

SBM India Fund

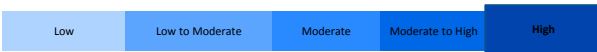
31 December 2020

NAV per share (Class B) **USD 115.18**

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 5.1M
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	Deloitte
Benchmark	S&P BSE 500

Top 10 Holdings

	% Net Assets
HDFC Bank Ltd	6.6%
ICICI Bank Ltd	5.5%
Infosys Technologies Ltd	5.5%
Reliance Industries Ltd	4.1%
Bharti Airtel Ltd	3.4%
Axis Bank Ltd	2.7%
Larsen & Toubro Ltd	2.1%
Sun Pharmaceuticals Industries Ltd	2.1%
HCL Technologies Ltd	2.1%
ITC Ltd	1.9%
TOTAL	36.0%

Risk Adjusted Metrics

	1Y	3Y	5Y
Sharpe Ratio			
SBM India Fund	-0.2	-0.5	-0.2
S&P BSE 500	0.4	0.1	0.4

	1Y	3Y	5Y
Annualised Volatility			
SBM India Fund	51.1%	35.0%	30.0%
S&P BSE 500	39.0%	26.3%	23.4%

	1Y	3Y	5Y
Fund vs Benchmark			
Tracking error p.a.	16.0%	13.1%	10.7%
Correlation	97.3%	94.7%	94.8%
Beta	1.28	1.26	1.21
Regression Alpha	-1.7%	-1.8%	-1.2%

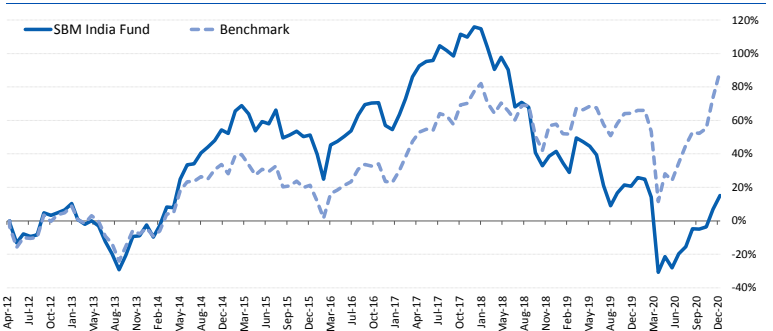
Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
SBM India Fund	7.8%	21.1%	43.3%	-8.4%	-8.4%	-46.7%	-23.8%	15.2%	1.6%
S&P BSE 500	9.1%	24.4%	40.7%	14.1%	14.1%	6.7%	56.2%	89.5%	7.6%

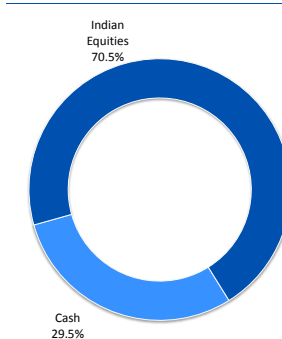
Financial Year Return

	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%

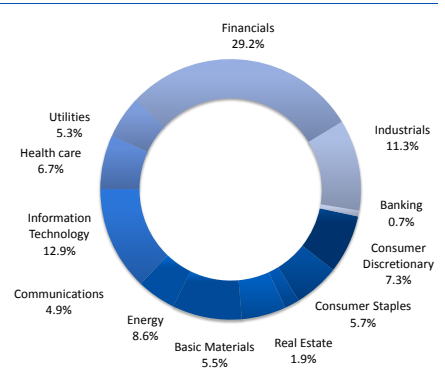
Cumulative Performance



Asset Allocation



Sector Allocation



Market Commentary

The Net Asset Value per share (NAV) of the Fund rose from USD 106.84 to USD 115.18 in December, equivalent to a USD performance of 7.8% against 9.1% for S&P BSE 500 index. The main leading movers, that is, companies which contributed to the positive performance of the portfolio were Infosys Technologies Ltd (15.7%), ICICI Bank Ltd (14.6%) and Bharti Airtel Ltd (11.5%), while on the downside, the main lagging movers were Escorts Ltd (-9.0%), Orient Electric Ltd (-4.2%) and TVS Motor Company Ltd (-1.6%).

Earlier in December, investor sentiment was negatively impacted by the surge in COVID-19 cases but markets recovered following news of the fiscal stimulus package in the US and the final negotiations towards a Brexit trade deal. The top sectors that contributed to the positive performance of the S&P BSE 500 index were Information Technology (+10.4%), Materials (+10.0%) and Financials (+5.7%).

Real GDP contracted by -7.5% YoY in the quarter ended September 2020 but high frequency indicators point to a strong recovery. The IHS Markit Manufacturing Purchasing Managers' Index (PMI) remained above the 50-mark, increasing from 56.4 in December against 56.3 in the previous month. Enhanced demand and market conditions resulted in higher production and stronger manufacturing output.

December was marked with the weakest inflation rate since September 2019 with inflation rate dropping significantly to 4.6% from 6.9% in November backed by easing food prices following the sharp decline in vegetable prices. After remaining above the upper tolerance band of RBI's medium term target of 4% within a range of +/- 2% for more than 11 months, inflation fell within the comfort range of the central bank's medium term target in December 2020. Cost-push pressures emanating from higher labour costs and crude oil prices are likely to impact on core inflation as economic activity normalizes and demand picks up.

At its MPC meeting held on 4 December 2020, the RBI unanimously decided to keep the repo rate unchanged at 4.0% under the liquidity adjustment facility (LAF). Consequently, 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.

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
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