

# VT HALO GLOBAL ASIAN CONSUMER FUND

## August 2017 Monthly Fund Fact Sheet



All Data at 12.00 GMT 31st August 2017

### 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's unit price ticked up a bit, rising 2.5% over the last month, which is partly due to the weakness of Sterling vs the US Dollar, reflecting the worsening economic data coming out of the UK as UK consumption is starting to slow and partly due to some decent stock price reaction from a number of our top ten holdings who issued results in August. In contrast to the UK we have also seen upgrades to GDP numbers in several Asian countries such as China, Malaysia and Thailand following the release of second quarter GDP numbers, with the other countries' GDP growth numbers remaining unchanged.

Some detail with respect to our holdings and the key results announced this month: Alibaba and Tencent reported, both beating revenues and earnings and with the upgrades to forecasts coming through, the shares are up some 10% over the month. Their business ecosystems continue to strengthen in their respective fields of ecommerce and social media and in this winner-takes-all world of the internet, this is proving to be highly profitable.

Others of note where we have seen strong moves in the share prices include Estee Lauder, who have increased their revenue and earnings expectations for 2018 due to strong cosmetic sales in duty free as well as exceptional growth coming out of China. The shares were up some 7% on the day and just under 10% for the month. Samsonite also reported respectable numbers for the first 6 months of the year and the shares have duly bounced after they have provided more colour on the outlook for both Tumi and its core Samsonite and American Tourister brands, giving us increased confidence of double digit earnings growth for a number of years to come. The only stock to have truly disappointed with a profit margin miss was Tarena, the professional education company. It has accelerated its expansion into Tier 3 cities in China, which has added to its cost base ahead of new student enrolments. This naturally depresses its profits as new schools take a year to break even. As a result the profit margins will be down in 2017, but following discussions with the Finance Director, we expect the margins to recover over 2018 and 2019 and so we have taken the opportunity to add to our holding following the sell off in the shares.

Overall though, this has been a solid reporting season so far, with expected earnings growth for our portfolio remaining at 17% for the next 12 months. We did not sell any holdings over the month and stock turnover for the year continues to be moderate.

**NAV 143.10p**

|                                 |   |
|---------------------------------|---|
| <b>Investment Manager:</b>      | Halo Investment Management                      |
| <b>Fund Manager:</b>            | Andrew Williamson-Jones                         |
| <b>ACD:</b>                     | Valu-Trac Investment Management Ltd.            |
| <b>Fund Type:</b>               | UK UCITS IV OEIC                                |
| <b>Launch Date:</b>             | 3 Nov 2014                                      |
| <b>Classes:</b>                 | A, B, C   |
| <b>Base Currency:</b>           | Sterling  |
| <b>Dealing &amp; Valuation:</b> | Daily 12.00pm GMT                               |
| <b>Year End:</b>                | 30 June   |
| <b>Management Fees:</b>         | A: 0.95% p.a.<br>B: 0.65% p.a.<br>C: 0.45% p.a. |
| <b>ISIN:</b>                    |   |
| A \$ Acc                        | GB00BRJTG644                                    |
| A £ Acc                         | GB00BRGC DR64                                   |
| B \$ Acc                        | GB00BRWQWY25                                    |
| B \$ Inc                        | GB00BRJTG867                                    |
| B £ Acc                         | GB00BRWQWX18                                    |
| B £ Inc                         | GB00BRGCDS71                                    |
| C \$ Acc                        | GB00BRWQX051                                    |
| C \$ Inc                        | GB00BRJTG974                                    |
| C £ Acc                         | GB00BRWQWZ32                                    |
| C £ Inc                         | GB00BRGC DT88                                   |
| <b>Asset Under Mgt</b>          | <b>\$30.3m</b>                                  |
| <b>Depository:</b>              | National Westminster Bank PLC                   |
| <b>Dealing Frequency:</b>       | Daily   |
| <b>Daily NAV available:</b>     | Bloomberg, Morningstar & Valu-Trac              |

