

## SBM Growth Fund

31 December 2018

NAV per Share

MUR 10.92

## 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



## Fund Profile

Inception Date:	Feb-16
Fund Size:	MUR 109M
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

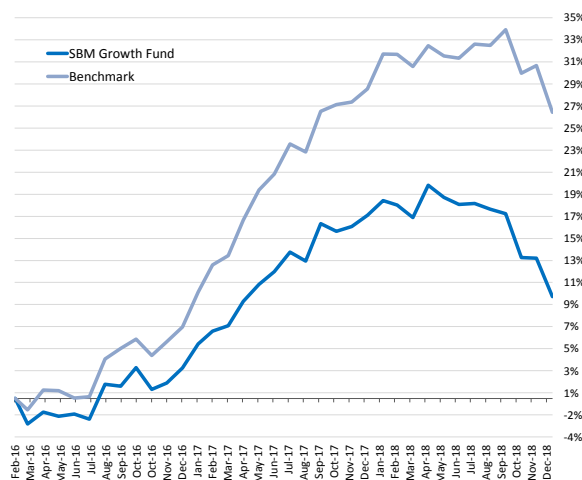
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI World All countries (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

\*\*Converted in MUR

## Top 10 Holdings

	% Net Assets
MCB Group Ltd	14.4%
SBM Holdings Ltd	6.1%
IBL Ltd	5.0%
Vanguard S&P 500 ETF	5.0%
SPDR S&P 500 ETF	5.0%
NMH Ltd	4.4%
Templeton Euroland Fund - A (Acc)	4.0%
SBM India Fund - Class A	3.6%
iShares Core S&P 500 ETF	3.7%
SBM Africa Value Fund	3.4%
<b>Total</b>	<b>54.6%</b>

## Cumulative Performance



## Cumulative Return

	1 M	3 M	6 M	YTD	1 Y	Inception	Annualised
Fund	-3.1%	-6.4%	-7.1%	-6.3%	-6.3%	9.2%	3.1%
Benchmark	-3.3%	-5.6%	-3.7%	-1.7%	-1.7%	25.9%	8.2%

## Financial Year Return

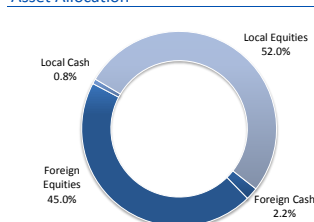
	2017	2018
Fund	13.6%	5.5%
Benchmark	20.2%	8.7%

\*All returns are calculated assuming dividends are reinvested.

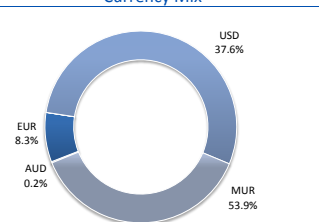
## Risk Metrics

	1 Y
Volatility p.a.	-1.8%
Fund	-0.4%
Benchmark	2.3%

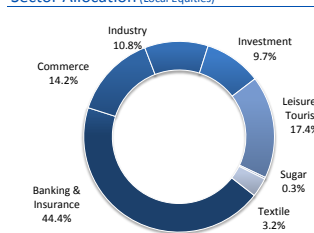
## Asset Allocation



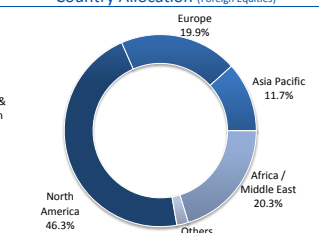
## Currency Mix



## Sector Allocation (Local Equities)



## Country Allocation (Foreign Equities)



## Fund Manager Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 11.27 to MUR 10.92 during the month, equivalent to a return of -3.1%, while the benchmark posted -3.3% return over the same period.

Local equity indices registered negative returns over the month with the SEMDEX and DEMEX closing at 2,218.52 points and 235.44 points, thereby both posting -0.7% and -0.1% MoM, respectively. The top three gainers for the month were Automatic Systems Ltd (25.2%), CIM Financial Services Ltd (15.6%) and United Docks Ltd (7.5%). The top three losers were Omnicane Ltd (-6.5%), Gamma Civic Ltd (-5.2%) and Belle Mare Holding Ltd (-4.9%).

On global markets, deteriorating investor sentiment from interest rate hike in the US by 0.25%, trade outlook and economic growth concerns negatively impacted equities. The MSCI World Index and MSCI Emerging indexes registered corresponding performances of -7.7% and -2.9%. US equities fell sharply during the month with S&P 500 shedding -9.2% in USD terms with increased investor risk aversion. US labour market data remained strong with the unemployment rate hovering around 3.7%. Manufacturing activities slowed in December with a Purchasing Managers Index (PMI) reading of 53.8 against 55.3 in November, equivalent to a 15-month low.

In Europe, equities declined amid weakening business surveys and political tensions with Stoxx Europe 600 registering a fall of -5.5% in EUR terms. Data continued to disappoint with the Eurozone's composite PMI falling from 52.7 to 51.3 in December. Domestic political tensions have been a drag during the month, with the Italian budget being the epicentre of investors' worries. However, by month end, Italy reached a deal with the EU over its 2019 budget after it was initially rejected. In the UK, FTSE 100 fell by -3.6% in GBP terms with the ongoing uncertainty over Brexit. Following the publication of the draft EU withdrawal agreement, worries over a "no deal" Brexit intensified leading to the disappointing performance of many UK domestic-focused sectors.

Japanese equities ended the month in negative territories with the Nikkei 225 returning -10.5% in JPY terms pressured by trade worries. Business confidence fell and is expected to further decline due to trade tensions, natural disasters and higher raw material costs.

With the worrying global economic outlook, persistent trade concerns along with the US interest rate hikes, Chinese equities ended in negative territories as the Shanghai Composite Index generated a return of -3.6% in CNY terms. In India, BSE Sensex shed -0.3% in INR terms as the decline in crude oil prices eased inflation concerns.

## Investment options &amp; 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

Telephone	202-1111 / 202-1448 / 202-1701
Fax	210-3369
E-mail	sbm.assetm@sbmgroup.mu
Website	nbfc.sbmgroup.mu/mam

**Disclaimer:** The information contained in this report, communication, letter, publication, and any attachment thereto, is strictly for information purposes only and is confidential and may not be disclosed without our express permission. It does not constitute an offer, or a solicitation of an offer, to purchase or sell any investment or other specific product by SBM Mauritius Asset Managers Ltd ("SBM MAM"). Although all information and opinions stated in this document are based on sources deemed to be reliable and in good faith, no representation or warranty, expressed or implied, is made or should be construed as to its accuracy and completeness. All information and views stated therein may be changed without any notification. The reader will bear in mind that certain services and products are subject to legal limitations and cannot be proposed on an unrestricted basis. Investors are reminded that past performance is not an indication of future performance. The price, value or income of the investment can go up or down. You are advised to consult your professional advisor before taking any decision or making an investment. SBM MAM disclaims all liability as regards to any direct or consequential loss arising from any use of this message or the information contained therein.