

## SBM Universal Fund

31 May 2021

NAV per Share

MUR 29.39

### Fund Objective

SBM Universal Fund is an open-ended fund constituted as a Trust under the SBM Unit Trust. It is duly authorised under the Securities Act 2005 and regulated by the Financial Services Commission. The fund invests in equities and fixed income instruments in the domestic and international market whilst keeping a balanced-risk strategy. The overall objective of the fund is to provide regular income and maximise returns on a long term basis for the benefit of the unit-holders.

### Risk Profile



### Fund Profile

Inception Date	Jun-02
Currency	MUR
Fund Size	MUR 372.5M
Issue / Redemption	Daily
Distribution	Yearly
Management Fee	1.0% p.a
Entry Fee	1.0%
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

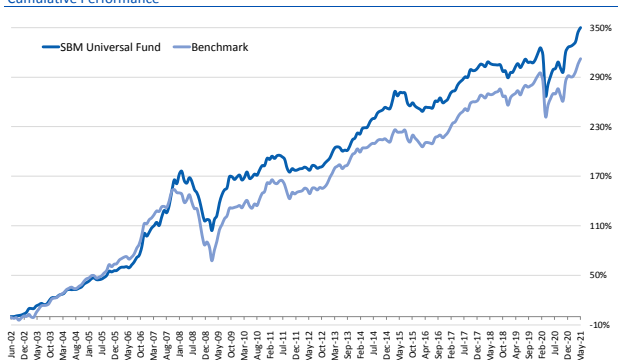
### Fund Facts

Fund Manager	SBM Mauritius Asset Managers Ltd
Benchmark	30% SEMDEX + 40% 1Y GOM Bill + 30% MSCI World (MUR)
Fund Administrator	SBM Fund Services Ltd
Auditors	Deloitte
Custodian	SBM Bank (Mauritius) Ltd

### Top 10 Holdings

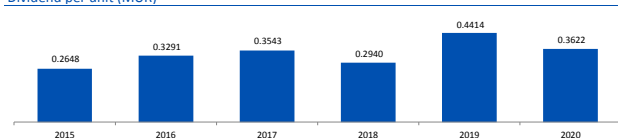
	% Net Assets
MCB Group Limited	10.5%
iShares MSCI World ETF	8.4%
SIT Bond 25/04/2024	5.4%
Vanguard S&P 500 ETF	4.8%
CIM Financial Services Ltd 31/07/2025	4.1%
SBM MUR Note Class A2 Series Bond 28/06/2028	3.4%
FF - Asia Pacific Opportunities "A" (USD) Acc	3.2%
SBM Holdings Ltd	3.1%
MSS US Advantage "A" ACC	3.1%
T Rowe Price Global Focused Growth Equity "A" USD Acc	2.9%
<b>TOTAL</b>	<b>48.9%</b>

### Cumulative Performance



\*Cumulative performance assumes that dividends are reinvested

### Dividend per unit (MUR)



### Risk Adjusted Metrics

Volatility p.a.	1Y	3Y	5Y
Fund	6.9%	9.1%	7.4%
Benchmark	7.7%	9.2%	7.4%
Fund vs Benchmark	1Y	3Y	5Y
Tracking Error p.a.	1.5%	1.9%	1.7%
Correlation	98.5%	97.9%	97.4%
Beta	0.88	1.00	0.99
Annualised Alpha	2.6%	-0.4%	-1.0%

### Investment options & Contact details

Lump Sum	Minimum amount of MUR 500	Telephone	202-1111 / 202-3515 / 202-1260
Regular Savings Plan	MUR 200	Fax	210-3369
Address	SBM Mauritius Asset Managers Ltd Level 12, Hennessy Tower	E-mail	sbm.assetm@sbmgroup.mu
	Pope Hennessy Street, Port Louis	Website	nbfc.sbmgroup.mu/mam

### Cumulative Return

	1M	3M	6M	YTD	1Y	3Y	5Y	Inception	Annualized
Fund	1.2%	4.8%	7.1%	5.6%	15.1%	10.7%	27.4%	350.0%	8.3%
Benchmark	1.6%	5.5%	7.1%	5.3%	13.3%	11.8%	33.0%	312.3%	7.8%

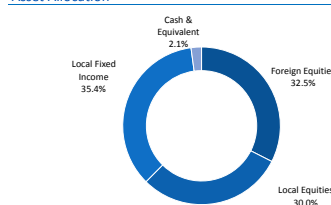
\*All returns are calculated assuming dividends are reinvested.

### Financial Year Return

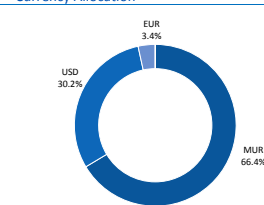
	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund	-3.7%	6.3%	13.0%	9.3%	-5.0%	9.7%	4.7%	0.3%	-1.8%
Benchmark	-3.6%	9.4%	10.9%	4.5%	-4.3%	12.4%	6.1%	1.7%	-1.5%

\*Financial year as at June

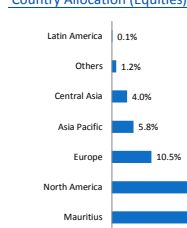
### Asset Allocation



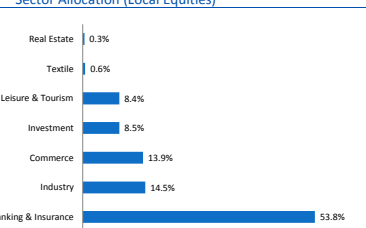
### Currency Allocation



### Country Allocation (Equities)



### Sector Allocation (Local Equities)



### Market Commentary

The Net Asset Value per unit (NAV) of the Fund increased from MUR 29.03 in April to MUR 29.39 in May, equivalent to return of 1.2%, while the composite benchmark recorded a performance of 1.6%.

