

SBM Growth Fund

28 February 2021

NAV per Share

MUR 11.67

Fund Objective

SBM Growth Fund is an open-ended fund constituted as a Trust under the SBM Investment Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The investment objective of the Fund is to seek significant long-term capital growth by investing in a broadly diversified portfolio comprising of equity and equity related securities in both the local and foreign stock markets.

Risk Profile



Fund Profile

Inception Date	Feb-16
Fund Size	MUR 122.7M
Dealing Frequency	Daily
Distribution	Yearly (each financial year end)*
Management Fee	1.00% p.a.
Entry Fee	1.00%
Exit Fee	1% up to Yr 2 0.75% in Yr 3 0.5% in Yr 4 0.25% in Yr 5 Nil after Yr 5

*Depending on distributable income

Fund Facts

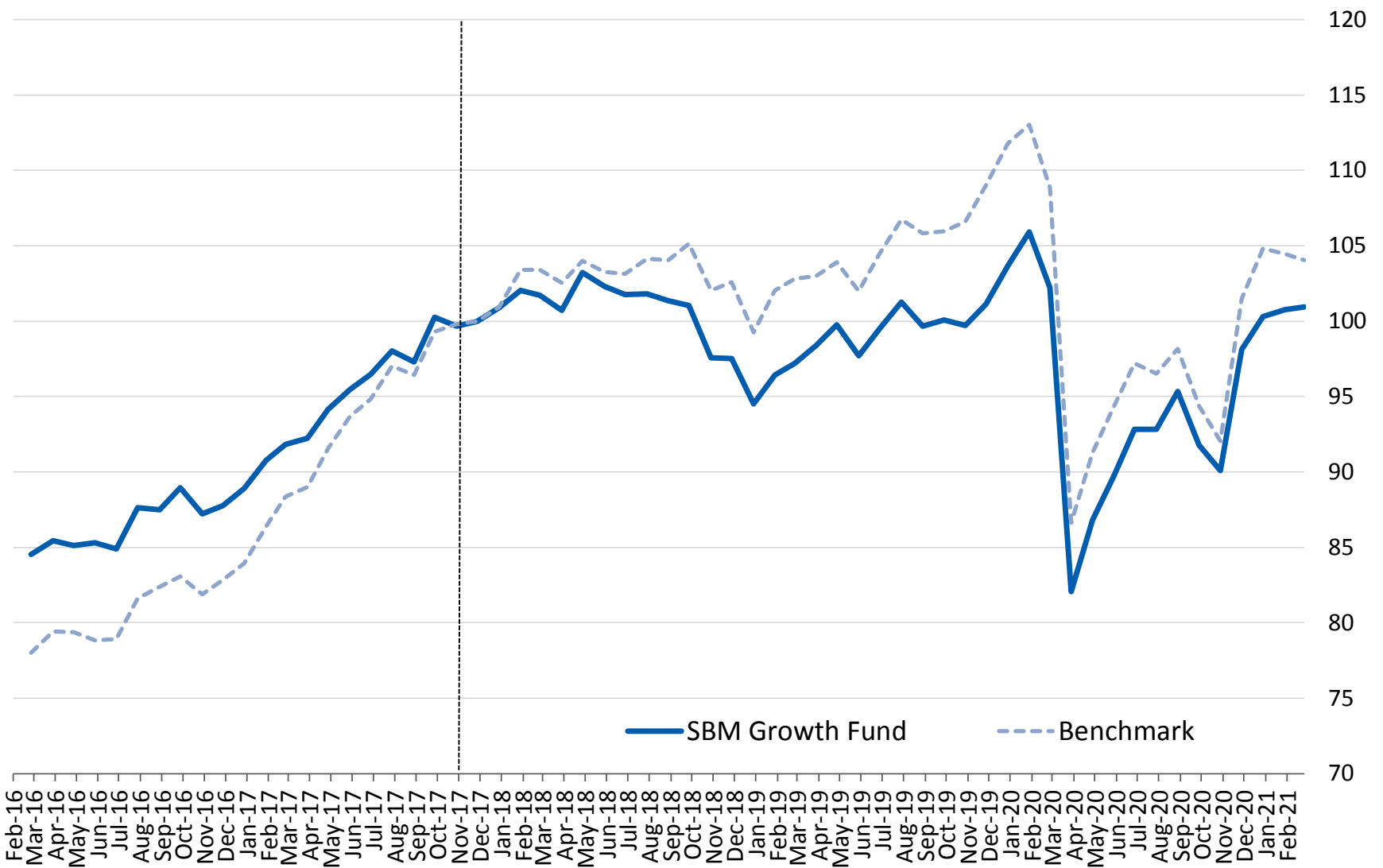
Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	60% SEMTRI + 40% MSCI All Countries World (USD)**
Fund Administrator	SBM Fund Services Ltd
Auditors	Deloitte
Custodian	SBM Bank (Mauritius) Ltd

