

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 465.6M

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

*Applicable as from Mar-2019. Previous Benchmark: 35% SEMDEX + 30% 1Y GOM Bill + 35% MSCI World

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2022	2021	2020	2019	2018	2017
Fund	1.6%	1.0%	4.3%	0.4%	25.1%	20.3%	389.0%	7.9%	0.7%	19.1%	-1.8%	0.3%	4.7%	9.7%
Benchmark	1.2%	0.5%	3.4%	0.6%	23.8%	22.2%	350.6%	7.5%	1.6%	16.8%	-1.5%	1.7%	6.1%	12.4%

Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on a blended benchmark consisting of 30% SEMDEX, 40% 1Y GOM Bill and 30% MSCI World index (MUR), 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	0.96	0.98	0.98	0.88
Regression alpha (%)	-0.25	0.55	-0.38	3.96
Beta	1.06	0.99	1.00	0.87
Annualised volatility	5.9%	6.9%	8.2%	7.4%
Annualised tracking error	1.7%	1.5%	1.7%	3.8%

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

Asset allocation

Asset class	% Fund
International Equities	30.2%
Domestic Equities	29.5%
Domestic Fixed Income	36.4%
Cash	3.9%
Total	100.0%

Top 5 countries	% Fund
Mauritius	65.9%
United States	19.0%
India	2.3%
China	1.1%
United Kingdom	1.0%
Total	89.3%

Top currency	% Fund
Mauritian Rupee	67.2%
US Dollar	29.1%
Euro	3.7%
Total	100.0%

Domestic sectors	% Fund
Banking & Insurance	15.4%
Commerce	4.0%
Industry	3.4%
Investment	3.1%
Leisure & Tourism	2.1%
Property	1.5%
Total	29.5%

Top 10 international industries	% Fund
Semiconductors & Equipment	3.3%
Software & Services	2.8%
Pharmaceuticals, Biotech & Life Sciences	2.5%
Capital Goods	2.0%
Financial Services	1.8%
Health Care Equipment & Services	1.7%
Banks	1.7%
Technology Hardware & Equipment	1.6%
Media & Entertainment	1.6%
Materials	1.4%
Total	20.4%

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Limited	10.1%
iShares MSCI World ETF	7.9%
Vanguard S&P 500 ETF	5.2%
SIT Bond 25/04/2024	4.3%
CIM Financial Services Ltd 31/07/2025	3.3%
Government of Mauritius Bond 14/01/37	3.3%
SBM Holdings Ltd	3.3%
Government of Mauritius Bond 20/08/2036	3.2%
IBL Ltd	3.1%
FF - Asia Pacific Opportunités "A" (USD) Acc	2.6%
Total	46.3%

Top 10 international holdings *	% Fund
Microsoft Corp	1.2%
Apple Inc.	1.1%
NVIDIA Corp	0.6%
Alphabet Inc - Class A	0.5%
Amazon.com Inc	0.4%
HDFC Bank Limited	0.3%
ASML Holding NV	0.3%
Taiwan Semiconductor Manufacturing Co Ltd	0.3%
Advanced Micro Devices	0.2%
Franco-Nevada Corp	0.2%
Total	5.2%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 30.81 in April to MUR 31.30 in May, equivalent to a return of 1.6%, while the benchmark posted 1.2%.

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, IBLL 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.

On the primary market, the yield on the 91D Treasury Bills remained unchanged at 4.55% despite an issuance of MUR 800M. The BoM auctioned MUR 1.6Bn of 182D Treasury Bills in two tranches at corresponding weighted average yields of 4.73% and 4.80%. The yield on 364D Treasury Bills increased by 15bps to 4.85% following an issuance of MUR 800Mn. A 3Y GoM Note worth MUR 1.9Bn was issued at a weighted yield of 5.03%, 19bps higher than the previous one while a 7Y GoM Bond worth MUR 1.6Bn was issued at a yield of 5.28%, representing an increase of 21bps. The 10Y GoM Bond yield fell by 68bps to 5.25% post an issuance of MUR 2.3Bn. There were no fresh auctions of 5Y, 15Y and 20Y GoM Bonds during the month.

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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