

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 164.2M

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

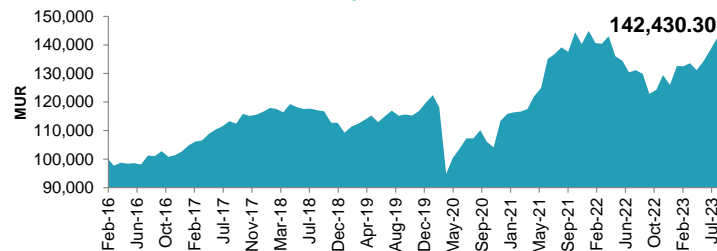
*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2023	2022	2021	2020	2019	2018
Fund	3.0%	8.6%	13.0%	8.6%	32.8%	21.1%	42.4%	4.8%	6.0%	-3.5%	26.0%	-6.7%	-2.2%	5.5%
Benchmark	3.5%	8.7%	13.4%	10.4%	40.9%	30.6%	72.5%	7.5%	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 (%)	-0.93	-1.67	-1.63	-3.57
Beta	0.91	0.92	0.96	0.95
Annualised volatility	10.7%	11.4%	13.6%	11.4%
Annualised tracking error	2.4%	2.3%	2.3%	2.2%

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

Asset allocation

Asset class	% Fund
International Equities	60.7%
Domestic Equities	37.2%
Cash	2.1%
Total	100.0%

Top 5 countries	% Fund
United States of America	38.1%
Mauritius	37.2%
India	4.0%
China	2.3%
France	1.8%
Total	83.4%

Top currency	% Fund
Mauritian Rupee	38.0%
US Dollar	56.7%
Euro	5.3%
Total	100.0%

Domestic sectors	% Fund
Banking & Insurance	18.7%
Commerce	5.4%
Industry	4.3%
Investment	4.1%
Leisure & Tourism	2.8%
Property	1.9%
Total	37.2%

Top 10 international industries	% Fund
Semiconductors & Equipment	6.6%
Software & Services	5.3%
Pharmaceuticals, Biotech & Life Sciences	4.8%
Capital Goods	4.3%
Banks	4.1%
Financial Services	3.7%
Technology Hardware & Equipment	3.3%
Media & Entertainment	3.2%
Health Care Equipment & Services	3.1%
Materials	3.0%
Total	41.3%

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Ltd	12.3%
Vanguard S&P 500 ETF	4.9%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.7%
iShares MSCI ACWI ETF	4.7%
iShare Core MSCI World UCITS	4.5%
IBL Ltd	4.3%
iShares MSCI World ETF	4.3%
SBM Holdings Ltd	3.7%
SBM India Fund - Class A	3.4%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.3%
Total	50.1%

Top 10 international holdings *	% Fund
Apple Inc.	2.3%
Microsoft Corp	2.2%
NVIDIA Corp	1.4%
Alphabet Inc - Class A	1.0%
Amazon.com Inc	0.9%
ASML Holding NV	0.6%
HDFC Bank Limited	0.5%
Novo Nordisk A/S-B	0.5%
Taiwan Semiconductor Manufacturing Ltd	0.5%
Home Depot Inc	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 13.83 in June to MUR 14.24 in July, equivalent to a return of 3.0% while the benchmark posted 3.5%.

Local indices posted positive returns in July with the SEMDEX and DEMEX closing the month at 2,012.48 and 254.66 points, equivalent to respective gains of 2.3% and 0.8%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, IBL and MEDINE while the main laggards were SBMH, HWF and MCFI. The top three price gainers were LOTO (+15.8%), POLICY (+15.5%) and MEDINE (+12.0%) while the main three detractors were MCFI (-19.5%), ASL (-5.7%) and HWF (-2.6%). The price-earnings ratio and dividend yield of the SEMDEX stood at 9.02x and 3.85%, respectively, as at 31 July against corresponding figures of 8.86x and 3.96% as at 30 June. During the month, foreigners remained net buyer on the local bourse, though to a lower tune of MUR 21.1M (vs. MUR 214.4M in Jun-23), mainly driven by MCBG, PBL and LOTO.

International equities maintained its uptrend in July, supported by further downtrends in inflation readings and strong GDP data across developed economies. Increased likelihood of a soft landing further boosted market sentiment. The MSCI World index posted 3.3% MoM.

The S&P 500 index notched its longest streak of monthly gains since August 2021 after registering a return of 3.1%. All the major industry groups posted positive performances, led by Energy, Communication Services and Financials. Growth stocks continued to lag their value counterparts, with the S&P Growth index posting 3.0% against 3.3% for the S&P Value index. The manufacturing sector maintained its downtrend with the S&P Global US Purchasing Managers' Index (PMI) clocking 49.0 in July against 46.3 in June. The downturn in operating conditions stemmed from renewed contractions in new order inflows as demand remained muted.

The Eurostoxx 50 index gained 1.6% MoM. The CAC 40 and DAX 30 indices recorded respective performances of 1.3% and 1.9% while the FTSE MIB index rallied by 5.0%. The Eurozone manufacturing sector downturn worsened in July on account of further declines in output and new orders; the PMI edged down from 43.4 in June to 42.7 in July, marking the thirteenth successive month of contraction. In the UK, the FTSE 100 index posted 2.2% MoM, driven by the oil-exposed stocks and miners. The manufacturing PMI fell to a 7-month low of 45.3 in July, from 46.5 in June, as operating conditions deteriorated further; output fell at its sharpest rate since January as overstocked clients, higher interest rates and the cost-of-living crisis led to a slump in demand.

In Japan, the Nikkei 225 index registered -0.1% in July, lagging its global peers. The manufacturing sector growth remained downbeat with PMI dropping from 49.8 in June to 49.6 in July amid modest reductions in both output and new order inflows. Input price inflation pursued its downtrend, with the indicator hitting its slowest pace since February 2021 and broadly in line with the long-run average, hence signalling sustained signs of easing inflationary pressures.

Emerging markets' equities outperformed developed markets after the MSCI Emerging Markets index surged by 5.8% in July. The CSI 300 index gained 4.5% in local currency and 6.1% in USD as authorities signalled pro-growth policies at the recent politburo meeting. Strong foreign inflows indicated a bullish shift in sentiment. Manufacturing conditions moderated in July after PMI fell to 49.2 against 50.5 in June, marking the first PMI reading below the 50-mark threshold in 3 months, as sluggish demand conditions in the domestic and international markets weighed on production. In India, the BSE Sensex index posted 2.8% MoM. The manufacturing sector continued its robust growth momentum buoyed by the strong demand; PMI stood at 57.7 in July against 57.8 in June.

Contact

SBM Mauritius Asset Managers Ltd

Level 3, Lot15A3, Hyvec Business Park,

Wall Street, Ebene Cybercity 72201

Tel: (+230) 202 11 11 | 202 17 35 | 202 46 42

Fax: (+230) 210 33 69

E-mail: sbm.assetm@sbmgroup.muFor 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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