

## SBM Growth Fund

31 January 2021

NAV per Share

**MUR 11.64**

### 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 121.4M
Dealing Frequency	Daily
Distribution	Yearly (each financial year end)*
Management Fee	1.00% p.a.
Entry Fee	1.00%
Exit Fee	1% up to Yr 2   0.75% in Yr 3   0.5% in Yr 4   0.25% in Yr 5   Nil after Yr 5

\*Depending on distributable income

### Fund Facts

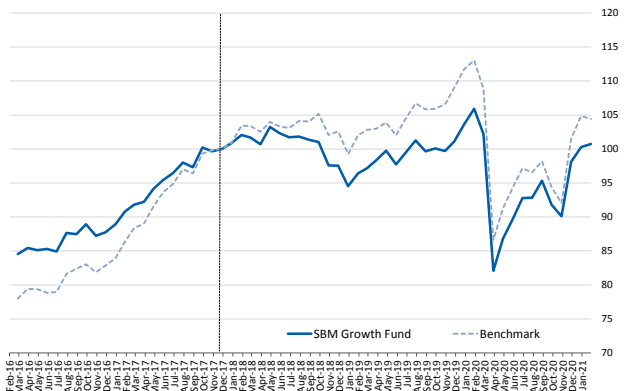
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI All Countries World (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Deloitte
Custodian	SBM Bank (Mauritius) Ltd

\*\*Converted in MUR

### Top 10 Holdings

	% Net Assets
MCB Group Ltd	18.7%
Vanguard S&P 500 ETF	5.5%
SBM Holdings Ltd	5.0%
iShares MSCI ACWI ETF	5.0%
IBL Ltd	4.8%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.7%
T Rowe Price Global Focused Growth Equity "A" USD Acc	3.9%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.8%
MSS US Advantage "A" Acc	3.7%
Ascencia	3.6%
<b>Total</b>	<b>58.7%</b>

### Performance (Rebased on 100, Nov 2017\*)



\* Merger of SBM Growth Fund and SBM Global Fund

### Risk Adjusted Metrics

Volatility p.a.	1Y	3Y
Fund	24.8%	14.7%
Benchmark	26.0%	15.3%

Fund vs Benchmark	1Y	3Y
Tracking Error p.a.	2.5%	2.4%
Correlation	99.6%	98.8%
Beta	0.95	0.97
Regression Alpha	0.2%	-0.1%

### Cumulative Return

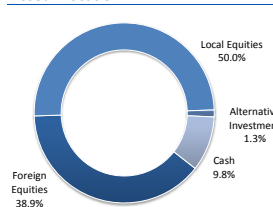
	1M	3M	6M	YTD	1Y	3Y	Inception	Annualised
Fund	0.4%	11.8%	8.5%	0.4%	-4.9%	-1.3%	16.4%	3.1%
Benchmark	-0.4%	13.5%	8.2%	-0.4%	-7.6%	1.0%	32.5%	5.8%

### Financial Year Return

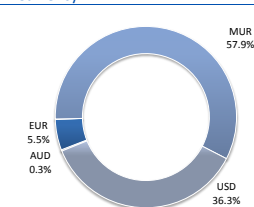
	2017	2018	2019	2020
Fund	13.6%	5.5%	-2.2%	-6.7%
Benchmark	20.2%	8.7%	1.3%	-7.0%

\*All returns are calculated assuming dividends are reinvested.

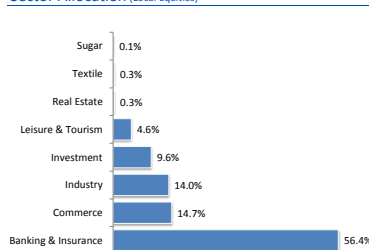
### Asset Allocation



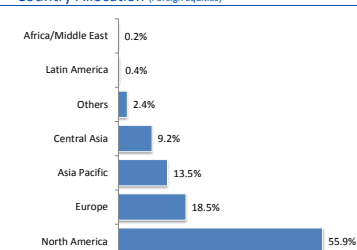
### Currency Mix



### Sector Allocation (Local Equities)



### Country Allocation (Foreign Equities)



### Market Commentary

The Net Asset Value per unit (NAV) of the Fund increased from MUR 11.59 in December to MUR 11.64 in January, equivalent to a return of 0.4%, while the benchmark posted -0.4%.

