



CEYBANK SAVINGS PLUS FUND

Interim Report
30th June 2024

“The SEC in granting approval does not extend to either endorsing or ratifying the accuracy of the specific details set out therein, and that the Management Company and Trustee remains at all times responsible for the specific details set out in the Interim Report.”

CEYBANK SAVINGS PLUS MONEY MARKET FUND - Interim Report 2024

REPORT OF THE MANAGER

We have great pleasure in presenting the Interim Report and Accounts of the Ceybank Savings Plus Money Market Fund for the six-month period ended 30th June 2024.

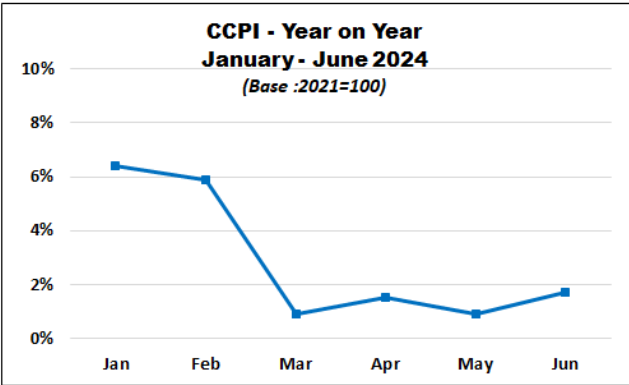
The Net Asset Value per unit of your Fund appreciated by 3.63% (AER 7.42%) during the period 31st December 2023 to 30th June 2024.

Economy

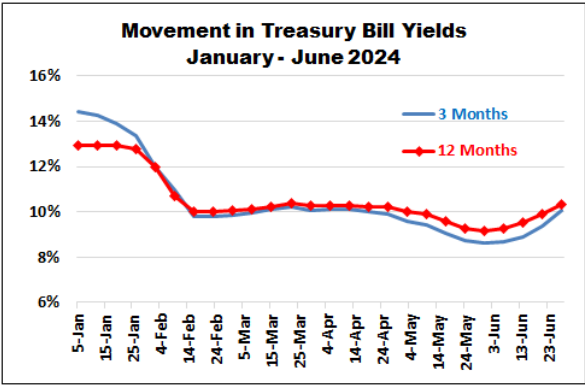
The Sri Lankan Economy witnessed an expansion in GDP by 5.3%YoY in the first quarter 2024 against -10.7%YoY in 1Q2023 (base year=2015), amidst the regaining fundamentals witnessed across the sectors in the economy.

Year on Year Inflation measured by the CCPI which was at 6.4%YoY in January 2024 showed a decelerated trend ending at 1.7%YoY in June 2024 (Base: 2021).

Market interest rates declined gradually during the period. The benchmark 12-month Treasury bill rate which was at 12.93% in January closed lower at 10.31% by the end of June. The long-term Treasury bond market continued to be volatile.



Source: Department of Census and Statistics



Source: Central Bank of Sri Lanka

Overnight call money rates moved within a band of 8.50% and 9.50% p.a. The exchange rate which was at 323.99 (Rs/USD) at the beginning of the year witnessed an appreciation of 5.64% during the period under review. The Rupee was quoted at 305.70 (Rs/ USD) as at 28th June 2024.

During the period under review, the Central Bank key policy rates were reduced by 50bps. As of end June 2024, the Standing Deposit Facility Rate (SDFR) and Standing Lending Facility Rate (SLFR) were at 8.50% and 9.50% respectively. The Statutory Reserve Ratio (SRR) for Commercial Banks remained at 2% throughout the period.

Fund Performance

The Net Asset Value per unit of your Fund appreciated by 3.63% (AER 7.42%) during the period under review.

The Fund generated a net income of Rs 755.226/- during the period under review. The Fund is invested in a mix of Treasury Bills and Repurchase Agreements with maturities less than a year.

Future Outlook

At present, in line with the implementation of structural reforms in the IMF Agreement, the signs of recovery in macro fundamentals can be witnessed in the economy. This includes the decline in elevated market interest rates, expansion in credit disbursements, deceleration of inflation, pick up in tourism earnings & workers' remittances, appreciation of rupee against USD with forex inflows and rebuilding of reserves by the Central Bank of Sri Lanka.

Amidst the improvement in economic indicators and fiscal discipline, a moderate GDP growth between 1.9% to 3% in Sri Lankan economy can be expected in 2024E against -2.3% in 2023 despite the completion of foreign debt restructuring program on International Sovereign Bonds (ISBs), policy uncertainties owing to Elections and enacting of tough reforms as per IMF agreement such as additional revenue measures underpinning the Budget 2025. Further tax administration reforms, limiting tax exemptions, submission of the new Public Financial Management bill to the Parliament, reforms to further liberalize trade, improve the investment climate and SOE efficiency, reduce gender gaps in the labor market and mitigate climate vulnerabilities. Thus, we would expect that the Sri Lankan authorities will be vigilant and proactive in implementing measures and reforms to achieve the targets before the deadline in order to align with the IMF agreement as well as to build the permanent structural reforms to achieve a sustainable, strong and resilient economy in Sri Lanka.

Currently, the Sri Lankan Government is in the discussion process to conclude the restructuring of ISBs and expecting to complete it during the 3Q2024 followed by an upgrade in country rating along with FDIs to Sri Lanka. We expect the market interest rates to stabilize at current levels despite the present interest rate volatility owing to policy uncertainty surrounding the Presidential Election.

