

PHARUS SICAV ASIAN NICHES



Monthly Risk Report

31 July 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 31/07/2020

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev. month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-24,92%	-25,17%

- 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	-1,88%	-5,31%
Historical 1W	-4,20%	-11,88%
Historical 1M	-8,80%	-24,92%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

Indice	Price as of 31/07/2020	% 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	86,70	-2,98%	-2,98%	-15,63%	-15,63%	-13,30%	-13,30%
<i>Electric Mobility</i>	-	-2,48%	-2,48%	-11,57%	-11,57%	-13,55%	-13,55%
<i>5G</i>	-	-2,67%	-2,67%	-11,00%	-11,00%	-1,02%	-1,02%
<i>Internet Victims</i>	-	-6,62%	-6,62%	-36,20%	-36,20%	-25,59%	-25,59%
<i>Small Cap Indonesia</i>	-	-5,81%	-5,81%	-23,25%	-23,25%	-26,54%	-26,54%
<i>Korea Reunification</i>	-	-0,72%	-0,72%	-26,20%	-26,20%	-31,33%	-31,33%
<i>Close the Gap</i>	-	-2,81%	-2,81%	-2,18%	-2,18%	-4,72%	-4,72%
<i>Neglected Luxury</i>	-	-4,23%	-4,23%	-38,37%	-38,37%	-33,07%	-33,07%
<i>Orphan Companies</i>	-	-7,22%	-7,22%	-18,74%	-18,74%	-11,92%	-11,92%
<i>Steel Substitution</i>	-	-3,24%	-3,24%	-26,21%	-26,21%	-18,99%	-18,99%
Korea (.KS200)	299,32	6,87%	2,42%	1,89%	-6,08%	4,69%	-5,22%
Tokyo Stock Exchange (.TOPX)	1496,06	-4,02%	-6,69%	-13,09%	-15,02%	-6,61%	-6,31%
Indonesia (.JKSE)	5149,627	4,98%	-2,87%	-18,25%	-25,98%	-20,75%	-26,56%
China (.HSI)	24595,35	0,69%	-3,95%	-12,75%	-16,50%	-13,24%	-15,62%
MSCI Asia Pacific (.dMIPC00000PEU)	158,12	-5,31%	-5,31%	-15,07%	-15,07%	-7,55%	-7,55%
Bond High Yield (AHYE.PA)	228,46	1,38%	1,38%	-3,40%	-3,40%	2,80%	2,80%

* 18/02/2019

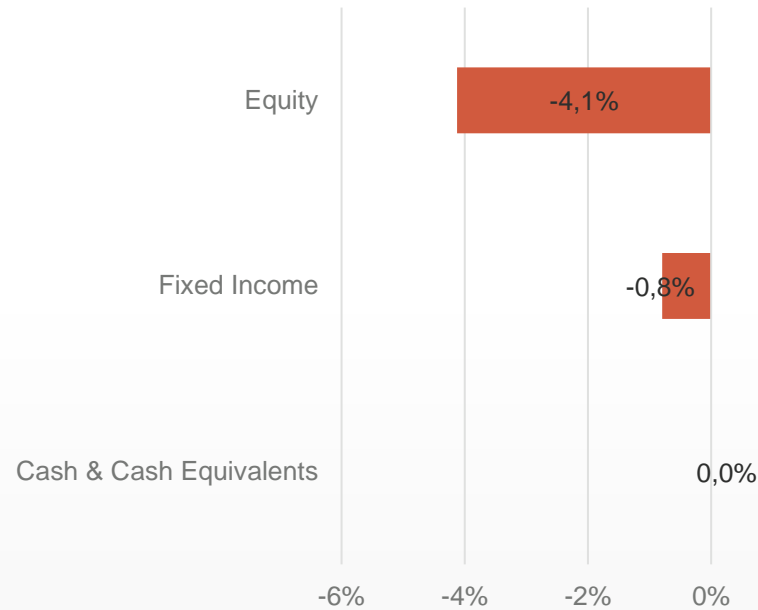
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: -2,98% (30 June – 31 July '20)



Performance Breakdown by Asset Class (30 June – 31 July '20)



Equity Portfolio: Monthly Performance by Sector (30 June – 31 July '20)

	Avg Weight	1 Month Return	Contribution
Equity	68,3%	-4,1%	-2,82%
Information Technology	6,6%	2,5%	0,16%
Materials	8,3%	-0,2%	-0,02%
Energy	0,3%	-7,1%	-0,02%
Health Care	0,6%	-4,3%	-0,02%
Consumer Staples	2,8%	-4,8%	-0,13%
Real Estate	1,3%	-13,6%	-0,18%
Financials	10,2%	-4,1%	-0,42%
Consumer Discretionary	7,6%	-6,5%	-0,50%
Industrials	8,9%	-7,3%	-0,65%
Communication Services	12,2%	-6,2%	-0,75%
Fund*	9,3%	-3,1%	-0,29%

Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

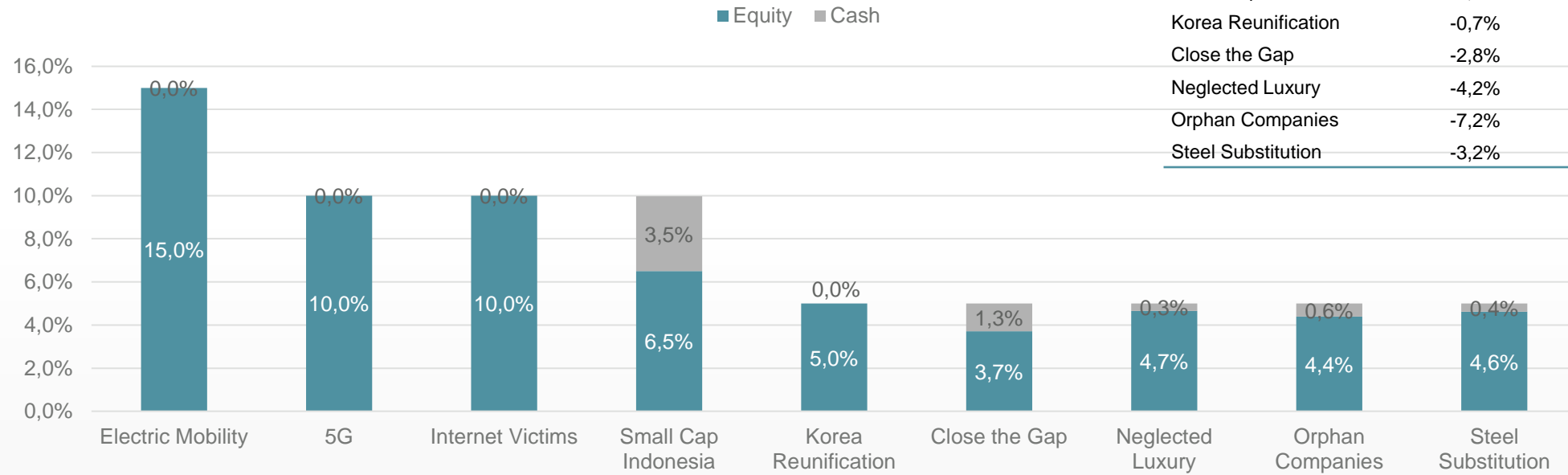
As of 31 July 2020

AUM (€ mln)

14,256 mln

EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 31 July 2020

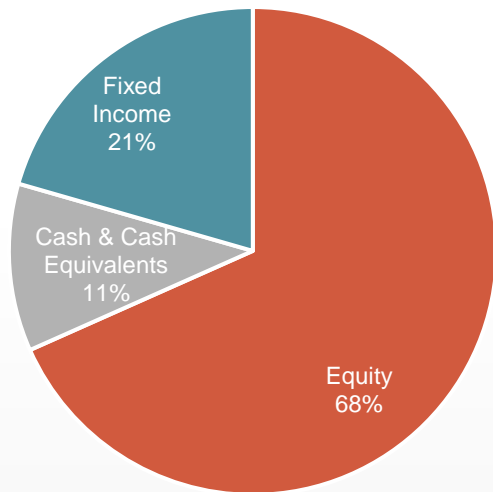


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	-2,5%	-2,5%
5G	-2,7%	-2,7%
Internet Victims	-6,6%	-6,6%
Small Cap Indonesia	-5,8%	-8,5%
Korea Reunification	-0,7%	-0,7%
Close the Gap	-2,8%	-3,5%
Neglected Luxury	-4,2%	-4,2%
Orphan Companies	-7,2%	-7,8%
Steel Substitution	-3,2%	-3,5%

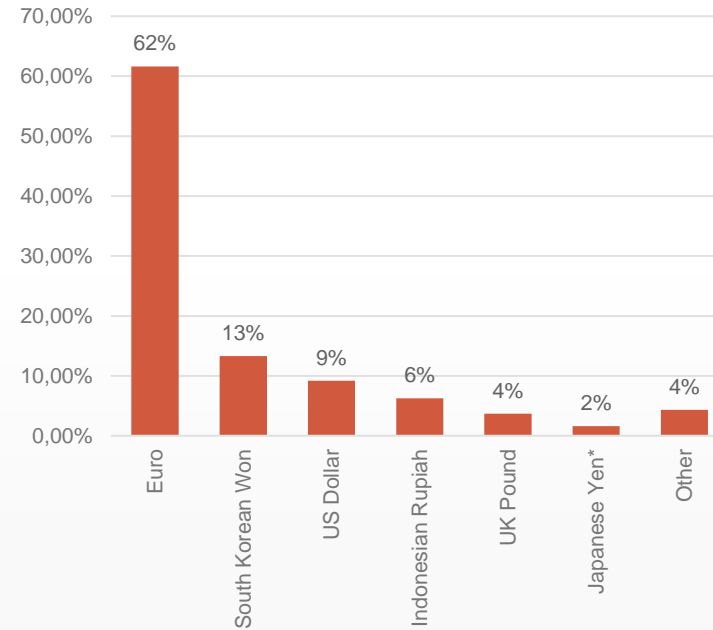
Weight % previous Month	15,0%	10,0%	10,0%	6,6%	5,0%	3,8%	4,6%	4,5%	4,7%
-------------------------	-------	-------	-------	------	------	------	------	------	------