Local equity indices registered mixed performances in January with the SEMDEX and DEMEX closing the month at 1,638.00 and 227.66 points, equivalent to -0.6% and +6.5%, respectively. The main leading movers, that is, companies which contributed to the positive performance of the SEMDEX were GAMMA, UDL and CIM while on the downside, the main lagging movers were MCBG, ROGERS and MEDINE. The top three gainers in terms of price returns were UDL (+32.7%), OMNICANE (+9.3%) and GAMMA (+8.5%) and the top three losers were BMH (-14.2%), MOROIL (-12.6%) and MEDINE (-9.5%). The price-earnings ratio and dividend yield for the SEMDEX stood at 11.75x and 2.21%, respectively, in January against corresponding figures of 11.66x and 2.30% in December. Net foreign disinvestments increased to MUR 208.6M in January 2021, compared to MUR 115.3M in December 2020, driven by the sell-offs in MCBG, PBL and Terra.

Global equities lost momentum in January with sell-offs accentuating by month end after markets became increasingly concerned about valuation levels and potential bubble build-up by retail investors. The MSCI World index registered a return of -1.1% MoM.

Despite starting the month strongly and navigating in record territory, the S&P500 index closed the month with a return of -1.1% amid higher volatility driven by short squeezes. The Purchasing Managers' Index (PMI) rose to 59.1 in January from a reading of 57.1 in December following strong demand from both domestic and export customers. Latest data, however, suggested that economic growth moderated at an annualised rate of 4.0% in Q4 2020 against 33.4% in Q3 2020.

Eurostoxx 50 registered a return of -2.0% in January after slow vaccine deployment and renewed lockdowns weighed on sentiments. The CAC 40 and DAX indices fell by -2.7% and -2.1%, respectively while the FTSE MIB index posted -3.0%. The Eurozone manufacturing sector continued to expand albeit at a weaker pace with PMI edging down to 54.8 in January against 55.2 in December. The FTSE 100 lost -0.8% MoM following the reintroduction of lockdown measures. PMI fell to a 3-month low of 54.1 in January (Dec-20: 57.5) as temporary supply-chain disruptions impacted on output.

The Nikkei 225 added 0.8% following economic optimism and expectations of improved earnings. Manufacturing activity fell back in contraction zone as the rising number Covid-19 cases led to deterioration in output – PMI fell from the neutral 50.0 threshold in December to 49.8 in January.

Emerging equities outperformed developed markets with the MSCI Emerging Markets index adding 3.0% MoM. The strong performance was driven by China after the CSI 300 posted 2.7% in local currency and 4.3% in USD. Chinese manufacturing sector grew at a modest pace with PMI falling to 51.5 against a 53.0 in December following slower demand conditions. In India, the BSE Sensex posted -3.1% MoM ahead of budget and border tensions with China. PMI edged up to 57.7 against 56.4 previously after faster expansions in output and new orders.

### 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 Level 12, Hennessy Tower Pope Hennessy Street, Port-Louis	E-mail	sbm.assetm@sbmgroup.mu
		Website	nbfc.sbmgroup.mu/mam

**Disclaimer:** The information contained in this report, communication, letter, publication, and any attachment thereto, is strictly for information purposes only and is confidential and may not be disclosed without our express permission. It does not constitute an offer, or a solicitation of an offer, to purchase or sell any investment or other specific product by SBM Mauritius Asset Managers Ltd ("SBM MAM"). Although all information and opinions stated in this document are based on sources deemed to be reliable and in good faith, no representation or warranty, expressed or implied, is made or should be construed as to its accuracy and completeness. All information and views stated therein may be changed without any notification. The reader will bear in mind that certain services and products are subject to legal limitations and cannot be proposed on an unrestricted basis. Investors are reminded that past performance is not an indication of future performance. The price, value or income of the investment can go up or down. You are advised to consult your professional advisor before taking any decision or making an investment. SBM MAM disclaims all liability as regards to any direct or consequential loss arising from any use of this message or the information contained therein.