SBM Mauritius Asset Managers Ltd

Monthly Market Wrap

| June 2026

Equity index returns (% local currency)

Index	1M	3M	6M	YTD	1Y	3Y	5Y	5Y Std Dev
S&P 500	-1.1%	+14.9%	+9.6%	+9.6%	+20.9%	+68.5%	+74.5%	15.8%
MSCI World	-0.8%	+13.3%	+8.9%	+8.9%	+19.8%	+62.7%	+59.9%	15.2%
MSCI World Small Cap	+1.5%	+14.6%	+15.7%	+15.7%	+28.2%	+55.0%	+32.3%	17.8%
MSCI Europe	+2.9%	+10.5%	+8.8%	+8.8%	+18.9%	+38.5%	+43.3%	12.6%
MSCI EM	-1.7%	+23.3%	+22.7%	+22.7%	+40.9%	+74.1%	+25.3%	18.7%
MSCI AC Asia	-1.3%	+21.0%	+20.3%	+20.3%	+34.7%	+67.8%	+31.7%	17.5%
SEMDEX	-0.2%	+1.5%	-5.7%	-5.7%	-2.7%	+14.2%	+20.4%	10.3%
DEMEX	+0.3%	+1.7%	-2.4%	-2.4%	-2.2%	-13.2%	-22.9%	6.7%

Selected economic data*

Index	Manufacturing PMI		Service PMI		Consumer confidence		CPI YoY	Policy rate	Unemployment
	Current	-1M	Current	-1M	Current	-1M	Current	Current	Current
US	53.9	55.1	51.2	50.7	91.2	90.6	4.2%	3.5% - 3.75%	4.2%
Germany	50.3	50.1	48.6	48.1	85.0	85.0	2.3%	2.4%	6.3%
France	51.2	49.7	46.8	44.3	84.0	82.0	1.8%	2.4%	8.1%
UK	52.5	53.9	48.8	49.3	-23.0	-23.0	2.8%	3.8%	4.9%
Japan	54.8	54.5	52.2	50.0	33.5	32.9	1.5%	1.0%	2.5%
China	51.7	51.8	54.1	54.4	NA	89.9	1.0%	4.4%	4.0%
India	54.2	55.0	57.4	59.8	NA	NA	3.9%	5.3%	7.7%

**based on latest available data*

Fixed income index returns (% local currency)

Index	1M	3M	6M	YTD	1Y	3Y	5Y	5Y Std Dev
Barclays Global Aggregate Bond	-0.7%	+0.9%	-0.2%	-0.2%	+0.6%	+10.6%	-7.5%	7.8%
Barclays US Aggregate Bond	+0.2%	+0.7%	+0.6%	+0.6%	+3.8%	+13.0%	+0.4%	6.4%
Barclays High Yield bond	+0.2%	+3.5%	+2.1%	+2.1%	+7.1%	+35.4%	+23.1%	7.8%
JP Morgan EMU IG Bond	+0.4%	+1.8%	+1.2%	+1.2%	+1.3%	+8.3%	-9.3%	6.4%
JP Morgan EM Bond	+0.8%	+4.6%	+2.6%	+2.6%	+10.7%	+32.5%	+11.1%	9.6%
FTSE Asian Broad Bond	+0.2%	+1.4%	+0.9%	+0.9%	+4.8%	+19.5%	+6.3%	5.9%

SBM Fund performance (% local currency)

Fund	Currency	Strategy	NAV	1M	3M	1Y	5Y Std Dev
SBM Perpetual Fund	MUR	Local fixed income	258.45	+0.4%	+1.1%	+4.2%	0.3%
SBM Universal Fund	MUR	Multi-asset	39.88	+0.8%	+7.6%	+10.1%	5.9%
SBM Growth Fund	MUR	Global equities	20.19	+0.8%	+12.7%	+15.7%	10.1%
SBM India Opportunities Fund (Class B)	USD	Indian equities	88.46	+2.6%	+11.3%	-12.2%	

Commodity prices

Commodity	Current $	1M
WTI Crude Oil / Bbl	69.50	-20.4%
Brent Crude Oil / Bbl	72.92	-20.8%
Natural Gas / mmBtu	3.28	-0.5%
Copper / oz	619.25	-3.1%
Silver / oz	58.60	-22.2%
Gold / oz	4,008.02	-11.7%

Exchange rates

	Current	-1M
EUR/USD	1.14	1.17
USD/JPY	162.55	159.27
GBP/USD	1.33	1.35
USD/MUR	47.31	47.36
EUR/MUR	54.04	55.22
GBP/MUR	62.74	63.73

SEMDEX sector performance (%)

Index	Weight	1M
Financials	50.9%	+1.6%
Commerce	10.5%	-2.3%
Industry	5.2%	+0.0%
Investments	16.4%	-3.0%
Leisure & Hotels	9.7%	-1.8%
Property	3.3%	+2.0%
ICT	3.4%	-3.0%
Sugar	0.4%	-2.9%
Foreign	0.1%	0.0%

Top 3 Gainers - SEMDEX

Stock	1M
ABCB Holdings Limited	+9.5%
MCB Group Limited	+3.2%
Medine Limited	+2.7%

Top 3 Losers - SEMDEX

Stock	1M
Almarys Limited	-19.6%
ER Group Limited	-10.0%
Mauritius Oil Refineries Ltd	-9.0%

