

SBM Growth Fund

29 February 2020

NAV per Share

MUR 11.81

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 122.5M
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

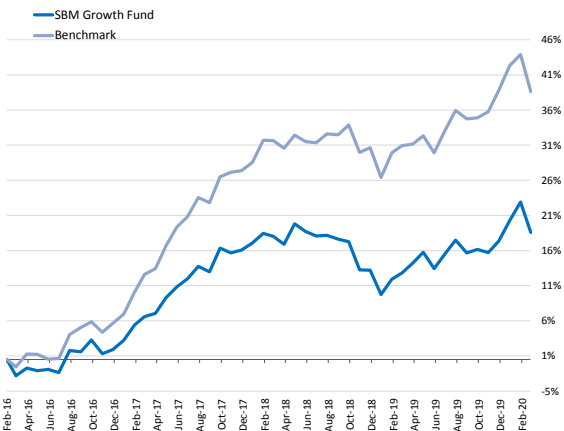
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI All Countries World (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	19.5%
Fidelity ASIA PACIFIC OPPORTUNITIES "A" (USD) ACC	6.5%
SBM Holdings Ltd	6.4%
Vanguard S&P 500 ETF	5.5%
iShares MSCI ACWI ETF	4.9%
IBL Ltd	4.9%
iShares MSCI World ETF	4.9%
Fidelity European Larger Companies Fund	4.1%
MSS Global Advantage "A" Acc	4.1%
MSS US Advantage "A" ACC	3.8%
Total	64.6%

Cumulative Performance



Risk Adjusted Metrics

Volatility p.a.	1 Y	3 Y
Fund	6.6%	5.7%
Benchmark	6.5%	5.9%

Fund vs Benchmark	1 Y	3 Y
Tracking Error p.a.	2.4%	2.1%
Correlation	93.3%	93.3%
Beta	0.95	0.94
Alpha	(0.00)	(0.00)

Cumulative Return

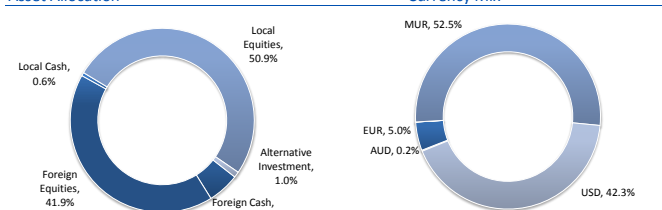
	1 M	3 M	6 M	YTD	1 Y	3 Y	Inception	Annualised
Fund	-3.5%	1.1%	2.5%	-1.4%	5.2%	11.3%	18.1%	4.2%
Benchmark	-3.7%	-0.1%	2.9%	-2.6%	5.9%	23.2%	38.1%	8.2%

Financial Year Return

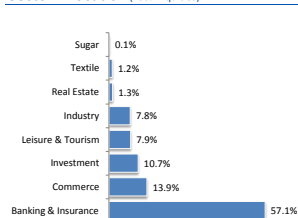
	2017	2018	2019
Fund	13.6%	5.5%	-2.2%
Benchmark	20.2%	8.7%	1.3%

*All returns are calculated assuming dividends are reinvested.

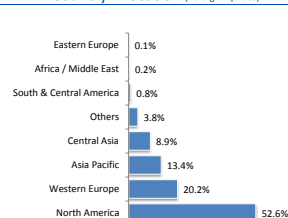
Asset Allocation



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Market Commentary

The Net Asset Value (NAV) of the Fund declined from MUR 12.24 to MUR 11.81 in February, equivalent to a return of -3.5%, while the benchmark posted -3.7%.

The SEMDEX and DEMEX closed at 2,177.25 points and 241.53 points at the end of the February, equivalent to -1.6% and 2.2% MoM, respectively. The top three market losers on the official market were SUN (-22.0%), NRL (-19.2%) and NMH (-13.1%).

Globally, the MSCI World index returned -8.6%, MoM following concerns on the coronavirus spread. Market participants switched their investments to less risky assets leading to a historical drop in yields of 10Y US Treasuries while gold peaked.

The S&P 500 index hit record all-time highs on robust economic data at the start of the month but later shed points as the spread of coronavirus triggered a severe equity market sell-off. The index registered a performance of -8.4% for February. The IHS Markit Manufacturing Purchasing Managers' Index (PMI) fell to 50.7 in February, closer to the 50-mark that separates contraction from expansion. Nonetheless, the labour market remained strong with an unemployment rate of 3.6% as at February.

Eurozone equities followed global trends with the Eurostoxx registering a return of -8.6%. The DAX index returned -8.4% while CAC and FTSE MIB trimmed -8.4% and -5.4%, respectively. The manufacturing PMI marginally improved to 49.2 in February compared to a previous reading of 47.9. The unemployment rate remained stable at 7.4% in January 2020. FTSE 100 plummeted by -6.7% in GBP terms despite a pick-up in consumer and business sentiment. Manufacturing activity ticked up to 51.7 from 50.0 in January following lower political uncertainty.

The Nikkei 225 registered JPY returns of -8.9% during the month over concerns that the COVID-19 outbreak will tip the economy in a recession. GDP growth was revised down to an annualized rate of -7.1% for Q4 2019, worse than the previous estimate of -6.3%. Supply chains were adversely impacted and manufacturing output fell to its lowest level since December 2012 due to the epidemic – the manufacturing PMI edged down from 48.8 in January to 47.8 in February.

The MSCI Emerging Markets Index trimmed -5.4% in USD terms. The Shanghai Composite Index recorded a return of -3.2% in CNY terms despite stabilization in the infection rates. The coronavirus outbreak weighed heavily on the Chinese manufacturing activity with production and new orders declining - Manufacturing PMI slid to 35.7 falling in the contraction zone. Indian equities registered negative returns with the BSE Sensex shedding -6.0% in INR terms.

Investment options & Contact details

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