

PHARUS SICAV ASIAN NICHES



Monthly Risk Report

31 August 2020

Pharus Asian Niches	
ISIN	Class A – LU1867072578
	Class B – LU1867072651
	Class Q (listed class) - LU1867072735

Summary

- Ex-ante analysis: VaR 1 month – 99%
- Portfolio: allocation & performance summary
- Equity Portfolio
- Bond Portfolio
- Ex-ante analysis : VaR by sector and country
- Ex-ante analysis : Top securities which are contributing the most to total active risk active risk
- Ex-Ante analysis: size and style allocation
- Liquidation time horizon

Ex-ante analysis: VaR 1 month 99% as of 31/08/2020

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev, month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-24,71%	-24,92%

- The alert levels are linked to the 99% VaR 1M
- As expected, the VaR continued to remain above the limits
- An extraordinary BoD has been called on 13 May to request an extension of the waiver to risk budget. The BoD has granted a waiver for further 6 months due to the exceptional situation. A similar rise of VaR may be found in most equity indexes and when the calculation of the VaR gives a meaningful and greater weight to the more recent events (decay factor).

VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	1,92%	5,27%
Historical 1W	4,30%	11,78%
Historical 1M	9,01%	24,71%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

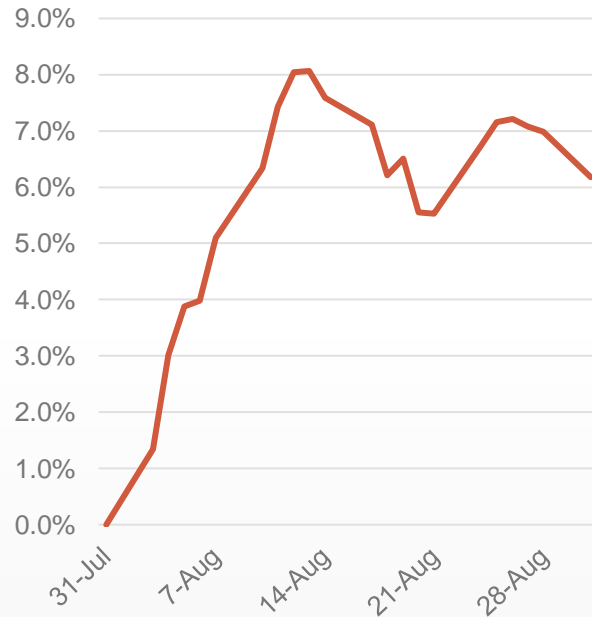
Indice	Price as of 31/08/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Year to Date (local currency)	% Price Change Year to Date (€)	% Price Change Since inception * (local currency)	% Price Change Since inception * (€)
Pharus Asian Niches	92,06	-	6,18%	-	-10,41%	-	-7,94%
<i>Electric Mobility</i>	-	-	13,08%	-	-1,30%	-	-0,65%
5G	-	-	1,23%	-	-9,89%	-	0,22%
<i>Internet Victims</i>	-	-	10,52%	-	-29,96%	-	-18,30%
<i>Small Cap Indonesia</i>	-	-	6,49%	-	-18,27%	-	-21,78%
<i>Korea Reunification</i>	-	-	1,70%	-	-24,94%	-	-30,16%
<i>Close the Gap</i>	-	-	14,08%	-	9,07%	-	6,24%
<i>Neglected Luxury</i>	-	-	7,71%	-	-33,79%	-	-28,10%
<i>Orphan Companies</i>	-	-	3,98%	-	-15,77%	-	-8,70%
<i>Steel Substitution</i>	-	-	13,53%	-	-16,23%	-	-8,03%
Korea (.KS200)	307,14	2,61%	1,70%	4,55%	-4,48%	7,43%	-3,61%
Tokyo Stock Exchange (.TOPX)	1618,18	8,16%	6,69%	-5,99%	-9,34%	1,01%	-0,05%
Indonesia (.JKSE)	5238,49	4,64%	3,11%	-16,84%	-25,42%	-19,38%	-26,01%
China (.HSI)	25177,05	2,37%	0,98%	-10,69%	-15,69%	-11,18%	-14,80%
MSCI Asia Pacific (.dMIPC00000PEU)	167,01	-	5,62%	-	-10,29%	-	-2,35%
Bond High Yield (AHYE.PA)	232,23	-	1,65%	-	-1,80%	-	4,50%

* 18/02/2019

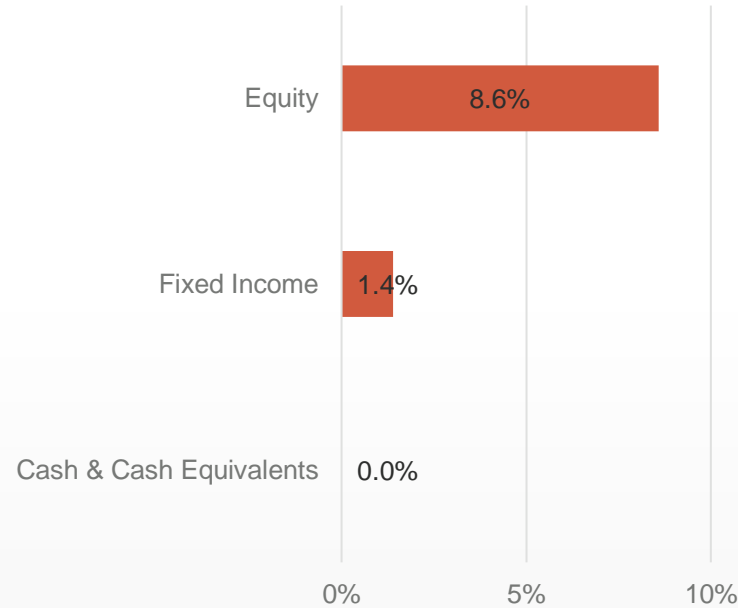
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: +6,18% (31 July – 31 Aug '20)



