Factsheet August 2021

SBM Universal Fund

NAV per share **MUR 31.71**

SBM Mauritius Asset Managers Ltd

Investment objective

SBM Universal Fund is a diversified multi-asset fund with an objective of maximising long-term returns while providing regular income through a balanced strategy. It invests in a diversified portfolio of securities that includes domestic and international equities, equity-linked securities, unit trusts, mutual funds, fixed income securities, money market instruments and cash.

Fund facts

Investment Manager: SBM Mauritius Asset Managers Ltd
Fund Administrator: SBM Fund Services Ltd
Registry and Transfer Agent: SBM Fund Services Ltd
Custody: SBM Bank (Mauritius) Ltd
Auditor: Deloitte Mauritius
Benchmark: 30% SEMDEX + 40% 1Y GOM Bill + 30% MSCI World
Distribution: Annual subject to distributable income
Investor profile: Balanced

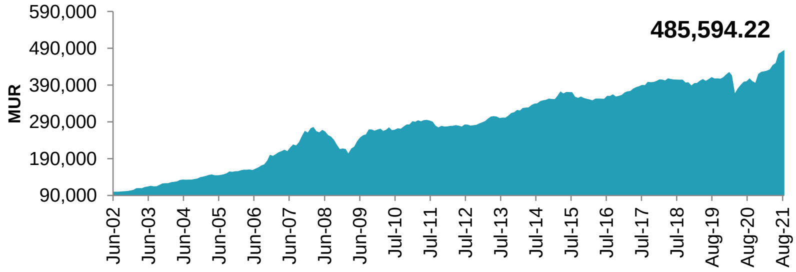
Inception date: 1 Jun 2002
Fund size: MUR 398.2M
Base currency: MUR
Minimum one-off investment: MUR 500
Minimum monthly investment plan: MUR 200
Management fee: 1.00% p.a.
Entry fee: 1.00%
Exit fee: 1% up to Y2 | 0.75% in Y3 | 0.5% in Y4 | 0.25% in Y5 | Nil after Y5

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2021	2020	2019	2018	2017	2016
Fund	1.1%	7.9%	13.9%	18.9%	20.0%	34.7%	385.6%	8.6%	19.1%	-1.8%	0.3%	4.7%	9.7%	-5.0%
Benchmark	1.2%	7.4%	13.1%	17.8%	18.9%	39.2%	342.9%	8.1%	16.8%	-1.5%	1.7%	6.1%	12.4%	-4.3%

Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on 30% SEMDEX, 40% 1Y GOM Bill and 30% MSCI World index (MUR). Past performance is not indicative of future results. The benchmark return is computed in MUR terms. Annual returns are for the financial year of the Fund, that is, June.

Growth of MUR 100,000 since inception



Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation	98.1%	98.1%	97.5%	87.9%
Regression alpha	1.7%	0.3%	-0.6%	0.4%
Beta	0.93	1.00	1.00	0.86
Annualised volatility	8.1%	9.6%	7.7%	7.5%
Annualised tracking error	1.6%	1.9%	1.7%	3.9%

Relative metrics such as alpha, beta and tracking error are computed against the composite index.

Asset allocation

Asset class	% Fund
International Equities	31.7%
Domestic Equities	30.4%
Domestic Fixed Income	34.2%
Cash	3.8%
Total	**100.0%**

Top 5 countries	% Fund
Mauritius	64.5%
United States	18.8%
India	2.6%
United Kingdom	1.4%
China	1.0%
Total	**88.3%**

Top currency	% Fund
Mauritian Rupee	67.9%
US Dollar	28.8%
Euro	3.3%
Total	**100.0%**

Domestic sectors	% Fund
Banking & Insurance	15.4%
Commerce	4.8%
Industry	4.8%
Leisure & Tourism	2.1%
Property	2.0%
Investment	1.1%
Transport	0.0%
Total	**30.4%**

Top 10 international industries	% Fund
Software & Services	5.3%
Media & Entertainment	2.4%
Health Care Equipment & Services	2.4%
Pharmaceuticals, Biotech & Life Sciences	2.2%
Capital Goods	2.2%
Banks	2.0%
Semiconductors & Equipment	1.8%
Technology Hardware & Equipment	1.6%
Retailing	1.6%
Diversified Financials	1.4%
Total	**22.9%**

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Limited	9.7%
iShares MSCI World ETF	8.4%
SIT Bond 25/04/2024	5.1%
Vanguard S&P 500 ETF	4.6%
CIM Financial Services Ltd 31/07/2025	3.8%
Government of Mauritius Bond 20/08/2036	3.7%
IBL Ltd	3.3%
SBM Holdings Ltd	3.2%
SBM MUR Note Class A2 Series Bond 28/06/2028	3.2%
FF - Asia Pacific Opportunites "A" (USD) Acc	3.0%
Total	**48.0%**