PORTFOLIO: Allocation summary

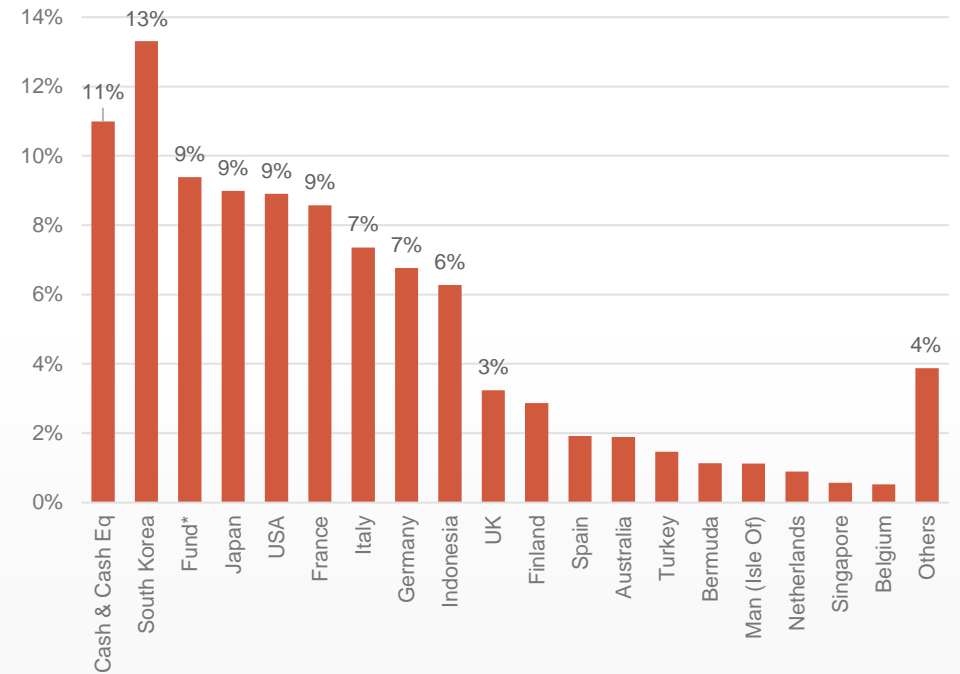
**Breakdown by Asset Class
as of 31 July 2020**



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



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



* net of JPY hedging

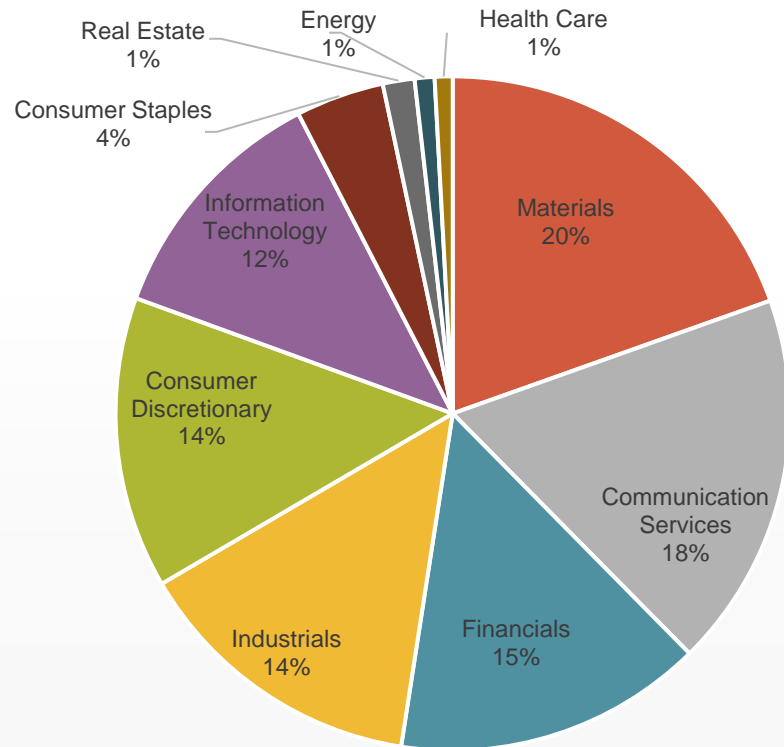
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: Allocation summary

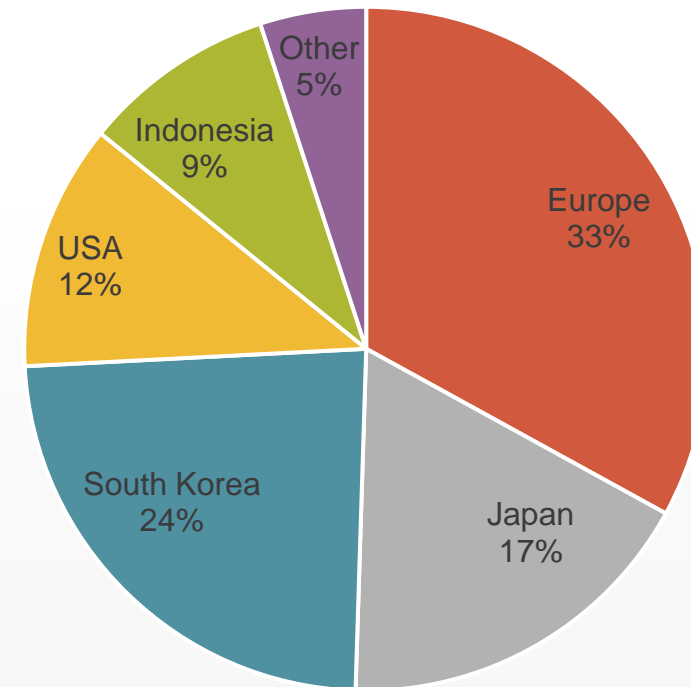
Equity Exposure: 68%

Equity Exposure previous month: 69%

Equity Breakdown by Sector as of 31 July 2020
Rebased



Equity Breakdown by Country as of 31 July 2020
Rebased



EQUITY PORTFOLIO: Change in holdings (30 June – 31 July '20)

