

Fund Objective

The Fund seeks to achieve its investment objective by investing in fixed income and fixed income-related instruments across different geographies, issuers, maturities and currencies. It uses a combination of top-down and bottom-up approach in its investment selection process. It may invest in bonds, term deposits, ETFs, preferred stock, convertible bonds, structured products and mortgage backed securities, amongst others.

Risk Profile



Fund Profile

Inception Date	Jun-06
Fund Size	MUR 166.5M
Issue / Redemption	10 th , 20 th and end of each month
Distribution	Yearly (each financial year end)
Management Fee	0.85% p.a
Entry Fee:	0.50%
Exit Fee:	0.50%

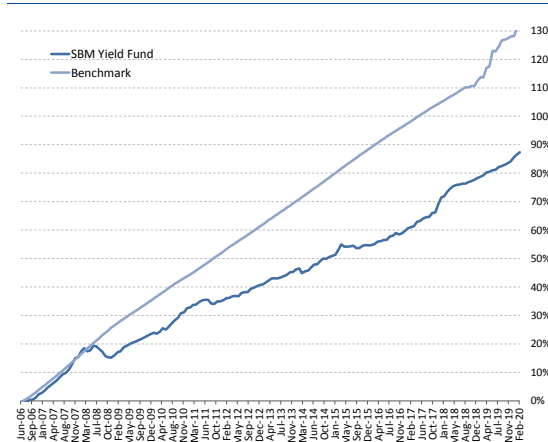
Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% GOM 3Y Notes + 40% Barclays Agg Bond Index
Fund Administrator	SBM Fund Services Ltd
Auditors	Ernst & Young
Custodian	SBM Bank (Mauritius) Ltd

Top 10 Holdings

	% Net Assets
Government of Mauritius Bond 08/02/2039	10.8%
Government of Mauritius Bond 25/01/2028	8.6%
Government of Mauritius Bond 07/09/2038	6.8%
iBL Ltd Series 2 Notes 08/09/2022	6.3%
Government of Mauritius Bond 11/05/2038	6.2%
Government of Mauritius Bond 22/07/2036	5.3%
Government of Mauritius Bond 05/11/2023	4.9%
iShares Core US Aggregate Bond ETF	4.6%
Government of Mauritius Bond 09/11/2033	4.3%
SBM Maharaja Bond Fund	3.8%
TOTAL	61.5%

Cumulative Performance



Risk Adjusted Metrics

Volatility p.a.	1Y	3Y	5Y
SBM Yield Fund	0.73%	1.29%	1.37%
Benchmark	2.71%	1.76%	1.36%

Fund vs Benchmark

	1Y	3Y	5Y
Tracking error	2.70%	2.16%	1.90%
Correlation	14.59%	1.48%	2.70%

Investment options & Contact details

Lump Sum	Minimum MUR 1000
Monthly Savings Plan	Minimum 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	Launch	Annualized
Fund	0.4%	1.7%	2.7%	0.9%	4.5%	16.3%	22.4%	87.3%	4.7%
Benchmark	1.0%	2.3%	2.9%	2.2%	9.2%	17.7%	29.0%	133.3%	6.4%

*All returns are calculated assuming dividends are reinvested.

Financial Year Return

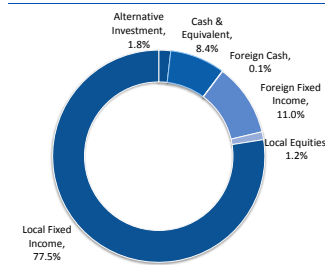
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fund	7.5%	1.8%	3.7%	3.4%	4.3%	1.4%	4.8%	7.3%	2.9%
Benchmark	6.0%	6.0%	5.6%	5.4%	5.3%	4.8%	4.3%	3.8%	6.7%