Performance Breakdown by Asset Class (31 July – 31 Aug '20)



Equity Portfolio: Monthly Performance by Sector (31 July – 31 Aug '20)

	Avg Weight	1 Month Return	Contribution
Equity	68,8%	8,6%	5,90%
Materials	8,3%	16,0%	1,31%
Consumer Discretionary	7,8%	13,6%	1,01%
Financials	10,1%	8,2%	0,81%
Industrials	9,0%	6,8%	0,65%
Communication Services	12,6%	1,9%	0,24%
Energy	0,2%	84,8%	0,22%
Information Technology	6,8%	1,8%	0,16%
Real Estate	1,0%	11,0%	0,11%
Consumer Staples	2,8%	3,3%	0,09%
Health Care	0,5%	-4,1%	-0,02%
Fund*	9,9%	13,4%	1,32%

Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

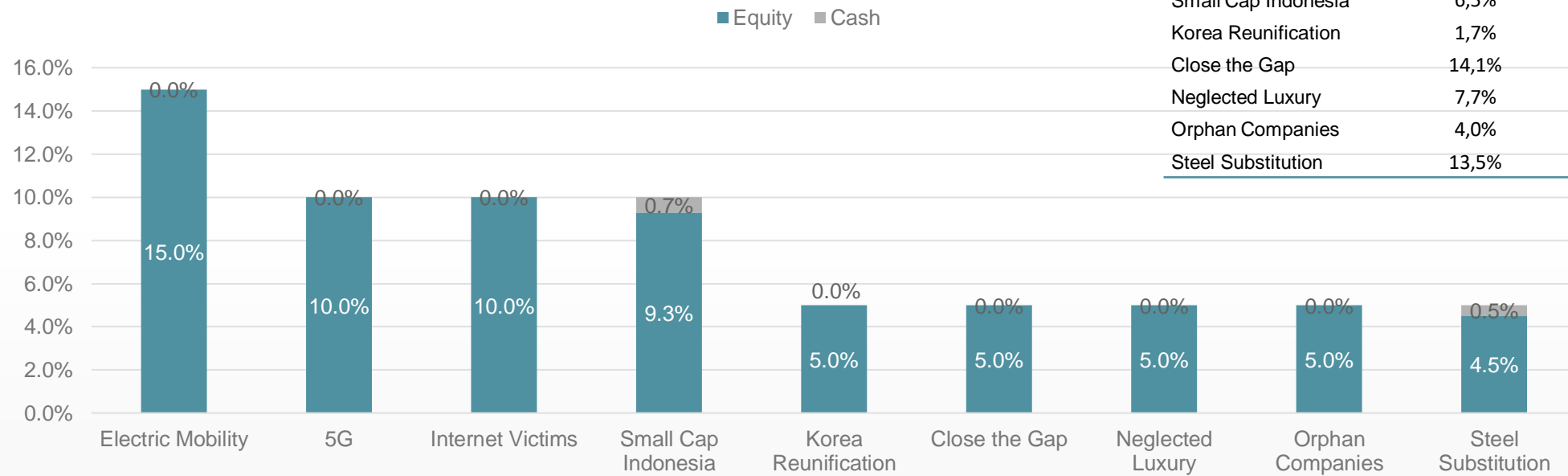
As of 31 Aug 2020

AUM (€ mln)

14,739 mln

EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 31 Aug 2020

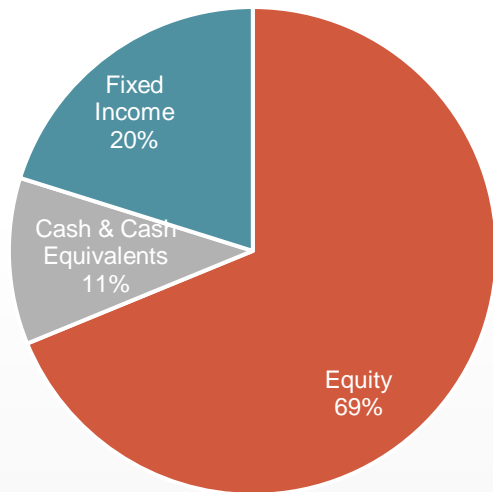


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	13,1%	13,1%
5G	1,2%	1,2%
Internet Victims	10,5%	10,5%
Small Cap Indonesia	6,5%	9,7%
Korea Reunification	1,7%	1,7%
Close the Gap	14,1%	14,1%
Neglected Luxury	7,7%	7,7%
Orphan Companies	4,0%	4,0%
Steel Substitution	13,5%	14,3%

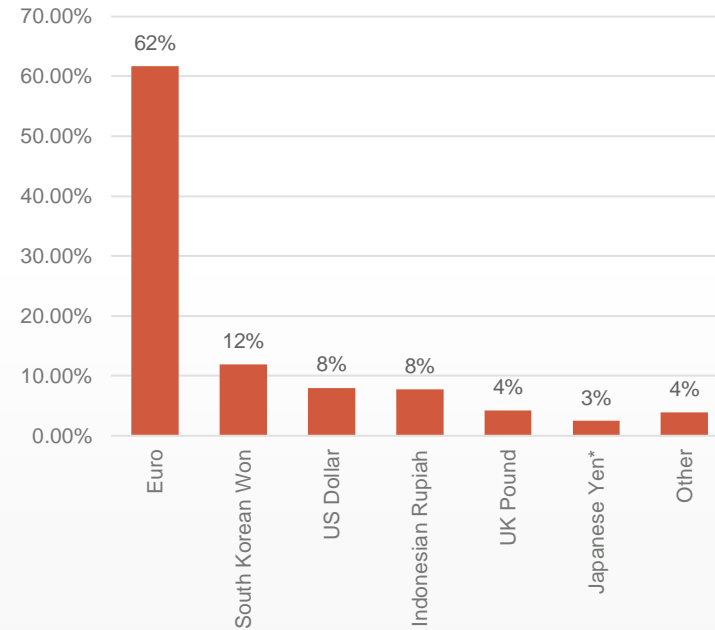
Weight % previous Month	15,0%	10,0%	10,0%	6,5%	5,0%	3,7%	4,6%	4,4%	4,6%
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PORTFOLIO: Allocation summary

