

# VT HALO GLOBAL ASIAN CONSUMER FUND

## August 2016 Monthly Fund Fact Sheet



All Data at 12.00 GMT 31 Aug. 2016

### Portfolio Description

The VT Halo Global Asian Consumer Fund aims to achieve an annualised total return before fees of 8-12% over the long term. This will be achieved from investing in companies globally, which are exposed to the growth of the Asian middle class and the corresponding rise in their consumption.

### Fund Manager's Comments

The Fund value rose by 3.7% in August, bringing the YTD performance to 24%, broadly in line with MSCI Asia ex Japan. This growth in the Net Asset Value has been driven by strong earnings growth from our holdings, with some highlights mentioned below. The key point is the fund has not rerated, unlike the market, which has been driven higher on multiple expansion. Also our European and US quoted names this month on a relative basis, have been a drag to performance given their local markets were broadly flat.

In Asia we had results from a number of our holdings during August. The majority have beaten expectations and some highlights were; **Alibaba**, the largest e-commerce company in China, grew sales by 60%, some 12% ahead of expectations due to their ability to increase the monetization rate of the sales on their websites and shares are up 18% in the month. **Samsonite**, the largest global luggage company who just acquired Tumi, delivered solid results and management commented on a more positive outlook in the second half, with the shares rising 10%. **Tencent**, the company behind omnipotent Chinese social app Wechat, delivered another excellent quarter with revenue and earnings up by 50%, beating analysts' estimates by 10%. **Li Ning** also reported solid results, with continued momentum in its turn-around, and is on track to deliver solid sales growth in 2016. Another star this month is **China Aircraft Leasing (CALC)**, who reported profit growth of 106%, driven by strong income from aircraft leasing, but also from the sale of 4 aircraft and their leases to third party investors. Moreover, they have announced another 7 aircraft sales in July and August and the shares are up 21% in the month.

In Europe and US, we had results from **Nestle and Estee Lauder**. Nestle beat on better margins with the company raising prices on some products. Estee Lauder delivered decent revenue growth, driven by its make-up division growing double digits, and maintained their long term sales growth target of 6-8%, which is much higher than its global peers.

We sold our holding in **Hengan**, China's largest tissue and sanitary napkin company. China's sanitary napkin market is facing increasing competition from international players and we are starting to witness pricing pressure, which is a major concern for us.

The outlook remains benign, as bond yields in the major Western economies continue to remain close to record lows and this has provided support for emerging market equities in particular. We expect this to continue, given falling expectations of an interest rate hike in September by the US Federal Reserve.

**NAV/Share: 120.88p**

**Investment Manager:** Halo Investment Management

**Fund Manager:** Andrew Williamson-Jones

**ACD:** Valu-Trac Investment Management Ltd.

**Fund Type:** UK UCITS IV OEIC

**Launch Date:** 3 Nov 2014

**Classes:** A, B, C

**Base Currency:** Sterling

**Dealing & Valuation:** Daily 12.00pm GMT

**Year End:** 30 June

**Management Fees:** A: 0.95% p.a.  
B: 0.65% p.a.  
C: 0.45% p.a.

**ISIN:**

|          |              |
|----------|--------------|
| A \$ Acc | GB00BRJTG644 |
| A £ Acc  | GB00BRGCDR64 |
| B \$ Acc | GB00BRWQWY25 |
| B \$ Inc | GB00BRJTG867 |
| B £ Acc  | GB00BRWQWX18 |
| B £ Inc  | GB00BRGCD571 |
| C \$ Acc | GB00BRWQX051 |
| C \$ Inc | GB00BRJTG974 |
| C £ Acc  | GB00BRWQWZ32 |
| C £ Inc  | GB00BRGCDT88 |

