

SBM Universal Fund

31 July 2019

NAV per Share

MUR 27.27

Fund Objective

SBM Universal Fund is an open-ended fund constituted as a Trust under the SBM Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The fund invests in equities and fixed income instruments in the domestic and international market whilst keeping a balanced-risk strategy. The overall objective of the fund is to provide regular income and maximise returns on a long term basis for the benefit of the unit-holders.

Risk Profile



Fund Profile

Inception Date	Jun-02
Currency	MUR
Fund Size	MUR 398M
Issue / Redemption	Daily
Distribution	Yearly
Management Fee	1.0% p.a
Entry Fee	1.0%
Exit Fee	1.0%

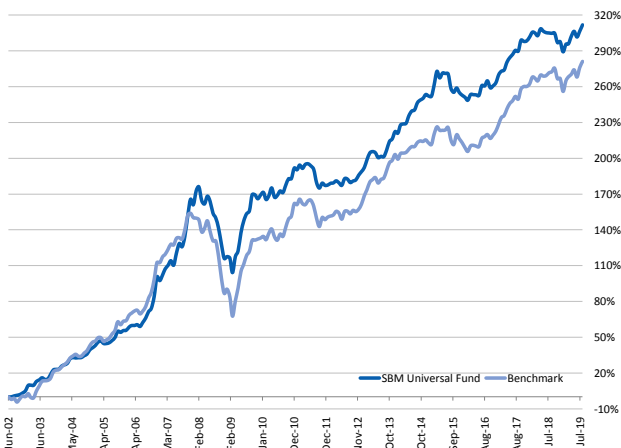
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	35% SEMDEX + 30% 1 yr Govt of Mauritius Bill + 35% MSCI World (MUR)
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

Top 10 Holdings

	% Net Assets
MCB Group Limited	10.6%
Mutual Aid - Fixed Deposit	8.8%
MHC - Fixed Deposit	5.0%
SIT Bond	6.0%
Afexim Depository Receipts	4.5%
Fidelity - America Fund	4.1%
SBM Holdings Ltd	4.1%
IBL Ltd	3.6%
Templeton Euroland Fund Class A (Acc)	2.7%
SBM Masala Bond Note - Series A USD	2.7%
Total	52.1%

Cumulative Performance



Investment options & Contact details

Lump Sum	Minimum amount of MUR 500
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port Louis

Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	1.3%	1.3%	4.1%	5.8%	1.7%	14.1%	20.9%	311.8%	8.6%
Benchmark	1.4%	1.9%	4.5%	7.1%	2.6%	20.4%	23.0%	281.2%	8.1%

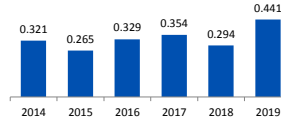
*All returns are calculated assuming dividends are reinvested.

Financial Year Return

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fund	9.2%	-3.7%	6.3%	13.0%	9.3%	-5.0%	9.7%	4.7%	0.3%
Benchmark	14.5%	-3.6%	9.4%	10.9%	4.5%	-4.3%	12.4%	6.1%	1.8%

*Financial year as at June

Dividend per unit (MUR)

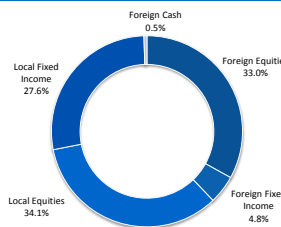


Risk Metrics

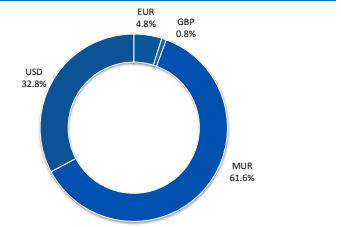
Volatility p.a.	1Y	3Y	5Y
Fund	4.6%	3.6%	4.2%
Benchmark	5.9%	4.2%	4.5%

