



CEYBANK UNIT TRUST FUND

Interim Report
30th September 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 Unit Trust Fund

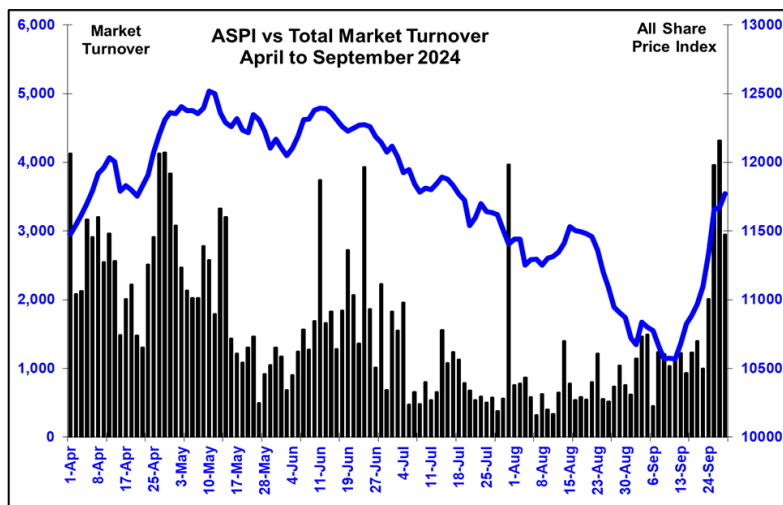
Manager's half yearly report for the period ended 30th September 2024

We have great pleasure in presenting the half yearly report of Ceybank Unit Trust Fund for the six months ended 30th September 2024.

Despite the improvement in macro indicators in the economy, the stock market mostly exhibited a dull investor sentiment during the six-month period ending 30th September 2024. The Net Asset Value per unit of your Fund depreciated by 4.26% during the period under review. During the same period both ASPI and S&P Indices grew by 3.59% and 4.09% respectively. The net asset value per unit amounted to Rs 33.42 as at 30th September 2024.

Capital Market Performance

At the beginning of the period, the Colombo Bourse witnessed a bullish investor sentiment following the receipts of second tranche of IMF-EFF and other foreign inflows from ADB and World Bank amidst the regaining in macro fundamentals. However, the uncertainties in finalizing the foreign debt restructuring process and policy inconsistency towards the presidential election saw the ASPI display a bearish movement during the latter period from May-mid September 2024. During the post-election towards end September 2024, the bourse rebounded by factoring the final confirmation of restructuring sovereign bonds, received from both the IMF and an Official Creditor Committee with the policy consistency ensured by the newly elected ruling party.



Source: Colombo Stock Exchange

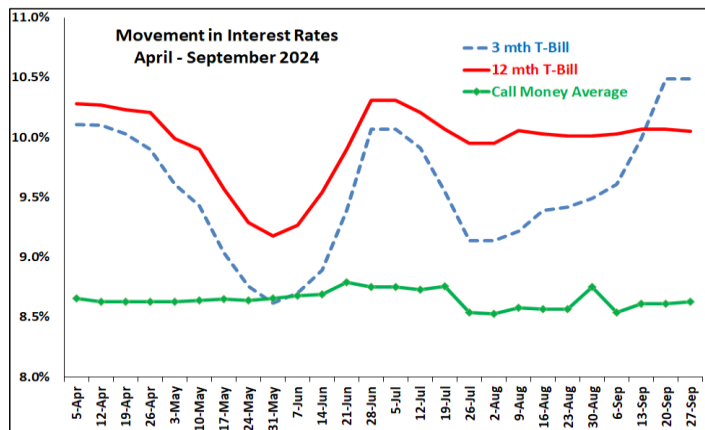
Foreign investors emerged as net buyers with net foreign inflows for the six months ending September 2024, being approximately Rs 1.92 billion.

The ASPI closed at 11,855.05 up by 411 points while the S&P Index was at 3,453.41 up by 136 points for the six-month period ended 30th September 2024.

