

VT HALO GLOBAL ASIAN CONSUMER FUND

February 2018 Monthly Fund Fact Sheet



All Data at 12.00 GMT 28th February 2018

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

In what was a volatile month for markets that saw the MSCI AC Asia ex Japan Index lose 2.3% in GBP, the Fund held up relatively well losing only 0.65%. The performance was additionally cushioned by a partial reversal of January's strength in sterling when it lost 3% versus the USD.

Volatility returned to global markets in February with indices correcting on the back of a stronger than expected rise in US wage growth, leading to fears of inflation returning to the US and the Fed having to raise interest rates more than investors initially envisaged. This led to a surge in volatility and we saw the US market having its greatest correction since August 2011, falling 4% in a day with similar moves echoed in Asia. ASEAN markets held up relatively well with Thailand, Malaysia, Indonesia and the Philippines all falling less than other Asian markets since global markets peaked on 26th January. With their respective MSCI indices falling on average 2.5% to 4% compared to -9% for Korea, -7% for Hong Kong and -8% for MSCI Asia ex Japan. ASEAN markets are less correlated to global markets as they are increasingly influenced by domestic institutional investors and the Fund's exposure to these markets helped buffer performance during the month. Additionally, the Fund's Beta of 0.75-0.8 compared to the MSCI AC Asia ex Japan Index also reflects its low volatility and means we should fall less when global markets sell off.

Moving onto stocks, we had a number of companies report strong earnings and saw upgrades to estimates as a result. Nagacorp, the Cambodian casino operator reported a very strong earnings surprise as they saw robust Chinese tourist visitors to their new casino with little cannibalisation of the existing casino. The stock has seen upgrades to 2018 earnings estimates of 20% as a result. The Indonesian mortgage lender Bank BTN reported results that saw loan growth of +21% yoy in 4Q17, net profit growth of +27% yoy and an improvement in asset quality. We are long term holders of this bank, as mortgage penetration is extremely low in Indonesia at 3%, hence we believe that the strong loan growth can continue for a few more years. Another strong contributor to performance for the month was the Fund's new position in Korean gaming publisher Nexon. The company reported quarterly revenue and operating profit of +22% and +61% respectively, as the company's China franchise continued to remain strong. Additionally, the company surprised the market with stronger than expected guidance for Q2 leading to upgrades to earnings of 6% for 2018 and 10% for 2019.

Unilever also reported results during the quarter and whilst the market was disappointed by its weak pricing outlook, we have added to the position as we were encouraged by the strong recovery in volumes across segments and acceleration in Emerging Markets. The stock is also attractively priced at 18x forward P/E, a 5% discount to global peers.

NAV 151.5p

Investment Manager: Halo Investment Management

Fund Manager: Andrew Williams Jones

ACD: Valu-Trac Investn 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 GI

Year End: 30 June

Management Fees: A: 1.15% p.a.
B: 0.85% p.a.
C: 0.65% 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

Asset Under Mgt \$41.0m

Depository: National Westminster Ban PLC

Dealing Frequency: Daily

Daily NAV available: Bloomberg, Morningstar & Valu-Trac

Issued and approved by Halo Investmer Management LLP. Authorised and regula by the Financial Conduct Authority.

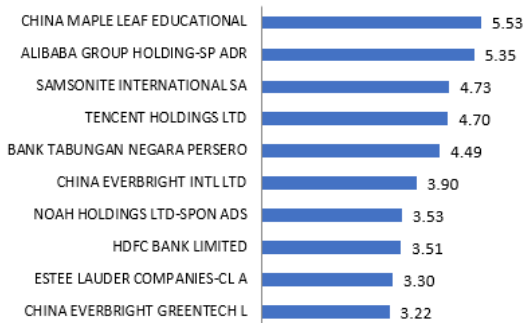
VT HALO GLOBAL ASIAN CONSUMER FUND

February 2018 Monthly Fund Fact Sheet

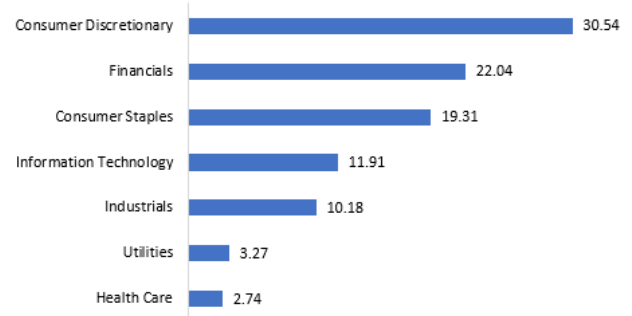


All Data at 12.00 GMT 28th February 2018

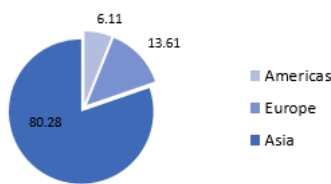
Top 10 Holdings (% of NAV)