	Trade	End Portfolio Weight
Matahari Department Store	ADD	0,23%
Ribbon Communications	REDUCE	0,44%
LG Chem Preferred	REDUCE	0,27%
L&F	SELL	0,00%
WeyerhaeuSer	SELL	0,00%
Credit Suisse Group	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (30 June – 31 July '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Resolute Forest Products	0,4%	36,4%	0,12%
Nokia	1,9%	4,4%	0,10%
Ecopro	0,5%	18,2%	0,09%
Interfor	0,2%	31,3%	0,06%
Ericsson	0,4%	18,4%	0,06%
Alcoa	0,6%	9,9%	0,06%
Syrah Resources	0,4%	18,7%	0,06%
Hana Financial Group	0,6%	6,6%	0,04%
POSTNL	0,5%	7,8%	0,04%
Weyerhaeuser REIT	0,2%	12,3%	0,04%
Pitney Bowes	0,2%	22,0%	0,03%
ViacomCBS Class B	0,5%	6,2%	0,03%
Seronics	0,2%	19,2%	0,03%
Ribbon Communications	0,5%	6,3%	0,03%
Daimler	0,5%	6,0%	0,02%
Mirae Asset Daewoo 2Pref	0,2%	15,1%	0,02%
Alelion Energy Systems	0,1%	32,6%	0,02%
CosmoAM&T	0,2%	14,5%	0,02%
PP (Persero)	0,6%	4,1%	0,02%
Juniper Networks	0,4%	5,5%	0,02%
Sociedad Quimica y Minera de Chile	0,2%	11,3%	0,02%
Daishin Sec Preferred Stock	0,5%	3,8%	0,02%
POSCO	0,3%	6,6%	0,02%
Doosan	0,1%	19,9%	0,01%
Commscope Holding	0,2%	5,8%	0,01%
L&F	0,1%	10,9%	0,01%
Samsung Life	0,6%	2,0%	0,01%
Stella Chemifa	0,2%	8,1%	0,01%
Imerys	0,5%	2,6%	0,01%
BAIC Motor H	0,1%	7,2%	0,01%
Harley Davidson	0,3%	4,0%	0,01%
First Pacific	0,2%	4,0%	0,01%
Samsung Electronics Pref	0,3%	2,8%	0,01%
Lg Electronics Pref	0,3%	2,6%	0,01%
Glencore	0,2%	2,9%	0,01%

*Sorted from highest to lowest by Contribution

Bottom performers

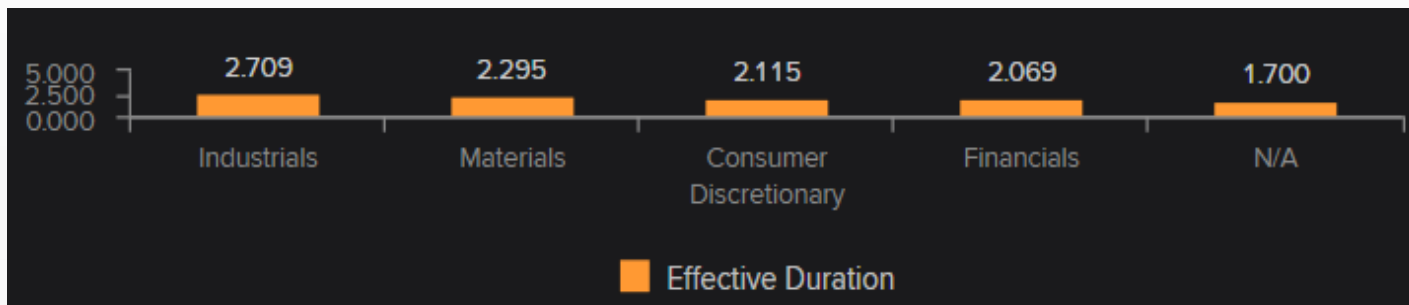
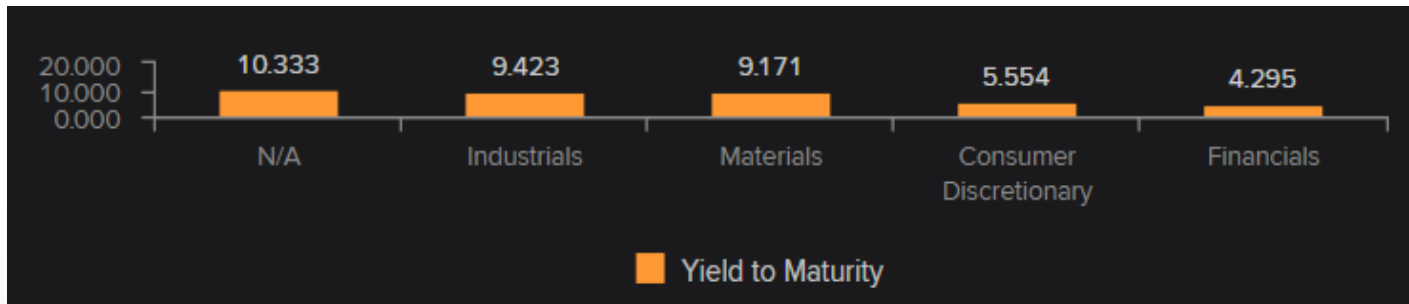
	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Lippo Karawaci	0,5%	-25,0%	-0,15%
BT Group	1,1%	-12,8%	-0,14%
Telefonica	0,7%	-16,5%	-0,13%
GrafTech International	0,4%	-27,8%	-0,12%
Renault	0,8%	-11,2%	-0,09%
Teijin	0,6%	-14,1%	-0,09%
VEON ADR	0,8%	-10,8%	-0,08%
Macys	0,4%	-16,3%	-0,07%
Samsung C&t	0,5%	-12,4%	-0,07%
Royal Mail	0,6%	-10,9%	-0,07%
Matahari Department Store	0,2%	-24,9%	-0,07%
ProSieben Sat,1 Media N	0,4%	-17,6%	-0,07%
Lippo Cikarang	0,5%	-11,4%	-0,07%
KT ADR Rep 1/2	1,7%	-3,8%	-0,06%
Tokyo Sangyo	0,6%	-10,6%	-0,06%
Tanaka Chemical	0,3%	-20,2%	-0,06%
Tokyo Energy & Systems	0,5%	-10,2%	-0,06%
GS Yuasa	0,3%	-17,1%	-0,06%
Fluor	0,3%	-19,9%	-0,06%
Takaoka Toko	0,5%	-11,0%	-0,06%
Knoll	0,6%	-8,8%	-0,05%
Indosat	0,6%	-9,0%	-0,05%
Honda Tsushin Kogyo	0,4%	-13,3%	-0,05%
Banco Santander	0,3%	-16,8%	-0,05%
Barclays	0,4%	-11,3%	-0,05%
Dixons Carphone	0,3%	-17,4%	-0,05%
Reach	0,2%	-20,3%	-0,05%
Toray Industries	0,3%	-13,3%	-0,05%
Bank Bukopin	0,5%	-9,6%	-0,05%
Societe Generale	0,4%	-12,3%	-0,04%
Mitsubishi Chemical	0,3%	-12,6%	-0,04%
Nippon Carbon	0,4%	-11,3%	-0,04%
Carnival	0,3%	-15,4%	-0,04%
Sumitomo Chemical	0,5%	-8,8%	-0,04%
Toda Kogyo	0,3%	-15,4%	-0,04%

