

**April 2023**

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Note: The charts below show the performance of local and foreign equity indices on a time-series basis over the past 12 months.

**Foreign Equity Indices**

	Current Value (in USD)	Last month	Year-to-Date	Last 12 months	Last 3 Years*	Last 5 Years**
MSCI EM (Emerging Markets)	500	-1.1%	2.8%	-6.5%	4.3%	-1.0%
MSCI World Index	8,754	1.8%	9.6%	3.2%	13.1%	8.1%
MSCI All Country World Index	346	1.4%	8.8%	2.1%	12.0%	7.0%
MSCI EFM Africa	1,079	0.8%	0.0%	-8.9%	11.3%	-3.6%
MSCI ACWI ESG Leaders Index	2,348	1.2%	9.1%	1.2%	11.5%	7.3%
S&P 500	4,169	1.5%	8.6%	0.9%	12.7%	9.5%
S&P 500 ESG Index	482	2.0%	10.2%	3.9%	15.9%	13.0%
EuroStoxx 50 (in EUR)	4,359	1.0%	14.9%	14.6%	14.2%	4.3%
FTSE 100 (in GBP)	7,871	3.1%	5.6%	4.3%	10.1%	0.9%

\*annualised

Most of the major foreign equity indices ended the month in the green. Investor optimism came from the US Federal Reserve (Fed) anticipated moderation of monetary policy. Over the month, the MSCI All Country World Index gained 1.4% in USD terms. In contrast, the MSCI Emerging Markets index was down by 1.1% due to the ongoing US-China tensions over Taiwan which weakened investor sentiment.

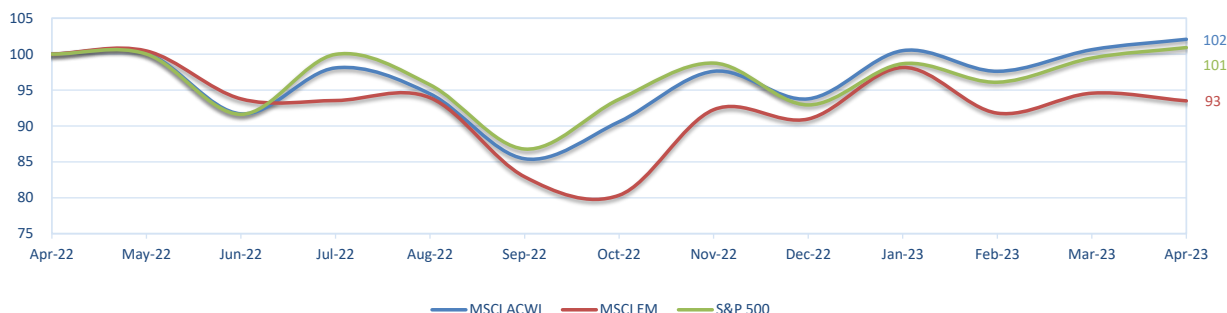
First Republic Bank became the fourth regional US lender to collapse since early March. It was also the second biggest bank failure in US history (source:Fidelity). During late April, JP Morgan took over this bank.

On 03 May, the US Fed voted to increase the interest rate by another 0.25% and signaled that it could be done lifting rates. The quarter-point increase brings the target range to 5.00% to 5.25%, its highest level in more than 15 years. This decision marked the Fed's 10th consecutive rate increase since March 2022.

The S&P 500 rose by 1.5% in April, registering its second consecutive monthly rise. Year-to-date, the US benchmark index was up by 8.6%. The S&P 500 was supported by communication services, energy, health care and financials, all returning above 3%. The Dow Jones Industrial Average gained 2.5% in April, marking its best monthly performance since January (source: Fidelity) .

The FTSE 100 gained 3.1%, outperforming the major foreign equity indices. Oil and gas stocks were the biggest boost to the commodity heavy FTSE 100 (source: Reuters).

