

SBM India Opportunities Fund

NAV per share **USD 92.74** (Class B)

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

Fund inception: 18 Apr 2012

Share split: 10 July 2024

Fund size: USD 14.0M

ISIN: MU0565S00012

Base currency: USD

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

Monthly investment plan: USD 10 (Class B)

Management fee: 1.40% p.a.

Entry fee: Up to 3.00%

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

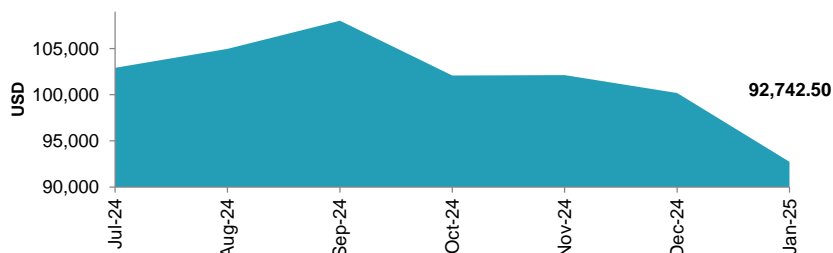
Performance fee: 18% p.a on excess return over benchmark

Performance

Period	1M	3M	YTD	1Y	3Y	5Y	Launch	Annualised	2025	2026	2027	2028	2029	2030
Fund	-7.4%	-9.1%	-7.4%				-7.3%							
Benchmark	-4.6%	-7.8%	-4.6%				-9.8%							

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

Growth of USD 100,000 since strategy inception



Fund statistics

Period	1Y	3Y	5Y	Launch
Correlation				
Regression alpha (%)				
Beta				
Annualised volatility				
Annualised tracking error				

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

Asset allocation

Asset class	% Fund	Geography	% Fund	Top currency	% Fund
Indian Equities	94.8%	India	100.0%	Indian Rupee	99.1%
Cash	5.2%	Total	100.0%	US Dollar	0.9%
Total	100.0%			Total	100.0%

Sector	% Fund	Market capitalisation	% Fund
Financials	31.0%	Large	74.4%
Health care	13.5%	Mid	14.1%
Consumer Discretionary	11.7%	Small	6.3%
Industrials	11.4%	Total	94.8%
Information Technology	10.6%		
Basic Materials	4.3%		
Utilities	3.7%		
Consumer Staples	3.1%		
Energy	2.1%		
Real Estate	1.6%		
Communications	1.6%		
Total	94.8%		

Asset allocation (continued)

Top 10 holdings	Sector	% Fund
HDFC Bank Ltd	Financials	8.3%
ICICI Bank Ltd	Financials	7.7%
Infosys Technologies Ltd	Information Technology	6.7%
Axis Bank Ltd	Financials	3.3%
Mahindra & Mahindra Ltd	Consumer Discretionary	2.9%
NTPC Limited	Utilities	2.6%
Larsen & Toubro Ltd	Industrials	2.5%
Bharat Electronics Ltd	Industrials	2.5%
Apollo Hospitals Enterprise Ltd	Health Care	2.4%
Rural Electrification Corporation Ltd	Financials	2.4%
Total		41.2%

Market comments

The Net Asset Value per share (NAV) of the Fund fell from USD 100.18 in December to USD 92.74 in January, equivalent to a return of -7.4% against -4.6% for S&P BSE 500 index. The top leaders, that is, companies which contributed positively to the performance of the Fund were Kotak Mahindra Bank Ltd (+5.2%), Cholamandalam Investment & Finance Company Ltd (+7.2%) and Britannia Industries Ltd (+6.5%) while the main laggards were Zomato Ltd (-21.7%), Coforge Ltd (-15.5%) and Whirlpool of India Ltd (-38.8%).

The S&P BSE 500 index registered -3.5% MoM, in INR terms, amidst weaker corporate earnings, selling pressures from foreign portfolio investors (FPIs) and economic uncertainty. All BSE sectors posted negative returns with the top losers being Real Estate, Communications and Technology, which posted corresponding MoM total returns of -13.9%, -11.4% and -9.5%.

The HSBC India Manufacturing Purchasing Managers' Index (PMI) surged from a one-year low of 56.4 in December to 57.7 in January, signalling a solid improvement in the health of the manufacturing sector. International sales growth neared a 14-year high, and employment growth reached its highest level in nearly two decades. Manufacturers turned more optimistic about output prospects driven by strong underlying demand, favourable economic conditions and marketing efforts.

Real GDP growth hit a 7-quarter low of 5.4% in Q3:2024 compared to 8.1% a year ago primarily on account of lower output in the manufacturing and utilities sectors. High-frequency indicators indicate that the slowdown in economic activity bottomed out in Q3:2024 and has since recovered, supported by the strong festive demand and a surge in rural activities. The Reserve Bank of India (RBI) expects the economy to grow by 6.8% in Q3 and 7.2% in Q4 while growth is projected to clock 6.6% for the fiscal year 2025. According to the International Monetary Fund (IMF), India is expected to remain the fastest-growing major economy in 2025 with a real GDP growth forecast of 6.5%.

Retail inflation softened from 5.22% in December to 4.31% in January, remaining within the RBI's medium-term target range of 2% - 6% for the third consecutive month. Food inflation, which accounts for roughly half of the overall Consumer Price Index (CPI) basket, eased to 6.02% against 8.39% in the prior month. Adverse weather events and heightened geopolitical risks remain major upside risks to inflation. According to the RBI, inflation is forecast at 4.5% for the first quarter of 2025.

In the external sector, the INR depreciated by 1.2% MoM against the USD, standing at 86.62/USD on 31 January 2025, weighed by higher US interest rates and a wider trade deficit. The current account deficit narrowed by 0.1 percentage point to 1.2% of GDP in Q3:2024, primarily on account of a surge in services exports but partially offset by a widening visible trade deficit.

There was no Monetary Policy Committee (MPC) meeting during the month. The policy repo rate under the liquidity adjustment facility (LAF) stood at 6.50%. The standing deposit facility (SDF) rate stood at 6.25%, while the marginal standing facility (MSF) rate and the Bank Rate stood at 6.75%. The cash reserve ratio (CRR) of net demand and time liabilities (NDTL) was maintained at 4.50%.

Contact

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