

KEY FACTS

Investment Objective

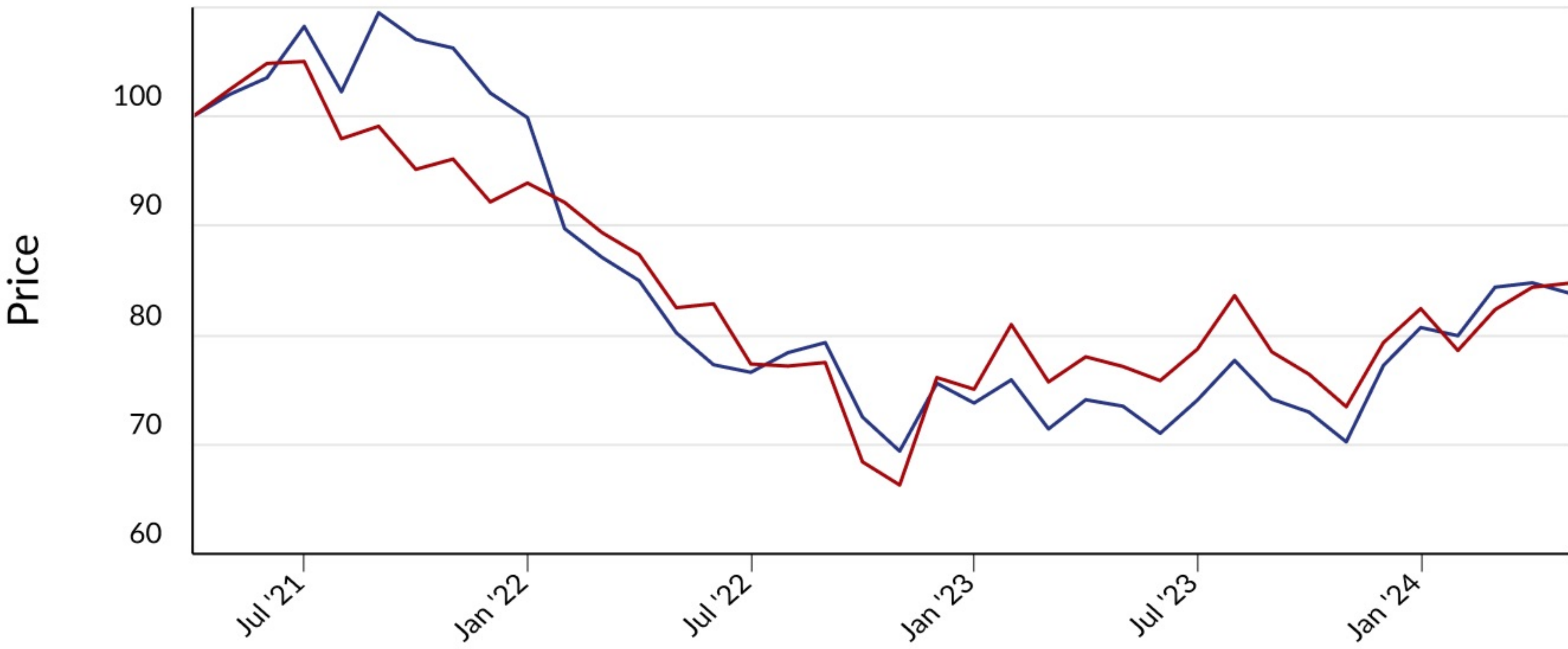
The Fund's objective is to generate investment returns by investing in companies that are focused on the growth in consumption and services in emerging markets. The portfolio provides exposure to this philosophy through active stock picking based on a fundamental bottom-up approach with disciplined analytics and an awareness of macro factors. The focus is on growth companies, which are domiciled, or carrying out the main part of their economic activity, in an emerging market country. The Fund is suitable for investors seeking long term capital appreciation.

