

# PROTEA FUND

## BAM ASIA-PACIFIC EQUITIES EX JAPAN

### NOVEMBER 2018



#### PORTFOLIO REVIEW

The Protea BAM Asia-Pacific ex Japan portfolio outperformed its benchmark in November, gaining 5.6% compared to 4.5% for the index. All sectors contributed positively, the best performers being Consumer Staples (+1.7%) and Communication Services (+1.1%). No new lines were introduced into the portfolio during the month.

#### INVESTMENT OBJECTIVE

Fund aims to achieve capital appreciation through investing in Asian equity markets with a long term investment horizon, fully focusing on fundamental value of sustainable high quality businesses, without speculation, hedging or market timing.

#### RISK & REWARD



#### MARKET OUTLOOK

The G20 summit in Argentina passed without many surprises. Perhaps the most anticipated event was the meeting between Presidents Trump and Xi. Obviously, no one expected a solid deal to be struck on this occasion but rather some positive outcome that would enable the gridlocked trade dispute talks to move forward. It was reported that the two parties agreed to halt all new tariff increases for a 90-day period, during which negotiations will continue to find a solution. This would mean that the US tariff increases scheduled for January 1st will not come in effect for the time being.

President Trump rushed to announce how China would “reduce and remove” auto import tariffs on American-made cars, but the Chinese have been reluctant to provide solid statements regarding such immediate measures. What China did comment on was a mutual understanding to continue along the path of eliminating all tariffs between the world’s largest two economies. This demonstrates a positive attitude on their part ahead of the 90-day negotiation period.

The meeting was not an outright success as no groundbreaking agreements were made and many very complicated matters remain on the table. During coming months, it will be interesting to see how China tackles the questions of outright stealing and forced transfers of Western intellectual property & technology, while trying to meet demands to open up its domestic market to competition. It is now pretty clear that the US will no longer tolerate such behavior and are willing to put up a challenge. The Chinese economy is not as strong as many believe and it would be in its best interest to come to a quick solution. Trying to delay the process until the 2020 US Presidential election might be too stretching for China. Until an agreement is drafted, Chinese markets can be expected to remain volatile.

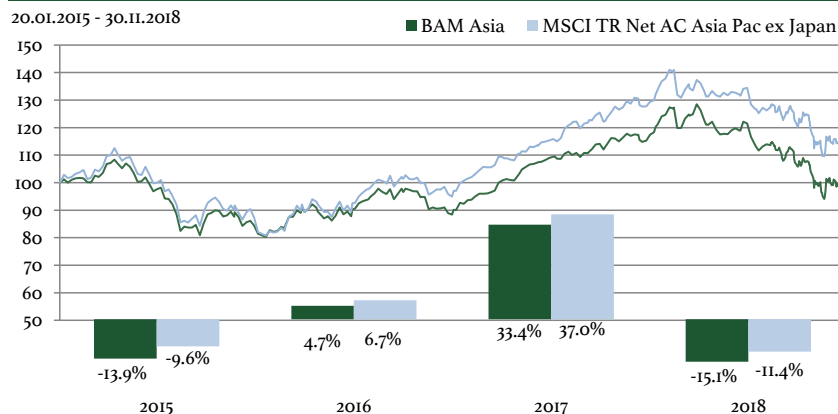
#### FUND FACTS

Domicile	Luxembourg/UCITS IV
Inception date	20 January 2015
Currency	USD
Fund Managers	Petteri Pihlaja Antti Tilkanen
Fund size	USD 21 million
Liquidity (sub./red.)	Weekly
Min. Investment	Retail: 1000 USD Instit.: 1 million USD
Management fees	0.8%-1.2%
Performance fees	20%
High Water Mark	Yes
Benchmark	MSCI TR Net AC Asia Pac ex Japan
ISIN	Retail: LU1118007829 Instit.: LU1118007589
Bloomberg	Retail: PRAPEXR LX Instit.: PRAPEXI LX
NAV	Retail: 100.4 Instit.: 102.12

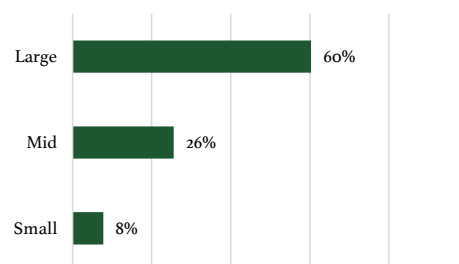
#### STATISTICS

	Fund	Bench
Leading PE	15.3	12.5
EV/EBITDA	11.6	10.3
P/Book	2.4	1.3
Dividend Yield	2.8%	3.4%
ROE	16.1%	11.3%
Debt/Equity	39.6%	61.0%
Interest Coverage	14.1	7.5
Beta	1.0	1.0
Volatility	16.0%	14.4%

#### NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD



#### ALLOCATION BY MARKET CAP



	Fund	Bench.	+/-
1 Month	5.6%	4.5%	1.2%
3 Months	-9.0%	-7.5%	-1.4%
YTD	-15.1%	-11.4%	-3.6%
Since inception	2.1%	17.0%	-14.9%

