

PHARUS SICAV ASIAN NICHES



NICHE
ASSET MANAGEMENT ■

Monthly Risk Report

31 December 2019

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
- Stress test: absolute change of Shocks by Region
- Stress test: historical scenario
- Liquidation time horizon

Ex-ante analysis: VaR 1 month 99% as of 31/12/19

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev, month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-6,13%	-6,16%

- The fund hasn't hit any alert level.
- The alert levels are linked to the 99% VaR 1M.
- The VaR 99% ex-ante – 1 month horizon – it's below the first limit internally set and below the maximum level stated by CESR guidelines on Risk Measurement (-20% VaR 1 day 99%).

VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-0,66%	-1,31%
Historical 1W	-2,92%	-2,92%
Historical 1M	-3,11%	-6,13%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

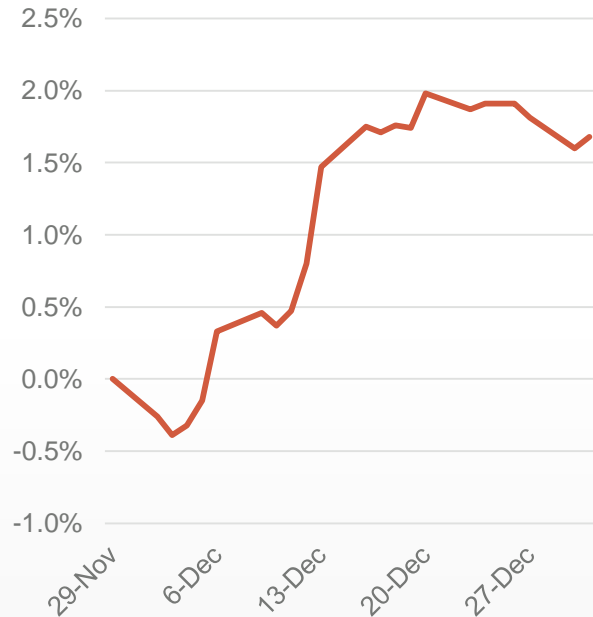
Indice	Price as of 31/12/19	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Since inception * (local currency)	% Price Change since inception * (€)
Pharus Asian Niches	102,76	1,68%	1,68%	2,81%	2,81%
<i>Electric Mobility</i>	-	2,17%	2,17%	0,71%	0,71%
5G	-	0,37%	0,37%	11,22%	11,22%
<i>Internet Victims</i>	-	8,72%	8,72%	16,72%	16,72%
<i>Small Cap Indonesia</i>	-	1,94%	1,94%	-4,28%	-4,28%
<i>Korea Reunification</i>	-	3,96%	3,96%	-6,87%	-6,87%
<i>Close the Gap</i>	-	1,76%	1,76%	-2,46%	-2,46%
<i>Neglected Luxury</i>	-	0,21%	0,21%	8,66%	8,66%
<i>Orphan Companies</i>	-	1,07%	1,07%	8,49%	8,49%
<i>Steel Substitution</i>	-	1,30%	1,30%	10,03%	10,03%
Korea (,KS200)	293,77	6,14%	6,56%	2,75%	0,91%
Tokyo Stock Exchange (,TOPX)	1721,36	1,30%	0,24%	7,45%	10,25%
Indonesia (,JKSE)	6299,54	4,79%	4,42%	-3,05%	-0,79%
China (,HSI)	28189,75	7,00%	5,65%	-0,56%	1,06%
MSCI Asia Pacific (,dMIPC00000PEU)	186,17	0,28%	0,28%	8,85%	8,85%
Bond High Yield	236,49	0,81%	0,81%	6,41%	6,41%

* 18/02/2019

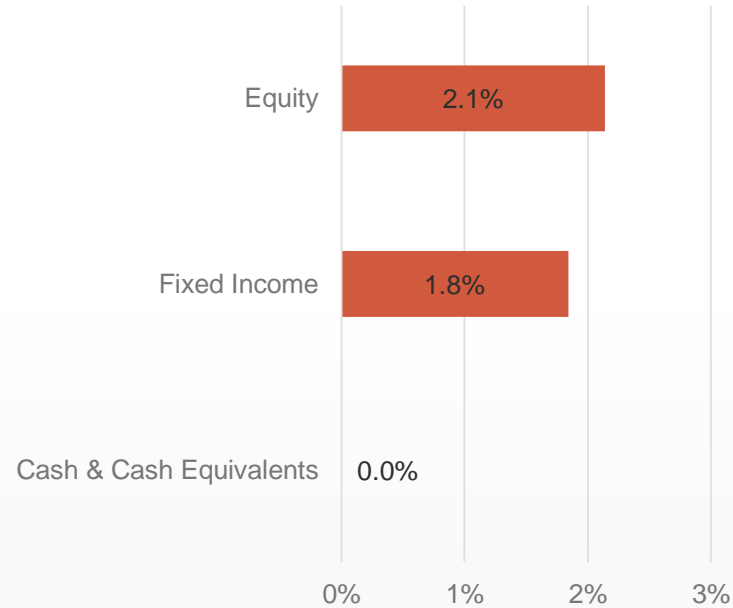
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: 1,68% (30 November – 31 December '19)



Performance Breakdown by Asset Class (30 November – 31 December '19)



Equity Portfolio: weekly performance by sector (30 November – 31 December '19)

	Avge Weight	1 Month Return	Contribution
Equity	62,5%	2,1%	1,3%
Communication Services	10,5%	2,8%	0,3%
Consumer Discretionary	9,7%	2,2%	0,2%
Industrials	9,2%	2,7%	0,2%
Materials	8,7%	2,1%	0,2%
Financials	7,7%	1,9%	0,1%
Information Technology	7,3%	2,0%	0,1%
Consumer Staples	1,6%	-0,1%	0,0%
Real Estate	1,4%	0,0%	0,0%
Health Care	0,3%	1,4%	0,0%
Energy	0,3%	1,0%	0,0%
Fund*	6,1%	2,2%	0,1%

Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

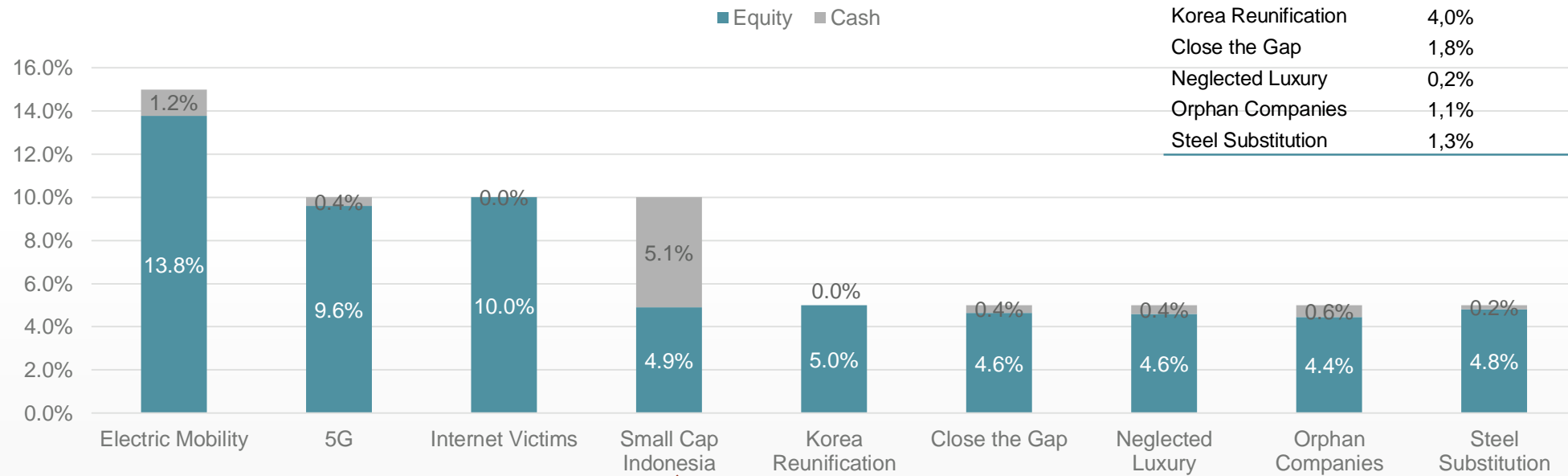
As of 31 Dec '19

AUM (€ mln) 17,674 mln

EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 31 December '19

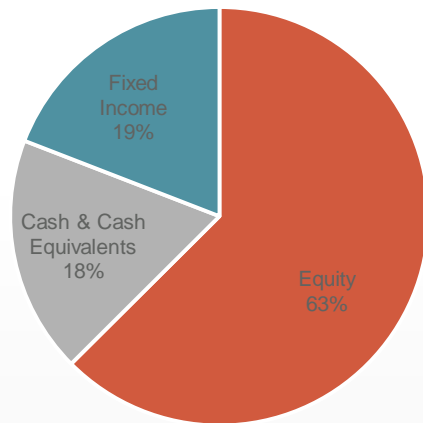
Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	2,2%	2,4%
5G	0,4%	0,4%
Internet Victims	8,7%	8,7%
Small Cap Indonesia	1,9%	4,5%
Korea Reunification	4,0%	4,0%
Close the Gap	1,8%	1,9%
Neglected Luxury	0,2%	0,2%
Orphan Companies	1,1%	1,2%
Steel Substitution	1,3%	1,3%



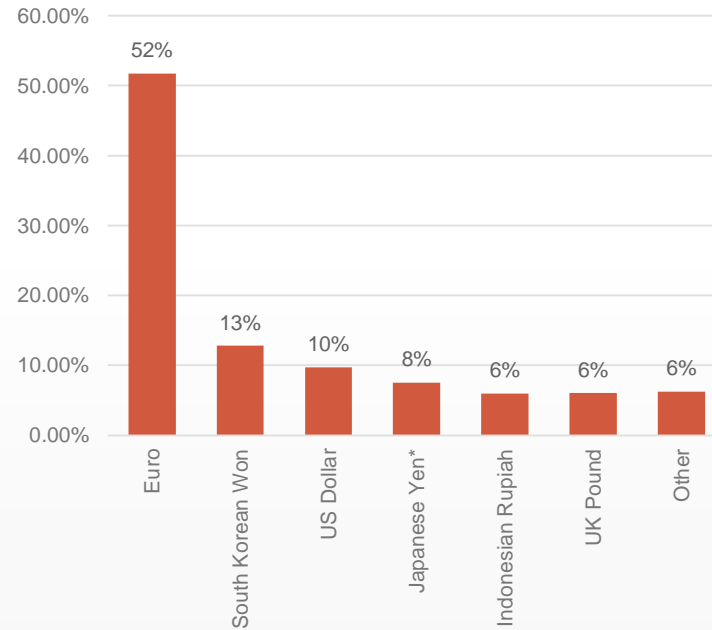
Weight % previous Month	13,8%	9,9%	9,9%	4,1%	5,0%	4,6%	4,8%	4,4%	4,9%
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PORTFOLIO: Allocation summary