**Depository:** National Westminster Bank PLC

**Dealing Frequency:** Daily

**Daily NAV available:** Bloomberg, Morningstar & Valu-Trac

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FOR PROFESSIONAL INVESTORS AND THEIR ADVISORS ONLY

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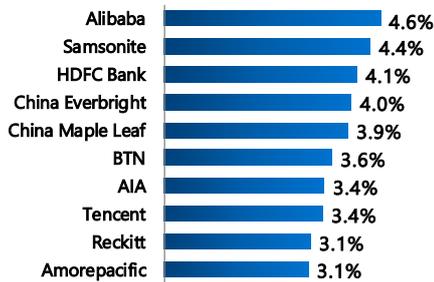
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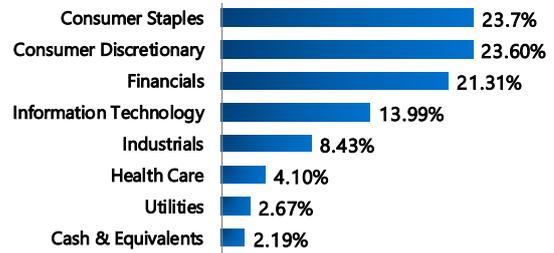
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### Fund Profile.

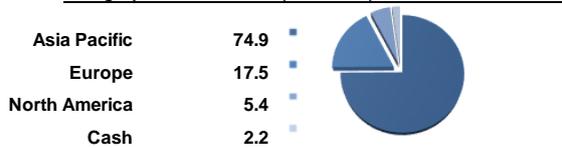
#### Top 10 Holdings (% of NAV)



#### Sector Allocation (% of NAV)



#### Geographical Allocation (% of NAV)

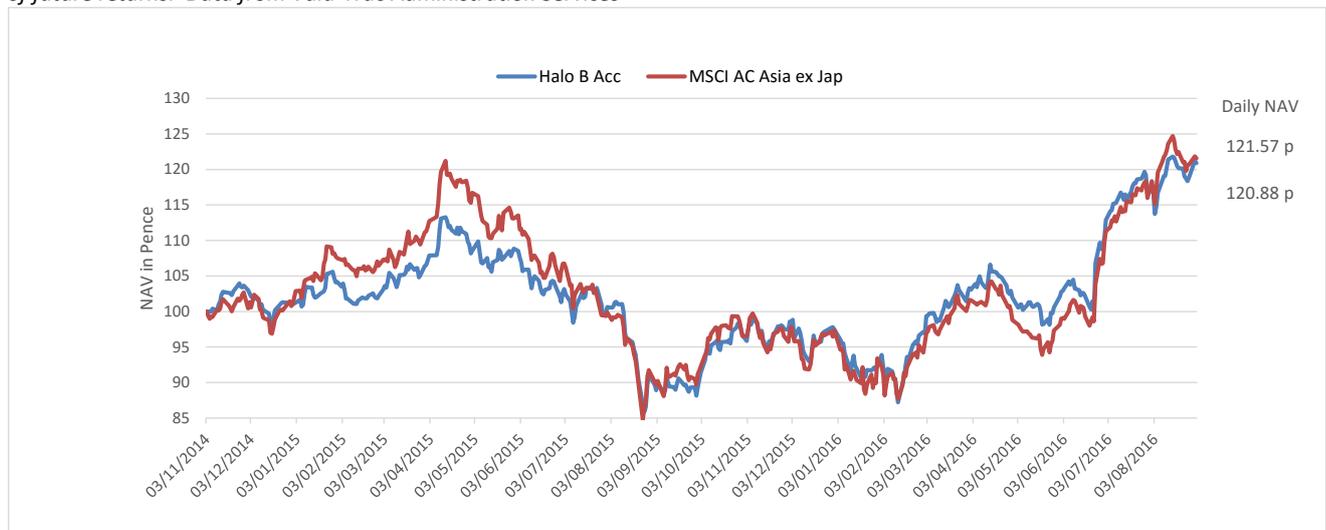


#### Market Cap Allocation in USD (%)



### Fund Performance since Inception

Performance data shown is of the B £ Net Acc. share class. Past performance is not a guarantee of future returns. Data from Valu-Trac Administration Services



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