

PHARUS SICAV ASIAN NICHES



NICHE
ASSET MANAGEMENT ■

Monthly Risk Report

30 June 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 30/06/2020

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev. month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-25,17%	-24,21%

- 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	-1,90%	-5,37%
Historical 1W	-4,26%	-12,00%
Historical 1M	-8,93%	-25,17%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

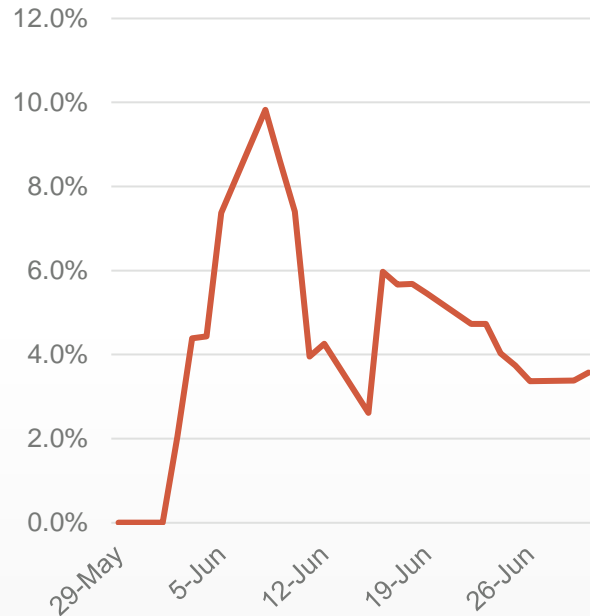
Indice	Price as of 30/06/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Year to Date (local currency)	% Price Change Year to Date (€)	% Price Change Since inception * (local currency)	% Price Change Since inception * (€)
Pharus Asian Niches	89,36	3,57%	3,57%	-12,97%	12,97%	-10,64%	-10,64%
<i>Electric Mobility</i>	-	4,44%	4,95%	-9,00%	-9,00%	-9,64%	-9,64%
5G	-	0,85%	0,78%	1,59%	1,59%	-8,68%	-8,68%
<i>Internet Victims</i>	-	6,22%	6,75%	-20,01%	-20,01%	-31,46%	-31,46%
<i>Small Cap Indonesia</i>	-	9,46%	14,41%	-21,69%	-21,69%	-18,19%	-18,19%
<i>Korea Reunification</i>	-	-2,00%	-2,00%	-30,82%	-30,82%	-25,72%	-25,72%
<i>Close the Gap</i>	-	12,73%	15,45%	-1,76%	-1,76%	0,71%	0,71%
<i>Neglected Luxury</i>	-	3,17%	3,17%	-29,90%	-29,90%	-35,49%	-35,49%
<i>Orphan Companies</i>	-	-2,76%	-2,99%	-5,18%	-5,18%	-12,60%	-12,60%
<i>Steel Substitution</i>	-	3,59%	3,81%	-16,27%	-16,27%	-23,81%	-23,81%
Korea (,KS200)	280,09	4,39%	5,92%	-4,66%	-8,30%	-2,03%	-7,46%
Tokyo Stock Exchange (,TOPX)	1558,77	-0,31%	-1,63%	-9,45%	-8,93%	-2,70%	0,40%
Indonesia (,JKSE)	4905,39	3,19%	4,81%	-22,13%	-23,79%	-24,51%	-24,39%
China (,HSI)	24427,19	6,38%	5,13%	-13,74%	-13,60%	-13,83%	-12,15%
MSCI Asia Pacific (,dMIPC00000PEU)	166,99	1,20%	1,20%	-10,55%	-10,55%	-2,36%	-2,36%
Bond High Yield (AHYE,PA)	225,35	0,30%	0,30%	-4,79%	-4,79%	1,40%	1,40%

* 18/02/2019

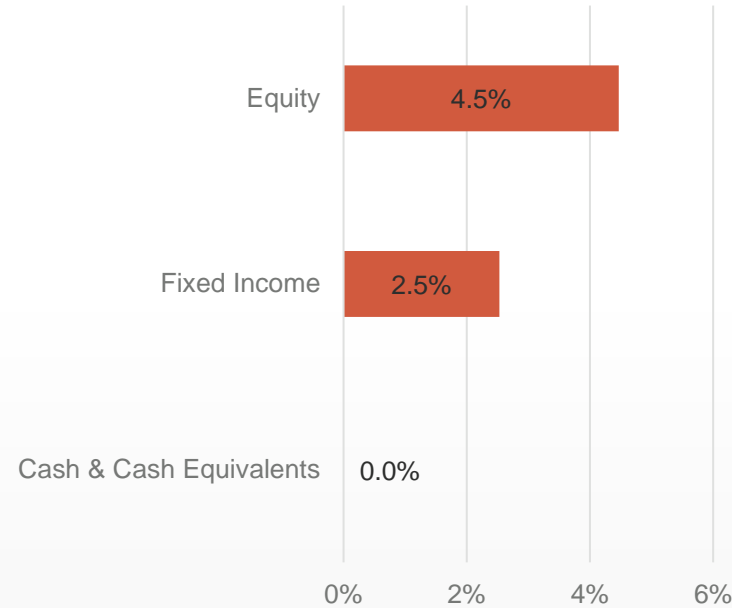
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: +3,57% (29 May – 30 June '20)



