

Investment objective

The investment objective of the Fund is to seek significant long-term capital appreciation by investing in a diversified portfolio comprising of equities and equity-related securities in both the domestic and international stock markets. The Fund is suitable for investors who are risk-seekers and having a medium- to long-term investment horizons.

Fund facts

Investment Manager: SBM Mauritius Asset Managers Ltd

Fund Administrator: SBM Fund Services Ltd

Registry and Transfer Agent: SBM Fund Services Ltd

Custody: SBM Bank (Mauritius) Ltd

Auditor: Deloitte Mauritius

Benchmark: 40% SEMTRI + 60% MSCI AC World index*

Distribution: Subject to distributable income

Investor profile: Growth / Aggressive

*Applicable as from Jul-2021. Previous Benchmark: 60% SEMTRI + 40% MSCI AC World Index

Inception date: 4 Feb 2016

Fund size: MUR 154.3M

Base currency: MUR

Minimum one-off investment: MUR 2,000

Minimum monthly investment plan: MUR 500

Management fee: 1.00% p.a.

Entry fee: 1.00%

Exit fee: 1% up to Y2 | 0.75% in Y3 | 0.5% in Y4 | 0.25% in Y5 | Nil after Y5

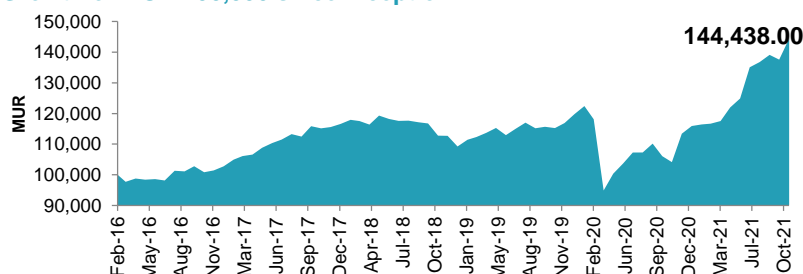
Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2021	2020	2019	2018	2017	2016*
Fund	5.0%	5.6%	24.6%	38.7%	28.1%	43.3%	44.4%	6.6%	26.0%	-6.7%	-2.2%	5.5%	13.6%	-1.9%
Benchmark	5.5%	6.3%	26.0%	43.5%	29.4%	61.3%	67.6%	9.4%	26.1%	-7.0%	1.3%	8.7%	20.2%	0.1%

Note: Fund performance is calculated on indicative NAV to NAV. The performance of the index is based on a blended benchmark comprising of 60% MSCI AC World index (MUR) and 40% SEMTRI, and rebalanced monthly. Past performance is not indicative of future results. The benchmark return is computed in MUR terms. Annual returns are for the financial year of the Fund, that is, June.

* since inception in Feb-16

Growth of MUR 100,000 since inception



Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation	0.98	0.99	0.99	0.98
Regression alpha (%)	0.11	-0.82	-2.94	-3.16
Beta	0.89	0.94	0.94	0.94
Annualised volatility	10.8%	15.5%	12.4%	11.7%
Annualised tracking error	2.4%	2.3%	2.3%	2.3%

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

Asset allocation

Asset class	% Fund
International Equities	57.8%
Domestic Equities	40.7%
Cash	1.5%
Total	100.0%

Top 5 countries	% Fund
Mauritius	40.7%
United States of America	36.1%
India	3.8%
United Kingdom	2.2%
China	2.1%
Total	84.9%

Top currency	% Fund
Mauritian Rupee	40.7%
US Dollar	55.6%
Euro	3.7%
Total	100.0%

Domestic sectors	% Fund
Banking & Insurance	21.4%
Commerce	5.7%
Industry	6.2%
Investment	2.3%
Leisure & Tourism	2.5%
Property	2.6%
Sugar	0.0%
Total	40.7%

Top 10 international industries	% Fund
Software & Services	9.2%
Media & Entertainment	4.5%
Pharmaceuticals, Biotech & Life Sciences	4.3%
Health Care Equipment & Services	4.0%
Capital Goods	3.8%
Semiconductors & Equipment	3.7%
Banks	3.7%
Technology Hardware & Equipment	3.1%
Retailing	2.9%
Diversified Financials	2.9%
Total	42.1%

Asset allocation (continued)