**Breakdown by Asset Class
as of 31 December '19**

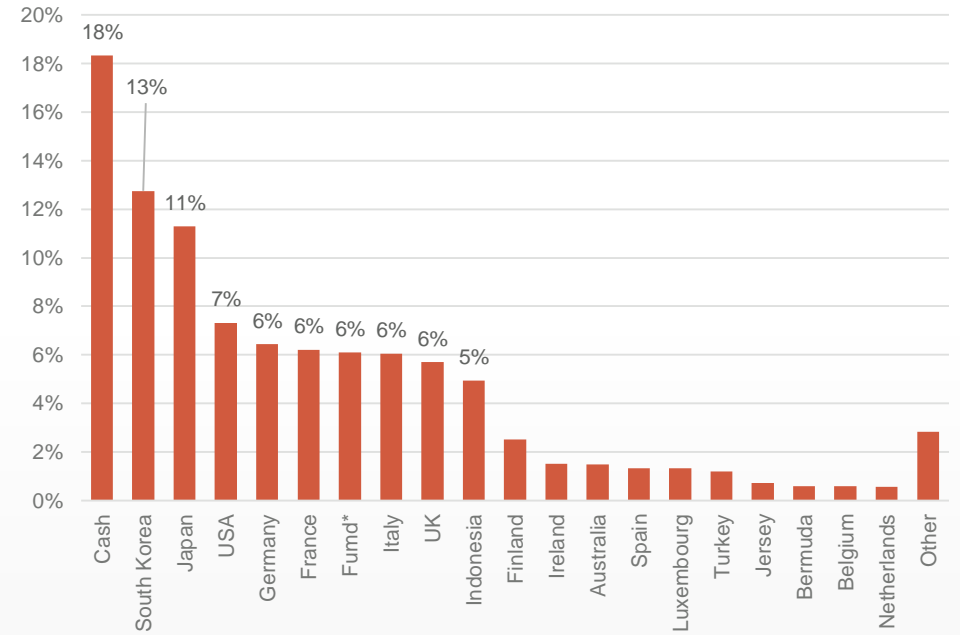


**Breakdown by Currency
as of 31 December '19**



* net of JPY hedging

**Breakdown by Country
as of 31 December '19**



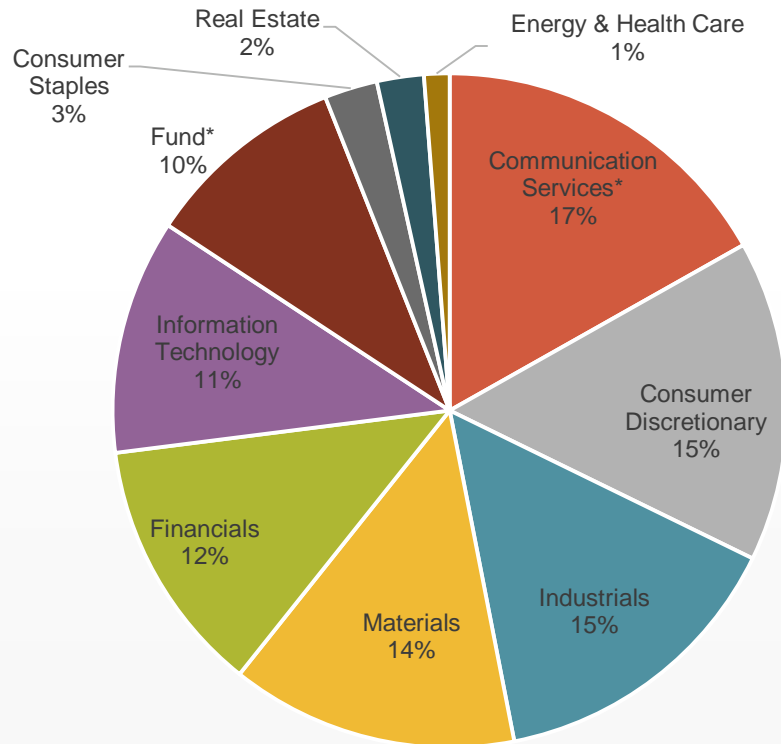
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: allocation summary

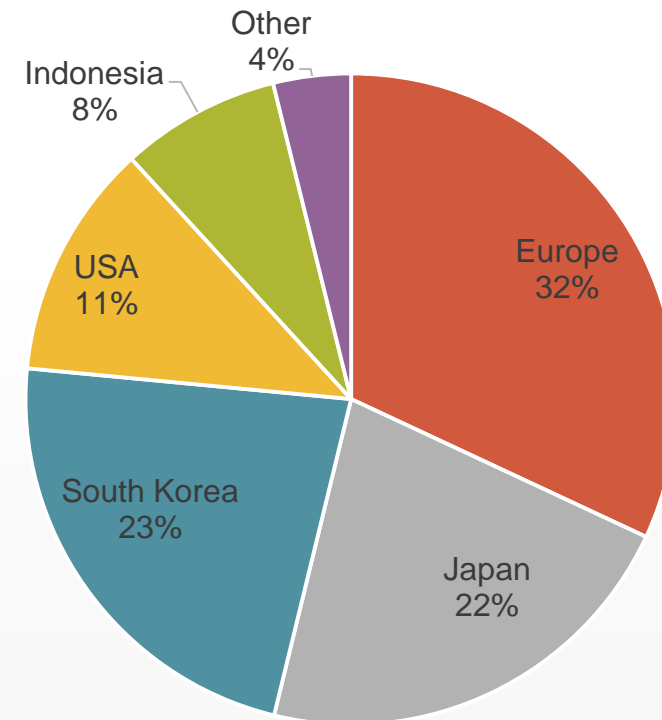
Equity Exposure: 63%

Equity Exposure previous month: 62%

Equity Breakdown by Sector as of 31 December '19



Equity Breakdown by Country as of 31 December '19



EQUITY PORTFOLIO: Change in holdings (30 November – 31 December '19)

