

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 158.9M

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

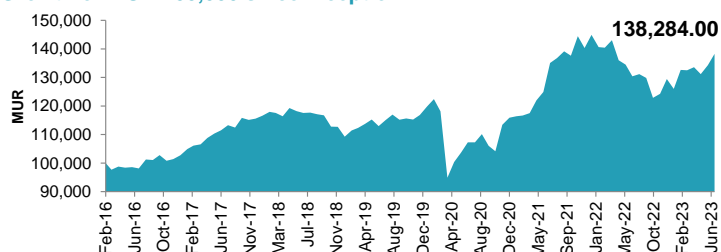
*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Performance

| Period | 1M | 3M | YTD | 1Y | 3Y | 5Y | Launch | Annualised | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|-----------|------|------|------|------|-------|-------|--------|------------|------|-------|-------|-------|-------|------|
| Fund | 3.0% | 3.5% | 9.7% | 6.0% | 28.9% | 17.6% | 38.3% | 4.5% | 6.0% | -3.5% | 26.0% | -6.7% | -2.2% | 5.5% |
| Benchmark | 3.4% | 4.4% | 9.6% | 7.7% | 35.2% | 27.5% | 66.7% | 7.1% | 7.7% | -0.4% | 26.1% | -7.0% | 1.3% | 8.7% |

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 (%) | -1.01 | -1.20 | -1.73 | -3.43 |
| Beta | 0.91 | 0.92 | 0.96 | 0.95 |
| Annualised volatility | 10.4% | 11.3% | 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 |
|------------------------|---------------|
| International Equities | 60.3% |
| Domestic Equities | 37.3% |
| Cash | 2.4% |
| Total | 100.0% |

| Top 5 countries | % Fund |
|--------------------------|--------------|
| United States of America | 37.9% |
| Mauritius | 37.3% |
| India | 4.0% |
| China | 2.3% |
| France | 1.9% |
| Total | 83.4% |

| Top currency | % Fund |
|-----------------|---------------|
| Mauritian Rupee | 38.4% |
| US Dollar | 56.3% |
| Euro | 5.3% |
| Total | 100.0% |

| Domestic sectors | % Fund |
|---------------------|--------------|
| Banking & Insurance | 18.8% |
| Commerce | 5.5% |
| Industry | 4.4% |
| Investment | 4.0% |
| Leisure & Tourism | 2.7% |
| Property | 1.9% |
| Total | 37.3% |

| Top 10 international industries | % Fund |
|--|--------------|
| Semiconductors & Equipment | 6.5% |
| Software & Services | 5.3% |
| Pharmaceuticals, Biotech & Life Sciences | 4.9% |
| Capital Goods | 4.2% |
| Banks | 3.7% |
| Financial Services | 3.5% |
| Technology Hardware & Equipment | 3.3% |
| Health Care Equipment & Services | 3.2% |
| Media & Entertainment | 3.1% |
| Materials | 2.9% |
| Total | 40.8% |

Asset allocation (continued)

| Top 10 holdings | % Fund |
|---|---------------|
| MCB Group Ltd | 12.2% |
| Vanguard S&P 500 ETF | 4.9% |
| iShares MSCI ACWI ETF | 4.6% |
| Fidelity Asia Pacific Opportunities "A" (USD) Acc | 4.6% |
| iShare Core MSCI World UCITS | 4.5% |
| IBL Ltd | 4.3% |
| iShares MSCI World ETF | 4.3% |
| SBM Holdings Ltd | 3.9% |
| SBM India Fund - Class A | 3.4% |
| Fidelity European Dynamic Growth "A" (EUR) Acc | 3.3% |
| Total | 50.0% |

| Top 10 international holdings * | % Fund |
|--|---------------|
| Apple Inc. | 2.3% |
| Microsoft Corp | 2.3% |
| NVIDIA Corp | 1.2% |
| Alphabet Inc - Class A | 0.9% |
| Amazon.com Inc | 0.9% |
| ASML Holding NV | 0.6% |
| HDFC Bank Limited | 0.6% |
| Novo Nordisk A/S-B | 0.5% |
| Taiwan Semiconductor Manufacturing Ltd | 0.5% |
| Meta Platforms Inc - Class A | 0.4% |
| Total | 10.3% |

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 13.43 in May to MUR 13.83 in June, equivalent to a return of 3.0% while the benchmark posted 3.4%.

Local indices posted mixed performances in June as the SEMDEX headed south to close at 1,967.05 points while the DEMEX recouped past month's losses to end higher at 252.67 points, equivalent to respective returns of -0.9% and +0.5%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were SUN, LUX and ROGERS while the main laggards were MCBG, IBL and MEDINE. The top three price gainers were SUN (+19.5%), BLL (+15.4%) and POLICY (+10.7%) whereas the main three detractors were HMALLAC (-13.8%), CAUDAN (-8.5%) and MOR (-8.1%). The price-earnings ratio and dividend yield of the SEMDEX stood at 8.86x and 3.96%, respectively, as at 30 June against corresponding figures of 8.90x and 3.66% as at 31 May. During the month, foreigners were net buyers on the local bourse to the tune of MUR 214.4M (vs. MUR 124.7M in May-23), mainly driven by MCBG, PHIN and SBMH.

International equities rallied in June despite the hawkish tone from central banks. Resilient US economic data including retail sales and consumer durables along with the rebound in housing activity lifted investor sentiment. The MSCI World index gained 5.9% MoM.

The S&P 500 index posted solid gains of 6.5% MoM. All the major industry groups registered positive performances, led by Consumer Discretionary, Industrials and Materials. Growth stocks marginally lagged their value counterparts, with the S&P Growth index posting 6.3% against 6.7% for the S&P Value index. Weak demand conditions amid a contraction in new orders exacerbated the ongoing manufacturing sector downturn with the S&P Global US Manufacturing Purchasing Managers' Index (PMI) edging down to 46.3 in June, against 48.4 in May.

The Eurostoxx 50 index grew by 4.3% MoM, driven by hopes of more policy stimulus to support China's economic recovery. The DAX and CAC 40 indices recorded respective performances of 3.1% and 4.2% while the FTSE MIB index rallied by 8.4%. The Eurozone manufacturing output remained in contraction territory for a twelve successive month with the PMI reading at 43.4 in June against 44.8 in May, signalling the sharpest deterioration since May 2020. In the UK, the FTSE 100 index recorded 1.1% MoM. PMI dropped to a six-month low of 46.5 in June, down from 47.1 in May, driven by deteriorations in domestic and foreign demand, declining new orders and contraction in employment.

In Japan, the Nikkei 225 index gained 7.5% in June, with the index hitting its highest level since 1989. The manufacturing PMI fell back into contraction zone following declines in both output and new orders; the indicator dropped to 49.8 in June (May 2023: 50.6). Supply chain conditions eased during the month, with supplier's delivery times improving to the highest degree in 7 years.

Emerging equities underperformed developed markets after the MSCI Emerging Markets index posted 3.2% in June. The CSI 300 index registered 1.2% in local currency and -0.8% in USD. Operating conditions eased on account of a mild improvement in new order growth; the PMI index fell to 50.5 in June against 50.9 in May. In India, the BSE Sensex index gained 3.3% as robust foreign inflows, strong corporate balance sheets and moderating inflation supported investor sentiment. The manufacturing sector continued to sustain a strong growth impetus, buoyed by healthy demand from both domestic and international markets; the PMI remained well above the neutral level of 50.0, at 57.8 in June against 58.7 in May.

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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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