Local equity indices registered positive performances with the SEMDEX and DEMEX closing at 1,713.60 and 263.93 points, equivalent to respective returns of 3.6% and 12.3%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, CIEL and ENL while on the downside the main laggards were LOTO, BLL and SBMH. The top three gainers in terms of price returns were MEDINE (+13.5%), ENL (+12.4%) and CIEL (+12.4%) and the top three losers were BLL (-25.6%), MCFI (-10.0%) and LOTO (-7.8%). The price-earnings ratio and dividend yield of the SEMDEX stood at 12.0x and 2.20%, respectively, as at 31 May against corresponding figures of 11.82x and 2.23% as at 30 April. Net foreign disinvestments of MUR 52.1Mn were driven by the sell-offs in MCBG, SBMH and MJAL.

Yields on the domestic bond market were on the uptrend during the month. The GOM issued MUR 1,000Mn of the 91D Treasury Bills and the average weighted yield increased by 18bps to 0.63%. The yield on 182D Treasury Bills rose by 41bps to 0.89% following a net issuance of MUR 2,000Mn while that of the 364D Treasury Bills increased from 0.74% to 1.05% following an auction of MUR 1,000Mn. A 3Y GOM Note for MUR 2,200Mn was issued at an average weighted yield of 1.41%, equivalent to a rise of 16bps from the previous issuance. Following the auction of MUR 2,500Mn of 5Y GOM Bond, the yield surged by 53bps to 2.26%. The yield on 20Y GOM Bond significantly increased by 133bps following an issuance of MUR 2,500Mn on 26 May. There were no new issuances of 10Y and 15Y GOM Bonds during the month.

On the secondary market, the corresponding yields on 91D Treasury Bills, 182D Treasury Bills and 364D Treasury Bills rose by 11bps, 24bps and 31bps to reach 0.56%, 0.80% and 1.03%, respectively. The 3Y GOM Note traded at 1.57% during the month, 28bps higher than the previous month while the 5Y GOM Bond traded at a weighted average yield of 2.30% against 1.82% in the preceding month. The 10Y GOM Bond yields inched up by 52bps to trade at 2.98% while the 15Y GOM Bond yields rose to 3.61% compared to 3.02% in April. The 20Y GOM Bond traded at a weighted average yield of 4.08% against 3.10% in the previous month.

International equities edged up marginally with the MSCI World index advancing by 1.3% MoM. Gains were capped following concerns of a significant pickup in inflation and spikes in the number of Covid-19 cases in regions such as Asia. Inflation anxiety, however, started to ease during the last week of May.

The S&P500 index posted only 0.5% following a technology-led selloff that started around mid-month. Sectors with rich valuations tumbled on inflation concerns and the resurgence in the number of Covid-19 cases in some countries raised market volatility. Value-oriented equities dominated the US stock market flows; the Bloomberg US Large Cap Value PR index added 2.6% MoM while the Bloomberg US Large Cap Growth PR index registered -1.2%. Weak jobs data added to the case for ongoing stimulus, suggesting that the Federal Reserve may hold its accommodative stance even longer. Investors however remained cautious about the risk of a scale back in stimulus. The IHS Markit Purchasing Managers' Index (PMI) rose to 62.1 in May compared to a previous reading of 60.5 amid stronger demand and faster expansions in output and new orders.

Eurostoxx 50 posted a return of 1.6% in May, lifted by optimism about an economic recovery and surging commodity prices. The DAX and CAC 40 indices registered respective returns of 1.9% and 2.8% MoM while the FTSE MIB index gained 4.3%. The PMI reached a new record high during the month following stronger demand in the domestic as well as international markets - the indicator rose from 62.9 in April to 63.1 in May. In the UK, the FTSE100 added 0.8%, as easing of lockdown restrictions supported investor sentiment. The UK manufacturing sector grew at its fastest pace in more than two decades with PMI edging up to 65.6 in May (April PMI: 60.9), driven by the easing of pandemic restrictions and stronger demand.

Japanese equities lagged global peers as worries over a slow pace of vaccination and a pandemic-led economic slowdown intensified - the Nikkei 225 registered a return of 0.2% MoM. The growth momentum in the manufacturing sector eased following softer output and new order growth - PMI fell to 53.0 in May against 53.6 in April.

Emerging equities outperformed developed markets with the MSCI Emerging Markets index adding 2.1% in May. In China, the CSI 300 added 4.1% MoM in local currency and 5.8% in USD terms as Chinese policymakers' crackdown on commodity prices led investors piling into stocks. The upturn in the manufacturing sector output gained further momentum with stronger exports and sustained improvement in demand - PMI edged up from 51.9 in April to 52.0 in May. In India, the BSE Sensex advanced by 6.5% MoM amid upbeat earnings and the fall in the number of Covid-19 cases. Manufacturing PMI slid to 50.8 in May against a previous month reading of 55.5 amid a pandemic-led slowdown in output.

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