

PHARUS SICAV ASIAN NICHES



Monthly Risk Report

28 February 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 28/02/2020

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev, month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-9,30%	-5,17%

- The alert levels are linked to the 99% VaR 1M.
- The significant spike in VaR is driven by Covid-19 in the second half of February, where the VaR of the fund increased by about 400bps (from 5.2% to 9.3%).
- The current VaR level is below the second alert level internally set, despite the extreme volatility spike and the increased equity exposure. However, the fund is well below the maximum level stated by CESR guidelines on Risk Measurement (-20% VaR 1M 99%).
- As of Tuesday, 3rd March the VaR was already a bit lower, despite the slightly increase in the equity exposure.

VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-0,88%	-1,99%
Historical 1W	-1.96%	-4,43%
Historical 1M	-4,12%	-9,30%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

Indice	Price as of 28/02/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Since inception * (local currency)	% Price Change since inception * (€)
Pharus Asian Niches	93,42	-6,26%	-6,26%	-6,53%	-6,53%
<i>Electric Mobility</i>	-	-9,47%	-9,47%	-9,47%	-9,47%
5G	-	-6,69%	-6,69%	1,39%	1,39%
<i>Internet Victims</i>	-	-9,45%	-9,45%	-3,68%	-3,68%
<i>Small Cap Indonesia</i>	-	-8,10%	-8,10%	-16,57%	-16,57%
<i>Korea Reunification</i>	-	-9,04%	-9,04%	-23,63%	-23,63%
<i>Close the Gap</i>	-	0,41%	0,41%	-3,77%	-3,77%
<i>Neglected Luxury</i>	-	-11,56%	-11,56%	-11,93%	-11,93%
<i>Orphan Companies</i>	-	-10,32%	-10,32%	-3,57%	-3,57%
<i>Steel Substitution</i>	-	-8,98%	-8,98%	-9,55%	-9,55%
Korea (.KS200)	268,02	-5,80%	-5,64%	-6,25%	-9,86%
Tokyo Stock Exchange (.TOPX)	1510,87	-10,30%	-9,49%	-5,69%	-1,00%
Indonesia (.JKSE)	5452,70	-8,20%	-12,08%	-16,08%	-15,34%
China (.HSI)	26129,93	-0,69%	-0,47%	-7,82%	-4,82%
MSCI Asia Pacific (.dMIPC00000PEU)	170,95	-7,99%	-7,99%	-0,04%	-0,04%
Bond High Yield	227,74	-2,93%	-2,93%	2,48%	2,48%

* 18/02/2019

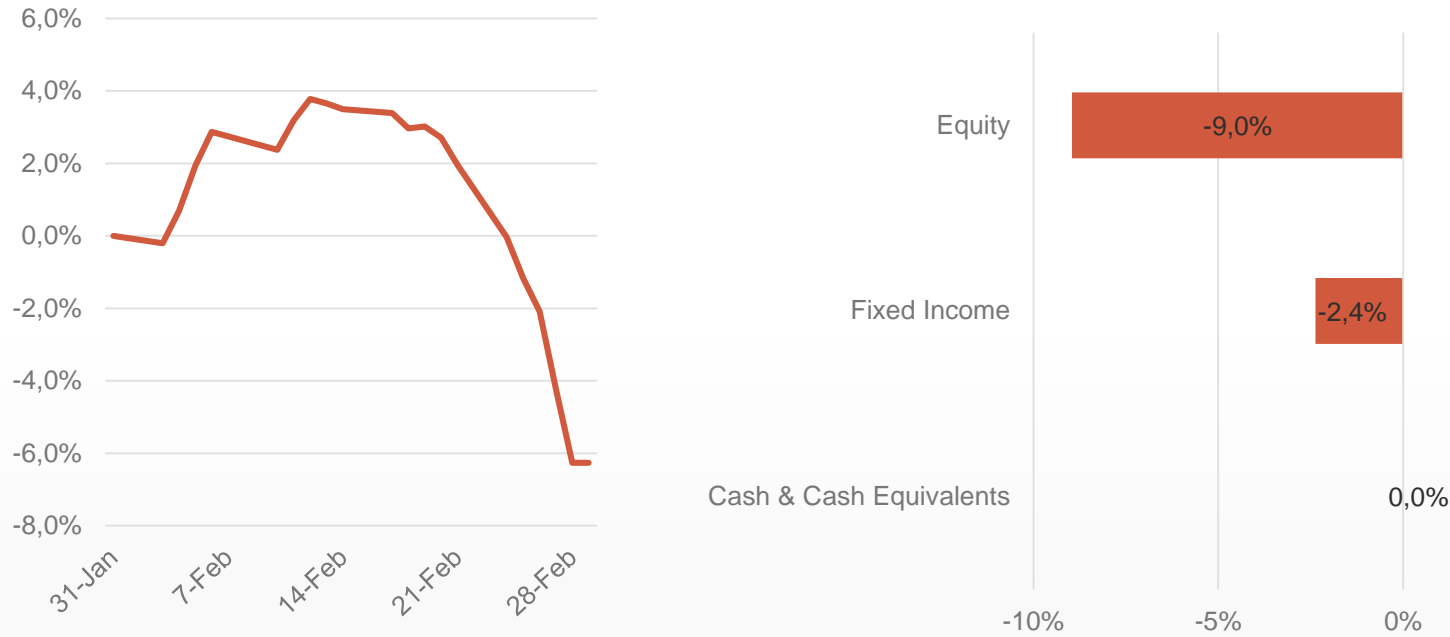
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: -6,26% (31 January – 28 February'20)

