

## SBM Universal Fund

31 May 2019

NAV per Share

MUR 27.02

## Fund Objective

SBM Universal Fund is an open-ended fund constituted as a Trust under the SBM Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The fund invests in equities and fixed income instruments in the domestic and international market whilst keeping a balanced-risk strategy. The overall objective of the fund is to provide regular income and maximise returns on a long term basis for the benefit of the unit-holders.

## Risk Profile



## Fund Profile

Inception Date	Jun-02
Currency	MUR
Fund Size	MUR 411M
Issue / Redemption	Daily
Distribution	Yearly
Management Fee	1.0% p.a
Entry Fee	1.0%
Exit Fee	1.0%

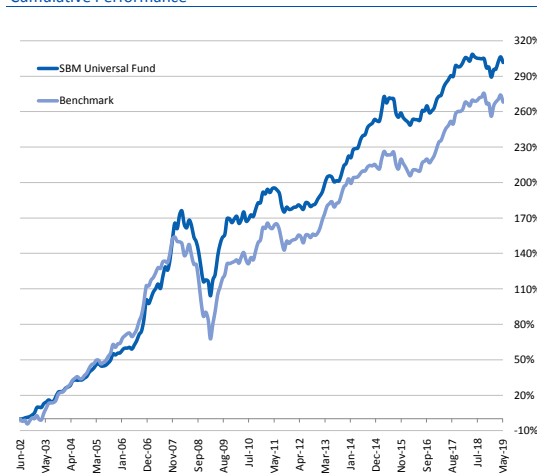
## Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	35% SEMDEX + 30% 1 yr Govt of Mauritius Bill + 35% MSCI World (MUR)
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

## Top 10 Holdings

	% Net Assets
MCB Group Limited	10.6%
Mutual Aid - Fixed Deposit	7.1%
SIT Bond	4.9%
MHC - Fixed Deposit	4.9%
Affrexim Depository Receipts	4.4%
SBM Holdings Ltd	4.3%
Fidelity America Fund	3.8%
IBL Ltd	3.3%
SBM Masala Bond Note - Series A USD	2.6%
Templeton Euroland Fund Class A (Acc)	2.6%
<b>Total</b>	<b>48.5%</b>

## Cumulative Performance



## Investment options &amp; Contact details

Lump Sum	Minimum amount of MUR 500
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port Louis

## Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	-1.2%	1.4%	1.0%	3.2%	-1.2%	13.7%	19.6%	301.6%	8.6%
Benchmark	-1.6%	-0.1%	0.3%	3.4%	-0.2%	18.7%	19.6%	268.0%	8.0%

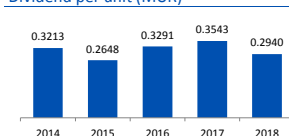
\*All returns are calculated assuming dividends are reinvested.

## Financial Year Return

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fund	8.7%	9.2%	-3.7%	6.3%	13.0%	9.3%	-5.0%	9.7%	4.7%
Benchmark	9.5%	14.5%	-3.6%	9.4%	10.9%	4.5%	-4.3%	12.4%	6.1%

\*Financial year as at June

## Dividend per unit (MUR)

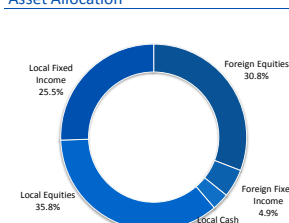


## Risk Metrics

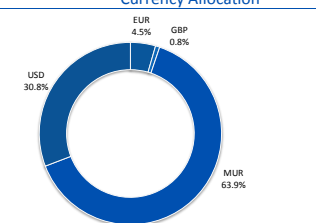
Volatility p.a.	1Y	3Y	5Y
Fund	4.2%	3.8%	4.1%
Benchmark	5.4%	4.2%	4.4%

