

SBM Growth Fund

Fund Objective

SBM Growth Fund is an open-ended fund constituted as a Trust under the SBM Investment Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The investment objective of the Fund is to seek significant long-term capital growth by investing in a broadly diversified portfolio comprising of equity and equity related securities in both the local and foreign stock markets.

Risk Profile

Low	Low to Moderate	Moderate	Moderate to High	High
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Fund Profile

Inception Date	Feb-16
Fund Size	MUR 116M
Dealing Frequency	Daily
Distribution	Yearly (each financial year end)*
Management Fee	1.00% p.a.
Entry Fee	1.00%
Exit Fee	Up to Yr2: 1.0% Yr3: 0.75% Yr4: 0.50% Yr5: 0.25% Nil after Yr5

*Depending on distributable income

Fund Facts

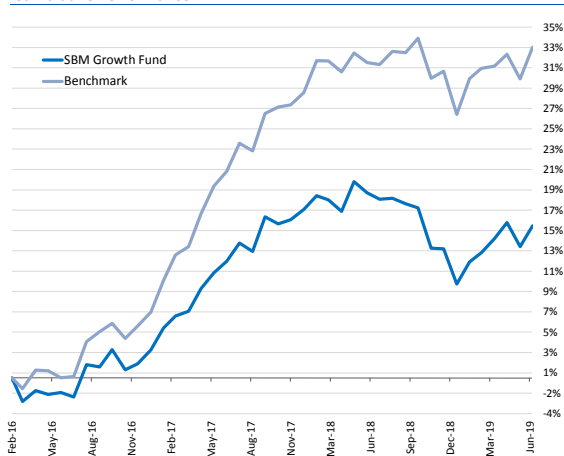
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI All Countries World (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	14.3%
SPDR S&P 500 ETF	5.7%
Vanguard S&P 500 ETF	5.7%
SBM Holdings Ltd	5.4%
IBL Ltd	5.0%
Templeton Euroland Fund - A (Acc)	4.4%
iShares Core S&P 500 ETF	4.1%
SBM India Fund - Class A	3.6%
SBM Africa Value Fund	3.4%
NMH Ltd	3.3%
Total	54.9%

Cumulative Performance



Risk Metrics

Volatility p.a.	1 Y	3 Y
Fund	6.3%	5.4%
Benchmark	6.6%	5.6%

Tracking Error p.a.	1 Y	3 Y
Fund	2.3%	2.1%

Investment options & Contact details

Lump Sum	Minimum MUR 2,000
Monthly Savings Plan	Minimum MUR 500
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port-Louis

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30 June 2019

NAV per Share

MUR 11.50

Cumulative Return

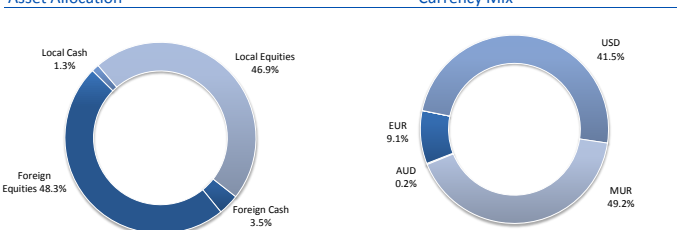
	1 M	3 M	6 M	YTD	1 Y	3 Y	Inception	Annualised
Fund	1.8%	1.1%	5.3%	5.3%	-2.2%	17.2%	15.0%	4.2%
Benchmark	2.4%	1.4%	5.2%	5.2%	1.3%	32.3%	32.5%	8.6%

Financial Year Return

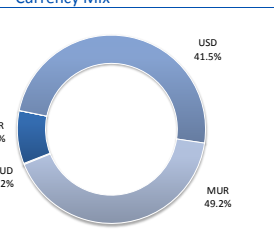
	2017	2018	2019
Fund	13.6%	5.5%	-2.2%
Benchmark	20.2%	8.7%	1.3%

*All returns are calculated assuming dividends are reinvested.

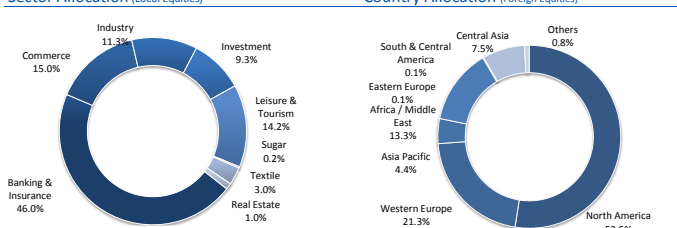
Asset Allocation



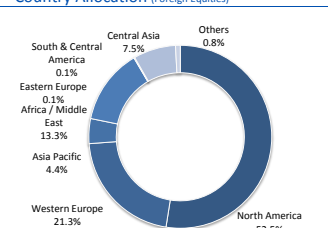
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund rose from MUR 11.29 to MUR 11.50 during the month, equivalent to a return of 1.8%, while the benchmark returned 2.4% over the same period.