	Trade	End Portfolio Weight
Delfi Ord Shs	BUY	0,23%
Gannett Co Ord Shs	BUY	0,20%
GrafTech International Ord Shs	BUY	0,15%
China Mobile ADR Representing 5 Ord Shs	BUY	0,20%
China Telecom ADR Representing 100 Ord Shs Class H	BUY	0,20%
Bank Bukopin Ord Shs	ADD	0,50%
Tempo Scan Pacific Ord Shs	ADD	0,49%
Paninvest Ord Shs	ADD	0,25%
Telefonica	ADD	0,24%
QUALCOMM Ord Shs	REDUCE	0,29%
UPM-Kymmene Ord Shs	REDUCE	0,33%
Knoll Ord Shs	REDUCE	0,46%
HP Ord Shs	SELL	0,00%
Restaurant Group Ord Shs	SELL	0,00%
Skyworks Solutions Ord Shs	SELL	0,00%
ITV Ord Shs	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (30 November – 31 December '19)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
GEDI Gruppo Editoriale Ord Shs	0,5%	60,9%	0,2%
Reach Ord Shs	0,5%	43,1%	0,2%
Syrah Resources Ord Shs	0,3%	37,0%	0,1%
Alelion Energy Systems Ord Shs	0,0%	29,5%	0,0%
Ceconomy Ord Shs	0,2%	23,8%	0,1%
Il Sole 24 Ore Ord Shs	0,7%	23,0%	0,1%
Office Depot Ord Shs	0,5%	20,7%	0,1%
Dixons Carphone Ord Shs	0,2%	19,5%	0,0%
Matahari Department Store Ord Shs	0,4%	19,0%	0,1%
Bed Bath and Beyond Ord Shs	0,2%	17,8%	0,0%
PP (Persero) Ord Shs	0,7%	17,2%	0,1%
Ecopro Ord Shs	0,4%	16,8%	0,1%
CosmoAM&T Ord Shs	0,1%	14,7%	0,0%
Skyworks Solutions Ord Shs	0,2%	14,3%	0,1%
Nippon Kodoshi Ord Shs	0,3%	14,2%	0,0%
Royal Mail Ord Shs	0,8%	13,2%	0,1%
Carnival Ord Shs	0,8%	12,8%	0,1%
Macys Ord Shs	0,8%	11,7%	0,1%
Sociedad Quimica y Minera de Chile ADR	0,2%	11,2%	0,0%
Restaurant Group Ord Shs	0,2%	10,9%	0,0%
Marks and Spencer Group Ord Shs	0,1%	10,7%	0,0%
Bnk Financial Group Ord Shs	0,4%	10,6%	0,0%
Albemarle Ord Shs	0,4%	10,4%	0,0%
Samsung C&t Ord Shs	0,6%	10,3%	0,1%
Tokyo Sangyo Ord Shs	0,7%	9,7%	0,1%
Samsung Electronics 1 GDS Representing 25 Ord Shs	0,4%	9,7%	0,0%
L&F Ord Shs	0,1%	9,0%	0,0%
Societe Generale Ord Shs	0,8%	8,6%	0,1%
Lanson-Bcc Ord Shs	0,5%	8,2%	0,0%
Hyundai Construction Equipment Ord Shs	0,7%	7,9%	0,1%
Samsung C&T 1P Pref Shs	0,7%	7,9%	0,1%
WPP Ord Shs	0,6%	7,4%	0,0%
Gannett Co Ord Shs	0,2%	7,2%	0,0%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Pitney Bowes Ord Shs	0,1%	-15,9%	0,0%
Orange Ord Shs	0,3%	-10,7%	0,0%
Knoll Ord Shs	0,7%	-9,4%	-0,1%
TUI Ord Shs	0,5%	-8,5%	0,0%
Telefonica Ord Shs	0,2%	-7,7%	0,0%
Furukawa Electric Ord Shs	0,4%	-7,2%	0,0%
Telefonica Deutschland Holding Ord Shs	0,6%	-6,7%	0,0%
Tanaka Chemical Ord Shs	0,4%	-6,7%	0,0%
Atresmedia Corp Ord Shs	0,4%	-6,4%	0,0%
Interfor Ord Shs	0,3%	-6,4%	0,0%
VEON ADR	0,5%	-5,8%	0,0%
GameStop Ord Shs Class A	0,2%	-5,8%	0,0%
Vranken Pommery Monopole Ord Shs	0,5%	-5,7%	0,0%
Veoneer Ord Shs	0,4%	-5,2%	0,0%
Ericsson Ord Shs Class B	0,2%	-5,1%	0,0%
Toyo Machinery & Metal Ord Shs	0,2%	-4,8%	0,0%
G li R Ord Shs	0,2%	-4,6%	0,0%
Mediaset Espana Comunicacion Ord Shs	0,3%	-4,5%	0,0%
Deutsche Telekom N Ord Shs	0,2%	-4,4%	0,0%
Toyo Tanso Ord Shs	0,4%	-3,9%	0,0%
Paninvest Ord Shs	0,3%	-3,7%	0,0%
Masi Agricola Ord Shs	0,2%	-3,7%	0,0%
Daishin Sec Preferred Stock	0,5%	-3,7%	0,0%
Atos Ord Shs	0,4%	-3,6%	0,0%
Daimler Ord Shs	0,6%	-3,6%	0,0%
Toda Kogyo Ord Shs	0,3%	-3,5%	0,0%
Shinsegae I&C Ord Shs	0,2%	-3,5%	0,0%
Juniper Networks Ord Shs	0,4%	-3,4%	0,0%
Mirae Asset Daewoo 2Pref Shs	0,2%	-3,4%	0,0%
Seronics Ord Shs	0,2%	-3,2%	0,0%
Tokyo Energy & Systems Ord Shs	0,7%	-2,9%	0,0%
Renault Ord Shs	0,5%	-2,9%	0,0%
Continental Ord Shs	0,3%	-2,8%	0,0%