Performance Breakdown by Asset Class
(31 January – 28 February'20)

Equity Portfolio: Monthly Performance by Sector
(31 January – 28 February'20)



	1 Month		
	Avg Weight	Return	Contribution
Equity	65,0%	-9,0%	-5,82%
Information Technology	7,0%	1,6%	0,11%
Health Care	0,5%	-8,3%	-0,04%
Energy	0,2%	-21,7%	-0,05%
Real Estate	1,5%	-9,0%	-0,13%
Consumer Staples	2,1%	-8,3%	-0,18%
Financials	8,1%	-10,2%	-0,82%
Materials	8,3%	-11,0%	-0,91%
Communication Services	11,1%	-8,4%	-0,94%
Consumer Discretionary	9,5%	-9,9%	-0,94%
Industrials	9,3%	-13,1%	-1,22%
Fund*	7,4%	-8,9%	-0,70%

Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

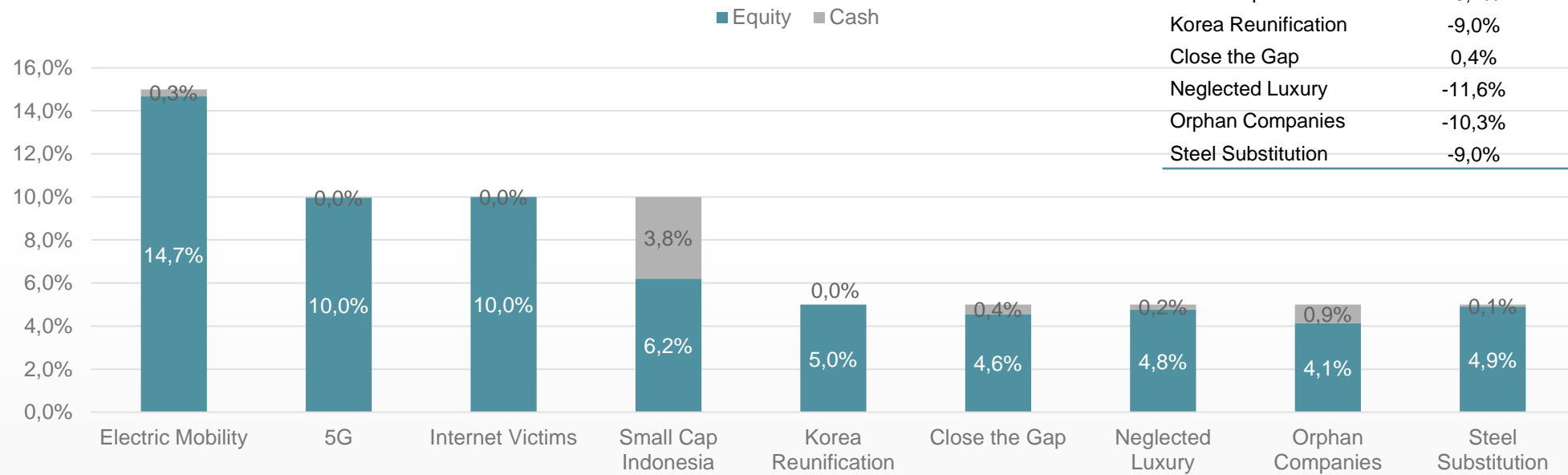
As of 28 Feb 2020

AUM (€ mln)	16,655 mln
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EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 28 February 2020

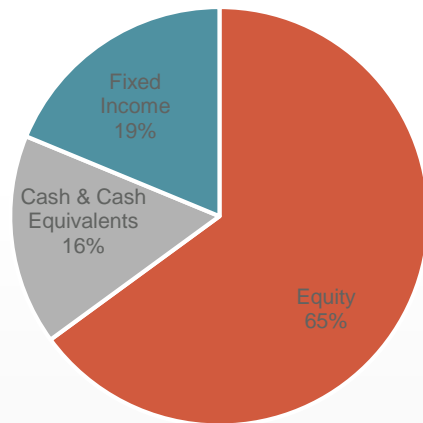
Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	-9,5%	-10,0%
5G	-6,7%	-6,7%
Internet Victims	-9,5%	-9,5%
Small Cap Indonesia	-8,1%	-12,2%
Korea Reunification	-9,0%	-9,0%
Close the Gap	0,4%	0,8%
Neglected Luxury	-11,6%	-11,6%
Orphan Companies	-10,3%	-11,1%
Steel Substitution	-9,0%	-9,0%



