

SBM India Fund

30 September 2020

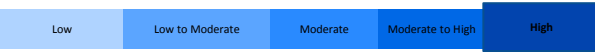
NAV per share (Class B)

USD 95.09

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 4.1M
ISIN	MU0565500012
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	Deloitte
Benchmark	S&P BSE 500

Top 10 Holdings

	% Net Assets
ICICI Bank Ltd	9.1%
HCL Technologies Ltd	8.3%
Reliance Industries Ltd	5.7%
HDFC Bank Ltd	4.5%
Infosys Technologies Ltd	4.0%
Vardhman Textiles Ltd	3.7%
KRBL Ltd	3.1%
LUX Industries Ltd	2.8%
Bharti Airtel Ltd	2.3%
Axis Bank Ltd	2.1%
TOTAL	45.6%

Risk Adjusted Metrics

Sharpe Ratio	1Y	3Y	5Y
SBM India Fund	-0.4	-0.6	-0.3
S&P BSE 500	-0.1	0.0	0.2

Annualised Volatility	1Y	3Y	5Y
SBM India Fund	49.5%	34.2%	29.3%
S&P BSE 500	36.5%	25.3%	22.7%

Fund vs Benchmark	1Y	3Y	5Y
Tracking error p.a.	16.6%	13.1%	10.8%
Correlation	97.1%	94.6%	94.6%
Beta	1.32	1.28	1.22
Regression Alpha	-0.9%	-1.7%	-1.1%

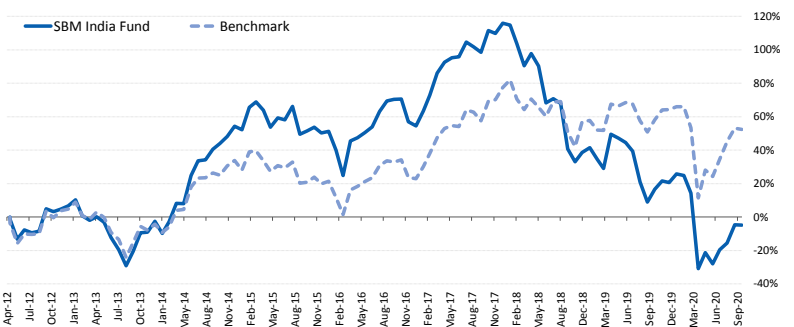
Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
SBM India Fund	-0.2%	18.3%	37.5%	-24.4%	-18.5%	-52.1%	-37.2%	-4.9%	-0.6%
S&P BSE 500	-0.5%	13.1%	36.7%	-8.3%	-3.7%	-3.3%	26.1%	52.3%	5.1%

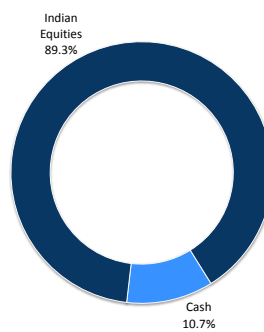
Financial Year Return

	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%

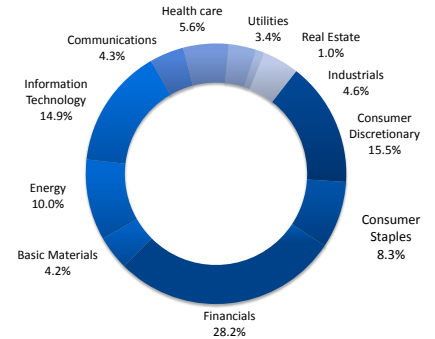
Cumulative Performance



Asset Allocation



Sector Allocation



Market Commentary

The Net Asset Value (NAV) of the Fund decreased from USD 95.31 to USD 95.09 in September, registering a USD performance of -0.2% against -0.5% for S&P BSE 500 index. The main leading movers, that is, companies which contributed to the positive performance of the portfolio were HCL Technologies Ltd (+16.6%), KRBL Ltd (+10.4%) and LUX Industries Ltd (+10.2%) while on the downside, the main lagging movers were Coal India Ltd (-13.9%), ITC Ltd (-10.4%) and ICICI Bank Ltd (-10.3%).

The equity market was mainly driven by rallying Information Technology, Energy and Consumer Discretionary stocks with the S&P BSE Information Technology, S&P BSE Energy and S&P BSE Consumer Discretionary registering +27.4%, +17.6% and +24.0%, respectively. Towards end of month, market gains were reversed following worries on global economic recovery with the surge in COVID-19 cases.

The IHS Markit Manufacturing Purchasing Managers' Index hit its peak since 2012 by escalating from 52.0 in August to 56.8 in September. Improvement in the manufacturing sector was supported by sharp increases in new orders and output as well as enhanced business sentiment. With the gradual loosening of COVID-19 restrictions and higher demand, manufacturing output increased for the second straight month.

Following the latest World Economic Outlook release, the International Monetary Fund slashed India's 2020 growth forecast by 5.8 percentage points below its June 2020 forecast to a contraction of -10.3% on account of the intensification of the pandemic and consequent disruptions in economic activity. For 2021, the IMF expects economic growth to rebound by 8.8% in 2021.

Headline inflation increased by 0.6 percentage points from 6.7% in August to 7.3% in September; mainly on the back of surging food prices, higher taxes on petroleum products and supply chain disruptions. Consequently, the inflation rate breached the upper tolerance band of RBI's medium term target of 4% within a range of +/- 2%.

At its latest MPC meeting held in August, the RBI kept the repo rate unchanged at 4.0% under the liquidity adjustment facility (LAF). Accordingly, the repo rate under marginal standing facility (MSF) and the Bank Rate of 4.25% and the cash reserve ratio (CRR) of net demand and time liabilities (NDTL) of 3.0% were also maintained. The MPC meeting scheduled at the end of September has been rescheduled and the new dates shall be announced in the coming days.

Investment options & Contact details

Lump Sum	Minimum amount of USD 100	Telephone	202-1111 / 202-3515 / 202-1260
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