

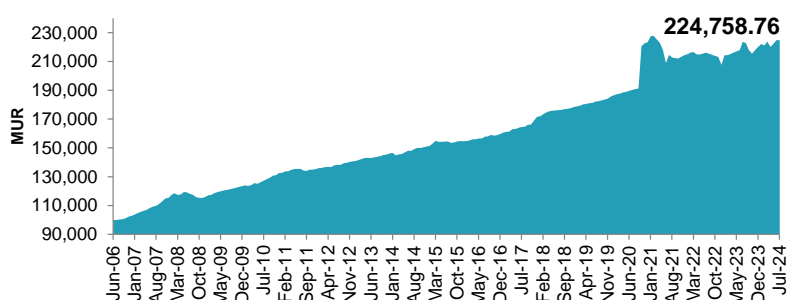
SBM Yield FundNAV per share **MUR 11.61****Investment objective**

The Fund seeks to achieve its investment objective of long-term capital growth and regular income by investing in fixed income and fixed income-related instruments across different geographies, issuers, maturities and currencies. It may invest in bonds, term deposits, ETFs, preferred stocks, convertible bonds, structured products and mortgage backed securities, amongst others.

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:** 60% GOM 3Y Notes + 40% Barclays Agg Bond Index**Distribution:** Quarterly subject to distributable income**Investor profile:** Moderately Conservative**Inception date:** 30 Jun 2006**Fund size:** MUR 106.3Mn**Base currency:** MUR**Minimum one-off investment:** MUR 1,000**Monthly investment plan:** MUR 200**Management fee:** 0.85% p.a.**Entry fee:** 0.50%**Exit fee:** 0.50%**Performance**

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2024	2023	2022	2021	2020	2019
Fund	-0.1%	2.1%	2.1%	0.5%	4.8%	23.4%	124.8%	4.6%	3.2%	1.1%	3.2%	10.2%	4.6%	2.9%
Benchmark	0.6%	2.5%	3.6%	4.8%	4.5%	18.2%	140.9%	5.0%	4.8%	2.1%	-2.6%	4.7%	8.5%	6.0%

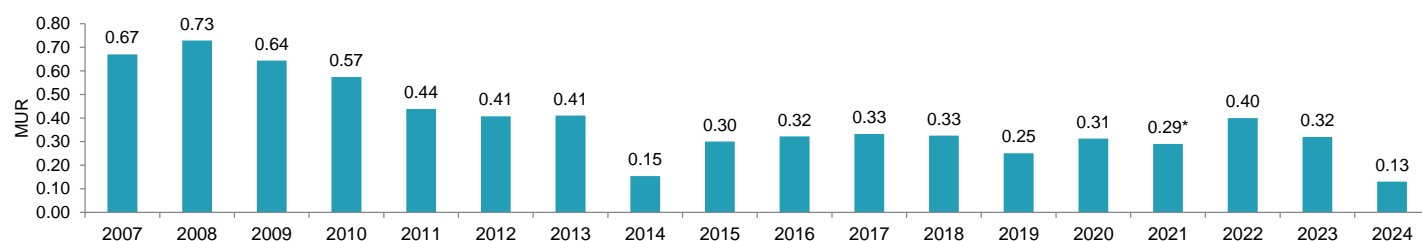
Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on a blended benchmark consisting of 60% GOM 3Y Notes and 40% Bloomberg Barclays Global Aggregate Bond Index (MUR), and rebalanced monthly. The benchmark return is computed in MUR terms. Annual returns 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	0.91	0.62	0.15	0.14
Regression alpha (%)	-3.96	0.74	3.42	4.45
Beta	0.94	0.57	0.34	0.31
Annualised volatility	4.2%	3.8%	7.9%	4.4%
Annualised tracking error	1.7%	3.5%	8.2%	4.6%

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

Average term to maturity (yrs)	4.39
Gross yield to maturity	2.74%
Duration (yrs)	3.19

Dividend per Share

*Quarterly dividend distribution as from FY21

Asset allocation

Asset class	% Fund	Top regions	% Fund	Top currency	% Fund
Domestic Fixed Income	37.7%	Mauritius	37.7%	Mauritian Rupee	54.7%
International Fixed Income	18.0%	North America	16.7%	US Dollar	45.2%
Cash	44.3%	Europe	0.8%	Euro	0.1%
Total	100.0%	Asia Pacific	0.1%	Total	100.0%
		Others	0.4%		
		Total	55.7%		

Asset allocation (continued)

Sector	% Fund
Government	18.9%
Financial	13.5%
Investment	9.4%
Industrial	5.4%
Others	1.9%
Technology	1.9%
Consumer, Non-cyclical	1.6%
Communications	1.1%
Consumer, Cyclical	0.8%
Utilities	0.5%
Energy	0.5%
Basic Materials	0.2%
Property	0.0%
Total	55.7%

Top 10 Holdings	% Fund
Government of Mauritius Bond 02/08/24	7.5%
iShares Core US Aggregate Bond ETF	6.4%
Vanguard Long-Term Bond ETF	5.9%
Inflation Indexed Bond 22/05/30	4.8%
Gamma Civic Notes 18/06/31	4.7%
CIM Financial Services Ltd Notes 31/07/25	4.7%
Forty Two Point Two 27/04/28	3.7%
Pimco Income "E" (USD) INC	3.4%
Government of Mauritius Bond 03/09/28	3.0%
ENL Bond 10/08/32	2.9%
Total	47.0%

Market comments

The Net Asset Value per unit (NAV) of the Fund fell from MUR 11.62 in June to MUR 11.61 in July, equivalent to a return of -0.1% while the benchmark return posted 0.6%.

