

SBM Growth FundNAV per share **MUR 16.73****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.

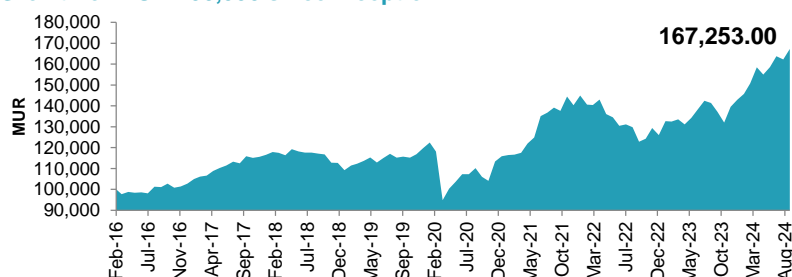
Fund facts**Investment Manager:** SBM Mauritius Asset Managers Ltd**Fund Administrator:** SBM Fund Services Ltd**Registry and Transfer Agent:** SBM Fund Services Ltd**Custody:** SBM Bank (Mauritius) Ltd**Auditor:** Deloitte Mauritius**Benchmark:** 40% SEMTRI + 60% MSCI AC World index***Distribution:** Subject to distributable income**Investor profile:** Growth / Aggressive**Inception date:** 4 Feb 2016**Fund size:** MUR 238.8M**Base currency:** MUR**Minimum one-off investment:** MUR 2,000**Minimum monthly investment plan:** MUR 200**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	3.1%	5.5%	17.0%	18.3%	20.2%	45.2%	67.3%	6.2%	18.4%	6.0%	-3.5%	26.0%	-6.7%	-2.2%
Benchmark	3.6%	6.2%	17.7%	19.9%	27.8%	53.1%	105.5%	8.8%	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	0.98	0.99	0.98
Regression alpha (%)	-2.21	-2.05	-1.11	-3.96
Beta	1.03	0.95	0.96	0.96
Annualised volatility	10.9%	10.6%	14.1%	11.3%
Annualised tracking error	1.7%	1.9%	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	55.2%	United States of America	36.8%	Mauritian Rupee	39.0%
Domestic Equities	36.3%	Mauritius	36.3%	US Dollar	57.1%
Cash	8.5%	India	5.1%	Euro	3.9%
Total	100.0%	Japan	2.6%	Total	100.0%
		United Kingdom	1.7%		
		Total	82.5%		

Domestic sectors	% Fund
Banking & Insurance	19.7%
Commerce	4.1%
Industry	3.3%
Investment	3.7%
Leisure & Tourism	3.3%
Property	1.2%
ICT	1.0%
Total	36.3%

Top 10 international industries	% Fund
Semiconductors & Equipment	6.4%
Software & Services	6.0%
Pharmaceuticals, Biotech & Life Sciences	4.8%
Technology Hardware & Equipment	4.4%
Media & Entertainment	4.1%
Financial Services	4.0%
Capital Goods	3.9%
Banks	3.4%
Consumer Discretionary Distribution & Retail	2.7%
Health Care Equipment & Services	1.8%
Total	41.5%

Asset allocation (continued)

Top 10 holdings	% Fund
MCB Group Ltd	13.8%
SBM India Fund - Class A	4.9%
iShares MSCI World ETF	4.1%
Vanguard TOT World STK ETF	3.9%
SBM Holdings Ltd	3.5%
IBL Ltd	3.3%
Vanguard S&P 500 ETF	2.4%
UBS Lux Equity SICAV - USA Growth USD	2.4%
Amundi Funds - Pioneer US Equity Growth Fund USD	2.4%
Ciel Ltd	2.4%
Total	43.1%

