

# VT HALO GLOBAL ASIAN CONSUMER FUND

November 2024 Fact Sheet



All Data at 12.00 GMT 30<sup>th</sup> November 2024

## 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 (B £ Acc class) fell 1.8% in November as the Fund's holdings in South East Asia sold off. South East Asian equities reacted negatively to a Trump win and potential trade tariffs with global investors pulling money out of markets in South East Asia and back into US equities and the Dollar. The MSCI Indonesia fell 7% in USD, the MSCI Philippines fell 7.8% in USD and the MSCI Thailand fell 4.33% in USD. Indian equities initially fell due to concerns over geopolitics and a weak earnings season, however ended up outperforming after the elections in Maharashtra where the BJP secured a strong win. Chinese equities initially started the month positively due to high expectations of the NPC Standing Committee meeting held on 8<sup>th</sup> November, but then retreated due to limited news regarding the domestic stimulus. Contrary to market performance, Chinese economic data is starting to show an improvement. Retail sales rose 4.8% yoy, a 1.5% mom improvement and industrial production rose +5.3% yoy.

Sticking with China, Tencent reported an inline set of Q3 results with non-GAAP operating profit growing +19% yoy. Domestic and international games both accelerated qoq, whilst its advertising division remains a medium-term driver given Tencent's large quantity of under monetised advertising inventory (Tencent's Video Accounts' total advertising load is 1/3 of industry peers). Tencent is one of the world's leading internet companies with a formidable eco-system. Its social platform Weixin has approximately 1.3bn monthly active users globally. Its digital entertainment division (50% of revenue) is non-cyclical and we expect steady growth from this division backed by a solid pipeline of games and conservative revenue recognition by the management. We continue to hold the position as a core holding in our portfolio.

We also had earnings from our travel related stocks in China; Trip.com and Tongcheng Travel. Trip.com saw total revenue grow 16% and adjusted EBIT grow 24%. Chinese travel demand continues its post Covid recovery with outbound travel now recovered to 80% of pre-Covid levels. Trip.com's global business is experiencing significant growth with global air and hotel bookings growing 60% yoy. Trip.com's global app was the most downloaded OTA app in Hong Kong, Taiwan, South Korea, Singapore, Malaysia and Thailand. They have a highly differentiated app offering a one stop platform with 24-hour customer service for travellers. Tongcheng Travel, which mainly focuses on customers in lower tier cities in China, also reported a good set of results this quarter. Total revenue grew 51% yoy with core OTA revenues growing a robust 22% yoy. Non-IFRS profit grew +47% yoy, which beat sell-side estimates by 10%, driven by strong cost control over operating expenses. Travel demand remains remarkably resilient in China and online penetration in lower tier cities remains low at c.25%, vs 40-45% in tier 1/2 cities. Travel also continues to enjoy broad policy support in China, with the central government encouraging states to invest in local infrastructure in order to promote domestic and in-bound travel. As a result of the favourable operating environment and strong set of results, we added to our position in Tongcheng Travel.

**B £ Acc NAV 160.1p**

**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:** B, C

**Base Currency:** Sterling

**Dealing & Valuation:** Daily 12.00pm

**Year End:** 31<sup>st</sup> July

**Management fee:** B: 0.95% p.a.  
C: 0.75% p.a.

**ISIN:**

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** \$75.7m

**Depository:** National Westminster Bank PLC

**Dealing Frequency:** Daily

**Daily NAV available:** Bloomberg, Refinitive Morningstar & Valu-Trac

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

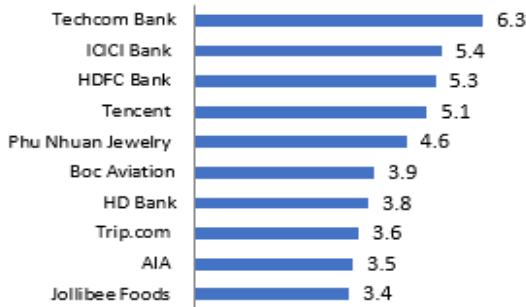
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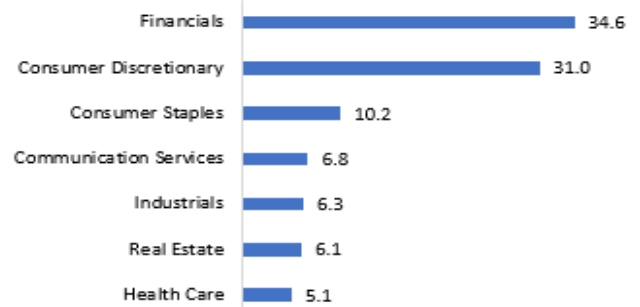


