

# VT HALO GLOBAL ASIAN CONSUMER FUND

May 2021 Monthly Fund Fact Sheet



All Data at 12.00 GMT 28<sup>th</sup> May 2021

## Portfolio Description

The VT Halo Global Asian Consumer Fund aims to achieve an annualised total return before fees of 8-12% over the period of an economic cycle of typically 5-7 years. 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

Fund performance was driven by stock selection in China, India and Vietnam this month, with strong performance in particular from the Chinese online broker East Money +17%, the Chinese brewer Tsingtao +17%, the Vietnamese private bank Techcombank +27% and our new positions in India with Indian Hotels and KEI Industries +24% and +17% respectively. The strength in Sterling, +2.8% was a major drag on overall returns this month with the Fund returning 0.53% in Sterling terms in May.

East Money is a leading online brokerage for retail investors in China. We see a huge opportunity for East Money as it taps into increasing household allocation towards equity/mutual funds away from property and deposits. Being one of the first companies to introduce a 2.5bp trading fee and 90% discount on fund subscription fees, East Money has been an industry disrupter achieving 3.5% market share in just a few years. The company is expected to grow revenue +28% and earnings +38% this year driven by further market share gains.

The Indian market performed very strongly in May as India's second wave peaked and rolled over in early May boosting investor sentiment. As mentioned last month, India's stock market has been remarkably resilient in the face of a devastating second wave. There has been a distinct difference between the economic impact of India's first and second Covid waves. Whilst the social impact has been immense this time round, the economic impact has been more muted. India has largely avoided a nationwide lockdown and was able to keep key industries like manufacturing and construction going. Our new position KEI Industries reported results that beat sell side expectations. Whilst sales were flat yoy, EBITDA and adjusted PAT grew 17% and 47% respectively. The main driver for KEI is its increasing exposure to retail housing consumption and this will be key for the re-rating of the stock.

We have been highlighting our ASEAN Covid recovery exposure to investors for a while now, but the region has not participated in the global economic upswing we have been witnessing. However, this may be about to change. The economic data in Indonesia is beginning to show signs of a genuine economic upswing. Exports have been booming growing +52% in April which, along with a recovery in pricing power have led to a recovery in the trade and current account surplus. FDI flows have been resilient which provides comfort on Indonesia's balance of payments and currency, a historical vulnerability given Indonesia largely foreign held government debt.

The Philippines is another country we feel may be turning the corner. Daily new Covid cases have been falling and the Covid reproduction rate at 0.54 is a quarter of what it was at its peak of 2. The vaccination programmes in both countries have lagged Western countries but this is all set to change with the programmes expected to gain momentum from July onwards. It is now expected that herd immunity could be attained in the Philippines centre and National Capital region, which account for 50% of the country's GDP, by Q1 2022. The stock market is likely to start discounting this scenario in Q3, as evidenced by the market reaction to the vaccine roll out in developed markets.

**B £ Acc NAV 178.6p**

**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
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B € Acc	GB00BK9WNR45
B € Inc	GB00BK9WNNQ38
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C \$ Inc	GB00BRJTG974
C £ Acc	GB00BRWQWZ32
C £ Inc	GB00BRGCDT88
C € Acc	GB00BK9WNT68
C € Inc	GB00BK9WNS51

