

ALQUITY ASIA FUND:  
FACTSHEET AS AT:  
NAV:

GBP Y  
MAY 2022  
142.22



MONTHLY SUMMARY

Those NAV prices displayed with duplicated ISINs, in currencies other than the base currency of USD, are reflected only on an unofficial and indicative basis. The aforementioned NAVs are for guidance only and we can give no assurances of its accuracy. The official NAV for those ISINs is in USD.

- After selling off initially, the relevant Asian stock index rallied into month-end, ultimately gaining by 0.5% in net USD terms overall.
- In India, the RBI hiked its benchmark repo rate by 40bp to 4.4%, at an unscheduled monetary policy meeting, as concerns over the inflation outlook increased.
- In China, the economy remained under pressure due to ongoing lockdowns. However, policymakers affirmed their commitment to the GDP growth target.

PERFORMANCE OVERVIEW

	2018	2019	2020	2021	2022
JAN	2.4%	1.1%	-3.2%	2.9%	-1.5%
FEB	-1.9%	1.0%	-2.2%	1.4%	-2.3%
MAR	0.7%	11.2%	-17.5%	-0.2%	-1.4%
APR	1.9%	-3.2%	9.9%	2.2%	-0.3%
MAY	-1.4%	-0.4%	4.0%	1.0%	-1.1%
JUN	-4.1%	-0.2%	6.6%	4.5%	
JUL	1.9%	1.7%	-1.2%	-7.0%	
AUG	-1.1%	-3.6%	2.3%	3.3%	
SEP	-8.7%	1.2%	3.0%	-2.4%	
OCT	-7.9%	1.2%	3.6%	1.2%	
NOV	8.3%	-2.0%	5.7%	-0.2%	
DEC	-1.0%	-0.2%	5.0%	-2.3%	
ANNUAL	-11.5%	7.4%	14.0%	3.9%	-6.5%



PERFORMANCE SUMMARY:			
1 Month:	-1.1%	1 Year:	-9.6%
3 Months:	-2.8%	3 Years:	8.5%
6 Months:	-8.7%	Inception:	42.2%
Year to Date:	-6.5%	Annualised:	4.9%

VOLATILITY*	1Y	17.3%
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\*Volatility as of 31st May 2022

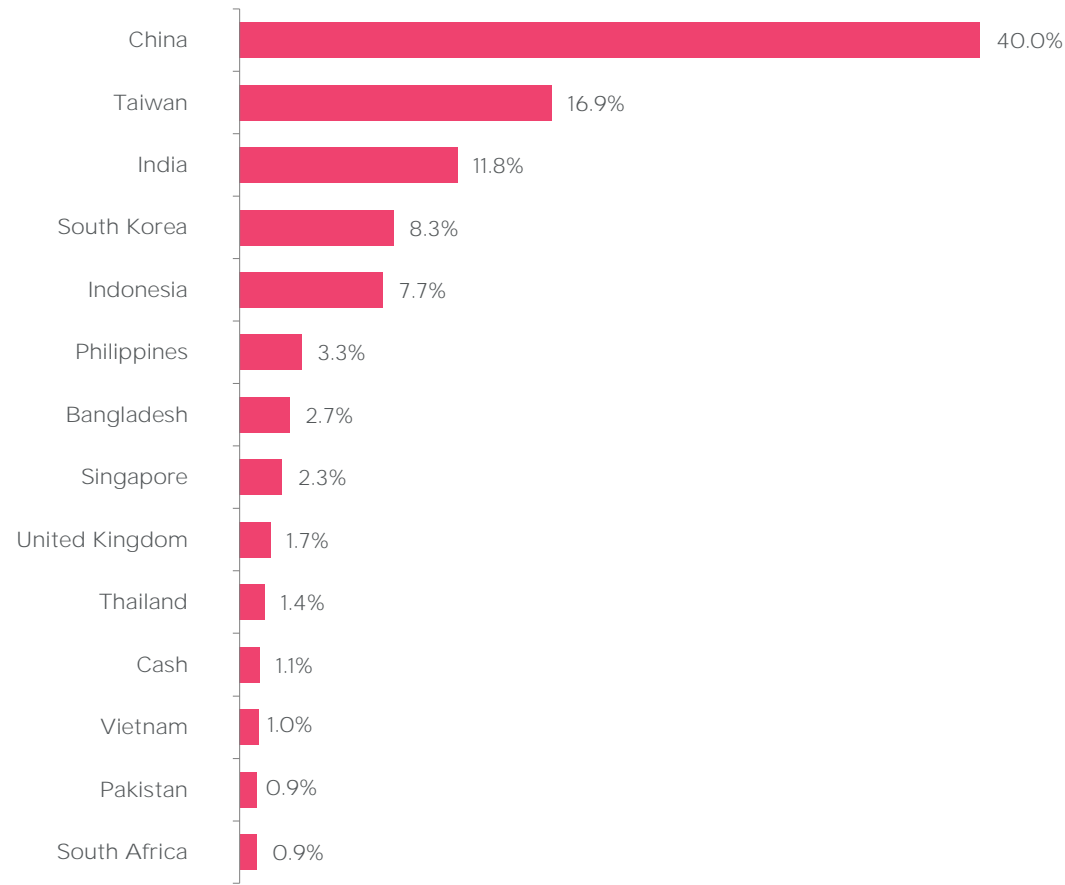
3Y*	17.8%
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\*Where the share class has not been running for 3 years, the volatility figure displayed is since the inception of the share class