Fund Information

FUND TYPE	Commingled Fund	INCEPTION DATE	1st April 2021
LEGAL FORM	Limited Partnership	FUND SIZE	US \$36.9m
CUSTODIAN	The Bank of New York Mellon	STRATEGY SIZE	US \$593.8m
ADMINISTRATOR	The Bank of New York Mellon	INDEX	MSCI TR Net Emerging Markets USD
AUDITOR	Grant Thornton	PRICING FREQUENCY	Monthly
DOMICILE	Delaware, USA	FUND MANAGERS	Andrew Dalrymple, John Ewart, Rob Brewis

NET PERFORMANCE

NET PERFORMANCE % AS AT 30/04/2024	1M	3M	6M	YTD	1Y	3Y	INCEPTION
Aubrey GEMs Partners LP	-1.1	4.9	19.4	3.9	14.1	-17.8	-16.2
MSCI TR Net Emerging Markets USD	0.4	7.8	15.4	2.8	9.9	-16.1	-15.2



— Aubrey GEM Partners -16.2%  
— MSCI TR Net Emerging Markets USD -15.2%

Source: Aubrey Capital Management, MSCI & BNYM

Past performance is not a reliable indicator of future results and you may not get back what you originally invested and investment returns may increase or decrease as a result of currency fluctuations.

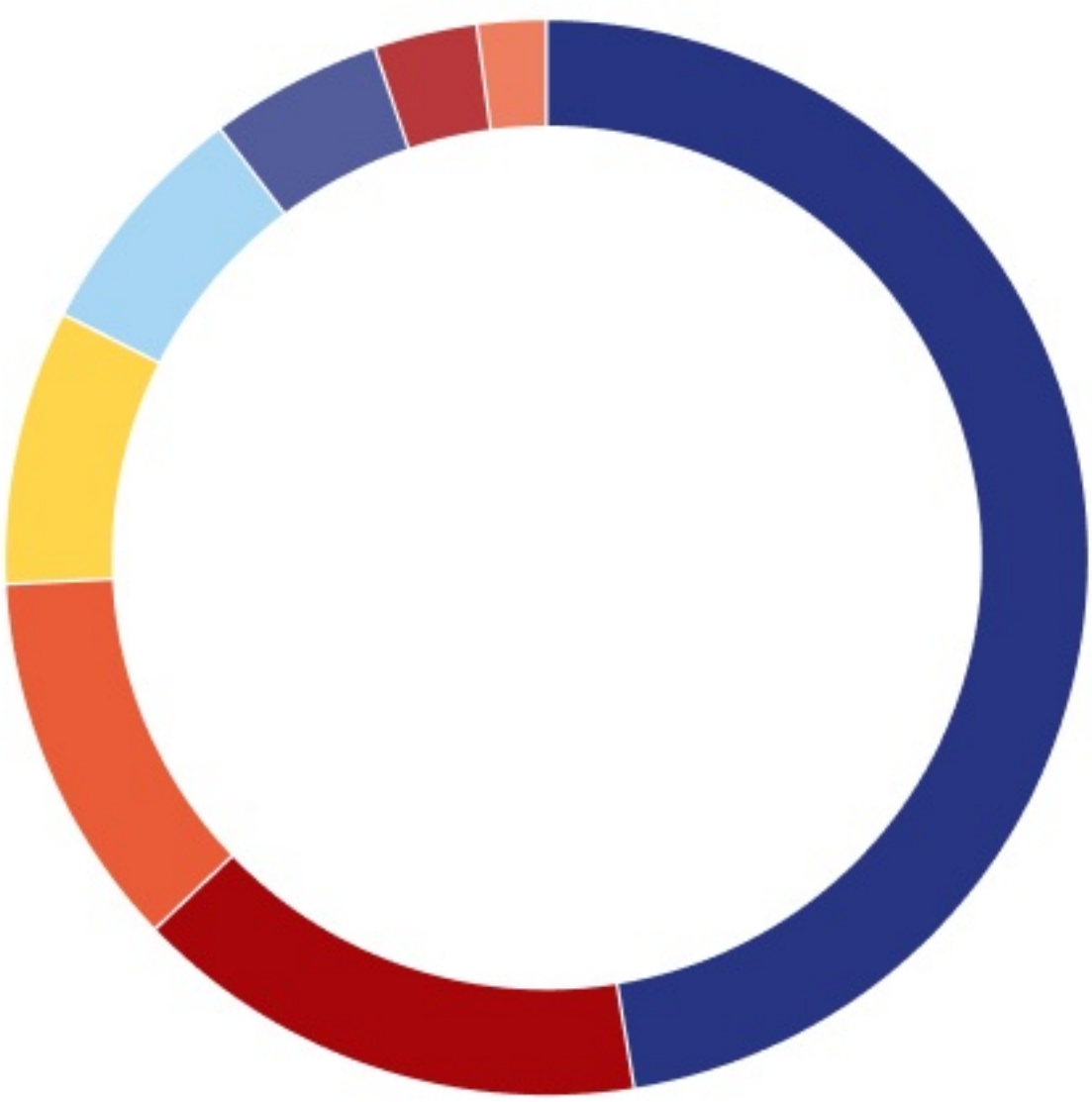
PORTFOLIO BREAKDOWN

Top 10 Positions

Company	% of Holding
Varun Beverages	5.4
Macrotech	4.9
Zomato	4.8
Trip.com	4.2
Trent	3.7
Indian Hotels	3.7
DLF	3.7
MakeMyTrip	3.6
Mercadolibre	3.6
Apollo Hospitals	3.4
Number of Holdings	32