Tracking Error p.a.	1Y	3Y	5Y
Fund	2.3%	1.7%	1.9%

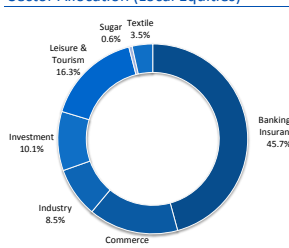
## Asset Allocation



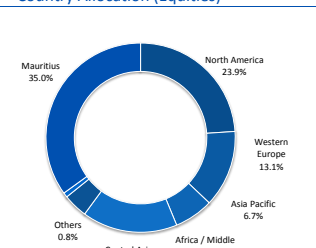
## Currency Allocation



## Sector Allocation (Local Equities)



## Country Allocation (Equities)



## Fund Manager Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 27.34 to MUR 27.02 during the month, equivalent to a performance of -1.2%, while the benchmark posted a return of -1.6%.

Local equity indices registered negative performances during the month with the SEMDEX and DEMEX closing at 2,133.33 points and 229.15 points, thereby posting -0.4% and -1.5% MoM, respectively. The top three gainers were Mauritian Eagle Insurance (43.9%), National Investment Trust Ltd (11.1%) and Mauritius Chemical & Fertiliser Industry Ltd (6.5%). The top three losers were Mauritius Oil Refineries Ltd (-10.0%), Sun Ltd (-8.3%) and Lux Island Resorts Ltd (-8.0%).

As an indication of global market performances, the MSCI World Index registered USD returns of -6.1% during the month while the Barclays Aggregate Bond Index (U.S) posted 1.4% in USD terms. Equity markets were negatively impacted after the US announced an increase in tariffs from 10% to 25% on USD 200 billion worth of Chinese imports, and a potential 25% tariff on the remaining USD 300 billion imports.

Amidst intensifying trade war, the S&P500 index shed -6.6% in USD terms. U.S. Manufacturing PMI fell to 50.5 in May, the lowest level since the height of the global financial crisis as output growth eased and new orders fell for the first time since August 2009. Headline personal consumption expenditure index (PCE) in April was 1.5% year on year below Fed's target of 2%. At the Federal Open Market Committee (FOMC) held on May 1, policymakers left the federal fund rate unchanged, although it initiated another 5 basis points technical adjustment to the interest on excess reserves (IOER) rate to 2.35% as the current inflation shortfall is gauged transitory.

The Euro Stoxx 50 posted -6.7% in EUR terms following heightened market volatility. Eurozone composite PMI index recorded 51.6 in May compared to a previous reading of 51.5. UK equity market ended in negative territory with the FTSE 100 shedding -3.5% in GBP terms. Prime Minister, Theresa May, announced that she is stepping down on 7th June as the factions in parliament refused to back her deal. Votes from the European Parliament election, together with recent polling, evidenced that the UK population remains just as divided on Brexit as it was during the referendum in 2016. Despite the increased market concerns over a no-deal Brexit, the likelihood of no-deal has not increased given there still isn't a majority for it in parliament, neither in the UK nor in the EU.

Japanese equities followed the global equity trend with Nikkei 225 posting -7.5% in JPY terms. The manufacturing PMI fell into contractionary zone in May, with both output and new orders falling for the fifth successive month to 49.8, from 50.2 in Apr. Sales volume was negatively impacted by the sluggish domestic economy and weakened demand from its key trade partner, China. Amid intensified trade tensions, future output expectations turned pessimistic in May for the first time since November 2012.

Emerging markets lagged developed markets during the month with the MSCI EM index registering -7.5% in USD terms. Indian equities posted marginal gains of 0.3% in INR terms amidst the general elections with Narendra Modi's Bharatiya Janata Party (BJP) winning an absolute majority in the lower house. Chinese equities lost momentum with the Shanghai Composite Index shedding -5.8% in CNY terms with the re-emergence of trade tensions. China retaliated against the US by increasing the tariff range from 5-10% to 5-25% on USD 60 billion worth of imports from the US.

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