The Sri Lankan economy witnessed an expansion of 5.0%YoY in 1H2024 against the contraction of 7.3%YoY in 1H2023 in the midst of recovery in macro-economic indicators across the sectors. Sector wise, industry sector recorded a robust upside of 11.4%YoY while both agriculture and services sectors accounted a marginal growth of 1.4%YoY and 2.6%YoY during 1H2024.

The Country's foreign reserve position improved to USD 5.99 billion by end September 2024 from USD 4.95 billion at the end of March 2024. The Exchange rate (Rs/US\$) which was at Rs.300.41 on 01st April 2024, appreciated marginally by 0.35% and was quoted at Rs 299.36 as at 30th September 2024.

Average Annual Inflation measured by the CCPI (2021=100) which was at 0.90% in March 2024, witnessed a decelerated trend throughout the period and recorded a deflation of 0.50% at the end of September 2024.



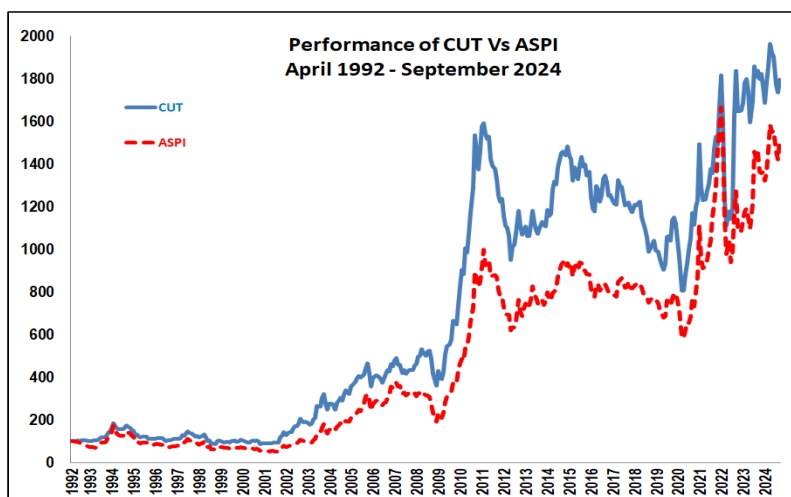
Source: Central Bank of Sri Lanka

Market Interest rates adjusted downwards during the period. The 12-month Treasury bill yields dropped by 23 basis points, from 10.28% p.a. at the end of March to 10.05% p.a. by end September 2024, and the tendency is to stabilize the one-year T-bill rate at below 10% p.a. at the end of year 2024.

Overnight call money traded within a band of 8.25% and 9.00% p.a. Central Bank policy rates were reduced by 25 basis points (bps) during the period. Thus, the Standard Lending Facility Rate and the Standing Deposit Facility Rate were quoted at 8.25% and 9.25% respectively. The statutory reserve ratio (SRR) for Commercial Banks was at 2% as at end September 2024.

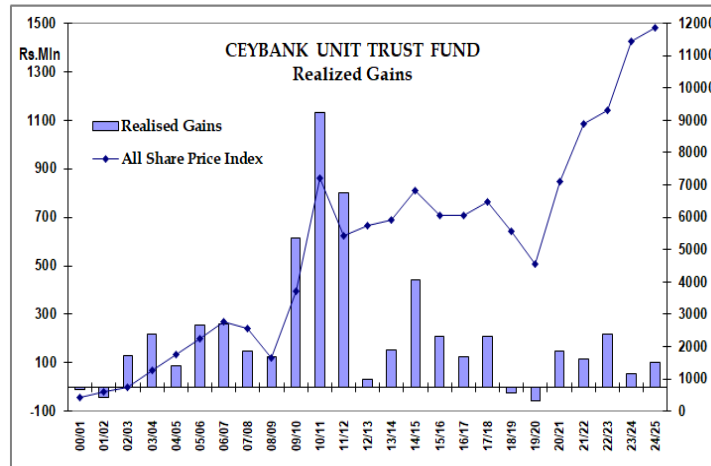
Fund Performance

The Net Asset Value per unit of your Fund depreciated by 4.26% during the half year period under review, owing to the decline in market prices of some key stock holdings of the portfolio. The chart below depicts the performance of the Fund on the medium to long term. The total net assets stood at Rs. 5,216 million as at 30th September 2024.



