

VT HALO GLOBAL ASIAN CONSUMER FUND

January 2020 Monthly Fund Fact Sheet



All Data at 12.00 GMT 31st January 2020

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 fell 4.6% in January, in a month that has been dominated by the outbreak of the novel Coronavirus that was first reported from Wuhan, on 31st December 2019. The most direct comparable we have is the SARS outbreak 17 years ago where a sharp slowdown in GDP growth was swiftly followed by an equal rebound, once the virus was seen to be contained, resulting in only a modest impact on GDP. Markets followed a similar path back in 2003. However, we would like to point out that the level of connectivity in China is much greater today and on top of this the authorities have implemented some very strict travel restrictions leading to a potential supply side shock on top of the demand side one, which may take longer to recover. We expect the authorities to react accordingly in order to mitigate the negative impact and we have already seen the roll out of some counter cyclical measures to support the economy. China's macro policy was already turning more supportive prior to this and we believe it is important to keep some perspective. Ultimately, we believe the impact of the virus to be a temporary shock and that in the long run the Chinese economy will recover with little if no impact on its long-term growth potential.

The market reaction has been fairly typical with Chinese and Hong Kong equities the most impacted and within that discretionary consumption stocks hit the hardest. However, if we use SARS as a template the Hang Seng Index corrected by 17.8% from peak to trough, with the market subsequently recovering all its losses over the following few months. There are a number of variables we to continue to monitor, such as the level of containment of the virus in China and its mortality rate, which could cause a greater impact on stock prices before the expected recovery begins.

Consumption has become the main driver of the economy and the timing of this outbreak coincided with what it usually a seasonal peak for our tourism stocks, which comprise some 11% of the Fund. Hence we believe the impact to Q1 earnings may be material with some lingering effects into Q2 but ultimately the structural drivers for this sector and other discretionary consumption plays remain in place.

At Halo we are preparing a list of high-quality names to add to, in such areas as casinos, education and retail, which we believe have witnessed a disproportionate sell off and hence are most likely to recover. The spread of the 2019-nCoV virus has not changed our long-term view on our Chinese and China-related investments. More time at home is actually positive for some businesses. Online gaming has been resilient and we continue to be positive about the long-term potential of e-commerce in China driven by consumption upgrade and rising penetration. We ask our investors to be patient with us and to see this as an opportunity to further add exposure to high quality Asian companies with attractive long-term growth profiles.

On stock specific news, India and Vietnam have kicked off the reporting season. In India our two bank holdings HDFC and IndusInd reported results in line with expectations but showed a worsening credit cycle as the Indian economic growth slowed in last the 12 months. Our 3 holdings in Vietnam reported profits ahead of expectations with earnings growth ranging from 18% to 31% for 2019. All the shares though ended the month at lower levels and we will continue to add to these positions when appropriate.

NAV 148.0

Investment Manager:	Halo Global Asset 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
A € Acc	GB00BK9W9C11
B \$ Acc	GB00BRWQWY25
B \$ Inc	GB00BRJTG867
B £ Acc	GB00BRWQWX18
B £ Inc	GB00BRGCD571
B € Acc	GB00BK9WNR45
B € Inc	GB00BK9WNRQ38
C \$ Acc	GB00BRWQX051
C \$ Inc	GB00BRJTG974
C £ Acc	GB00BRWQWZ32
C £ Inc	GB00BRGCDT88
C € Acc	GB00BK9WNT68
C € Inc	GB00BK9WNS51
Asset Under Mgt	\$69.8 m
Depository:	National Westminster Bank PLC
Dealing Frequency:	Daily
Daily NAV available:	Bloomberg, Morningstar & Valu-Trac

Issued and approved by Halo Global Asset Management Ltd Authorised and regulated by the Financial Conduct Authority.