BOND PORTFOLIO*: Characteristics

Coupon	5,06
Yield to Maturity	7,12
Yield to Worst	7,10
Average Life (yrs) to Maturity	2,42
Modified Duration to Maturity	2,10

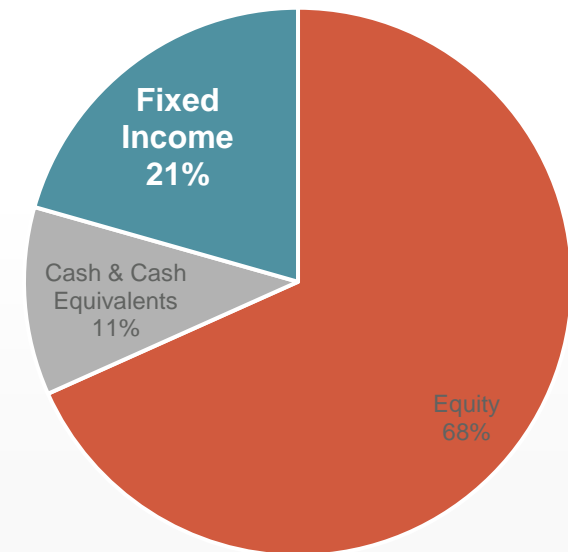
*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



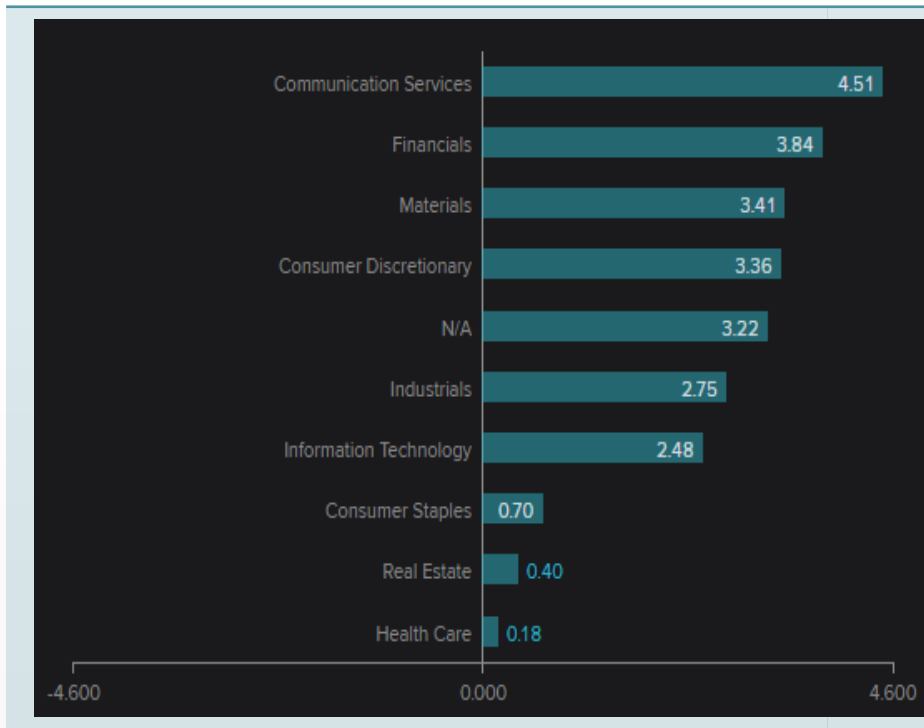
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 31 July 2020