**Performance of Foreign Equity Indices (in USD)**



**Currencies**

In MUR	Current Value (MUR)	Past Month	Last month	Year-to-Date	Last 12 Months	Last 3 Years*
GBP	55.88	56.24	-0.6%	6.0%	4.4%	4.0%
USD	44.94	45.54	-1.3%	2.3%	4.5%	3.9%
EUR	49.20	49.44	-0.5%	5.6%	9.1%	4.3%
USD/EUR	1.10	1.08	1.7%	3.0%	4.5%	6.9%

\*annualised

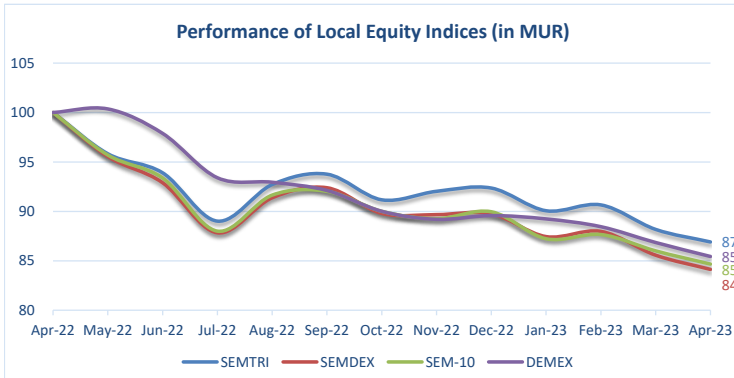
The Pound, the US Dollar and the Euro all lost ground relative to the Mauritian Rupee in April 2023. Over the month, the greenback saw the largest depreciation of 1.3% against the local currency. The Pound and the Euro lost 0.6% and 0.5% respectively against the MUR over the month. Nevertheless, the three currencies rose relative to the Rupee on a year-to-date basis. The Pound saw the largest appreciation of 6.0% as at end-April 2023.

The US Dollar index (which measures the value of the US Dollar relative to a basket of other major currencies) was down by 0.8% in April after the Federal Open Market Committee predicted that the U.S economy might face a mild recession later this year due to the collapse of several banks (source: CNBC) .

The Euro appreciated by 1.7% against the US Dollar over the month. The Euro's rebound has been supported by the weakening of the US Dollar.

**Local Equity Indices**

	Current Value (in MUR)	Last month	Year-to-Date	Last 12 months	Last 3 Years*	Last 5 Years* <i>*annualised</i>
SEMDEX	1,926.3	-1.7%	-6.3%	-15.9%	7.0%	-3.4%
SEM-10	351.1	-1.6%	-5.9%	-15.3%	6.3%	-4.4%
DEMEX	252.7	-1.7%	-5.2%	-17.2%	6.7%	1.0%
SEMTRI	7,930.1	-1.4%	-5.9%	-13.1%	9.6%	-0.8%
DEMTRI	393.5	-1.6%	-4.6%	-14.6%	9.2%	3.7%
SEMSI	102.5	-2.0%	-7.4%	-17.1%	6.6%	3.9%



Despite the publication of the improved quarterly financial results by several local listed companies, the local equity indices fell further in April.

The SEMTRI and the SEM-10 were down by 1.4% and 1.6% respectively over the month.

The Secondary Market also posted negative returns during the month, with the DEMEX and DEMTRI losing 1.7% and 1.6% respectively in April.

The local equity indices were down on a year-to-date basis as well, with the SEMSI posting the largest negative returns of -7.4%.

**Price Earnings Ratio and Dividend Yield**

As at end-April, the Price Earnings Ratio and the Dividend Yield on the Official Market stood at 8.62 times and 3.73% respectively.

