

September 30 2017

## 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
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	29
Net Exposure	96.7%
Fund Size	\$11.2 million

## Top 5 Holdings

	Portfolio Weight
Frutarom	7.1%
Samsung Electronics	6.2%
Samsonite Intl Sa	5.8%
Yum China Holdings	5.0%
Taiwan Semiconductor	4.8%

As of September 30 2017

## 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	1.81	-0.40	2.21
3 Months	6.17	7.89	-1.72
YTD	29.02	27.78	1.24
Since Inception*	29.99	29.79	0.20

\*Inception date 19/12/16

### September Contributors

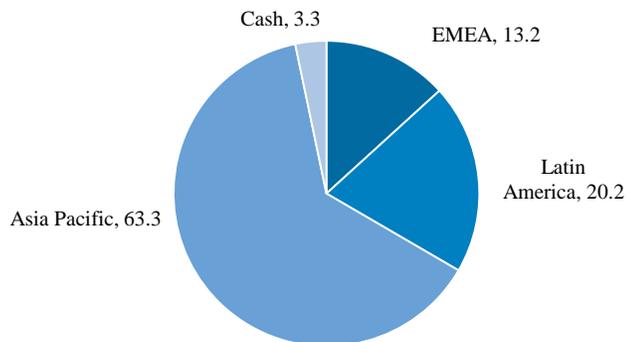
Samsung Electronics	+0.60%
Yum China Holdings	+0.57%
Venture Corporation Ltd.	+0.45%

### September Detractors

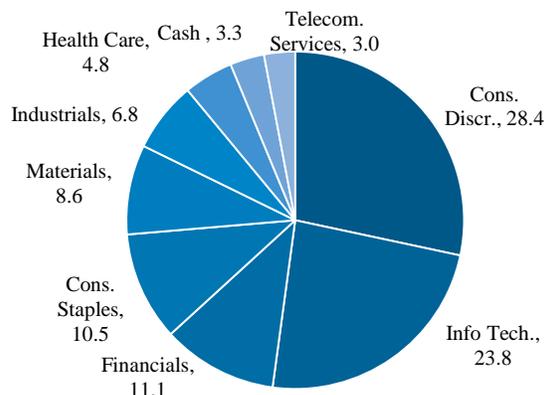
Matahari Dept. Store	-0.28%
UPL Ltd.	-0.22%
Amorepacific Group	-0.18%

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## Geographic Allocation (%)



## Sector Allocation (%)



## Manager Commentary

Following eight consecutive months of positive returns, emerging markets finally paused for breath in September, the aggregate benchmark index declining 0.4%. In regional terms, performance was mixed with Latin America leading the way, up 1.6%, Asia flat and EMEA down 3.8%. It was very much case of the sum of the parts prevailing at sector level rather than a dominant theme. For instance, largely because of a buoyant market in heavyweight China, real estate performed well overall despite notable weakness in other markets. It was a similar story elsewhere, markedly different outturns by country in the same industry.

The Fund enjoyed a relatively good month, boosted by a strong showing from our second largest position Samsung Electronics and other consumer-related names. The shares of Yum China, the operator of KFC and Pizza Hut restaurants, recovered after a weaker period over the summer. Previously strong performers such as Kroton, the Brazilian education provider, maintained their upward momentum. It was pleasing to see previously unsung holdings in China, such as Dali Foods, doing well too. In part, this was the result of investor interest returning to consumer staples, but positive corporate developments also contributed to the outcome.

Momentum was not always a positive force within the portfolio. Matahari Department Store continued to tumble, making it the principal detractor for the third consecutive month. Having recently spent a day in Indonesia visiting the company, the managers remain confident that the challenges facing the company are mainly macro-economic in nature. Thus, with the stock presently trading at a depressed valuation, patience will be exercised in anticipation of a rebound in retail spending, probably in 2018. The other detractor of note was Vkrangee, the Indian consumer services company, which gave up some of the gains it made in August.

## 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.

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