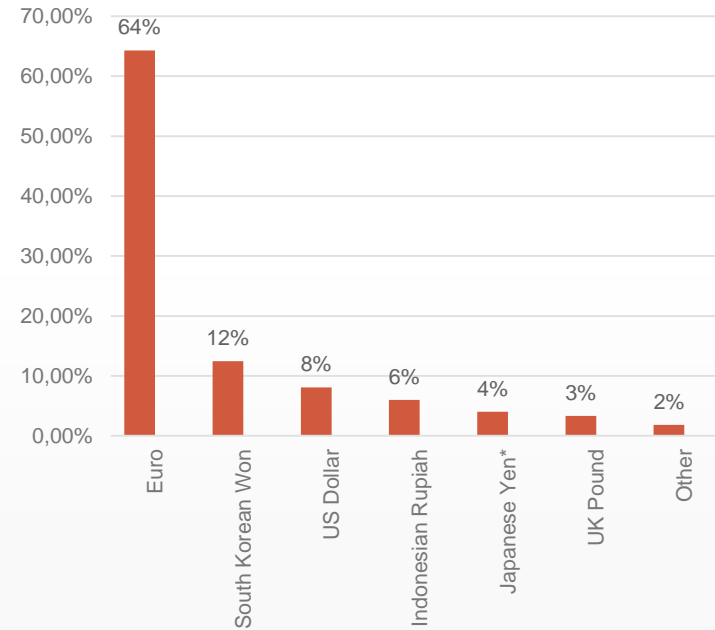
Weight % previous Month	13,8%	9,2%	9,1%	5,1%	5,0%	4,7%	4,4%	4,5%	4,6%
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PORTFOLIO: Allocation summary

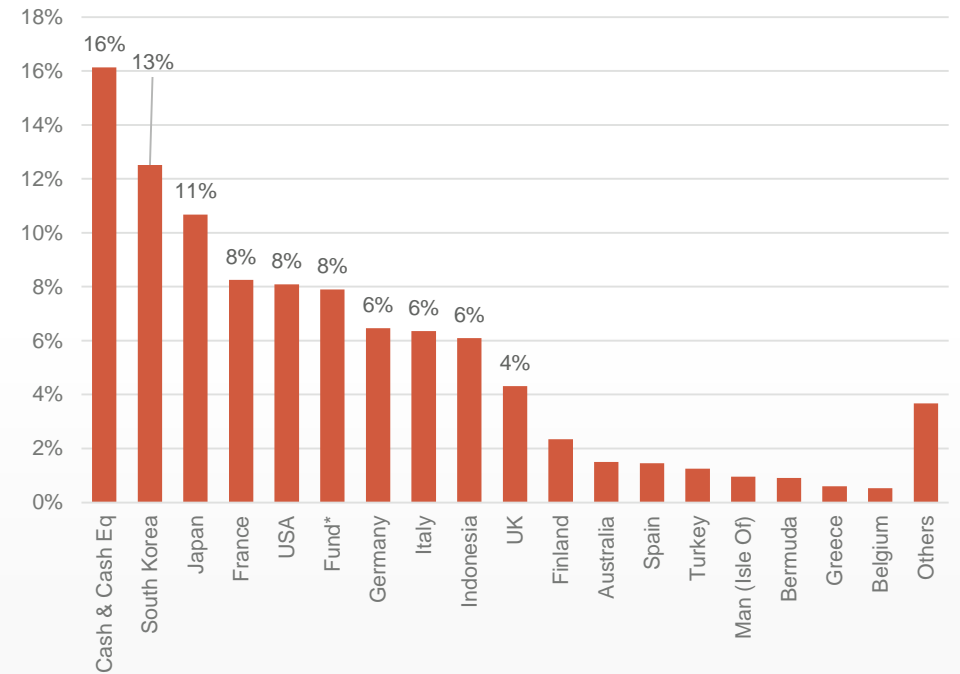
**Breakdown by Asset Class
as of 28 February 2020**



**Breakdown by Currency
as of 28 February 2020**



**Breakdown by Country
as of 28 February 2020**



* net of JPY hedging

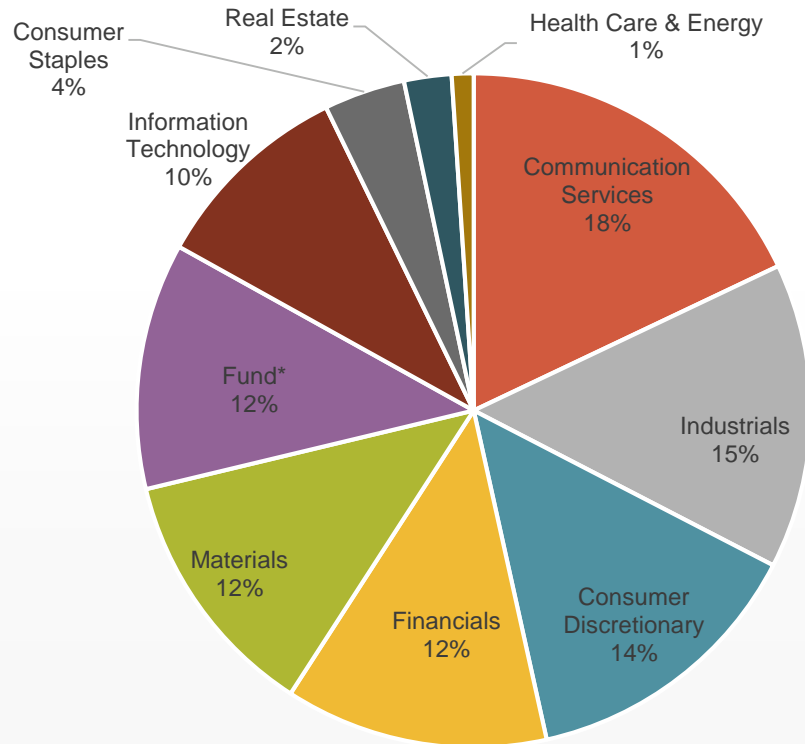
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: allocation summary