On the primary market, the yield on the 91D Treasury Bills remained unchanged at 3.89% since there was no fresh issuance. The yield on the 182D Treasury Bills and 364D Treasury Bills marginally rose by 2bps and 1bp to reach 3.48% and 3.72% respectively, following corresponding issuances of MUR 3.5Bn and MUR 4.0Bn. A 3Y GOM Note worth MUR 2.17Bn was issued at a weighted yield of 4.59%, 4bps above the previous month. The yield on the 7Y GoM Bond fell by 39bps to 4.90% post an issuance of MUR 4.1Bn. Yield on the 15Y GOM Bond stood at 5.38% against an earlier reading of 5.20%, following an auction of MUR 4.6Bn. There were no fresh auctions of 10Y and 20Y GoM Bonds during the month. On the secondary market, the yield on the 91D Treasury Bills increased by 2bps to reach 3.19%. The 182D and 364D Treasury Bills were both down by 2bps trading at 3.41% and 3.66%, respectively. The 3Y GoM Note and the 5Y GoM Bond traded at corresponding yields of 4.41% and 4.69%, 2bps above the earlier month's readings. The yield on the 10Y GoM Bond stood at 5.04% in July, edging up from a previous yield of 5.02%. The market yields on the 15Y and 20Y GoM Bonds ticked up by 3bps to reach 5.31% and 5.59%, respectively.

The Barclays Global Aggregate Bond index registered 2.8% in July, as weaker-than-expected US economic data prompted market participants to increase their odds of a recession. The Federal Reserve (Fed) decided to maintain the target Fed Funds rate at the 5.25%-5.50% range at its July meeting. Fed Chairman Jerome Powell signalled that a rate cut is highly likely at the September meeting. The FOMC continued reducing its holdings of Treasury securities, agency debt, and agency mortgage-backed securities, with the cap set at USD 60Bn for July. The 10-year US Treasury yield decreased by 37bps to 4.03% in July amid softer inflation and labour market data.

The Bank of England's Monetary Policy Committee (MPC), at its meeting ending on 31 July 2024, voted by a majority of 5-4 to reduce the Bank Rate by 25bps to 5.00%. UK CPI inflation remained unchanged at 2.0% in June. While CPI inflation had fallen back to the 2% target, services inflation remains elevated, at 6.0% in June 2024. The BoE agreed to reduce the stock of UK government bond purchases held for monetary policy purposes by GBP 100 billion over the 12 months ending September 2024. The 10-year UK Gilt yields fell by 20bps to 3.97% in July amid the global bond market rally.

The European Central Bank (ECB) decided to keep the key ECB interest rates unchanged at its July meeting. Accordingly, the interest rate on the main refinancing operations, on the marginal lending facility and the deposit facility stood at 4.25%, 4.50% and 3.75%, respectively. According to the latest ECB staff projections, inflation has been revised up and is expected to average 2.5% in 2024 and 2.2% in 2025. Over the second half of 2024, the Governing Council is expected to reduce the pandemic emergency purchase programme (PEPP) portfolio by EUR 7.5 billion per month on average. According to Eurostat, the Eurozone's annual inflation is likely to increase by 0.1 percentage point to 2.6% in July 2024. European bond yields were on a downtrend amid expectations of potential Fed rate cuts and softer survey data. The yield on 10-year German bonds decreased by 20bps to 2.30% in July. The corresponding yield on 10-year Spanish and Italian bonds tumbled by 30bps and 42bps to 3.12% and 3.65%, respectively.

The Bank of Japan (BoJ) decided to increase its policy rate from 0%-0.1% to 0.25% in July 2024. The BoJ also announced a plan to taper the purchase of Japanese government bonds (JGBs) by about 400 billion yen each quarter. The BoJ now expects inflation to range between 2.5% and 3% for fiscal 2024, up from 2.2% to 2.5% in its January forecast. 10-year Japanese government bonds (JGBs) traded at 1.06% in July, unchanged from the preceding month's reading.

Among larger emerging economies, the People's Bank of China (PBoC) slashed the 1-year and 5-year loan prime rates by 10bps 3.35% and 3.85%, respectively. The PBoC reduced the 7-day reverse repo rate from 1.8% to 1.7%. The PBoC's accommodative policy stance is aimed at revitalising weak consumer demand and the depressed property sector. The yield on 10-year Chinese government bonds decreased by 6bps to 2.15% in July amid weaker economic activity. In India, no Monetary Policy Committee (MPC) meeting was held during the month. The policy repo rate under the liquidity adjustment facility (LAF) stood at 6.50%. The standing deposit facility (SDF) rate stood at 6.25%, and the marginal standing facility (MSF) rate and the Bank Rate stood at 6.75%. The yield on 10-year Government of India bonds decreased from 7.01% to 6.93% 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>

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