

Investment objective

The investment objective of the Fund is to seek significant long-term capital appreciation by investing in a diversified portfolio comprising of equities and equity-related securities in both the domestic and international stock markets. The Fund is suitable for investors who are risk-seekers and having a medium- to long-term investment horizons.

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: 40% SEMTRI + 60% MSCI AC World index*

Distribution: Subject to distributable income

Investor profile: Growth / Aggressive

Inception date: 4 Feb 2016

Fund size: MUR 149.9M

Base currency: MUR

Minimum one-off investment: MUR 2,000

Minimum monthly investment plan: MUR 500

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

*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

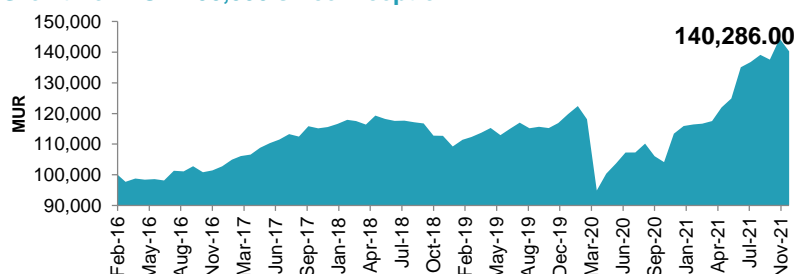
Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2021	2020	2019	2018	2017	2016*
Fund	-2.9%	0.8%	21.0%	23.7%	24.5%	38.3%	40.3%	6.0%	26.0%	-6.7%	-2.2%	5.5%	13.6%	-1.9%
Benchmark	-2.7%	1.3%	22.5%	26.6%	25.2%	55.0%	63.0%	8.7%	26.1%	-7.0%	1.3%	8.7%	20.2%	0.1%

Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on a blended benchmark comprising of 60% MSCI AC World index (MUR) and 40% SEMTRI, and rebalanced monthly. 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.

* since inception in Feb-16

Growth of MUR 100,000 since inception



Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation	0.98	0.99	0.99	0.98
Regression alpha (%)	-1.08	-0.69	-2.87	-3.16
Beta	0.94	0.95	0.94	0.94
Annualised volatility	10.0%	15.7%	12.5%	11.7%
Annualised tracking error	2.1%	2.3%	2.3%	2.3%

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

Asset allocation

Asset class	% Fund
International Equities	58.6%
Domestic Equities	39.4%
Cash	2.0%
Total	100.0%

Top 5 countries	% Fund
Mauritius	39.4%
United States of America	37.0%
India	3.8%
United Kingdom	2.1%
Japan	2.1%
Total	84.5%

Top currency	% Fund
Mauritian Rupee	39.9%
US Dollar	56.5%
Euro	3.6%
Total	100.0%

Domestic sectors	% Fund
Banking & Insurance	20.3%
Commerce	5.8%
Industry	6.4%
Investment	2.1%
Leisure & Tourism	2.2%
Property	2.6%
Sugar	0.0%
Total	39.4%

Top 10 international industries	% Fund
Software & Services	9.1%
Media & Entertainment	4.5%
Pharmaceuticals, Biotech & Life Sciences	4.4%
Semiconductors & Equipment	4.3%
Capital Goods	3.9%
Health Care Equipment & Services	3.8%
Banks	3.6%
Technology Hardware & Equipment	3.4%
Diversified Financials	2.9%
Retailing	2.9%
Total	42.8%

Asset allocation (continued)

Top 10 holdings	% Fund	Top 10 international holdings *	% Fund
MCB Group Ltd	13.2%	Microsoft Corp	2.1%
Vanguard S&P 500 ETF	5.0%	Apple Inc.	2.1%
iShares MSCI ACWI ETF	5.0%	Amazon.com Inc	1.1%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.7%	Nvidia Corp	0.8%
iShare Core MSCI World UCITS	4.6%	Alphabet Inc - Class A	0.7%
iShares MSCI World ETF	4.5%	Meta Platforms Inc - Class A	0.7%
IBL Ltd	4.5%	Taiwan Semiconductors Manufacturing Co. Ltd	0.7%
SPDR S&P 500 ETF Trust	4.3%	HDFC Bank Limited	0.6%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.5%	Tesla Inc	0.5%
MSS US Advantage "A" Acc	3.5%	Alphabet Inc - Class C	0.4%
Total	52.8%	Total	9.7%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund fell from MUR 14.44 in October to MUR 14.03 in November, equivalent to a return of -2.9%, while the benchmark posted -2.7%.