**Converted in MUR

Top 10 Holdings

	% Net Assets
MCB Group Ltd	17.8%
Vanguard S&P 500 ETF	5.7%
iShares MSCI ACWI ETF	5.1%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.8%
SBM Holdings Ltd	4.7%
IBL Ltd	4.7%
T Rowe Price Global Focused Growth Equity "A" USD Acc	4.1%
MSS US Advantage "A" Acc	3.8%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.8%
Ascencia	3.6%
Total	58.1%

Performance (Rebased on 100, Nov 2017*)



* Merger of SBM Growth Fund and SBM Global Fund

Risk Adjusted Metrics

Volatility p.a.	1Y	3Y
Fund	24.6%	14.7%
Benchmark	25.7%	15.3%

Fund vs Benchmark	1Y	3Y
Tracking Error p.a.	2.6%	2.5%
Correlation	99.6%	98.7%
Beta	0.95	0.97
Regression Alpha	0.2%	-0.1%

Cumulative Return

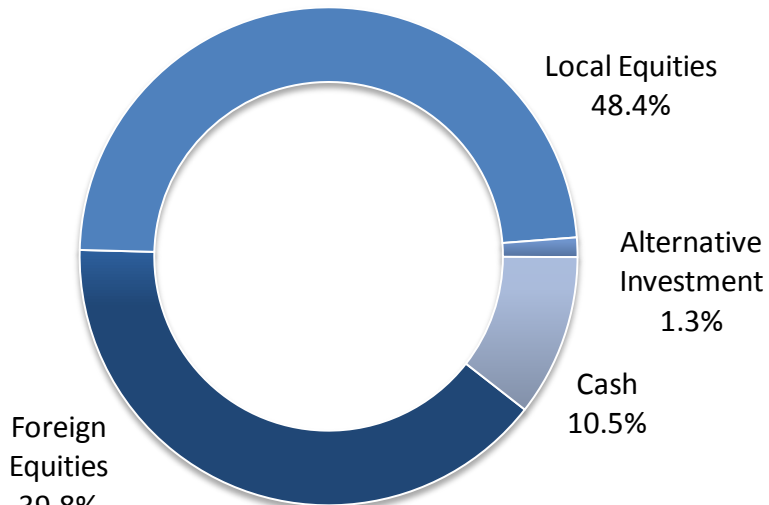
	1M	3M	6M	YTD	1Y	3Y	Inception	Annualised
Fund	0.2%	2.9%	5.9%	0.7%	-1.2%	-0.7%	16.7%	3.1%
Benchmark	-0.4%	2.5%	6.0%	-0.7%	-4.4%	0.6%	32.0%	5.6%

Financial Year Return

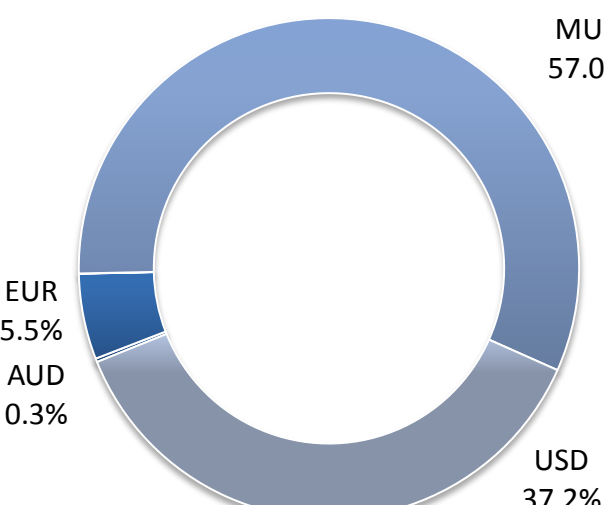
	2017	2018	2019	2020
Fund	13.6%	5.5%	-2.2%	-6.7%
Benchmark	20.2%	8.7%	1.3%	-7.0%

*All returns are calculated assuming dividends are reinvested.

