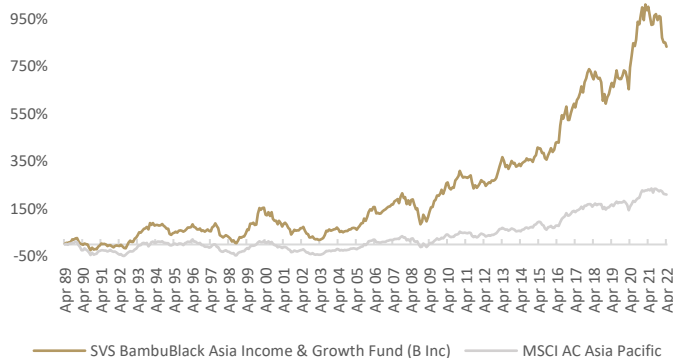


# SVS BambuBlack Asia Income & Growth Fund

## Fund Overview

- Objective: aims to achieve both an income yield and long-term growth of capital through investment in the markets of the Asia and Pacific region, including Japan, Australia and India
- Flexible and unconstrained approach focusing on company fundamentals and thematic stock selection

## Performance Overview



B Inc Share Class | ISIN: GBooB4NXPJ75

### KEY FACTS

Asset Class	Equity
IA Sector	Asia Pacific including Japan
Benchmark	MSCI AC Asia Pacific
Currency	GBP
Fund Size (£m)	£47.4m
Launch Date	6 March 1989
No. of Holdings	71
Domicile	United Kingdom
Structure	Unit Trust
Bloomberg Ticker	SWFEGBILN
SEDOL	B4NXPJ7

Source: Bloomberg

Returns quoted denote performance from 30 April 1989 – 30 April 2022 Returns quoted are net of fees on the B Inc Institutional share class. Prior to June 2011, the fund uses the track record of the A Inc Institutional share class. The index refers to MSCI AC Asia Pacific Index in GBP. BennBridge Ltd is the investment manager to the Fund. See disclaimer for further details.

## Return History – Cumulative

	1m	3m	6m	1yr	3yr	5yr	10yr	Since Inception <sup>2</sup>
Fund	-3.51%	-3.78%	-11.36%	-9.43%	22.14%	40.88%	163.39%	852.96%
Benchmark <sup>1</sup>	-1.86%	-1.71%	-5.73%	-7.87%	15.43%	31.07%	121.09%	209.32%

## Calendar Year Performance

	2015	2016	2017	2018	2019	2020	2021	YTD
Fund	13.05%	23.26%	31.94%	-15.90%	20.33%	31.80%	-1.59%	-11.75%
Benchmark <sup>1</sup>	4.21%	25.90%	20.35%	-8.20%	15.43%	16.01%	-0.55%	-5.08%

Source: Landy Tech, MSCI, as at 30 April 2022

- The Fund's performance comparator is the MSCI AC Asia Pacific Index in GBP. This benchmark has been chosen as this best reflects the asset allocation of the fund. Returns quoted are net of fees on the B Inc Institutional share class. Prior to June 2011, the fund uses the track record of the A Inc Institutional share class.
  - Inception of the fund was March 1989.
- Past performance is no guide to future returns.**

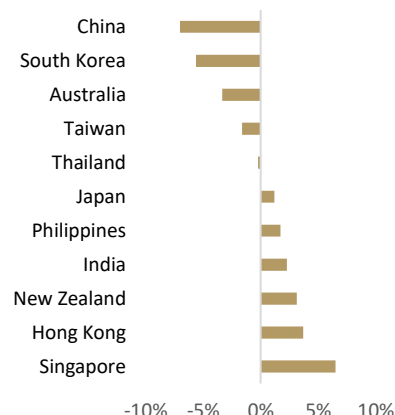
## Top 10 Positions

Position	Fund
TSMC	3.1%
Parkway Life Real Estate	3.0%
Keyence Corp	2.7%
AIA Group Ltd	2.5%
Reliance Industries Ltd	2.3%
BOC Hong Kong Holdings	2.3%
Fukuoka Financial Group Inc	2.2%
Macquarie Group Ltd	2.1%
Spark New Zealand	2.1%
Singapore Telecommunications	2.0%

Country	Fund
Australia	8.3%
China	12.8%
Hong Kong	7.8%
India	11.1%
Japan	32.2%
New Zealand	3.4%
Philippines	2.2%
Singapore	8.6%
South Korea	2.5%
Taiwan	8.4%
Thailand	1.0%