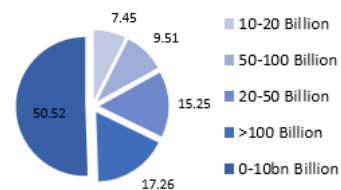
Sector Allocation (% of NAV)



Geographical Allocation %

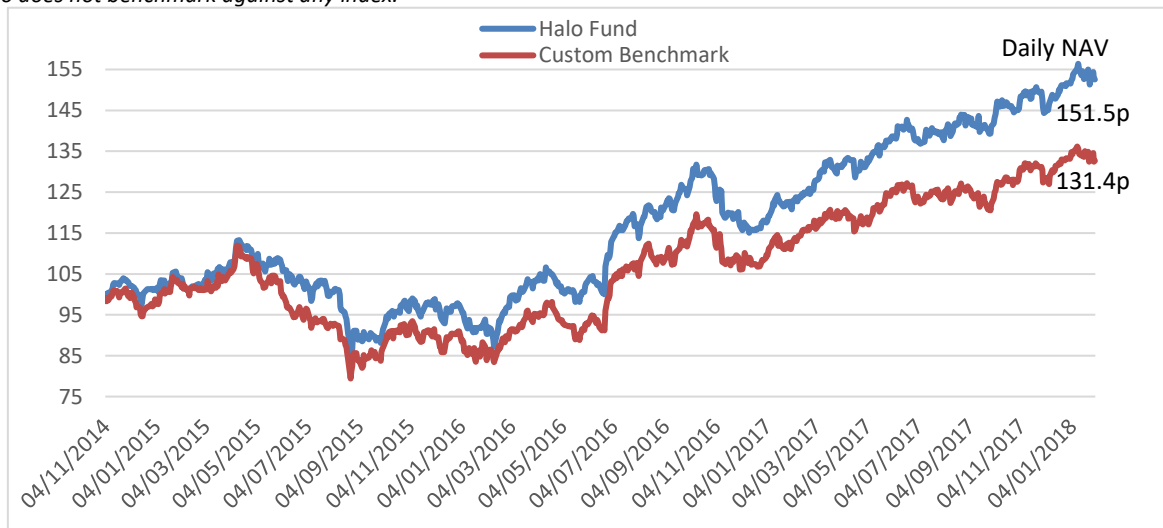


Market Cap Allocation % (USD)



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.



Where this communication constitutes a financial promotion/marketing communication it is issued and only made available to, and directed at, (a) persons who have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (b) high net worth entities, and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(1) of the Order (all such persons together being referred to as "relevant persons"). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is only available to relevant persons and will be engaged only with relevant persons. This is for professional clients and eligible counterparties only. This is an Undertaking for Collective Investment in Transferable Securities (UCITS) regulated by The Financial Conduct Authority (FCA) in the United Kingdom. The information herein was obtained from various sources. We do not guarantee its accuracy. This information is for your private information and is for discussion purposes only. A variety of market factors and assumptions may affect this analysis, and this analysis does not reflect all possible loss scenarios. There is no certainty that the parameters and assumptions used in this analysis can be duplicated with actual investments. Any historical examples which appear are not necessarily indicative of future investments. Neither the information, recommendations or opinions expressed herein constitutes an offer to buy or sell the specified investment product. Foreign currencies denominated investments are subject to fluctuations in exchange rates that could have a positive or adverse effect on the investor's return. Unless otherwise stated, any pricing information in this presentation is indicative only and is subject to change. Prior to undertaking any investment, you should discuss with your professional tax, accounting or other advisor how such a particular investment(s) affect you and whether it is suitable. All analysis (whether in respect of tax, accounting, law or of any other nature), should be treated as illustrative only and not relied upon as accurate. Halo Investment Management LLP is authorised and regulated by the Financial Conduct Authority, No. 708780. This product may place your capital at risk; return figures quoted may not display all the short and long term prospects for the investment.