

SBM India Fund

30 June 2020

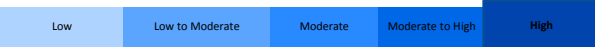
NAV per share (Class B)

USD 80.35

Fund Objective

The objective of the Fund is to generate long-term capital appreciation through investment in equity and equity-related instruments in India. The Fund adopts a multi-cap investment strategy and uses a combination of top-down and bottom-up approaches in its portfolio construction/risk management process.

Risk Profile



Fund Profile

Inception Date	Apr-12
Currency	USD
Fund Size	USD 3.4M
ISIN	MU0565S00012
Issue / Redemption	Daily
Distribution	None
Management Fee (Class B)	1.4% p.a
Entry Fee (Class B)	3.0%
Exit Fee (Class B)	1.0% in first year only
Performance fee (Class B)	18% p.a on excess return over benchmark

Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Investment Advisor	Invesco Asset Management (India) Private Limited
Fund Administrator	SBM Fund Services Ltd
Registrar & Transfer Agency	SBM Fund Services Ltd
Custodian	IL&FS Securities Services Ltd
Auditors	Ernst & Young
Benchmark	S&P BSE 500

Top 10 Holdings

	% Net Assets
ICICI Bank Ltd	10.6%
KRBL Ltd	10.5%
LUX Industries Ltd	8.8%
Vardhman Textiles Ltd	8.7%
ITC Ltd	8.4%
HCL Technologies Ltd	6.7%
Coal India Ltd	6.6%
State Bank of India	5.4%
Shriram Transport Fin Co	5.1%
Sun TV Network Ltd	5.0%
TOTAL	75.8%

Risk Adjusted Metrics

Sharpe Ratio	1Y	3Y	5Y
SBM India Fund	-0.9	-0.8	-0.4
S&P BSE 500	-0.6	-0.2	0.0

Annualised Volatility	1Y	3Y	5Y
SBM India Fund	49.5%	33.1%	29.0%
S&P BSE 500	36.0%	25.1%	22.8%

Fund vs Benchmark	1Y	3Y	5Y
Tracking error p.a.	16.1%	12.1%	10.2%
Correlation	97.9%	95.0%	95.1%
Beta	1.35	1.25	1.21
Regression Alpha	-1.7%	-1.8%	-1.1%

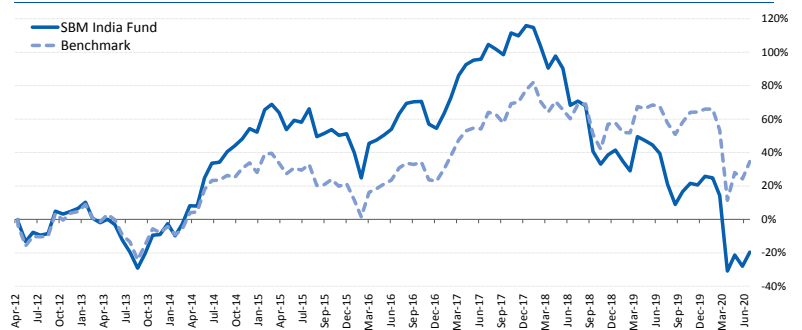
Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
SBM India Fund	11.7%	16.2%	-36.1%	-36.1%	-42.4%	-59.0%	-49.2%	-19.7%	-2.6%
S&P BSE 500	8.4%	20.9%	-18.9%	-18.9%	-19.7%	-12.6%	4.1%	34.7%	3.7%

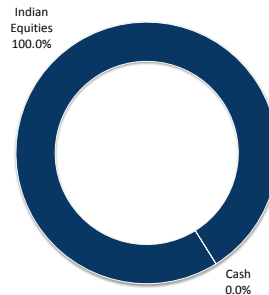
Financial Year Return

	2013	2014	2015	2016	2017	2018	2019	2020
SBM India Fund	-5.0%	52.5%	18.4%	-2.7%	27.3%	-14.1%	-17.1%	-42.4%
S&P BSE 500	1.1%	35.8%	5.0%	-4.6%	24.8%	4.1%	4.6%	-19.7%

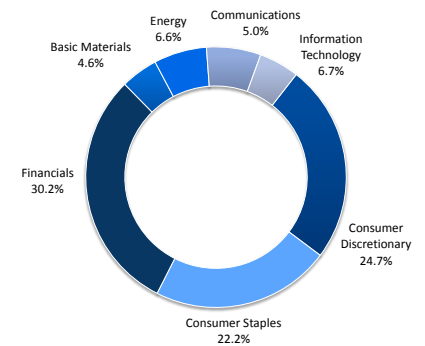
Cumulative Performance



Asset Allocation



Sector Allocation



Market Commentary

The Net Asset Value (NAV) of the Fund rose from USD 71.94 to USD 80.35 in June, registering a USD performance of 11.7% against 8.4% for S&P BSE 500 index.

Increased buying interest in capital goods, power, information technology, fast moving consumer goods and auto sector during the month led to positive trend in the equity market with S&P BSE Capital Goods, S&P BSE Power, S&P BSE IT and S&P BSE auto registering +4.3%, +13.3%, +5.9% and +8.4%, MoM, respectively. Sentiment improved post the approval of the Drugs Controller General of India to manufacture Covid-19 related drugs.

The IHS Markit Manufacturing Purchasing Managers' Index (PMI) surged from 30.8 in May to 47.2 in June. Despite the improvement, the reading indicates the third consecutive monthly deterioration in the health of the manufacturing sector. New exports orders and employment continued their downtrend, albeit softer rates of decline relative to May 2020's contraction rates. Prolonged lockdown led to constrained production capacity and caused further declines in new orders whereby cuts in workforce persisted at a marked pace. According to the IMF, the Indian economy is projected to contract by -4.5% in 2020, 6.4 percentage points below the April 2020 World Economic Outlook (WEO) forecast on account of the intensification of the Covid-19 pandemic and consequent disruptions in economic activity.

Due to data collection restraints amid the nationwide lockdown, the headline retail inflation data was not released. Amidst weak demand conditions, significant easing of price pressures in essential goods and services is expected with the likelihood of headline inflation to fall below the Reserve Bank of India (RBI) medium-term target of 4.0%. Further moderation in food inflation is expected in the near months due to easing transport restrictions and supply lines distribution. Fitch Ratings slashed growth projection for FY21 to 8.0% from 9.5% as predicted in May and has maintained its estimation of 5% reduction in economic growth in the current year.

As at 30 June, the RBI maintains its policy repo rate at 4.0% under the liquidity adjustment facility (LAF) as per its last Monetary Policy Committee (MPC) meeting held on 22 May. The repo rate under marginal standing facility (MSF) and the Bank Rate of 4.25% and the cash reserve ratio (CRR) of 3.0% of net demand and time liabilities (NDTL) were also maintained.

Investment options & Contact details

Lump Sum	Minimum amount of USD 100	Telephone	202-1111 / 202-3515 / 202-1260
Address	SBM Mauritius Asset Managers Ltd	Fax	210-3369
	Level 12, Hennessy Tower	E-mail	sbm.assetm@sbmgroup.mu
	Pope Hennessy Street, Port Louis	Website	nbfc.sbmgroup.mu/mam

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.