

January 31 2018

## Fund Information

Fund Name	GuardCap Emerging Markets Equity Fund
Fund Manager	GuardCap Asset Management Limited
Fund Inception	December 19, 2016
Share Class	USD I Class
Style	Growth / Quality Large-Mid Cap. Bottom-Up Fundamental
Legal Status	UCITS
Bloomberg	GCEMEIU
ISIN	IE00BSJCNT20
WKN	A2DPJA
Number of Sectors	GICS 5-11
Number of Holdings	25-30
Liquidity	Daily at NAV
Annual Management Fee	0.80%
Minimum Investment	\$500,000
Benchmark	MSCI Emerging Market Index (Net) US\$

## Fund Statistics

Number of Stocks	28
Net Exposure	95.4%
Fund Size	\$21.6 million
Active Share	90.3%

## Top 5 Holdings

	Portfolio Weight
Frutarom Industries	8.0%
Samsung Electronics	5.4%
MercadoLibre Inc.	5.2%
Taiwan Semiconductor	5.0%
Samsonite International	4.9%

As of January 31 2018

## Investment Objective

The investment objective of the Fund is to deliver a superior return to the MSCI Emerging Markets Index over the long-term by investing primarily in equity and similar securities issued by companies that have significant exposure to emerging market economies.

## Investment Process

- Investment philosophy: sustained growth drives returns; quality protects against downside; valuation matters.
- In-depth fundamental analysis. High conviction, confidence building process.
- Concentrated long-only equity strategy with 25-30 quality growth investments.
- Benchmark agnostic, unconstrained portfolio construction; high active share.

## Performance Analysis

	Fund %	Benchmark %	Relative Return %
1 Month	5.84	8.33	-2.49
3 Months	15.11	12.45	2.66
YTD	5.84	8.33	-2.49
1 Year	42.33	41.01	1.32
Since Inception*	45.56	44.74	0.82

\*Inception date 19/12/16

### January Contributors

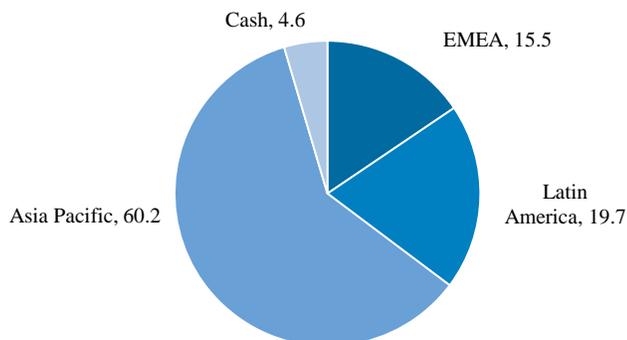
MercadoLibre Inc.	+1.26%
Frutarom Industries	+0.87%
Mr Price Group	+0.72%

### January Detractors

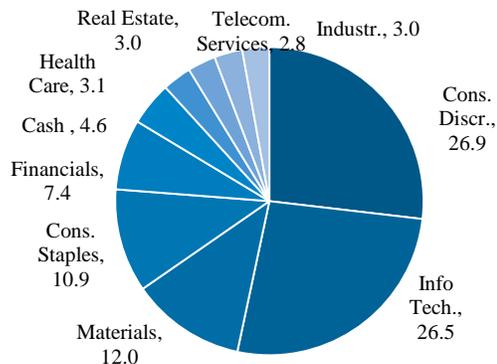
Vakrangee Ltd.	-0.63%
Hengan International	-0.41%
Samsonite International	-0.31%

January 31 2018

## Geographic Allocation (%)



## Sector Allocation (%)



## Manager Commentary

Emerging markets' equities rose by more than 8% in US dollar terms in January, the largest monthly return since March 2016, when the recovery in the region began in earnest. Latin America led the way, thanks to improving investor sentiment towards Brazil, where it looks likely that former leader Lula will not be able to run in this year's Presidential election. In terms of sectors, financials and energy both delivered double-digit returns, with cyclicality generally finding favour. Evidently, a 3% monthly decline in the dollar index supported returns for dollar investors.