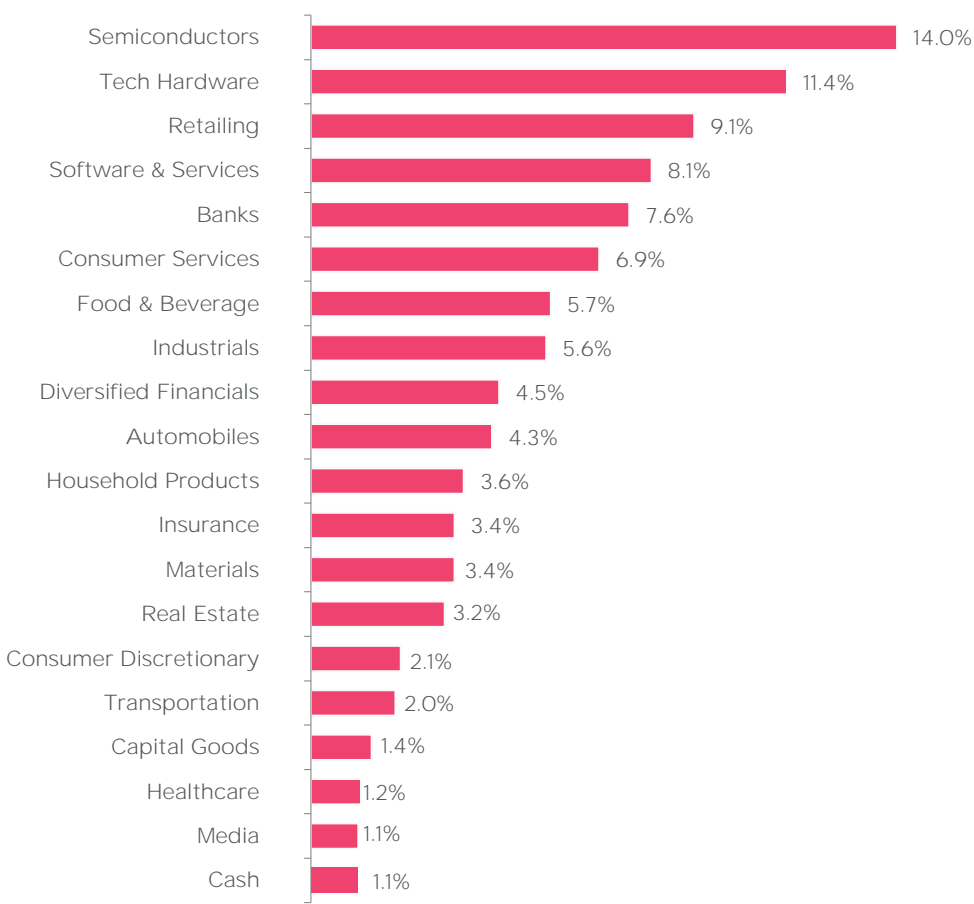
TURNOVER**	17.0%	**Average turnover of holdings (annualised) since the fund's inception
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\*\*Turnover as of 31st May 2022

