



## KEY FACTS

### Investment Objective

The Strategy'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 Strategy is suitable for investors seeking long term capital appreciation.

### Strategy Information

STRATEGY INCEPTION	14th March 2012
STRATEGY CURRENCY	USD
STRATEGY SIZE	\$554.9 m
INDEX	MSCI TR Net Emerging Markets USD
MANAGERS	Andrew Dalrymple, John Ewart, Rob Brewis

## MANAGER'S COMMENTARY

A good many of our companies reported results this month. Almost invariably, they were either very good or very acceptable, which is encouraging. Nevertheless, perhaps led by America, where the market was in an unhelpful mood, the share price reactions were often disappointing.

The worst of these was **Sea Ltd**, the e-commerce leader in South East Asia, which fell by 11%. Their Shopee brand dominates ecommerce in Indonesia, Thailand and the Philippines, and it is also a large player in South America. Revenues grew by 28%, with an improved take rate, (margin), and it is now the second largest ecommerce operator in Brazil. But the share price decline seemed to be mostly attributable to increased competition in Latin America with two powerful competitors, MercadoLibre and Amazon, exerting pricing pressure. Overall, the business is solid and growing rapidly. (But we often wish that Asian companies would stay in Asia!)

The other was Hong Kong based digital brokerage and wealth management platform, **Futu**, which faced some profit taking, falling 15%, despite announcing some really excellent results. Revenue growth of 86% led to profit growth of 137%, and client assets under management grew by 27%. Clearly, this is a business which is leveraged to global equity and asset prices and may correct with broader markets from time to time, but these numbers reflect significant market share growth and bode well for the future.

The portfolio met with mixed fortunes in other areas. The Korean market saw some well overdue profit taking, more likely connected to the sell off in technology stocks in America, so that **SK Hynix** and **Samsung Electronics** both ended the month around 5% lower. China had a tough month. With very little corporate news to provide direction. The Fund's stocks drifted, mostly lower.

India was also mixed. **Eternal**, the country's leader in Quick Commerce fell 6% as competitors raised more capital to fund the "land grab" that is clearly in progress. Our expectation is that **Eternal** will remain the leader in the sector, and that there is plenty of opportunity for several players anyway. New holding, **Nykaa**, the online retailer of cosmetics and fashion items, made a cheerful start, rising by 8%, while car and tractor maker **Mahindra & Mahindra** gained 8% following some excellent quarterly numbers, with revenues rising by 21%.

Finally, Latin America is having a rare moment in the sun. Our exposure to the area is largely composed of banks, with **ITAU Unibanco**, Brazil's largest bank, and **NU Holdings**, a new online mass banking franchise. Both holdings performed strongly, rising by 6% and 8% this month. Chile's **Latam Airlines** also gained 7%. The satisfactory election results in Chile hopefully confirm that while Argentina has started the move towards political sanity in South America, Chile is following.

We very much hope that Brazil will also move toward a more business-friendly economic framework when it goes to the polls next year. Furthermore, the independent central bank has kept inflation in Brazil at a mere 5%, while interest rates are still at 15%, which, in our view, opens the way for a strong and sustainable rate cutting cycle in 2026.

## NET PERFORMANCE

CUMULATIVE %	1M	3M	6M	1Y	3Y	5Y	10Y	INCEPTION
Strategy Return	-4.4	-0.2	6.7	11.4	31.0	1.0	122.2	219.2
Index Return	-2.4	9.0	19.3	29.5	51.0	28.0	113.0	83.0

CALENDAR YEAR %	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Strategy Return	11.6	9.6	-25.8	-4.3	52.0	28.0	-17.4	56.0	-4.9	-9.0	9.0
Index Return	7.5	9.8	-20.1	-2.5	18.3	18.4	-14.6	37.3	11.2	-14.9	-2.2

Source: Aubrey Capital Management & MSCI

All figures are presented net of fees in USD. MSCI Emerging Markets Index is used for comparative purposes only. Investment returns may increase or decrease as a result of currency fluctuations. Past performance is no guarantee of future results.

Aubrey Institutional claims compliance with GIPS. The performance record disclosed above is that of the firm's composite for the Aubrey Global Emerging Markets Strategy (see page 3 for further details).





