

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 164.0M
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

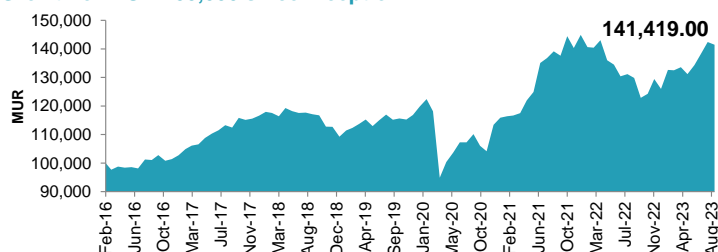
*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2023	2022	2021	2020	2019	2018
Fund	-0.7%	5.3%	12.2%	8.9%	28.4%	20.7%	41.4%	4.7%	6.0%	-3.5%	26.0%	-6.7%	-2.2%	5.5%
Benchmark	-0.7%	6.3%	12.7%	10.6%	37.6%	29.8%	71.4%	7.4%	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	0.99	0.99	0.98
Regression alpha (%)	-0.77	-2.08	-1.55	-3.52
Beta	0.91	0.92	0.95	0.95
Annualised volatility	10.6%	11.4%	13.6%	11.3%
Annualised tracking error	2.4%	2.2%	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	58.9%
Domestic Equities	38.6%
Cash	2.5%
Total	100.0%

Top 5 countries	% Fund
Mauritius	38.6%
United States of America	37.2%
India	4.0%
China	2.1%
France	1.7%
Total	83.6%

Top currency	% Fund
Mauritian Rupee	39.8%
US Dollar	55.1%
Euro	5.1%
Total	100.0%

Domestic sectors	% Fund
Banking & Insurance	19.2%
Commerce	5.4%
Industry	4.3%
Investment	4.3%
Leisure & Tourism	3.4%
Property	2.0%
Total	38.6%

Top 10 international industries	% Fund
Semiconductors & Equipment	6.3%
Software & Services	5.4%
Pharmaceuticals, Biotech & Life Sciences	4.9%
Capital Goods	4.2%
Banks	3.7%
Financial Services	3.6%
Technology Hardware & Equipment	3.2%
Media & Entertainment	3.1%
Health Care Equipment & Services	3.0%
Materials	2.9%
Total	40.3%

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Ltd	12.6%
Vanguard S&P 500 ETF	4.8%
iShares MSCI ACWI ETF	4.5%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.4%
iShare Core MSCI World UCITS	4.4%
IBL Ltd	4.3%
iShares MSCI World ETF	4.2%
SBM Holdings Ltd	3.8%
SBM India Fund - Class A	3.4%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.1%
Total	49.5%

Top 10 international holdings *	% Fund
Apple Inc.	2.2%
Microsoft Corp	2.2%
NVIDIA Corp	1.4%
Alphabet Inc - Class A	1.1%
Amazon.com Inc	0.9%
Novo Nordisk A/S-B	0.6%
ASML Holding NV	0.6%
HDFC Bank Limited	0.5%
Eli Lilly & Co	0.5%
Taiwan Semiconductor Manufacturing Ltd	0.4%
Total	10.4%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund fell from MUR 14.24 in July to MUR 14.14 in August, equivalent to a return of -0.7%, and comparable to the benchmark return.

Local indices posted solid gains in August with the SEMDEX and DEMEX closing the month at 2,082.01 and 265.19 points, equivalent to respective returns of 3.5% and 4.1%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were NMHL, MCBG and SUN while the main laggards were IBLL, GAMMA & UDL. The top three price gainers were NMHL (+35.1%), ALTG (+24.7%) and SUN (+22.7%) while the main detractors were MOROIL (-5.4%), ASL (-5.3%) and UDL (-5.2%). The price-earnings ratio and dividend yield of the SEMDEX stood at 9.24x and 3.77%, respectively, as at 31 August against corresponding figures of 9.02x and 3.85% as at 31 July. For the first time since Apr-23, foreign flows turned negative to the tune of MUR 215.5M (vs. net purchases of MUR 21.1M in Jul-23). MCBG was the main driver behind net foreign sales, followed by SBMH and CIEL.

Equity markets witnessed heightened volatility during the month, with the MSCI World index posting -2.6%, mainly led by renewed concerns over China's economic slowdown and a surge in sovereign bond yields.

The S&P 500 index registered a return of -1.8%, driven primarily by a surge in 10-year US Treasury yields to the highest level since 2007. All the major industry groups registered negative performances except for Energy, which posted +1.3%. Growth stocks outperformed their value counterparts, with the S&P Growth index posting -0.8% against -3.0% for the S&P Value index. The manufacturing sector maintained its downtrend, with the S&P Global US Purchasing Managers' Index (PMI) falling to 47.9 in August from 49.0 in July. The stronger downturn in operating conditions stemmed from a renewed decline in output and a more pronounced contraction in new orders.

The Eurostoxx 50 index registered -3.9% MoM. The CAC 40 and DAX 30 indices recorded respective performances of -2.4% and -3.0%, while the FTSE MIB index posted -2.7%. The manufacturing sector in the Eurozone remained under duress as a significant fall in new orders coupled with rapidly depleting work backlogs put production activities under strain. While there was a slight increase in the PMI to 43.5 in August from 42.7 in July, it remained under the 50 threshold, marking the fourteenth successive month of contraction. In the UK, the FTSE 100 index posted -3.4 % MoM, mainly led by higher interest rate expectations amid record wage growth data. The manufacturing PMI fell to a 39-month low of 43.0 in August, from 45.3 in July, as operating conditions deteriorated further; output fell for the sixth consecutive month and new orders declined at a faster pace due to weaker domestic and export market conditions.

In Japan, the Nikkei 225 index registered -1.7% in August, leading its global peers. The manufacturing sector's contraction persisted, with the PMI remaining unchanged at 49.6 in August. This trend is attributable to consistent, moderate declines in both production and new orders. Meanwhile, input costs experienced their sharpest increase in three months while output price inflation dipped to its lowest level in over two years.

Emerging markets' equities underperformed developed markets after the MSCI Emerging Markets index registered -6.4% in August. The CSI 300 index posted -6.2% in local currency and -7.7% in USD, reflecting renewed concerns in the Chinese property sector. Manufacturing conditions improved at the fastest pace in six months amid increases in output and new orders. The PMI surged from 49.2 in July to 51.0 in August, driven primarily by more robust domestic demand. In India, the BSE Sensex index posted -2.5% MoM. The manufacturing sector continued its robust growth momentum buoyed by the strong demand; PMI stood at 58.6 in August against 57.7 in July.

Contact

SBM Mauritius Asset Managers Ltd
Level 3, Lot15A3, Hyvec Business Park,
Wall Street, Ebene Cybercity 72201
Republic of Mauritius
Tel: (+230) 202 11 11 | 202 17 35 | 202 46 42
Fax: (+230) 210 33 69
E-mail: sbm.assetm@sbmgroup.mu
For 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.

SBM Mauritius Asset Managers Ltd ("SBM MAM") believes that the information which may be viewed in this document is reasonably accurate as at the date of publication, but does not guarantee the accuracy of the data and disclaims all representations and warranties of any kind, whether expressed or implied. Neither SBM MAM, nor any of its associates, nor any director, officer or employee accepts any liability whatsoever for any loss arising directly or indirectly from any use of this. It does not constitute investment advice and should not be used as the basis of any investment decision, nor should it be treated as a recommendation for any investment. The information in this document may not be edited and/or reproduced in whole or in part without the prior consent of SBM MAM.