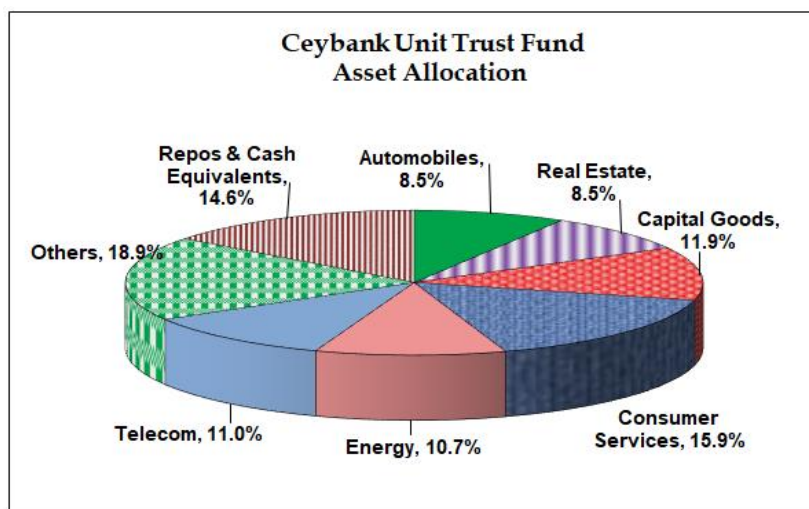
The Fund generated dividend income of Rs 109.74 million, up from Rs 71.81 million in the corresponding period. Expenses moved up from Rs 61.09 million to Rs 71.93 million. Interest Income decreased by 57% to Rs 37.25 million.

The Fund recorded Rs 100.37 million as capital gains from sale of equity during the period against Rs 5.09 million gains accounted in the previous corresponding period.



The market value of the equity portfolio was Rs 4,498 million as at 30th September 2024 marginally down from Rs 4,788 million in March 2023.

The Fund maintains a relatively high level of equity exposure as at 30th September 2024 in the midst of low yields in fixed income securities. We will continue to have a high equity exposure with a positive outlook in the medium term backed by the political stability in the country, and make changes in the Asset allocation in a manner that is compatible with our view and market expectations.



Your Fund investments are diversified across fundamentally strong companies with a medium to long term outlook, in Consumer Services, Capital Goods, Telecommunication, Energy and Real Estate sectors as depicted in the chart. We expect these stocks to perform well in the medium term adding further value to your investment.

Future Outlook

In the midst of macroeconomic stabilization in the country with the faster implementation of IMF structural reforms followed by the post-election political stability and policy consistency would enhance the growth prospects in the country. Thus, the Central Bank of Sri Lanka expects to achieve a higher economic growth of around 4.5% - 5% GDP in 2024 after witnessing a 5% economic expansion in 1H2024. This will be further bolstered up by the receipts of final confirmation of restructuring sovereign bonds coupled with the reaching of staff-level agreement by both IMF and Sri Lankan authorities to conclude the third review of economic reform program supported by the IMF's EFF. The country will be entitled to obtain about USD333 million after the completion of review by the IMF Executive Board under the 4-year EFF arrangement of about USD3 billion.

The completion of sovereign debt restructuring process will be followed by the improvement in creditworthiness of Sri Lankan banks as well as an upgrade in country rating along with FDIs to Sri Lanka. In the process of allocation of new global funds to Emerging and Frontier markets, the CSE will also be benefited with new foreign funds by further encouraging positive sentiment on equity trading on the back of attractive multiples of some trading counters coupled with the switching of some fixed income securities (FIS) to equity securities due to easing of monetary policy globally and domestically.

However, the escalation of Middle East conflicts would create vulnerabilities in the external sector in the economy due to fluctuations in global crude oil and commodity prices, which would exert pressure on the country's balance of payments and exchange rate. This would lead to imbalance in macro indicators in the domestic economy by disrupting the supply chains followed by accelerating the inflation and market interest rates.

Despite the Interim Vote on Account for the first 04 months in 2025, the newly elected government is expecting to present the Budget 2025 in March 2025. Amidst the stability in macro fundamentals, we would expect that the policy makers will be vigilant and proactive in implementing measures and reforms to achieve the targets 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 by mitigating the risks of vulnerabilities in macro fundamentals, notably including the fiscal slippage and deteriorating of foreign reserves in the country.