**Asset Under Mgt** \$97.9m

**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.*

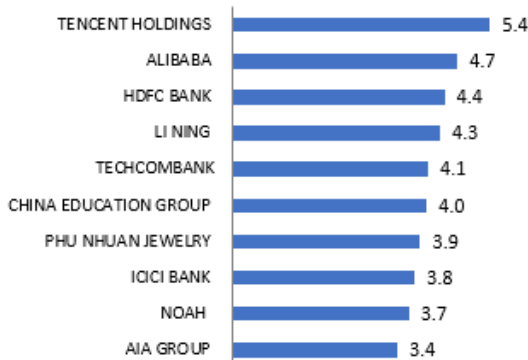
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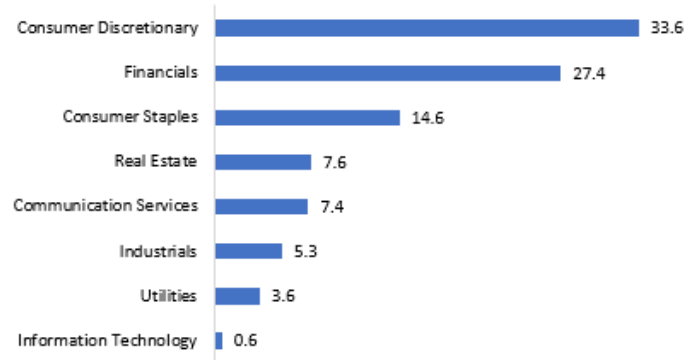


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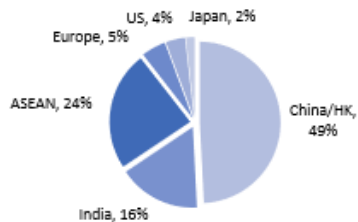
## Top 10 Holdings (% of NAV)



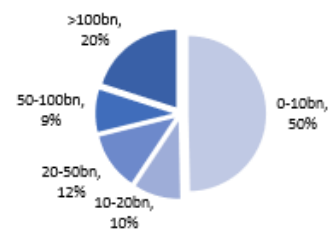
## Sector Allocation (% of NAV)



## Geographical Allocation %

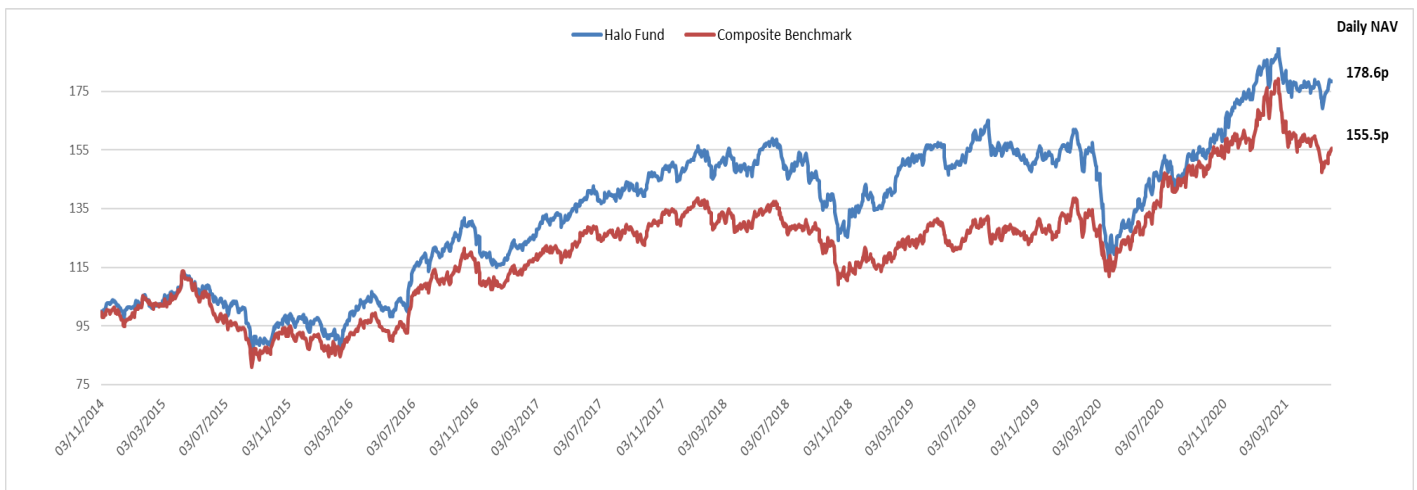


## Market Cap Allocation % (USD)



## Fund Performance since Inception

Performance data shown is of the B 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. 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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