

## SBM Universal Fund

31 August 2019

NAV per Share

MUR 27.01

### 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 397M
Issue / Redemption	Daily
Distribution	Yearly
Management Fee	1.0% p.a
Entry Fee	1.0%
Exit Fee	1.0%

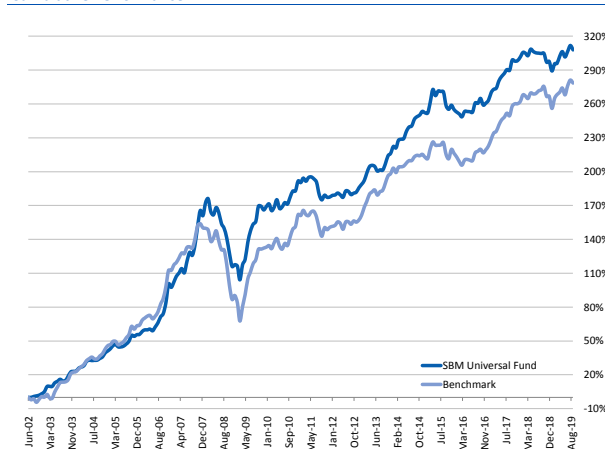
### Fund Facts

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	11.7%
Mutual Aid - Fixed Deposit	9.2%
MHC - Fixed Deposit	6.3%
SIT Bond	5.2%
SBM Holdings Ltd	4.5%
Afexim Depository Receipts	4.4%
Fidelity America Fund	4.1%
IBL Ltd	3.7%
SBM Masala Bond Note - Series A USD	2.8%
Templeton Euroland Fund Class A (Acc)	2.7%
<b>Total</b>	<b>54.6%</b>

### Cumulative Performance



### Investment options & 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	-0.9%	1.6%	3.0%	4.8%	0.8%	13.1%	17.7%	307.9%	8.5%
Benchmark	-0.7%	2.8%	2.8%	6.3%	1.6%	19.0%	20.9%	278.5%	8.1%

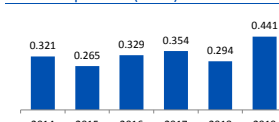
\*All returns are calculated assuming dividends are reinvested.

### Financial Year Return

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fund	9.2%	-3.7%	6.3%	13.0%	9.3%	-5.0%	9.7%	4.7%	0.3%
Benchmark	14.5%	-3.6%	9.4%	10.9%	4.5%	-4.3%	12.4%	6.1%	1.8%

\*Financial year as at June

### Dividend per unit (MUR)



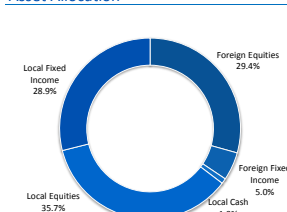
### Risk Metrics

Volatility p.a.	1Y	3Y	5Y
Fund	4.7%	3.7%	4.1%
Benchmark	6.0%	4.2%	4.5%

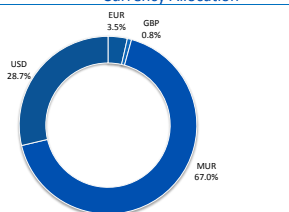
  

Tracking Error p.a.	1Y	3Y	5Y
Fund	2.4%	1.7%	1.9%

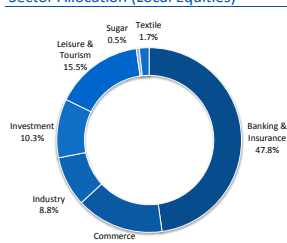
### Asset Allocation



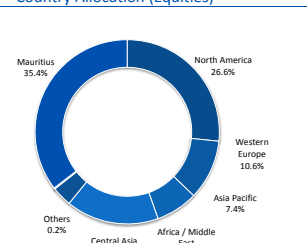
### Currency Allocation



### Sector Allocation (Local Equities)



### Country Allocation (Equities)



### Market Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 27.27 to MUR 27.01 in August, equivalent to a performance of -0.9%, while the benchmark posted a return of -0.7%.

Local equity indices registered positive performances during the month with the SEMDEX and DEMEX closing at 2,161.98 points and 238.89 points, equivalent to 0.1% and 3.5% MoM, respectively. The top three gainers for the month were Vivo Energy Mauritius Ltd (+13.1%), SBM Holdings Ltd (+5.9%) and Promotion & Development Ltd (+5.7%). The top three losers were New Mauritius Hotels Ltd (-10.1%), Sun Limited (-9.9%) and Omnican Ltd (-7.7%).

The MSCI World Index registered a monthly performance of -2.2% in USD terms while the Barclays Aggregate Bond Index posted USD returns of 2.0% over the same period. Emerging market equities underperformed developed markets with MSCI EM returning -5.1%. Volatility peaked in August with the CBOE VIX hovering around 18.98, compared to a preceding reading of 16.12 in July.

The S&P 500 index declined by -1.8% in USD terms as August headlines were again dominated by growth worries and rising risk of an economic downturn. Manufacturing Purchasing Managers' Index (PMI) dropped to 50.3, its lowest reading since September 2009, compared to a preceding reading of 50.4 in July, attributable to an intensifying decline in exports. US GDP growth for Q2 2019 was revised downward to 2.0% from an estimate of 2.1% while employment data remained healthy with 164,000 jobs added and wage growth of 3.2% YoY in July. At the Jackson Hole meeting in August, Fed Chairman Jerome Powell reiterated that the Fed will act as appropriate to sustain the expansion.

The performance of the Eurostoxx 50 was in line with global peers, shedding -1.2% in EUR terms. The Eurozone manufacturing PMI improved slightly, rising from its July reading of 46.5 to 47.0 in August. PMI nonetheless remained in the contractionary territory as production and new orders continue to fall. In Germany, the DAX index registered negative returns of -2.1% following the weakening economic data - Manufacturing PMI remained below the 50 mark at 43.5 with principal weakness being weak demand as new orders fell sharply and production scaled back again.

Investor expectations were however lifted by new stimulus measures from the ECB in September. In Italy, the FTSE MIB shed -0.4% amid the political uncertainties hovering over the economy. Sell-off on the FTSE MIB were capped at -0.4% as Italian assets rallied late in August on hopes that the new coalition government between the centre-left Democratic party and the anti-establishment Five Star Movement would put an end to the political crisis. UK was the worst-performing stock market in Europe with the FTSE 100 posting negative returns of -5.0% in August spooked by the rising probability of a no-deal Brexit and the inversion of the US and UK yield curves.

Japanese equities ended in negative territory with the Nikkei 225 returning -3.8% in JPY terms in August over growing concerns on the U.S.-China trade tensions. Japan's manufacturing sector remained stuck in a downturn with the manufacturing PMI at 49.3, reflecting production cutbacks and sluggish demand.

Emerging market equities underperformed developed markets with the MSCI Emerging index posting a USD return of -5.1% as increased concerns over the global economic outlook and rising recession fears impacted investor sentiment. Shanghai Composite Index declined by -1.6% in CNY terms amid the re-escalation in trade tensions. A marginal expansion in output and stable orders led to an improved manufacturing PMI of 50.4 in August against a preceding reading of 49.9, signalling a renewed improvement in the overall health of China's manufacturing sector. Indian equities extended its previous month's loss with the BSE Sensex registering INR returns of -0.4%. Economic slowdown was highlighted by FY20 Q1 GDP growth falling to a 6-year low of 5.0% and manufacturing PMI dropping from 52.5 to 51.4 over the month.

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