Management

We would like to thank our valued unit holders for the confidence placed in us. We are confident of providing a consistent return to the unit holders who remain in the Fund in the medium to long term. We also place on record our appreciation for the support and co-operation received from the Securities and Exchange Commission of Sri Lanka, Colombo Stock Exchange, the Trustee National Savings Bank and Custodian Bank of Ceylon.

Our sincere appreciation is also due to the stakeholders, the Chairman and Board of Directors and for their guidance. Our achievements would not have been possible without the skills and commitment of the Management Team. We thank them for their contribution and dedication throughout the year and look forward to their support in the future.

Kanchana Karannagoda
Fund Manager
November 2024

CEYBANK UNIT TRUST

Statement of comprehensive income

(all amounts in Sri Lanka Rupees thousands)

	Notes	Six months ended 30 September	
		2024	2023
Income			
Dividend		109,748	71,810
Interest income from financial assets	1	37,254	87,011
Other Income		-	10,989
Net realized gain on financial assets held at fair value through profit or loss		100,376	5,094
Net change in unrealized gain on financial assets held at fair value through profit or loss		(406,872)	(4,836)
Total investment gain		(159,494)	170,068
Expenses			
Management fee		(44,893)	(43,586)
Trustee fee & Custodian fee		(9,115)	(8,849)
Other expenses	2	(17,927)	(8,661)
		(71,935)	(61,096)
Profit / (Loss) after deductions and before tax		(231,429)	108,972
Income tax expense		-	-
Increase / (Decrease) in net assets attributable to unitholders		(231,429)	108,972

CEYBANK UNIT TRUST

Statement of financial position

as at 30th September 2024

(all amounts in Sri Lanka Rupees thousands)


	Notes	Six months ended 30 September	
		2024	2023
Assets			
Cash and cash equivalents		1,146	77,518
Financial assets held at fair value through profit or loss	3	4,851,706	5,364,548
Financial assets measured at amortised cost	4	395,662	53,209
Total assets		5,248,513	5,495,275
Unit Holders' funds and Liabilities			
Liabilities			
Payables	5	31,589	28,516
Amount payable on unit redemption		-	505
Total liabilities (excluding net assets attributable to unitholders)		31,589	29,021
Net assets attributable to unitholders		5,216,924	5,466,254
Total Unit Holders' Funds and Liabilities		5,248,513	5,495,275



Director

Ceybank Asset Management Ltd


Fund Management Company



Director

Ceybank Asset Management Ltd

Fund Management Company



Trustee

National Savings Bank

CEYBANK UNIT TRUST

Statement of changes in Unitholders' funds
(all amounts in Sri Lanka Rupees thousands)

	Six months ended 30 September	
	<u>2024</u>	<u>2023</u>
Unit holders' funds at beginning of year	5,513,139	5,374,889
Increase / (Decrease) in net assets attributable to unit holders	(231,429)	108,972
Received on unit creations	429	1,954
Paid on unit redemptions	(65,214)	(19,561)
Unitholders' funds at end of year	5,216,925	5,466,254

CEYBANK UNIT TRUST

Statement of cash flows

For the 06 months period ended 30 September 2024

(all amounts in Sri Lanka Rupees thousands)

	Period from 1 April to 30 September 2024 Rs.	Period from 1 April to 30 September 2023 Rs.
<i>Net Profit Before Taxation</i>	(231,429)	108,972
<i>Cash flows from operating activities</i>		
Investment in equity shares	589,326	(11,050)
Payable on Unit Redemption	(8)	448
Net investments in repurchase agreements	(294,404)	(6,183)
Other Receivable	-	13,687
Other Payable	(549)	(13,199)
<i>Net cash inflows / (outflows) from operating activities</i>	<u>62,936</u>	<u>92,675</u>
<i>Cash flows from financing activities</i>		
Proceeds from issue of units	429	1,954
Payments on redemption of units	(65,214)	(19,561)
<i>Net cash (outflows) / inflows from financing activities</i>	<u>(64,785)</u>	<u>(17,607)</u>
<i>Net decrease in cash and cash equivalents</i>	<u>(1,849)</u>	<u>75,068</u>
Cash and cash equivalents at the beginning of the period as at 01st April 2024	2,996	2,450
Net decrease in cash and cash equivalents	(1,849)	75,068
<i>Cash and cash equivalents at the end of the 06 month Period</i>	<u>1,147</u>	<u>77,518</u>