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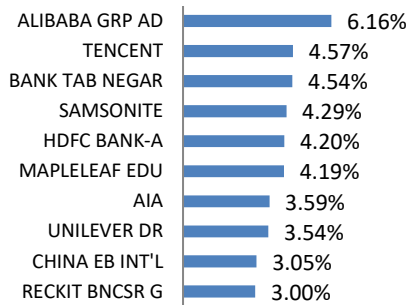
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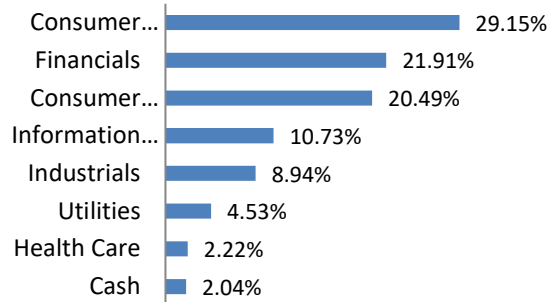


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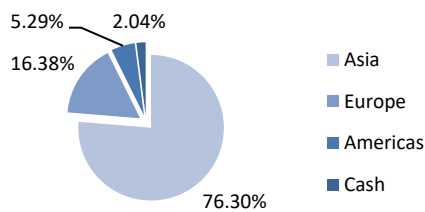
## Top 10 Holdings (% of NAV)



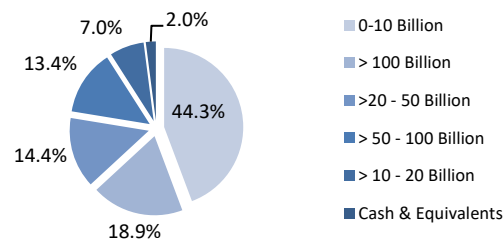
## Sector Allocation (% of NAV)



## Geographic Allocation

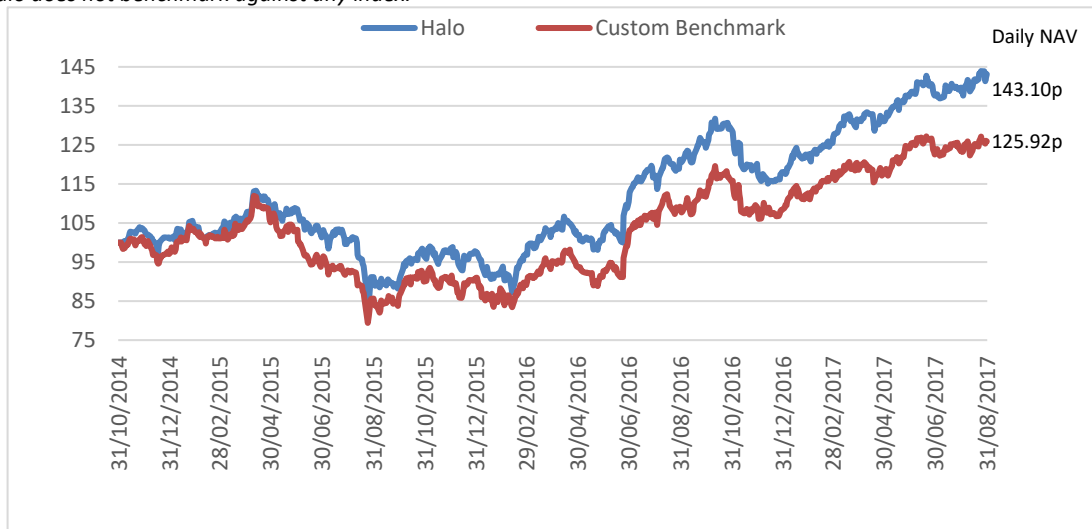


## Market Capitalisation



## Fund Performance since Inception

Performance data shown is of the B E Net Acc. share class. Custom Benchmark, 30% MSCI AC Asia ex Jap Consumer Staples, 40% MSCI AC Asia ex Jap Consumer Discretionary and 30% MSCI AC Asia ex Japan Index. Past performance is not a guarantee of future returns. Data from Valu-Trac Administration Services and Reuters. This is for illustrative purposes only and in accordance with our Prospectus Halo does not benchmark against any index.



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