

# SVS BAMBUBLACK ASIA INCOME & GROWTH FUND

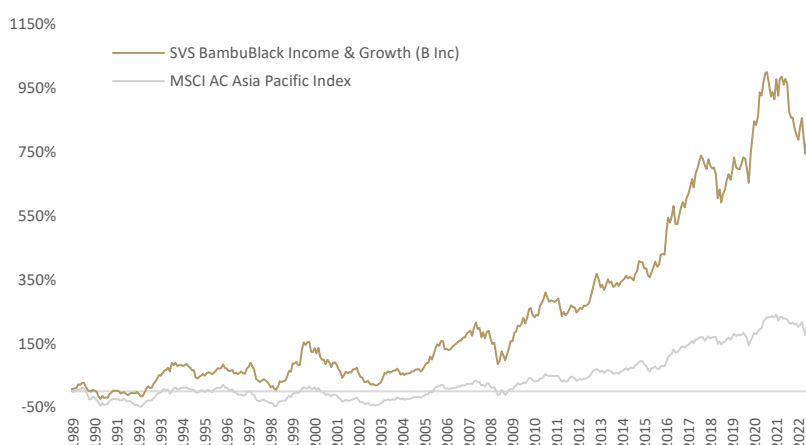
## Monthly Report

Report as of 28 April 2023

### Key Facts

B Acc Share Class	
Benchmark	MSCI AC Asia Pacific
Currency	GBP
Fund value	£33.7mn
Launch Date	6 March 1989
Fund Manager	Jane Andrews
Holdings range	60-80
Domicile	United Kingdom
Structure	Unit Trust
ISIN	GB00B4NXPJ75
Bloomberg Ticker	SWFEGBILN
SEDOL	B4NXPJ7

### Performance Overview



Source: Bloomberg period ending 28 April 2023

Returns quoted denote performance from 30 April 1989 – 28 April 2023.

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 Fund renamed to SVS BambuBlack Income & Growth Fund on 1 August 2019. 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	-3.5%	-7.5%	1.6%	-7.3%	4.6%	11.1%	88.8%	783.5%
Benchmark <sup>1</sup>	-2.6%	-5.9%	8.9%	-2.6%	16.4%	13.6%	77.3%	201.4%

### Annualised Performance

	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD
Fund	10.22%	21.42%	40.56%	-13.04%	15.29%	33.94%	6.18%	-16.54%	-3.74%
Benchmark <sup>1</sup>	-3.85%	27.40%	25.43%	-8.32%	14.56%	18.66%	-2.00%	-7.08%	-0.78%

Source: Landytech, MSCI period ending 28 April 2023

1 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.

2 Inception of the fund was March 1989. The Fund renamed to SVS BambuBlack Income & Growth Fund on 1 August 2019.

Past performance is no guide to future returns.



For professional investors only

## 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.

## Top 10 Holdings

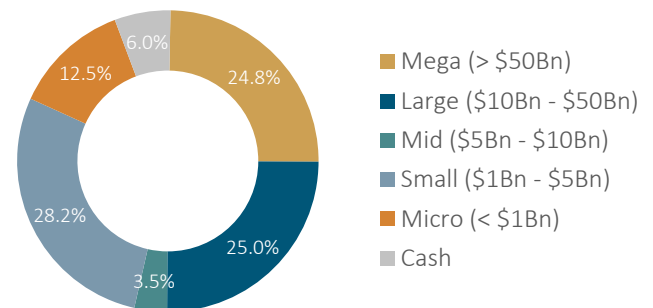
Holding	Country	Sector	% of Fund
TSMC	Taiwan	Information Technology	3.7%
Samsung Electronics	South Korea	Information Technology	2.8%
Keyence	Japan	Information Technology	2.8%
Yum China	China	Consumer Discretionary	2.4%
Sinbon Electronics	Taiwan	Information Technology	2.2%
Parkway Life REIT	Singapore	Real Estate	2.1%
Tencent	China	Communication Services	2.0%
CSL	Australia	Health Care	1.9%
Linde	India	Materials	1.8%
Simplex	Japan	Information Technology	1.8%

## Key Characteristics

Number of Holdings	65
Small - Mid Cap Exposure	44.2%
Price / Earnings - Current (1 year forward)	20.4x
Price / Book - Current	2.6x
Dividend Yield - Current	1.6%
Active Share	78.1%

