



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
LEGAL FORM	Limited Partnership
CUSTODIAN	The Bank of New York
ADMINISTRATOR	The Bank of New York
AUDITOR	Grant Thornton
DOMICILE	Delaware, USA

INCEPTION DATE	1st April 2021
FUND SIZE	\$22.7m
STRATEGY SIZE	\$539.0m
INDEX	MSCI TR Net Emerging Markets USD
PRICING FREQUENCY	Monthly
MANAGERS	Andrew Dalrymple, John Ewart, Rob Brewis

MANAGER'S COMMENTARY

The Fund had a good last month of the year with the net asset value rising by 1.8%, comparing well with the MSCI Emerging Markets Index which was -0.1%. This rounded off a strong 2024 in which the net asset value rose by 11.6%, which again compares favourably with the same index, which gained 7.5%.

Regular readers will be aware that the two big markets in the region have been extremely divergent, with China problematic, while India has been very rewarding. For most of the year the portfolio's weighting in India was around 50% and this proved to be an excellent strategy, with many of the holdings appreciating by at least 50%. Several companies in India saw remarkable growth, with some delivering gains of over 80%. A visit to the country in September was exceptionally reassuring.

Much is made of the fact that Indian stocks are "expensive," and indeed it is (and has been for sometime) the highest-rated emerging market by some margin. But we take the view that it is a uniquely complicated operating environment where the incumbent players often invulnerable to new competition, and in fact, some sectors remain closed to foreign interlopers. Those companies which have achieved market dominance are now looking forward to many years of strong growth as the young, aspirational, and hardworking population grows in prosperity. Management teams are exceedingly impressive, well-educated, articulate, and commercial. And if, on occasion, as markets do, it runs ahead of itself and has a correction or consolidation, so be it. In our view, it remains an outstanding long-term investment opportunity.

It would be nice to feel so positive on China but the country has clearly regressed under the influence of President Xi, who has shown little interest in advancing the private entrepreneurial side of the economy, which is of course the key to economic growth. As a result, for most of 2024, our exposure declined as we reallocated to other areas. This caused us problems in September when a package of government reforms designed to boost the economy sent the stock market into orbit. Between mid-September and 10th October, the Hang Seng China Enterprises Index gained 37% to become the world's best-performing market year to date. Since that peak, sentiment has faded and many of the gains have dissipated as investors, having digested September's news and decided that it was not enough, await further measures. The fact is, however, that there are a good many thoroughly good companies in China which were, and indeed still are, attractively valued. We have pushed up the weighting in China to around 20% at year-end, focusing on asset-light, cash-generative consumer-facing businesses.

Elsewhere, pickings have been selective. With the exception of India, where the election went reasonably well, returning Prime Minister Modi with a coalition government, some others were less favourable. We take politics seriously in our asset allocation process, and new left-leaning governments in Mexico and Brazil, predictably enough, caused the markets to correct and then flounder. We end the year with only one holding in Latin America. Southeast Asia continues to be frustrating, and the markets throughout that region have been static or trading downwards for several years now, although we have been successful with some regional businesses.

Taiwan has had a good year, led by the indomitable semiconductor sector, and we end the year with 12% of the portfolio invested in the country, and showing satisfactory profits.

The outlook for emerging markets is clouded by a still sluggish Chinese economy and the potential impact of Trump's second term and what that might mean for trade, inflation, interest rates, and the US Dollar. It is worth remembering that despite similar concerns at the time, Trump's first year in charge last time, 2017, was a highly rewarding period for both China and emerging markets.

NET PERFORMANCE

CUMULATIVE %	1M	3M	6M	1Y	3Y	INCEPTION
Fund Return	1.8	-1.5	2.8	11.6	-9.8	-9.9
Index Return	-0.1	-8.0	0.0	7.5	-5.7	-11.4

CALENDAR YEAR %	2024	2023	2022
Fund Return	11.6	9.4	-26.1
Index Return	7.5	9.8	-20.1

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. Calendar year performance refers to full calendar years.

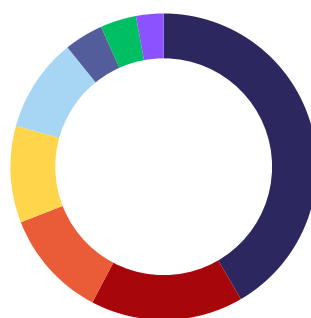
PORTFOLIO BREAKDOWN

Top 10 Positions

Company	% of Holding
Taiwan Semiconductor	5.6
Zomato	5.2
MakeMyTrip	4.8
Xiaomi	4.4
Indian Hotels	4.4
Mercadolibre	4.4
PB Fintech	4.2
Trip.Com	4.2
Max Healthcare	4.1
Macrotech Developers	3.7
Number of Holdings	30

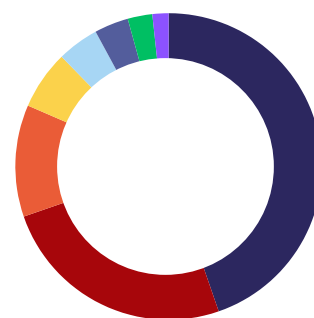
The securities identified and described do not represent all of the securities purchases, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

Sector Allocation



Consumer Discretionary	41.6
Information Technology	16.1
Financials	11.4
Communication Services	10.2
Consumer Staples	9.9
Health Care	4.1
Real Estate	3.8
Industrials	2.9

Geographic Allocation



India	44.7
China	25.0
Taiwan	11.8
Brazil	6.2
Singapore	4.4
South Africa	3.6
South Korea	2.6
Indonesia	1.7

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