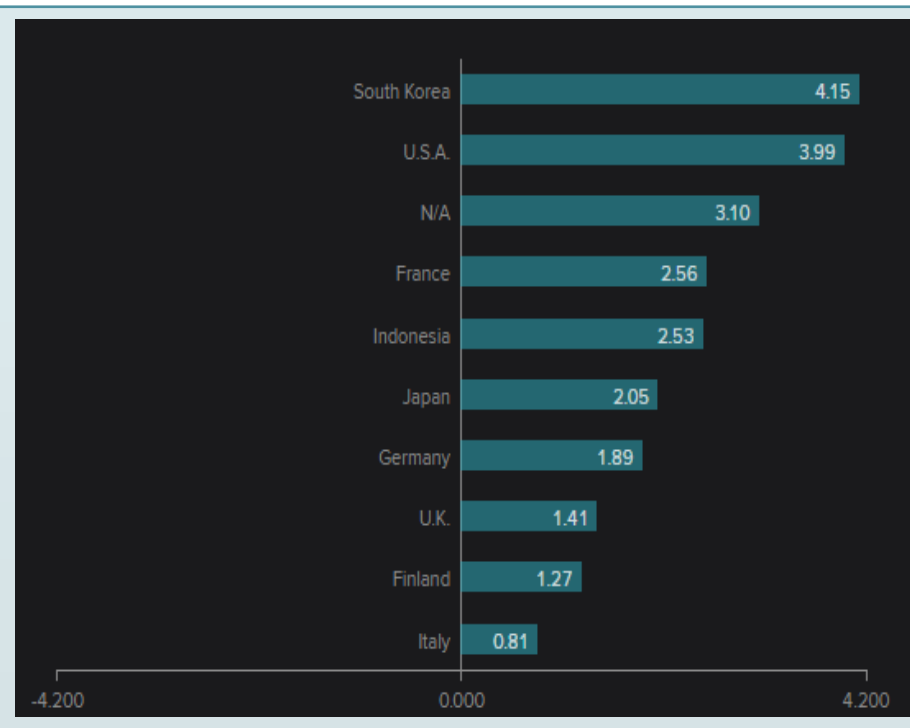


Ex-ante analysis: VaR 1 month 99% as of 31/07/2020

**VAR 1M – 99% BY GICS SECTOR
AS OF 31/07/2020**



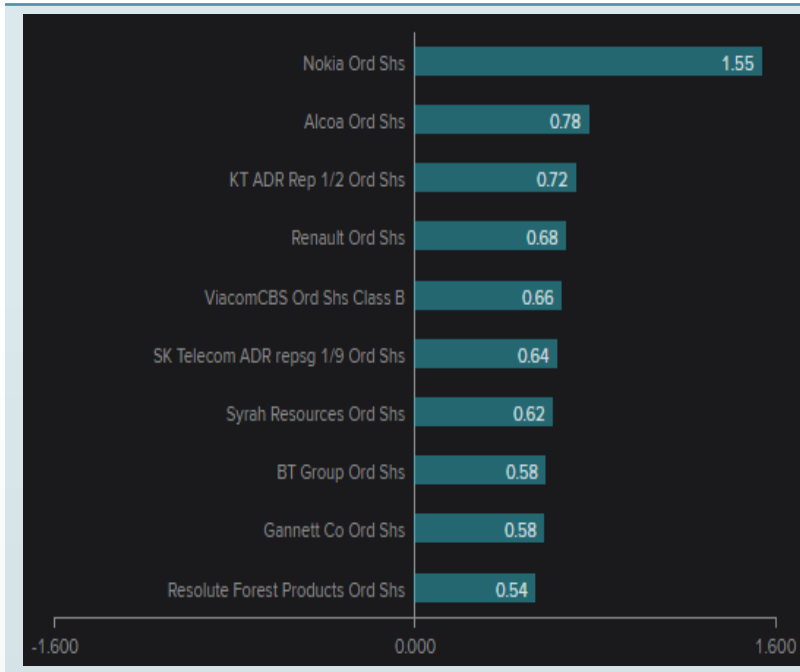
**VAR 1M – 99% BY COUNTRY
AS OF 31/07/2020**



