

Monthly Report | Aug-2023

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

Fund Manager Comment

For the month of August, the fund generated an annualized returned of 14.57%. To inject liquidity into the banking system and address the market liquidity deficit, the Central Bank of Sri Lanka (CBSL) decided to reduce the Statutory Reserve Ratio (SRR) for commercial banks from 4.00% to 2.00%, effective as of August 16, 2023. However, at the meeting held on 23 August 2023, decided to maintain key policy interest rates unchanged as it has already eased its monetary policy stance considerably since early June 2023 by reducing policy interest rates by 450 basis points. Furthermore, due to the insufficient downward adjustment in market lending interest rates compared to deposit rates, the CBSL imposed interest rate caps on pawning facilities, temporary overdrafts, and credit cards for all licensed banks. Treasury bill yields experienced a significant decrease this month compared to last month, with the 3-month, 6-month, and 12-month bills ending at 18.48%, 15.36%, and 13.58% respectively, in the last auction of the month. Meanwhile, yields on long-term treasury bonds continued to remain volatile due to the pressure on the restructuring of the country's largest social security fund and legislative barriers. As a result, the full implementation of the DDR has been delayed. The largest T-bond auction in the country was held on August 28, 2023, with an offered amount of LKR 200 billion, and the yields in the secondary market increased following the bond auction.

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.

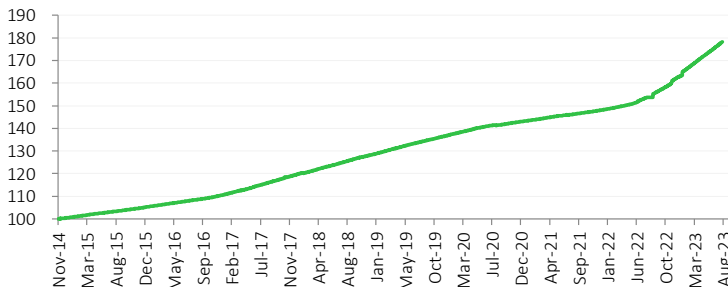
Key Facts

Fund Type	Open-ended Shariah Income Fund
NAV per unit (LKR)	15.5861
Fund AuM (LKR Millions)	125.08
Inception	02-Nov-14
Fund Domicile	Sri Lanka
ISIN	LKSSIFU00003
Fund Currency	LKR

Performance Since Inception

02/11/2014 to 31/08/2023

Growth of LKR 100 invested on 02/11/2014



Performance Summary

Period	Fund
Last Month	14.58%
3 Month	14.96%
6 Month	15.28%
YTD p.a.	16.31%
1 Year p.a.	16.32%
2 Year p.a.	10.99%
3 Year p.a.	8.41%
5 Year p.a.	7.48%
Since Inception p.a.	6.91%

All returns shown are annualized

Risk - Reward Indicator

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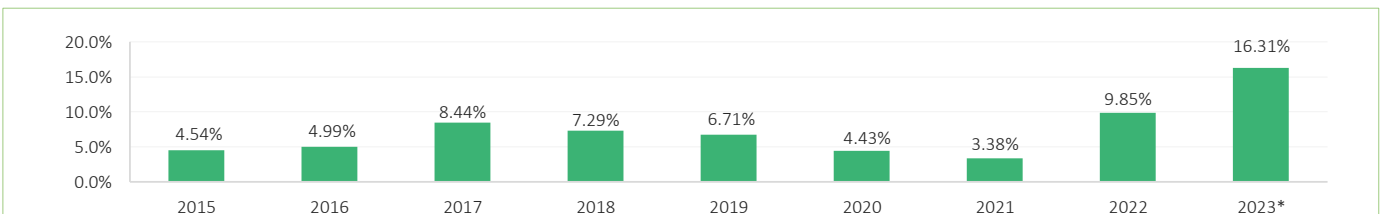
Shariah-compliant income funds are less risky compared to equity funds. Investors should consider the following risks: Market risks, Currency risks, Liquidity risks, Operational risks and Political and Legal risks.

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	7.4%	AAA	-	-	-
1-3M	26.6%	AA+	-	-	-
3-6M	32.8%	AA	-	-	-
6-9M	6.4%	AA-	-	-	-
9-12M	26.7%	A+	8.9%	-	8.9%
	100.0%	A	26.4%	13.3%	39.8%
		A-	35.8%	-	35.8%
		BBB+	0.12	0.0%	12.5%
		BBB	1.4%	-	1.4%
		<BBB	0.0%	-	0.0%
			84.9%	13.3%	98.3%

Diversification

Largest exposure to any single institution	14.0%
No. of institutions invested in	10

Asset Allocation

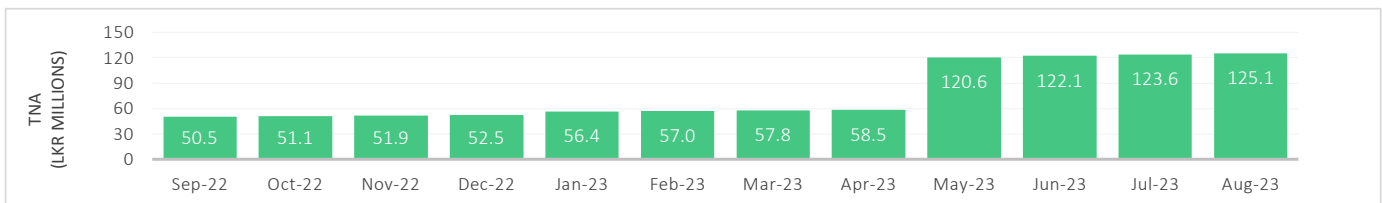
Asset Allocation	% of TNA
Wakala Investments	80.5%
Mudharaba Savings	8.0%
Mudharaba Term Deposits	11.0%
Cash & Other Net Assets	0.5%
	100.0%

Fund Indicators

Fund Indicators	Fund
Duration (Yrs)	0.44
Average Effective Maturity (Months)	5.19
Yield to Maturity (YTM)*	16.22%

*YTM is calculated as at 31.08.2023 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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