

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 164.8M

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

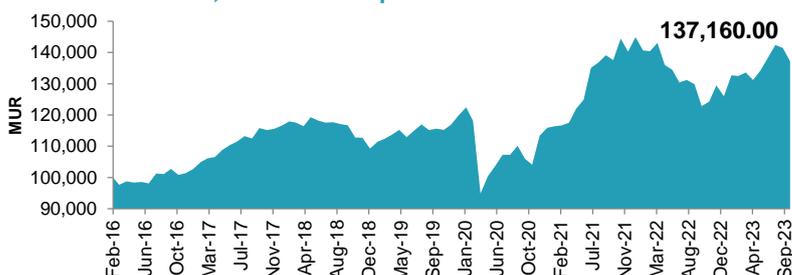
*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2023	2022	2021	2020	2019	2018
Fund	-3.0%	-0.8%	8.9%	11.6%	29.3%	17.5%	37.2%	4.2%	6.0%	-3.5%	26.0%	-6.7%	-2.2%	5.5%
Benchmark	-2.7%	0.0%	9.6%	14.3%	39.2%	25.0%	66.7%	6.9%	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	0.97	0.99	0.99	0.98
Regression alpha (%)	-1.86	-2.36	-1.27	-3.46
Beta	0.94	0.93	0.95	0.96
Annualised volatility	9.3%	11.3%	13.7%	11.3%
Annualised tracking error	2.3%	2.2%	2.2%	2.2%

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	54.9%	Mauritius	39.5%	Mauritian Rupee	44.1%
Domestic Equities	39.5%	United States of America	34.5%	US Dollar	51.3%
Cash	5.6%	India	4.0%	Euro	4.6%
Total	100.0%	China	2.1%	Total	100.0%
		France	1.5%		
		Total	81.6%		

Domestic sectors	% Fund	Top 10 international industries	% Fund
Banking & Insurance	20.0%	Semiconductors & Equipment	5.5%
Commerce	5.4%	Software & Services	5.0%
Industry	4.3%	Pharmaceuticals, Biotech & Life Sciences	4.4%
Investment	4.3%	Capital Goods	3.9%
Leisure & Tourism	3.5%	Banks	3.6%
Property	2.0%	Financial Services	3.4%
Total	39.5%	Health Care Equipment & Services	3.0%
		Media & Entertainment	3.0%
		Technology Hardware & Equipment	2.9%
		Materials	2.7%
		Total	37.4%

Asset allocation (continued)

Top 10 holdings	% Fund	Top 10 international holdings *	% Fund
MCB Group Ltd	13.2%	Microsoft Corp	2.0%
Vanguard S&P 500 ETF	4.4%	Apple Inc.	1.9%
IBL Ltd	4.3%	NVIDIA Corp	1.3%
iShares MSCI ACWI ETF	4.2%	Alphabet Inc - Class A	0.9%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.1%	Amazon.com Inc	0.8%
iShare Core MSCI World UCITS	4.1%	Novo Nordisk A/S-B	0.6%
SBM Holdings Ltd	4.0%	HDFC Bank Limited	0.6%
iShares MSCI World ETF	3.9%	ASML Holding NV	0.5%
SBM India Fund - Class A	3.4%	Eli Lilly & Co	0.4%
Vanguard TOT World STK ETF	2.9%	Alphabet Inc - Class C	0.4%
Total	48.5%	Total	9.4%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund fell from MUR 14.14 in August to MUR 13.72 in July, equivalent to a return of -3.0%, while the benchmark posted -2.7%.

Local indices maintained its uptrend in September with the SEMDEX and DEMEX closing the month at 2,142.48 and 273.51 points, equivalent to respective returns of 2.9% and 3.1%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, NMHL and ENLG while the main laggards were TERA, SUN and FINCORP. The top three price gainers were NMHL (+15.4%), ENLG (+11.9%) and SBMH (+6.7%) while the main detractors were POLICY (-12.9%), FINCORP (-8.0%) and MTMD (-6.3%). The price-earnings ratio and dividend yield of the SEMDEX stood at 7.20x and 4.07%, respectively, as at 30 September against corresponding figures of 9.24x and 3.77%, as at 31 August. Foreign flows remained negative to the tune of MUR 186.1M (vs. MUR 215.5M in Aug-23), mainly driven by MCBG, SBMH and TERA.

International equities closed in negative territory, with September being the worst-performing month for the broader market since December 2022. Impending fear of a government shutdown and worries that the Fed will keep interest rates higher for longer weighed on risky assets; the MSCI World index posted -4.4% MoM.

The S&P 500 index wrapped up its biggest monthly drop for the calendar year 2023, registering a return of -4.9% in September. Concerns over the potential impact of a government shutdown and the surge in treasury yields spurred a risk-off sentiment. All the major industry groups registered negative performances except for Energy which posted 2.5%. Value stocks outperformed their growth counterparts, with the S&P Value index posting -4.8% against -5.0% for the S&P Growth index. The S&P Global US Purchasing Managers' Index (PMI) slightly increased from 47.9 in August to 49.8 in September after improved hiring activity and easing supply helped factories complete backlog orders.

The Eurostoxx 50 index registered -2.8% MoM. The CAC 40 and DAX 30 indices recorded respective performances of -2.5% and -3.5%, while the FTSE MIB index posted -2.0%. The Eurozone manufacturing output remained in contraction territory amidst sharp declines in new orders and output, along with sustained reductions in employment. Manufacturing PMI dropped from 43.5 in August to 43.4 in September, marking the fifteen successive months of the indicator being under the 50 threshold. In the UK, the FTSE 100 index gained 2.3% MoM, leading its global peers – the considerable tilt in energy stocks supported the index after oil prices rose sharply. Manufacturing PMI stood at 44.3 in September against 43.0 in August as weaknesses in both domestic and international markets adversely impacted output and new orders.

In Japan, the Nikkei 225 index registered -2.3% in September. Operating conditions deteriorated with the PMI declining from 49.6 in August to 48.5 in September following steeper reductions in output and new orders. Besides the notable weakness in manufacturing output, input price inflation accelerated for a second consecutive month, running to a four-month high.

Emerging markets' equities outperformed developed markets after the MSCI Emerging Markets index registered -2.8% in September. The CSI 300 index posted -2.0% in local currency and -2.5% in USD, as ongoing concerns over the property sector weighed on sentiment. The manufacturing sector continued its slow recovery, with the rate of output growth improving to a four-month high – PMI stood at 50.6 in September against 51.0 in August. Overseas demand, however, remained weak after the gauge for new export orders flashed a sub-50 reading, suggesting that the overall rise in output was largely driven by the domestic market. In India, the BSE Sensex index rebounded by 1.5% MoM. Despite manufacturing PMI reaching a 5-month low of 57.5 in September from 58.6 in August, the indicator remained well above its long-run average of 53.9. Strong demand and positive market dynamics led to a steep growth in new orders underpinning sustained expansions in factory output.

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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.

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