

SBM Growth FundNAV per share **MUR 13.43****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**Inception date:** 4 Feb 2016**Fund size:** MUR 154.2M**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	2022	2021	2020	2019	2018	2017
Fund	2.3%	1.3%	6.6%	-0.2%	29.5%	13.6%	34.3%	4.1%	-3.5%	26.0%	-6.7%	-2.2%	5.5%	13.6%
Benchmark	1.6%	0.6%	6.0%	0.9%	34.7%	23.0%	61.2%	6.7%	-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 consisting of 60% MSCI AC World index (MUR) and 40% SEMTRI, and rebalanced monthly. The benchmark return is computed in MUR terms. Annual returns are for the financial year of the Fund, that is, June. Past performance is not indicative of future results.

Growth of MUR 100,000 since inception**Fund statistics**

Period	1Y	3Y	5Y	Launch
Correlation	0.98	0.98	0.99	0.98
Regression alpha (%)	-0.98	-0.89	-1.69	-3.30
Beta	0.92	0.93	0.96	0.95
Annualised volatility	10.6%	11.4%	13.5%	11.4%
Annualised tracking error	2.4%	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	Top 5 countries	% Fund	Top currency	% Fund
International Equities	60.3%	United States of America	37.9%	Mauritian Rupee	38.1%
Domestic Equities	36.9%	Mauritius	36.9%	US Dollar	56.7%
Cash	2.8%	India	4.0%	Euro	5.2%
Total	100.0%	China	2.3%	Total	100.0%
		France	1.8%		
		Total	82.9%		

Domestic sectors	% Fund	Top 10 international industries	% Fund
Banking & Insurance	19.6%	Semiconductors & Equipment	7.1%
Commerce	5.0%	Software & Services	5.4%
Industry	4.2%	Pharmaceuticals, Biotech & Life Sciences	5.1%
Investment	3.9%	Capital Goods	4.0%
Leisure & Tourism	2.4%	Banks	3.6%
Property	1.8%	Financial Services	3.5%
Total	36.9%	Health Care Equipment & Services	3.3%
		Technology Hardware & Equipment	3.2%
		Media & Entertainment	3.1%
		Materials	2.8%
		Total	41.1%

Asset allocation (continued)

Top 10 holdings	% Fund	Top 10 international holdings *	% Fund
MCB Group Ltd	13.1%	Microsoft Corp	2.3%
Vanguard S&P 500 ETF	4.7%	Apple Inc.	2.2%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.6%	NVIDIA Corp	1.3%
iShares MSCI ACWI ETF	4.6%	Alphabet Inc - Class A	1.0%
iShare Core MSCI World UCITS	4.4%	Amazon.com Inc	0.8%
iShares MSCI World ETF	4.2%	ASML Holding NV	0.7%
SBM Holdings Ltd	3.9%	HDFC Bank Limited	0.6%
IBL Ltd	3.9%	Novo Nordisk A/S-B	0.5%
SBM India Fund - Class A	3.3%	Taiwan Semiconductor Manufacturing Ltd	0.5%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.3%	Advanced Micro Devices	0.5%
Total	50.0%	Total	10.4%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 13.12 in April to MUR 13.43 in May, equivalent to a return of 2.3% while the benchmark posted 1.6%.

Local indices posted contrasting performances in May with the SEMDEX rebounding to 1,984.67 points while the DEMEX headed south to close at 251.52 points, equivalent to respective returns of +3.0% and -0.5%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, IBL and LUX while the main laggards were ASCE, SUN and UBP. The top three price gainers were FINCORP (+10.7%), POL (+10.2%) and LUX (+7.8%) while the main three detractors were MCFI (-19.3%), PIM (-11.2%) and HML (-10.8%). The price-earnings ratio and dividend yield of the SEMDEX stood at 8.90x and 3.66%, respectively, as at 31 May against corresponding figures of 8.62x and 3.73% as at 30 April. During the month, foreigners turned net buyer on the local bourse to the tune of MUR 124.7M (vs. net outflows of MUR 69.6M in Apr-23), mainly driven by MCBG, CIM and CIEL.

The US debt ceiling uncertainty in May coupled with the release of disappointing Chinese economic data weighed on investor sentiment; the MSCI World index posted -1.3% MoM.

Despite the prospect of a US default amid the discussions to lift the debt ceiling, the S&P 500 index gained 0.2%, supported by the Artificial Intelligence hype. 3 of the benchmark's 11 major industry groups posted positive performances, led by Information Technology, Communication Services and Consumer Discretionary. The worst performers were Energy, Materials and Utilities. Growth stocks outperformed after the S&P Growth index posted 2.3% compared with -2.1% for the S&P Value index. The manufacturing sector maintained its downtrend with the S&P Global US Purchasing Managers' Index (PMI) reading at 48.4 in May against 50.2 in April, mainly on account of a decline in new order inflows.

The Eurostoxx 50 index posted -3.2% as China's weak economic data led to renewed concerns about a global economic slowdown. The FTSE MIB and CAC 40 indices recorded respective performances of -3.8% and -5.2% while the DAX registered -1.6%. The Eurozone manufacturing sector remained in contraction territory with a PMI reading at 44.8 in May against 45.8 in April, reflecting a growing drag on demand from the eurozone countries as well as abroad. In the UK, the FTSE 100 index recorded -5.4% in May. Operating conditions further contracted on account of declining export order intakes, reduced employment and weaker demand; PMI hit a 4-month low of 47.1 in May (April 2023: 47.8).

In Japan, the Nikkei 225 index rallied by 7.0% as solid corporate earnings and foreign investments drove stocks higher. A rebound in new orders and renewed business optimism steered the PMI reading above the neutral 50.0 mark for the first time since October 2022 to 50.6 in May (April 2023: 49.5). Supplier performance stabilisation boosted business confidence and brought down purchase price inflation across the sector.

Emerging equities underperformed developed markets after the MSCI Emerging Markets index posted -1.9% in May. The CSI300 index registered -5.7% MoM in local currency and -8.4% in USD as headwinds on economic activity and geopolitics intensified. Manufacturing activity improved in May, buoyed by the upturn in new order intakes. Firms witnessed an increase in capacity, leading to easing supply chain conditions and lower input costs. The PMI rebounded to 50.9 in May against 49.5 in April. In India, the BSE Sensex index gained 2.5% following easing concerns over a potential US deal towards month-end. The manufacturing sector maintained its strong growth trajectory amidst the continued momentum in domestic and international orders; PMI reached a 31-month high of 58.7 in May versus 57.2 in April.

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