

VT HALO GLOBAL ASIAN CONSUMER FUND

April 2018 Monthly Fund Fact Sheet



All Data at 12.00 GMT 30th April 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

The fund rose 1.01% in April cushioned by a weak Sterling, which fell 1.8% against the US Dollar. Sterling sold off after a sharp fall in UK Q1 growth, coupled with weaker than expected manufacturing data, weakening the case for a May interest rate hike.

Markets continued their choppy ride with the MSCI Asia ex Japan trading sideways during the month. Chinese economic data showed that the economy continues to slow in a very moderate manner with GDP growth rising by 6.8% yoy in 1Q18, down from 6.9% in 1Q17. Elsewhere in the region, after an initial positive reaction to Pyongyang's announcement to stop nuclear and missile tests, markets began to price in a degree of scepticism. The Fund currently has no investments in South Korea, preferring not to try and second guess politics and the impact this will have on the consumer companies based there, selling to Chinese consumers, which were impacted previously when the US THAAD missile defence system was deployed in South Korea, much to the displeasure of the Chinese government.

The Fund's holdings in Indonesia have been a negative drag on performance this month as stocks sold off due to market concerns over the weakening currency. The Indonesian Rupiah has been under pressure from a strengthening USD due to its negative current account and high external debt levels. Concerns over the Indonesian Rupiah related to rising US yields are not new, however we believe that they should prove to be temporary. Indonesia is in a much stronger position today than it was 5 years ago, with its current account deficit reduced to -1.7% of GDP, from a high of -4% in 2014, and foreign exchange reserves of US126b, covering 8 months of imports. Bank balance sheets remain strong and earnings so far have remained on track. Bank BTN, the subsidised mortgage lending specialist, reported Q1 net profit growth of +15%, with loan growth of +19%, as demand for mortgages remained firm. We added to our position post the selloff in the shares.

The portfolio's holdings in Indian banks HDFC and Indus Ind posted a solid set of underlying numbers. HDFC Bank reported another steady quarter with 20% profit growth. Loan growth remains robust at +19%, driven by continued resilience in retail loan demand, which grew by 28% yoy. Indus Ind's core operating profit grew 28% driven by strong loan demand of +28%. The retail focused private banks are continuing to benefit, taking share, whilst the public-sector banks' balance sheets remain clogged up by bad debts and select managements are distracted by a few high profile frauds.

Elsewhere in the portfolio New Oriental Education, the Chinese specialist K12 educator announced a good set of results, with sales growth beating investor expectations growing +41% yoy.

This month we added to our positions in the Indian banks HDFC and Indus Ind, alongside topping up our position in the Philippine gaming resort company Bloomberry where we felt the market reaction to its debt financing was overdone.

NAV 150.8p

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
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 \$53.7m

Depository: National Westminster Bank PLC

Dealing Frequency: Daily

Daily NAV available: Bloomberg, Morningstar & Valu-Trac

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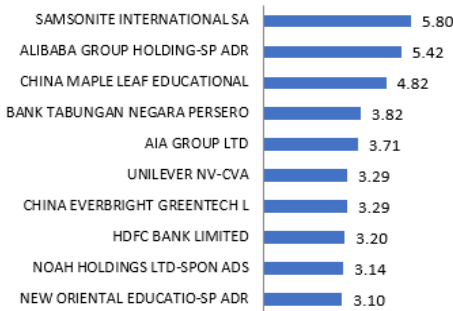
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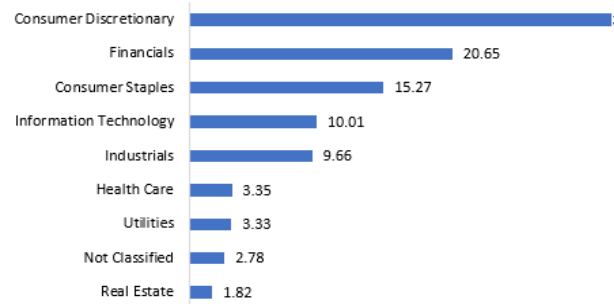


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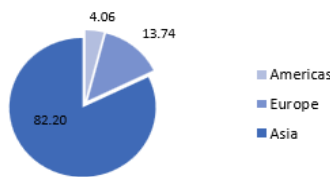
Top 10 Holdings (% of NAV)



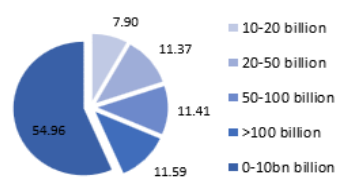
Sector Allocation (% of NAV)



Geographical Allocation %

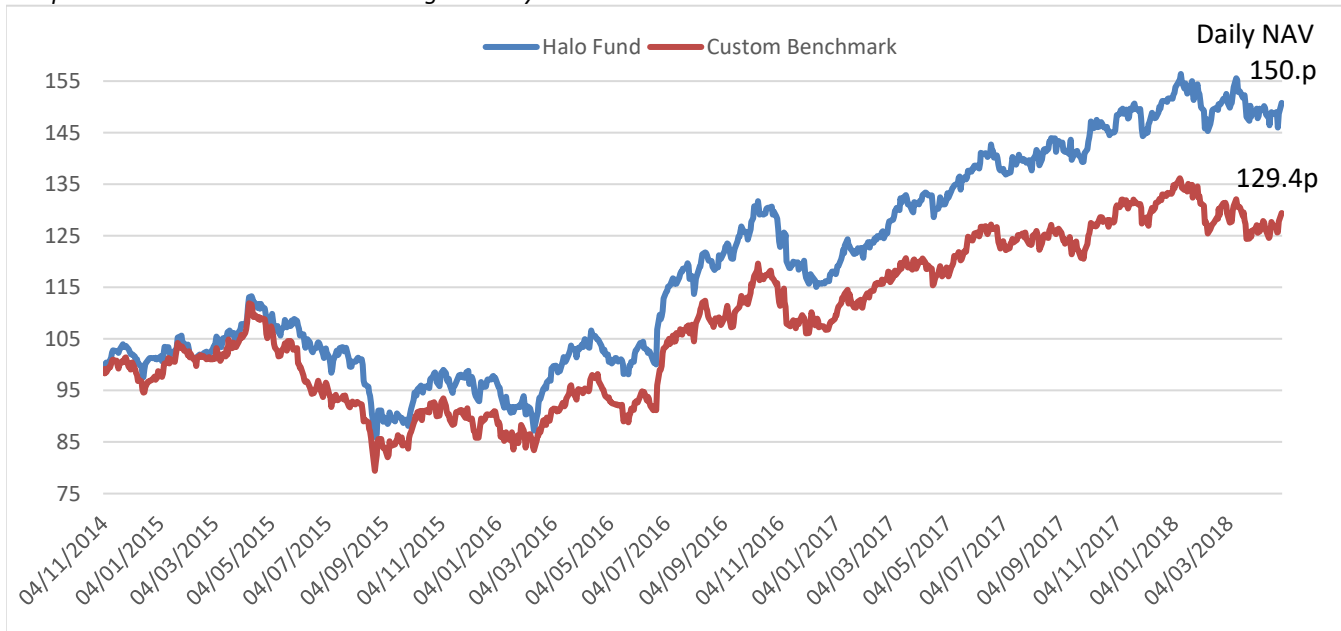


Market Cap Allocation % (USD)



Fund Performance since Inception

Performance data shown is of the B £ Net Acc. share class. Custom Benchmark, 30% MSCI AC Asia ex Jap Consumer Staples, 4 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 Prospectus Halo does not benchmark against any index.



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