The largest contributor to performance was MercadoLibre, which is Latin America's leading e-commerce company. The company is set to report fourth quarter results during February. Other contributors included Frutarom, the flavours manufacturer, which completed the acquisition of fellow Israeli company Enzymotec during January. South African retailer Mr Price was amongst the top performers again following a trading update that reported same store sales growth above 5% for the most recent quarter.

The largest detractor from performance was Vakrangee, the Indian consumer services company. It was one of the largest contributors to the Fund's performance for 2017. The company reported quarterly earnings during January, which demonstrated significantly improving business trends. After the share price reached a new high following the earnings report, it subsequently went into a tailspin following a newspaper article suggesting historical share price manipulation. The company issued a firm rebuttal of the allegations but the article clearly spooked investors who have been keen to lock in profits in case the smoke actually pointed to real fire. We have conducted detailed research into the issue and found nothing amiss. The situation is ongoing and there have been a number of positive developments, including a commitment from the Vakrangee board to refrain from making direct investments in other companies and to increase cash returns to shareholders. In light of developments, we have taken advantage of the exceptionally low valuation to add to our position during February.

## Portfolio Managers



### Ed Wallace | Investment Manager, GuardCap Asset Management Limited

Ed joined GuardCap in 2015. His career in the investment industry began in 2001 when he joined Gartmore Investment Management on their global equity team as a graduate trainee, subsequently becoming an analyst and portfolio manager. In 2011 Henderson Group acquired Gartmore and Ed moved with the team to Henderson Global Investors managing global and international equity funds for institutional and retail clients. Over an 18-month period (2003-05), he also participated in developing UK government policy on institutional investment at HM Treasury. Ed graduated with a first-class honours degree in Modern History & Economics from Oxford University (1999). He is a CFA® charterholder.



### Joris Nathanson | Investment Manager, GuardCap Asset Management Limited

Joris joined GuardCap in 2016. Prior to joining GuardCap, Joris spent ten years working for Nevsky Capital LLP, a multi-billion dollar AuM Global and Emerging Markets specialist investment firm offering both long only and long/short strategies, where he was Partner and Senior Analyst. Joris graduated from Oxford University with a degree in Philosophy, Politics and Economics (PPE). He qualified as a Chartered Accountant with Deloitte LLP.

## For More Information:

Michael Hughes  
 mhughes@guardiancapital.com | +44-20-7907-2405

Alexandra Schwarz  
 aschwarz@guardiancapital.com | +44-20-7907-2011

**Disclaimer:** Issued by GuardCap Asset Management Limited which is authorized and regulated by the Financial Conduct Authority. This document includes information concerning financial markets that was developed at a particular point in time and is subject to change at any time, without notice, and without update. This document may also include forward looking statements concerning anticipated results, circumstances, and expectations regarding future events. Forward-looking statements require assumptions to be made and are, therefore, subject to inherent risks and uncertainties. There is significant risk that predictions and other forward looking statements will not prove to be accurate. Investing involves risk. Equity markets are volatile and will increase and decrease in response to economic, political, regulatory and other developments. Investment funds are not guaranteed, their values change frequently and past performance may not be repeated. This information is for general information purposes only and is not intended as legal, tax, accounting, securities, or investment advice. This information is not intended for distribution into any jurisdiction where such distribution is restricted by law or regulation. It shall under no circumstances be considered an offer or solicitation to deal in any product mentioned herein. GuardCap Asset Management Limited is the Manager of the Fund and an indirect, wholly-owned subsidiary of Guardian Capital Group Limited, a publicly traded firm listed on the Toronto Stock Exchange. For further information on GuardCap Asset Management Limited, or this Fund please visit [www.guardcap.co.uk](http://www.guardcap.co.uk) to view the Prospectus, KIID and other relevant documents.