



# CEYBANK SURAKUM FUND

Interim Report  
30th June 2025

“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 SURAKUM FUND - Interim Report 2025

## REPORT OF THE MANAGER

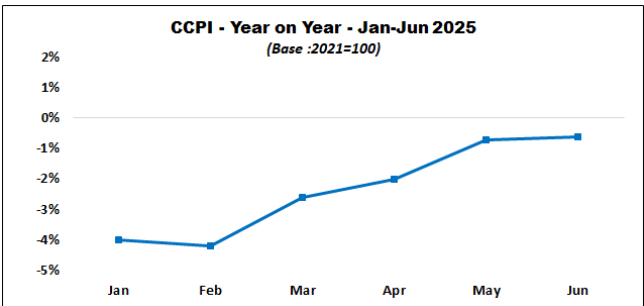
We have great pleasure in presenting the Interim Report and Accounts of the Ceybank Surakum Fund for the six-month period ended 30th June 2025.

The Net Asset Value per unit of your Fund appreciated by 2.46% (AER 5.03%) during the period 31st December 2024 to 30th June 2025.

### Economy

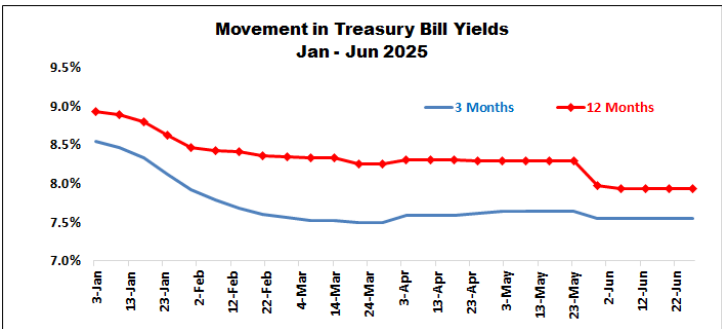
The Sri Lankan economy expanded by 4.8% YoY in the first quarter of 2025, compared to 5.1% YoY in 1Q2024 (base year = 2015), supported by sustainable improvements in macro fundamentals in the economy. Sector-wise, the industry and services sectors recorded YoY growth rates of 9.7% and 2.8%, respectively, while the agriculture sector posted a marginal contraction of 0.7% YoY in 1Q2025.

Year on Year Inflation measured by the CCPI showed a steady easing of deflationary pressures throughout the period, recording a deflation of 0.6% YoY at the end of June 2025, compared to -4.0%YoY in January 2025 (Base: 2021).



Source: Department of Census and Statistics

Following the 25 basis point reduction in the policy rate in May 2025, market interest rates adjusted downward accordingly. The Overnight Policy Rate (OPR) was revised to 7.75%, while the one-year Treasury bill rate declined to 7.94% by end-June 2025, compared to 8.94% at the beginning of January 2025. Long term Treasury bond yields also moved in tandem with the Treasury Bills during this period.



Source: Central Bank of Sri Lanka

Overnight call money rates moved within a band of 7.40% and 8.10% p.a. The exchange rate which was at 293.00 (Rs/USD) at the beginning of the year witnessed a marginal depreciation of 2.38% during the period under review. The Rupee was quoted at 299.96 (Rs/ USD) as at 30th June 2024.

## **Fund Performance**

The Net Asset Value per unit of your Fund appreciated by 2.46% (AER 5.03%) during the period under review.

The Fund generated a net income of Rs 1,209,620/- 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**

With the GDP growth recorded in 2024 and 1Q2025 following the crisis-driven contractions in 2023 and 2022, the IMF anticipates Sri Lanka's real GDP to continue its recovery in 2025. This projection is underpinned by ongoing fiscal consolidation and the implementation of critical measures and reforms aimed at restoring macroeconomic stability, ensuring debt sustainability, safeguarding financial stability, and rebuilding external buffers despite prevailing economic vulnerabilities. The Central Bank of Sri Lanka (CBSL) projects a GDP growth rate of at least 5% in year 2025.

In the midst of continued political stability, policy consistency, and the strengthening of macroeconomic fundamentals, it is essential for policymakers to remain vigilant and proactive. Enhancing the investment climate and improving state-owned enterprise (SOE) efficiency will be vital to meeting reform targets within the stipulated timeline under the IMF program. Achieving these milestones will help establish the permanent structural reforms necessary to build a sustainable, resilient, and robust economy. Moreover, it would mitigate risks stemming from macroeconomic vulnerabilities particularly fiscal slippage and the depletion of foreign reserves while paving the way for improved sovereign credit ratings and attracting significant foreign direct investments (FDIs) into the country.

However, the escalation of the Israel-Iran conflict and broader tensions in the Middle East could pose significant external risks. These geopolitical developments may negatively affect key sectors such as FDI inflows, tourism earnings, and workers' remittances. Additionally, heightened volatility in global crude oil and commodity prices could strain the country's balance of payments and exchange rate, leading to potential imbalances in key macroeconomic indicators. Such disruptions could also impact supply chains, contribute to rising inflation, and exert upward pressure on domestic interest rates.

The Fund being a Gilt-Edged Fund is invested in a mix of Government securities. 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.

