SBM Mauritius Asset Managers Ltd | SBM

SBM Universal Fund

31 October 2018 | **NAV per Share** **MUR 26.71**

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

Low	Low to Moderate	**Moderate**	Moderate to High	High

Fund Profile

Inception Date:	Jun-02
Currency:	MUR
Fund Size:	MUR 422M
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

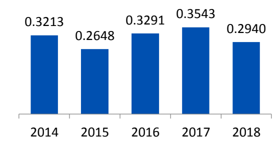
Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	-1.9%	-2.0%	-2.8%	-1.1%	-0.2%	10.6%	26.4%	297.0%	8.8%
Benchmark	-2.4%	-1.3%	-0.8%	1.3%	1.8%	14.7%	23.8%	266.7%	8.3%

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)

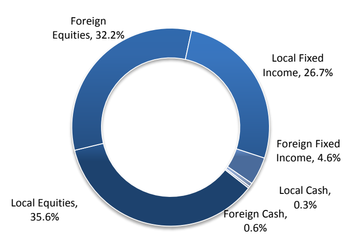


Risk Metrics

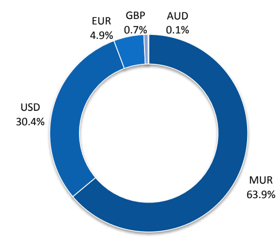
Volatility p.a.	1Y	3Y	5Y
Fund	3.0%	3.5%	4.0%
Benchmark	3.6%	3.8%	4.1%

Tracking Error p.a.	1Y	3Y	5Y
	1.3%	1.4%	1.8%

Asset Allocation



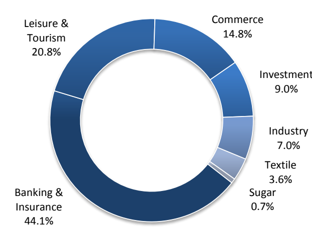
Currency Allocation



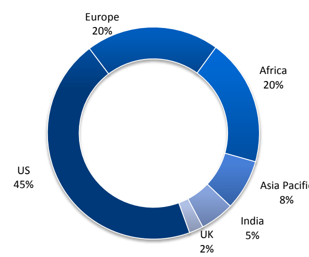
Top 10 Holdings

	% Net Assets
MCB Group Limited	10.0%
Mutual Aid - Fixed Deposit	8.3%
MHC - Fixed Deposit	5.6%
SIT Bond	4.7%
SBM Holdings Ltd	4.5%
Fidelity America Fund	3.7%
Afrexim Depository Receipts	3.4%
IBL Ltd	3.2%
ARK Innovation ETF	3.1%
Omnicane Bond	2.6%
Total	**49.1%**

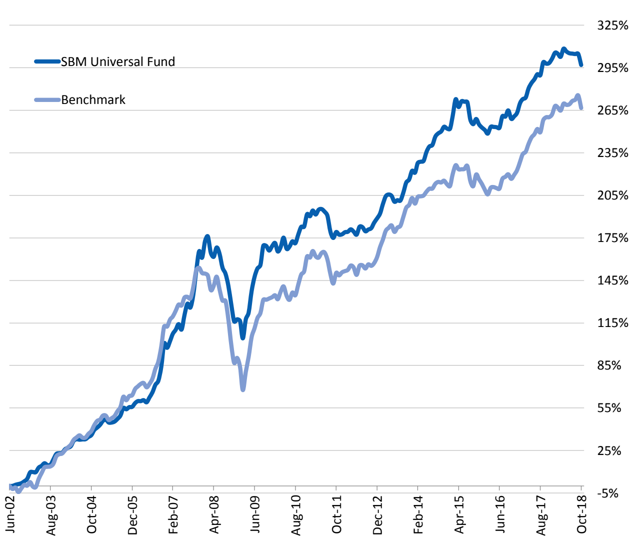
Sector Allocation (Local Equities)



Country Allocation (Equities)



Cumulative Performance



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 27.24 to MUR 26.71 during the month, equivalent to a return of -1.9%, while the benchmark posted -2.4% over the same period.

Local equity indices posted negative returns over the month with the SEMDEX and SEMTRI closing at 2,239.57 points and 8,186.72 points, thereby both returning -0.5% MoM. The top three gainers for the month were Harel Mallac Ltd, Lux Island Resorts Ltd and BlueLife Limited with respective performances of 24.7%, 6.1% and 5.4%. The top three losers were Fincorp Investment Ltd, SBM Holdings Ltd and Rogers & Co. Ltd with a corresponding performances of –7.6%, -4.6% and –4.5%.

As an indication, the MSCI World Index and the Barclays Aggregate Bond Index (U.S) ended the month with negative returns of -7.4% and -1.1% respectively in USD terms. Market volatility returned over the month with the CBOE VIX at 21.23, peaking over 25 during the month. Emerging equity markets suffered with MSCI EM dropping by -8.8% in October.

Following a robust Q3 2018, equities reversed sharply to the downside with S&P 500 tumbling by 6.9% in USD returns over the month. U.S. Growth outlook remains healthy with headline CPI falling to 2.3% YoY in October, unemployment rate falling to 3.7% in September and consumer confidence remaining high. Though third quarter's earnings were good with more than 85% of the companies beating the consensus estimates, the increased tariff measures from U.S. was the source of concerns for investors. However, at the end of October, investors' sentiment perked up as U.S.-China trade tensions eased, with a potential agreement to be signed during the G20 summit in November.

In Europe, Stoxx Europe 600 registered a fall of 5.6% in EUR terms. Eurozone's composite PMI continued to disappoint, falling from 54.2 to 52.7 for October, its lowest level in more than 2 years. Concerns in Europe have not dissipated with the ongoing Brexit uncertainty and over the Italian government's fiscal position. The Italian budget plan, seeing deficit rising to 2.4% of the GDP, was rejected by the European Commission with the latter demanding a revised plan in view of meeting fiscal targets.

Emerging market equities have been weighed down by the rise of the dollar and slowing growth. The downward momentum in India worsened with BSE SENSEX registering a fall of 4.9% in INR terms during the month. During its October monetary policy meeting, the RBI kept its repo rate unchanged at 6.50%, consistent with its stance of monetary policy tightening. Japanese equities ended the month in negative territory with the Nikkei 225 returning -9.1% in JPY terms.

Investment options & Contact details

Lump Sum	Minimum amount of MUR 500	Telephone	202-1111 / 202-1763 / 202-1448
Address	SBM Mauritius Asset Managers Ltd	Fax	210-3369
	Level 12, Hennessy Tower	E-mail	sbm.assetm@sbmgroup.mu
	Pope Hennessy Street, Port Louis	Website	nbfc.sbmgroup.mu/mam