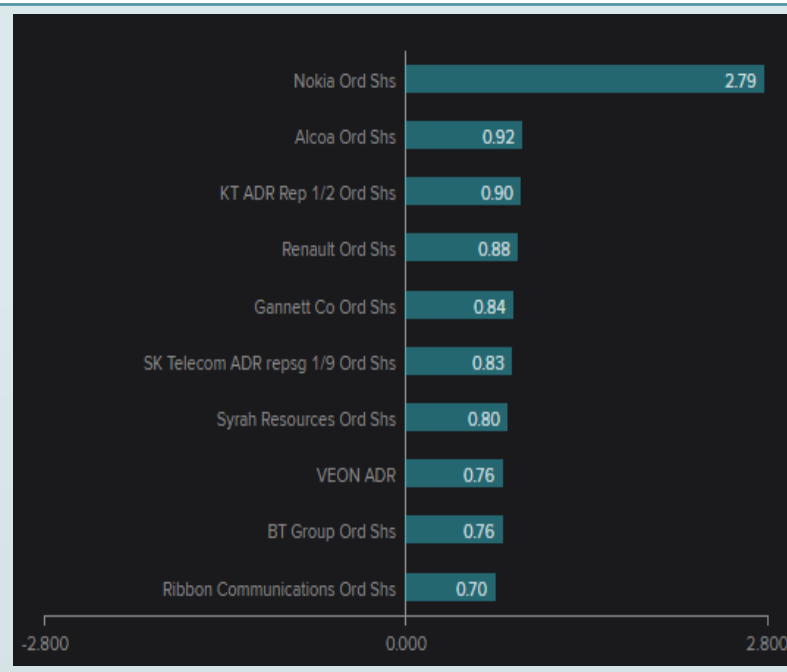
Source: MSCI RiskMetrics, Niche AM

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

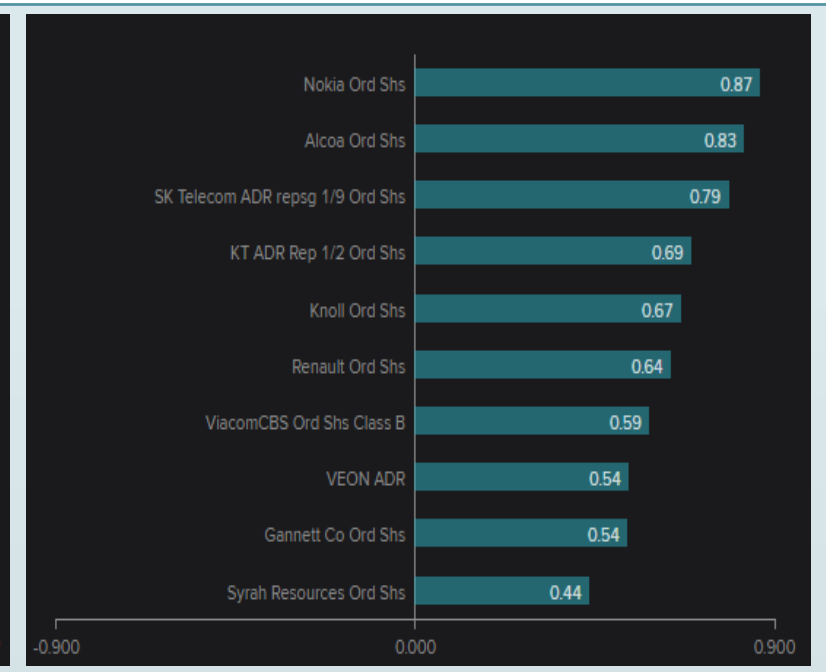
**VAR TOP 10 SECURITIES
AS OF 31/07/2020**



**CVAR TOP 10 SECURITIES
AS OF 31/07/2020**



**MVAR TOP 10 SECURITIES
AS OF 31/07/2020**



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 31/07/2020

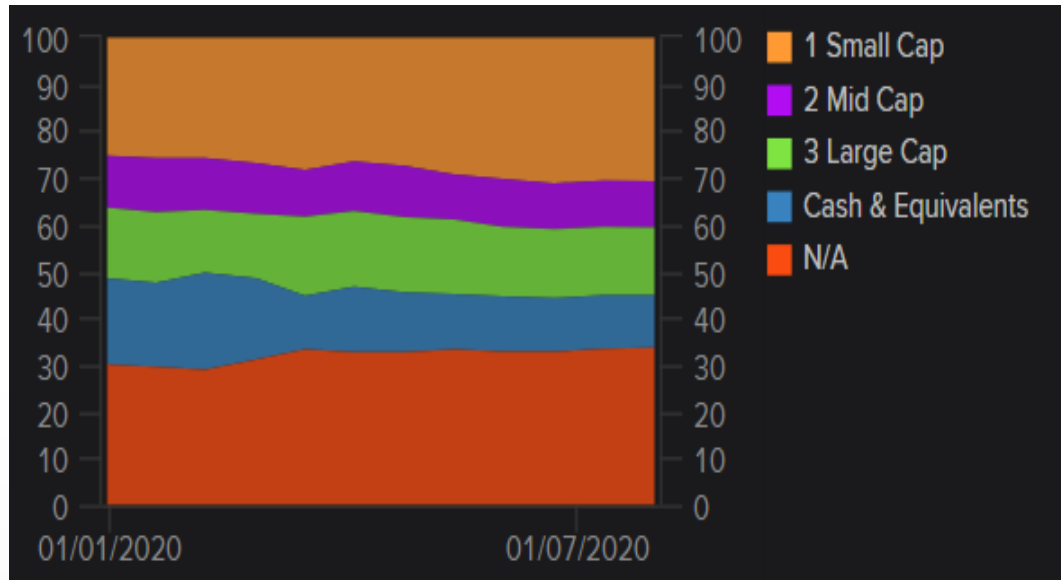


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	8,80	24,92	100,00%	29,01	24,92
Nokia	0,64	1,55	3,10%	2,79	0,87
Alcoa	0,32	0,78	0,99%	0,92	0,83
KT	0,38	0,72	2,43%	0,90	0,69
Renault	0,35	0,68	0,98%	0,88	0,64
Gannett Co	0,27	0,58	0,46%	0,84	0,54
SK Telecom	0,29	0,64	2,11%	0,83	0,79
Syrah Resources	0,27	0,62	0,57%	0,80	0,44
VEON	0,22	0,48	1,04%	0,76	0,54
BT Group	0,31	0,58	1,41%	0,76	0,26
Ribbon Communications	0,22	0,51	0,63%	0,70	0,32
Ecopro	0,24	0,50	0,88%	0,70	0,33
ViacomCBS	0,26	0,66	0,82%	0,68	0,59
Knoll	0,30	0,48	0,87%	0,65	0,67
Resolute Forest Products	0,28	0,54	0,70%	0,63	0,28
Royal Mail	0,19	0,50	0,82%	0,59	-0,01