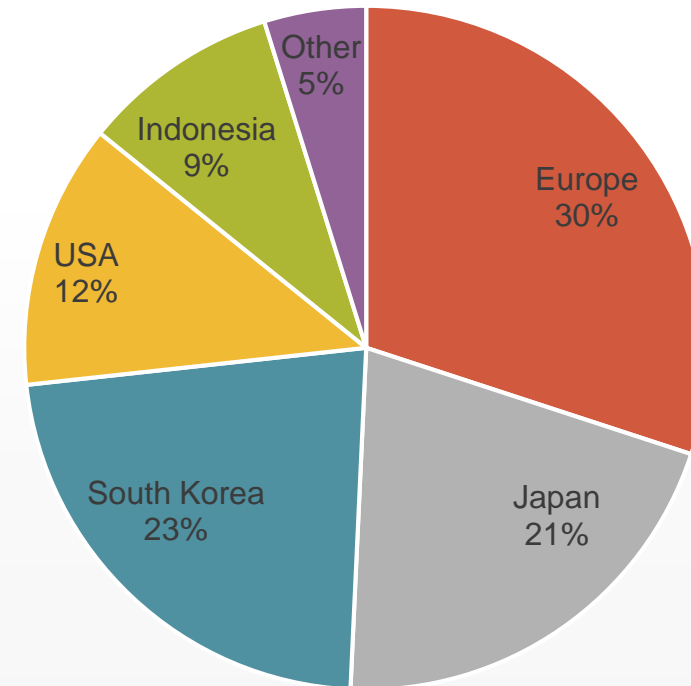
Equity Exposure: 65%

Equity Exposure previous month: 61%

Equity Breakdown by Sector as of 28 February 2020
Rebased



Equity Breakdown by Country as of 28 February 2020
Rebased



EQUITY PORTFOLIO: Change in holdings (31 January – 28 February '20)

	Trade	End Portfolio Weight
First Pacific Ord Shs	BUY	0,26%
Metro Ord Shs	BUY	0,37%
ViacomCBS Ord Shs Class B	BUY	0,38%
Fluor Ord Shs	BUY	0,11%
Walgreen Boots Alliance Ord Shs	BUY	0,19%
Doosan Ord Shs	BUY	0,10%
Laurent-Perrier Ord Shs	ADD	0,13%
Pitney Bowes Ord Shs	ADD	0,19%
Gap Ord Shs	ADD	0,17%
Meritz Fire & Marine Insurance Ord Shs	ADD	0,26%
Lg Electronics Pref Shs	ADD	0,24%
GrafTech International Ord Shs	ADD	0,40%
Samsung Fire Ins Preferred Stock	ADD	0,31%
Indosat Ord Shs	ADD	0,45%
Masi Agricola Ord Shs	ADD	0,34%
Glencore Ord Shs	ADD	0,24%
Hewlett Packard Enterprise Ord Shs	ADD	0,30%
Shinsegae I&C Ord Shs	ADD	0,36%
Paninvest Ord Shs	ADD	0,34%
Panin Financial Ord Shs	ADD	0,33%
Telefonica Ord Shs	ADD	0,36%

	Trade	End Portfolio Weight
Sri Rejeki Isman Ord Shs	ADD	0,31%
Wijaya Karya Beton Ord Shs	ADD	0,30%
G li R Ord Shs	ADD	0,45%
Bank BTPN	ADD	0,28%
Lippo Cikarang Ord Shs	ADD	0,41%
Gannett Co Ord Shs	ADD	0,35%
Resolute Forest Products Ord Shs	ADD	0,40%
VEON ADR	ADD	0,43%
Bank Danamon Indonesia Ord Shs	ADD	0,53%
Alcoa Ord Shs	ADD	0,55%
Knoll Ord Shs	ADD	0,68%
Tempo Scan Pacific Ord Shs	ADD	0,49%
Renault Ord Shs	ADD	0,50%
Bank Bukopin Ord Shs	ADD	0,65%
PP (Persero) Ord Shs	ADD	0,69%
Macys Ord Shs	ADD	0,64%
BT Group Ord Shs	ADD	0,60%
SK Telecom ADR repsg 1/9 Ord Shs	ADD	1,29%
KT ADR Rep 1/2 Ord Shs	ADD	1,54%
Pharus SICAV - Electric Mobility Niches B Cap	ADD	7,67%
Samsung SDI Pref Shs	SELL	0,32%

