Factsheet January 2023

SBM Growth Fund

NAV per share **MUR 13.27**

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 horizon.

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

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

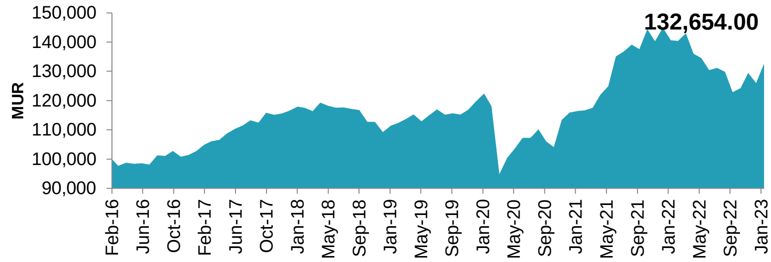
Inception date: 4 Feb 2016
Fund size: MUR 153.0M
Base currency: MUR
Minimum one-off investment: MUR 2,000
Minimum monthly investment plan: MUR 500
Management fee: 1.00% p.a.
Entry fee: 1.00%
Exit fee: 1% up to Y2 | 0.75% in Y3 | 0.5% in Y4 | 0.25% in Y5 | Nil after Y5

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2022	2021	2020	2019	2018	2017
Fund	5.3%	6.8%	5.3%	-5.7%	8.4%	12.5%	32.7%	4.1%	-3.5%	26.0%	-6.7%	-2.2%	5.5%	13.6%
Benchmark	5.8%	8.3%	5.8%	-3.2%	12.3%	22.7%	61.0%	7.0%	-0.4%	26.1%	-7.0%	1.3%	8.7%	20.2%

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.

Growth of MUR 100,000 since inception



Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation	1.00	0.99	0.99	0.98
Regression alpha (%)	-2.70	-1.10	-1.85	-3.66
Beta	0.92	0.95	0.96	0.96
Annualised volatility	11.4%	16.9%	13.5%	11.6%
Annualised tracking error	1.5%	2.1%	2.2%	2.2%

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

Asset allocation

Asset class	% Fund
International Equities	62.2%
Domestic Equities	36.7%
Cash	1.1%
Total	**100.0%**

Top 5 countries	% Fund
United States of America	39.4%
Mauritius	36.7%
India	3.9%
China	2.0%
United Kingdom	2.0%
Total	**83.9%**

Top currency	% Fund
Mauritian Rupee	37.2%
US Dollar	57.7%
Euro	5.1%
Total	**100.0%**

Domestic sectors	% Fund
Banking & Insurance	19.1%
Commerce	5.2%
Industry	4.2%
Investment	3.7%
Leisure & Tourism	2.5%
Property	2.0%
Total	**36.7%**

Top 10 international industries	% Fund
Semiconductors & Equipment	6.0%
Software & Services	5.9%
Pharmaceuticals, Biotech & Life Sciences	5.4%
Banks	4.3%
Capital Goods	4.1%
Health Care Equipment & Services	3.4%
Materials	3.3%
Media & Entertainment	2.9%
Energy	2.8%
Technology Hardware & Equipment	2.8%
Total	**40.9%**

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Ltd	12.5%
Vanguard TOT World STK ETF	5.3%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	5.0%
SPDR S&P 500 ETF Trust	5.0%
Vanguard S&P 500 ETF	4.6%
iShares MSCI ACWI ETF	4.6%
iShare Core MSCI World UCITS	4.3%
IBL Ltd	4.2%
iShares MSCI World ETF	4.2%
SBM Holdings Ltd	3.7%
Total	**53.4%**

Top 10 international holdings *	% Fund
Apple Inc.	2.0%
Microsoft Corp	1.8%
Alphabet Inc - Class A	0.9%
Amazon.com Inc	0.8%
NVIDIA Corp	0.7%
ASML Holding NV	0.6%
Taiwan Semiconductor Manufacturing Co Ltd	0.5%
HDFC Bank Limited	0.5%
Novo Nordisk A/S-B	0.5%
UnitedHealth Group Inc	0.5%
Total	**8.9%**

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 12.60 in December to MUR 13.27 in January, equivalent to a return of 5.3% while the benchmark posted 5.8%.