Local equity indices registered negative performances during the month with the SEMDEX and DEMEX closing at 2,128.40 points and 228.27 points, equivalent to -0.2% and -0.4% MoM, respectively. The top three gainers for the month were Mauritius Development Investment Trust Ltd (+3.0%), Lux Island Resorts Ltd (+2.7%) and Cim Financial Services Ltd (+2.6%). The top three losers were National Investment Trust Ltd (-14.8%), BMH Ltd (-13.5%) and Sun Limited (-11.3%).

Global equities ended in positive territory after the Fed left the Federal fund rate unchanged and altered their approach from "patient" to dovish. US Fed Chairman, Jerome Powell, highlighted the possibility of a rate cut rate in near-term given the uncertainties surrounding the US-China trade talks and subdued inflationary pressures. Towards the end of the month, investor optimism returned after President Trump's declaration on progress with respect to trade talks. As a result, the MSCI World Index returned 6.5%, MoM in USD terms. Yields maintained their downward trajectory though, with the Barclays Aggregate Bond Index (U.S) registering a monthly performance of 2.2% in USD terms.

The S&P 500 index added 6.9% in USD terms during the month. Manufacturing Purchasing Managers' Index (PMI) was revised slightly higher to 50.6 in June from a preliminary reading of 50.5, synonymous to marginal improvement manufacturing sector's health. Annual headline personal consumption expenditure index (PCE) rose from 1.5% in May to 1.8%, closer to the Fed's target of 2%. US jobless rate remained at its historic low of 3.6% in May, although job creation decelerating strongly to 75,000. Average hourly earnings increased by 0.2% in May lowering the annual wages rise from 3.2% to 3.1%.

EuroStoxx 50 index posted local currency gains of 5.9% in June 2019. The Eurozone composite PMI index marginally improved to 52.2 in June compared to a preceding reading of 51.8, signalling a pick-up in economic growth of the single currency area. European markets advanced after President Draghi suggested that the ECB may provide more stimulus if inflation does not pick up, and on indication that the Fed may trim interest rates in the near future. In Italy, the FTSE MIB gained 7.2%, MoM in EUR terms. The European Union however began a process of opening Excessive Deficit Procedures (EDP) against Italy in June due to the exorbitant level of public debt sitting at 132% of GDP, second only to Greece in the Eurozone. The DAX index returned 5.7%, in EUR terms during the month, although the manufacturing sector seems to be struggling which could lead to job cuts and falling consumer confidence in Germany.

In UK, the FTSE 100 registered returns of 3.7% in GBP terms. Elections dominated the news with Conservative Party leading the race and odds suggesting that Boris Johnson could be the next prime minister. Parliament, however, is still likely to prevent a no deal Brexit, unless a general election or referendum takes place and provides a strong mandate from the population for such an outcome; with polls indicating only about 30% of UK voters favoring a no deal Brexit.

The Nikkei 225 registered a JPY return of 3.3% during the month. Japanese President, Shinzo Abe visited Iran in June, in an attempt to ease the US-Iran tension and to lift Japan's influence on the global stage. Manufacturing PMI, however, edged down from 49.8 in May to 49.5, reflecting a further loss of momentum across the manufacturing sector. Consumer price inflation fell to 0.7% YoY in May 2019 from a 6 month-high of 0.9% in the preceding month while the unemployment rate stood unchanged at 2.4% in May 2019.

Emerging market equities gained 5.7% in USD terms but upside was capped by lacklustre performance of major Asian equity markets. The Shanghai Composite Index posted only 2.8% during the month. Ongoing trade talks between US and China halted further escalation in tariffs but there were no major signs of progress in addressing key sticking points in the negotiations. On the other hand, Indian equities shed -1.4%, MoM in INR terms. Gains were mitigated amid concerns over rising crude oil price and the announcement of retaliatory trade tariffs against the US.

Telephone	202-1111 / 202-1448 / 202-1701
Fax	210-3369
E-mail	sbm.assetm@sbmgroup.mu
Website	nbc.sbgroup.mu/mam