

SBM Growth Fund

31 August 2018

NAV per Share

MUR 11.71

Fund Objective

SBM Growth Fund is an open-ended fund constituted as a Trust under the SBM Investment Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The investment objective of the Fund is to seek significant long-term capital growth by investing in a broadly diversified portfolio comprising of equity and equity related securities in both the local and foreign stock markets.

Risk Profile

Low	Low to Moderate	Moderate	Moderate to High	High
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Fund Profile

Inception Date:	Feb-16
Fund Size:	MUR 115M
Dealing Frequency:	Daily
Distribution:	Yearly (each financial year end)*
Management Fee:	1.00% p.a.
Entry Fee:	1.00%
Exit Fee:	Up to Yr2: 1.0% Yr3: 0.75% Yr4: 0.50% Yr5: 0.25% Nil after Yr5

*Depending on distributable income

Fund Facts

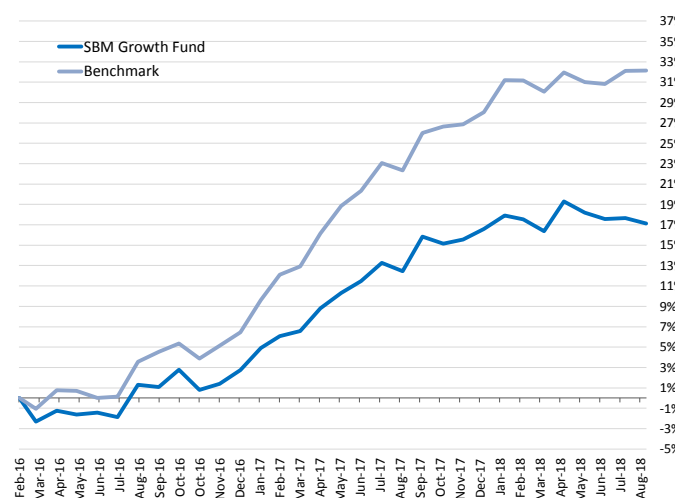
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI World All countries (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	10.7%
SBM Holdings Ltd	6.4%
Vanguard S&P 500 ETF	5.5%
SPDR S&P 500 ETF	5.5%
IBL Ltd	4.6%
Templeton Euroland Fund - A (Acc)	4.6%
NMH Ltd	4.3%
SBM India Fund - Class A	4.1%
iShares Core S&P 500 ETF	3.9%
SBM Africa Value Fund	3.6%
Total	53.2%

Cumulative Performance



Investment options & Contact details

Lump Sum	Minimum MUR 2,000
Monthly Savings Plan	Minimum MUR 500
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port-Louis

Cumulative Return

	1 M	3 M	6 M	YTD	1 Y	Inception	Annualised
Fund	-0.4%	-0.9%	-0.3%	0.5%	4.2%	17.1%	6.3%
Benchmark	0.0%	0.9%	0.7%	3.2%	8.0%	32.1%	11.4%

Financial Year Return

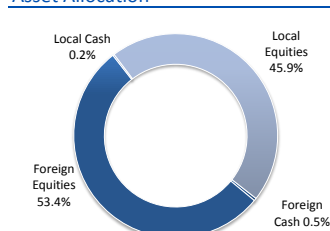
	2017	2018
Fund	13.6%	5.5%
Benchmark	20.2%	8.7%

*All returns are calculated assuming dividends are reinvested.

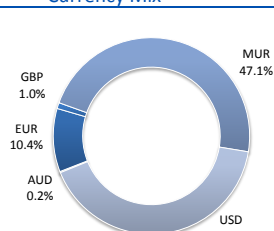
Risk Metrics

	1 Y
Volatility p.a.	1.2%
Fund	2.3%
Benchmark	2.2%
Tracking Error p.a.	2.2%

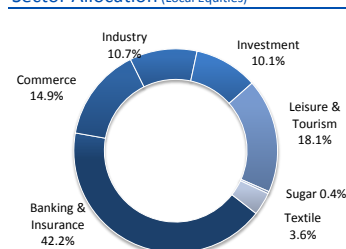
Asset Allocation



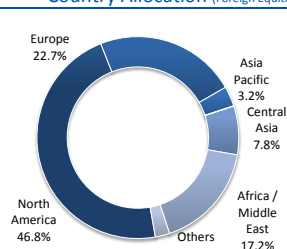
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 11.77 to MUR 11.71 during the month, equivalent to a return of -0.4%, while the benchmark posted nil return over the same period. Local equity indices posted negative returns over the month with the SEMDEX and SEMTRI closing at 2,220.77 points and 8,128.34 points, thereby posting -0.9% and -0.6% MoM, respectively. The top three gainers for the month were Belle Mare Holding Ltd, Vivo Energy Mauritius Ltd and Phoenix Beverages Ltd with respective performances of 17.1%, 5.3% and 3.4%. The top three losers were SBM Holdings Ltd, Bluelife Limited and Fincorp Investment Ltd with corresponding performances of -10.8%, -7.9% and -7.2%.

As an indication, the MSCI World and MSCI Emerging markets ended the month with returns of 1.0% and -2.9% respectively in USD terms. The Barclays Aggregate Bond Index ended the month with a return of 0.1% in USD terms. Market sentiments improved slightly amid geopolitical and trade tensions in August.

U.S. equities rose in August as Nasdaq returned 5.7% while S&P 500 returned 3.0%, both in USD terms. The main leaders were the consumer discretionary and technology sectors led by strong gains in Amazon and Apple. GDP data released for the second quarter 2018 showed an accelerated U.S. economic growth of 4.2% which was the best performance since the third quarter of 2014.

In Europe, markets were anxious about the new Italian government's budget plans due to be released by end of September and submitted in October. The country's credit rating could be at risk if its budget deviates from the European Union's objectives of the stability and growth. In the U.K., the government published a number of technical notes on the implications of a "no deal" outcome. On a positive note, the GDP growth rate has been revised up to reach 2.2% annualised. The composite PMI increased by 0.1 point to reach 54.4 as a result of Germany's and France's 0.7 points rebound to reach 55.7 and 55.1 respectively.

Trade uncertainties and a strong dollar continued to dominate the headlines in emerging markets. Exports to the US from China fell by 2.5% and its foreign exchange reserves increased modestly to USD 3.2 trillion. Stress signs were more evident in Turkey where its current account deficit had been widening at an alarming rate since the beginning of the year. The Turkish lira was down 42% year-to-date against the U.S. dollar. The U.S. on the other hand reached a trade agreement with Mexico while an agreement with Canada is still under negotiation.

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