GEOGRAPHIC ALLOCATION



SECTOR ALLOCATION



MONTHLY UPDATE

May was a volatile month as markets grappled with uncertainty over the inflation outlook and the pace of monetary tightening in the US. After selling off initially, the relevant Asian stock index rallied into month-end, ultimately gaining by 0.5% in net USD terms overall.

In China, the economy remained under pressure due to ongoing lockdowns. However, policymakers affirmed their commitment to the GDP growth target, indicating that more stimulus measures would be coming. The PBoC also announced measures to reduce mortgage rates and to provide more credit support to SMEs, which will drive a rebound in activity as covid restrictions are removed through June.

In India, the RBI hiked its benchmark repo rate by 40bp to 4.4%, at an unscheduled monetary policy meeting, as concerns over the inflation outlook increased. Intensifying price pressures mean that the RBI will likely press ahead with a front-loaded hiking cycle to bring rates back to a neutral level.

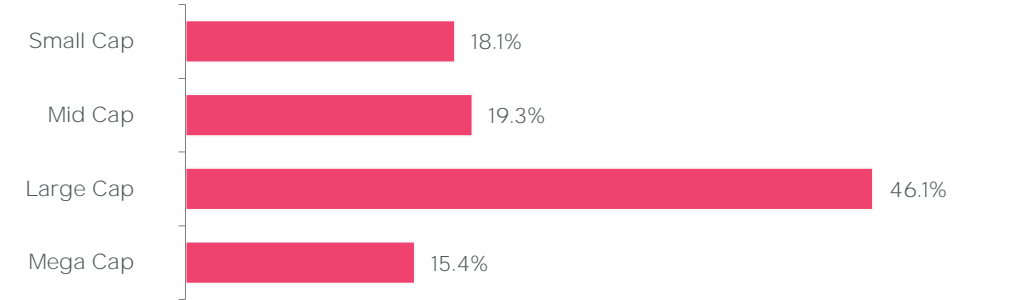
Elsewhere, the central banks of Malaysia and Philippines began gradual hiking cycles in May as inflation pressures have slowly risen, while Pakistan hiked more aggressively in efforts to revive its IMF financing programme.

In terms of strategy, we continued to add to Kumba which generates 60% of its revenue from China and thus will benefit from the recovery of the economy there. We also exited Sabeco and reallocated to conviction names in India (Lemontree), Korea (Hanon) and China (A-shares).

TOP 10 HOLDINGS

1.	TSMC	8.6%
2.	Tencent Holdings	6.8%
3.	SK Hynix	3.3%
4.	ICICI Bank	2.8%
5.	HDFC Bank	2.8%
6.	HK Exchanges & Clear	2.4%
7.	Hanon Systems	2.4%
8.	Prada	2.3%
9.	Mitra Adiperkasa	2.2%
10.	Hangzhou Robam	2.2%
	<b>TOTAL</b>	<b>35.7%</b>

CAPITALISATION



Small Cap (less than \$2bn), Mid Cap (\$2bn to \$10bn), Large Cap (\$10bn to \$200bn), Mega Cap (\$200bn and above)