Top 10 international holdings *	% Fund
Apple Inc.	3.2%
Microsoft Corp	2.7%
NVIDIA Corp	2.7%
Amazon.com Inc	1.5%
Meta Platforms Inc - Class A	1.3%
Berkshire Hathaway Inc - Class B	1.3%
Alphabet Inc - Class A	1.2%
Eli Lilly & Co	1.1%
Broadcom Inc	0.8%
Alphabet Inc - Class C	0.6%
Total	16.4%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund rose from MUR 16.22 in July to MUR 16.73 in August, equivalent to a return of 3.1% while the benchmark return posted 3.6%. Local indices registered contrasting performances in August with the SEMDEX rebounding by 5.7% to close at 2,233.67 points, while the DEMEX maintained its downtrend to head to 231.97 points, equivalent to return of -2.9%. The main leaders, that is, companies which contribute to the positive performance of the SEMDEX were MCBG, SBMH and SUN while the main laggards were EMTL, ASCE and SWAN. The top three price gainers were SUN (+18.5%), NMH (+17.1%) and SBMH (+13.3%) while the main detractors were EMTL (-11.1%), SWAN (-6.8%) and ASCE (-6.5%). The price-earnings ratio and dividend yield of SEMDEX stood at 7.16x and 4.37%, respectively as at 31 August against corresponding figures of 6.85x and 4.56% as at 31 July. During the month, foreign flows remained positive, though to a lower tune of MUR 23.3M (vs. MUR 58.4M), mainly driven by MCBG, SBMH and MUAL.

International equities picked up steam following a global selloff earlier this month. While the release of weak July jobs report prompted recession fears and the unexpected interest rate hike from the Bank of Japan sparked a global selloff, markets recovered by month end amid expectations of a more aggressive shift in the rate cutting cycle in September. The MSCI World index gained 2.5% MoM.

The S&P 500 index rebounded from the early August's selloff, closing the month with a gain of 2.3%, as economic data supported the case for a September interest rate cut; the US economy grew at a stronger pace in Q2 2024 compared to the previous quarter, inflation data came in weaker than expected and jobless claims were below expectations. 9 out of 11 major industry groups recorded positive returns, led by Consumer Staples, Real Estate and Health Care. Value stocks outperformed their growth counterparts, with the S&P Value index registering a gain of 2.7% versus 2.1% for S&P Growth index. The S&P Global US Purchasing Managers' Index (PMI) edged down to 47.9 in August against 49.6 in July, indicating a modest deterioration in operating conditions. Production declined for the first time in seven months amid the sustained weakness in demand. On the price front, higher raw materials, shipping and labour costs led to input cost rising to a 16-month high and above its pre-pandemic average.

Eurostoxx 50 index added 1.7% MoM as cooling inflation print supported the rhetoric of a potential interest rate cut by the ECB in September. The CAC 40 and FTSE MIB indices recorded respective performances of 1.3% and 1.8% while the DAX 30 index posted 2.2%. The Eurozone manufacturing sector remained mired in contraction as new order inflows sank to its lowest since December. Although the PMI index remained unchanged at 45.8 in August, the indicator was well below the 50-threshold. Manufacturing conditions worsened, weighed down by the euro area's two biggest economies - Germany and France. In the UK, the FTSE 100 index registered 0.1% MoM as a stronger pound and the weak performance of the commodity markets capped gains. The upturn in the manufacturing activity continued into August spurred by demand in the domestic market. The headline PMI rose to a 26-month high of 52.5 (July 2024: 52.1), driven by strong expansions in output and new orders while the rate of employment growth was the fastest in over two years. On the price front, higher shipping and raw materials costs and supply constraints drove up input costs.

The Nikkei 225 index slid by 1.2% MoM, wrapping up a volatile month, as the Japanese yen powered back against the US dollar, hammering exporters. The manufacturing sector moved closer to stabilisation with PMI data edging up from 49.1 in July to 49.8 in August. Although new order intakes recorded a modest fall, the month was marked by a renewed rise in overall production. On the price front, while input price inflation rose to a 16-month high on account of higher raw material prices, firms did not fully pass on the higher costs to customers in an attempt to remain competitive.

Emerging markets' equities underperformed developed markets after the MSCI Emerging Markets index posted 1.4% in August. The CSI 300 index registered -3.5% MoM in local currency and -1.8% in USD, dragged down by a series of missed corporate earnings. Manufacturing activity improved with demand picking up as new order inflows resumed growth - PMI rose past the 50 neutral mark, edging up from 49.8 in July to 50.4 in August. In India, despite the lacklustre June quarter earnings, the BSE Sensex gained 0.8% MoM. The index eked out small gains driven by domestic inflows. The Indian manufacturing sector continued to expand in August at a slightly moderating pace, driven by softer increases in new orders and output; PMI stood at 57.5 in August against a previous reading of 58.1. The indicator remained well above the historical average of 54.0, signalling a significant improvement in operating conditions.

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