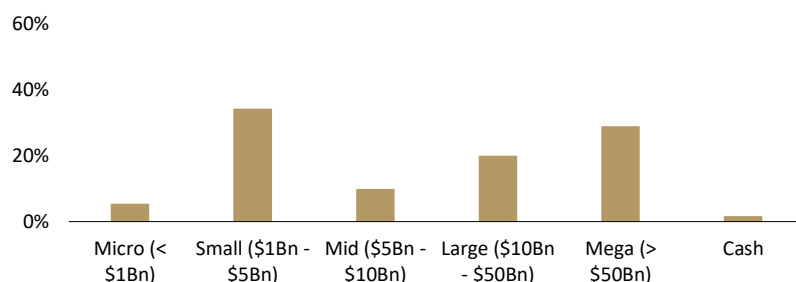
## Relative Exposure

(Benchmark: MSCI AC Asia Pacific)



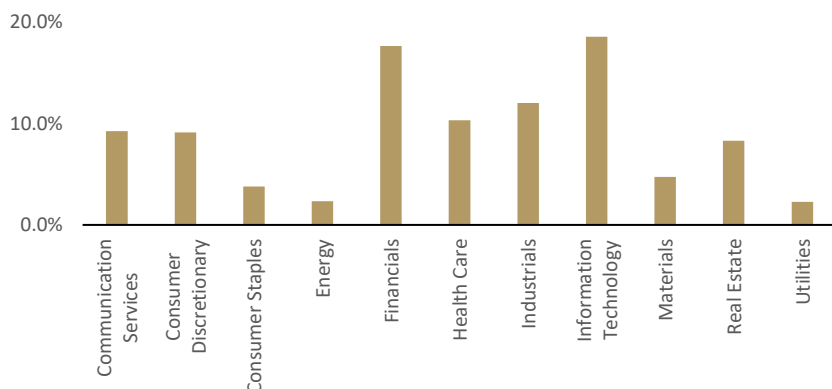
## Market Cap Breakdown

\$ billion	Fund
Micro (< \$1Bn)	5.4%
Small (\$1Bn - \$5Bn)	34.2%
Mid (\$5Bn - \$10Bn)	9.9%
Large (\$10Bn - \$50Bn)	19.9%
Mega (> \$50Bn)	28.9%
Cash	1.6%



## Sector Breakdown

	Fund
Information Technology	18.5%
Financials	17.7%
Industrials	12.0%
Health Care	10.3%
Communication Services	9.3%
Consumer Discretionary	9.1%
Real Estate	8.3%
Materials	4.7%
Consumer Staples	3.8%
Energy	2.3%
Utilities	2.3%



## Attribution

Top contributors	Return
Reliance Industries Ltd	0.22%
Parkway Life Real Estate	0.19%
Aier Eye Hospital Group	0.16%
Hindustan Unilever Ltd	0.14%
Shift Ord Shs	0.13%

Top detractors	Return
Megaort	-0.40%
SRE Holdings Corp	-0.30%
Keyence Corp	-0.28%
Sony Corp	-0.26%
TSMC	-0.26%

Sector	Return
Communication Services	0.11%
Consumer Discretionary	-0.13%
Consumer Staples	0.18%
Energy	0.22%
Financials	-0.52%
Health Care	0.09%
Industrials	-1.07%
Information Technology	-1.38%
Materials	-0.42%
Real Estate	-0.15%
Utilities	-0.12%

Source: Landy Tech, MSCI, period ending 30 April 2022

**Past performance is no guide to future returns**

## April 2022 Commentary

### Overview

The Fund closed -3.51% against the benchmark at -1.86%. Defensives, staples and telcos performed better on a relative basis, while tech and internet lagged. SMID cap Japanese companies were impacted by heavy margin selling by retail investors. China continued to enforce a strict lockdown policy with Shanghai experiencing the severest measures. This is having a significant impact on the domestic economy, as well as causing further disruption to logistics and supply chains globally. China announced a 25bps RRR cut which disappointed investors who were expecting something more substantial<sup>1</sup>.

### Performance

This month's top performers were, Parkway Life REIT, Aier Eye Hospital and Shift. Singapore listed Parkway Life REIT is Asia's largest healthcare REIT; with exposure to hospitals in Singapore and care homes in Japan. Its master lease structure has rents that are CPI + 1% which are attractive in an inflationary environment<sup>2</sup>. They maintain a strong balance sheet with no long-term debt refinancing until June 2023. Aier, China's leading ophthalmological service provider announced positive FY21 and Q122 results that were ahead of market estimates. In the short term there is some impact from lock-downs, but the outlook remains positive as they have a strong brand and are expanding both domestically and globally. We believe that the share price decline since the peak in July 2021 is overdone and have added to our position. Japanese software testing service provider Shift announced strong Q2 results, the GPM expanded to 34%<sup>3</sup>. The outlook is positive and management raised their GPM target to 40%. Higher unit prices and the successful hiring of highly skilled engineers led to an upward revision for this fiscal year 8/22. Large clients with annual sales of more than ¥400mil now account for 40%, overtaking that of clients with sales below ¥100mil<sup>3</sup>. This is important because larger clients increase the opportunity for cross-selling.