Performance Breakdown by Asset Class (29 May – 30 June '20)



Equity Portfolio: Monthly Performance by Sector (29 May – 30 June '20)

	Avg Weight	1 Month Return	Contribution
Equity	68,8%	4,5%	3,07%
Industrials	9,4%	8,1%	0,76%
Financials	10,1%	5,4%	0,55%
Consumer Discretionary	7,5%	5,6%	0,42%
Materials	8,2%	5,1%	0,41%
Communication Services	12,3%	1,5%	0,18%
Real Estate	1,4%	6,8%	0,10%
Health Care	0,6%	15,3%	0,08%
Energy	0,2%	15,8%	0,04%
Information Technology	6,8%	0,0%	0,00%
Consumer Staples	2,9%	-2,1%	-0,06%
Fund*	9,3%	7,0%	0,65%

Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

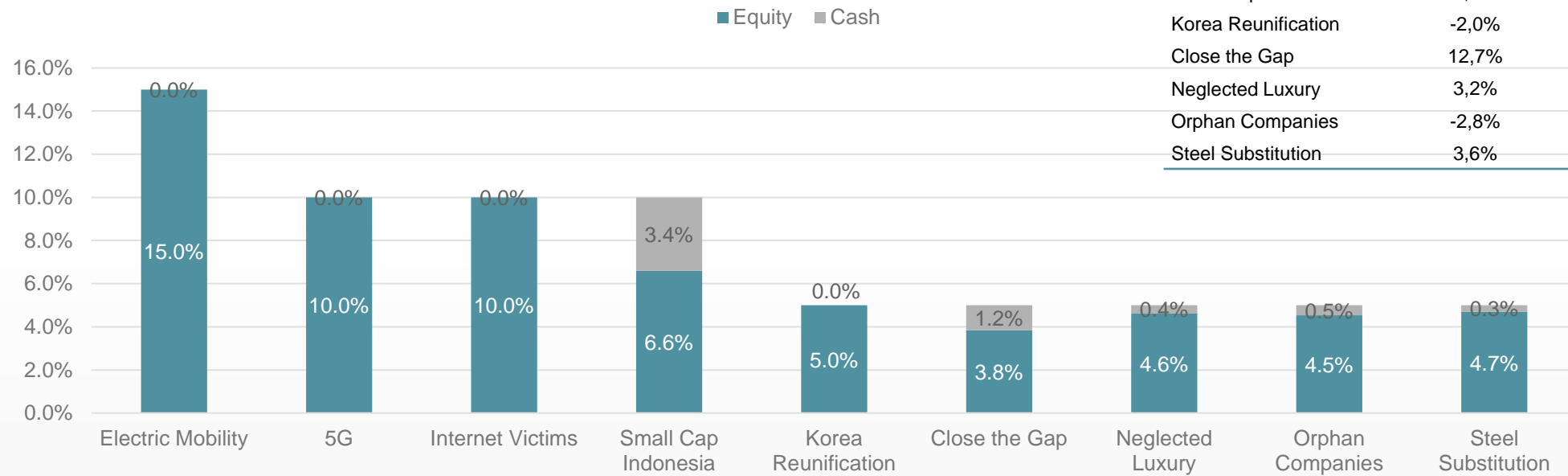
As of 30 June 2020

AUM (€ mln)

15,055 mln

EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 30 June 2020

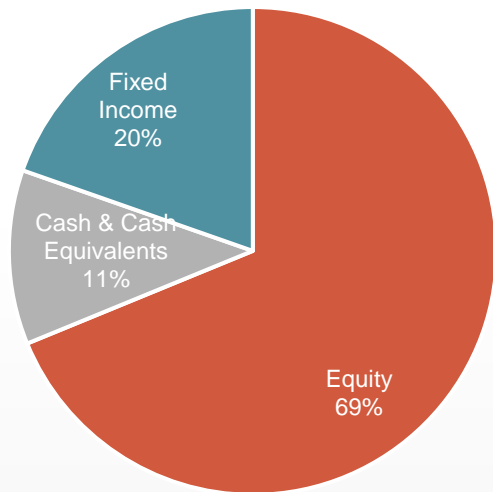


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	5,0%	5,0%
5G	0,9%	0,9%
Internet Victims	6,8%	6,8%
Small Cap Indonesia	9,5%	14,4%
Korea Reunification	-2,0%	-2,0%
Close the Gap	12,7%	15,5%
Neglected Luxury	3,2%	3,2%
Orphan Companies	-2,8%	-3,0%
Steel Substitution	3,6%	3,8%

