

SBM Growth Fund

28 February 2019

NAV per Share

MUR 11.23

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 114M
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

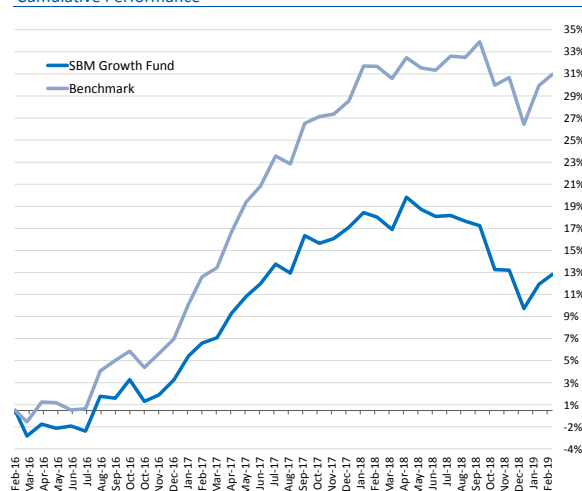
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI World All countries (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	14.4%
SBM Holdings Ltd	5.9%
Vanguard S&P 500 ETF	5.3%
SPDR S&P 500 ETF	5.3%
IBL Ltd	4.8%
Templeton Euroland Fund - A (Acc)	4.2%
NMH Ltd	4.0%
iShares Core S&P 500 ETF	3.8%
SBM Africa Value Fund	3.4%
SBM India Fund - Class A	3.2%
Total	54.3%

Cumulative Performance



Cumulative Return

	1 M	3 M	6 M	YTD	1 Y	Inception	Annualised
Fund	0.8%	-0.3%	-4.1%	2.8%	-4.4%	12.3%	3.8%
Benchmark	0.8%	0.2%	-1.2%	3.6%	-0.5%	30.5%	9.0%

Financial Year Return

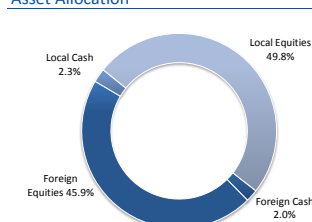
	2017	2018
Fund	13.6%	5.5%
Benchmark	20.2%	8.7%

*All returns are calculated assuming dividends are reinvested.

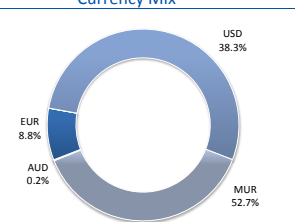
Risk Metrics

Volatility p.a.	1 Y
Fund	-1.3%
Benchmark	-0.1%
Tracking Error p.a.	1 Y
	2.1%

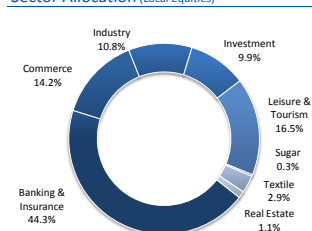
Asset Allocation



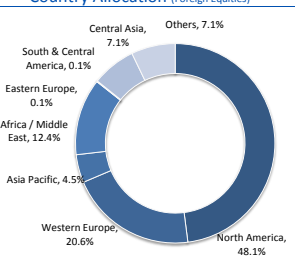
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund rose from MUR 11.14 to MUR 11.23 during the month, equivalent to a return of 0.8%, in line with the benchmark over the same period.

Local equity indices registered mixed returns over the month with the SEMDEX and DEMEX closing at 2,206.70 points and 236.09 points, thereby posting -0.3% and 0.0% MoM, respectively. The top three gainers for the month were MCB Group Ltd (4.0%), Lottotech (1.5%) and Mauritian Eagle Insurance Co. Ltd (1.2%). The top three losers were Air Mauritius Ltd (-14.6%), Sun Limited (-7.0%) and The Mauritius Development Investment Trust Co. Ltd (-5.4%).

On global markets, the MSCI World Index and the Barclays Aggregate Bond Index (U.S) registered mixed performances of 2.8% and -0.6%, in USD terms.

US stocks rallied on hopes of a deal between the US and China - the S&P 500 gained 3.0%. The US suspended the imposition of further tariffs of \$200 billion on Chinese goods that was planned for 1 March. There was little change in the backdrop from an earnings and economics perspective, with the GDP growth results for Q4 2018 indicating an annualised growth of 2.6%, stronger than expectations of 2.2%, but slower than the 3.4% growth in Q3 2018. Employment data remained robust with an unemployment rate of 3.8% as at February 2019. US earnings remained stable with 70% of company earnings announcing performances better than expected.

In Europe, equities ended in positive territory with Euro Stoxx posting gains of 3.9%, in EUR terms, amid ongoing US-China trade talks and expectations that the European Central Bank could restart its targeted long-term refinancing operations to offer cheap loans for banks. 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%. The flash Eurozone composite PMI improved to 51.4, but the manufacturing index fell to 49.2, indicating a contraction in manufacturing activity. Italy continued to be a drag on Europe with latest data indicating that the country fell into technical recession after the Italian economy shrank by 0.2% in Q4 2018. FTSE 100 rose by 1.5% over the course of February 2019, although lagged global equities as sterling recovered amid growing hopes that the country could avoid a disorderly Brexit. On economic front, the UK labour market bucked a wider slowdown in Q4 2018 while nominal wage growth remained robust and UK inflation falling to a two-year low in January.

Japanese equities recovered further during the month with Nikkei 225 posting gains of 2.9% in JPY terms as fears continued to ease over the extent of the global slowdown.

After witnessing strong inflows during the month of January, emerging market equities underperformed developed markets - the MSCI Emerging Markets index registered marginal gains of 0.1%. The Shanghai Composite Index posted a return of 13.8% in CNY terms. In India, the BSE Sensex cumulated -1.1% in INR terms amid escalating geopolitical tensions. The Reserve Bank of India cut its benchmark interest rate by 25 basis points to 6.25%, citing slowing economic growth and lower inflationary pressures as determining factors.

Investment options & 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

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