Notes (all amounts in Sri Lanka Rupees thousands)**Six months ended 30 September****1. Interest Income from Financial Assets**

	2024	2023
Interest on Reverse Repo Agreements	6,916	5,587
Interest on T.Bills	28,826	81,424
Interest on Commercial Papers	1,512	-
	37,254	87,011

2. Other Expenses

VAT Expense	9,971	1,367
Miscellaneous Expenses	705	699
Bank Charges	74	167
Interest Expenses	0	2
WHT on Interest Income	76	-
WHT on Dividend Income	5,716	5,076
Social Security Levy Fee	1,385	1,350
	17,927	8,661

3. Financial Assets held at fair value through profit or loss

Treasury Bills	353,116	685,143
Investments at Quoted Market Value	4,498,590	4,679,405
	4,851,706	5,364,548

As at 30th September 2024

Company	Share Qty	Market Value Holdings as a % of NAV	
<u>AUTOMOBILES & COMPONENTS</u>			
KELANI TYRES PLC	6,123,886	450,106	8.63%
<u>BANKS</u>			
NATIONS TRUST BANK PLC	39,328	4,877	0.09%
SEYLAN BANK PLC - NON VOTING	492,166	18,948	0.36%
PAN ASIA BANKING CORPORATION PLC	64,394	1,442	0.03%
COMMERCIAL BANK OF CEYLON PLC	1,443,956	146,201	2.80%
SAMPATH BANK PLC	410,958	31,931	0.61%
HATTON NATIONAL BANK PLC	10,000	2,048	0.04%
UNION BANK OF COLOMBO PLC	25,226	240	0.00%
SANASA DEVELOPMENT BANK PLC	1,573,477	47,991	0.92%
CARGILLS BANK PLC	2,000,000	15,000	0.29%

CAPITAL GOODS

ACL CABLES PLC	112,036	9,411	0.18%
ROYAL CERAMICS LANKA PLC	1,261,751	41,890	0.80%
HAYLEYS PLC	538,109	53,703	1.03%
JOHN KEELLS HOLDINGS PLC	755,636	135,448	2.60%
CENTRAL INDUSTRIES PLC	98,075	11,426	0.22%
LANKA WALLTILES PLC	423,445	21,511	0.41%
HEMAS HOLDINGS PLC	633,046	49,441	0.95%
VALLIBEL ONE PLC	5,471,735	283,983	5.44%
SOFTLOGIC HOLDINGS PLC	48,751	380	0.01%
ACCESS ENGINEERING PLC	702,090	16,499	0.32%
JOHN KEELLS HOLDINGS PLC - RIGHTS	75,563	1,224	0.02%

COMMERCIAL & PROFESSIONAL SERVICES

EXTERMINATORS PLC	333,769	2,336	0.04%
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CONSUMER DURABLES & APPAREL

TEEJAY LANKA PLC	187,362	7,588	0.15%
HELA APPAREL HOLDINGS PLC	2,945,200	18,260	0.35%

CONSUMER SERVICES

AITKEN SPENCE HOTEL HOLDINGS PLC	195,848	12,534	0.24%
TRANS ASIA HOTELS PLC	5,305,879	212,235	4.07%
THE KINGSBURY PLC	10,779,473	113,184	2.17%
HAYLEYS LEISURE PLC	36,680	789	0.02%
ASIAN HOTELS & PROPERTIES PLC	8,778,984	501,280	9.61%