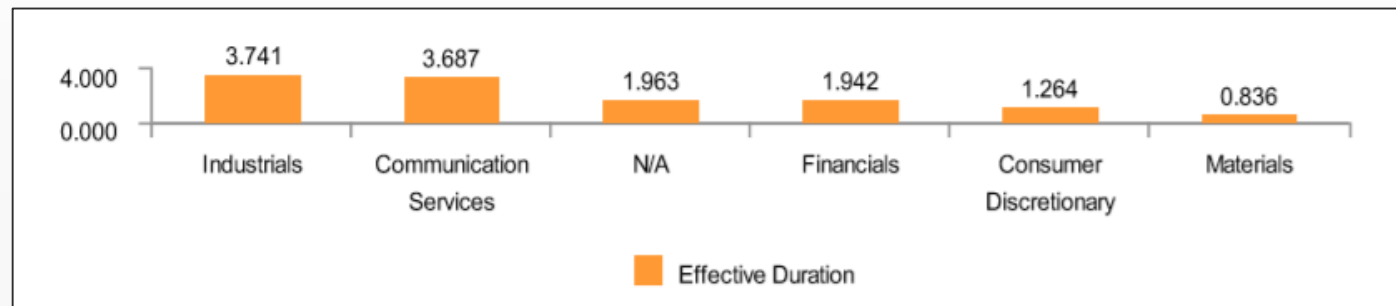
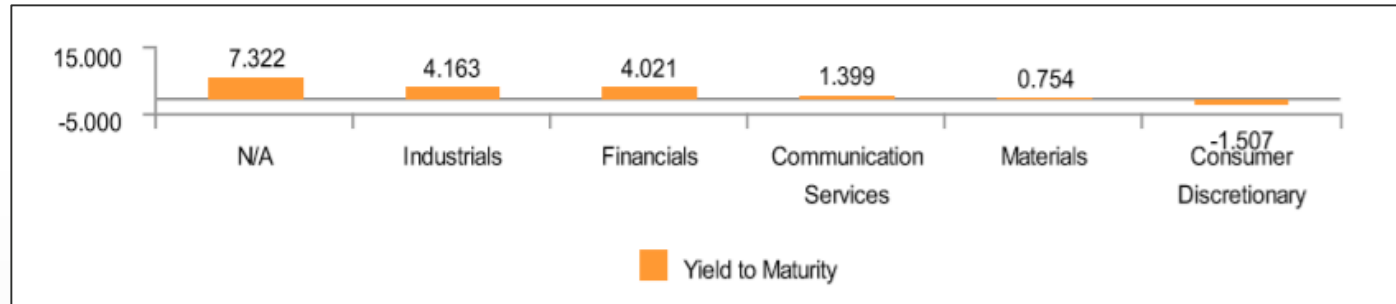
*Sorted from highest to lowest by returns

BOND PORTFOLIO*: Characteristics

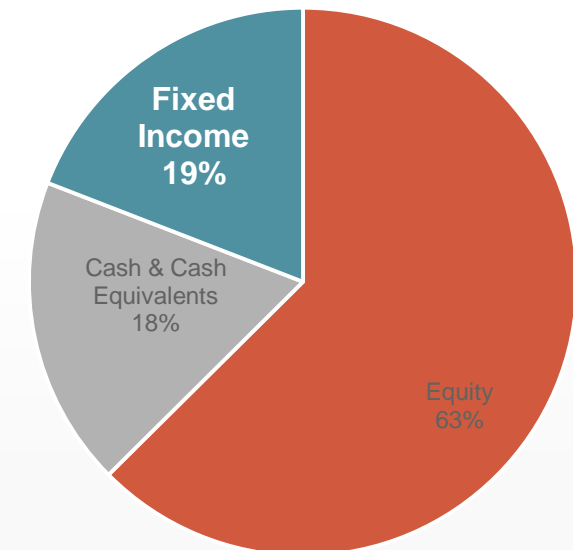
Coupon	4,39
Yield to Maturity	3,02
Yield to Worst	2,73
Average Life (yrs) to Maturity	2,50
Modified Duration to Maturity	2,33

