

VT HALO GLOBAL ASIAN CONSUMER FUND

December 2020 Monthly Fund Fact Sheet



All Data at 12.00 GMT 31st December 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 3.4% in December closing the year at an all-time high. Asia markets recorded the highest regional performance in Q4 rising 18.8% overall, outperforming the MSCI AC World by over 4%. Despite rising Covid cases in the UK and much of the West, the geopolitical risk subsided with the passing of a Brexit deal. The US fiscal stimulus package approval and rollout of Covid vaccinations across several countries also helped. Rising Asian currencies and a weaker Dollar were also dominant themes.

The Fund saw notable stock performance from the Chinese wealth manager Noah and our holdings in Vietnam. Noah is a leader in private equity products in China for high net worths and is in the process of transforming its business model into a diversified wealth manager. The share has been a relative laggard as the company suffered from weak capital market sentiment as well as company specific setbacks over the past few years. However, a recent management buyback of US\$100m on top of a strong set of results has increased shareholder confidence in the business.

Vietnam is seeing its GDP growth accelerate to +4.5% in 4Q from +2.7% in 3Q and 2021 is expected to rebound further to 6.5%. Supported by a recovery in consumption and FDI, we expect the momentum to continue as the global economy recovers. Vietnam has attractive demographics, rising urbanisation and robust FDI flows, whilst its valuation of 13.9x P/E makes the market one of the cheapest regionally. Household consumption accounts for two thirds of nominal GDP and early indicators such as motor vehicle sales (+15% yoy in October) and retail sales (+8.5% in November) are positive. Vietnam managed to control the second Covid wave in July whilst having very limited cases in the first. The government's track record in controlling the outbreak is impressive and coupled with vaccine development gives us optimism that the economic recovery can continue.

This month we saw policy makers in Beijing increase focus on regulating monopolies in the internet sector with a particular spotlight on Alibaba. It was announced that BABA was being investigated for alleged monopolistic practises resulting in a 13% daily fall in the US line. Regulators are looking into "forced exclusivity", a practise where companies make merchants choose only one platform as their exclusive channel. We remain confident about BABA's leadership in e-commerce and believe that most merchants are now on the platform simply because, as the largest e-commerce player they cannot afford not to be. We believe that the regulator's intention is not to harm the sector or company, but to ensure a healthy market and that Baba should be able to adapt to any new measures with minimal disruption to its business model. However, we believe the regulatory uncertainty will continue to be an overhang on the share price in the near term.

Looking forward, we continue to urge investors to look through current second wave concerns and focus on the knowledge that vaccines are being rolled out and should be readily available by mid-2021. The pandemic has increased the likelihood of a global synchronised recovery as lockdowns coincided with most economies bottoming. The potential for a recovery can be seen in earnings growth forecasts where for example, in India analysts are expecting a staggering 37% growth FY22. The portfolio therefore retains its barbell approach balancing structural growth and virus recovery themes.

NAV 176.8p

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 \$85.1m

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.

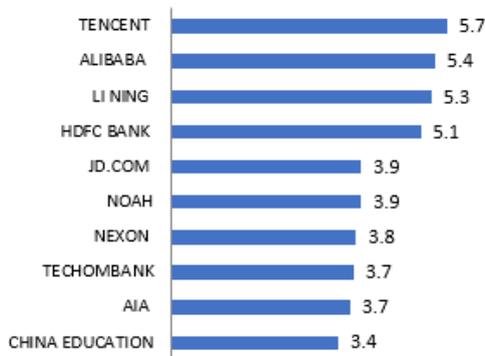
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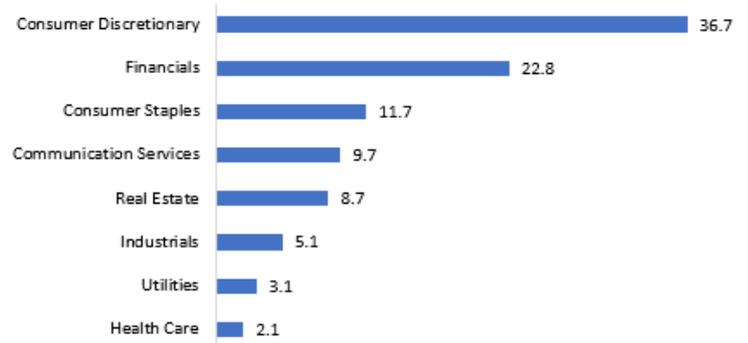


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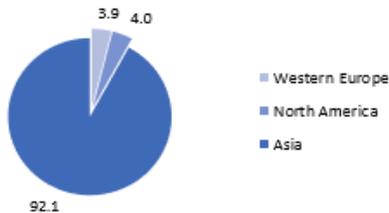
Top 10 Holdings (% of NAV)



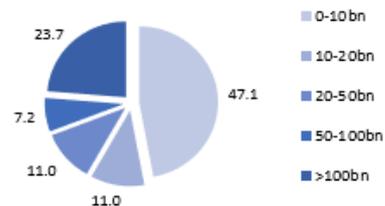
Sector Allocation (% of NAV)



Geographical Allocation %

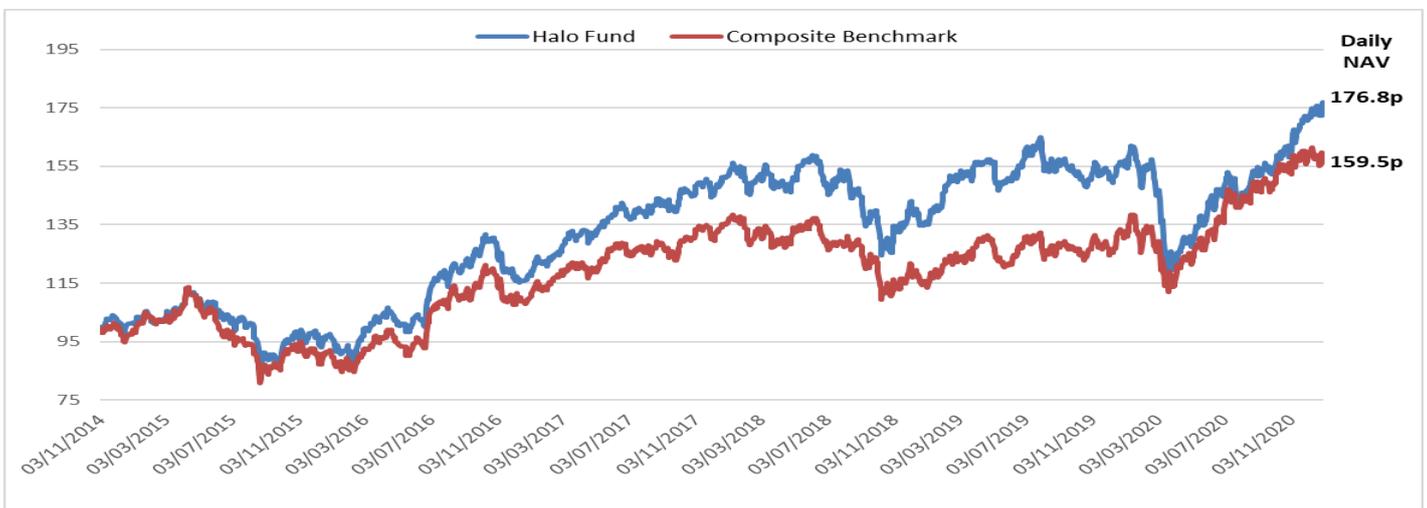


Market Cap Allocation % (USD)



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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