

SBM Yield Fund

30 September 2017

NAV per share **MUR 10.26**

Fund Objective

SBM Yield Fund aims at maximising returns on a long term basis whilst providing a regular income and keeping a lower risk strategy. The overall objective of SBM Yield Fund is to provide regular income and to achieve the maximum performance return comparable to that of a standard bond.

Risk Profile



Fund Profile

Inception Date:	Jun-06
Fund Size:	MUR 51M
Issue / Redemption :	10th, 20th and 30th of each month
Distribution:	Yearly (each financial year end)
Management Fee:	0.85% p.a
Entry Fee:	0.50%
Exit Fee:	0.50%

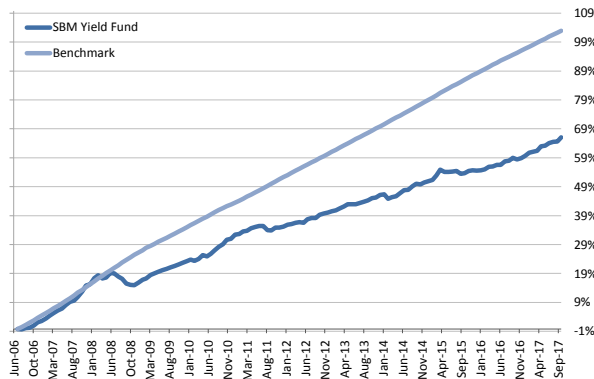
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	SBM Savings Rate plus 2%
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

Top 10 Holdings

	% Net Assets
Government of Mauritius Bond 25/01/2028	47.21%
Evaco Ltd - Floating Rate Notes	11.8%
SBM Masala Bond Note - Series B MUR	10.0%
SBM Holdings Ltd	4.7%
Ciel Textile Ltd	2.9%
Grit Real Estate Income Group Ltd	2.3%
New Mauritius Hotels Ltd	2.2%
Attitude Property Ltd	1.7%
Ascensia Ltd	0.4%
New Mauritius Hotels Ltd (Preference Shares)	0.4%
TOTAL	83.6%

Cumulative Performance



Cumulative Return

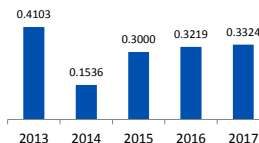
	1 M	3 M	YTD	1 Y	3 Y	5 Y	Launch	Annualized
Fund return	0.9%	1.2%	4.0%	4.4%	10.7%	19.2%	66.2%	4.6%
Benchmark return	0.3%	1.0%	3.2%	4.2%	14.8%	27.7%	103.1%	6.5%

Financial Year Return

	2010	2011	2012	2013	2014	2015	2016	2017
Fund return	4.7%	7.6%	1.8%	3.7%	3.5%	4.3%	1.5%	4.8%
Benchmark return	6.7%	6.0%	6.0%	5.6%	5.4%	4.9%	4.8%	4.3%

*All returns are calculated assuming dividends are reinvested; returns are in Financial Year format

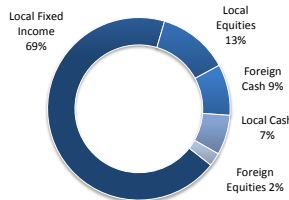
Dividend per unit (MUR)



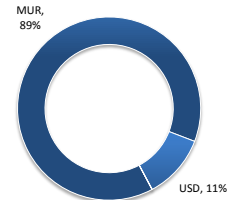
Risk Metrics

Volatility p.a.	1 Yr	3 Yr	5 Yr
Fund	1.2%	1.4%	1.3%
Index	0.0%	0.1%	0.1%
Tracking Error	1.2%	1.4%	1.4%

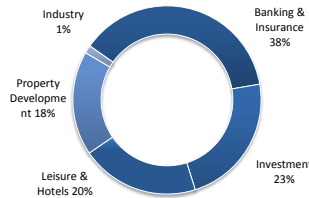
Asset Allocation



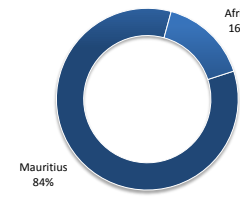
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Equities)



Fund Manager Commentary

The Fund posted a return of 0.9% over the month. The local equity portfolio stood at 13% of total allocation while foreign equities accounted for 2% of the net assets. The fixed income segment made up 69% of the total portfolio and the remaining 16% is held as cash.

The local stock market gained in September with SEMTRI and DEMTRI posting 1.80% and 1.84% MoM, respectively. Within the banking sector, MCBG rose by 6.30% to Rs287.00 and SBMH rose by 1.02% to Rs7.90. Gamma closed at Rs32.00 and UBP ended the month at Rs120.50 (0.42%). Lux Island Resorts Ltd was the top gainer among hotels, rising to Rs62.75 (7.26%). NMH Ltd rose by 1.10% to Rs23.05 and Sun Ltd rose by 3.41% to Rs45.50. Lottotech rose to Rs7.60 (4.97%), Air Mauritius dropped by -4.39% to Rs15.25 while Terra dropped to Rs29.50 (-7.81%).

On 6th September, the Monetary Policy Committee of the Bank of Mauritius cut the Key Repo Rate by 50 basis points to 3.50% in an effort to stimulate more investment into the productive sectors of the economy.

Weighted yields on 91d, 182y, 1yr, 3yr and 20yr GoM debt instruments fell during the month and reached 1.76%, 1.84%, 1.90%, 2.51% and 5.55%, respectively.

On the global bond market, rising government bond yields led to weaker corporate bond markets. The Bank of England hinted that it intends to raise UK interest rates in November while the US Federal Reserve announced it would start reducing its balance sheet as from October. High yield bond markets performed well with both US and European high yield bond markets delivering positive returns. The best performing area of the sterling and euro-denominated corporate bond markets was the financial sector while the best performing part of the high yield bond market was the utility sector. One of the key focuses for markets in the coming months is likely to be reduction in economic stimulus provided by the ECB.

Investment options & Contact details

Lump Sum	Minimum MUR 1000
Monthly Savings Plan	Minimum MUR 500
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