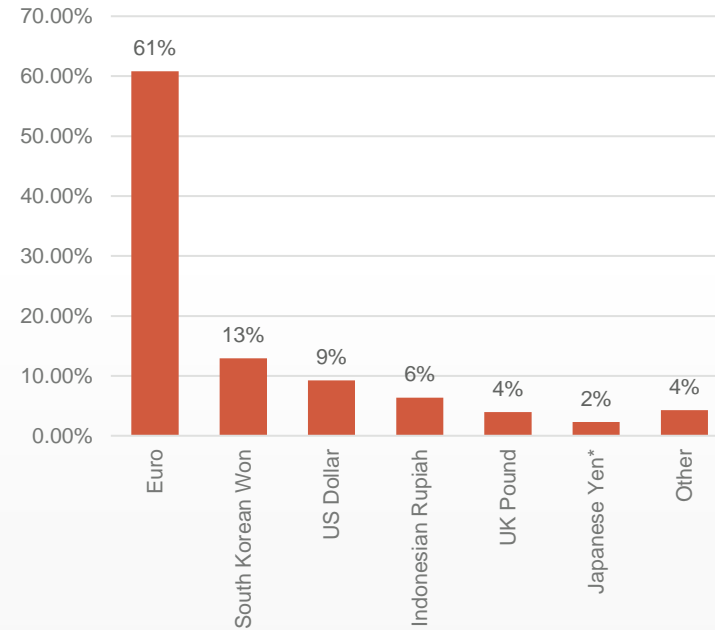
Weight % previous Month	14,4%	10,0%	10,0%	6,5%	5,0%	3,9%	4,6%	4,7%	4,7%
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PORTFOLIO: Allocation summary

