



## 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	\$24.6 m
STRATEGY SIZE	\$574.8 m
INDEX	MSCI TR Net Emerging Markets USD
PRICING FREQUENCY	Monthly
MANAGERS	Andrew Dalrymple, John Ewart, Rob Brewis

## MANAGER'S COMMENTARY

February proved to be another strong month for emerging markets with the Fund advancing by 4.4%, but it was another month when technology, Korea and Taiwan led the gains, which left the Fund slightly behind the benchmark's 5.5%.

China was the most disappointing market during the month which included Chinese New Year holidays and the start of the Year of the Horse. This was led by the big tech guns of **Tencent** and **Alibaba** who both used the holidays to aggressively promote their AI offerings but both seemed to lag the leader, the unlisted **ByteDance**. The question remains how much revenue will be generated from their AI businesses. The holidays are always used as a barometer of the health of the Chinese consumer and the message was inconclusive. Travel numbers were reasonably strong but spending remained subdued and household budgets were clearly restrained. This worked well for **H World** and their budget hotels, with the shares rising 15.3%, but less well for **China Tourism** which declined by 13%, albeit after a strong run beforehand. Our overall reading, however, is that there are some green shoots in Chinese consumption, with even some signs of improving property conditions in a few cities, and we are examining a few of our more traditional consumer stocks which look very attractively valued.

India had a mixed performance as the rest of the quarterly results emerged, with the best performance coming from **Eicher Motors** which rose 12% in the month. Revenue rose 23% and profits 26% while the company announced a 67% increase in capacity over the next three years to 2 million units. Royal Enfield remains one of the most unique and highly aspirational brands and management continues to expand this skilfully. Online cosmetics retailer, **Nykaa**, was another strong performer in both results and share price, rising 11.8%. Less positive was food delivery and quick commerce, **Eternal**, which continues to face stiff competitors, despite being the undoubted leader and eventual winner in the segment.

Taiwan tech continued to ride the AI wave and all our stocks there performed well. But the outstanding market in the month was South Korea, which surged higher, as did our stocks, whether **Samsung Electronics** (+34.9%), **Kia Corp** (+31.6%), **KB Financial** (+17.6%), or the relative laggard this month, **SK Hynix**, up 16.7%. These moves may seem extreme and suggest an element of over-exuberance in the market but, particularly in the semiconductor names, they are only keeping up with earnings expectations, as AI's insatiable demand for memory keeps rising. We took some profits in **Samsung Electronics** towards month end.

This over-exuberance was the reason that Korea reacted most sharply to the start of the war in Iran in early March. Not that Korea, nor the semiconductor industry, are particularly vulnerable to oil prices and the ongoing war in the Gulf. Some economies are clearly more vulnerable than others to these problems and India is perhaps top of mind, although we would argue that it is much less vulnerable than in the past, and this has largely been borne out by the market's relatively calm response in early March.

There are very few of our holdings, with the exception of **LATAM Airlines**, which are directly impacted by the oil price or events in Iran, and as such we have not changed the portfolio in any significant manner. The extent and length of the oil price rise will clearly impact consumers, but our view is that this impact will be temporary, and does not alter the fundamentals of these companies which remain strong.

## NET PERFORMANCE

CUMULATIVE %	1M	3M	6M	1Y	3Y	INCEPTION
Fund Return	4.4	10.9	11.4	26.9	48.6	6.2
Index Return	5.5	18.3	28.9	50.0	65.4	35.9

CALENDAR YEAR %	2025	2024	2023	2022
Fund Return	8.7	11.6	9.4	-26.1
Index Return	33.6	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.



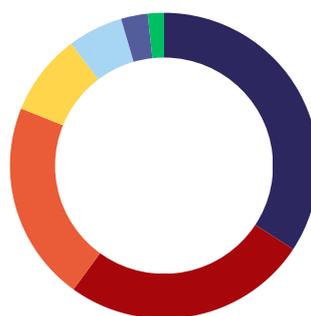
## PORTFOLIO BREAKDOWN

### Top 10 Positions

Company	% of Holding
Taiwan Semiconductor	10.4
Samsung Electronics	9.4
SK Hynix	7.0
Tencent	3.5
Alibaba	3.4
Itau Unibanco	3.4
Kia Corp	3.3
Embraer	3.2
DBS Group	3.1
Capitec Bank	3.1
<b>Number of Holdings</b>	<b>33</b>

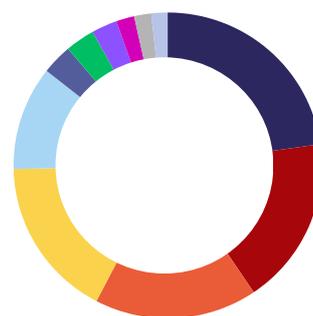
The securities identified and described do not represent all of the securities purchases, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

### Sector Allocation



Information Technology	34.2
Consumer Discretionary	25.8
Financials	21.1
Industrials	8.6
Communication Services	5.8
Consumer Staples	2.8
Real Estate	1.7

### Geographic Allocation



South Korea	22.8
Taiwan	17.8
China	17.1
India	17.0
Brazil	11.0
Singapore	3.2
South Africa	3.1
Chile	2.7
Hong Kong	1.9
Mexico	1.8
UAE	1.7

## CONTACTS

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