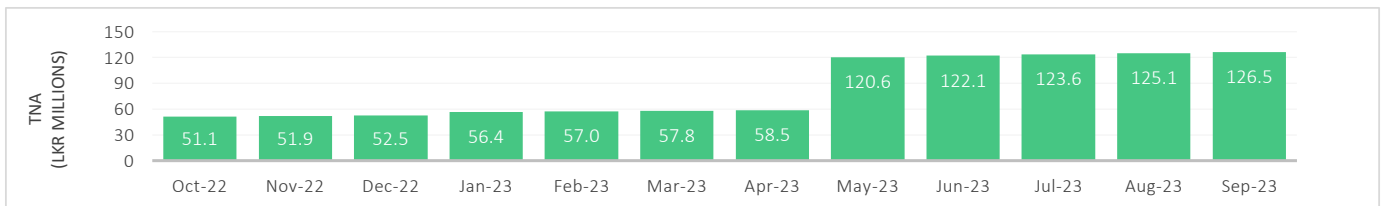
Asset Allocation	% of TNA
Wakala Investments	80.3%
Mudharaba Term Deposits	11.0%
Mudharaba Savings	8.0%
Cash & Other Net Assets	0.7%
	100.0%

### Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	0.36
Average Effective Maturity (Months)	4.35
Yield to Maturity (YTM)*	15.24%

\*YTM is calculated as at 30.09.2023 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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