Secondary market yields - GoM

Tenor	91D	182D	364D	3Y	5Y	10Y	15Y	20Y
Current	3.98%	4.24%	4.49%	4.86%	5.07%	5.62%	5.77%	5.87%
-1M	4.03%	4.28%	4.59%	4.85%	5.05%	5.58%	5.77%	5.89%

Commentary

Local indices delivered mixed performances in June with the SEMDEX posting a return of -0.2% while the DEMEX recorded a gain of 0.3%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, CIEL and ASCE while the main laggards were ERL, SBMH and IBLL. The top three price performers were ABCBH (+9.5%), MCBG (+3.2%) and MSE (+2.7%), while the main laggards were ENLG (-19.6%), ERL (-10.0%) and MOR (-9.0%). The price-earnings ratio of the SEMDEX remained stagnant at 7.13x as at 30 Jun while the dividend yield stood 5.49%. During the month, foreign investors turned heavy buyers on the local bourse to the tune of MUR 222.5M (vs. MUR 3.1M in May 26), driven mainly by MCBG, SBMH and ERL.

The MSCI World index registered -0.8% in June, primarily reflecting weakness in US equities as profit-taking in AI and semiconductor stocks weighed on broader indices. Market sentiment was further dampened by concerns of persistent inflation and expectations that major central banks, particularly the Federal Reserve (Fed), would maintain a restrictive monetary policy stance.

The S&P 500 index retreated 1.1% in June, led by broad-based profit-taking in technology and semiconductor stocks following their strong year-to-date outperformance. Market sentiment was further weighed down by persistent inflationary pressures which reinforced expectations of a higher-for-longer interest rate environment. Growth stocks dragged the broader index, lagging the value counterparts as it returned -1.8% versus -0.1%. 7 out of the 11 major industry groups recorded positive returns, led by Health Care, Industrials and Utilities while Energy, Communication Services and Information Technology dragged the performance. The S&P Global US Manufacturing PMI moderated from 55.1 in May to 53.9 in June but remained above the 50-point expansion threshold for an eleventh consecutive month. Growth in output and new orders softened, while elevated input costs and weaker business confidence reflected ongoing inflationary and policy-related headwinds.

European equities outperformed their US counterparts in June, with the Euro Stoxx 50 index gaining 4.6%. Investor sentiment was supported by resilient corporate earnings, easing geopolitical tensions towards month-end and expectations that the ECB would adopt a measured approach to further policy tightening despite persistent inflationary pressures. The FTSE MIB index and the CAC 40 index advanced 3.3% and 2.7%, respectively, while the DAX 30 index slipped 0.4%. The S&P Global Eurozone Manufacturing PMI remained in expansionary territory at 51.4 in June (May: 51.6); new orders returned to growth while easing cost pressures and improving business confidence provided additional support to business sentiment. In the UK, the FTSE 100 index gained 0.8%. Manufacturing PMI eased from 53.9 in May to 52.5 in June remaining firmly in expansionary territory for an eighth consecutive month. Output growth was supported by inventory stockpiling amid supply chain concerns while growth in new orders softened markedly from moderation in underlying demand.

Japanese equities maintained strong upward momentum, with the Nikkei 225 index surging 5.6% in June. Manufacturing activity strengthened during the month as the PMI edged up to 54.8 from 54.5 in May on account of stronger output and new orders. Inflationary pressures remained elevated, with input costs staying near their highest levels since late 2022 amid higher energy, fuel and raw material costs

Emerging markets underperformed developed markets' equities with the MSCI Emerging Markets index posting -1.7%. In China, the CSI 300 index posted a modest gain of 1.8% in local currency and 1.5% in USD, supported by improving manufacturing activity and continued policy support. Manufacturing PMI clocked 51.7 in June against 51.8 in May but remained comfortably above the 50-mark expansion threshold. The growth in manufacturing output was supported by resilient domestic demand. In India, the BSE 500 index rebounded by 1.5% MoM, supported by resilient domestic fundamentals and easing geopolitical concerns. Manufacturing activity remained firmly in expansionary territory, although the momentum moderated; the manufacturing PMI eased to 54.2 in June from 55.0 in May. The slowdown reflected softer growth in output, new orders and export demand, while input cost inflation eased.

Within fixed income, the Barclays Global Aggregate Bond index returned -0.7% MoM. US 10-year treasury yields closed June at 4.47%, 3bps higher than the earlier month's reading. At its June FOMC meeting, the Federal Reserve maintained the federal funds target range at 3.50%-3.75%. The Committee acknowledged continued solid economic activity and a resilient labour market, while noting that inflation remained above target. The ECB raised its three key policy rates by 25bps, increasing the deposit facility, main refinancing and marginal lending rates to 2.25%, 2.40% and 2.65%, respectively. The decision reflected concerns surrounding the Middle East conflict and its potential impact on inflation through higher energy prices.

On the commodity front, the S&P GSCI index posted -9.9% MoM, primarily driven by a sharp correction in energy prices easing geopolitical tensions in the Middle East. Brent and WTI crude registered -20.8% and -20.4%, respectively, as concerns over potential supply disruptions through the Strait of Hormuz subsided following the ceasefire agreement. Within industrial metals, copper declined 3.1%, while silver fell sharply by 22.2%. Gold retreated 11.7% as easing geopolitical risks reduced safe-haven demand and improving investor risk appetite prompted a rotation into risk assets.

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