SBM Mauritius Asset Managers Ltd

Monthly Market Wrap | September 2026

Equity index returns (% local currency)

Index	1M	3M	6M	YTD	1Y	3Y	5Y	5Y Std Dev
S&P 500	-0.5%	+2.0%	+17.2%	+11.8%	+14.4%	+78.4%	+77.6%	15.6%
MSCI World	-1.3%	+1.6%	+15.1%	+10.7%	+13.8%	+71.8%	+63.1%	15.1%
MSCI World Small Cap	-4.4%	-4.1%	+9.9%	+11.0%	+13.8%	+56.2%	+29.2%	17.9%
MSCI Europe	-2.5%	-1.3%	+9.0%	+7.4%	+13.7%	+40.2%	+40.9%	12.5%
MSCI EM	-0.8%	-1.0%	+22.0%	+21.4%	+26.7%	+78.9%	+36.1%	18.3%
MSCI AC Asia	-0.6%	+0.9%	+22.1%	+21.4%	+25.3%	+75.7%	+40.2%	17.3%
SEMDEX	+1.6%	+3.5%	+5.0%	-2.4%	-5.6%	+8.5%	+15.6%	10.2%
DEMEX	+0.0%	+2.0%	+3.7%	-0.5%	-0.2%	-18.3%	-21.8%	6.5%

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	55.9	53.9	58.8	56.5	81.9	88.6	3.7%	3.75% - 4%	4.2%
Germany	53.9	54.3	52.9	49.7	88.0	88.0	3.3%	2.65%	6.4%
France	50.6	51.1	51.2	48.0	86.0	86.0	3.1%	2.65%	8.3%
UK	51.9	51.7	52.1	52.5	-13.0	-14.0	3.5%	3.75%	4.9%
Japan	54.1	54.9	51.3	52.5	35.4	35.3	2.1%	1.25%	2.5%
China	52.1	51.5	51.6	51.4	NA	89.5	0.9%	4.35%	4.0%
India	55.1	52.8	55.2	54.1	NA	NA	5.5%	5.50%	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	-2.4%	-2.5%	-1.6%	-2.7%	-2.4%	+11.9%	-9.0%	7.8%
Barclays US Aggregate Bond	-2.6%	-3.5%	-2.9%	-2.9%	-1.8%	+12.7%	-3.2%	6.5%
Barclays High Yield bond	-3.0%	-2.2%	+1.2%	-0.1%	+2.1%	+32.6%	+20.8%	7.9%
JP Morgan EMU IG Bond	-2.0%	-4.2%	-2.5%	-3.1%	-2.8%	+6.3%	-13.2%	6.4%
JP Morgan EM Bond	-3.6%	-4.4%	+0.0%	-1.9%	+1.2%	+30.2%	+7.1%	9.7%
FTSE Asian Broad Bond	-2.0%	-2.5%	-1.2%	-1.6%	-0.6%	+18.9%	+4.7%	5.9%

SBM Fund performance (% local currency)

Fund	Currency	Strategy	NAV	1M	3M	1Y	5Y Std Dev
SBM Perpetual Fund	MUR	Local fixed income	261.06	+0.3%	+1.0%	+4.2%	0.3%
SBM Universal Fund	MUR	Multi-asset	40.02	+0.7%	+1.9%	+7.3%	5.9%
SBM Growth Fund	MUR	Global equities	20.54	+0.6%	+1.7%	+10.8%	10.1%
SBM India Opportunities Fund (Class B)	USD	Indian equities	84.55	-8.4%	-4.4%	-10.5%	

Commodity prices

Commodity	Current $	1M
WTI Crude Oil / Bbl	90.42	+5.4%
Brent Crude Oil / Bbl	103.53	+14.4%
Natural Gas / mmBtu	3.03	+3.1%
Copper / oz	662.15	+0.4%
Silver / oz	60.43	-9.2%
Gold / oz	4,157.41	-6.3%

Exchange rates

	Current	-1M
EUR/USD	1.13	1.16
USD/JPY	157.41	159.74
GBP/USD	1.33	1.35
USD/MUR	47.75	47.11
EUR/MUR	54.09	54.73
GBP/MUR	63.33	63.83

SEMDEX sector performance (%)

Index	Weight	1M
Financials	52.1%	+2.2%
Commerce	9.1%	-1.1%
Industry	5.7%	-4.0%
Investments	16.0%	+0.8%
Leisure & Hotels	10.1%	+5.8%
Property	3.2%	+0.7%
ICT	3.3%	+0.4%
Sugar	0.4%	0.0%
Foreign	0.1%	0.0%

Top 3 Gainers - SEMDEX

Stock	1M
Automatic Systems Ltd	+10.9%
MUA Ltd	+10.0%
ER Group Limited	+9.0%

Top 3 Losers - SEMDEX

Stock	1M
The Mauritius Development Investmen	-6.0%
Phoenix Beverages Ltd	-5.9%
CIEL Limited	-4.1%

Secondary market yields - GoM

Tenor	91D	182D	364D	3Y	5Y	10Y	15Y	20Y
Current	3.78%	3.97%	4.16%	4.67%	4.95%	5.54%	5.77%	5.95%
-1M	3.96%	4.15%	4.37%	4.76%	4.96%	5.51%	5.73%	5.93%

