

## SBM Universal Fund

31 January 2021

NAV per Share

MUR 27.91

### 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 365.2M
Issue / Redemption	Daily
Distribution	Yearly
Management Fee	1.0% p.a
Entry Fee	1.0%
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

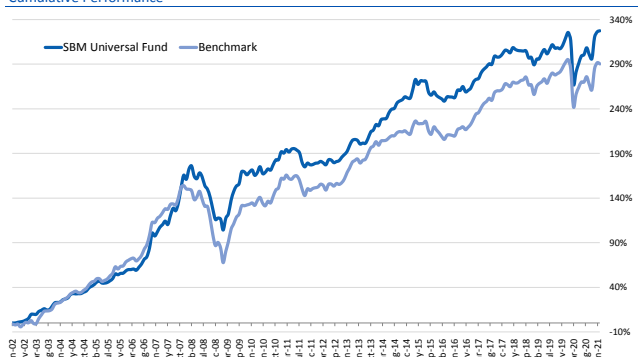
### Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	30% SEMDEX + 40% 1Y GOM Bill + 30% MSCI World (MUR)
Fund Administrator	SBM Fund Services Ltd
Auditors	Deloitte
Custodian	SBM Bank (Mauritius) Ltd

### Top 10 Holdings

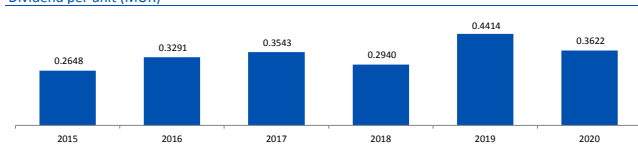
	% Net Assets
MCB Group Limited	10.0%
iShares MSCI World ETF	7.7%
SIT Bond	5.5%
Vanguard S&P 500 ETF	4.8%
CIM Financial Services Ltd CFSI 4% 31/07/2025	4.2%
SBM MUR Note 5.75% Class A2 Series Bond	3.5%
T Rowe Price Global Focused Growth Equity "A" USD Acc	3.3%
FF - ASIA PACIFIC OPPORTUNITIES "A" (USD) ACC	3.2%
MSS US Advantage "A" ACC	3.1%
SBM Holdings Ltd	3.0%
<b>TOTAL</b>	<b>48.3%</b>

### Cumulative Performance



\*Cumulative performance assumes that dividends are reinvested

### Dividend per unit (MUR)



### Risk Adjusted Metrics

Volatility p.a.	1Y	3Y	5Y
Fund	15.2%	9.1%	7.3%
Benchmark	15.0%	9.1%	7.4%

Fund vs Benchmark	1Y	3Y	5Y
Tracking Error p.a.	1.6%	1.8%	1.6%
Correlation	99.5%	98.0%	97.5%
Beta	1.00	1.00	0.99
Regression Alpha	0.1%	0.0%	-0.1%

### Investment options & Contact details

Lump Sum	Minimum amount of MUR 500	Telephone	202-1111 / 202-3515 / 202-1260
Regular Savings Plan	MUR 200	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

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### Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	0.3%	7.9%	6.7%	0.3%	0.4%	5.4%	21.8%	327.5%	8.1%
Benchmark	-0.3%	8.0%	5.5%	-0.3%	-1.2%	6.1%	26.4%	290.3%	7.6%

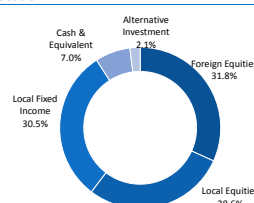
\*All returns are calculated assuming dividends are reinvested.

### Financial Year Return

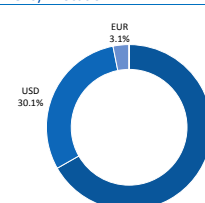
	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-3.7%	6.3%	13.0%	9.3%	-5.0%	9.7%	4.7%	0.3%	-1.8%
Benchmark	-3.6%	9.4%	10.9%	4.5%	-4.3%	12.4%	6.1%	1.7%	-1.5%

\*Financial year as at June

### Asset Allocation



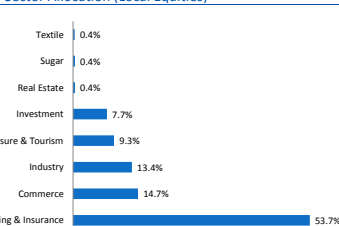
### Currency Allocation



### Country Allocation (Equities)



### Sector Allocation (Local Equities)



### Market Commentary

The Net Asset Value per unit (NAV) of the Fund increased from MUR 27.83 in December to MUR 27.91 in January, equivalent to return of 0.3%, while the composite benchmark recorded a performance of -0.3%.

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.

During the month, the BOM issued MUR 1,000Mn of the 91D Treasury Bills and the average weighted yield declined by 2bps to 0.21%. 182D Treasury Bills traded at a weighted average yield of 0.26% against 0.77% the preceding month following a net issuance of MUR 2,000Mn while yields on the 364D Treasury Bills fell from 0.44% to 0.39% over the month. The yield on 3Y GOM Note increased by 14bps to 0.93% following the issue of MUR 1,800Mn. A 5Y GOM Bond for MUR 2,000Mn was issued in January and the average weighted yield increased by 2bps to 1.26%. Yields on the 15Y GOM Bond tumbled by 193bps to 1.86% following an issuance of MUR 2,000Mn. There was no new issuance of the 10Y and 20Y GOM Bonds.

On the secondary market, yields on 91D Treasury Bills remained flat at 0.17% while yields on the 182D Treasury Bills increased by 3bps in January to 0.24%. 364D Treasury Bills traded at a weighted average yield of 0.33%, comparable to the previous month's reading. The yield on the 3Y GOM Note declined marginally from 1.22% to 1.16% and the 5Y GOM Bond yields decreased to 1.32% against 1.43% in December. Yields on 10Y GOM Bond increased by 19bps to 2.04% in January while the corresponding weighted average yields on the 15Y and 20Y GOM Bonds fell from 2.63% to 2.39% and 2.69% to 2.45%.

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.