**Breakdown by Asset Class
as of 30 June 2020**

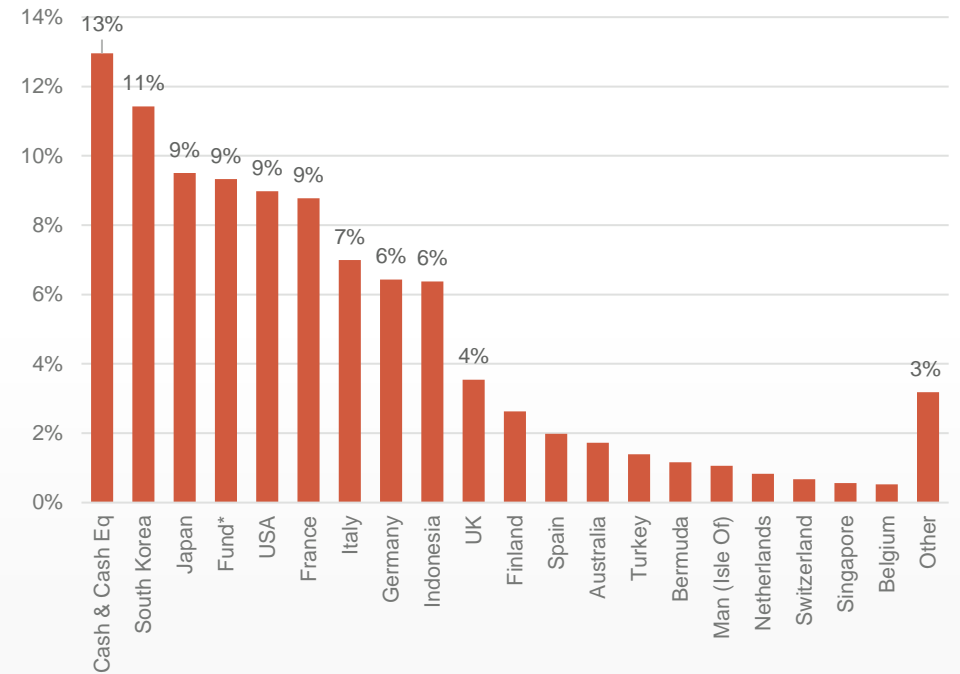


**Breakdown by Currency
as of 30 June 2020**



* net of JPY hedging

**Breakdown by Country
as of 30 June 2020**



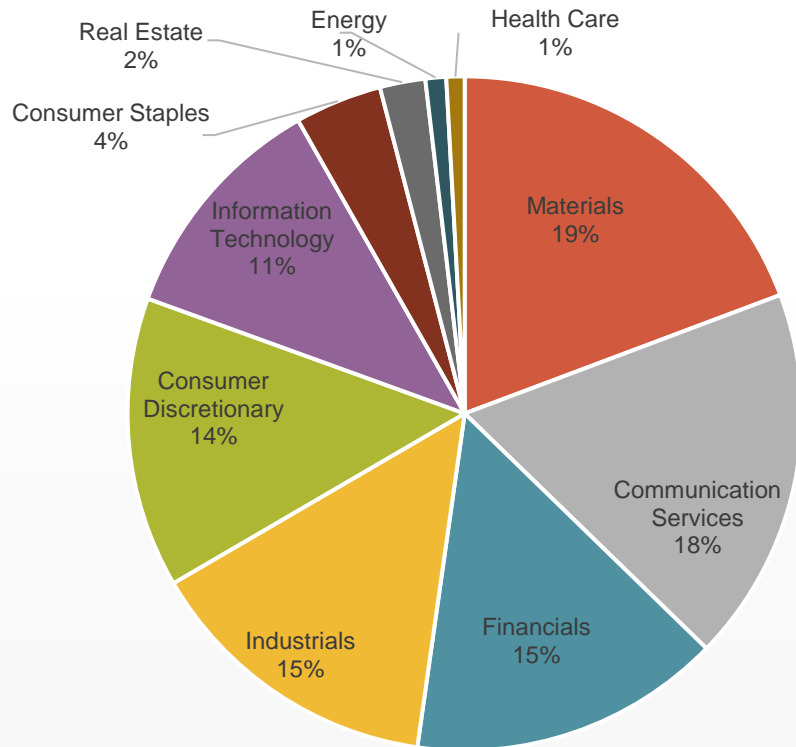
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: Allocation summary

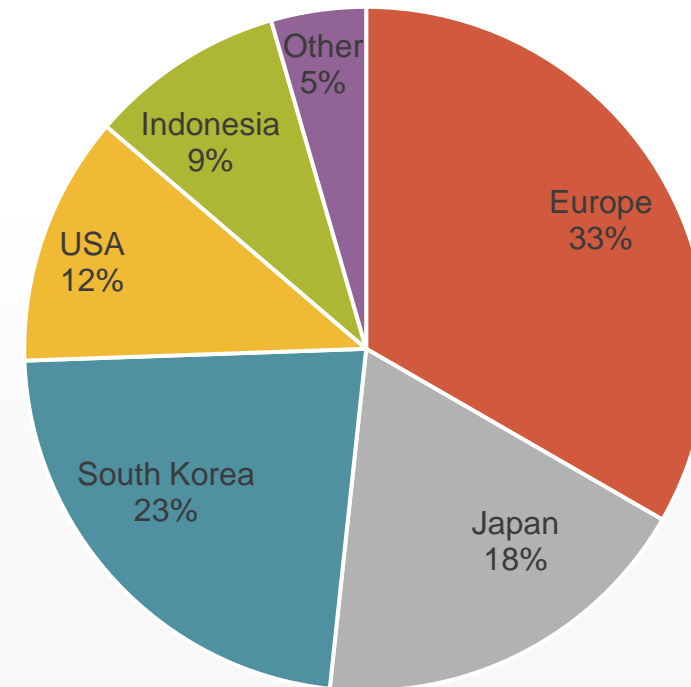
Equity Exposure: 69%

Equity Exposure previous month: 67%

Equity Breakdown by Sector as of 30 June 2020
Rebased



Equity Breakdown by Country as of 30 June 2020
Rebased



EQUITY PORTFOLIO: Change in holdings (29 May – 30 June '20)

