

SBM Growth Fund

31 January 2019

NAV per Share

MUR 11.14

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 111M
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

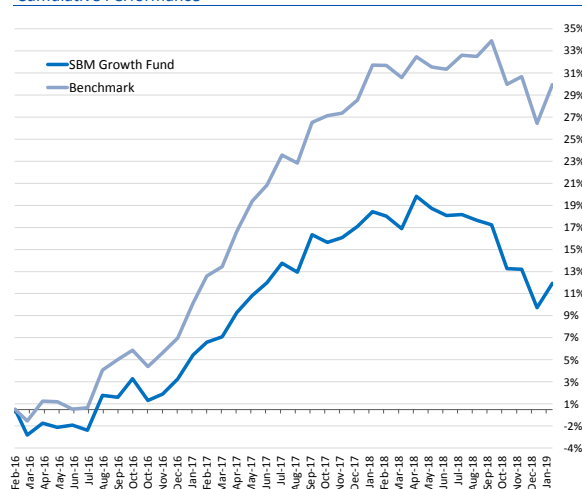
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI World All countries (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	14.2%
SBM Holdings Ltd	6.1%
Vanguard S&P 500 ETF	5.3%
SPDR S&P 500 ETF	5.3%
IBL Ltd	5.0%
Templeton Euroland Fund - A (Acc)	4.1%
NMH Ltd	4.2%
iShares Core S&P 500 ETF	3.8%
SBM India Fund - Class A	3.5%
SBM Africa Value Fund	3.4%
Total	54.9%

Cumulative Performance



Cumulative Return

	1 M	3 M	6 M	YTD	1 Y	Inception	Annualised
Fund	2.0%	-1.2%	-5.3%	2.0%	-5.5%	11.4%	3.7%
Benchmark	2.8%	0.0%	-2.0%	2.8%	-1.3%	29.4%	9.0%

Financial Year Return

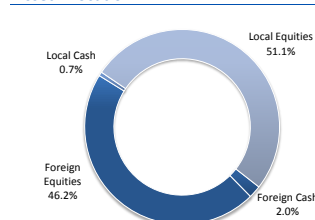
	2017	2018
Fund	13.6%	5.5%
Benchmark	20.2%	8.7%

*All returns are calculated assuming dividends are reinvested.

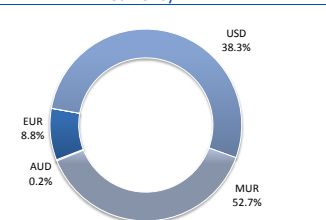
Risk Metrics

Volatility p.a.	1 Y
Fund	-1.6%
Benchmark	-0.3%
Tracking Error p.a.	1 Y
	2.1%

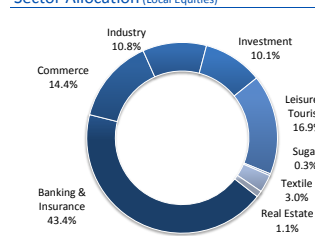
Asset Allocation



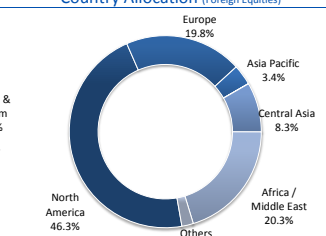
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund rose from MUR 10.92 to MUR 11.14 during the month, equivalent to a return of 2.0%, while the benchmark posted 2.8% return over the same period.

Local equity indices registered mixed returns over the month with the SEMDEX and DEMEX closing at 2,212.92 points and 236.09 points, thereby posting -0.3% and 0.3% MoM, respectively. The top three gainers for the month were Rogers & Co. Ltd (11.3%), Air Mauritius Ltd (5.8%) and Omnican Ltd (4.5%). The top three losers were CIM Financial Services Ltd (-6.6%), New Mauritius Hotels Ltd (-5.4%) and Phoenix Beverages Ltd (-5.4%).

On global markets, the MSCI World Index and the Barclays Aggregate Bond Index (U.S) ended the month on positive territories by registering respective USD performances of 7.7% and 1.5% in USD terms. Emerging market equities outperformed developed markets with MSCI EM adding 8.7%.

US stocks recovered the sharp falls of December 2018 with S&P 500 gaining 7.9%. Markets were buoyed by a solid start to earnings season, news on the restart of US-China trade talks and the change in tone by the Federal Reserve, highlighting a greater flexibility in future rate decisions. Fed maintained interest rates at its target fed fund rate of 2.25%-2.50% in its January meeting.

In Europe, equities ended in positive territory with Stoxx Europe 600 posting gains of 6.2% in EUR terms. Recent economic data painted a mixed picture; the Eurozone economy grew by 0.2% in Q4 2018, bringing the overall growth rate for 2018 to 1.2%. However, the market sentiment declined with the Economic Sentiment Indicator falling to 106.2 in January, from its precedent reading of 107.4. Italy continued to be a drag on Europe with latest data confirming that the country fell into a technical recession as the Italian economy shrank by 0.2% in Q4 2018. FTSE 100 rose by 3.6% over the course of January 2019. Though political tensions heightened with the Brexit deadline drawing closer, investors seemed to interpret these political developments as supportive of avoiding a "no deal" Brexit. On the economic front, the UK labour market remains healthy with unemployment rate falling to 4.0% and wage growth rising to 3.4% YoY.

Japanese equities bounced back during the month with Nikkei 225 posting gains of 3.8% in JPY terms following modest rebound in YoY growth in household spending in December.

Emerging market equities closed the month in green on the back of growing optimism on US-China trade negotiations, positive signals from Fed and the depreciation of the US dollar. Shanghai Composite Index gained 3.6% in CNY terms. In India, BSE Sensex grew slightly by 0.5% in INR terms as a result of the Fed's dovish tone. Returns were however capped due to a rebound in oil prices.

Investment options & Contact details

Lump Sum	Minimum MUR 2,000
Monthly Savings Plan	Minimum MUR 500
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