**Local Yields & Inflation Rate**

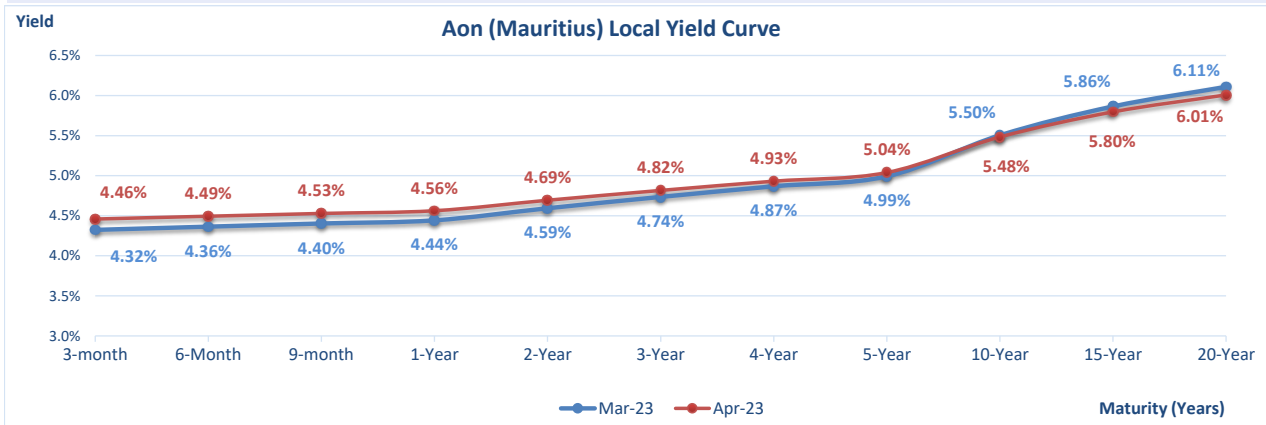
**Consumer Price Index (Mauritius)**

	Current Value	Last month	Year-to-Date	Last 12 months	Last 3 Years* <i>*annualised</i>
Inflation Rate	197.4	-0.1%	3.1%	8.3%	6.4%

Key Rate (as at 16/01)	4.50%
Deposit Rate *	2.46%

*\*Weighted Average Deposit Rate of Banks as at March 2023*

Year-on-year inflation (measured as the year-on-year change in the Consumer Price Index (CPI)) worked out to 8.3% in April 2023, compared to 11.0% in April 2022. Headline inflation for the 12-months ending April 2023 stood at 10.9% (source: Statistics Mauritius).



Note: Key information for the yield curve is obtained from primary dealers and Bank of Mauritius.

Yields on treasury instruments having maturity of less than 5-Year moved up slightly in April, compared to end-March yields. The yield on the 1-Year Government of Mauritius Bond stood at 4.56% as at end-April 2023. However, longer-term yields fell slightly during the month under review.

Local Bond Index	Current Value (in MUR)	Last month	Year-to-Date	Last 12 months	Last 3 Years*	Last 5 Years*
S&P Mauritius Sovereign Bond Index	161.6	-0.3%	4.3%	-2.5%	0.5%	3.9%

\*annualised

The S&P Mauritius Sovereign Bond Index tracks the performance of Rupee-denominated sovereign debt publicly issued by the Government of Mauritius in its domestic market. The index was down by 0.3% over the month and was up by 4.3% year-to-date.

### Commodities & Other Investments

	Current Value (in USD)	Last month	Year-to-Date	Last 12 months	Last 3 Years*	Last 5 Years*
Gold	1,999.1	1.5%	9.5%	4.2%	5.7%	8.7%
Oil	79.5	-0.3%	-7.4%	-27.3%	46.6%	1.1%
S&P GSCI Index	3,297.8	-0.8%	-5.7%	-15.1%	34.7%	3.7%

\*annualised

Gold price rose, boosted by safe haven buying and weakness in the US Dollar. The yellow metal was up by 1.5% in April and gained 9.5% on a year-to-date basis.

The oil price was rather flat during the month. However, it has lost 27.3% over the past 12 months.

The S&P GSCI Index recorded a negative performance of 0.8% in April as weaker prices for agriculture, industrial metals and energy offset price gains in livestock and precious metals (source:JP Morgan).

Volatility Index	Current Value (in USD)	Last month	Year-to-Date	Last 12 months	Last 3 Years*	Last 5 Years*
CBOE Volatility Index (VIX)	15.8	-15.6%	-27.2%	-52.8%	-22.7%	-0.2%

The CBOE Volatility Index (VIX Index), also known as the fear gauge, is one of the most recognized measures of volatility. It is a real-time index that represents the market's expectations for the relative strength of near-term price changes of the S&P 500 Index. It was down by 15.6% in April. **Note that VIX Index values below 20 generally correspond to more stable, less stressful periods in the markets.**

Alternatives: Foreign Indices	Current Value (USD)	Last month	Year-to-Date	Last 12 Months	Last 3 Years*
S&P Global Property	484.9	2.0%	2.3%	-14.6%	4.6%
S&P Listed Private Equity	437.5	2.2%	7.8%	-4.3%	16.2%
S&P Global Infrastructure	6,491.2	2.6%	6.7%	-1.3%	13.1%

\*annualised

Bond markets were calmer compared to the previous month.

The US yield curve inversion widened during the month. The long end of the Treasury yield curve remained relatively flat, with the 10-year Treasury yields falling by 0.05% to 3.45% (source: Financial Times).

On the other hand, the 3-months Treasury yields which is more interlinked with the Fed's policy rates, gained 0.32% and stood at 5.07% as at end-April.