	Trade	End Portfolio Weight
Tribune Publishing	BUY	0,21%
VEON	ADD	0,77%
Japan Post Holdings	ADD	0,28%
RTL Group	ADD	0,34%
Samsung Life	ADD	0,56%
Ribbon Communications	REDUCE	0,51%
Samsung C&T 1P Pref	SELL	0,00%
Furukawa Electric	SELL	0,00%
Nokia ADR	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (29 May – 30 June '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Samsung C&T 1P Pref Shs	0,3%	44,4%	0,17%
Nokia Ord Shs	1,9%	9,1%	0,17%
LG Chem Preferred Stock	0,5%	43,3%	0,15%
Bank Tabungan Negara (Persero) Ord Shs	0,3%	66,4%	0,15%
POSTNL Ord Shs	0,4%	43,0%	0,14%
VEON ADR	0,7%	19,4%	0,12%
PP (Persero) Ord Shs	0,5%	26,9%	0,12%
Lippo Cikarang Ord Shs	0,5%	23,2%	0,11%
Alcoa Ord Shs	0,6%	20,6%	0,10%
Bank Bukopin Ord Shs	0,5%	26,1%	0,10%
Samsung C&t Ord Shs	0,5%	18,8%	0,09%
Ecopro Ord Shs	0,5%	22,5%	0,09%
Tempo Scan Pacific Ord Shs	0,6%	17,7%	0,09%
Indosat Ord Shs	0,5%	18,2%	0,09%
Knoll Ord Shs	0,6%	14,4%	0,08%
Renault Ord Shs	0,7%	11,8%	0,08%
Sri Rejeki Isman Ord Shs	0,3%	34,5%	0,08%
Hyundai Construction Equipment Ord Shs	0,5%	14,5%	0,07%
Wijaya Karya Beton Ord Shs	0,3%	25,6%	0,06%
Bank Danamon Indonesia Ord Shs	0,6%	12,0%	0,06%
GrafTech International Ord Shs	0,4%	15,3%	0,06%
ViacomCBS Ord Shs Class B	0,5%	12,3%	0,06%
Toshiba Ord Shs	0,4%	15,1%	0,05%
Axa Ord Shs	0,4%	13,6%	0,05%
Bank BTPN	0,3%	19,2%	0,05%
Gap Ord Shs	0,1%	40,1%	0,05%
Standard Chartered PLC Ord Shs	0,3%	18,6%	0,04%
BNP Paribas Ord Shs	0,5%	9,7%	0,04%
Dixons Carphone Ord Shs	0,3%	18,4%	0,04%
Lg Electronics Pref Shs	0,3%	18,7%	0,04%
Resolute Forest Products Ord Shs	0,3%	12,1%	0,04%
Societe Generale Ord Shs	0,4%	11,9%	0,04%
SK Innovation Pref Shs	0,2%	18,5%	0,04%
Il Sole 24 Ore Ord Shs	0,5%	8,7%	0,04%
Interfor Ord Shs	0,2%	21,7%	0,04%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Ribbon Communications Ord Shs	0,6%	-11,7%	-0,08%
Commscope Holding Ord Shs	0,3%	-20,2%	-0,06%
Tokyo Sangyo Ord Shs	0,6%	-9,3%	-0,06%
Shinsegae Food Ord Shs	0,4%	-12,4%	-0,05%
Shinsegae I&C Ord Shs	0,5%	-9,1%	-0,05%
Hana Financial Group Ord Shs	0,6%	-7,9%	-0,05%
Delfi Ord Shs	0,5%	-8,0%	-0,04%
Nippon Kodoshi Ord Shs	0,2%	-19,2%	-0,04%
Avaya Holdings Ord Shs	0,2%	-16,3%	-0,04%
G li R Ord Shs	0,5%	-7,9%	-0,04%
Lippo Karawaci Ord Shs	0,6%	-5,6%	-0,04%
China Telecom ADR Representing 100 Ord Shs Class H	0,3%	-12,7%	-0,04%
Lanson-Bcc Ord Shs	0,4%	-8,7%	-0,03%
Meritz Fire & Marine Insurance Ord Shs	0,3%	-11,8%	-0,03%
ProSieben Sat,1 Media N Ord Shs	0,4%	-7,9%	-0,03%
BT Group Ord Shs	1,1%	-2,6%	-0,03%
TUI Ord Shs	0,2%	-13,5%	-0,03%
Juniper Networks Ord Shs	0,4%	-6,9%	-0,03%
Teijin Ord Shs	0,6%	-4,1%	-0,03%
Takaoka Toko Ord Shs	0,5%	-4,8%	-0,03%
Showa Denko Ord Shs	0,3%	-7,4%	-0,03%
Sumitomo Chemical Ord Shs	0,5%	-4,9%	-0,02%
China Mobile ADR Representing 5 Ord Shs	0,4%	-5,5%	-0,02%
Carnival Ord Shs	0,3%	-7,5%	-0,02%
Reach Ord Shs	0,3%	-7,9%	-0,02%
Stella Chemifa Ord Shs	0,2%	-10,2%	-0,02%
Banque Nationale De Belgique Ord Shs	0,3%	-4,8%	-0,02%
Toray Industries Ord Shs	0,4%	-4,4%	-0,02%
KT ADR Rep 1/2 Ord Shs	1,7%	-1,2%	-0,02%
International Business Machines Ord Shs	0,3%	-4,5%	-0,01%
Stora Enso Ord Shs Class R	0,7%	-2,3%	-0,01%
Sanyo Engineering & Construction Ord Shs	0,5%	-2,5%	-0,01%
Syrah Resources Ord Shs	0,4%	-3,0%	-0,01%
Alps Logistics Ord Shs	0,4%	-2,7%	-0,01%
Ube Industries Ord Shs	0,2%	-5,1%	-0,01%

