

VT HALO GLOBAL ASIAN CONSUMER FUND

October 2020 Monthly Fund Fact Sheet



All Data at 12.00 GMT 30th October 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 rose 2.7% in October in a month that saw global equities initially attempt to price in the likelihood of a Democratic sweep and then later a resurgence in Covid 19 cases. The macro data in China continued to indicate a broadening out of the domestic recovery with September retail sales rising 3.3% and October PMI firmly in the expansion territory at 51.4. As we come out of the quarter it is becoming clear that the Asian economies are starting to look past Covid and given the aggressive downgrades we saw to sell-side earnings estimates in the preceding quarters, the risk is very skewed to the upside for earnings estimates. The Fund's strong performance was driven by eps upgrades as we entered the Q320 earnings season. Results in China and India have so far been coming in ahead of expectations and more broadly, the MSCI Asia Pac x Japan's 2020/21E EPS estimates have been revised up by 2.8/2.4% over the past month.

Our holdings in the Indonesian and Philippines markets had a strong month as lockdowns were eased and investors looked forward to a reopening of the economies. In the Philippines, we added to our positions in the home improvement retailer All Home and the residential developer Robinsons Land, as we felt they should be beneficiaries of the gradual re-opening of their respective economies. The Philippines' government continues to ease restrictions with public and private transport operating closer to full capacity and domestic tourism also restarting. In addition, 2021's budget is 10% higher yoy and should provide a fillip to the already expected recovery in GDP and corporate earnings growth next year. Having witnessed an unprecedented 3 years of back to back selling by foreigners, the Philippines market was one of the most under-owned markets by foreign institutional investors globally. We believe this sets the stage nicely for positive surprises and remain strong holders of our investments there.

The Indian private retail banks HDFC and ICICI both reported results that beat expectations with pre-provisioning operating profit of +18% and +20% respectively. Economic activity in India is nearing near normal levels and impressively this is without any material fiscal support from the government. Both banks reported earnings that beat sell-side estimates, largely due to lower than expected bad debt provisions. Management of both banks guided positively on the outlook for asset quality going forwards and reported collection efficiency levels of 97-99% of pre-Covid levels. We initiated a position in ICICI in September as we believed that the share price had over discounted the reality on the ground. Whilst sell-side estimates had factored in the worst-case scenario limiting the risk of negative earnings surprise from here. The strong earnings growth has led to 10% upgrades already and we believe there may be more to come if asset quality continues to come in better than expected.

Unilever also delivered a solid Q320 earnings beat with 4.4% LFL sales. The company is witnessing a sequential acceleration in key Emerging markets with China up double digits, as well as seeing market share gains in c40% of its portfolio. The business has demonstrated exceptional resilience during this period and it remains a core position in the Fund.

We exited Sands, the Macau gaming operator, during the month as we felt that increasing Chinese government regulation was likely to be a headwind for the sector.

NAV 158.1

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	GB00BK9WNNQ38
C \$ Acc	GB00BRWQX051
C \$ Inc	GB00BRJTG974
C £ Acc	GB00BRWQWZ32
C £ Inc	GB00BRGCDT88
C € Acc	GB00BK9WNT68
C € Inc	GB00BK9WNS51
Asset Under Mgt	\$69.3
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.

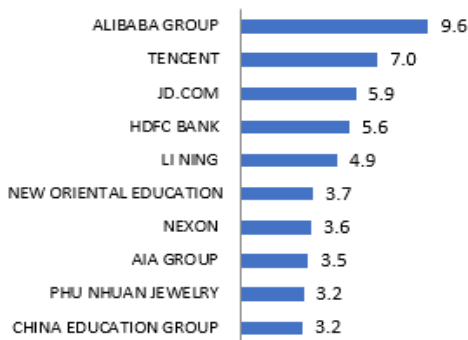
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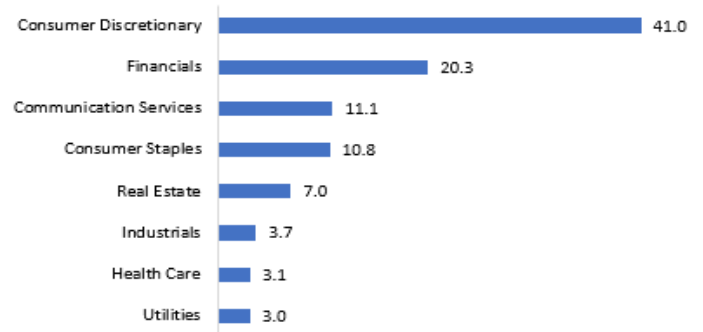