Domestic equities suffered a slow start to the year 2023 with both the SEMDEX and DEMEX retreating to 2,002.36 and 264.63 points respectively, equivalent to corresponding returns of -2.6% and -0.7% for the month of January. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were CIM, MTMD and MEDINE, while the main laggards were IBLL, ASCE and SBMH. The top three price gainers were MTMD (+16.3%), CIM (+9.5%) and NIT (+3.1%) while the main detractors were ASL (-11.2%), UBP (-10.7%) and NMHL (-10.1%). The price-earnings ratio and dividend yield of SEMDEX stood at 10.01x and 3.70%, respectively, as at 31 January against corresponding figures of 10.20x and 3.62% as at 30 December. During the month, foreigners were heavy sellers on the local market to the tune of MUR 202M (vs. net outflows of MUR 5.6M in Dec-22), mainly driven by MCBG, CIEL and LUX.

International equities rebounded sharply in January, buoyed by easing inflation, slowing job growth, the reopening of the Chinese economy and prospects of a less hawkish Fed. Investors continued to assess the impact of Fed's fight against inflation and the possibility of a "soft landing scenario". The MSCI World index posted a growth of 7.0% MoM.

The S&P 500 index gained 6.2%, fuelled by better-than-expected earnings and slowing wage growth amid easing price pressures. 8 of the major industry groups ended in positive territory, led by Consumer Discretionary, Communication Services and Real Estate. The S&P Global US Purchasing Managers' Index (PMI) stood at 46.9 in January against 46.2 in December, representing its third consecutive month of contraction and one of the lowest levels recorded since the global financial crisis. The deterioration in operating conditions was driven by weak demand conditions across domestic as well as export markets. The labour market remained strong with unemployment rate falling to 3.4% in January, the lowest level in 54 years.

The Eurostoxx 50 index rallied by 9.7% MoM after signs of cooling inflation, declining gas prices and China's reopening lifted investor sentiment. The DAX and CAC 40 indices recorded respective returns of 8.7% and 9.4% while the FTSE MIB index registered 12.2%. The Eurozone manufacturing sector downturn eased with PMI edging up from 47.8 in December to 48.8 in January after easing supply-chain conditions helped companies reduce their backlogs and ramp up production. In the UK, the FTSE 100 index posted a return of 4.3%. Operating conditions contracted on account of subdued demand, elevated inflation and supply constraints. PMI remained below the 50-mark threshold, at 47.0 in January against a previous reading of 45.3.

In Japan, the Nikkei 225 index lagged its global peers, registering a return of 4.7% MoM. Manufacturing conditions stabilised in January as PMI data pointed to only a modest reduction in output and new orders levels, with the rates of decline being the slowest since October 2022 - PMI remained unchanged at 48.9. Business confidence improved at the start of 2023 amid hopes of sustained stabilisation in supply-chain conditions.

Emerging equities outperformed developed markets after the MSCI Emerging Markets index posted a return of 7.9% in January as China's reopening triggered a rebound across the region. The CSI300 index advanced by 7.4% in local currency and 9.6% in USD. The shift in Covid-19 control policies lessened the pressure on China's manufacturing sector with operating conditions moving closer to stabilisation; PMI edged up from 49.0 in December to 49.2 in January. External demand remained weak amid rising recession risks, with new orders contracting for the sixth consecutive month. In India, the BSE Sensex registered -2.1% for the month. The manufacturing sector continued to sustain a strong growth momentum, buoyed by a robust increase in new work intakes; PMI stood at 55.4 in January (December 2022: 57.8). The main source for new business growth remained the domestic market while growth in international sales remained below its long-run trend.

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