Commentary

Local indices registered contrasting performances in September with the SEMDEX maintaining its positive momentum to end at 2,324.54 points while the DEMEX remained stagnant at 223.53 points; equivalent to respective returns of +1.6% and 0.0%. The main leaders, that is, companies which contributed to the positive performance of the SEMDEX were MCBG, ERL and NMHL, while the main laggards were MBL, CIEL and IBLL. The top three price gainers were ASL (+10.9%), MUAL (+10.0%) and ERL (+9.0%) while the main detractors were MDIT (-6.0%), MBL (-5.9%) and CIEL (-4.1%). The price-earnings ratio and dividend yield of the SEMDEX stood at 6.35x and 5.68%, respectively as at 30 September against corresponding figures of 7.19x and 5.53% as at 31 August. During the month, foreign investors remained net buyer to the tune of MUR 339.9M (vs. MUR 152.4M in Aug-26), driven mainly by MCBG, ERL and ALTG.

The MSCI World index declined 1.3% in September, as the sharp rise in global bond yields and energy prices dented investor sentiment. Escalating geopolitical tensions in the Middle East and concerns that higher energy costs could prolong inflationary pressures reinforced expectations that global interest rates would remain elevated. While AI-related technology companies remained relatively resilient, weaknesses across most other sectors resulted in a broader deterioration in market breadth.

The S&P 500 index shed 0.5% in September, as higher Treasury yields and Fed rate hike pressured equity valuations. Growth stocks outperformed their value counterparts, returning 1.9% against –3.3%, supported by continued strength in select mega-cap technology and AI-related companies. Market breadth remained weak, with nine of the eleven major industry groups declining during the month; energy was among the more resilient sectors as oil prices increased. The S&P Global US Manufacturing PMI index rose to 55.9 in September from 53.9 in August, its highest reading since May 2022. Output and new orders expanded at faster rates, supported by broad-based domestic demand, government spending and technology-related investment, although supply-chain disruptions, and higher energy and input costs intensified inflationary pressures.

The Euro Stoxx 50 index declined 2.4% as rising sovereign-bond yields, higher energy prices and tighter monetary policy weighed on sentiment. The DAX 30 and FTSE MIB indices fell 4.0% and 2.4%, respectively, while the CAC 40 index declined 4.4%, pressured by mounting concerns surrounding France's fiscal position and political uncertainty. Manufacturing sector health marginally improved with the HCOB Eurozone Manufacturing PMI rising to 52.9 in September from 52.7 in August, supported by strong demand for investment goods, particularly AI- and defence-related equipment. In the UK, the FTSE 100 declined 2.0%, as higher gilt yields, elevated oil prices and fiscal concerns offset gains from energy-related companies. The S&P Global UK Manufacturing PMI index edged up to 51.9 from 51.7, reflecting continued expansion within AI investment and defence spending, although weak consumer demand remained a headwind.

Japanese equities outperformed global developed markets after the Nikkei 225 index clocked 0.7% in September, led by technology and financial stocks. The S&P Global Japan Manufacturing PMI index eased to 54.1 in September from 54.9 in August, marking its weakest reading in six months but remaining firmly in expansion territory. Output and new order growth moderated, although export orders remained robust amid sustained demand from Asia and the US.

Emerging market equities outperformed developed markets, with the MSCI Emerging Markets index declining 0.8% MoM. Performance was impacted by rising global yields, higher energy prices and tighter global financial conditions. In China, the CSI 300 index fell 5.8% in local currency and 5.6% in USD, as concerns surrounding the effectiveness of policy support and the sustainability of the domestic recovery outweighed improving manufacturing data. The RatingDog China General Manufacturing PMI index rose to 52.1 in September from 51.5 in August, its highest reading in five months, as production and new orders strengthened. In India, the BSE 500 index declined 5.6% following the surge in crude-oil prices, rising global bond yields and sustained foreign institutional outflows. India's dependence on imported energy raised concerns around inflation, the current account deficit and corporate margins. Manufacturing activity nevertheless strengthened, with the HSBC India Manufacturing PMI index rising to 55.1 in September from 52.8 in August, its highest level in seven months, supported by faster growth in domestic and overseas orders, production and employment.

Within fixed income, the Bloomberg Global Aggregate Bond Index declined 2.4% MoM. US 10-year Treasury yields closed at 5.28%, 53bps higher than the previous month, as elevated energy prices, resilient economic activity, mounting inflation expectations and higher government borrowing triggered a broad global bond sell-off. The Fed raised the federal funds target range by 25bps to 3.75%–4.00%, citing strong productivity and capital investment alongside inflation that remained above target. The ECB also increased its three key rates by 25bps, bringing the deposit facility, main refinancing operations and marginal lending facility rates to 2.50%, 2.65% and 2.90%, respectively.

Commodity markets maintained their upward trend in September, with the S&P GSCI index gaining 4.8%. Energy commodities led the advance as geopolitical tensions and uncertainty surrounding oil flows through the Strait of Hormuz tightened supply expectations. Brent surged 14.4%, while WTI and natural gas advanced 5.4% and 3.1%, respectively. Copper gained a marginal 0.4% after concerns surrounding Chinese demand and tighter financial conditions offset improving global manufacturing activity. Precious metals reversed August's strong gains, with gold declining 6.3% and silver falling 9.2%, as surging sovereign-bond yields, a firmer US dollar and profit-taking dented demand for non-yielding assets.

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