Foreign Bond Indices	Current Value (USD)	Last month	Year-to-Date	Last 12 Months	Last 3 Years*
S&P Africa Sovereign Bond	1,017.7	-0.5%	0.0%	2.2%	7.8%
S&P 500 Bond Index	476.1	0.8%	4.3%	0.9%	-1.6%
S&P International CBI	118.4	1.7%	5.3%	-3.7%	-3.5%
Bloomberg Global Aggregate Total Return Index	461.4	0.4%	3.5%	-2.3%	-3.9%
Bloomberg US Aggregate Total Return Value Unhedged	2,122.2	0.6%	3.6%	-0.4%	-3.1%

Other Indices	Current Value (USD)	Last month	Year-to-Date	Last 12 Months	Last 3 Years*
Renaissance IPO Index	306.0	-5.2%	12.2%	-21.6%	-3.1%

The Bloomberg Global Aggregate Total Return Index gained 0.4% in April, a modest rise after the banking turmoil during the previous month.

The Bloomberg US Aggregate Total Return Index is a broad-based, market capitalization-weighted bond market index representing intermediate term investment grade bonds traded in the United States. Over the month under review, the index rose by 0.6% in USD terms.

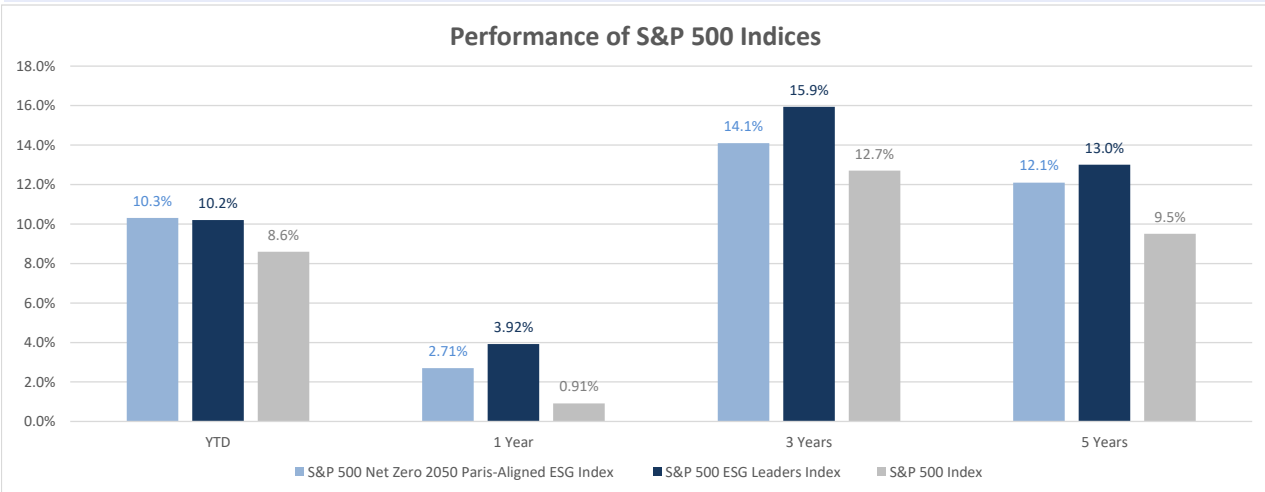
The Renaissance IPO Index, which tracks the newly listed companies, was down by 5.2%.

**Performance of some US ESG-Focused Indices against the S&P 500**

In this month's edition, we compare the monthly historical returns of the S&P 500 ESG Leaders, S&P 500 Net Zero 2050 Paris-Aligned ESG and S&P 500 indices over a period of 5 years (from April 2018 to April 2023) in USD terms (source: S&P Global) .

Environment, Social and Governance (ESG) investing has evolved in recent years to meet the demands of institutional and retail investors, that wish to better incorporate long-term financial risks and opportunities into their investment decision-making processes to generate long-term value.

The below chart shows the returns of S&P 500, S&P 500 ESG Leaders and S&P 500 Net Zero 2050 Paris-Aligned ESG indices over the past five years.



On a year-to-date basis, the S&P 500 Net Zero 2050 Paris-Aligned ESG and the S&P 500 ESG Leaders Indices gained 10.3% and 10.2% (in USD terms), respectively. In comparison, the S&P 500 was up by 8.6%. We note a similar outperformance over the long-term as well (3-Year and 5-Year).

**Disclaimer:** Nothing in this document should be considered as being financial advice. Past performance is not a guide to the future. Our investment consultants will be pleased to answer questions on its contents but cannot give individual financial advice.  
 Source: Stock Exchange of Mauritius, Bank of Mauritius, Statistics Mauritius, MSCI, Bloomberg, Investing, etc.