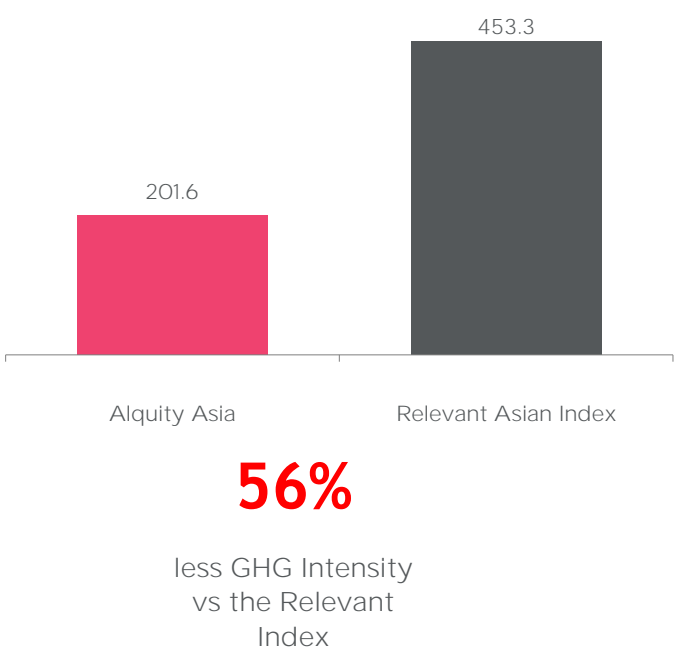
PERFORMANCE CONTRIBUTORS AND DETRACTORS

In May, Alquity Asia Y class declined 0.79% in US Dollar terms (net) versus the 0.46% rise in the relevant Asian index.

In terms of asset allocation, the fund benefited from the underweight position in India but this was more than offset by a poor performance in Indonesia, due to profit taking after recent strong gains.

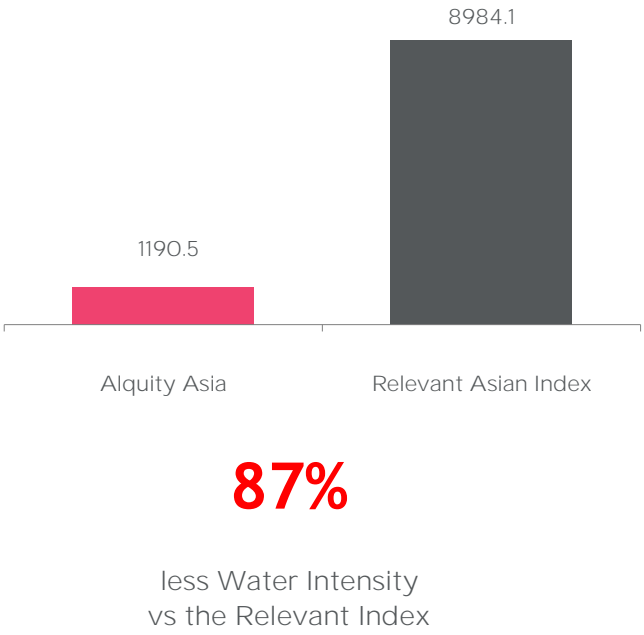
The majority of the underperformance however was derived from stock selection, with positions in Indonesia (Kino – consumer goods) and Philippines (Concepcion – consumer appliances) retracing April's gains. Elsewhere, Pakistan (Airlink – IT distribution), Taiwan (Century Iron & Steel, Esun Financial) & Korea (Technology) were also negative contributors. However, this was partly mitigated by strong selection in India (Financials and Hero Motor).

SCOPE 1 & 2 GHG INTENSITY (TONNES/\$MN)