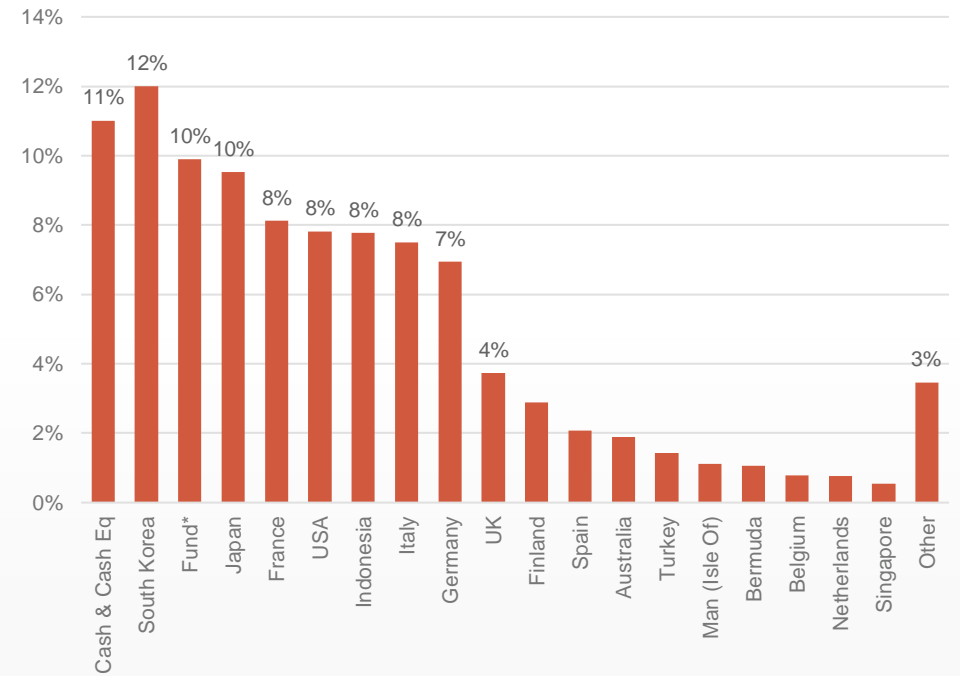
**Breakdown by Asset Class
as of 31 Aug 2020**