Local equity indices posted mixed performances in November with the SEMDEX and DEMEX closing the month at 2,010.67 and 304.44 points, equivalent to respective returns of -5.3% and +0.3%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were SWAN, TERRA and MUAL while the main laggards were MCBG, SBMH and CIEL. The top three gainers in terms of price returns were SWAN (+17.3%), TERRA (+3.9%) and MUAL (+3.8%) and the top three losers were NMH (-26.9%), AML (-22.1%) and CIM (-15.5%). The price-earnings ratio and dividend yield of the SEMDEX stood at 14.86x and 2.94% respectively, as at 30 November against corresponding figures of 15.43x and 2.85% as at 29 October. Net foreign disinvestments of MUR 378.1M were mainly driven by the sell-offs in MCBG, Afrexim and SBMH.

In November, the yield on the 91D Treasury Bills remained unchanged at 0.84% since there was no new issuance. The GOM issued MUR 1.6Bn of 182D Treasury Bills in two tranches at weighted average yields of 0.84% and 0.75%. 364D Treasury Bills worth MUR 1.6Bn were issued at a weighted average yield of 0.83%, 14bps lower than the previous issuance. The yield on 3Y GOM Note decreased from 2.38% to 2.28% following a net tender amount of MUR 2.5Bn while a 5Y GOM Bond for MUR 2.2Bn was auctioned at an average weighted yield of 3.15%, equivalent to an increase of 6bps from the preceding issuance. The yield on the 10Y GOM Bond fell from 4.56% in October to 4.36% in November following an auction of MUR 2.0Bn. There were no new issuances of 15Y and 20Y GOM Bonds during the month.

International equities ended the month in negative territory as news of the new strain Omicron and persistently high inflation readings triggered a sell-off in riskier assets. The MSCI World index registered a return of -2.3% MoM.

The S&P500 registered -0.8% in November after the Omicron coronavirus strain sent a wave of caution across US markets. The IHS Markit Purchasing Managers' Index (PMI) dropped to an 11-month low of 58.3 in November (October 2021: 58.4) as the US manufacturing sector remained constrained by supply delays, material shortages and softer new orders growth. The US Consumer Price Index rose to its highest reading in 31 years, reaching 6.2% in October against a preceding reading of 5.4% in September.

Eurostoxx 50 recorded a return of -4.4% MoM as the ongoing Covid-19 surge across the EU and news of the new virus strain hurt investor sentiment. European governments reintroduced some restrictions including compulsory shots, mask mandates and remote working. The DAX and FTSE MIB indices recorded respective returns of -3.8% and -4.0% while the CAC 40 registered -1.6%. Manufacturing growth stabilised as strong demand masked the severe supply chain conditions - PMI increased from 58.3 in October to 58.4 in November. In the UK, the FTSE 100 index registered -2.5% in November. Despite the rising supply chain disruptions and inflationary pressures curbing growth, the manufacturing sector expanded; PMI edged up to 58.1 in November against 57.8 in the preceding month. The rate of expansion improved slightly amid a rise in domestic order intakes.

Japanese equities followed the global equity trend with the Nikkei 225 posting a return of -3.7%. Manufacturing sector output improved in November, supported by stronger growth in both output and new orders - PMI rose from 53.2 to 54.5 over the month. Despite the stronger expansion in November, logistical disruptions continued to hinder activity and contributed to a rise in input prices. On the political front, Prime Minister Kishida formed his new cabinet and unveiled a supplementary fiscal stimulus package of 55.7 trillion yen to put the economy on a steady recovery track.

Emerging equities underperformed developed markets during the month with the MSCI Emerging Markets index posting a return of -4.1%. The CSI 300 index delivered a monthly return of -1.6% in local currency terms and -0.9% in USD terms as Covid-19 concerns weighed on investor sentiment. While production disruptions from power supply issues eased during the month, subdued demand and rising input costs stifled the overall output growth - PMI dropped below the 50-mark to 49.9 in November (October 2021: 50.6). In India, the BSE Sensex registered -3.8% in November. The manufacturing sector continued to expand strongly with PMI increasing from 55.9 in October to 57.6 in November. Output and new orders rose sharply over the month, buoyed by pent-up demand and firms increasing their production volumes. Cost inflationary pressures, however, remained elevated amid rising transportation costs and raw material shortages.

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For price updates on this fund, please see: <https://nbfc.sbmgroup.mu/asset-management>

Important notes

Unless otherwise specified, all information contained in this document is as at the factsheet date. Investment involves risks; Past performance is not indicative of guaranteeing the same future results as market conditions may fluctuate thereby affecting the investment return and thus strict reliance on such past performances shall not be relied upon by the investor to make any investment decision. Investors may additionally resort to an independent third party or independent legal advisor before making any investment decision. Investment involves risk, that includes the possible loss of principal. Asset allocation and diversification do not ensure a profit or protect against a loss.

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