

# Ox Capital Dynamic Emerging Markets Fund

ARSN 649 969 264 | APIR HOW6479AU



## Monthly Report February 2022

Performance	1 Month %	3 Month %	1 Year %	3 Year % p.a.	5 Year % p.a.	Inception % p.a.
Fund return (net) <sup>1</sup>	-4.4	-10.1	-	-	-	-13.7
MSCI Emerging Market Net Return Index AUD unhedged	-5.8	-5.3	-	-	-	-6.4
<b>Excess return</b>	<b>1.4</b>	<b>-4.8</b>	-	-	-	<b>-7.3</b>

<sup>1</sup>Returns are calculated after fees have been deducted and assume distributions have been reinvested. No allowance is made for tax when calculating these figures. Past performance is not a reliable indicator of future performance. The inception date for the fund is 17 September 2021. **Past performance figures that are less than 12 months are for informational purposes only and are not to be relied upon when considering the likely future performance of the Fund.**  
Data Source: Fidante Partners Limited, 28 February 2022.

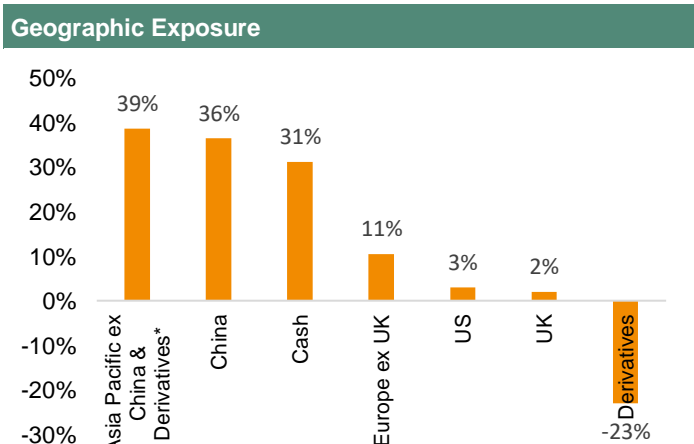
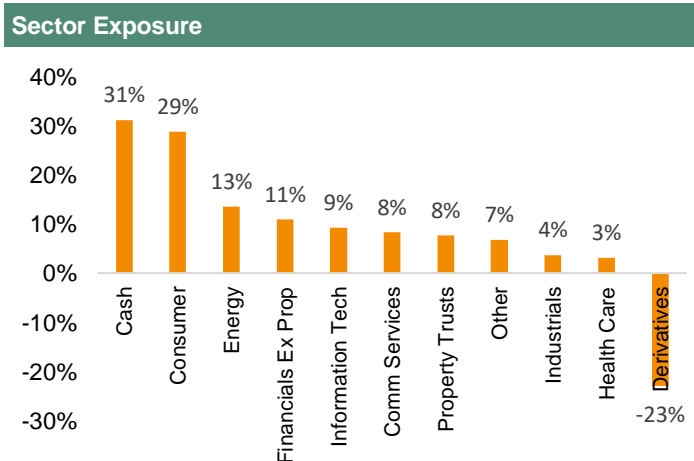
Fund Facts	
<b>Portfolio managers</b>	Joseph Lai, Douglas Huey, Alan Zhang
<b>Inception date</b>	17 September 2021
<b>Management fee</b>	1.00% p.a.
<b>Performance fee</b>	15% of the Fund's daily return above the benchmark <sup>3</sup>
<b>Fund Objective</b>	The Fund aims to provide an absolute return and capital growth over the long term and outperform its benchmark after costs over rolling five year periods.
<b>Initial Investment</b>	\$10,000
<b>Minimum suggested timeframe</b>	5 years
<b>Buy/sell spread<sup>3</sup></b>	+0.25% / -0.25%
<b>Fund FUM</b>	\$31.2 M
<b>Distribution Frequency</b>	Annually

Fund Features	
<b>Concentrated:</b>	A portfolio of 30-50 high quality, undervalued, well run companies that have the potential to generate high absolute returns over the medium to long term.
<b>Capture growth:</b>	Ox Capital's investment approach is to identify the immense positive changes taking place in Asia and other key emerging markets and to find companies that can benefit from those trends.
<b>Macro overlay:</b>	A quantitative model provides a bird's eye view of how macro conditions impact equity markets and helps guide country and sector asset allocation.
<b>Capital protection strategies:</b>	The Fund can use derivatives such as index futures and equity swaps to help protect the portfolio from market volatility and to obtain synthetic exposure to stocks or markets.
<b>Experienced team:</b>	A team of experienced and passionate emerging market investors strongly aligned with clients' investment objectives.

Top 10 Positions		
Company	Sector	%
Shell PLC	Energy	5.59
Tencent Holdings Ltd	Comm Services	5.00
Delivery Hero AG	Consumer Disc	4.32
Alibaba Group Holding Ltd	Consumer Disc	3.97
Sea Ltd	Information Tech	3.19
AIA Group Ltd	Financials Ex Prop	3.15
Astra International Tbk PT	Consumer Disc	3.11
JD.com Inc	Cnsumer Disc	3.09
Telekomunikasi Indonesia Persero Tbk PT	Comm Services	3.05
Repsol SA	Energy	3.02
<b>Total</b>		<b>37.48</b>

Data Source: Fidante Partners Limited, 28 February 2022.

<sup>3</sup>Daily return measured after fees, expenses, after adding back distributions paid.



\*Derivatives includes India & Taiwan

## Market Commentary

The invasion of Ukraine led to a risk-off environment in the equity market. Not only does this ignite geopolitical concerns, but it also exacerbates existing inflationary pressures, as both Ukraine and Russia are large exporters of agricultural products, metals, and most importantly, energy. As a result, Brent/WTI future contract rose close to 10%, natural gas prices rose by 20% and gold prices increased by 6%. Countries that are resources endowed, such as Indonesia and Brazil were resilient for the month. Jakarta Index rose by 3.9% and Ibovespa Brasil São Paulo index rose by 0.9%.

In China, market participants are waiting for the outcome of the “two sessions” before making investment decisions. More clarity is expected post the event on measures to support the economy and future policy direction for Covid outbreaks. The “two sessions” is expected to end in Mid-March and will set the tone for the Chinese economy for the rest of the year.

## Fund Commentary

In February, the fund fell by -4.45% (net), outperforming the MSCI Emerging Markets index by 1.36%. The outperformance was mainly generated by our early short positioning in India and the NASDAQ, as well as our energy exposures, exposure to property and consumer discretionary stocks in the Philippines and Singapore and not holding Russian energy and financial names, while the Chinese internet and software companies continued to drag on returns (Hang Seng TECH Index fell by 5.5% in February). On the stock level, our holding in Bloomberry Resorts Corp, delivered an 18% return in local currency terms in February on the progressive border reopening and looser local restrictions in the Philippines. Our holding in Indonesian nickel and gold producer Aneka Tambang Tbk delivered a 15% return in local currency terms on the back of higher price outlooks for those metals.

### For further information, please contact:

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