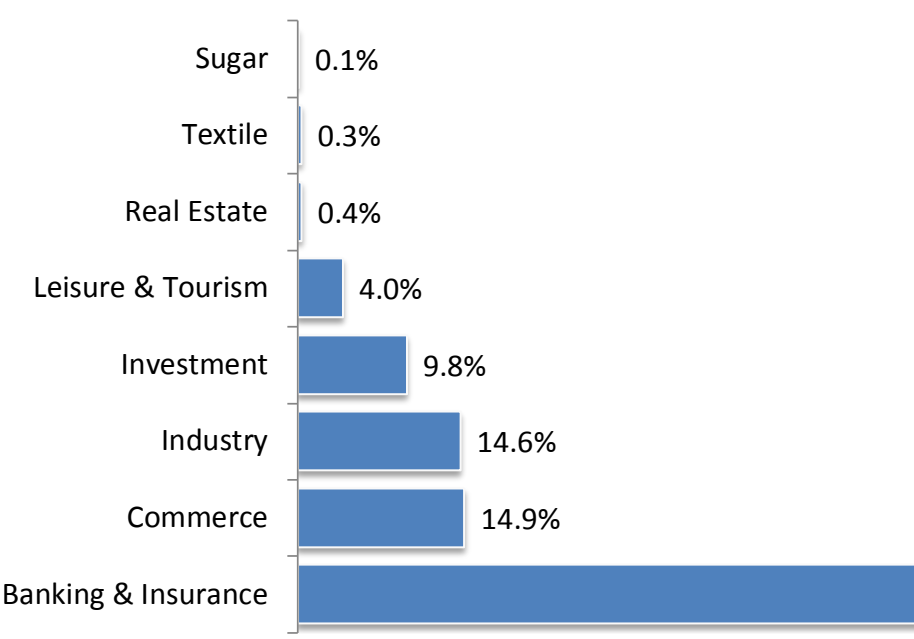
Asset Allocation



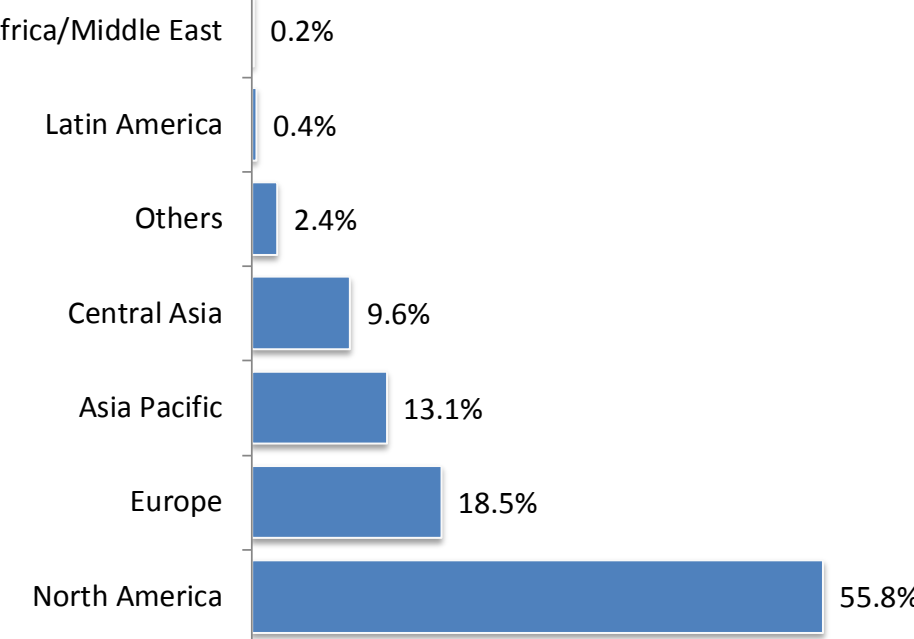
Currency Mix



Sector Allocation (Local Equities)



Country Allocation (Foreign Equities)



Market Commentary

The Net Asset Value per unit (NAV) of the Fund increased from MUR 11.64 in January to MUR 11.67 in February, equivalent to a return of 0.2%, while the benchmark posted -0.4%.

