

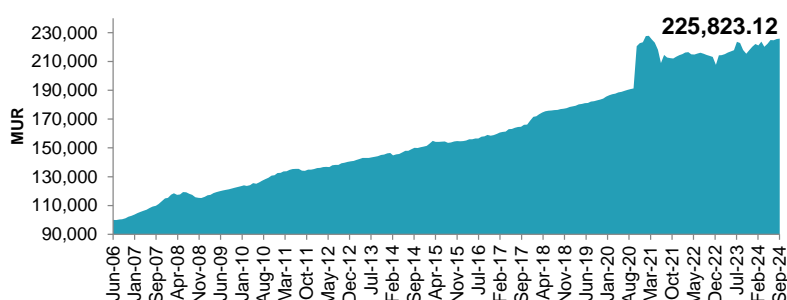
SBM Yield FundNAV per share **MUR 11.62****Investment objective**

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 105.7Mn**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%	0.4%	2.6%	3.6%	6.3%	23.4%	125.8%	4.6%	3.2%	1.1%	3.2%	10.2%	4.6%	2.9%
Benchmark	0.3%	2.0%	5.1%	8.9%	6.6%	18.6%	144.2%	5.0%	4.8%	2.1%	-2.6%	4.7%	8.5%	6.0%

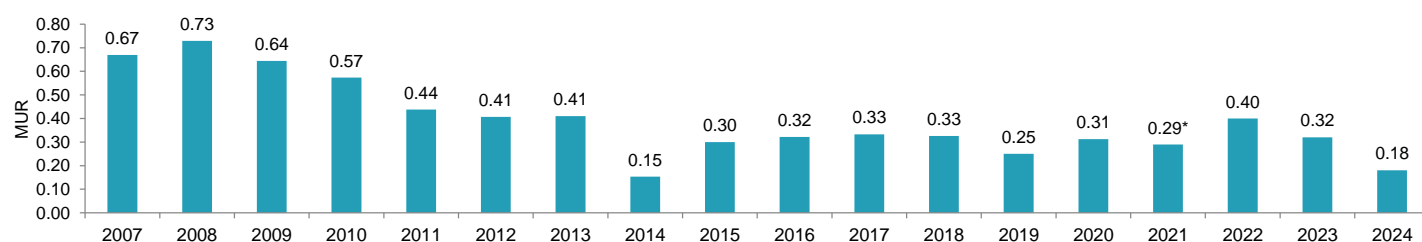
Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on a blended benchmark consisting of 60% GOM 3Y Notes and 40% Bloomberg Barclays Global Aggregate Bond Index (MUR), and rebalanced monthly. The benchmark return is computed in MUR terms. Annual returns 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	0.87	0.62	0.15	0.14
Regression alpha (%)	-5.04	0.88	3.40	4.42
Beta	0.97	0.56	0.34	0.31
Annualised volatility	3.4%	3.8%	7.9%	4.4%
Annualised tracking error	1.6%	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)	4.35
Gross yield to maturity	2.62%
Duration (yrs)	3.18

Dividend per Share

*Quarterly dividend distribution as from FY21

Asset allocation

Asset class	% Fund	Top regions	% Fund	Top currency	% Fund
Domestic Fixed Income	38.1%	Mauritius	38.1%	Mauritian Rupee	79.1%
International Fixed Income	18.2%	North America	16.9%	US Dollar	20.8%
Cash	43.7%	Europe	0.8%	Euro	0.1%
Total	100.0%	Asia Pacific	0.1%	Total	100.0%
		Others	0.4%		
		Total	56.3%		

Asset allocation (continued)

Sector	% Fund
Government	19.2%
Financial	13.6%
Investment	9.5%
Industrial	5.4%
Technology	1.9%
Others	1.9%
Consumer, Non-cyclical	1.6%
Communications	1.2%
Consumer, Cyclical	0.8%
Utilities	0.5%
Energy	0.5%
Basic Materials	0.2%
Property	0.0%
Total	56.3%

Top 10 Holdings	% Fund
iShares Core US Aggregate Bond ETF	6.5%
Vanguard Long-Term Bond ETF	6.0%
Inflation Indexed Bond 22/05/30	4.9%
Gamma Civic Notes 18/06/31	4.8%
CIM Financial Services Ltd Notes 31/07/25	4.8%
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%
Forty Two Point Two 27/04/26	2.8%
Total	42.8%

Market comments

The Net Asset Value per unit (NAV) of the Fund fell from MUR 11.65 in August to MUR 11.62 in September, equivalent to a return of 0.1%, after declaring a dividend of MUR 0.05 per unit. As a comparison, the benchmark posted a return of 0.3%.