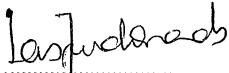
Sgd  
Kanchana Karannagoda  
Senior Fund Manager  
August 2025


**CEYBANK SURAKUM FUND**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE 06 MONTHS PERIOD ENDED 30 JUNE 2025**  
(All amounts in Sri Lanka Rupees)

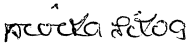
	Note	Period from 1 January to 30 June 2025	Period from 1 January to 30 June 2024
<b>Income</b>			
Net income on financial assets	1	1,209,620	284,964
Net change in Unrealised gain / (loss) on financial assets held at fair value through profit or loss		(30,622)	(20,648)
Net change in Realised gain / (loss) on financial assets held at fair value through profit or loss		-	-
<b>Total investment income</b>		<b>1,178,998</b>	<b>264,316</b>
<b>Operating Expenses</b>	2	<b>(508,978)</b>	<b>(287,331)</b>
<b>Operating profit before tax</b>		<b>670,020</b>	<b>(23,015)</b>
Income tax expense		-	-
<b>Increase / (Decrease) in net assets attributable to unitholders</b>		<b>670,020</b>	<b>(23,015)</b>

**CEYBANK SURAKUM FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 30TH JUNE 2025**  
**(All amounts in Sri Lanka Rupees)**

		30 June	
		2025	2024
<b>ASSETS</b>			
Cash and cash equivalents		447,330	274,458
Financial assets at FVTPL	3	30,001,820	4,315,454
<b>Total assets</b>		<b>30,449,150</b>	<b>4,589,912</b>
<b>UNITHOLDERS' FUNDS AND LIABILITIES</b>			
<b>LIABILITIES</b>			
Other payables	4	556,604	419,449
<b>Total liabilities (excluding net assets attributable to unitholders)</b>		<b>556,604</b>	<b>419,449</b>
Net assets attributable to unitholders's funds		29,892,546	4,170,463
<b>Total unitholders' funds and liabilities</b>		<b>30,449,150</b>	<b>4,589,912</b>

  
 .....  
 Director  
 Ceybank Asset Management Ltd  
 Fund Management Company

  
 .....  
 Director  
 Ceybank Asset Management Ltd  
 Fund Management Company

  
 .....  
 Trustee  
 National Savings Bank

**CEYBANK SURAKUM FUND**  
**STATEMENT OF CHANGES IN UNITHOLDERS' FUNDS**  
**AS AT 30 JUNE 2025**  
 (All amounts in Sri Lanka Rupees)

	30 June	
	2025	2024
Unitholders' funds at beginning of the year	29,216,526	4,222,872
Increase / (Decrease) in net assets attributable to unitholders	670,020	(23,015)
Received on unit creations	6,000	6,000
Paid on unit redemptions	-	(35,394)
<b>Unitholders' funds at 30th June</b>	<b>29,892,546</b>	<b>4,170,463</b>

**CEYBANK SURAKUM FUND**  
**STATEMENT OF CASH FLOW**  
**FOR THE 06 MONTHS PERIOD ENDED 30 JUNE 2025**  
(All amounts in Sri Lanka Rupees )

	Period from 1 January to 30-Jun-2025 Rs.	Period from 1 January to 30-Jun-2024 Rs.
<i>Net Profit / (Loss) Before Taxation</i>	670,020	(23,015)
<i>Cash flows from operating activities</i>		
Net investments in repurchase agreements	(12,594,199)	-
Net investment in treasury bills	10,961,024	(168,683)
Other Payable	(53,096)	168,295
<i>Net cash inflows / (outflows) from operating activities</i>	<u>(1,016,251)</u>	<u>(23,403)</u>
<i>Cash flows from financing activities</i>		
Proceeds from issue of units	6,000	6,000
Payments on redemption of units	-	(35,393)
<i>Net cash (outflows) / inflows from financing activities</i>	<u>6,000</u>	<u>(29,393)</u>
<i>Net Increase / (Decrease) in cash and cash equivalents</i>	<u>(1,010,251)</u>	<u>(52,796)</u>
Cash and cash equivalents at the beginning of the year	1,457,581	327,254
Net Increase / (Decrease) in cash and cash equivalents	(1,010,250)	(52,796)
<i>Cash and cash equivalents at the end of the 06 month Period</i>	<u>447,330</u>	<u>274,458</u>



**CEYBANK SURAKUM FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE 06 MONTHS PERIOD ENDED 30 JUNE 2025**  
(All amounts in Sri Lanka Rupees )

	<b>30 June</b>	
	<b>2025</b>	<b>2024</b>
<b><u>1. Net Income on Financial Assets</u></b>		
Interest on Repurchase Agreement	227,822	-
Interest on T.Bills	981,798	284,964
	<b><u>1,209,620</u></b>	<b><u>284,964</u></b>
<b><u>2. Operating Expenses</u></b>		
Management Fee	95,224	13,736
VAT Expense	34,195	21,731
Miscellaneous Expense	282,110	153,682
Custodian Fee	90,000	90,000
Bank Charges	2,700	5,050
Social Security Levy Fee	4,749	3,132
	<b><u>508,978</u></b>	<b><u>287,331</u></b>
<b><u>3. Financial assets at FVTPL</u></b>		
Treasury Bills	13,403,566	4,315,454
Repurchase Agreement	16,598,254	-
	<b><u>30,001,820</u></b>	<b><u>4,315,454</u></b>
<b><u>4. Other payables</u></b>		
Payable to Management Company	464,697	362,070
Management & Trustee Fee	19,291	2,707
Custodian Fee	72,616	54,672
	<b><u>556,604</u></b>	<b><u>419,449</u></b>