Detractors were Megaport, SRE and Shenzhen Dynanonic. Megaport suffered a sell-off in April following its quarterly update, with management guiding for growth that was lower than the market had been forecasting. FX headwinds, alongside the operational shift in distribution to the partner channel 'go-to-market' took longer than expected to implement and impacted direct sales. SRE conducted a share sale combined with their second largest shareholder Z Holdings reducing their stake which was taken negatively by the market. However, fundamentally we still believe SRE is a stand out in its sector as one of the best AI plays in the region. Dynanonic is a major supplier to the LFP battery producers such as CATL and BYD. The share price weakness is attributable to two insiders who sold their stakes upon the lock up expiry. Chairman Kong, who leads R&D and is involved in day-to-day operations has retained his stake in the business. Fundamentally we remain positive on the outlook.

### Outlook

Inflationary pressure exacerbated by the war in Ukraine is impacting margins across the region. Markets have been derating since the start of 2021, driven primarily by China. The MSCI Asia Pacific ex-Japan is trading on a forward PE of 12x which is below the average since 2004<sup>4</sup>. However, compared to the rest of the world the region is offering value trading at -1sd and is at post GFC trough levels.

Yours,

The team at BambuBlack

### Sources:

<sup>1</sup><https://www.scmp.com/economy/economic-indicators/article/3174432/china-cut-reserve-requirement-ratio-boost-economy>

<sup>2</sup>[https://www.theedgesingapore.com/capital/brokers-calls/uob-kay-hian-raises-tp-parkway-life-reit-after-seeing-potential-catalyst?\\_\\_cf\\_chl\\_tk=0KTIEO\\_GOY9qmb63Cqpqb9aIE1BEDYRdVjb9cZq5jFU-1652289492-0-gaNycGzNCHO](https://www.theedgesingapore.com/capital/brokers-calls/uob-kay-hian-raises-tp-parkway-life-reit-after-seeing-potential-catalyst?__cf_chl_tk=0KTIEO_GOY9qmb63Cqpqb9aIE1BEDYRdVjb9cZq5jFU-1652289492-0-gaNycGzNCHO)

<sup>3</sup><https://sharedresearch.jp/en/companies/3697>

<sup>4</sup>Bloomberg, MSCI, as at 30 April 2022

***Past performance is no guide to future returns.***



## Fund Manager – Jane Andrews

Jane launched BambuBlack Asset Management in July 2019. She joined from Smith & Williamson and has over 30 years of investment experience.

## Contact

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## Share Class Information

Share Class	ISIN	SEDOL	Annual charge	Ongoing charge	Minimum Investment	Additional Investment
B Inc	GB00B4NXPJ75	B4NXPJ7	0.65%	0.75%	£250,000	£500

## Disclaimer

BambuBlack Asset Management LLP (“BambuBlack”) is an appointed representative of BennBridge Ltd (“BennBridge”), based at Eagle House, 108-110 Jermyn Street, London SW1Y 6EE. BennBridge is a limited company registered in England with registered number 10480050. The registered office is Windsor House, Station Court, Station Road, Great Shelford, Cambridge CB22 5NE. BennBridge is authorised and regulated by the Financial Conduct Authority (FRN: 769109). The investment manager of the SVS BambuBlack Asia Income and Growth Fund is BennBridge Ltd and the manager is Smith & Williamson Fund Administration Limited. The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority. Please see the prospectus for full details.

Any projections, market outlooks or estimates contained in this document constitute forward looking statements, and are based on certain assumptions and subject to certain known and unknown risks. Accordingly, such forward looking statements should not be relied upon as being indicative of future performance or events. The performance comparator of the fund is the MSCI AC Asia Pacific Index. This benchmark has been chosen as this best reflects the asset allocation of the fund. Whilst BennBridge endeavours to ensure all data is accurate, it must be noted that historical performance relating to the periods prior to Jane Andrews joining BennBridge has not been independently audited by BennBridge.

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## Risk Factors

Past performance is not indicative of future results. The value of investments and the income from them may go down as well as up and investors may not get back the amounts originally invested.

The counterparty to a derivative or other contractual agreement or synthetic financial product could become unable to honour its commitments to the fund, potentially creating a partial or total loss for the fund. The fund can be exposed to different currencies. Changes in foreign exchange rates could create losses. A derivative may not perform as expected, and may create losses greater than the cost of the derivative. If a fund uses derivatives for leverage, it makes it more sensitive to certain market or interest rate movements and may cause above-average volatility and risk of loss.

Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, the fund may not be able to sell a security for full value or at all. This could affect performance and could cause the fund to defer or suspend redemptions of its shares.

Failures at service providers could lead to disruptions of fund operations or losses.