EQUITY PORTFOLIO: Monthly performance (31 January – 28 February '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Samsung SDI Pref Shs	0,9%	23,6%	0,383%
Ribbon Communications Ord Shs	0,6%	15,2%	0,070%
Ecopro Ord Shs	0,4%	11,2%	0,030%
Reach Ord Shs	0,5%	7,9%	0,027%
Atresmedia Corp Ord Shs	0,3%	7,9%	0,024%
LG Chem Preferred Stock	0,4%	5,5%	0,016%
Sumitomo Forestry Ord Shs	0,2%	5,7%	0,008%
Samsung C&T 1P Pref Shs	0,7%	1,5%	0,006%
Matahari Department Store Ord Shs	0,3%	2,3%	0,004%
Woori Financial Group Ord Shs	0,2%	1,3%	0,003%
Avaya Holdings Ord Shs	0,2%	2,1%	0,003%
Ericsson Ord Shs Class B	0,2%	2,2%	0,002%
Television Francaise 1 Ord Shs	0,1%	1,6%	0,001%
Seronics Ord Shs	0,1%	0,6%	0,001%
Deutsche Telekom N Ord Shs	0,2%	1,0%	0,001%
Katakura Industries Ord Shs	0,1%	0,1%	0,000%
GEDI Gruppo Editoriale Ord Shs	0,4%	-0,2%	-0,001%
Hana Financial Group Ord Shs	0,5%	-0,7%	-0,001%
Vranken Pommery Monopole Ord Shs	0,5%	0,0%	-0,001%
G li R Ord Shs	0,3%	-1,5%	-0,001%
BAIC Motor Ord Shs H	0,1%	-1,1%	-0,002%
E-Mart Ord Shs	0,1%	-3,5%	-0,002%
Doosan Pref Shs	0,1%	-1,8%	-0,003%
LG Corp Preferred Stock	0,8%	-0,7%	-0,003%
China Telecom ADR	0,2%	-1,6%	-0,003%
Conic Metals Ord Shs	0,0%	-34,7%	-0,003%
Sociedad Quimica y Minera de Chile ADR	0,2%	-2,0%	-0,003%
Continental Ord Shs	0,2%	-1,3%	-0,004%
Alcoa Ord Shs	0,5%	0,0%	-0,004%
L&F Ord Shs	0,1%	-5,5%	-0,004%
GameStop Ord Shs Class A	0,1%	-5,7%	-0,004%
China Mobile ADR	0,2%	-2,4%	-0,005%
Fiat Chrysler Automobiles Ord Shs	0,1%	-3,9%	-0,005%
Mandarin Oriental International Ord Shs	0,2%	-2,4%	-0,005%
Mirae Asset Daewoo 2Pref Shs	0,1%	-3,8%	-0,005%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Bank Bukopin Ord Shs	0,6%	-29,9%	-0,205%
Knoll Ord Shs	0,5%	-28,3%	-0,174%
Carnival Ord Shs	0,6%	-22,7%	-0,128%
Renault Ord Shs	0,5%	-24,8%	-0,126%
Gannett Co Ord Shs	0,3%	-30,8%	-0,120%
Hyundai Construction Equipment Ord Shs	0,5%	-23,1%	-0,119%
Royal Mail Ord Shs	0,5%	-19,9%	-0,118%
PP (Persero) Ord Shs	0,6%	-16,4%	-0,109%
SK Telecom ADR repsg 1/9 Ord Shs	1,2%	-8,9%	-0,108%
Tokyo Sangyo Ord Shs	0,5%	-18,3%	-0,107%
Macys Ord Shs	0,6%	-16,5%	-0,104%
KT ADR Rep 1/2 Ord Shs	1,4%	-6,8%	-0,099%
Sumitomo Chemical Ord Shs	0,6%	-16,0%	-0,094%
BT Group Ord Shs	0,6%	-14,0%	-0,088%
Panasonic Ord Shs	1,5%	-5,6%	-0,085%
Resolute Forest Products Ord Shs	0,3%	-23,3%	-0,083%
VEON ADR	0,4%	-17,8%	-0,078%
Syrah Resources Ord Shs	0,3%	-26,3%	-0,078%
Tanaka Chemical Ord Shs	0,2%	-28,7%	-0,077%
Societe Generale Ord Shs	0,6%	-12,4%	-0,076%
Honda Tsushin Kogyo Ord Shs	0,4%	-18,3%	-0,073%
Sanyo Engineering & Construction Ord Shs	0,5%	-12,9%	-0,071%
Telefonica Deutschland Holding Ord Shs	0,5%	-13,6%	-0,068%
WPP Ord Shs	0,3%	-22,1%	-0,067%
Shinhan Financial ADR Representing 1 Ord Shs	0,4%	-16,9%	-0,066%
TUI Ord Shs	0,4%	-20,6%	-0,063%
Bank Danamon Indonesia Ord Shs	0,4%	-12,8%	-0,063%
Fluor Ord Shs	0,0%	-36,7%	-0,061%
POSTNL Ord Shs	0,3%	-17,5%	-0,059%
Lippo Cikarang Ord Shs	0,3%	-15,9%	-0,058%
Tokyo Energy & Systems Ord Shs	0,5%	-10,8%	-0,056%
Teijin Ord Shs	0,6%	-9,3%	-0,055%
Stora Enso Ord Shs Class R	0,6%	-8,9%	-0,055%
Samsung Life Ord Shs	0,3%	-15,7%	-0,055%
Toyo Tanso Ord Shs	0,3%	-17,5%	-0,050%

