

SBM Maharaja Bond Fund

29 February 2020

NAV per share

USD 107.63

Fund Objective

SBM Maharaja Bond Fund is an accumulation fund that invests in Indian debt and debt-related securities. The objective of the Fund is to achieve long-term capital growth by investing in a portfolio of quality issuers across different sectors in India.

Risk Profile

Low	Low to Moderate	Moderate	Moderate to High	High
-----	-----------------	-----------------	------------------	------

Fund Profile

Inception Date	May-16
Multi-Class Vehicle Fund	SBM Maharaja Fund
Currency	USD
Fund Size	USD 12.5M
ISIN	MU0566S00002
Dealing Frequency	The first business day of the week
Management Fee	0.5% p.a
Performance Fee	10% (net of management fees of the appreciation of each of the client portfolio over the High Water Mark, subject to a Hurdle Rate of 4% p.a)
Entry fee	0.50%
Exit fee	3% up to Yr 1 2% up to Yr 2 1% up to Yr 3 Nil after Yr 3

Fund Facts

Fund Administrator	SBM Fund Services Ltd
Registrar & Transfer Agency	SBM Fund Services Ltd
Custodian	IL&FS Securities Services Ltd
Auditors	Ernst & Young
Banker	SBM Bank (Mauritius) Ltd
Investment Advisor	Kotak Mahindra (International) Limited

Top 10 Holdings

	% Net Assets
M&M Financial Services Ltd 06/06/2026	7.3%
Shriram Transport Finance Company Ltd 16/05/2020	7.2%
Reliance Utilities & Power Ltd 08/02/2024	6.2%
Haryana 8.14% 27/03/2028	6.1%
National Highway Authority of India 18/03/2022	6.1%
Andhra Bank Perpetual 05/08/2021	6.1%
Nuvoco Vistas Corp 14/09/2020	5.8%
TATA Steel Limited 01/10/2026	5.8%
IDFC Infra Bond 7.98% 23/05/2023	5.7%
Reliance Ports & Terminal Ltd 28/10/2026	5.7%
TOTAL	62.0%

Portfolio Composition

	% Net Assets
SOV	16.1%
AAA	34.3%
AA	25.7%
AA+	11.4%
AA-	0.0%
A+	6.1%
Cash	5.3%
D	1.1%
TOTAL	100.0%

Key Metrics

Average Maturity	4.5 yrs
Macaulay Duration	3.5 yrs
Modified Duration	3.4 yrs
Annualised Volatility (1 Yr)	7.5%
Annualised Volatility (3 Yr)	7.7%

Cumulative Return

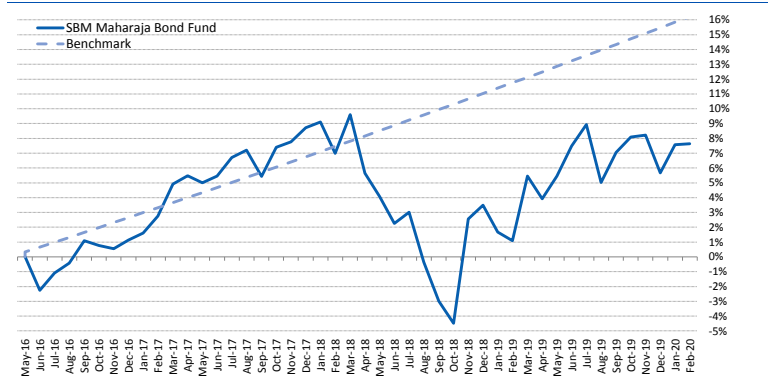
	1 M	3 M	6M	YTD	1 Y	3Y	Inceptio	Annualized
Fund	0.1%	-0.5%	2.5%	1.8%	6.5%	4.7%	7.6%	1.9%
Benchmark	0.3%	1.0%	2.0%	0.7%	4.0%	12.5%	16.2%	4.0%

Financial Year Return

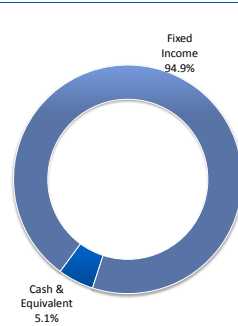
	2016*	2017	2018	2019
Fund	-2.3%	7.9%	-3.0%	5.1%
Benchmark	0.7%	4.0%	4.0%	4.0%

*From Inception to June 16

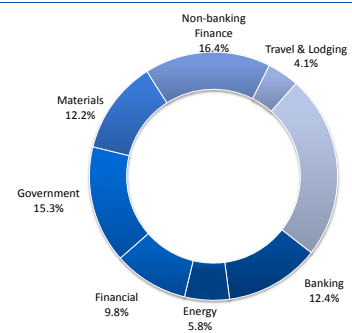
Cumulative Performance



Asset Allocation



Sector Allocation



Market Commentary

The Fund's NAV per share increased from USD 107.56 in January to USD 107.63 in February 2020, equivalent to a monthly performance of 0.1% against 0.3% for the benchmark. As a general indication of debt market movements, the CRISIL Composite Dollar Bond Fund Index which tracks the performance of government securities and AAA/AA rated corporate bonds, recorded a return of 1.2%.

Debt markets were generally supported by the capital flight to "safer" assets after investors fled to government bonds in the wake of the intensifying coronavirus spread. The yield on 10Y Government of India bond declined from 6.60% to 6.37% as a result.

Despite the IHS Markit Manufacturing Purchasing Managers' Index (PMI) falling from 55.3 in January to 54.5 in February 2020, the index indicated another robust improvement in operating conditions across the manufacturing sector on the back of increased new orders from abroad. However, the coronavirus epidemic is likely to weigh in on exports and supply chains potentially impeding on output growth. According to latest GDP data, real GDP growth was 4.7% for Q4 2019 compared to 5.1% in Q3 2019. Inflation fell from 7.6% in January to 6.6% in February 2020 as food prices surged at a slower pace but the rate remained above the Reserve Bank of India's upper limit of 6.0%

On 6th February, the Monetary Policy Committee (MPC) decided to keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 5.15%. As a result, the reverse repo rate under the LAF remains unchanged at 4.90%, and the marginal standing facility (MSF) rate and the Bank Rate at 5.40%. The Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) remained unchanged at 4.00% and 18.25%, respectively.

Investment options & Contact details

Lump Sum	Minimum USD 10,000
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower Pope Hennessy Street, Port Louis

Telephone	202-1111 / 202-4642 / 202-4685
Fax	210-3369
E-mail	sbm.assetm@sbmgroup.mu
Website	nbfc.sbmgroup.mu/sbmam

Disclaimer: The information contained in this e-mail message, report, communication, letter, publication, and any attachment thereto, is strictly for information purposes only and is confidential and may not be disclosed without our express permission. It does not constitute an offer, or a solicitation of an offer, to purchase or sell any investment or other specific product by SBM Mauritius Asset Managers Ltd ("SBM MAM"). Although all information and opinions stated in this document are based on sources deemed to be reliable and in good faith, no representation or warranty, expressed or implied, is made or should be construed as to its accuracy and completeness. All information and views stated therein may be changed without any notification. The reader will bear in mind that certain services and products are subject to legal limitations and cannot be proposed on an unrestricted basis. Investors are reminded that past performance is not an indication of future performance. The price, value or income of the investment can go up or down. You are advised to consult your professional advisor before taking any decision or making an investment. SBM MAM disclaims all liability as regards any direct or consequential loss arising from any use of this message or the information contained therein.