VT HALO GLOBAL ASIAN CONSUMER FUND

January 2020 Monthly Fund Fact Sheet

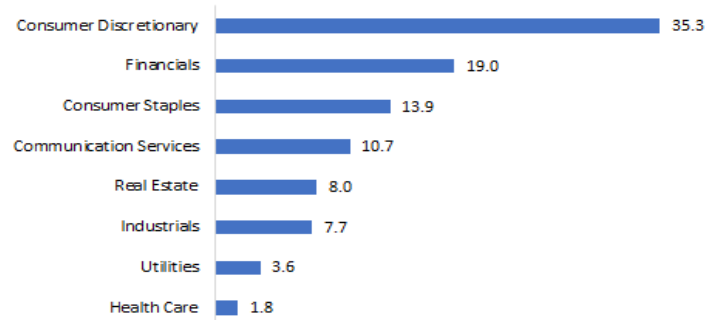


All Data at 12.00 GMT 31st January 2020

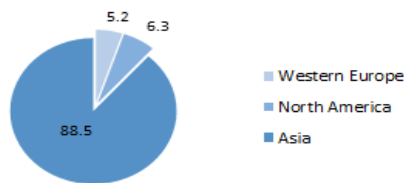
Top 10 Holdings (% of NAV)



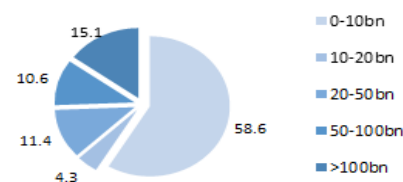
Sector Allocation (% of NAV)



Geographical Allocation %

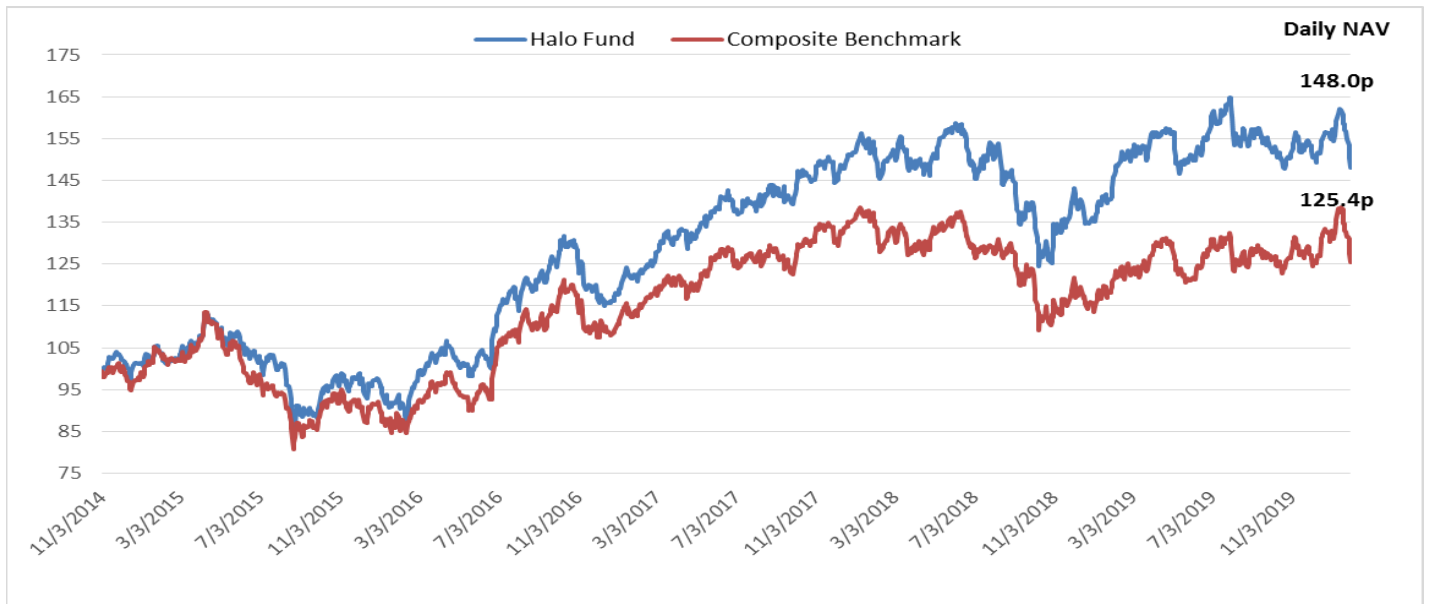


Market Cap Allocation % (USD)



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, 40% MSCI AC Asia ex Jap Consumer Discretionary and 30% MSCI AC Asia ex Japan Index. From 01/12/18 Custom Benchmark reduced Consumer Discretionary to 30% and added 10% Communication Services, due to reclassification by MSCI. 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) affects 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 Global Asset Management is authorised and regulated by the Financial Conduct Authority, No. 820566. This product may place your capital at risk; return figures quoted may not display all the short and long-term prospects for the investment