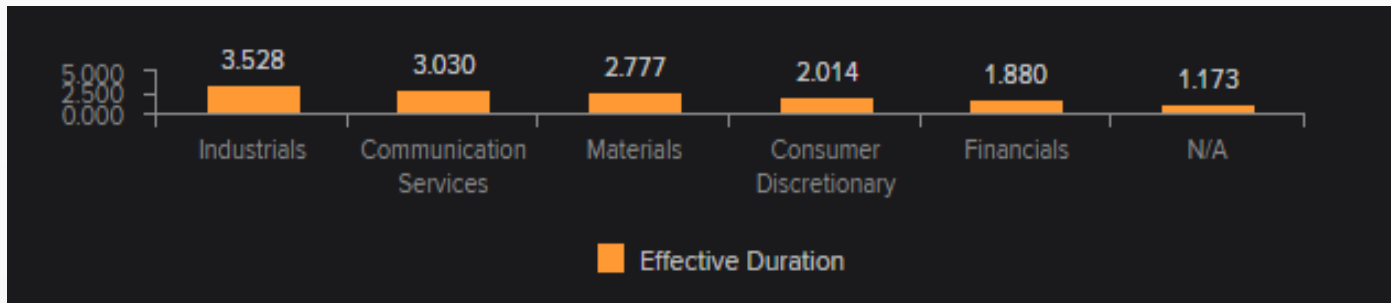
*Sorted from highest to lowest by Contribution

BOND PORTFOLIO*: Characteristics

Coupon	4,72
Yield to Maturity	4,96
Yield to Worst	4,80
Average Life (yrs) to Maturity	2,61
Modified Duration to Maturity	2,25

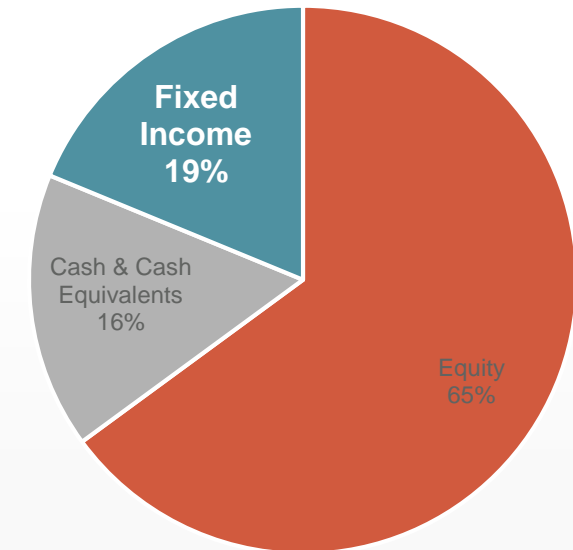
*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



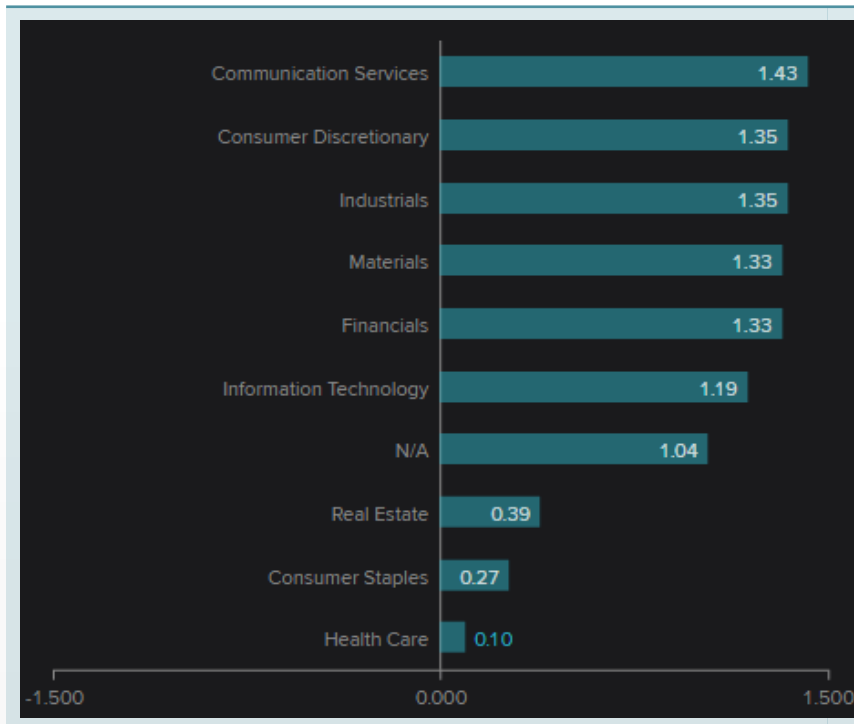
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 28 February '20