**Breakdown by Currency
as of 31 Aug 2020**



**Breakdown by Country
as of 31 Aug 2020**



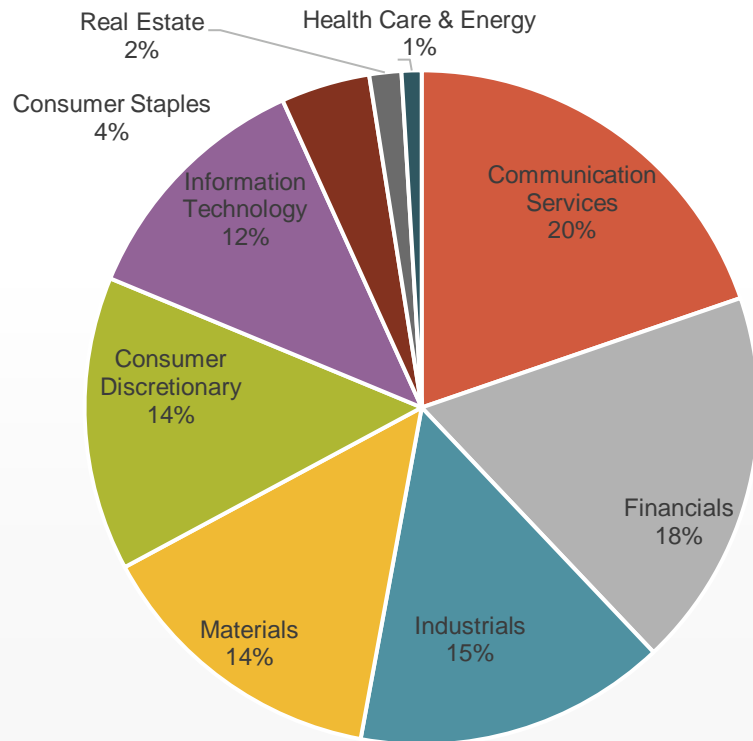
* net of JPY hedging

EQUITY PORTFOLIO: Allocation summary

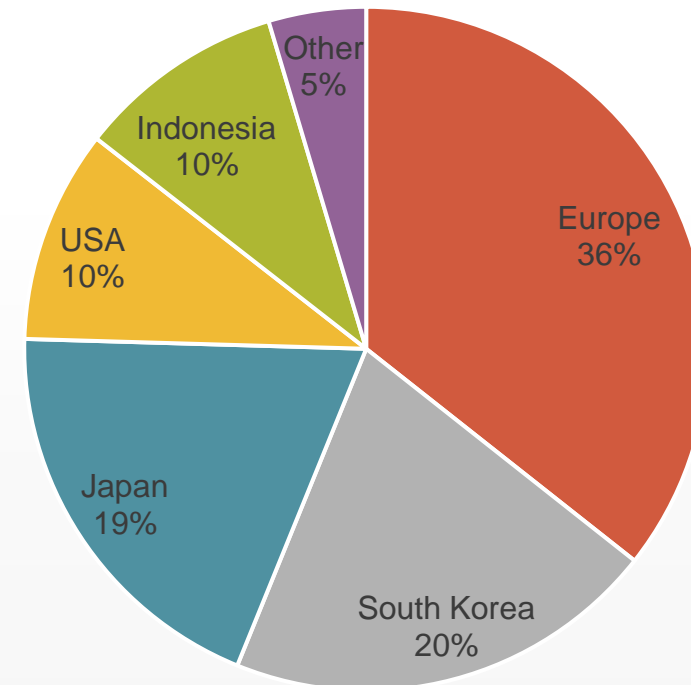
Equity Exposure: 69%

Equity Exposure previous month: 68%

Equity Breakdown by Sector as of 31 Aug 2020
Rebased



Equity Breakdown by Country as of 31 Aug 2020
Rebased



EQUITY PORTFOLIO: Change in holdings (31 July – 31 Aug '20)

	Trade	End Portfolio Weight
Orange Belgium Ord Shs	BUY	0,26%
Telecom Italia Saving Shs	BUY	0,28%
Wijaya Karya Beton Ord Shs	ADD	0,39%
Matahari Department Store Ord Shs	ADD	0,31%
BT Group Ord Shs	ADD	1,13%
Telefonica Ord Shs	ADD	0,87%
HSBC Holdings Ord Shs	ADD	0,28%
Orange Ord Shs	ADD	0,67%
Societe Generale Ord Shs	ADD	0,54%
Lanson-Bcc Ord Shs	ADD	0,45%
Showa Denko Ord Shs	ADD	0,38%
POSCO Ord Shs	ADD	0,44%
Samsung Life Ord Shs	REDUCE	0,47%
Resolute Forest Products Ord Shs	REDUCE	0,46%

	Trade	End Portfolio Weight
POSTNL Ord Shs	REDUCE	0,37%
LG Chem Preferred Stock	SELL	0,00%
TE Connectivity Ord Shs	SELL	0,00%
SK Innovation Pref Shs	SELL	0,00%
Avnet Ord Shs	SELL	0,00%
Gap Ord Shs	SELL	0,00%
CosmoAM&T Ord Shs	SELL	0,00%
Ecopro Ord Shs	SELL	0,00%
Tribune Publishing Ord Shs	SELL	0,00%
ViacomCBS Ord Shs Class B	SELL	0,00%
Interfor Ord Shs	SELL	0,00%
Mirae Asset Daewoo 2Pref Shs	SELL	0,00%
Pitney Bowes Ord Shs	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (31 July – 31 Aug '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Resolute Forest Products Ord Shs	0,6%	54,3%	0,28%
Bank Bukopin Ord Shs	0,5%	59,3%	0,27%
SK Innovation Pref Shs	0,2%	84,8%	0,22%
Pitney Bowes Ord Shs	0,1%	92,9%	0,18%
SK Telecom ADR repsg 1/9 Ord Shs	1,5%	11,9%	0,17%
LG Chem Preferred Stock	0,1%	57,5%	0,15%
Samsung Life Ord Shs	0,6%	27,6%	0,15%
Ecopro Ord Shs	0,3%	23,6%	0,14%
Renault Ord Shs	0,8%	18,9%	0,13%
POSTNL Ord Shs	0,6%	21,2%	0,12%
Toda Kogyo Ord Shs	0,3%	48,4%	0,12%
GameStop Ord Shs Class A	0,2%	64,7%	0,11%
Stora Enso Ord Shs Class R	0,7%	15,7%	0,11%
Tanaka Chemical Ord Shs	0,3%	41,2%	0,10%
Veoneer Ord Shs	0,3%	36,6%	0,09%
Bank Tabungan Negara (Persero) Ord Shs	0,4%	23,4%	0,09%
Alcoa Ord Shs	0,7%	11,2%	0,08%
Royal Mail Ord Shs	0,6%	12,5%	0,07%
BT Group Ord Shs	1,1%	7,1%	0,07%
Carnival Ord Shs	0,3%	28,7%	0,07%
Daimler Ord Shs	0,5%	14,0%	0,07%
First Pacific Ord Shs	0,2%	32,4%	0,07%
Syrah Resources Ord Shs	0,4%	15,9%	0,06%
LG Corp Preferred Stock	0,5%	13,0%	0,06%
Dixons Carphone Ord Shs	0,3%	26,6%	0,06%
Lippo Karawaci Ord Shs	0,5%	12,8%	0,06%
Sumitomo Forestry Ord Shs	0,2%	41,3%	0,06%
Lg Electronics Pref Shs	0,3%	19,4%	0,06%
Sumitomo Chemical Ord Shs	0,5%	12,2%	0,06%
Macys Ord Shs	0,4%	13,7%	0,06%
Knoll Ord Shs	0,6%	8,7%	0,05%
Gap Ord Shs	0,2%	30,4%	0,05%
Gannett Co Ord Shs	0,3%	15,6%	0,05%
Lippo Cikarang Ord Shs	0,5%	9,5%	0,05%
Barclays Ord Shs	0,4%	12,3%	0,05%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
VEON ADR	0,6%	-16,9%	-0,12%
Telefonica Ord Shs	0,7%	-6,7%	-0,05%
Orange Ord Shs	0,5%	-5,9%	-0,03%
Hana Financial Group Ord Shs	0,6%	-5,2%	-0,03%
Alelion Energy Systems Ord Shs	0,1%	-35,7%	-0,03%
Showa Denko Ord Shs	0,3%	-6,4%	-0,03%
POSCO Ord Shs	0,3%	-5,2%	-0,03%
Reach Ord Shs	0,2%	-12,7%	-0,03%
Tempo Scan Pacific Ord Shs	0,5%	-4,1%	-0,02%
Heian Ceremony Service Ord Shs	0,6%	-3,4%	-0,02%
Hyundai Construction Equipment Ord Shs	0,5%	-4,8%	-0,02%
Toshiba Ord Shs	0,4%	-5,9%	-0,02%
KT ADR Rep 1/2 Ord Shs	1,7%	-1,3%	-0,02%
Shinsegae I&C Ord Shs	0,5%	-3,7%	-0,02%
Rizzoli Corriere Della Sera Mediagroup Ord Shs	0,4%	-3,9%	-0,02%
Fluor Ord Shs	0,2%	-7,6%	-0,02%
Ribbon Communications Ord Shs	0,4%	-3,8%	-0,02%
Samsung Electronics Non Voting Pref Shs	0,3%	-4,8%	-0,01%
Matahari Department Store Ord Shs	0,3%	-3,9%	-0,01%
Wijaya Karya Beton Ord Shs	0,3%	-2,3%	-0,01%
Walgreen Boots Alliance Ord Shs	0,2%	-6,6%	-0,01%
PP (Persero) Ord Shs	0,6%	-1,4%	-0,01%
Bank Danamon Indonesia Ord Shs	0,5%	-1,6%	-0,01%
HSBC Holdings Ord Shs	0,2%	-2,7%	-0,01%
Hewlett Packard Enterprise Ord Shs	0,2%	-3,1%	-0,01%
Juniper Networks Ord Shs	0,4%	-1,8%	-0,01%
Delfi Ord Shs	0,5%	-1,2%	-0,01%
Samsung Electronics 1 GDS Representing 25 Ord Shs	0,4%	-1,7%	-0,01%
Stella Chemifa Ord Shs	0,2%	-4,0%	-0,01%
Atresmedia Corp Ord Shs	0,3%	-2,3%	-0,01%
Lanson-Bcc Ord Shs	0,4%	-4,2%	-0,01%
Glencore Ord Shs	0,2%	-2,3%	0,00%
Bnk Financial Group Ord Shs	0,2%	-2,0%	0,00%
Laurent-Perrier Ord Shs	0,2%	-2,1%	0,00%
Indosat Ord Shs	0,5%	-0,9%	0,00%