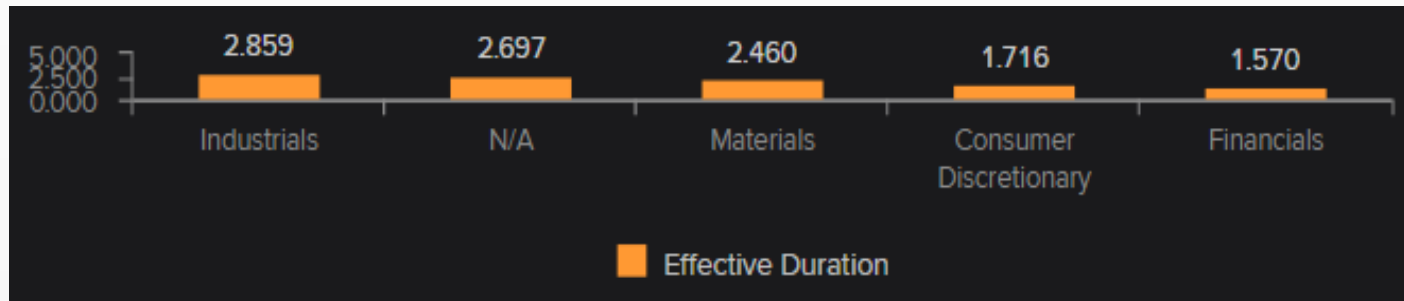
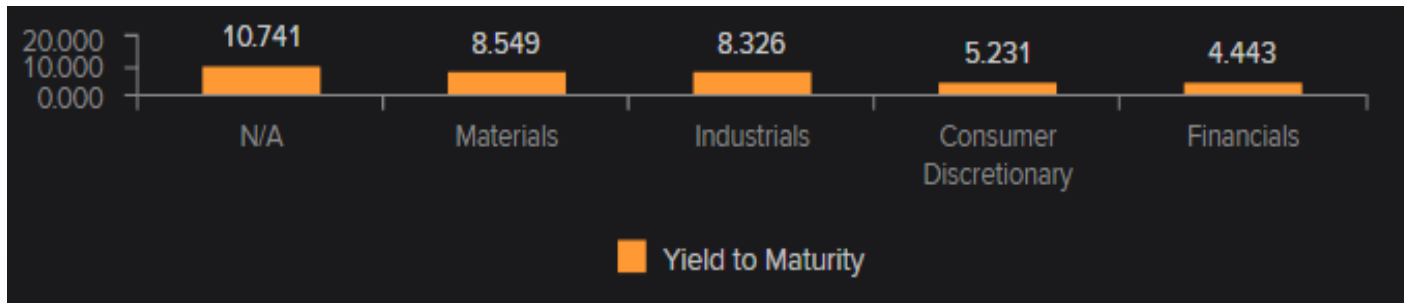
*Sorted from highest to lowest by Contribution

BOND PORTFOLIO*: Characteristics

Coupon	5,04
Yield to Maturity	6,84
Yield to Worst	6,84
Average Life (yrs) to Maturity	2,55
Modified Duration to Maturity	2,22

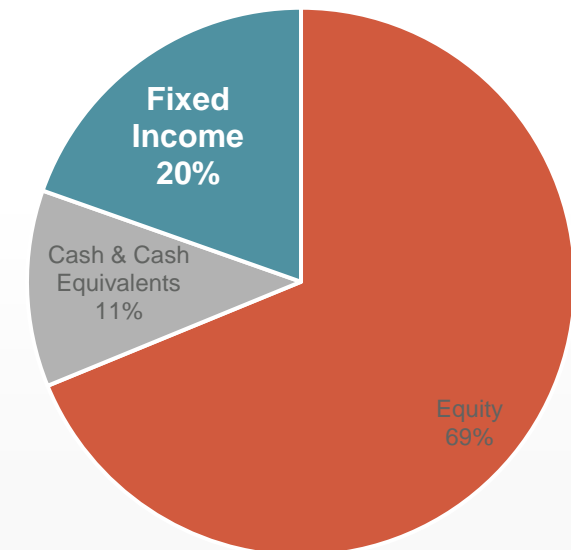
*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