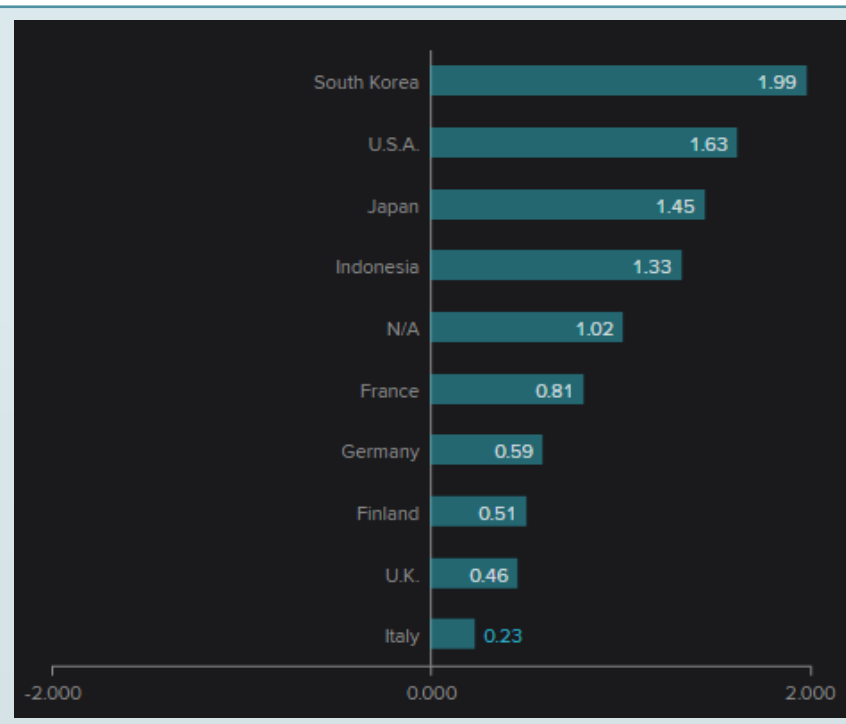


Ex-ante analysis: VaR 1 month 99% as of 28/02/2020

**VAR 1M – 99% BY GICS SECTOR
AS OF 28/02/2020**



**VAR 1M – 99% BY COUNTRY
AS OF 28/02/2020**



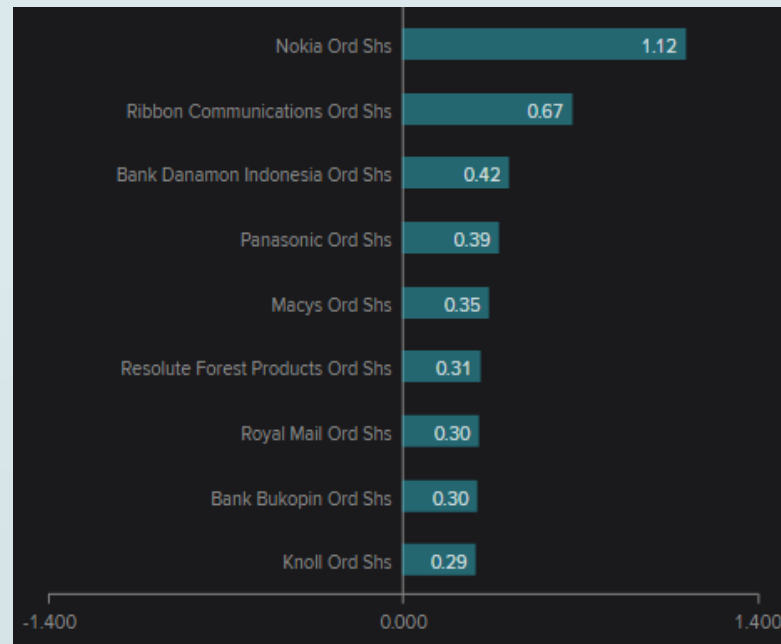
Source: MSCI RiskMetrics, Niche AM

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

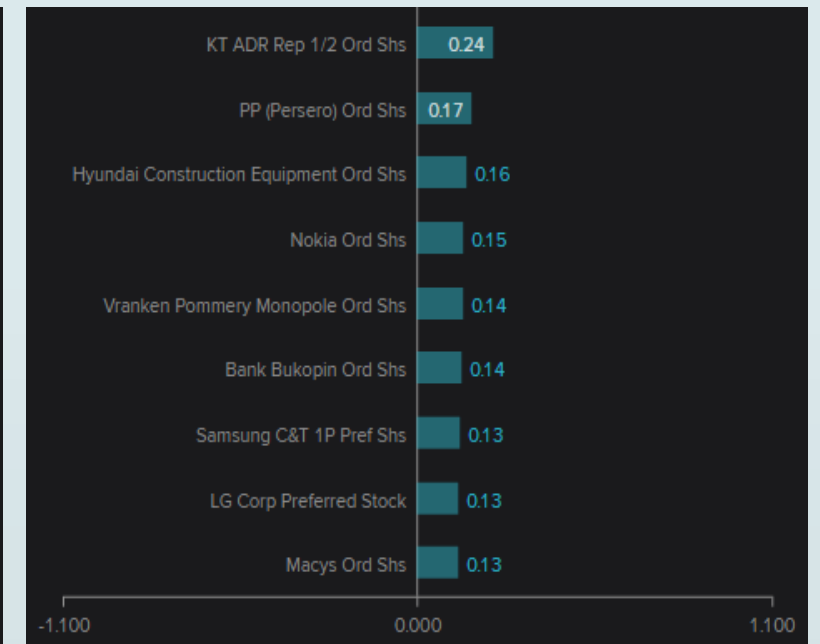
**VAR TOP 10 SECURITIES
AS OF 28/02/2020**



