

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 193.8M

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

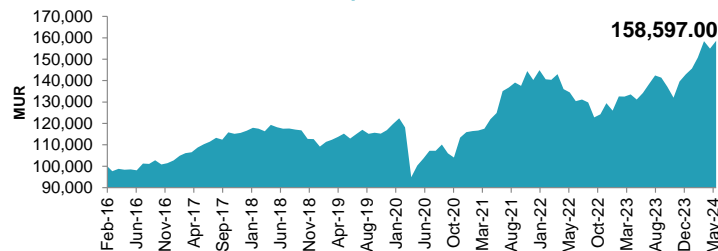
*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2023	2022	2021	2020	2019	2018
Fund	2.3%	5.2%	10.9%	18.1%	27.0%	40.4%	58.6%	5.7%	6.0%	-3.5%	26.0%	-6.7%	-2.2%	5.5%
Benchmark	2.6%	4.9%	10.9%	20.0%	34.4%	49.5%	93.5%	8.2%	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	1.00	0.99	0.99	0.98
Regression alpha (%)	-1.90	-2.03	-1.38	-3.72
Beta	1.00	0.96	0.96	0.96
Annualised volatility	10.8%	11.3%	14.0%	11.4%
Annualised tracking error	1.0%	1.7%	2.1%	2.1%

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	56.2%	United States of America	36.6%	Mauritian Rupee	43.5%
Domestic Equities	36.1%	Mauritius	36.1%	US Dollar	53.0%
Cash	7.7%	India	4.5%	Euro	3.5%
Total	100.0%	Japan	3.1%	Total	100.0%
		United Kingdom	1.9%		
		Total	82.2%		

Domestic sectors	% Fund
Banking & Insurance	19.4%
Commerce	4.7%
Industry	3.7%
Investment	3.8%
Leisure & Tourism	3.0%
Property	1.5%
Total	36.1%

Top 10 international industries	% Fund
Semiconductors & Equipment	6.2%
Software & Services	5.7%
Pharmaceuticals, Biotech & Life Sciences	4.6%
Financial Services	4.2%
Media & Entertainment	4.2%
Capital Goods	4.1%
Technology Hardware & Equipment	3.8%
Banks	3.8%
Consumer Discretionary Distribution & Retail	3.0%
Energy	1.9%
Total	41.5%

Asset allocation (continued)

Top 10 holdings	% Fund	Top 10 international holdings *	% Fund
MCB Group Ltd	13.9%	Microsoft Corp	5.4%
SBM India Fund - Class A	4.5%	NVIDIA Corp	5.0%
iShares MSCI World ETF	4.2%	Apple Inc.	4.9%
Vanguard TOT World STK ETF	4.0%	Amazon.com Inc	3.1%
IBL Ltd	3.7%	Alphabet Inc - Class A	2.5%
SBM Holdings Ltd	3.4%	Berkshire Hathaway Inc - Class B	2.4%
Vanguard S&P 500 ETF	2.8%	Meta Platforms Inc - Class A	2.1%
UBS Lux Equity SICAV - USA Growth USD	2.8%	Eli Lilly & Co	1.5%
Amundi Funds - Pioneer US Equity Growth Fund USD	2.8%	JPMorgan Chase & Co	1.1%
Schroder ISF US Large Cap "A" Acc	2.7%	Alphabet Inc - Class C	1.1%
Total	44.8%	Total	29.1%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 15.50 in April to MUR 15.86 in May, equivalent to a return of 2.3% while the benchmark return posted 2.6%.

Local bourse retreated during the month of May with the SEMDEX closing marginally lower at 2,146.65 points while the DEMEX slumped to 244.87 points, equivalent to respective returns of -0.1% and -5.4%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, PAD and BMH while the main laggards were MUAL, CIEL and SBMH. The top three price gainers were BMH (+12.5%), MCFI (+11.3%) and PAD (+6.7%) while the main detractors were NIT (-22.1%), MUAL (-17.6%) and LOTO (-14.8%). The price-earnings ratio and dividend yield of SEMDEX stood at 6.74x and 4.21%, respectively as at 31 May against corresponding figures of 6.75x and 4.09% in April. Foreigners remained net buyers to the tune of MUR 46.3M (vs. MUR 31.4M in Apr-24), driven mainly by MCBG, PBL and FINCORP.

International equities rebounded in May driven by the ongoing bullish sentiment surrounding the economic outlook. Macroeconomic data showed signs of a rebalancing in economic momentum and tempered concerns of overheating in US. The MSCI World index posted 4.2% MoM.

The S&P 500 index advanced 4.8% in May, supported by better-than-expected first quarter earnings. Softer economic data fuelled optimism that the US Federal Reserve could cut rates later this year, driving risk-on assets higher. All the major industry groups except Energy recorded positive returns, led by Information Technology, Utilities and Communication Services. Expectations of falling interest rates favoured growth stocks with the latter registering 6.5% versus 2.7% for value stocks. The S&P Global US Purchasing Managers' Index (PMI) edged up to a 50.9 in May against 50.0 in April, signalling a modest improvement in operating conditions; both output and employment positively contributed to the improved PMI reading.

The Eurostoxx 50 index posted 1.3% MoM driven by an upbeat corporate earnings season. The CAC 40 and FTSE MIB indices recorded respective performances of 0.1% and 2.2%, while the DAX 30 index recorded 3.2%. Although manufacturing output growth remained in the sub-50 mark, the headline index rose from 45.7 in April to 47.3 in May, its highest mark since March 2023. Business confidence remained at its highest level since early 2022 with producers reporting a strong level of optimism towards production expectations over the next 12 months. In the UK, FTSE 100 index registered a monthly gain of 1.6%. Manufacturing activity expanded at its quickest rate in over two years after PMI clocked 51.2 in May against 49.1 in April. The upturn in output stemmed from stronger market conditions, improved workflows on the domestic market and stabilising overseas demand.

The Nikkei 225 index underperformed its global peers, registering 0.2% MoM. Rising yields amid speculations that the Bank of Japan will tighten policy capped gains. Operating conditions improved for the first time in a year, supported by a rise in input stocks and broadly stable volumes of new orders and production. The indicator posted above the 50-mark, up from 49.6 in April to 50.4 May. Cost pressures intensified over the month as the depreciation of the yen weighed on imported item prices.

Emerging markets' equities underperformed developed markets after the MSCI Emerging Markets index added 0.3% in May. The CSI 300 index registered -0.7% both in local currency and in USD, despite Chinese data surprising to the upside. Manufacturing activity continued to improve with output growth reaching a 23-month high, driven by a rise in new orders; PMI stood at 51.7 in May against 51.4 in April. Input price inflation rose to a 7-month high amid an increase in metals, plastics and energy costs. In India, the BSE Sensex index posted -0.7% MoM. Growth momentum in the manufacturing sector moderated following softer rise in both output and new orders amid the intensive heatwave. PMI declined from 58.8 in April to 57.5 in May but remained above its long-run average headline figure.

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