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

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

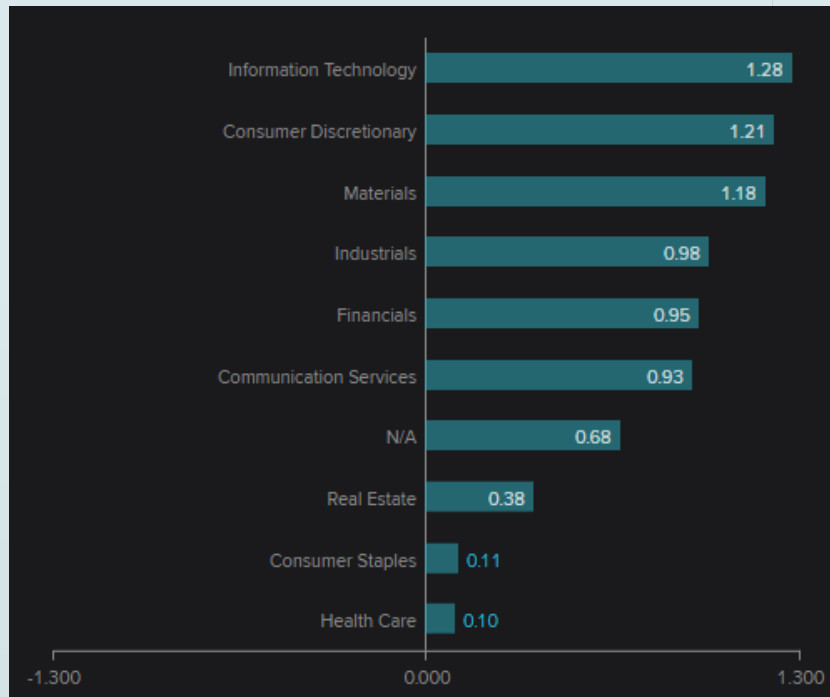


Breakdown by Asset Class as of 31 December '19

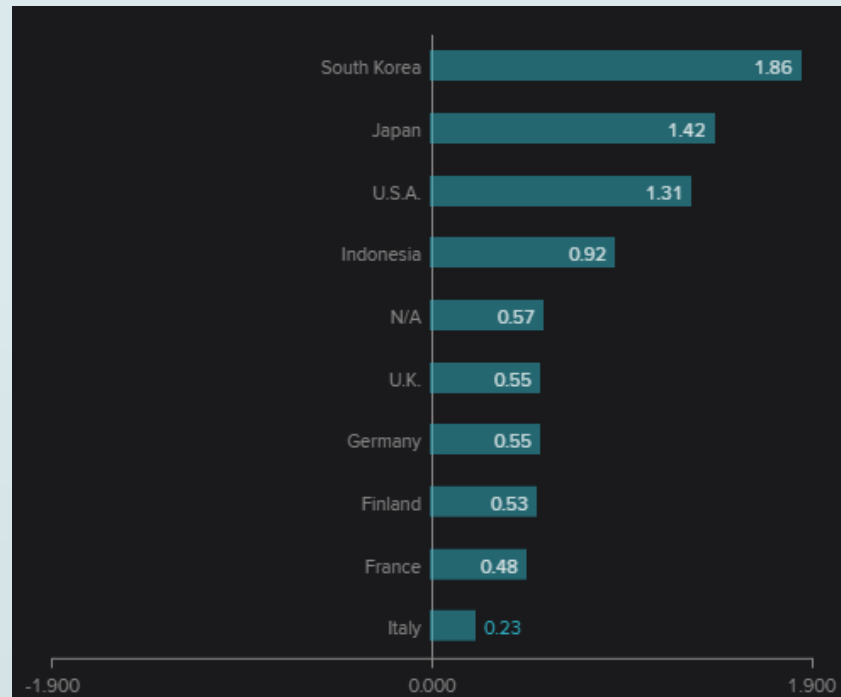


Ex-ante analysis: VaR 1 month 99% as of 31/12/19

**VAR 1M – 99% BY GICS SECTOR
AS OF 31/12/2019**



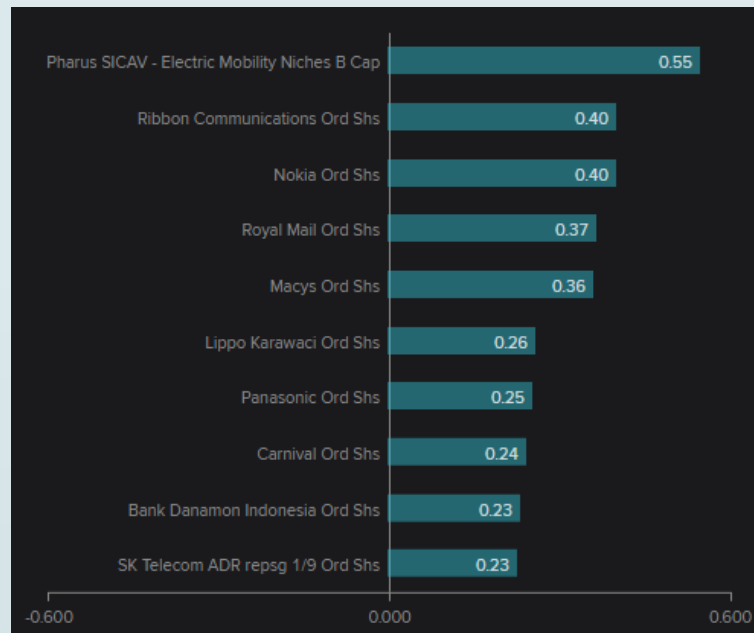
**VAR 1M – 99% BY COUNTRY
AS OF 31/12/2019**