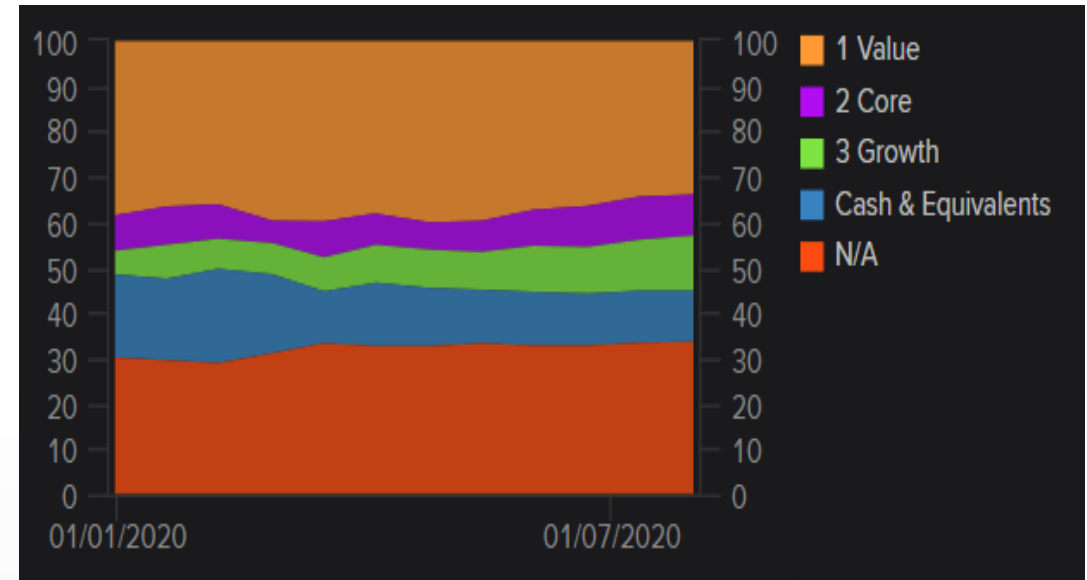
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 31/07/2020*

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: 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

31-July-20

Total JPY Exposure 160.162.112 (9% AUM)

Total JPY Net Exposure 28.862.112 (2% 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	82%	25/09/2020

DISCLAIMER

This document, any presentation made in conjunction herewith and any accompanying materials are preliminary and for information only. They are not an offering memorandum, do not contain any representations and do not constitute or form part of an offer or invitation to subscribe for any of Niche's funds (each, the "Fund"). Further they do not constitute or form part of any solicitation of any such offer or invitation, nor do they (or any part of them) or the fact of their distribution, form the basis of, or can they be relied on, in connection with any contract therefore, the information contained in this report has been compiled exclusively by Niche Asset Management Ltd which is authorised and regulated by the Financial Conduct Authority (RN783048) and is registered in England & Wales 10805355. The information and views contained in this document are not intended to be complete and may be subject to change at any time. No representation, warranty or undertaking, stated or implied, is given as to the accuracy of the information or views in this document and no liability for the accuracy and completeness of information is accepted by Niche Asset Management Ltd and/or its partners. The investment strategy of the Fund is speculative and involves a substantial degree of risk of losing some or all of the capital invested. Market, political, counterparty, liquidity and other risk factors may have a significant impact on the investment objectives of the Fund, while past performance is not a guide or otherwise indicative of future results. **The distribution of this document and the offering of the Fund's shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions.** The Fund is not yet available for distribution in all countries, it will be only subject to registration with the local supervisory Authority. Potential investors are invited to contact Niche Asset Management Ltd, in order to check registration countries. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction. Any reproduction of this information, in whole or in part, without the prior consent of Niche Asset Management Ltd is also prohibited. This document may only be communicated or passed to persons to whom Niche Asset Management Ltd is permitted to communicate financial promotions pursuant to an exemption available in Chapter 4,12 of the Financial Conduct Authority's Conduct of Business Sourcebook ("COBS") ("Permitted Recipients"). In addition, no person who is not an authorised person may communicate this document or otherwise promote the Fund or shares therein to any person in the United Kingdom unless such person is both (a) a Permitted Recipient and (b) a person to whom an authorised person is permitted to communicate financial promotions relating to the Fund or otherwise promote the Fund under the rules in COBS 4,12 applicable to such authorised person. The securities referenced in this document have not been registered under the Securities Act of 1933 (the "1933 Act") or any other securities laws of any other US jurisdiction. Such securities may not be sold or transferred to US persons unless such sale or transfer is registered under the 1933 Act or exemption from such registration. **This document is intended for professional investors only. Potential investors are recommended to read carefully the Prospectus and the Key Investor Information Document (KIID) before subscribing.**