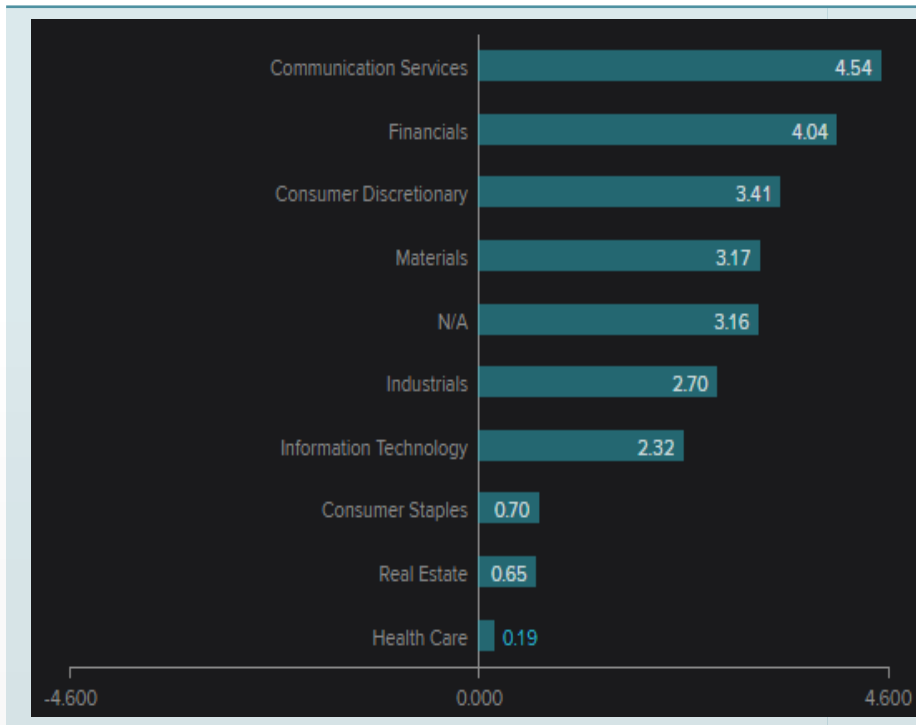
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 30 June 2020

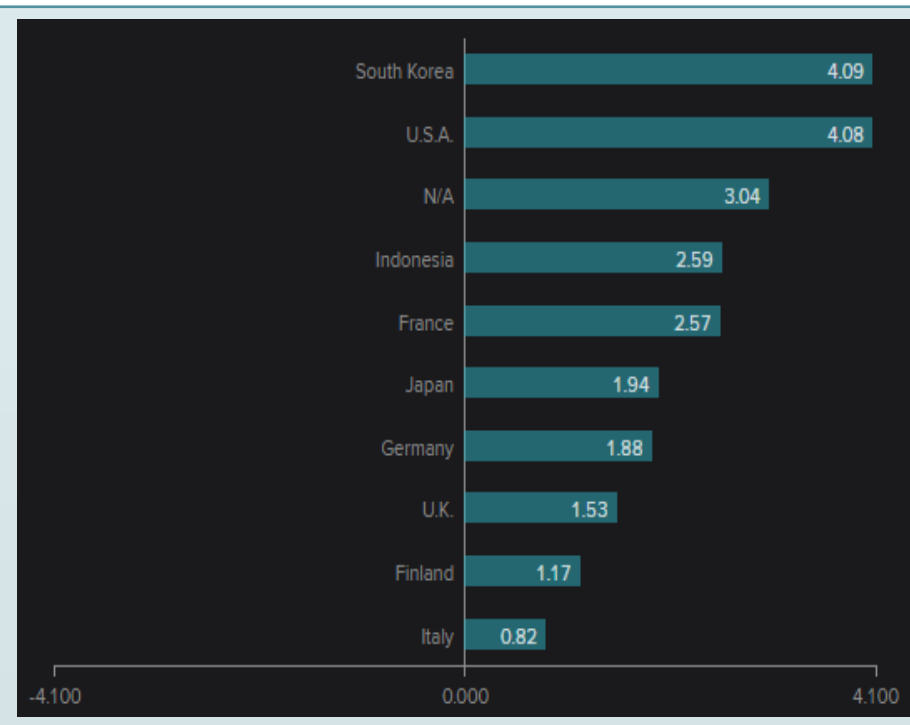


Ex-ante analysis: VaR 1 month 99% as of 30/06/2020

**VAR 1M – 99% BY GICS SECTOR
AS OF 30/06/2020**



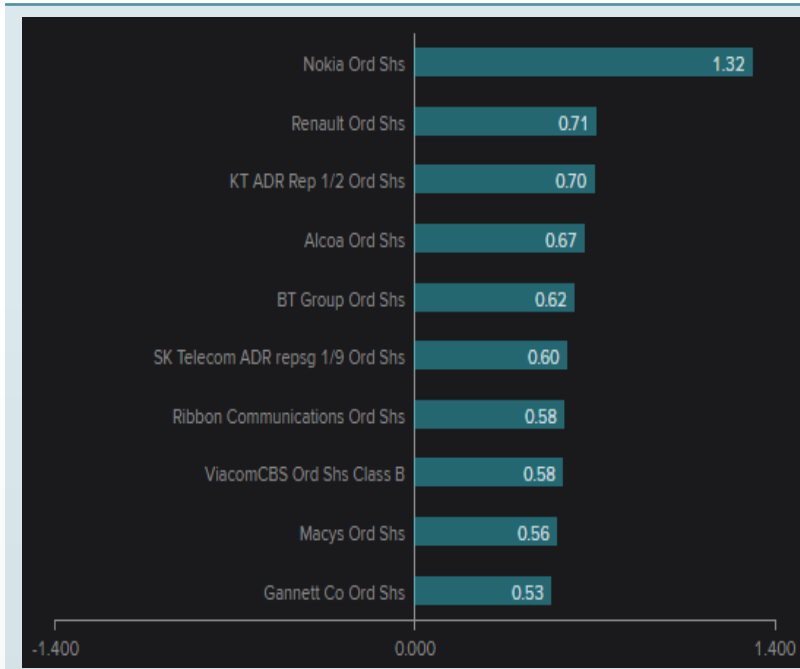
**VAR 1M – 99% BY COUNTRY
AS OF 30/06/2020**