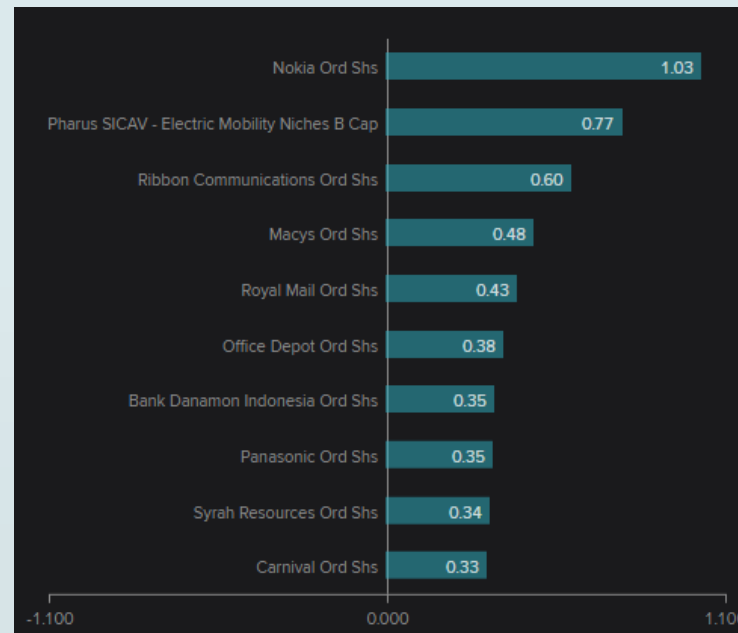
Source: MSCI RiskMetrics, Niche

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

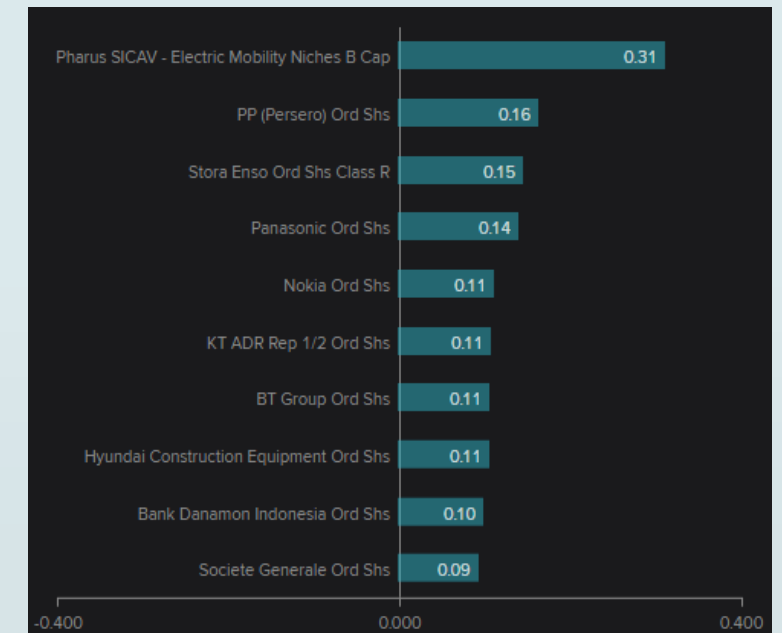
**VAR TOP 10 SECURITIES
AS OF 31/12/2019**



**CVAR TOP 10 SECURITIES
AS OF 31/12/2019**



**MVAR TOP 10 SECURITIES
AS OF 31/12/2019**



Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) as of 31/12/19

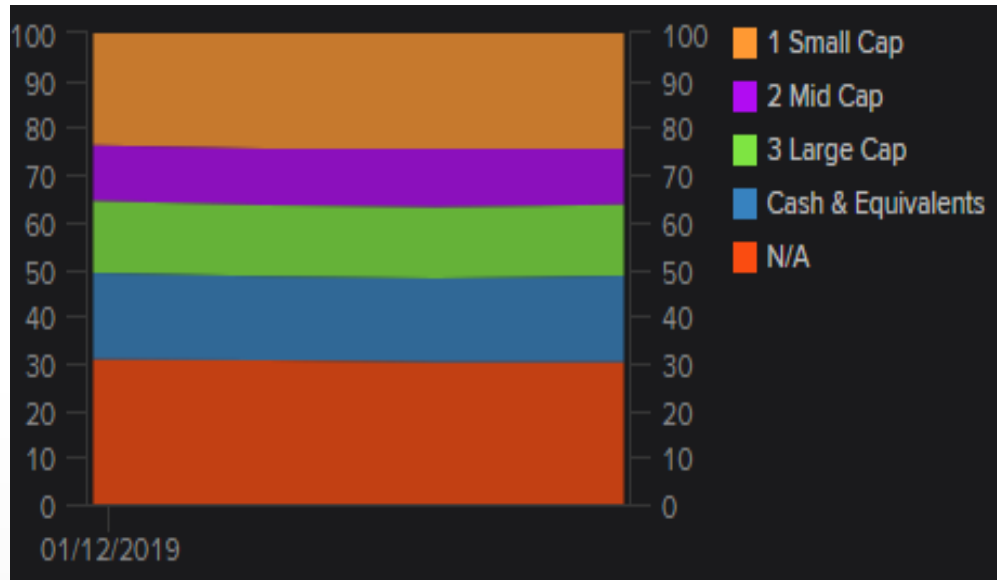


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	3,11	6,13	100,00%	8,16	6,13
Nokia Ord Shs	0,16	0,40	1,29%	1,03	0,11
Ribbon Communications Ord Shs	0,09	0,40	0,55%	0,60	-0,02
Macys Ord Shs	0,12	0,36	0,66%	0,48	0,08
Royal Mail Ord Shs	0,13	0,37	0,67%	0,43	0,06
Office Depot Ord Shs	0,12	0,19	0,47%	0,38	0,08
Bank Danamon Indonesia Ord Shs	0,08	0,23	0,44%	0,35	0,10
Panasonic Ord Shs	0,15	0,25	1,34%	0,35	0,14
Syrah Resources Ord Shs	0,08	0,18	0,29%	0,34	0,03
Carnival Ord Shs	0,07	0,24	0,68%	0,33	0,07
Matahari Department Store Ord Shs	0,07	0,19	0,32%	0,29	0,02
Hyundai Construction Equipment Ord Shs	0,11	0,19	0,61%	0,28	0,11
Lippo Karawaci Ord Shs	0,12	0,26	0,76%	0,28	0,07
TUI Ord Shs	0,08	0,15	0,41%	0,28	0,07
Imerys Ord Shs	0,07	0,22	0,44%	0,28	0,08
Natixis Ord Shs	0,09	0,20	0,60%	0,28	0,02
SK Telecom ADR repsg 1/9 Ord Shs	0,11	0,23	1,31%	0,26	0,05
KT ADR Rep 1/2 Ord Shs	0,13	0,19	1,50%	0,22	0,11
Resolute Forest Products Ord Shs	0,06	0,14	0,25%	0,22	0,06