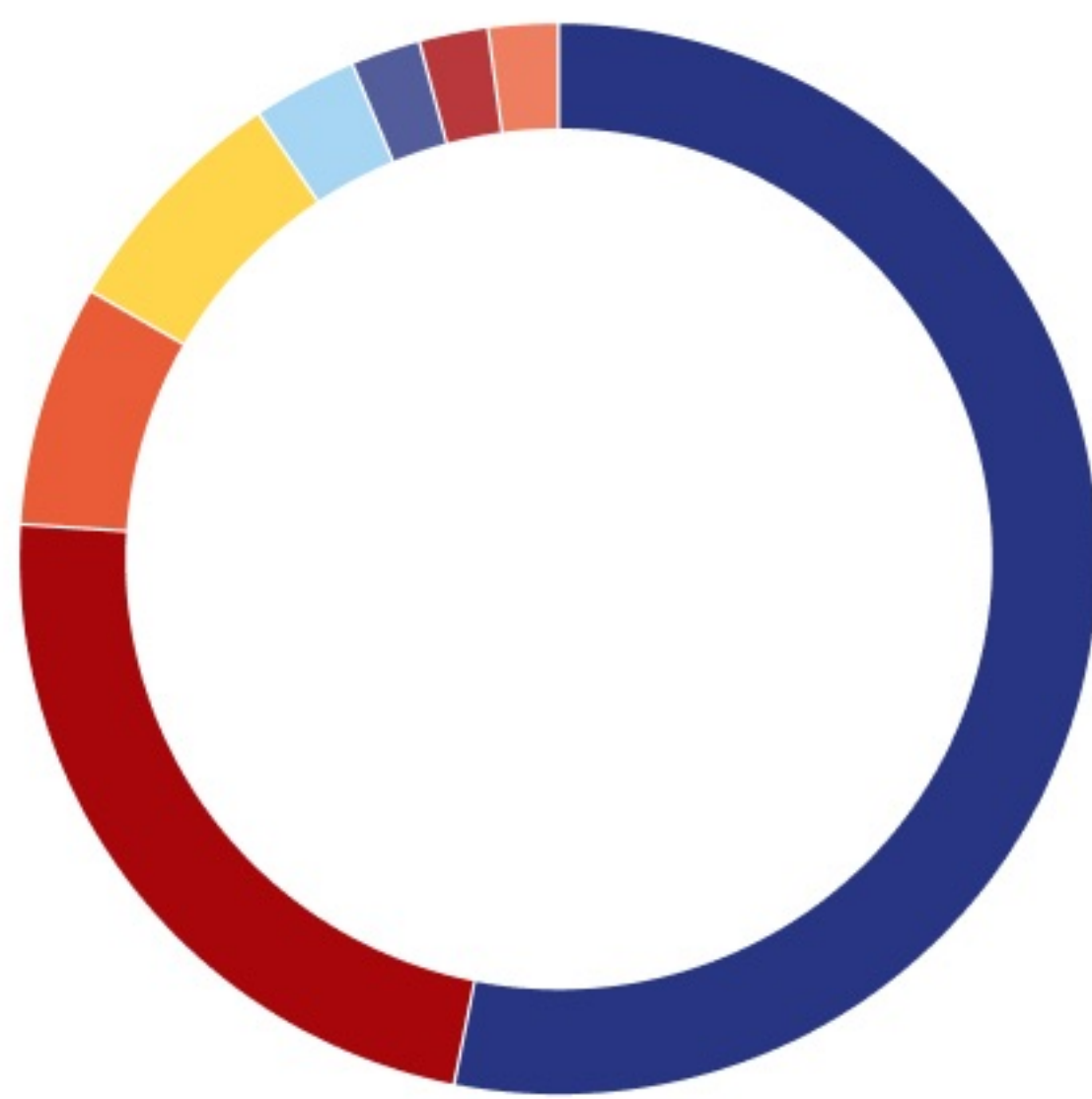
The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

Sector Allocation



Consumer Discretionary	46.0
Consumer Staples	15.0
Real Estate	11.5
Communication Services	8.9
Financials	7.7
Health Care	5.7
Information Technology	3.0
Industrials	2.2

Geographic Allocation



India	51.8
China	22.2
Brazil	7.9
Mexico	7.4
South Korea	3.0
Vietnam	2.8
Poland	2.6
Indonesia	2.3



## MANAGER'S COMMENTARY

The Fund has had a quiet month with the net asset value 1.1% lower which is slightly behind the 0.4% rise in the MSCI Emerging Markets Index.

