

ALQUITY ASIA FUND: FACTSHEET AS AT: NAV:

USD Y
JULY 2023
106.07



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.

- The relevant Asian benchmark rose by 6.1% in net USD terms in July.
- At the July Politburo meeting, China's top officials signalled a pro-growth shift in policy.
- In Indonesia, the central bank left interest rates on hold again, as inflation dropped to a 16-month low.

PERFORMANCE OVERVIEW

	2019	2020	2021	2022	2023
JAN	4.4%	-3.7%	3.4%	-2.5%	6.2%
FEB	2.1%	-5.2%	3.2%	-2.3%	-7.0%
MAR	9.0%	-19.9%	-1.6%	-3.3%	3.0%
APR	-3.1%	11.8%	2.6%	-4.9%	-4.3%
MAY	-3.7%	1.9%	3.6%	-0.8%	-3.3%
JUN	0.8%	6.5%	1.5%	-4.5%	3.8%
JUL	-2.2%	5.0%	-6.4%	-2.9%	5.5%
AUG	-4.1%	4.3%	2.2%	-1.8%	
SEP	2.4%	-0.6%	-4.4%	-12.3%	
OCT	6.1%	3.5%	2.9%	-7.2%	
NOV	-2.1%	9.1%	-3.7%	19.3%	
DEC	2.3%	7.5%	0.0%	1.3%	
ANNUAL	11.6%	17.2%	2.6%	-22.3%	3.0%



PERFORMANCE SUMMARY:

1 Month:	5.5%	1 Year:	-0.6%
3 Months:	5.9%	3 Years:	3.5%
6 Months:	-2.9%	Inception:	6.1%
Year to Date:	3.0%	Annualised:	0.9%

VOLATILITY*

1Y

20.0%

*Volatility as of 31st July 2023

3Y*

18.2%

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

TURNOVER**

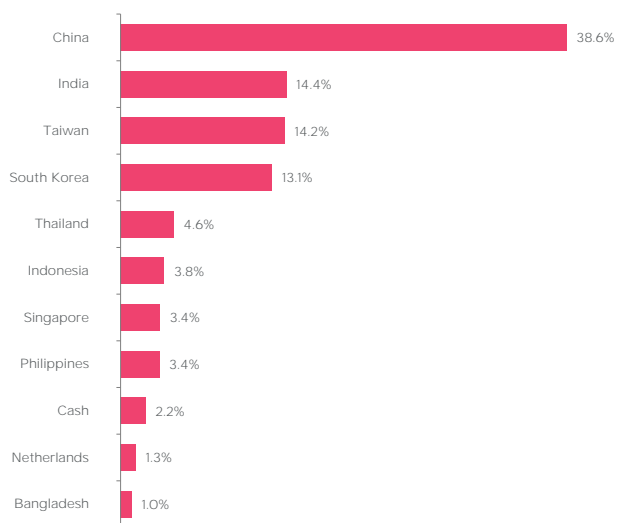
15.5%

**Turnover as of 31st July 2023

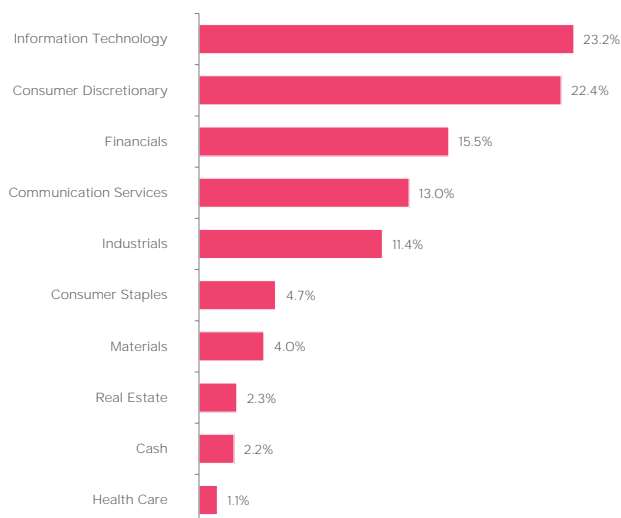
**Average turnover of holdings (annualised) since the fund's inception

*For the purposes of reporting, the unrealised capital gains have been removed from the portfolio characteristics calculations, however remain part of the Net Asset Value calculation

GEOGRAPHIC ALLOCATION



SECTOR ALLOCATION



MONTHLY UPDATE

The relevant Asian benchmark rose by 6.1% in net USD terms in July, as better inflation data in the US brought hope that the Fed hiking cycle is nearing an end.

At the July Politburo meeting, China's top officials signalled a pro-growth shift in policy, with a focus on providing more support to the property sector and addressing risks to local government debt. Officials gave a clear indication that supporting domestic demand and preventing risks in key areas would be the main priorities, after data confirmed that the economy lost momentum in Q2. This is a clearer, more positive outcome than expected.

More stimulus is likely near-term, including measures to support developer financing and boost housing demand and faster local government special bond issuance to support infrastructure investment. We remain constructive on the market, especially given the overwhelmingly negative investor sentiment and attractive valuations.