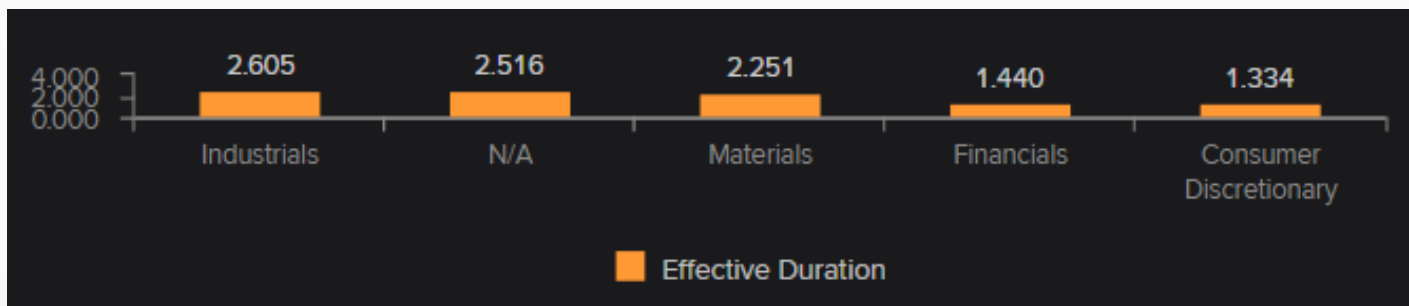
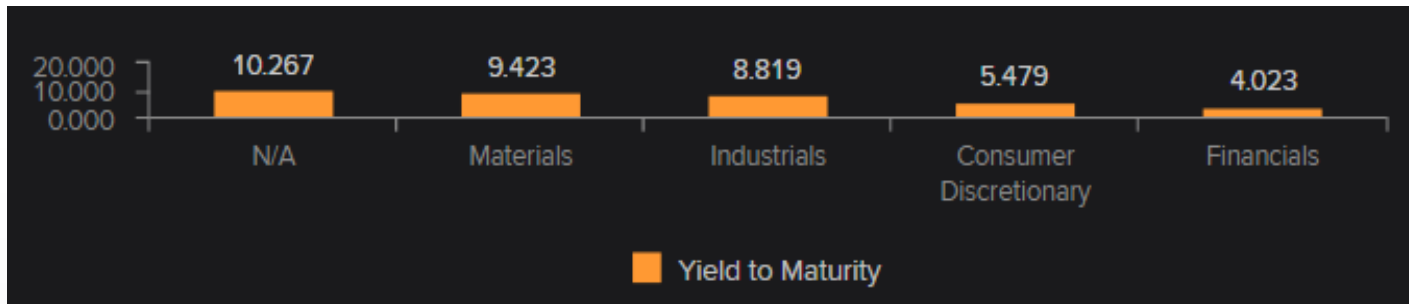
*Sorted from highest to lowest by Contribution

BOND PORTFOLIO*: Characteristics

Coupon	5,08
Yield to Maturity	6,90
Yield to Worst	6,83
Average Life (yrs) to Maturity	2,30
Modified Duration to Maturity	2,06