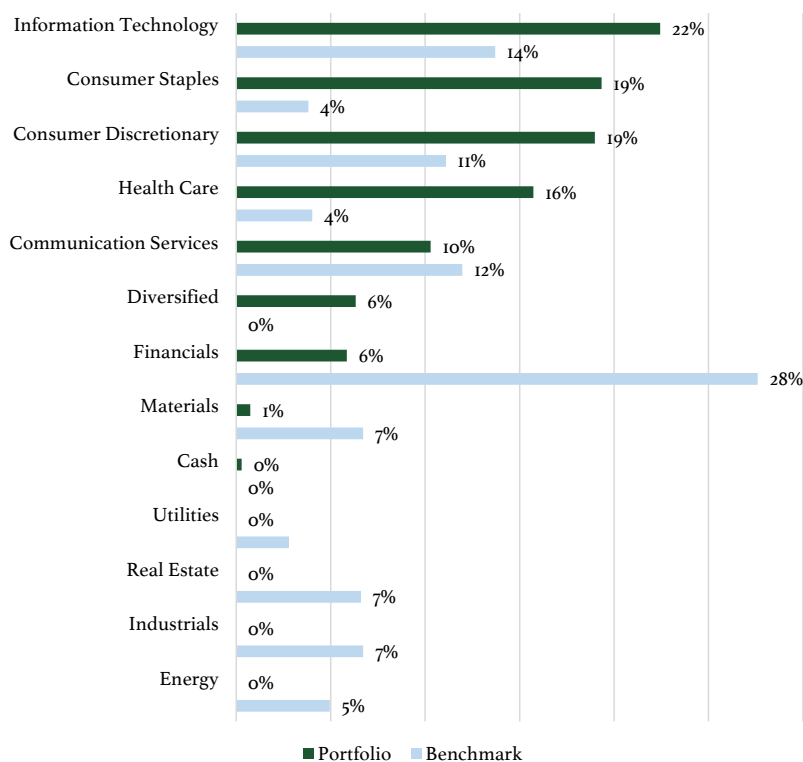
# PROTEA FUND

## BAM ASIA-PACIFIC EQUITIES EX JAPAN

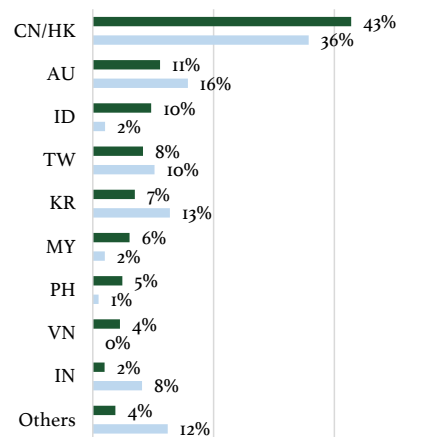
### NOVEMBER 2018



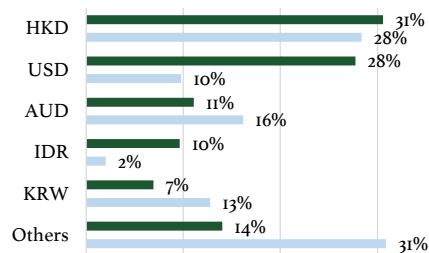
#### ALLOCATION BY SECTOR



#### ALLOCATION BY COUNTRY



#### ALLOCATION BY CURRENCY



#### TOP 10 HOLDINGS

	Sector	Country	Weight
ALIBABA GROUP HOLDING-SP ADR	Consumer Discretionary	CN/HK	8.1%
TENCENT HOLDINGS LTD	Communication Services	CN/HK	6.5%
TAIWAN SEMICONDUCTOR-SP ADR	Information Technology	TW	6.2%
WH GROUP LTD	Consumer Staples	CN/HK	5.3%
SINOPHARM GROUP CO-H	Health Care	CN/HK	4.9%
CSL LTD	Health Care	AU	4.5%
TUNDRA VIETNAM FUND-D USD	Diversified	VN	4.4%
JD.COM INC-ADR	Consumer Discretionary	CN/HK	4.2%
SAMSUNG ELECTRONICS CO LTD	Information Technology	KR	3.7%
ROBINSONS RETAIL HOLDINGS IN	Consumer Staples	PH	3.4%
Total			51.3%
Number of holdings			39

#### FUND COMPLEMENTARY DETAILS

Administrator	FundPartner Solutions SA
Representative in Switzerland	FundPartner Solutions (Suisse) SA
Investment Manager	Bruellan SA
Custodian	Pictet & Cie (Europe) SA
Paying agent in Switzerland	Banque Pictet & Cie SA
Auditor	Deloitte Audit S.à r.l

#### CONTACT DETAILS

BRUELLAN SA  
 Rue Sigismund-Thalberg 2  
 CH-1201 Geneva  
 Phone: +41 22 817 18 55  
 bam@bruellan.com

Disclaimer. This publication is for private circulation and information purposes only and does not constitute a personal recommendation or investment advice or an offer to buy/sell or an invitation to buy/sell securities in any fund referred to. The information and any opinions have been obtained from or are based on sources believed to be reliable but accuracy cannot be guaranteed. No responsibility can be accepted for any consequential loss arising from the use of this information. The information is expressed at its date and is issued only to and directed only at those individuals who are permitted to receive such information in accordance with local regulations. In some countries the distribution of this publication may be restricted: it is your responsibility to find out what those restrictions are and observe them. Bruellan SA cannot be liable for a breach of such restrictions. Please always refer to the Fund's prospectus. Bruellan Wealth Management is FINMA regulated. The prospectus, the Key Investor Information Document, and the most recent annual and semi-annual reports are available free of charge from the Swiss representative at Route des Acacias 60, CH-1211 Geneva.