Top 10 international holdings *	% Fund
Apple Inc.	0.9%
Microsoft Corp	0.9%
Amazon.com Inc	0.6%
Swedish Match AB	0.5%
Facebook Inc - Class A	0.4%
HDFC Bank Limited	0.4%
Taiwan Semiconductors Manufacturing Co. Ltd	0.4%
Alphabet Inc - Class A	0.3%
ASML Holding NV	0.3%
Intuitive Surgical Inc	0.3%
Total	**5.0%**

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund increased from MUR 31.37 in July to MUR 31.71 in August, equivalent to a return of 1.1%, while the benchmark posted 1.2%.

Local equity indices posted mixed performances in August with the SEMDEX and DEMEX closing the month at 1,953.30 and 276.26 points, equivalent to respective returns of +1.9% and -0.8%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were CIM, ALTEO and IBLL while the main laggards were SBMH, SUN and MCBG. The top three gainers in terms of price returns were SWAN (+15.6%), HML (+13.6%) and CIM (+13.5%) and the top three losers were BLL (-8.5%), SUN (-8.1%) and ASL (-7.6%). The price-earnings ratio and dividend yield of the SEMDEX stood at 14.04x and 2.01%, respectively, as at 31 August against corresponding figures of 13.33x and 2.13% as at 31 July. Net foreign disinvestments of MUR 217.4Mn were driven by the sell-offs in the banking duos, MCBG and SBMH.

In August, yield on the 91D Treasury Bills remained unchanged at 0.84% since there was no new issuance. 182D Treasury Bills of MUR 1.0Bn were issued at weighted average yield of 0.92%, equivalent to an increase of 15bps from the preceding issuance. The GOM also issued MUR 1.0Bn of 364D Treasury Bills in two tranches at weighted average yields of 0.90% and 1.58%. The GOM auctioned 3Y GOM Note to the tune of MUR 2.0Bn and the weighted yield fell by 5bps to 1.97% while a 5Y GOM Bond for MUR 2.2Bn traded at an average weighted yield of 2.66%, 54bps lower than the previous issuance. For longer-term bonds, 15Y GOM Note yield marginally fell from 4.65% to 4.64% following a tender amount of MUR 2.0Bn. There were no new issuances of the 10Y and 20Y GOM Bonds during the month.

International equities notched up in August supported by the ongoing economic recovery amid further lifting of restrictions, dovish remarks from the Federal Reserve (Fed) and upbeat corporate earnings. The MSCI World index posted a return of 2.3% MoM.

The S&P500 index delivered a return of 2.9% in August, supported by strong corporate profits and comments from the Fed that it will not be in a hurry to hike interest rates. The full FDA approval of the Pfizer vaccine also lifted investor optimism. The IHS Markit Purchasing Managers' Index (PMI) fell to a 4-month low of 61.1 in August (July 2021: 63.4) as material shortages and capacity constraints hampered output growth. Inflationary pressures remained high despite slowing in August - YoY headline inflation slowed to 5.3% against 5.4% in the previous month.

Eurostoxx 50 added 2.6% during the month as positive earnings and vaccination rate offset concerns about the spread of the delta variant. The FTSE MIB and DAX indices registered respective returns of 2.5% and 1.9% while the CAC 40 index advanced by 1.0%. The Eurozone manufacturing sector maintained its growth momentum with a PMI reading of 61.4 in August against 62.8 in the previous month. In the UK, the FTSE 100 index registered a return of 1.2%. Despite raw materials shortages and supply chain issues, the PMI only fell marginally from 60.4 in July to 60.3 in August.

Japanese equities registered strong performances during the month with the Nikkei 225 adding 3.0%. PMI edged down to 52.7 in August against a preceding reading of 53.0, following slower expansions in both output and new orders. Easing demand due to the sharp rise in the number of Covid-19 cases in the Asia-Pacific region and supply chain disruptions adversely impacted on production.

Emerging equities slightly outperformed developed markets in August after the MSCI Emerging Markets index posted a return of 2.4%. Chinese stocks registered mixed performances as the CSI 300 index delivered a monthly return of -0.1% while the Shanghai Composite index returned 4.3%. Operating conditions deteriorated in August as the uptick in the number of Covid-19 cases led to logistical delays and renewed drops in output and new orders; PMI fell below the 50-mark threshold to 49.2 in August (July 2021: 50.3). In India, the BSE Sensex gained 9.4% supported by the full approval for the Pfizer vaccine and speech by US Fed chief toward the end of the month. The Indian manufacturing sector continued to expand, albeit at a weaker pace, with PMI edging down to 52.3 in August against 55.3 in July.

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