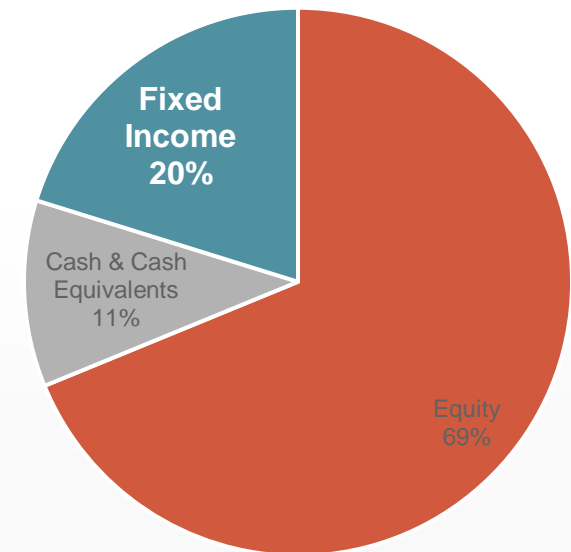
*Metrics include the «Bond portfolio» and «Cash management portfolio»

Top/Bottom 5 Sectors by Yield to Maturity and by Effective Duration



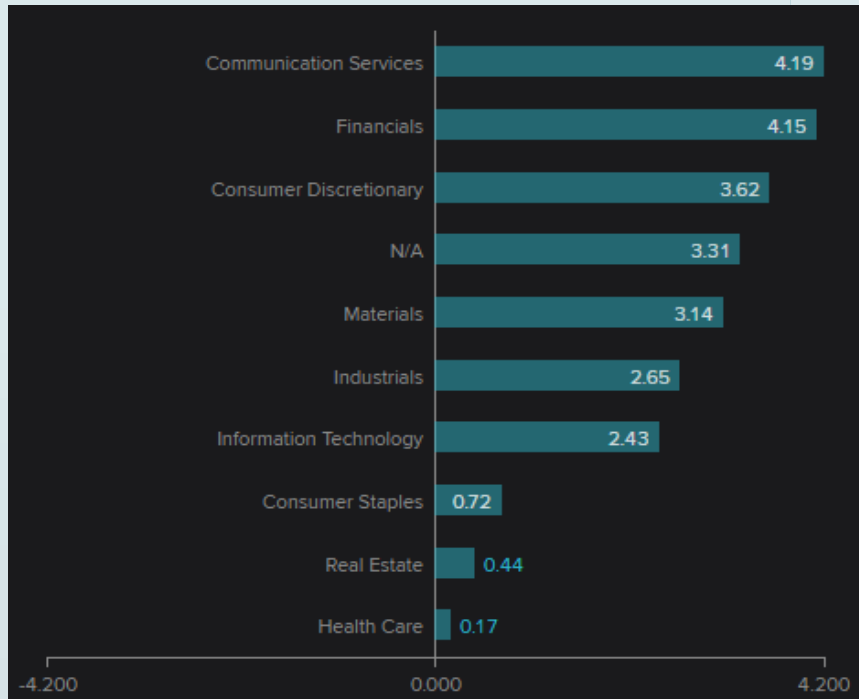
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 31 Aug 2020