*Financial year as at June

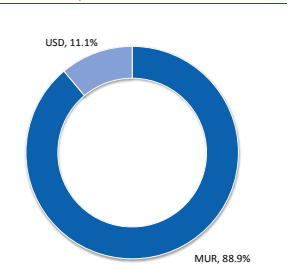
Distributions

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Dividend per unit	0.44	0.41	0.41	0.15	0.30	0.32	0.33	0.33	0.25
Dividend Yield	4.2%	4.0%	4.0%	1.5%	2.9%	3.1%	3.2%	3.0%	2.3%

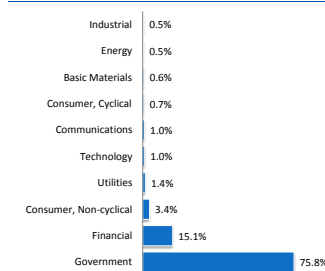
Asset Allocation



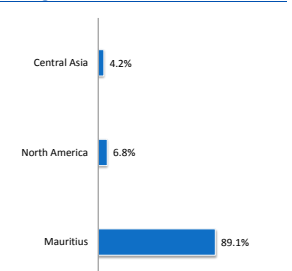
Currency Mix



Sector Allocation



Regional allocation



Market Commentary

The Net Asset Value (NAV) of the Fund stood at MUR 10.97 as at February 2020, registering a return of 0.4% over the month, while the benchmark yielded 1.0% in MUR terms.

On the domestic market, there was no issuance of 91D Treasury Bills, 15Y GOM Bonds and 20Y GOM Bonds on the primary market during the month. Yields on 182D Treasury Bills fell from 3.03% to 2.20% while that of 364D Treasury Bills went from 2.65% to 2.29% following a net issuance of MUR 700Mn each. Following the issuance of MUR 2,000 of 3Y GOM Notes, the yield picked up to 3.15% against 2.99% previously. MUR 1,600Mn of 5Y GOM Bonds were issued at a weighted average yield of 3.40%, declining by 30 basis points. The yield on 10Y GOM Bonds witnessed same trend by declining from 4.41% to reach 4.25% for a net issuance of MUR 1,600Mn.

On the secondary market, yields generally trended downwards. 91D Treasury Bills traded at a weighted average yield of 3.20% against 3.25% in January. The yield on 182D Treasury Bills fell from 2.15% to 2.11% while that of 364D Treasury Bills declined from 2.42% to 2.33%. 3Y GOM Notes traded at an average yield of 3.20% against 3.25% in January while 5Y GOM Bonds traded at 3.42% against 3.64%. The yield on 10Y GOM Bonds fell by 9 basis points and yields on 15Y GOM Bonds dropped by 14 basis points, whereas yield on 20Y GOM bonds rose to 5.13% compared to previous month reading of 5.11%.

On the foreign fixed income front, market participants switched their investments to less riskier assets, following concerns on the coronavirus spread. As a result, yields on US Treasuries fell to unprecedented levels while gold peaked during the month. US Fed Chairman underlined that the central bank would be closely monitoring the progression of the coronavirus spread and its potential threat on economic activity. The Barclays Global Aggregate Bond Index posted marginal gains of 0.7% after investors mainly switched to government securities.

The US 10-year Treasury yield declined from 1.51% to 1.15%, representing a fall of 36 basis points, as the global flight to the safety of government debt continued as investors piled into U.S. 5-year Treasury yield declined from 1.33% to 0.93% in February 2020.

Eurozone bond yields were generally on the decline – French 10-year yields fell from -0.18% to -0.29% and the German 10-year yields witnessed a fall of 17 basis points from -0.43% to -0.61%. Italy, being the European epicentre of the coronavirus outbreak was the only exception after 10-year yields increased to 0.93% from a previous reading of 0.78%. UK government bonds followed the general EU pattern, with yields on 5-year and 10-year Gilts falling by 11 bps and 10 bps, respectively.

In Asian markets, Japanese yields dipped into the negative territory with yields on 5-year and 10-year government bonds falling to -0.28% and -0.16%, respectively. 10-year Indian yields decreased marginally from 6.98% to 6.65% in February. China 10-year yields fell from 3.00% to 2.73% as the COVID-19 outbreak led to a rally in sovereign debt.

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