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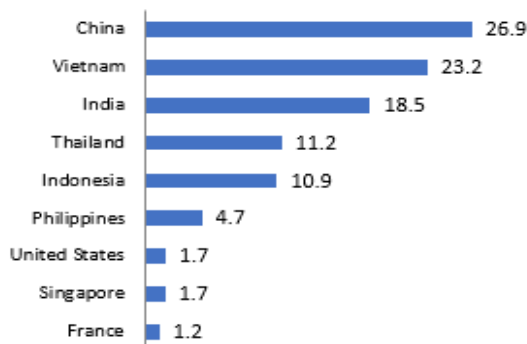
## Top 10 Holdings (% of NAV)



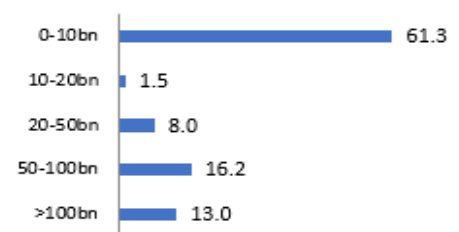
## Sector Allocation (% of NAV)



## Geographical Allocation %



## Market Cap Allocation % (USD)



Annual Returns GBP (%)	2019	2020	2021	2022	2023
	14.1	13.9	1.0	-5.7	-9.2

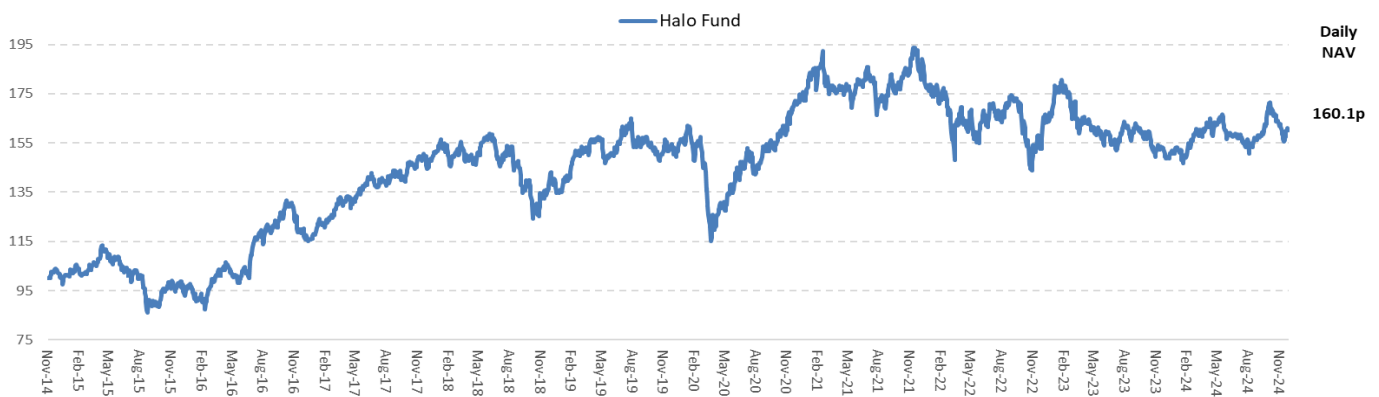
  

Rolling performance (%)	Ytd	1yr	3yr	5yr	Incep.
	4.7	7.2	-13.4	4.4	60.0

NB: performance numbers are net of fees.

## Fund Performance since Inception

Performance data shown is of the B £ Net Acc. share class. **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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