

### Investment objective

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

### Fund facts

**Investment Manager:** SBM Mauritius Asset Managers Ltd

**Fund Administrator:** SBM Fund Services Ltd

**Registry and Transfer Agent:** SBM Fund Services Ltd

**Custody:** IL&FS Securities Services Ltd

**Auditor:** Deloitte Mauritius

**Investment Advisor:** Invesco Asset Management (India) Private Limited

**Benchmark:** S&P BSE500 Index

**Distribution:** None

**Investor profile:** Aggressive

**Inception date:** 18 Apr 2012

**Fund size:** USD 6.2M

**ISIN:** MU0565S00012

**Base currency:** USD

**Minimum one-off investment:** USD 100 (Class B) | USD 100,000 (Class A)

**Management fee:** 1.40% p.a.

**Entry fee:** 3.00%

**Exit fee:** 1% in first year | Nil after 1 year

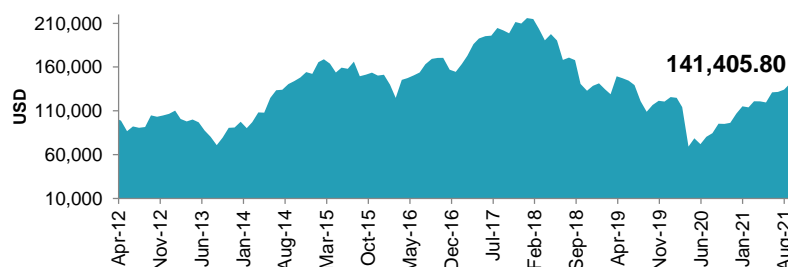
**Performance fee:** 18% p.a on excess return over benchmark

### Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2021	2020	2019	2018	2017	2016
Fund	5.4%	7.8%	22.8%	48.4%	-15.8%	-16.5%	41.4%	3.7%	63.8%	-42.4%	-17.1%	-14.1%	27.3%	-2.7%
Benchmark	8.6%	9.5%	26.7%	56.9%	42.1%	79.6%	140.2%	9.8%	62.3%	-19.7%	4.6%	4.1%	24.8%	-4.6%

Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on the S&P BSE500 Index (USD). Past performance is not indicative of future results. The benchmark return is computed in USD terms. Annual returns are for the financial year of the Fund, that is, June.

### Growth of USD 100,000 since inception



### Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation	97.0%	95.3%	94.3%	94.6%
Regression alpha	-0.1%	-16.7%	-15.2%	-5.8%
Beta	0.87	1.25	1.21	1.13
Annualised volatility	15.0%	34.9%	28.8%	26.7%
Annualised tracking error	4.2%	12.5%	10.7%	9.2%

Relative metrics such as alpha, beta and tracking error are computed against the composite index.

### Asset allocation

Asset class	% Fund
Indian Equities	96.5%
Cash	3.5%
<b>Total</b>	<b>100.0%</b>

Geography	% Fund
India	100.0%
<b>Total</b>	<b>100.0%</b>

Top currency	% Fund
Indian Rupee	100.0%
US Dollar	0.0%
<b>Total</b>	<b>100.0%</b>

Sector	% Fund
Financials	32.6%
Information Technology	13.8%
Industrials	13.7%
Basic Materials	8.1%
Health care	7.5%
Energy	6.5%
Consumer Discretionary	5.6%
Utilities	4.7%
Communications	1.6%
Real Estate	1.4%
Consumer Staples	1.0%
<b>Total</b>	<b>96.5%</b>

Market capitalisation	% Fund
Large	72.0%
Mid	13.6%
Small	14.4%
<b>Total</b>	<b>100.0%</b>

**Asset allocation (continued)**

<b>Top 10 holdings</b>	<b>Sector</b>	<b>% Fund</b>
ICICI Bank Ltd	Financials	8.3%
HDFC Bank Ltd	Financials	6.9%
Infosys Technologies Ltd	Information Technology	6.5%
Axis Bank Ltd	Financials	4.4%
Reliance Industries Ltd	Energy	4.2%
Sun Pharmaceuticals Industries Ltd	Health Care	3.8%
State Bank Of India	Financials	3.8%
UltraTech Cement Ltd	Basic Materials	3.8%
Larsen & Toubro Ltd	Industrials	3.3%
Tech Mahindra Ltd	Information Technology	3.1%
<b>Total</b>		<b>48.1%</b>

**Market comments**

The Net Asset Value per share (NAV) of the Fund increased from USD 134.20 to USD 141.41 in August, equivalent to USD performance of 5.4% against 8.6% for S&P BSE 500 index. The main leaders, that is, companies which contributed positively to the performance of the portfolio were Tech Mahindra Ltd (+22.0%), HDFC Bank Ltd (+13.0%) and ICICI Bank Ltd (+7.4%) while on the downside, the main laggards were Aurobindo Pharma Ltd (-19.1%), Rallis India Ltd (-11.4%) and Ashok Leyland Ltd (-5.8%).

The domestic equity markets continued to rally on account of strong stock market sentiment driven by better-than-expected corporate earnings, robust foreign inflows, increasing vaccine coverage and the phased lifting of Covid-19 restrictions. Gains were, however, capped due to the US Federal Reserve's hawkish signal that it will start tapering its asset purchases later this year, weighing on investor sentiment. The top sectors that contributed to the positive performance of the S&P BSE 500 index were Information Technology (+13.2%), Financials (+6.7%) and Consumer Staples (+9.9%).

The Indian manufacturing sector continued to recover from the second wave of Covid-19 but growth lost momentum due to the pandemic and surging input costs. The IHS Markit Manufacturing Purchasing Managers' Index (PMI) tumbled from 55.3 in July to 52.3 in August- remaining above the 50.0 threshold. Manufacturing production and new orders increased for the second straight month amid improved demand and sales but growth was curbed by concerns surrounding the damaging impact of Covid-19 on demand and elevated price pressures. Manufacturing costs surged due to raw material scarcity and transportation problems.

Economic activity started normalising with the ebbing of the second wave of Covid-19 and the phased reopening of the economy. The RBI retained its growth forecast for FY22 at 9.5% as further easing of restrictions and increasing coverage of vaccinations are expected to boost private consumption and propel a broad-based recovery in aggregate demand.

The Reserve Bank of India (RBI) at its Monetary Policy Committee (MPC) meeting ending on 6 August, unanimously voted in favour of keeping rates unchanged. 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 4.0% also remained unchanged. The RBI expects to maintain its accommodative stance as long as necessary to revive and sustain economic growth and continue to support economic recovery from the setback of the second wave, while ensuring that the medium-term inflation remains within the target of 4% within a band of +/- 2%.

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E-mail: [sbm.assetm@sbmgroup.mu](mailto:sbm.assetm@sbmgroup.mu)For price updates on this fund, please see: <https://nbfc.sbmgroup.mu/asset-management>**Important notes**

Unless otherwise specified, all information contained in this document is as at the factsheet date. Investment involves risks: Past performance is not indicative of guaranteeing the same future results as market conditions may fluctuate thereby affecting the investment return and thus strict reliance on such past performances shall not be relied upon by the investor to make any investment decision. Investors may additionally resort to an independent third party or independent legal advisor before making any investment decision. Investment involves risk, that includes the possible loss of principal. Asset allocation and diversification do not ensure a profit or protect against a loss.

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