Top 10 holdings	% Fund	Top 10 international holdings *	% Fund
MCB Group Ltd	14.0%	Microsoft Corp	2.1%
iShares MSCI ACWI ETF	4.9%	Apple Inc.	1.8%
Vanguard S&P 500 ETF	4.9%	Amazon.com Inc	1.1%
Fidelity Asia Pacific Opportunities "A" (USD) Acc	4.6%	Alphabet Inc - Class A	0.7%
iShare Core MSCI World UCITS	4.5%	Meta Platforms Inc - Class A	0.6%
iShares MSCI World ETF	4.4%	Taiwan Semiconductors Manufacturing Co. Ltd	0.6%
IBL Ltd	4.3%	Nvidia Corp	0.6%
SPDR S&P 500 ETF Trust	4.2%	HDFC Bank Limited	0.5%
SBM Holdings Ltd	3.8%	JPMorgan Chase & Co	0.5%
Fidelity European Dynamic Growth "A" (EUR) Acc	3.7%	Tesla Inc	0.4%
Total	53.3%	Total	8.9%

* Look-through of foreign investments

Market comments

The Net Asset Value per unit (NAV) of the Fund increased from MUR 13.76 in September to MUR 14.44 in October, equivalent to a return of 5.0%, while the benchmark posted 5.5%.

Local equity indices posted positive performances in September with the SEMDEX and DEMEX closing the month at 2,123.80 and 303.57 points, equivalent to respective returns of +5.6% and +6.2%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, CIEL and ROGERS while the main laggards were LOTO, HMALLAC and POL. The top three gainers in terms of price returns were NMH (+36.8%), ROGERS (+29.8%) and CIEL (+20.6%) and the top three losers were HMALLAC (-10.0%), LOTO (-5.6%) and UDL (-4.6%). The price-earnings ratio and dividend yield of the SEMDEX stood at 15.43x and 2.85%, respectively, as at 29 October against corresponding figures of 14.75x and 2.94% as at 30 September. Net foreign disinvestments of MUR 185.9M were mainly driven by the sell-offs in MCBG, PBL and Afrexim.

In October, the yield on the 91D Treasury Bills remained unchanged at 0.84% since there was no new issuance. 182D Treasury Bills worth MUR 1.4Bn were issued at a weighted average yield of 0.85%, equivalent to a decline of 4bps from the preceding issuance. The GOM also issued MUR 1.4Bn of 364D Treasury Bills in two tranches at weighted average yields of 0.92% and 0.97%. The yield on 3Y GOM Note remained unchanged at 2.38% while a 5Y GOM Bond for MUR 2.2Bn was auctioned at an average weighted yield of 3.09%, 22bps higher than the previous issuance. There were no new issuances of 10Y, 15Y and 20Y GOM Bonds during the month.

International equities ended the month in positive territory, buoyed by upbeat corporate earnings and easing investor concerns around China's property sector despite the inflation worries spurred by an energy crunch and pandemic-related supply chains bottlenecks; the MSCI World index registered a return of 5.6% MoM.

The S&P500 reached new all-time highs in October as the earnings season continued to roll on - the index posted 6.9% MoM. The IHS Markit Purchasing Managers' Index (PMI) edged down from 60.7 in September to 58.4 in October as material shortages hampered output growth and concerns over the supply chain disruptions and inflation continued to weigh on business sentiment.

Eurostoxx 50 added 5.0% MoM. The CAC 40 and FTSE MIB indices recorded respective returns of 4.8% and 4.6% while the DAX index registered 2.8%. The Eurozone manufacturing sector's growth remained strong following a PMI reading of 58.3 in October against 58.6 in the previous month. The slightly softer expansion was mainly attributable to supply-side issues while intensified inflationary pressures led to input costs and output prices rising sharply. In the UK, the FTSE 100 index recorded 2.1% in October, supported by a robust start in earnings reporting season. PMI rose to 57.8 in October against 57.1 in September, boosted by stronger growth in new orders.

Japanese equities lagged its global peers after the Nikkei 225 posted a return of -1.9%. Growth in manufacturing output and new order inflows rose in October with PMI edging up to 53.2 (September 2021: 51.5) following easing of Covid-19 restrictions. The ongoing shortages in materials and delivery delays held back the indicator.

Emerging equities underperformed developed markets during the month with the MSCI Emerging Markets index adding only 0.9%. The CSI 300 index delivered a monthly return of 0.9% in local currency terms and 1.5% in USD terms. China Evergrande Group pulled back from the brink of default at the end of the month, as it paid an overdue interest payment before the expiry of the grace period. Manufacturing sector output improved in October backed by stronger domestic demand conditions - PMI marginally rose from 50.0 in September to 50.6 in October. In India, the BSE Sensex registered 0.3% in October. The Indian manufacturing sector continued to gather momentum with PMI rising from 53.7 in September to 55.9 in October. Output and new orders expanded at their sharpest rates in seven months, driven by upbeat market confidence and rising international demand.

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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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