

VT HALO GLOBAL ASIAN CONSUMER FUND

June 2021 Monthly Fund Fact Sheet



All Data at 12.00 GMT 30th June 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

The Fund rose 3.86% in June aided by sterling weakness. Underlying market performance was somewhat mixed with discussions about Fed tapering and dollar strength taking centre of mind for most investors. Earnings revisions have also started to roll over in Asia, which were initially led by the Tech sector in China, has broadened out to ASEAN with the Philippines seeing some of the largest negative revisions. However, we believe the earnings cuts in the Philippines to be largely backwards looking as many of the earnings misses were in those sectors most impacted by the lockdowns, namely property, catering and tourism. June mobility indicators in the Philippines are now showing a great improvement with activity in retail and recreation all picking up. Alongside this, the pace of vaccination is also accelerating and should ramp up further in July. It is now expected that the Philippines could achieve herd immunity in the national capital region, which accounts for 50 % of the country's GDP by 1Q22. We believe this is achievable given the Philippines is expected to receive around 100m-120m vaccine doses between now and December 2021.

Elsewhere in the portfolio, our sportswear names had an exceptionally strong month with Li Ning up 30% and Nike up a respectable 13%. Li Ning rose after issuing a positive profit alert. The company expects its net profit to grow a staggering 160% in 1H21, which is even more impressive when you consider that this comes on top of already elevated expectations. We remain optimistic on Li Ning and in particular its long-term margin potential. We continue to like the sportswear sector as a theme in China. The sector enjoys strong government support as it offers an easy solution to some of the key issues faced by an ageing society with inadequate health infrastructure. According to the Healthy China 2030 initiative, the government hopes to engage 700m people in physical activity at least once a week and as a result the Chinese sportswear market still enjoys around 10% growth pa. As we have written before, with its strong brand heritage, Li Ning has been able to ride the wave of an increasing preference for Chinese heritage brands and national pride. It remains a core holding in our portfolio. Nike on the other hand has been at the receiving end of criticism for its active stance against Xinjiang cotton and its accused links to forced labour. Despite this, Nike reported profits that grew an astounding 196% as the company defied the pandemic by reporting better digital and direct to consumer sales. We have confidence in the company's CEO when he stated that "Nike is of China and for China" and we believe that in the long run, the brand's strength will see it through the current controversy.

We also had positive results from PNJ and Prestige Estates. PNJ jewellers in Vietnam reported a strong set of results with revenue growing +64% yoy and net profit growing 94% yoy for the month of May. PNJ is the largest jewellery retailer in Vietnam and the company's strategy to boost jewellery market share has been paying dividends. Prestige Estates in India ended 4QFY21 on a strong footing with completion of an asset sale leading to an 84% qoq reduction in net debt. Prestige has built an impressive pipeline of new projects with a number of these in new areas of Mumbai. After a seven-year downturn we are positive on the prospects for a new housing cycle in India. There is an inherent shortage of housing stock in India and pent-up demand is there, whilst affordability has improved significantly. With its cash rich balance sheet, Prestige now has the ability to accelerate projects under development and boost profits.

B £ Acc NAV 185.5p

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 \$99.4m

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.

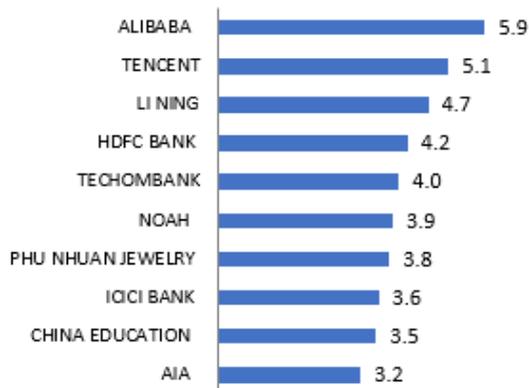
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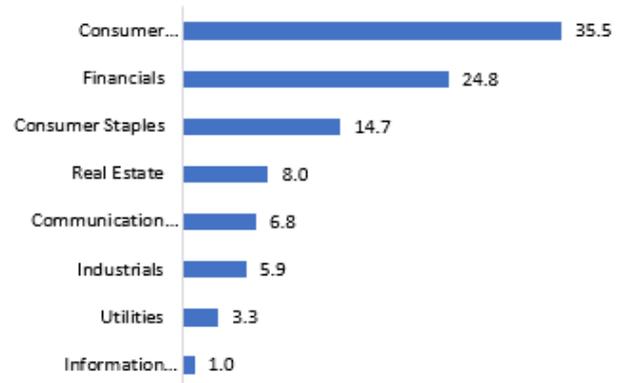


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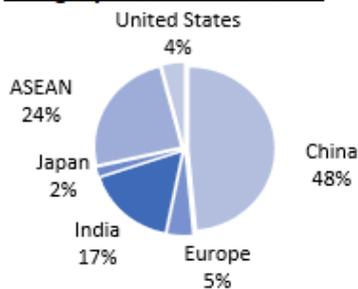
Top 10 Holdings (% of NAV)



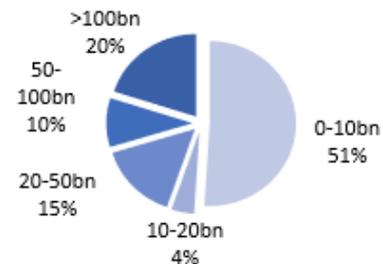
Sector Allocation (% of NAV)



Geographical Allocation %

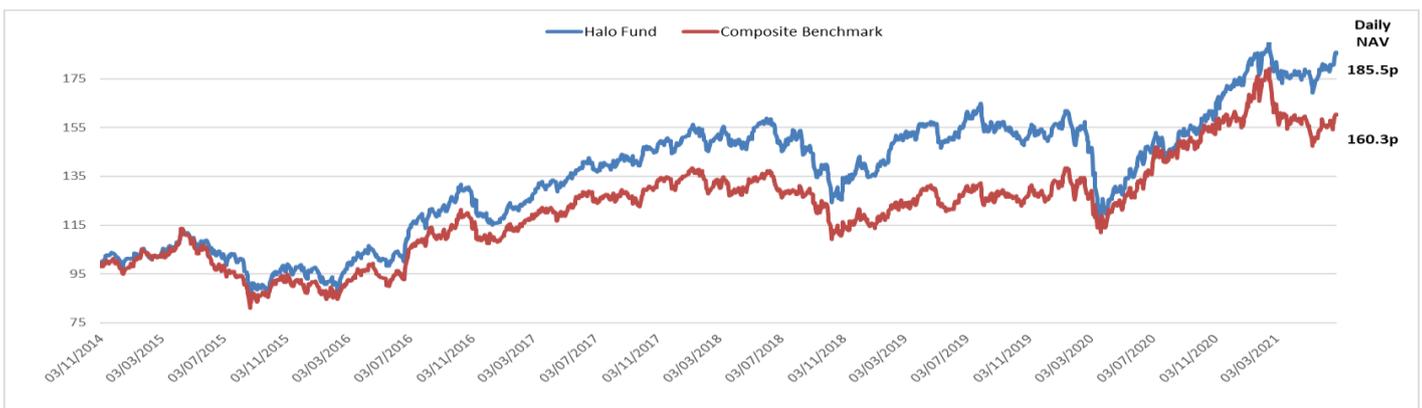


Market Cap Allocation % (USD)



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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