DIVERSIFIED FINANCIALS

MERCHANT BANK OF SRI LANKA & FINANCE PLC	11,798,960	62,534	1.20%
PEOPLES LEASING & FINANCE PLC	4,086	48	0.00%

ENERGY

LANKA IOC PLC	4,842,333	556,868	10.67%
LAUGFS GAS PLC	122,600	4,132	0.08%
LAUGFS GAS PLC- NON VOTING	12,175	235	0.00%

FOOD BEVERAGE & TOBACCO

KELANI VALLEY PLANTATIONS PLC	1,039,508	76,404	1.46%
KAHAWATTE PLANTATIONS PLC	2,508,636	42,145	0.81%
DISTILLERIES COMPANY OF SRI LANKA PLC	1,290,939	35,243	0.68%
MAHARAJA FOODS PLC	1,500,000	7,950	0.15%

HEALTH CARE EQUIPMENT & SERVICES

THE LANKA HOSPITALS CORPORATION PLC	3,014,475	241,459	4.63%
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INSURANCE

LOLC GENERAL INSURANCE PLC	1,782,800	11,053	0.21%
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MATERIALS

TOKYO CEMENT COMPANY (LANKA) PLC - NON VOTING	156,640	6,783	0.13%
CIC HOLDINGS PLC	576,195	43,215	0.83%
TOKYO CEMENT COMPANY (LANKA) PLC	71,615	3,509	0.07%
ALUMEX PLC	669,413	7,966	0.15%
JAT HOLDINGS PLC	1,000,000	18,000	0.35%
EX-PACK CORRUGATED CARTONS PLC	5,529,896	80,183	1.54%

REAL ESTATE

C T LAND DEVELOPMENT PLC	1,667	41	0.00%
EQUITY TWO PLC	2,198,192	83,531	1.60%
COLOMBO LAND & DEVELOPMENT COMPANY PLC	18,895,734	357,129	6.85%
PRIME LANDS RESIDENCIES PLC	1,000,000	8,600	0.16%

RETAILING

KAPRUKA HOLDINGS PLC	958,400	6,709	0.13%
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SOFTWARE & SERVICES

HSENIID BUSINESS SOLUTIONS PLC	3,279,893	36,079	0.69%
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TELECOMMUNICATION SERVICES

SRI LANKA TELECOM PLC	8,678,842	571,936	10.96%
DIALOG AXIATA PLC	723,769	6,731	0.13%

TRANSPOTATION

CHRISSWORLD PLC	775,000	8,060	0.15%
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UTILITIES

LVL ENERGY FUND PLC	1,339,983	6,834	0.13%
LAUGFS POWER PLC	122,600	1,214	0.02%
LAUGFS POWER PLC-NON VOTING	12,175	93	0.00%
WINDFORCE PLC	100,000	2,000	0.04%

124,873,349	4,498,590
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As at 30th September 2023

Company	Share Qty	Market Value Holdings as a % of NAV	
<u>AUTOMOBILES & COMPONENTS</u>			
KELANI TYRES (PVT) LTD	6,123,886	410,300	7.51%
<u>BANKS</u>			
NATIONS TRUST BANK PLC	38,531	4,229	0.08%
SEYLAN BANK PLC - NON VOTING	296,310	11,971	0.22%
PAN ASIA BANKING CORPORATION PLC	64,394	1,301	0.02%
COMMERCIAL BANK OF CEYLON PLC	919,551	82,943	1.52%
SAMPATH BANK PLC	243,891	17,072	0.31%
UNION BANK OF COLOMBO PLC	25,226	280	0.01%
SANASA DEVELOPMENT BANK PLC	1,539,241	55,413	1.01%
<u>CAPITAL GOODS</u>			
ROYAL CERAMICS LANKA PLC	706,475	21,618	0.40%
HAYLEYS PLC	538,109	50,044	0.92%
JOHN KEELLS HOLDINGS PLC	355,636	68,549	1.25%
CENTRAL INDUSTRIES PLC	95,118	9,512	0.17%
LANKA WALLTILES PLC	423,445	20,537	0.38%
HEMAS HOLDINGS PLC	533,046	42,537	0.78%
VALLIBEL ONE PLC	5,471,735	246,228	4.50%
SOFTLOGIC HOLDINGS PLC	48,751	775	0.01%
ACCESS ENGINEERING PLC	702,090	13,901	0.25%
<u>COMMERCIAL & PROFESSIONAL SERVICES</u>			
EXTERMINATORS PLC	333,769	2,670	0.05%
<u>CONSUMER DURABLES & APPAREL</u>			
TEEJAY LANKA PLC	187,362	6,689	0.12%
HELA APPAREL HOLDINGS PLC	2,945,200	18,849	0.34%
<u>CONSUMER SERVICES</u>			
AITKEN SPENCE HOTEL HOLDINGS PLC	195,848	15,492	0.28%
TRANS ASIA HOTELS PLC	5,305,879	254,682	4.66%
THE KINGSBURY PLC	10,779,473	128,276	2.35%
HAYLEYS LEISURE PLC	36,680	954	0.02%
ASIAN HOTELS & PROPERTIES PLC	8,978,984	558,493	10.22%
<u>DIVERSIFIED FINANCIALS</u>			
MERCHANT BANK OF SRI LANKA & FINANCE PLC	11,798,960	58,995	1.08%
PEOPLES LEASING & FINANCE PLC	3,873	43	0.00%