**CVAR TOP 10 SECURITIES
AS OF 28/02/2020**



**MVAR TOP 10 SECURITIES
AS OF 28/02/2020**



Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) as of 28/02/2020

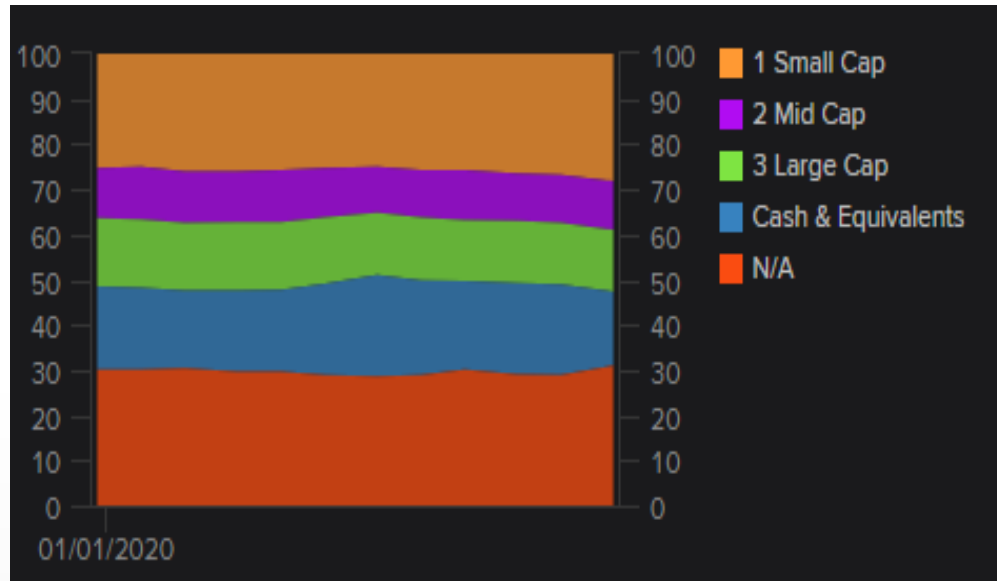


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	4,12	9,31	100,00%	10,71	9,31
Nokia Ord Shs	0,18	0,45	1,44%	1,12	0,15
Ribbon Communications Ord Shs	0,11	0,43	0,62%	0,67	-0,02
Bank Danamon Indonesia Ord Shs	0,10	0,28	0,53%	0,42	0,12
Panasonic Ord Shs	0,16	0,30	1,46%	0,39	0,06
Macys Ord Shs	0,13	0,25	0,64%	0,35	0,13
Resolute Forest Products Ord Shs	0,09	0,19	0,40%	0,31	0,08
Royal Mail Ord Shs	0,11	0,23	0,52%	0,30	0,09
Bank Bukopin Ord Shs	0,11	0,18	0,65%	0,30	0,14
Knoll Ord Shs	0,09	0,20	0,68%	0,29	0,09
Lippo Karawaci Ord Shs	0,11	0,25	0,75%	0,28	0,13
Imerys Ord Shs	0,07	0,21	0,43%	0,27	0,11
KT ADR Rep 1/2 Ord Shs	0,14	0,22	1,54%	0,27	0,24
Natixis Ord Shs	0,09	0,19	0,59%	0,27	0,03
Syrah Resources Ord Shs	0,07	0,14	0,23%	0,27	0,05
Alcoa Ord Shs	0,10	0,17	0,55%	0,26	0,11

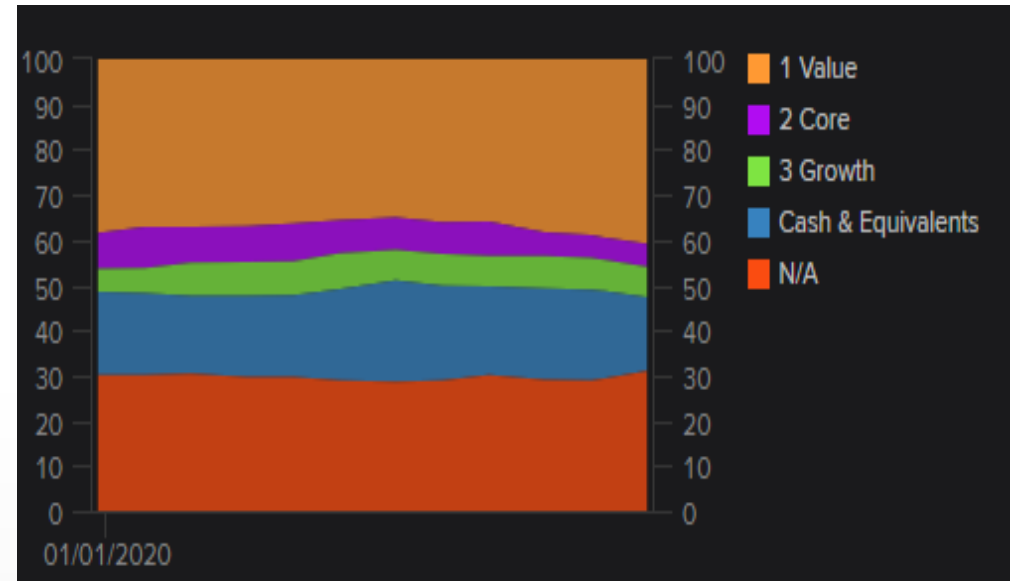
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 28/02/2020*

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	88%	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: 8% 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

28-Feb-2020

Total JPY Exposure 203.189.420 (11% AUM)
Total JPY Net Exposure 71.889.420 (4% AUM)

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	121,28	-131.300.000	1.082.619	65%	27/03/2020

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