Although there was little in the way of tangible good news, there were signs of a revival in China with the Hang Seng China Enterprises Index rising by 8%. The economy still appears to be growing, and to be fair, fear and despondency towards China had reached something of a peak at the end of February and so a rebound was well overdue.

Only two of the portfolio companies produced results, with **Proya Cosmetics** announcing a very good set of figures for 2023 which were comfortably ahead of expectations. Sales rose by 39.5% with net profit no less than 46.1% higher. For the current year the company expect sales growth of over 20% and reported that several new brands had launched very successfully. The shares ended the month 14.1% higher following this news.

Less helpfully, results from **New Oriental Education** were less well received. While sales growth was exceptionally good, driven by new business initiatives and the online subsidiary East Buy, margins contracted somewhat due to an accelerated expansion of learning centres, and extra investment into East Buy. The stock ended the month 11% lower, but the outlook for 2024 is still very good, and in our view the shares remain attractively valued.

Travel still seems to be an area of strength in China and with hotel and rail bookings reported as very strong ahead of the Labour Day holidays, **Trip.com** gained 10%, while **Tencent Music**, the nearest equivalent to Spotify in China rose by 12.2%. During the month we bought new positions in **Midea**, China's leading maker of household appliances, and **DiDi**, which is China's massively dominant ride hailing App. This was done by disposing of **Raia Drogasil** in Brazil, and **Femsa** in Mexico, neither of which looked as promising.

The Indian market was barely changed in April, and the Fund's holdings were somewhat mixed. Most Indian companies have March year ends and so year end reporting is in full swing, and indeed is providing great encouragement. **Macrotech Developers** comfortably exceeded 2024 estimates and forecast sales growth of 20% for 2025. **Trent**, the Tata Group retail enterprise reported revenue growth of 53% in the final quarter of the year led by 10% same stores sales growth as well as a massive store expansion. Much improved margins translated into an 86% growth in net profit. Shares in **Macrotech** gained 9.0% in the month, while **Trent** ended 11.7% higher. **Indian Hotels** also reported a set of highly satisfactory figures, although this news was met with a little profit taking, while **ICICI Bank** rose 4.2% following their earnings report which revealed a favourable loan mix, stable net interest margins, and good cost control. Best of all, however, was **Eicher Motors** the maker of Royal Enfield motorcycles. A good set of sales figures for March accompanied by several broker upgrades sent the shares 14.4% higher.

It was a more difficult period in Latin America, where Mexico and Brazil were perhaps worse affected by a likely delay in interest rate reductions by the Federal Reserve. Both markets were lower this month, and the currencies were weak. In Mexico, first quarter results from **Alsea** (restaurants), were adequate rather than excellent, while Coca Cola distributor **Arca Continental** reported reasonable volume growth in Mexico and the US, but weaker sales in South America. **Alsea** lost 12.5% while **Arca** shed 7.9%.

A visit to China this month also confirmed what we have known for long, which is that most Chinese enterprises are performing quite adequately, and many are doing well. The issue for the market remains one of investor confidence in the face of an overbearing government which seems to have very little interest in supporting the private sector. Until this perception changes and although profitable opportunities exist, we believe that a substantial rerating of the market is unlikely, although further upside cannot be ruled out in the short term.



## CONTACTS

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## ENVIRONMENTAL, SOCIAL & GOVERNANCE

Aubrey bases its measures for ESG analysis on the United Nations Global Compact. This framework provides us with a foundation for assessing corporate sustainability where we focus our analysis on four themes:

- 1. Human Rights: Companies should respect the internationally declared human rights laws.
- 2. Labour: Elimination of discrimination in the workplace as well as all forms of forced labour.
- 3. Environment: Encourage companies to develop and create initiatives that promote sustainability.
- 4. Anti-Corruption: Businesses should eliminate corruption in all forms, including bribery.

Signatory of:



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