The Fund being a Money Market Fund is invested in a mix of Government securities and Repurchase Agreements within a one-year maturity period. The Managers will continue to monitor the interest rate environment and make changes to the investment profile, to fulfill the Fund objective of providing liquidity while maximizing returns for the investors.

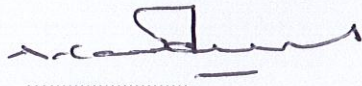
Kanchana Karannagoda
Fund Manager
August 2024

CEYBANK SAVINGS PLUS FUND
STATEMENT OF COMPREHENSIVE INCOME FOR
THE 06 MONTHS PERIOD ENDED 30 JUNE 2024
(All amounts in Sri Lanka Rupees)

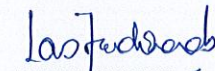
	Note	Period from 1 January to 30 June 2024	Period from 1 January to 30 June 2023
Income			
Net income on financial Assets	1	755,226	232,199,937
Net Change in Realised gain/(loss) on financial assets held at amortised cost		4,353	-
Total investment income		759,579	232,199,937
Operating Expenses			
	2	(361,380)	(449,409)
		(361,380)	(449,409)
Net operating profit/ (Loss) before tax		398,199	231,750,528
Income tax expense		-	-
Increase/ (Decrease) in net assets attributable to unitholders		398,199	231,750,528

CEYBANK SAVINGS PLUS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2024
 (All amounts in Sri Lanka Rupees)

	Note	30 June	
		2024	2023
<u>Assets</u>			
Cash and cash equivalents		239,640	91,456
Investment In Treasury Bill		10,856,999	12,664,706
Investment In Reverse Repurchase Agreement		2,801,385	1,501,236
Total Assets		13,898,024	14,257,398
UNITHOLDERS' FUNDS AND LIABILITIES			
<u>Liabilities</u>			
Other payables	3	424,037	638,417
Unclaimed Redemption		10,888	10,888
Total Liabilities (excluding net assets attributable to unitholders)		434,925	649,305
Net assets attributable to unitholder's funds		13,463,099	13,608,093
Total Unitholders' funds and Liabilities		13,898,024	14,257,398



Director
 Ceybank Asset Management LTD
 Fund Management Company



Director
 Ceybank Asset Management LTD
 Fund Management Company



Trustee
 National Savings Bank

CEYBANK SAVINGS PLUS FUND
STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS
AS AT 30 JUNE 2024
 (All amounts in Sri Lanka Rupees)

	30 June	
	2024	2023
Unitholders' funds at beginning of the year	13,382,308	3,700,517
Increase / (Decrease) in net assets attributable to unitholders	398,199	231,750,528
Received on unit creations	5,000	-
Paid on unit redemptions	(322,408)	(221,842,952)
Unitholders' funds as at 30th June	<u>13,463,099</u>	<u>13,608,093</u>

CEYBANK SAVINGS PLUS FUND
STATEMENT OF CASH FLOW
FOR THE 06 MONTHS PERIOD ENDED 30 JUNE 2024

(All amounts in Sri Lanka Rupees)

	Period from 1 January to 30 June 2024 Rs.	Period from 1 January to 30 June 2023 Rs.
Net Profit Before Taxation	398,199	231,750,528
Cash flows from operating activities		
Net investments in repurchase agreements	(600,206)	12,008,963
Net investment in treasury bills	469,889	(12,664,706)
Miscellaneous receipts	-	221,585,334
Other Payable	182,123	(231,453,173)
Net cash inflows / (outflows) from operating activities	<u>450,005</u>	<u>221,226,946</u>
Cash flows from financing activities		
Proceeds from issue of units	5,000	-
Payments on redemption of units	(322,408)	(221,842,952)
Net cash (outflows) / inflows from financing activities	<u>(317,408)</u>	<u>(221,842,952)</u>
Net Increase/(Decrease) in cash and cash equivalents	<u>132,597</u>	<u>(616,005)</u>
Cash and cash equivalents at the beginning of the year	107,043	707,461
Net Increase/(Decrease) in cash and cash equivalents	132,597	(616,005)
Cash and cash equivalents at the end of the 06 month Period	<u>239,640</u>	<u>91,456</u>

CEYBANK SAVINGS PLUS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 06 MONTHS PERIOD ENDED 30 JUNE 2024
(All amounts in Sri Lanka Rupees)

	30th June	
	2024	2023
<u>1.Net income on financial Assets</u>		
	Rs.	Rs.
Interest on Reverse Repo Agreement	84,565	240,787
T.B.Discout Income -Primary	670,661	1,325,913
Miscellaneous	-	230,633,238
	<u>755,226</u>	<u>232,199,937</u>
<u>2.Operating Expenses</u>		
Management Fee	60,387	48,847
VAT Expenses	30,521	10,227
Miscellaneous Expenses	174,418	291,000
Custodian Fees	90,000	75,000
Bank Chargers	1,525	21,800
Social Security Levy Fee	4,529	2,535
	<u>361,380</u>	<u>449,409</u>
<u>3.Other payables</u>		
Payable To Management Company	357,344	613,432
Management & Trustee Fee	12,021	9,985
Custodian Fee	54,672	15,000
	<u>424,037</u>	<u>638,417</u>