

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 109.2M
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

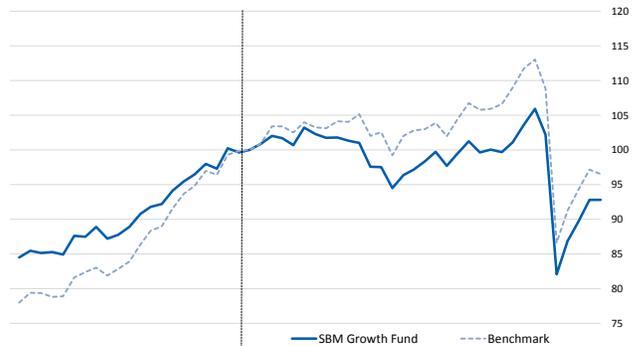
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI All Countries World (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	19.2%
SBM Holdings Ltd	6.1%
Vanguard S&P 500 ETF	6.0%
iShares MSCI ACWI ETF	5.4%
IBL Ltd	5.4%
iShares MSCI World ETF	5.2%
MSS Global Advantage "A" Acc	4.5%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.4%
MSS US Advantage "A" Acc	4.1%
Fidelity European Larger Companies Fund	4.1%
Total	64.4%

Performance (Rebased on 100, Nov 2017*)



* Merger of SBM Growth Fund and SBM Global Fund

Risk Adjusted Metrics

Volatility p.a.	1Y	3Y
Fund	22.6%	13.5%
Benchmark	23.1%	13.8%

Fund vs Benchmark	1Y	3Y
Tracking Error p.a.	2.3%	2.2%
Correlation	99.5%	98.7%
Beta	0.98	0.98
Regression Alpha	0.1%	-0.2%

Cumulative Return

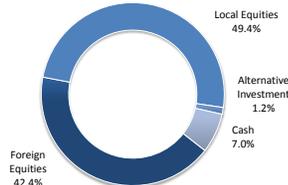
	1M	3M	6M	YTD	1Y	3Y	Inception	Annualised
Fund	0.0%	6.9%	-12.4%	-10.5%	-8.3%	-5.3%	7.3%	1.6%
Benchmark	-0.7%	5.8%	-14.6%	-13.6%	-9.6%	-0.5%	22.5%	4.6%

Financial Year Return

	2017	2018	2019	2020
Fund	13.6%	5.5%	-2.2%	-6.7%
Benchmark	20.2%	8.7%	1.3%	-7.0%

*All returns are calculated assuming dividends are reinvested.

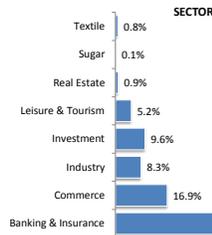
Asset Allocation



Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Market Commentary

The Net Asset Value (NAV) of the Fund grew marginally from MUR 10.72 to MUR 10.73 in July, equivalent to a return of 0.0%, while the benchmark posted -0.7%.

Local equity indices registered negative performances during the month with the SEMDEX and DEMEX closing at 1,592.60 points and 206.33 points as at July 2020, equivalent to -4.2% and -0.3%, respectively.

The main leading movers, that is, companies which contributed to the positive performance of the SEMDEX were MUA, MEDINE and VIVO while on the downside, the main lagging movers were MCBG, SBMH and CIEL. The top three gainers in terms of price returns were MOROIL (+9.3%), MUA (+5.8%) and POLICY (+3.1%) and the top three losers were CIEL (-13.8%), MDIT (-12.5%) and ENL (-11.1%).

The price-earnings ratio and dividend yield for SEMDEX stood at 12.15x and 4.09% respectively, against corresponding figures of 12.22x and 4.00% in June 2020. Net foreign outflows further increased to MUR 393.1M during July 2020, compared to MUR 205.8M in June 2020, driven by sell-off in MCBG and PBL.

Global equities ended the month in positive territory as activity started to normalise in major countries, despite the slowdown in easing lockdowns in certain states in the U.S. and localized lockdowns in Europe and other countries due to the surge in coronavirus cases again. The MSCI World index gained 4.7% MoM in USD terms.

The S&P500 index gained 5.5% in July despite the slowdown in the re-opening of certain states from Covid-19 cases resurgence. President Trump's tweet on delaying the November general elections weighed on sentiment at the end of the month. Recently released data indicated the sharpest quarterly contraction with GDP plunging by -32.9% in Q2 2020, the lowest reading recorded since 1998. Strong growth in activity was reported with manufacturing PMI rising from 47.4 to 54.0, hitting a 23-month high. With lockdowns being lifted, demand picked up as new order inflows rose considerably. In UK, the FTSE 100 registered GBP returns of -4.4%. Manufacturing activity rebounded following rises in order volumes and output growth - PMI edged up from 50.1 in June to 53.6.

The Eurostoxx 50 posted negative EUR returns of -1.8% as rising fears of a second coronavirus wave and disappointing economic data weighed on sentiment. The DAX index recorded a flat performance while CAC 40 and FTSE MIB shed -3.1% and -1.5% respectively. According to preliminary data, the Eurozone contracted by -12.1% in Q2 2020, the lowest reading recorded since 1998. Strong growth in activity was reported with manufacturing PMI rising from 47.4 to 54.0, hitting a 23-month high. With lockdowns being lifted, demand picked up as new order inflows rose considerably. In UK, the FTSE 100 registered GBP returns of -4.4%. Manufacturing activity rebounded following rises in order volumes and output growth - PMI edged up from 50.1 in June to 53.6.

In Japan, equity markets closed in negative territory with Nikkei 225 shedding -2.6% in JPY terms as disappointing earnings of major Japanese firms dampened investor sentiment. The manufacturing sector showed signs of improvement as production and new orders fell at much slower rates compared to previous months. Despite being in contraction zone, PMI rose to 45.2 in July against a preceding reading of 40.1. Amid rising concerns over the economic impact of a second wave, the Japanese yen appreciated against the greenback.

Emerging markets outperformed developed markets in July with the MSCI Emerging Markets index registering USD gains of 8.4%. The Shanghai Composite index led gains regionally, posting returns of 10.9% in CNY terms. Chinese manufacturing activity continued to improve despite subdued foreign demand - manufacturing PMI stood at 52.8 in July, rising from 51.2 in June. In India, the BSE Sensex continued its positive streak, advancing by 7.7% in INR terms. Contraction in production along with subdued demand dampened manufacturing activity during the month as the PMI fell from 47.2 in June to 46.0 in July.

Investment options & Contact details

Lump Sum	Minimum MUR 2,000	Telephone	202-1111 / 202-3515 / 202-1260
Monthly Savings Plan	Minimum MUR 500	Fax	210-3369
Address	SBM Mauritius Asset Managers Ltd	E-mail	sbm.assetm@sbmgroup.mu
	Level 12, Hennessy Tower	Website	nbfc.sbmgroup.mu/mam
	Pope Hennessy Street, Port-Louis		

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