Local equity indices registered mixed performances in February with the SEMDEX and DEMEX closing the month at 1,598.25 and 228.00 points, equivalent to respective performances of -2.4% and +0.1%. The main leading movers, that is, companies which contributed to the positive performance of the SEMDEX were CIEL, UBP and MUA while on the downside the main lagging movers were MCBG, SBMH and NMH. The top three gainers in terms of price returns were MOROIL (+9.4%), ASL (+4.9%) and UBP (+3.6%) and the top three losers were NMH (-20.8%), UDL (-10.8%) and POLICY (-10.1%). The price-earnings ratio and dividend yield of the SEMDEX stood at 11.40x and 2.22%, respectively, as at 26 February against corresponding figures of 11.75x and 2.21% as at 31 January. Net foreign disinvestments of MUR 906.7K (Jan-21: MUR 208.6M) were driven by the sell-offs in MCBG and PBL.

Global equities started the month strongly, driven by encouraging earnings reports and rapid Covid-19 vaccine deployment. Equity markets reached record highs by mid-February but the rise in commodity prices stoked fears of inflation and led to a selloff in bond markets. As 10Y US Treasuries yields rose, equity markets trimmed gains and the MSCI World index posted a return of 2.5% MoM.

The progress on the vaccine rollout and stimulus optimism were positive for risky assets but rising inflation fears capped gains - the S&P 500 index advanced by 2.6% MoM. Growth in manufacturing output moderated due to adverse weather conditions and the existing supply shortages. The Purchasing Managers' Index (PMI) edged down to 58.6 in February against a previous month's reading of 59.2.

Eurostoxx 50 added 4.5% during the month with the CAC 40 and the FTSE MIB indices registering respective returns of 5.6% and 5.9% while the DAX index gained 2.6%. The manufacturing sector grew at its fastest pace in three years with PMI rising from 54.8 in January to 57.9 in February. In UK, the FTSE 100 advanced by 1.2% MoM as vaccine rollout gained traction and surging commodity prices boosted mining and energy stocks. PMI rose slightly to 55.1 in February (Jan-21: 54.1) as shipping delays and Brexit-related trade frictions held back growth.

The Nikkei 225 posted 4.7% after recovery hopes lifted cyclical stocks. Japan's manufacturing sector expanded for the first time since April 2019 as firms reported growth in output and new order flows; PMI strengthened to 51.4 in February against 49.8 in January. Japan's GDP grew an annualized rate of 12.7% following strong private consumption and investment expenditure.

Emerging equities lagged developed markets after the MSCI Emerging Markets index added only 0.7% in February. In China, the CSI 300 registered -0.3% in local currency and -1.0% in USD terms as worries of policy tightening weighed on sectors with high valuations. Manufacturing output expanded modestly amid softer rise in production; the PMI slipped to a nine-month low of 50.9 in February against 51.5 in January. In India, the BSE Sensex index reached an all-time high of 52,154.13 points on 15 February but retracted thereafter. The index posted 6.1% MoM, buoyed by improving corporate earnings and optimistic global sentiment. Despite the improved demand conditions and the strong growth in operating conditions, PMI fell marginally to 57.5 in February against the previous month's reading of 57.7.

Investment options & Contact details

Lump Sum	Minimum MUR 2,000	Telephone	202-1111 / 202-3515 / 202-1260
Monthly Savings Plan	Minimum MUR 500	Fax	210-3369
Address	SBM Mauritius Asset Managers Ltd	E-mail	sbm.assetm@sbmgroup.mu
	Level 12, Hennessy Tower	Website	nbfc.sbmgroup.mu/mam
	Pope Hennessy Street, Port-Louis		

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