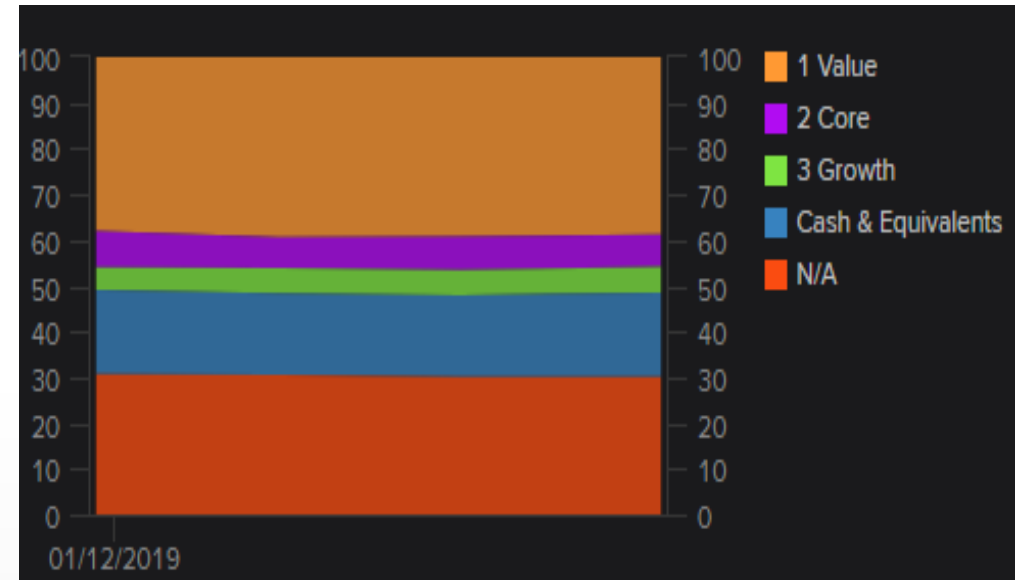
Source: MSCI RiskMetrics, Niche

Ex-ante analysis Multi-Factor risk *as of 31/12/2019*

Size Allocation



Style Allocation



Source: Thomson Reuters, Niche AM



Stress test – absolute change of Shocks (+10% / -10%) by Region

Portfolio Value Changes as of 31/12/19

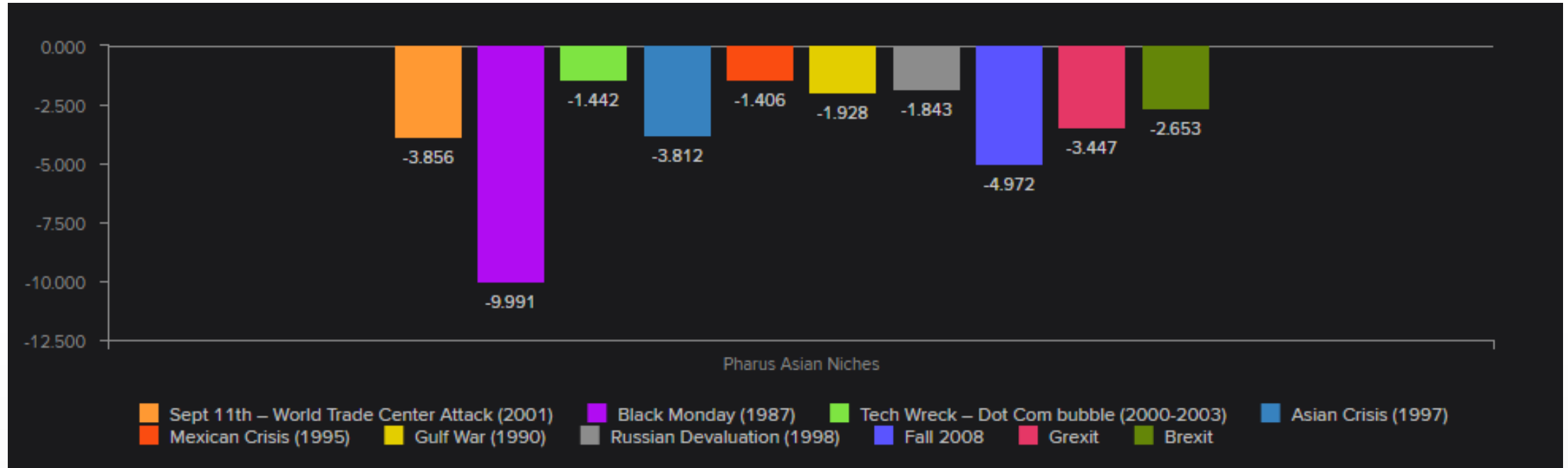
	World Indices		Emerging Markets		Europe		Asia	
	MSCI World Index		MSCI EM (Emerging Markets) in USD		STOXX - Europe 600 Index		MSCI AC Asia Pacific in USD	
	+10 %	-10 %	+10 %	-10 %	+10 %	-10 %	+10 %	-10 %
Pharus Asian Niches	4,49%	-4,43%	4,36%	-4,42%	4,21%	-4,20%	4,64%	-4,65%

Currency: EUR

Source: MSCI RiskMetrics

Stress test – historical scenario

Portfolio Value Changes



Source: MSCI RiskMetrics

Liquidation time horizon and stress test

	1 day	5 days	10 days	30 days
Pharus Asian Niches	89%	96%	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*
- *ETF (Equity and Fixed income): 1 day*
- *Fund: 5% 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-Dec-19
JPY Equity Exposure	237.476.940
JPY cash	49.927.450
Total JPY Exposure	287.659.411

Currency Pair	<u>RATE</u>	Amount sold currency ex-euro	Amount bought in euro	Amount as a % of tot, LC expo	Maturity
JPY	121,28	-131.300.000	1.082.619	46%	27/03/2020

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