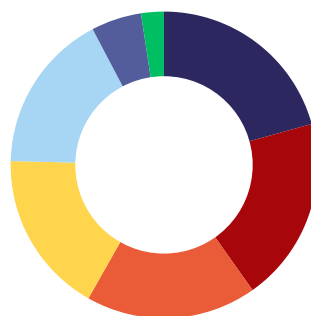
## PORTFOLIO BREAKDOWN

### Top 10 Positions

Company	% of Holding
Taiwan Semiconductor	7.7
Tencent	6.9
Samsung	4.9
SK Hynix	4.2
Futu	4.0
Mahindra & Mahindra	3.6
DBS Group	3.4
Eternal	3.3
Grab	3.2
Embraer	3.2
<b>Number of Holdings</b>	<b>32</b>

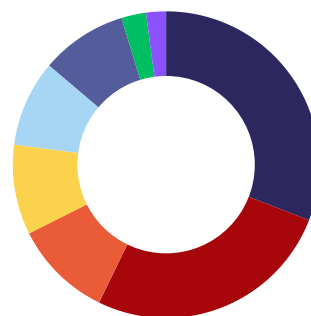
The securities identified and described do not represent all of the securities purchases, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

### Sector Allocation



Consumer Discretionary	20.7
Information Technology	19.5
Financials	18.0
Communication Services	17.2
Industrials	16.9
Health Care	5.3
Consumer Staples	2.4

### Geographic Allocation



China	30.9
India	26.3
Taiwan	10.4
Singapore	9.5
Brazil	9.1
South Korea	9.1
Chile	2.6
South Africa	2.1

## CONTACTS

### Investment Enquiries

**EMAIL** clientservices@aubreycm.co.uk

**TELEPHONE** +44 (0) 131 226 2083

### Head Office

Aubrey Capital Management Limited  
10 Coates Crescent  
Edinburgh  
EH3 7AL

## IMPORTANT INFORMATION

This is a marketing communication issued by Aubrey Capital Management Limited, authorised and regulated by the Financial Conduct Authority and registered as an Investment Adviser with the US Securities & Exchange Commission. Investors in the strategy are exposed to fluctuations in the value of investments, which can go down as well as up, may be subject to significant volatility due to market conditions and changes in foreign exchange rates. The benchmark is an index, the performance of which is not affected by fees and expenses like the Strategy. Past investment performance is not an indication of future performance. The strategy aims to invest all its assets in emerging market equities which have a higher than average risk when compared to investing in more established markets as investments may be affected by local market conditions. As a result of these risks, you should ensure investment in the strategy is suitable for you. If you are still unsure, seek independent professional advice.

Aubrey Capital Management has taken reasonable care to ensure the accuracy of this information at the time of publication but it is subject to change without notice and it does not in any way constitute investment advice or an offer or invitation to deal in securities.

GIPS: The Aubrey Global Emerging Markets Institutional Strategy is composed of a number of publicly available funds committed to the strategy (a Luxembourg SICAV, a UK OEIC and a US Commingled fund) together with a number of separate accounts managed likewise ("the EM Accounts"). All the EM accounts included have been taken into account in the calculation of the composite numbers on which the EM GIPS Reports is based ("the Composite"). All performance is reported in US Dollar (\$).

Aubrey Institutional claims compliance with the Global Investment Performance Standards ("GIPS®") and has prepared and presented this report in compliance with the GIPS standards. GIPS is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To obtain a GIPS Composite Report, please call +44(0)131 226 2083 or email us at [clientservices@aubreycm.co.uk](mailto:clientservices@aubreycm.co.uk).

Aubrey Institutional Fund Division ("Aubrey Institutional") is a division of Aubrey Capital Management Limited, which is an investment manager authorised and regulated by the Financial Conduct Authority (Reg. No. 455895) and is registered as an investment adviser with the U.S. Securities and Exchange Commission. The Aubrey Institutional Fund Division Investment Strategies are managed by the institutional investment team within Aubrey Capital Management Limited. Excluded from this definition of Aubrey is Aubrey's Wealth Management division which provides bespoke managed account portfolio services for individual private clients.

MSCI: The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. ([www.msci.com](http://www.msci.com)).