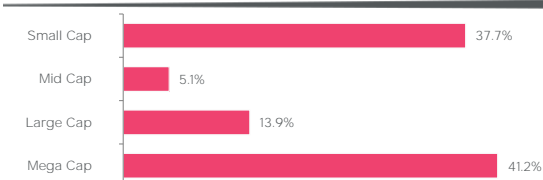
In Indonesia, the central bank left interest rates on hold again, as inflation dropped to a 16-month low. It did, however, announce fresh incentives aimed at freeing up \$3bn in liquidity to spur bank lending, after loan growth eased to a 15-month low. With inflation set to stay within target, a policy rate cut could come onto the agenda before year end. We continue to hold an overweight to the market.

In terms of positioning, we exited Topsports in China on valuations relative to the outlook. We also trimmed other positions in China to reduce our active weighting there, particularly using the strength post-Politburo meeting. At the same time, we added Baidu, a leader in generative AI solutions in China as well as other high growth ventures and with market leadership within its core internet search business.

TOP 10 HOLDINGS

1. TSMC	9.3%
2. Tencent Holdings	8.4%
3. SK Hynix	4.3%
4. AIA Group	4.1%
5. Meituan Dianping	2.6%
6. ICICI Bank	2.4%
7. China Resources Land	2.3%
8. LG Energy Solution	2.2%
9. Minor International	2.1%
10. Lemon Tree Hotels	2.1%
TOTAL	39.8%

CAPITALISATION



Small Cap (less than \$10bn), Mid Cap (\$10bn to \$25bn), Large Cap (\$25bn to \$50bn), Mega Cap (\$50bn and above)

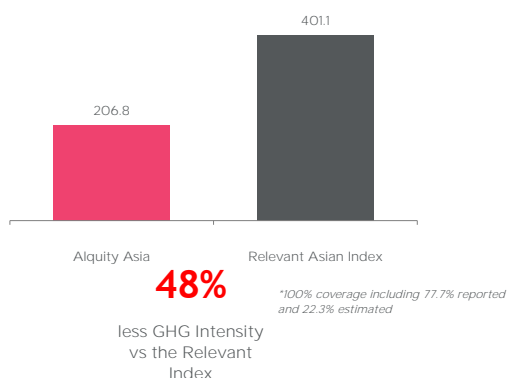
PERFORMANCE CONTRIBUTORS AND DETRACTORS

In July, the Alquity Asia Y class rose 5.5% in US Dollar terms (net) vs the 6.1% rise in the relevant EM index. The underperformance was driven primarily by country allocation but with positive stock selection.

Stock selection was positive in various areas such as Indonesia (retail), India (APL Apollo & Polycab), Korea (Tech Hardware) and Taiwan (Century Iron & Steel).

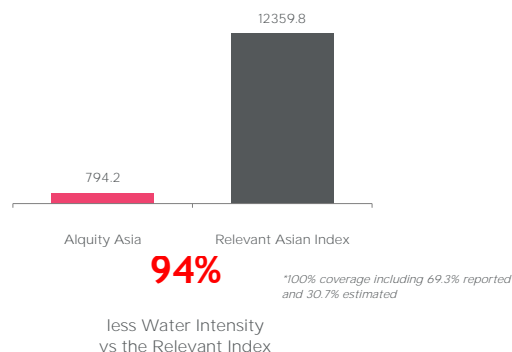
However, this was not enough to offset the underperformance from the fund's holdings in Thailand, Philippines and to a lesser extent, China.

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



Source: Alquity, as of 31st March 2023

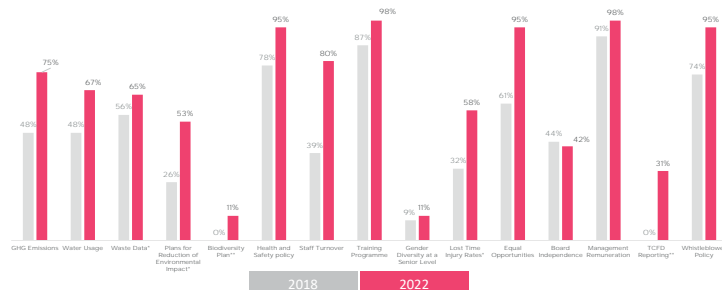
WATER INTENSITY (TONNES/\$MN)



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 companies¹



¹Source: Alquity, as of 31st of December 2022. *KPIs launched in 2019. ** KPIs introduced in 2020

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:	\$528,802
LIVES TRANSFORMED DIRECTLY:	1,954
LIVES TRANSFORMED INDIRECTLY:	6,162

Total Lives Transformed by Alquity



Total Donations generated by Alquity



Data correct at 30 Jun 23

Source: Alquity Transforming Lives Foundation

For more information about the Alquity Transforming Lives Foundation please visit www.alquityfoundation.org

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Past performance is not necessarily indicative of future performance. There can be no assurance that any investment will achieve its objectives or avoid substantial losses.

FUND FACTS

Fund :	Alquity Asia Fund
Share Class :	Y Class
Inception Date :	01/09/2016
Fund AUM :	US\$ 33.0m
Number of Holdings :	51
Fund Structure :	UCITS V SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Mike Sell
Morningstar Rating :	★★
Morningstar Sustainability Rating :	★★★★★
Minimum Investment :	\$5,000,000
Annual Management Fee :	0.90%
Performance Fee :	None
ISIN :	LU1070051617
SEDOL :	BF047N8
Bloomberg Ticker :	ALQASUY

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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