Tracking Error p.a.	1Y	3Y	5Y
Fund	2.4%	1.7%	1.9%

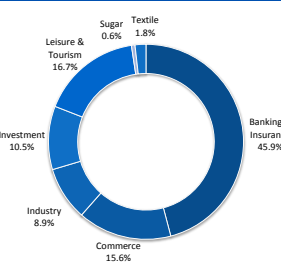
Asset Allocation



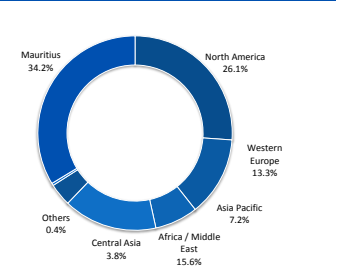
Currency Allocation



Sector Allocation (Local Equities)



Country Allocation (Equities)



Fund Manager Commentary

The Net Asset Value (NAV) of the Fund fell from MUR 27.34 to MUR in July, equivalent to a performance of 1.3%, while the benchmark posted a return of 1.4%.

Local equity indices registered positive performances during the month with the SEMDEX and DEMEX closing at 2,160.26 points and 230.78 points, equivalent to 1.5% and 1.1% MoM, respectively. The top three gainers for the month were New Mauritius Hotels Ltd (+14.7%), Promotion & Development Ltd (+14.2%) and Rogers & Co Ltd (+13.9%). The top three losers were Innodis Ltd (-6.5%), MDIT (-4.9%) and MCFI (-4.2%).

Global equities generally advanced during the month with markets widely anticipating a Fed rate cut. The MSCI World index registered a monthly performance of 0.4% while the Barclays Aggregate Bond Index (U.S) shed -0.3%, in USD terms.

The S&P 500 index added 1.3% in USD terms in July though markets ended in red following the 0.25% cut in interest rate by Fed. Markets were expecting more stimuli and were disappointed by Fed chair Jerome Powell's suggestion that the move in interest rates did not signal the start of a "lengthy cutting cycle". Manufacturing Purchasing Managers' Index (PMI) was on the cusp of moving into contractionary territory with a PMI reading of 50.4, the slowest overall expansion in the manufacturing sector since the height of the financial crisis in September 2009.

EuroStoxx 50 shed -0.2% in local currency during the month amid deteriorating economic fundamentals. The Eurozone composite PMI index fell to 51.5 in July compared to a preceding reading of 52.2, the lowest reading in three months. The indicator was brought down by the manufacturing sector which reflected a slowdown in factory activity in the region's largest economies. Overall economic activity expanded by a meagre 0.2% in Q2, slowing from a growth rate of 0.4% in Q1. Annual inflation dropped from 1.3% in June to 1.1% in July and remained below the European Central Bank's target. UK was one of the top-performing stock markets in July, with the FTSE 100 registering GBP gains of 2.2%. The British pound reached lows last seen in 2017 following increased Brexit uncertainty.

Nikkei 225 registered a JPY return of 1.2% after recent election results removed any uncertainty over the rise in consumption tax, scheduled for October. Manufacturing PMI remained in contraction region with a reading of 49.6 – reflecting declines in output and new orders, both from the export and domestic markets. Core inflation remained below the Bank of Japan's target inflation of 2% following US-China trade dispute and slowing global demand.

Emerging market equities lagged global equities during the month with the MSCI Emerging index posting a USD return of -1.7%. Chinese economic outlook and the on-going trade dispute with US weighed on the Shanghai Composite Index which declined by -1.6% in CNY terms. Second-quarter growth data highlighted further slowdown in China's economic activity – real GDP grew an annualised rate of 6.2% against 6.4% in the previous quarter, the weakest rate in at least 27 years. Indian equities were negatively impacted by disappointing earnings and budget measures, including, a tax hike on foreign portfolio investors and high-income earners. As a result, the BSE 500 index shed -6.3%, in USD terms during the month.

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