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 declined by 10bps and 13bps to reach 3.63% and 3.72% respectively, following corresponding issuances of MUR 600Mn and MUR 2.3Bn. The yield on the 3Y GoM Note remained unchanged at 4.52% as there was no new issuance. A 5Y GoM Bond worth MUR 2.4Bn was issued at a weighted average yield of 4.77%, 2bps down from the earlier reading. The yield on the 10Y GoM Bond fell by 60bps to 5.08% post an issuance of MUR 2.1Bn. There were no fresh auctions of 7Y, 15Y and 20Y GoM Bonds during the month. On the secondary market, yields were generally on the downtrend. The 91D and 182D Treasury Bills were both down by 42bps, trading at 2.81% and 3.03%, respectively. The yield on the 364D Treasury Bills fell by 50bps to 3.22%. The 3Y GoM Note and 5Y GoM bond yield declined by 67bps and 60bps respectively, to 3.76% and 4.09%. The 10Y GoM Bond traded at 4.47%, 58bps below the previous month's reading while the yield on 15Y GoM Bond declined by 57bps to 4.71%. 20Y GoM Bond traded lower at 5.00% in September compared with 5.48% in August.

The Barclays Global Aggregate Bond index registered 1.7% in September, as weaker-than-expected US labour market data prompted market participants to increase their odds of a bigger rate cut. The Federal Reserve (Fed) decided to lower the target Fed Funds rate by 50bps to the 4.75%-5.00% range at its September meeting. Fed Chairman Jerome Powell emphasized that the slowdown in job gains prompted the larger 50bps rate cut, instead of the more standard 25bps. The FOMC continued reducing its holdings of Treasury securities, agency debt, and agency mortgage-backed securities, with the cap set at USD 60Bn for September. The 10-year US Treasury yield decreased by 12bps to 3.90% in September amid the slowdown in job growth and softer inflation.

The Bank of England's Monetary Policy Committee (MPC), at its meeting ending on 18 September 2024, voted by a majority of 8-1 to maintain the Bank Rate at 5.00%. UK CPI inflation remained unchanged at 2.2% in August. While CPI inflation had fallen back to the 2% target, services inflation remains elevated, at 5.9% in August 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 2bps to 4.00% in September.

At its September meeting, the European Central Bank (ECB) decided to lower the deposit facility rate by 25bps to 3.50%. The interest rates on the main refinancing operations and the marginal lending facility fell to 3.65% and 3.90%, respectively. According to the latest ECB staff projections, inflation has been revised up and is projected to average 2.5% in 2024 and 2.2% in 2025. 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 anticipated to fall by 0.4 percentage points to 1.8% in September 2024. European bond yields were on a downtrend amid weak economic data, prompting investors to increase their rate-cut bets. The yield on 10-year German bonds fell by 18bps to 2.12% in September. The corresponding yield on 10-year Spanish and Italian bonds tumbled by 21bps and 25bps to 2.93% and 3.45%.

The Bank of Japan (BoJ) maintained its policy rate at 0.25% in September 2024. The MPC members upgraded their views on private consumption, which increased the likelihood that the BoJ will continue to normalise interest rates. Japan's inflation rate surged by 0.2 percentage points to 3.0%, and the core inflation rate reached a 6-month high of 2.8% in August. 10-year Japanese government bonds (JGBs) traded at 0.84% in September, 4bps below the preceding month's reading.

Among larger emerging economies, the People's Bank of China (PBoC) lowered its one-year policy loan rate by 30bps to 2.0%. The PBoC is expected to cut the seven-day reverse repo rate, its new benchmark, by 20bps to 1.5%, alongside other interest rates. The monetary policy easing is part of Beijing's latest raft of stimulus policies aimed at reviving economic activity. The yield on 10-year Chinese government bonds increased by 3bps to 2.18% in August. 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 read at 6.25% while 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 6.86% to 6.75% in September.

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>

Important notes

The material herein is provided for informational purposes only and should not be construed as investment advice or an offer or solicitation to buy or sell securities. The material is not intended to be used as a general guide to investing, or as a source of any specific investment recommendations. Investors should consult the Constitutive documents of the Fund for more information prior to making any investment decision.

SBM Mauritius Asset Managers Ltd ("SBM MAM") believes that the information provided in this document is reasonably accurate as at the date of publication, but does not guarantee the accuracy of the data and disclaims all representations and warranties of any kind, whether expressed or implied. Neither SBM MAM, nor any of its associates, nor any director, officer or employee accepts any liability whatsoever for any loss arising directly or indirectly from any use of this.

The performance information has been presented as of a particular date. Past performance is not a reliable indicator of future results. The price of shares/units, and the income from them, may decrease or increase; and in certain circumstances a participant's right to redeem their shares/units may be suspended. SBM MAM does not guarantee the performance of any fund. Investors in the fund are not protected by any statutory compensation arrangements in Mauritius in the event of the fund's failure. Before making an investment, investors are advised to obtain their own independent professional advice and to carefully consider all relevant risk factors.

Investment involves risk and may lose value. Investment in fixed income securities are subject to the risks associated with debt securities generally, including credit, interest rate, call and price volatility, among others. Foreign and emerging markets investments may be more volatile and less liquid and are subject to the risks of currency fluctuations and adverse economic or political conditions. The value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.