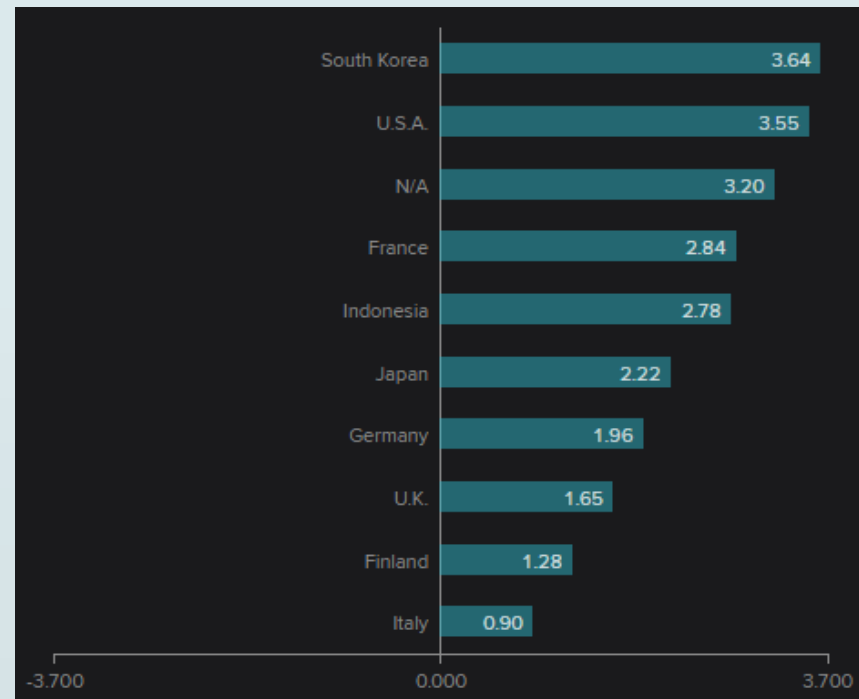


Ex-ante analysis: VaR 1 month 99% as of 31/08/2020

**VAR 1M – 99% BY GICS SECTOR
AS OF 31/08/2020**



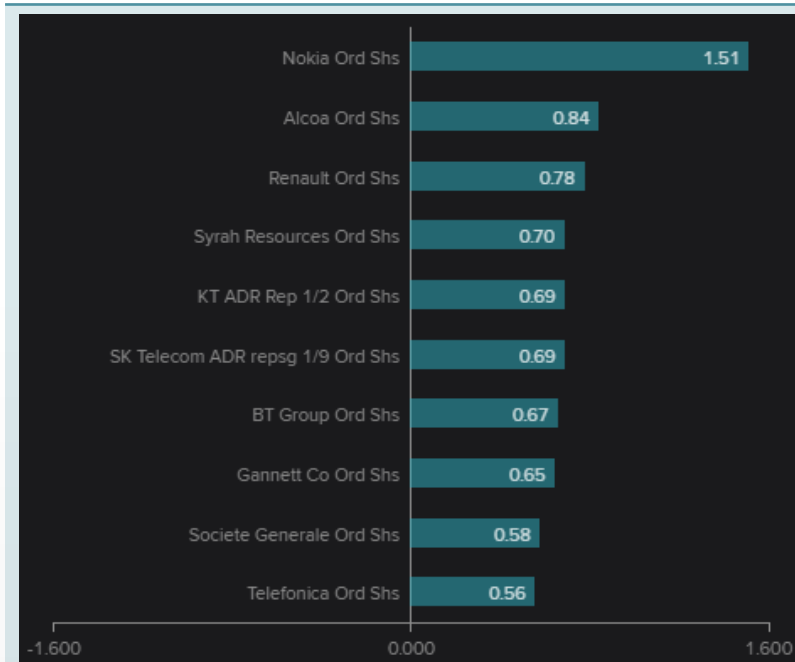
**VAR 1M – 99% BY COUNTRY
AS OF 31/08/2020**



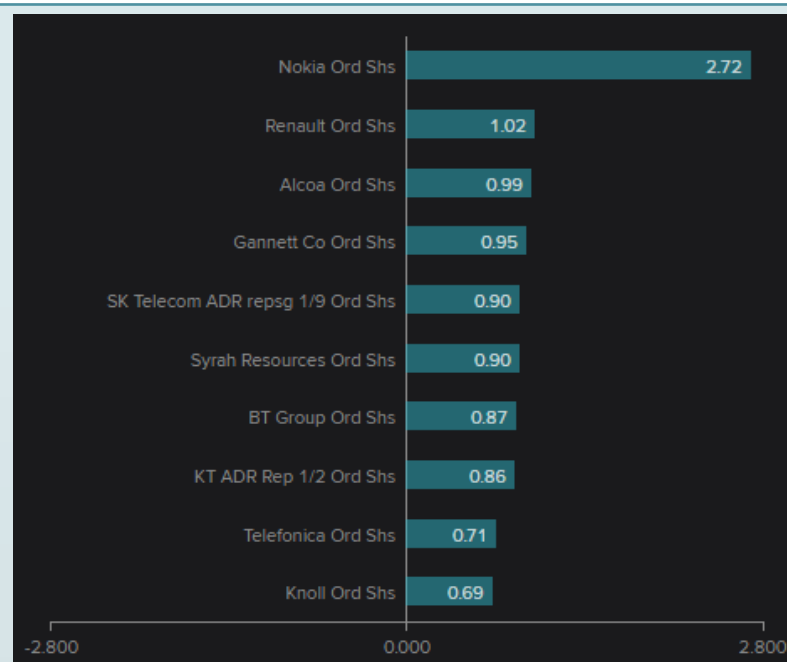
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis: Top securities which are contributing the most to total active risk

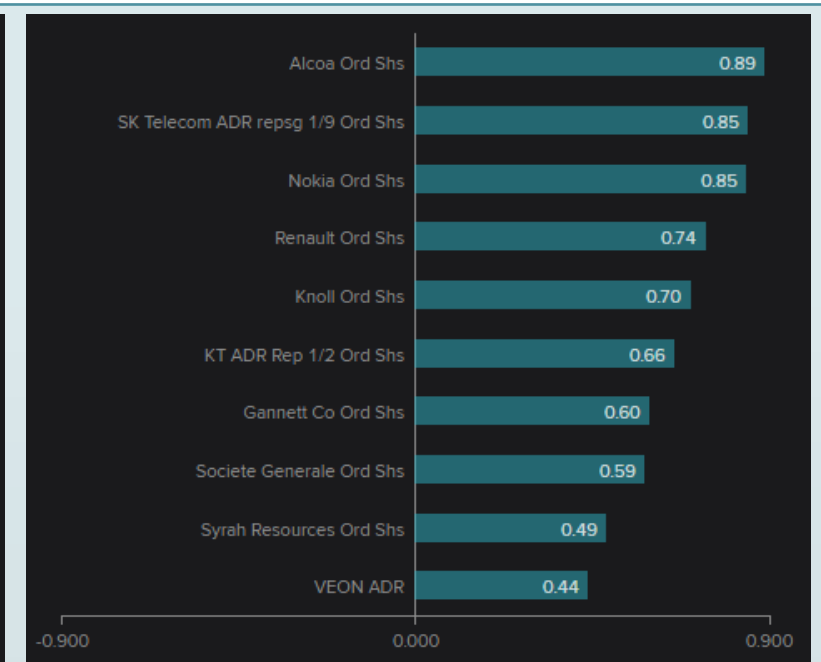
**VAR TOP 10 SECURITIES
AS OF 31/08/2020**



