

August 31 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	98.1%
Fund Size	\$11.0 million

## Top 5 Holdings

	Portfolio Weight
Frutarom	7.2%
Samsung Electronic	5.7%
Samsonite Intl Sa	5.7%
Taiwan Semiconductor	4.8%
Yum China Holdings	4.5%

As of August 31 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	1.49	2.23	-0.74
3 Months	3.56	9.41	-5.85
YTD	26.73	28.29	-1.56
Since Inception*	27.68	30.30	-2.62

\*Inception date 19/12/16

### August Contributors

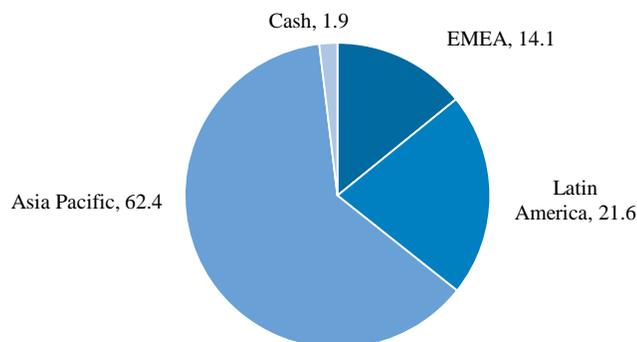
Venture Corporation Ltd.	+0.57%
Kroton Educacional	+0.57%
Localiza Rent A Car	+0.44%

### August Detractors

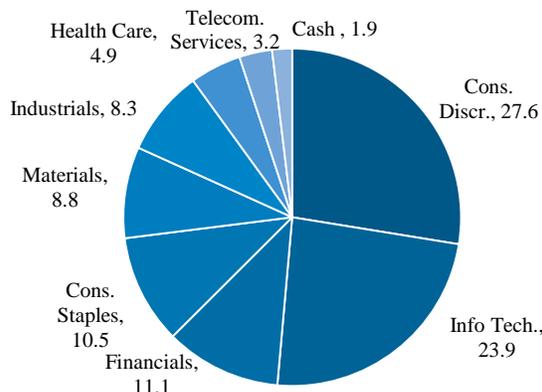
Matahari Dept. Store	-1.04%
Luxoft Holding Inc.	-0.73%
MercadoLibre Inc.	-0.60%

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## Geographic Allocation (%)



## Sector Allocation (%)



## Manager Commentary

August 2017 was the eighth consecutive month of positive returns for the emerging markets benchmark, up by more than 2% for the month and by 28.3% for the year. By region, Asia returned 1.4%, Latin America 4.7% and EMEA 4.4%. All sectors apart from consumer discretionary delivered positive returns. The materials sector delivered the highest returns, followed by energy, telecoms and financials.

The biggest contributor to the Fund's performance was Venture, the Singaporean provider of technology products and services. The company reported high levels of year-over-year revenue and net income growth, as it benefited from additional contract wins in the higher margin Test & Measurement and Life Science divisions. Making a similar contribution to performance was Kroton, the Brazilian education provider, which reported profitable growth in a challenging economic environment and outlined a new strategic plan, after the competition regulator CADE blocked its proposed acquisition of Estácio.

Matahari Department Stores was the biggest detractor for the second consecutive month, in response to the lower full year sales guidance that it issued at the start of August. Most companies with exposure to the consumer in Indonesia have recently reported weak trends. As before, Matahari's profitability and free cash flow remain strong and we think that the company has a number of tools to improve sales growth including new store space and the development of e-commerce. Of the other detractors, IT outsourcer Luxoft is investing in the growth of its newer customer accounts, and this is coming at the expense of margin. Sales growth trends for its newer customer accounts are promising. Latin America's largest e-commerce company MercadoLibre is also investing in sales growth at the expense of margin, as it extends free shipping offers to Brazil and spends more on customer acquisition. We think that these initiatives will help to strengthen its market leadership position.

## 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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