

SBM Yield Fund

28 February 2018

NAV per share

MUR 10.71

Fund Objective

The Fund seeks to achieve its investment objective by investing in fixed income and fixed income-related instruments across different geographies, issuers, maturities and currencies. It uses a combination of top-down and bottom-up approach in its investment selection process. It may invest in bonds, term deposits, ETFs, preferred stock, convertible bonds, structured products and mortgage backed securities, amongst others.

Risk Profile

Low	Low to Moderate	Moderate	Moderate to High	High
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Fund Profile

Inception Date:	Jun-06
Fund Size:	MUR 83M
Issue / Redemption:	10 th , 20 th and 30 th of each month
Distribution:	Yearly (each financial year end)
Management Fee:	0.85% p.a
Entry Fee:	0.50%
Exit Fee:	0.50%

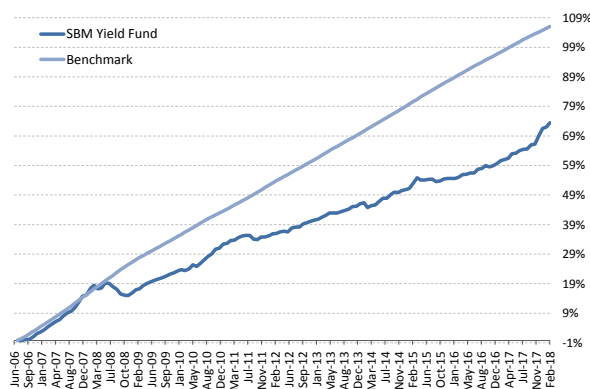
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	SBM Savings Rate + 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	22.7%
Government of Mauritius Bond 15/01/2036	6.6%
SBM Masala Bond Note - Series B MUR	6.4%
Evaco Ltd - Floating Rate Notes	5.9%
Government of Mauritius Bond 22/07/2036	4.3%
Alpha Capital Protected Note - Series 1	3.8%
MCB Group Ltd 3.5% 5Y Notes	3.2%
SBM Holdings Ltd	3.0%
SBM Maharaja Bond Fund	3.0%
Grit Real Estate Income Group Ltd	1.5%
TOTAL	60.4%

Cumulative Performance



Investment options & Contact details

Lump Sum	Minimum MUR 1000
Monthly Savings Plan	Minimum MUR 500
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port Louis

Cumulative Return

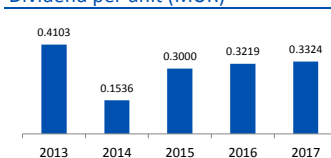
	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualized
Fund	0.8%	2.6%	1.1%	7.7%	13.4%	22.5%	73.6%	4.8%
Benchmark	0.3%	0.9%	0.6%	4.0%	14.1%	26.8%	106.2%	6.4%

Financial Year Return

	2010	2011	2012	2013	2014	2015	2016	2017
Fund	4.7%	7.6%	1.8%	3.7%	3.5%	4.3%	1.5%	5.1%
Benchmark	6.7%	6.0%	6.0%	5.6%	5.4%	4.9%	4.8%	4.6%

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

Dividend per unit (MUR)

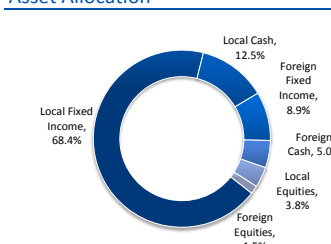


Risk Metrics

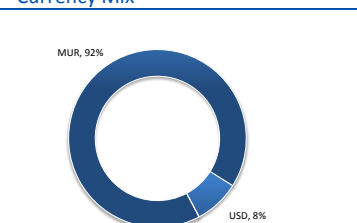
Volatility p.a.	1Y	3Y	5Y
Fund	1.9%	1.7%	1.6%
Index	0.1%	0.1%	0.2%

Tracking Error	1Y	3Y	5Y
	1.9%	1.7%	1.6%

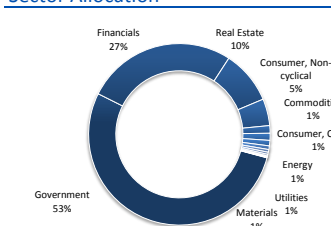
Asset Allocation



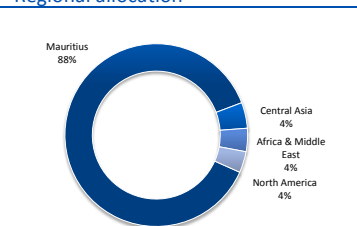
Currency Mix



Sector Allocation



Regional allocation



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund moved from Rs10.62 to Rs10.71 during the month, equivalent to a return of 0.8%, while the benchmark yielded 0.3% over the same period.

Local equity indices ended the month on the upside with the SEMDEX and SEMTRI closing at 2,292.27 points and 8,240.47 points, thereby posting 1.62% and 1.66% MoM, respectively. The top three gainers for the month were United Docks, ENL Commercial and UBP with respective performances of 17.92%, 11.57% and 10.00%. The top three losers were Plastic Industry, Afreximbank and NMH Ltd (Pref) with a corresponding performance of -5.88%, -4.65% and -4.21%.

The corresponding weighted average yields for 91-day and 182-day Government of Mauritius Treasury bills moved to 2.81% and 2.52% against 2.39% and 2.55% in their preceding issues. The yield on 364-Day Treasury Bills rose from 2.74% to reach 3.49% during the month. The corresponding yields on 3- and 5-year GoM Note increased from 3.26% and 4.07% to 3.29% and 4.65%. The yield on the 10-, 15- and 20-year GoM Bond remained flat at 4.47%, 5.21% and 5.55% as there were no new bond issues. Following the Monetary Policy Committee (MPC) meeting held on 28th February 2018, the members decided to maintain the Key Repo rate at 3.5% p.a. in order to support growth momentum.

Globally financial markets performed less favorably with the abrupt return of volatility at the beginning of February 2018. As an indication, MSCI World and MSCI Emerging markets returned -4.30% and -4.73% respectively in USD terms. The S&P 500 ended the month in negative territory posting a return of -3.89% mainly due to President Trump's intent for trade protectionism and the official speech of the new Federal Reserve Chair to raise interest rate at a more aggressive pace. The MSCI Europe returned -4.08% in EUR terms over the month while the European Commission revised up its economic growth forecasts, with GDP growth forecasts of 2.3% in 2018 and 2.0% in 2019. The MSCI Emerging Markets index decreased in value lead by Indian equities amid concern that an alleged fraud at a state-owned bank could have negative implications for the wider banking sector. Chinese equities also experienced a pullback over the month.

For the month of February, the Barclays U.S. and J.P. Morgan Global Aggregate bond indices registered the respective returns of -0.95% and -0.97%. US Treasury yields hesitated significantly over the first few days of the month, and then rose steadily thereafter. Corporate bonds, on the other end, made negative total returns and underperformed government bonds.

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