We define Small - Mid as less than \$10 Billion

## Market Cap Weights



## Geographical Exposure

Country	% Weight	Relative <sup>1</sup>
Hong Kong	7.1%	0.5%
Singapore	4.6%	0.5%
Taiwan	11.6%	0.5%
Philippines	1.2%	0.1%
Thailand	1.2%	0.1%
Australia	10.2%	-0.5%
India	7.5%	-0.5%
Japan	30.2%	-1.5%
South Korea	4.9%	-1.5%
China	15.4%	-3.5%

## Sector Exposure

Sector	% Weight	Relative <sup>1</sup>
Information Technology	24.2%	5.5%
Health Care	12.0%	4.5%
Consumer Discretionary	15.7%	0.5%
Real Estate	3.4%	0.1%
Consumer Staples	5.0%	-0.5%
Materials	5.8%	-1.0%
Industrials	9.4%	-1.0%
Utilities	0.0%	0.0%
Communication Services	5.0%	-2.5%
Energy	0.0%	-2.5%
Financials	13.5%	-5.5%

Source: Landytech, MSCI, as at 28 April 2023

<sup>1</sup> The benchmark of the fund is the MSCI AC Asia Pacific Index

Totals may not sum due to rounding. Amount held in cash is 6.0%.

**Past performance is no guide to future returns.** The securities shown are intended to be an example of the process and is for illustrative purposes only. They should not be considered a recommendation to buy or sell a specific security.

# Commentary

## Market Overview

China's post-Covid economic recovery continued to be mixed with an increase in consumer activity, offset by weaker manufacturing, which contracted in April, the National Bureau of Statistics' Manufacturing Purchasing Managers' Index came in at 49.2 compared to 51.9 in March<sup>1</sup>. Renewed US-China geopolitical tensions weighed on China which was the worst performing market down -5.2%, Taiwan tech was weak as the recovery in demand has been slower than expected. The best performers were India which gained 4.2% and Indonesia 6.5%, India benefitted from the Reserve Bank of India leaving interest rates unchanged. In Japan, the Yen weakened after the BoJ (Bank of Japan) maintained its dovish stance on monetary policy<sup>2</sup>.

## Performance

The Fund closed April down 3.55% against the benchmark which was down 2.65%. At the stock level, Australian listed Telix reported strong sales of their Illucix radiopharma product and increased use of diagnostics scans in the US<sup>3</sup>. Indian Pepsico bottler Varun Beverages performed well announcing strong volume growth for Q1 as they continued to expand operations in new regions<sup>4</sup>. M-Up the Japanese fan base platform should see a resumption of strong growth as 2023 music events are announced alongside the launch of 'Bubble', a joint venture with 'DearU' the global fan community platform. Detractors in April were Koh Young which reported earnings which missed consensus expectations due to slower than expected recovery in China<sup>5</sup>. Shoei reported positive results but the forecast was conservative and below consensus

(management is known for being overly conservative)<sup>6</sup>. Information Services International Dentsu delivered earnings which were muted but with new digital transformation projects and a strong order pipeline the outlook remains promising<sup>7</sup>.

## Outlook

It is worth noting that since the 1990's emerging markets have led the global equity recover from US recessions. Against a backdrop of weaker global growth domestic focused companies should perform. There are signs that lower hard and soft commodity prices are starting to have a positive impact on margins, especially in the consumer sector. With the BoJ removing their forward guidance on interest rates following the first meeting under new Governor Kazuo Ueda, it is a potential signal that the BoJ could begin to normalise monetary policy. In terms of valuation the MSCI AC Asia Pacific is trading on 13.8x/12.3x 23/24 PE towards the lower end of the historical range<sup>2</sup>.

Yours,

The team at BambuBlack

<sup>1</sup> <https://tradingeconomics.com/china/business-confidence>

<sup>2</sup> Bloomberg, as at 28 April 2023

<sup>3</sup> <https://telixpharma.com/investor-centre/asx-announcements/>

<sup>4</sup> <https://economictimes.indiatimes.com/markets/stocks/earnings/varun-beverages-q1-results-net-profit-rise-69-yoy-to-rs-429-crore-stock-split-announced/articleshow/99926807.cms?from=mdr>

<sup>5</sup> <https://kohyoung.com/en/investor-relations/>

<sup>6</sup> <https://www.shoei.com/en/ir/library/2023.html>

<sup>7</sup> <https://www.group.dentsu.com/en/ir/>

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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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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.

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