

SBM Universal Fund

30 September 2018

NAV per Share

MUR 27.24

Fund Objective

SBM Universal Fund is an open-ended fund constituted as a Trust under the SBM Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The fund invests in equities and fixed income instruments in the domestic and international market whilst keeping a balanced-risk strategy. The overall objective of the fund is to provide regular income and maximise returns on a long term basis for the benefit of the unit-holders.

Risk Profile



Fund Profile

Inception Date:	Jun-02
Currency:	MUR
Fund Size:	MUR 431M
Issue / Redemption :	Daily
Distribution:	Yearly
Management Fee:	1.0% p.a
Entry Fee:	1.0%
Exit Fee:	1.0%

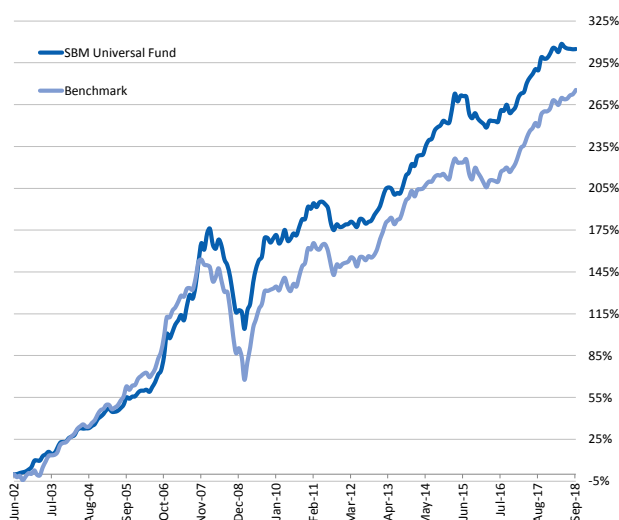
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	35% SEMDEX + 30% 1 yr Govt of Mauritius Bill + 35% MSCI World (MUR)
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

Top 10 Holdings

	% Net Assets
MCB Group Limited	9.9%
Mutual Aid - Fixed Deposit	8.1%
MHC - Fixed Deposit	5.5%
SIT Bond	4.8%
SBM Holdings Ltd	4.6%
Fidelity America Fund	3.8%
Afrexim Depository Receipts	3.5%
ARK INNOVATION ETF	3.3%
IBL Ltd	3.2%
Templeton Euroland Fund Class A (Acc)	2.7%
Total	49.4%

Cumulative Performance



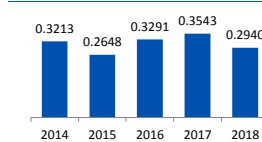
Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	0.0%	-0.1%	0.5%	0.9%	1.5%	14.0%	32.0%	304.9%	9.0%
Benchmark	0.8%	1.7%	2.9%	3.7%	4.9%	20.6%	29.6%	275.5%	8.5%

Financial Year Return

	2014	2015	2016	2017	2018
Fund	13.0%	9.3%	-5.0%	9.7%	4.7%
Benchmark	10.9%	4.5%	-4.3%	12.4%	6.1%

Dividend per unit (MUR)

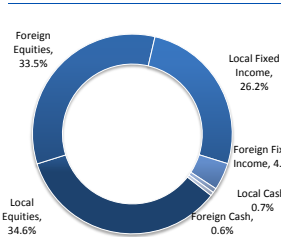


Risk Metrics

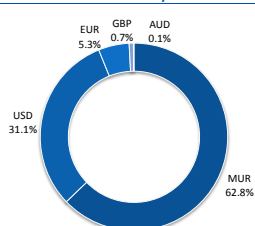
Volatility p.a.	1Y	3Y	5Y
Fund	2.2%	3.2%	4.0%
Benchmark	2.3%	3.6%	4.0%

Tracking Error p.a.	1Y	3Y	5Y
	1.3%	1.6%	1.8%

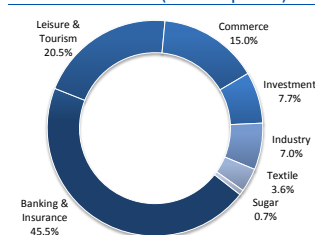
Asset Allocation



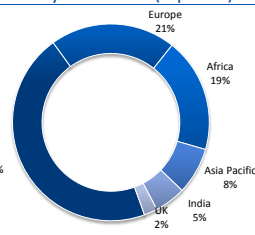
Currency Allocation



Sector Allocation (Local Equities)



Country Allocation (Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund rose by 1bp from MUR 27.23 to MUR 27.24 during the month, equivalent to a return of 0.04%, while the benchmark posted 0.81% over the same period. Local equity indices posted positive returns over the month with the SEMDEX and SEMTRI closing at 2,251.43 points and 8,226.84 points, thereby both posting 1.4% MoM, respectively. The top three gainers for the month were Fincorp Investment Ltd, Rogers & Co Ltd and BlueLife Limited with respective performances of 14.2%, 10.5% and 6.6%. The top three losers were Terra Mauricia Ltd, Promotion and Development Ltd and The Mauritius Development Investment Trust Co. Ltd with a corresponding performances of -6.2%, -6.0% and -4.5%.

The MSCI World Index and the Barclays Aggregate Bond Index (U.S) ended the month with mixed returns of 0.4% and -0.9% respectively in USD terms. U.S. - China trade worries escalated again during the month, on the implementation of new import tariffs on USD 200Bn and USD 60Bn worth of goods however, global equity markets recovered some of their earlier losses as optimism on U.S. economic outlook outweighed the lingering trade tensions. With a strong GDP growth of 4.2% annualised for Q2 2018 and consumer confidence at its highest since 2000, the S&P 500 added 0.4% in USD returns over the month. While gains were driven by an uptick in developed markets, emerging equity markets suffered with MSCI EM dropping by 0.8% over the month. On policy side, the Fed raised rates by 25bps to reach a target range of 2%-2.25%, and a further rate hike is anticipated by year end.

In Europe, Stoxx Europe 600 gained 0.4% in USD terms on reports of a compromise on the Italian budget. While EU-UK talks continued to drag because of the Irish border issue, investors turned their attention to Italy's 2019 budget. The European Central Bank (ECB) left benchmark interest rates unchanged with policymakers arguing that the economy is robust enough to generate inflation. The ECB confirmed that bond purchases will be halved to EUR 15Bn per month as from October, in view of stopping Eurozone's quantitative easing by end of this year. The Nikkei 225 ended the month in positive territory, with a return of 5.5% in JPY terms. Faced with threat of tariffs, Prime Minister Shinzo agreed to start trade negotiations with President Trump, in a move to shield Tokyo from the proposed 25% duty on imports of Japanese vehicles and automotive parts.

Emerging market equities have been weighed down by a slowdown in the pace of Chinese credit growth, fears over the vulnerability of some economies to tighter US monetary policy and concerns about the potential impact of global trade tensions. As the Fed continues to raise rates and unwind its balance sheet, EM countries with large dollar-denominated debts and significant, or widening, current account or fiscal deficits may continue to struggle. Higher oil prices are not helpful in this context for those EM economies that are large oil importers, particularly those whose currencies have fallen sharply, further increasing the cost of imports in local currency terms.

Investment options & Contact details

Lump Sum	Minimum amount of MUR 500
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