Source: Alquity, as of 31st March 2022

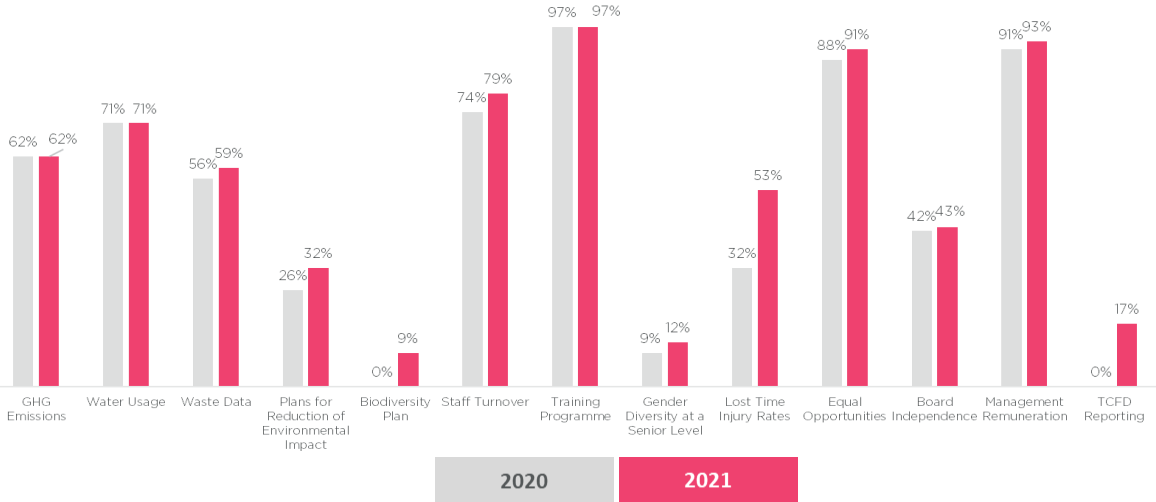
WATER INTENSITY (TONNES/\$MN)



ESG: KEY PROGRESS INDICATORS

For all portfolio holdings, we track a set of Key Progress Indicators “KPIs” that represent a general set of transparency and ESG standards we want all firms to meet over time. In each case, the assessment has a financial motivation and an associated positive potential impact in line with the principles of the UN Global Compact. The chart summarises the where we stand in relation to the KPIs for all the portfolio holdings. These KPIs support our engagement activity with our holdings. Please contact us or refer to our Responsible Investment brochure for full details.

Holdings meeting each KPI standard - % of companies <sup>1</sup>



<sup>1</sup>Source: Alquity. Portfolio overview as of 31/12/2021. Holdings owned at both 31/12/2020 and 31/12/2021

TRANSFORMING LIVES

We donate a proportion of our fees from the Alquity Asia Fund to charity partners in the region, reinforcing our belief that social progress should also lead to financial success.

DONATIONS GENERATED BY THE ASIA FUND:	\$485,922
LIVES TRANSFORMED DIRECTLY:	1,954
LIVES TRANSFORMED INDIRECTLY:	6,162

Total Lives Transformed by Alquity



Total Donations generated by Alquity



Data correct at 31 Mar 22

Source: Alquity Transforming Lives Foundation

For more information about the Alquity Transforming Lives Foundation please visit [www.alquityfoundation.org](http://www.alquityfoundation.org)

FUND FACTS

Fund :	Alquity Asia Fund
Share Class :	Y Class
Inception Date :	23/01/2015
Fund AUM :	US\$ 37.9m
Number of Holdings :	56
Fund Structure :	UCITS V SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Mike Sell
Morningstar Rating :	★★
Morningstar Sustainability Rating :	●●●●●
Minimum Investment :	£2,500,000
Annual Management Fee :	0.90%
Performance Fee :	None
ISIN :	LU1070051708
SEDOL :	BTJRGR3
Bloomberg Ticker :	ALQASGY

FUND OBJECTIVE

The Alquity Asia Fund is equity focused and targets attractive risk-adjusted returns over the long-term by investing in public companies across the Asian continent (ex. Japan). Our portfolio emphasises long-term themes, transparency and alignment of management. This is achieved by a fundamental process which incorporates both financial valuation and Environmental, Social and Governance analysis of material non-financial factors.

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**SWISS INVESTORS:**  
*The Prospectus, the Articles of Association, the KIIDs, as well as the annual and semi annual report of the Fund is only available to Qualified Investors free of charge from Alquity Investment Management Limited. Funds other than the Luxembourg domiciled Alquity SICAV mentioned in this document may not be admitted for distribution in Switzerland.*