

## SBM Africa Value Fund

28 February 2019

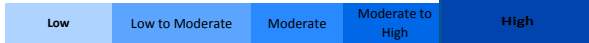
NAV per Share

USD 91.24

## 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 1.5M                      |
| 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%    |

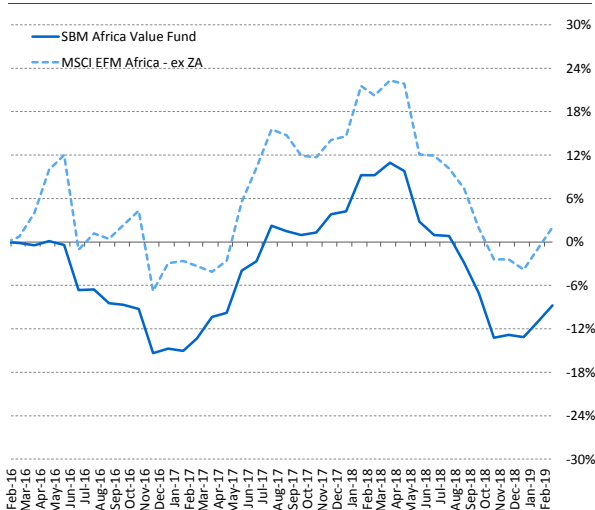
## Fund Facts

|                    |                                  |
|--------------------|----------------------------------|
| 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               | 5.6%         |
| Kenya Commercial Bank Ltd   | 4.5%         |
| Zenith Bank Ltd             | 4.3%         |
| Nestle Nigeria Plc          | 4.2%         |
| Sanlam Ltd                  | 4.2%         |
| Guaranty Trust Bank Ltd     | 4.1%         |
| Dangote Cement Plc          | 4.0%         |
| Label Vie                   | 4.0%         |
| Afrexim Depository Receipts | 3.8%         |
| <b>TOTAL</b>                | <b>47.6%</b> |

## Cumulative Performance



## Investment options &amp; 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  |
| Address                    | SBM Mauritius Asset Managers Ltd<br>Level 12, Hennessy Tower<br>Pope Hennessy Street, Port Louis |

## Cumulative Return

|           | 1 M  | 3 M  | 6M    | YTD  | 1Y     | Launch | Annualized |
|-----------|------|------|-------|------|--------|--------|------------|
| Fund      | 2.4% | 4.7% | -6.0% | 5.1% | -16.5% | -8.8%  | -2.9%      |
| Benchmark | 2.8% | 4.5% | -5.0% | 6.0% | -15.2% | 2.0%   | 0.7%       |

## 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

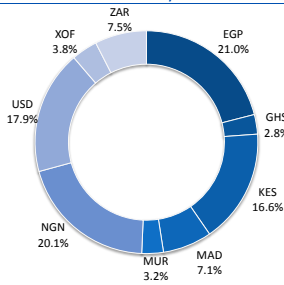
## Volatility p.a.

|           | 1Y    |
|-----------|-------|
| Fund      | 30.2% |
| Benchmark | 31.7% |

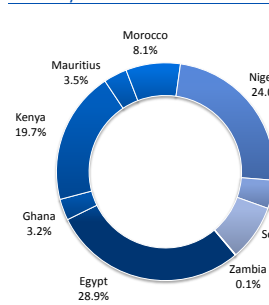
## Tracking Error

|      | 1Y   |
|------|------|
| Fund | 4.4% |

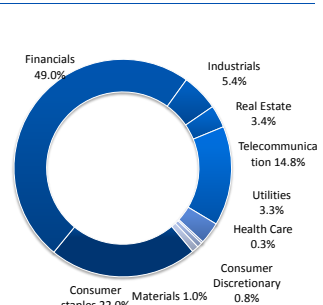
## Currency Mix



## Country Allocation



## Sector Allocation



## Fund Manager Commentary

The Fund registered a return of 2.4% during the month compared to 2.8% for the MSCI EFM Africa ex ZA. Positive market performance was generally supported by the positive global sentiment and an uptick in commodity prices.

The NSE All Share index posted a positive return of 1.5% in KES terms. The Purchasing Managers' Index (PMI) fell from 53.2 in January to 51.2 in February, reflecting a slowdown in overall output and new orders on the back of easing demand in the domestic economy. Inflation fell from 4.7% in January to 4.1% in February due to easing food inflationary pressures and a stronger shilling, within the Central Bank's medium-target range of 2.5%-7.5%. The Monetary Policy Committee kept the Central Bank Rate at 9.00% on account of stable inflation and optimism regarding future economic activity in January 2019.

In Egypt, the EGX 30 index registered a positive performance of 4.8%, in EGP terms. The Central Bank of Egypt (CBE) noted that inflation increased slightly from 12.0% in December to 12.7% in January with a rise in food inflationary pressures, remaining within the CBE's target inflation range of 10.0%-16.0%. During the Monetary Policy Committee held in February, the CBE cut key interest rates by 100 basis points; the overnight deposit rate stood at 15.75%, the overnight lending rate at 16.75% and the main operation rate at 16.25%, illustrating the CBE's confidence in Egypt's economic outlook despite global headwinds. The decision capitalizes on improving FX, capital flows, and inflation dynamics, and bodes well with the favorable balance of payments during 2019.

Nigerian equities ended the month in negative territory with the NGSE index posting a return of 3.8% in NGN terms. The manufacturing PMI fell from 58.5 in January to 57.1 in February while the non-manufacturing PMI moved from 60.1 to 58.4. Inflation remained unchanged at 11.4% in January, above the Central Bank of Nigeria's (CBN) target of 6.0%-9.0% 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.

|           |                               |
|-----------|-------------------------------|
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