

SBM Growth FundNAV per share **MUR 16.38****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 200.5M**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	2024	2023	2022	2021	2020	2019
Fund	3.3%	3.4%	14.6%	18.4%	21.2%	42.4%	63.8%	6.0%	18.4%	6.0%	-3.5%	26.0%	-6.7%	-2.2%
Benchmark	2.4%	2.7%	13.5%	18.8%	27.4%	49.5%	98.1%	8.5%	18.8%	7.7%	-0.4%	26.1%	-7.0%	1.3%

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	0.99	0.99	0.99	0.98
Regression alpha (%)	-0.62	-1.57	-0.97	-3.59
Beta	1.01	0.95	0.96	0.96
Annualised volatility	10.8%	10.5%	14.1%	11.3%
Annualised tracking error	1.3%	1.8%	2.1%	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	60.5%	United States of America	39.9%	Mauritian Rupee	36.5%
Domestic Equities	34.2%	Mauritius	34.2%	US Dollar	60.1%
Cash	5.3%	India	4.9%	Euro	3.4%
Total	100.0%	Japan	3.1%	Total	100.0%
		United Kingdom	1.8%		
		Total	83.9%		

Domestic sectors	% Fund
Banking & Insurance	18.4%
Commerce	4.3%
Industry	3.4%
Investment	3.8%
Leisure & Tourism	2.9%
Property	1.4%
Total	34.2%

Top 10 international industries	% Fund
Semiconductors & Equipment	7.5%
Software & Services	6.9%
Media & Entertainment	4.9%
Pharmaceuticals, Biotech & Life Sciences	4.6%
Technology Hardware & Equipment	4.6%
Capital Goods	4.2%
Financial Services	4.2%
Banks	3.8%
Consumer Discretionary Distribution & Retail	3.1%
Energy	1.9%
Total	45.7%

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Ltd	13.2%
SBM India Fund - Class A	4.8%
iShares MSCI World ETF	4.2%
Vanguard TOT World STK ETF	4.0%
SBM Holdings Ltd	3.4%
IBL Ltd	3.3%
UBS Lux Equity SICAV - USA Growth USD	2.9%
Amundi Funds - Pioneer US Equity Growth Fund USD	2.9%
Vanguard S&P 500 ETF	2.8%
Schroder ISF US Large Cap "A" Acc	2.8%
Total	44.3%

Top 10 international holdings *	% Fund
Microsoft Corp	3.4%
NVIDIA Corp	3.2%
Apple Inc.	3.2%
Amazon.com Inc	1.9%
Meta Platforms Inc - Class A	1.5%
Berkshire Hathaway Inc - Class B	1.3%
Eli Lilly & Co	0.9%
Broadcom Inc	0.8%
Alphabet Inc - Class C	0.7%
JPMorgan Chase & Co	0.6%
Total	17.5%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 15.86 in May to MUR 16.38 in June, equivalent to a return of 3.3% while the benchmark return posted 2.4%.

The SEMDEX and DEMEX closed at 2,108.82 and 241.96 points, equivalent to respective returns of -1.8% and -1.2%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX, were SBMH, ALTG, and NMHL, while the main laggards were MCBG, IBL and MUAL. The top three price gainers were ALTG (+8.6%), MCFI (+7.9%) and MTMD (+5.3%), while the main detractors were MUAL (-17.1%), BLL (-12.2%) and GML (-10.7%). The price-earnings ratio and dividend yield of SEMDEX stood at 6.66x and 4.33%, respectively as at 30 June against corresponding figures of 6.74x and 4.21% as at 31 May. During the month, foreigners were net buyers on the local bourse, though to a lower tune of MUR 21.2M (vs. MUR 46.3M in May-24), mainly driven by MCBG, PBL and ENLG.

International equities continued its uptrend, driven by optimism over a resilient US economy, improving corporate earnings and the potential start of rate cuts; the MSCI World index posted 1.9% MoM.

The S&P 500 index surged 3.5% in June, hitting its 30th record this year, as a rally in several tech companies drove the market to all-time highs. 5 out of the 11 major industry groups recorded positive returns, led by Information Technology, Consumer Discretionary and Communication Services. Growth stocks outperformed their value counterparts, with the S&P Growth index registering a gain of 6.9% versus -0.8% for the S&P Value index. The S&P Global US Purchasing Managers' Index (PMI) ticked up to a 3-month high of 51.6 in June against 51.3 in May, signalling a modest improvement in business conditions; growth momentum, however, remained weak amid the relatively muted demand environment in the domestic as well as international markets. Although input costs rose sharply on account higher labour costs and supplier charges, the inflation rate eased to a 3-month low.

Eurostoxx 50 index posted -1.8% MoM, weighed down by the snap elections in France. The CAC 40 index fell by 6.4% amid political uncertainty and concerns about the fiscal outlook, while the FTSE MIB and DAX 30 indices recorded respective performances of -3.9% and -1.4%. Growing speculation that the tech rally may be running out of steam also weighed on sentiment. The Eurozone manufacturing sector recorded a renewed setback, with production falling at its fastest rate since the start of the year; PMI declined from May's 14-month high of 47.3 to 45.8 in June, reflecting accelerated deteriorations in demand conditions. In the UK, the FTSE 100 index registered -1.3% MoM. June marked another month of expansion in the manufacturing sector, with both output and new order growth sustained at robust rates, mainly driven by the domestic market. PMI clocked at 50.9 in June, down slightly from the 22-month high of 51.2 in May. Input cost inflation rose to a 17-month high on account of rising energy and freight prices.

The Nikkei 225 index gained 2.8% MoM, supported by the Japanese yen's weakness against the US dollar. Manufacturing output maintained its expansion trend, with the PMI reading at the 50 neutral mark (May 2024: 50.4), supported by sustained job creation, backlog clearing and improvement in lead times. Demand conditions, however, remained subdued as evidenced by the marginal contractions in new orders and international sales. Input cost pressures heightened to a 14-month high due to higher copper, oil, transportation, and labour costs.

Emerging markets' equities outperformed developed markets after the MSCI Emerging Markets index added 3.6% in June. The CSI 300 index registered -3.3% MoM in local currency and -3.6% in USD. The Chinese manufacturing sector maintained its expansion trend in June, supported by rising new orders; PMI increased from 51.7 in May to 51.8 in June, indicating an eighth successive month of improved operating conditions. In India, the BSE Sensex rallied by 6.9% MoM. Manufacturing activity accelerated, recovering some of the ground lost in May, with PMI posting nearly 5 points above its long-run average at 58.3 in June (May 2024: 57.5). Output and new orders expanded sharply, buoyed by solid demand from both domestic and external clients. On the prices front, cost pressures receded from May but remained at elevated levels; as a result, firms passed on the costs to customers, increasing selling prices to the greatest extent in over two years.

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>

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