**CVAR TOP 10 SECURITIES
AS OF 31/08/2020**



**MVAR TOP 10 SECURITIES
AS OF 31/08/2020**



Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) as of 31/08/2020

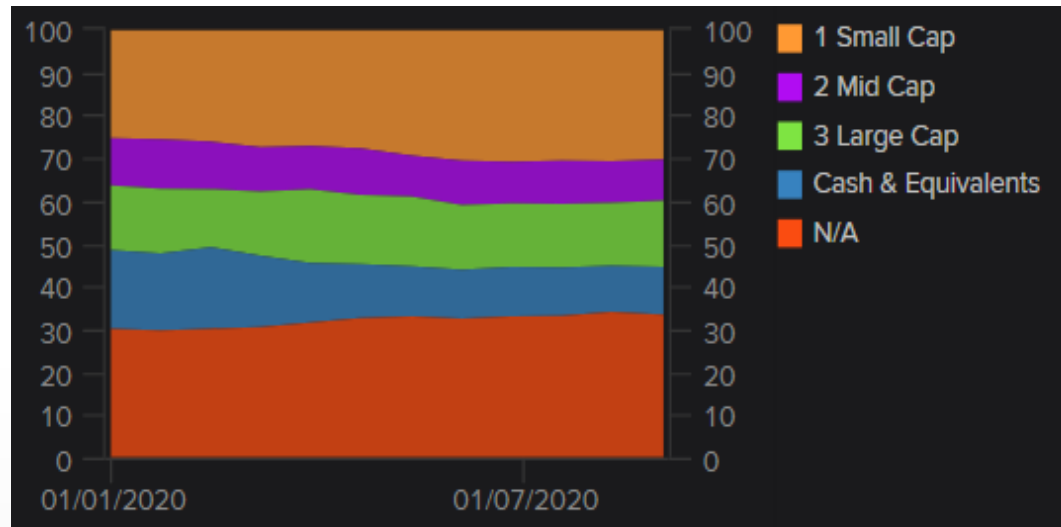


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	9,01	24,71	100,00%	29,19	24,71
Nokia Ord Shs	0,63	1,51	3,01%	2,72	0,85
Renault Ord Shs	0,40	0,78	1,12%	1,02	0,74
Alcoa Ord Shs	0,33	0,84	1,07%	0,99	0,89
Gannett Co Ord Shs	0,27	0,65	0,52%	0,95	0,60
SK Telecom ADR repsg 1/9 Ord Shs	0,32	0,69	2,29%	0,90	0,85
Syrah Resources Ord Shs	0,29	0,70	0,64%	0,90	0,49
BT Group Ord Shs	0,35	0,67	1,61%	0,87	0,30
KT ADR Rep 1/2 Ord Shs	0,34	0,69	2,33%	0,86	0,66
Telefonica Ord Shs	0,23	0,56	1,24%	0,71	0,41
Knoll Ord Shs	0,31	0,51	0,91%	0,69	0,70
Ribbon Communications Ord Shs	0,21	0,48	0,59%	0,66	0,30
Royal Mail Ord Shs	0,21	0,55	0,89%	0,64	0,00
Societe Generale Ord Shs	0,23	0,58	0,77%	0,63	0,59
VEON ADR	0,17	0,38	0,83%	0,62	0,44
Macys Ord Shs	0,27	0,55	0,64%	0,61	0,43

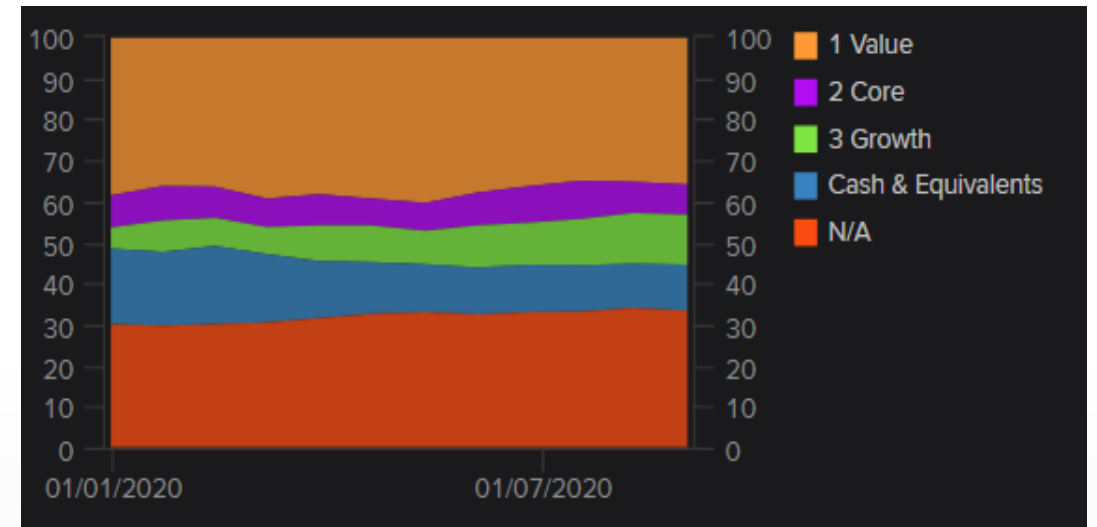
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 31/08/2020*

Size Allocation



Style Allocation



Source: Thomson Reuters, Niche AM

Liquidation time horizon and stress test

	1 day	5 days	10 days	30 days
Pharus Asian Niches	90%	97%	99%	100%

Source: Niche AM, Thomson Reuters

Assumptions for what regards the time it takes to liquidate assets for cash on a daily basis:

- *Equity: orders placed on the market at 20% of volumes; average 3 months volumes considered*
- *Fixed income: 0,05% amount outstanding*
- *Fund: 10% of NAV*

Internal Liquidity requirement: at least 10% can be liquidated in one week and 40% in one month



Number of days necessary to liquidate 20% of the portfolio: 1 day



PORTFOLIO: FX hedging

Forex outright trades in place: YEN

31-Aug-20

Total JPY Exposure 178,131,783 (10% AUM)

Total JPY Net Exposure 46,837,783 (3% AUM)

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	120,34	-131,300,000	1,091,075,29	74%	25/09/2020

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