<u>ENERGY</u>			
LANKA IOC PLC	5,161,333	600,005	10.98%
LAUGFS GAS PLC	122,600	4,352	0.08%
LAUGFS GAS PLC- NON VOTING	12,175	259	0.00%
<u>FOOD BEVERAGE & TOBACCO</u>			
KELANI VALLEY PLANTATIONS PLC	1,039,508	81,705	1.49%
KAHAWATTE PLANTATIONS PLC	3,108,636	57,510	1.05%
<u>HEALTH CARE EQUIPMENT & SERVICES</u>			
THE LANKA HOSPITALS CORPORATION PLC	3,014,475	311,998	5.71%
<u>INSURANCE</u>			
LOLC GENERAL INSURANCE PLC	1,782,800	11,232	0.21%
<u>MATERIALS</u>			
TOKYO CEMENT COMPANY (LANKA) PLC - NON VOTING	142,400	6,750	0.12%
TOKYO CEMENT COMPANY (LANKA) PLC	65,105	3,581	0.07%
ALUMEX PLC	344,413	3,306	0.06%
JAT HOLDINGS PLC	1,000,000	18,400	0.34%
EX-PACK CORRUGATED CARTONS PLC	5,529,896	73,548	1.35%
<u>REAL ESTATE</u>			
C T LAND DEVELOPMENT PLC	1,667	39	0.00%
EQUITY TWO PLC	2,198,192	85,729	1.57%
COLOMBO LAND & DEVELOPMENT COMPANY PLC	18,895,734	377,915	6.91%
PRIME LANDS RESIDENCIES PLC	1,000,000	7,900	0.14%
<u>RETAILING</u>			
KAPRUKA HOLDINGS PLC	958,400	8,051	0.15%
<u>SOFTWARE & SERVICES</u>			
HSENIID BUSINESS SOLUTIONS PLC	3,008,960	37,010	0.68%
<u>TELECOMMUNICATION SERVICES</u>			
SRI LANKA TELECOM PLC	9,562,039	810,861	14.83%
DIALOG AXIATA PLC	723,769	7,889	0.14%
<u>TRANSPOTATION</u>			
EXPOLANKA HOLDINGS PLC	373,335	50,774	0.93%
CHRISWORLD PLC	775,000	8,525	0.16%
<u>UTILITIES</u>			
LVL ENERGY FUND PLC	1,116,653	6,700	0.12%
LAUGFS POWER PLC	122,600	1,079	0.02%
LAUGFS POWER PLC -NON VOTING	12,175	85	0.00%
WINDFORCE PLC	100,000	1,850	0.03%
	118,863,328	4,679,405	

Six months ended 30 September

	<u>2024</u>	<u>2023</u>
<u>4. Financial Assets measured at Amortised Cost</u>		
Reverse Repo Agreements	244,225	53,209
Commercial Papers	151,437	-
	<u>395,662</u>	<u>53,209</u>
<u>5. Payables</u>		
Unclaimed Redemptions	8	8
Payables to Management Company	303	330
Management Fees	26,000	23,027
Trustee Fees	3,939	3,844
Custodian Fees	1,339	1,307
	<u>31,589</u>	<u>28,516</u>



Managers of the Ceybank Unit Trust Fund's

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