

SBM Africa Value Fund

31 January 2019

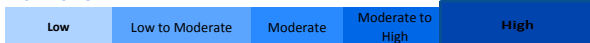
NAV per Share

USD 89.13

Fund Objective

SBM Africa Value Fund is an open-ended fund constituted as a sub-fund under the SBM International Funds Ltd. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The investment objective of the Fund is to achieve long-term capital growth primarily through investment in the securities of issuers established in or who derives most of its revenue in the African continent.

Risk Profile



Fund Profile

Inception Date:	Feb-16
Fund Size:	USD 1.4M
Umbrella Fund:	SBM International Funds Ltd
Distribution:	N/A
Dealing Frequency:	Daily
Management Fee:	Class A - 2%; Class I - 1.25%
Entry Fee:	Class A - 3%; Class I - 1%
Exit Fee:	Class A - 1%; Class I - 1%

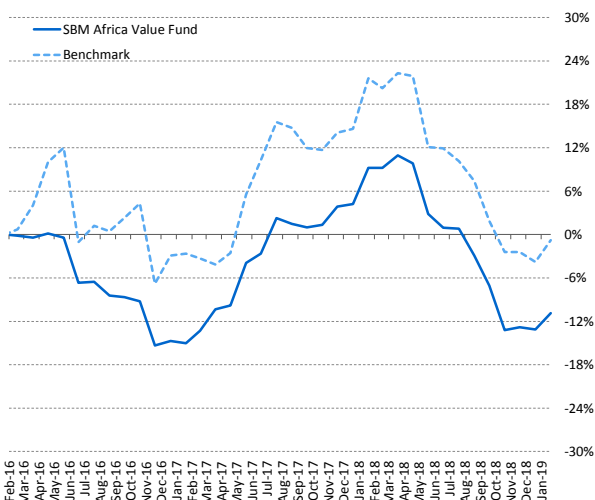
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	MSCI EFM Africa - ex ZA
Investment Advisor	Silk Invest Limited
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

Top 10 Holdings

	% Net Assets
Silk African Lions	8.9%
Safaricom Ltd	5.2%
Sanlam Ltd	4.8%
Kenya Commercial Bank Ltd	4.5%
Nestle Nigeria Plc	4.2%
Afrexim Depository Receipts	4.2%
Zenith Bank Ltd	4.1%
Guaranty Trust Bank Ltd	4.0%
Dangote Cement Plc	4.0%
Vodacom Group Ltd	3.8%
TOTAL	47.7%

Cumulative Performance



Cumulative Return

	1 M	3 M	6M	YTD	1Y	Launch	Annualized
Fund	2.6%	2.7%	-11.6%	2.6%	-18.4%	-10.9%	-3.8%
Benchmark	3.1%	1.7%	-9.9%	3.1%	-18.4%	-0.8%	-0.3%

Financial Year Return

	2016	2017	2018
Fund	-6.7%	4.3%	3.7%
Benchmark	-1.1%	11.4%	1.5%

*All returns are calculated assuming dividends are reinvested.

Risk Metrics

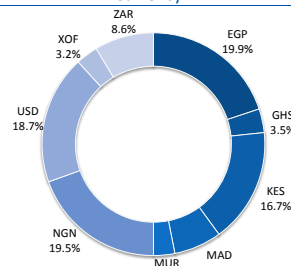
Volatility p.a.

	1Y
Fund	32.1%
Benchmark	33.9%

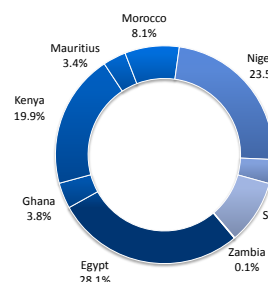
Tracking Error

	1Y
Fund	4.5%

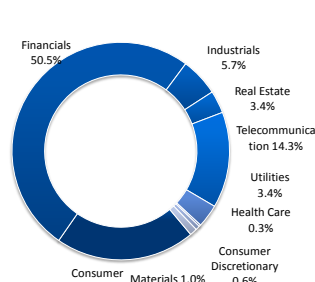
Currency Mix



Country Allocation



Sector Allocation



Fund Manager Commentary

The Fund registered a return of 2.6% during the month compared to 3.1% for the MSCI EFM Africa ex ZA. Market performance was generally supported by the appreciation of African currencies against the US Dollar and an uptick in commodity prices. A global slowdown caused an increased demand for safe-haven investments.

Kenyan shilling remained stable against the US dollar during the month, registering a marginal increase of 1.0% against the USD while the NSE All Share index posted a positive return of 7.1% in KES terms. The Purchasing Managers' Index (PMI) fell from 53.6 in December to 53.2 in January 2019, reflecting a slowdown in new orders on the back of easing demand in the domestic economy. Inflation fell to 4.7% in January 2019 from 5.7% in December 2018, within the Central Bank's medium-target range of 2.5%-7.5%. The Monetary Policy Committee (MPC) kept the Central Bank Rate (CBR) at 9.00% on the back of stable inflation and solid optimism regarding future economic activity.

In Egypt, the EGX 30 index registered a positive return of 8.4%, month-on-month in EGP terms. The Central Bank of Egypt (CBE) noted that inflation had slowed from 15.7% in November to 12.7% in December following easing food inflation pressures. During its last Monetary Policy Committee, the CBE maintained prevailing rates, namely, the overnight deposit rate at 16.75%, the overnight lending rate at 17.75% and the main operation rate at 17.25%, amid partial stability of emerging markets, decline in oil prices and the recent moderation of inflation.

Nigerian equities ended the month in negative territory with the NGSE index posting a return of -2.8% in NGN terms. The manufacturing PMI fell from 61.1 in December to 58.5 in January 2019 while the non-manufacturing PMI moved from 62.3 to 60.1. Inflation hovered above the Central Bank of Nigeria's (CBN) target of 6.0%-9.0% throughout 2018 but edged up to 11.4% in December as a result of higher food prices. Higher inflationary pressures led the CBN to keep the monetary policy rate unchanged at a record-high of 14.00%, the liquidity ratio unchanged at 30.00% and the cash reserve ratio stable at 22.50% at the Monetary Policy Committee (MPC) held in January 2019.

Investment options & Contact details

Lump Sum	Class A - USD 500; Class I - USD 300,000
Min Subsequent Investment:	Class A - USD 200; Class I - USD 50,000
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