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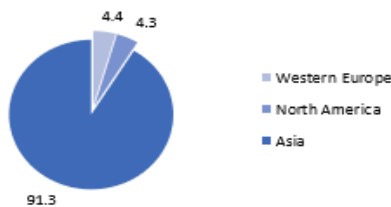
Top 10 Holdings (% of NAV)



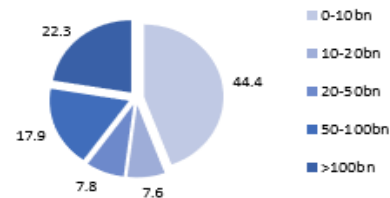
Sector Allocation (% of NAV)



Geographical Allocation %

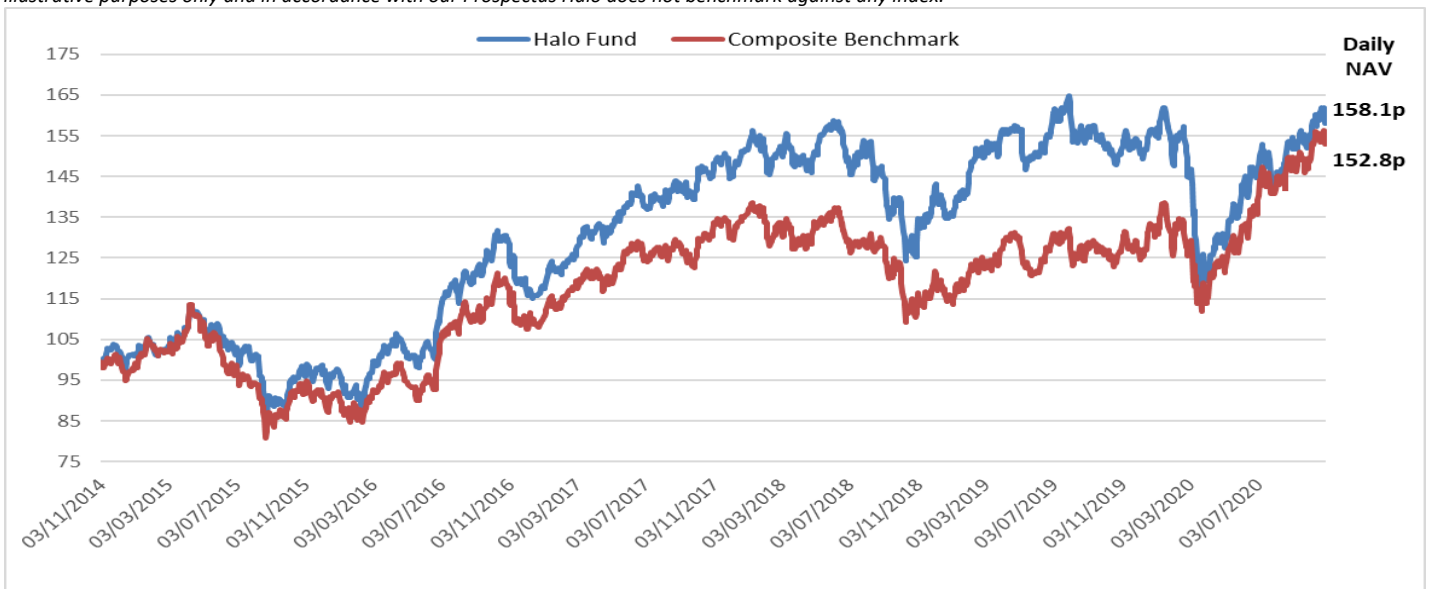


Market Cap Allocation % (USD)



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, 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.



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