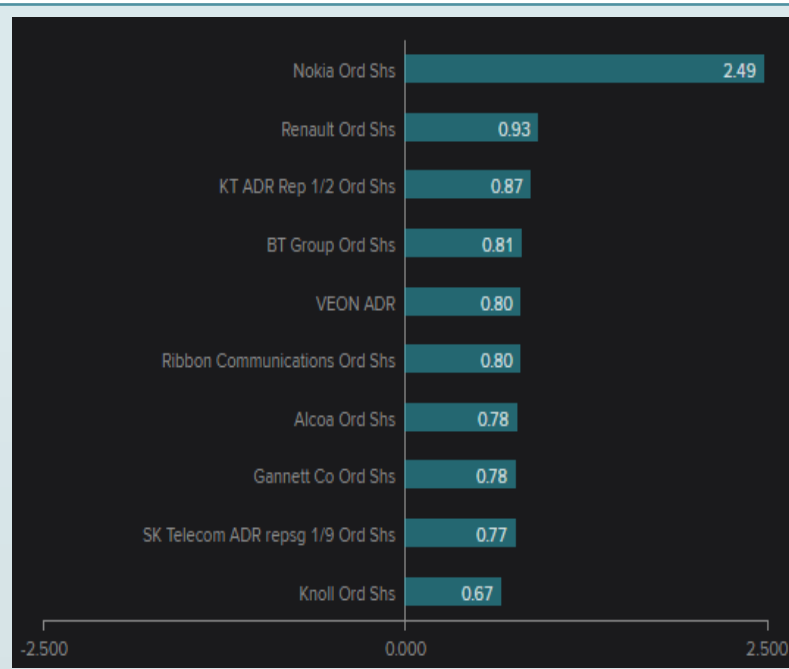
Source: MSCI RiskMetrics, Niche AM

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

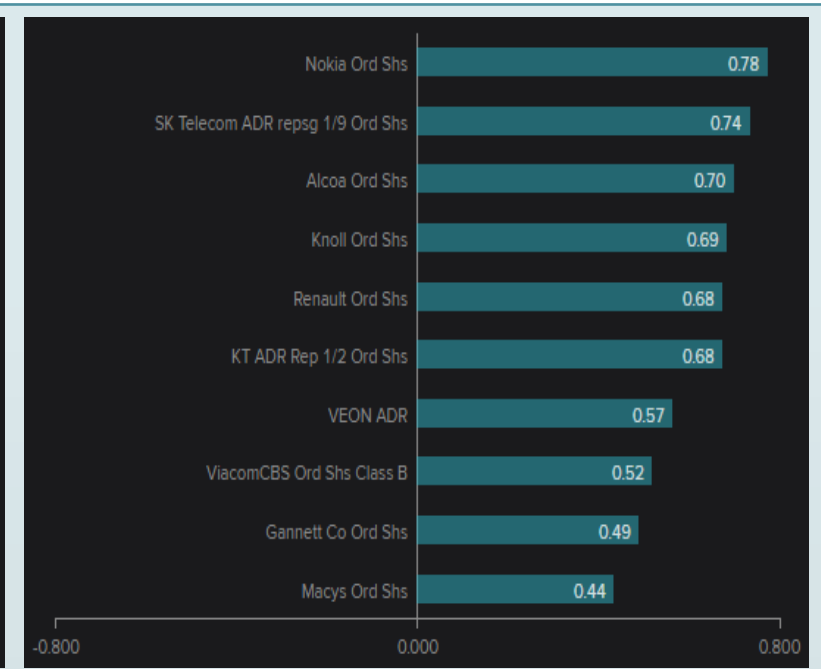
**VAR TOP 10 SECURITIES
AS OF 30/06/2020**



**CVAR TOP 10 SECURITIES
AS OF 30/06/2020**



**MVAR TOP 10 SECURITIES
AS OF 30/06/2020**



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 30/06/2020

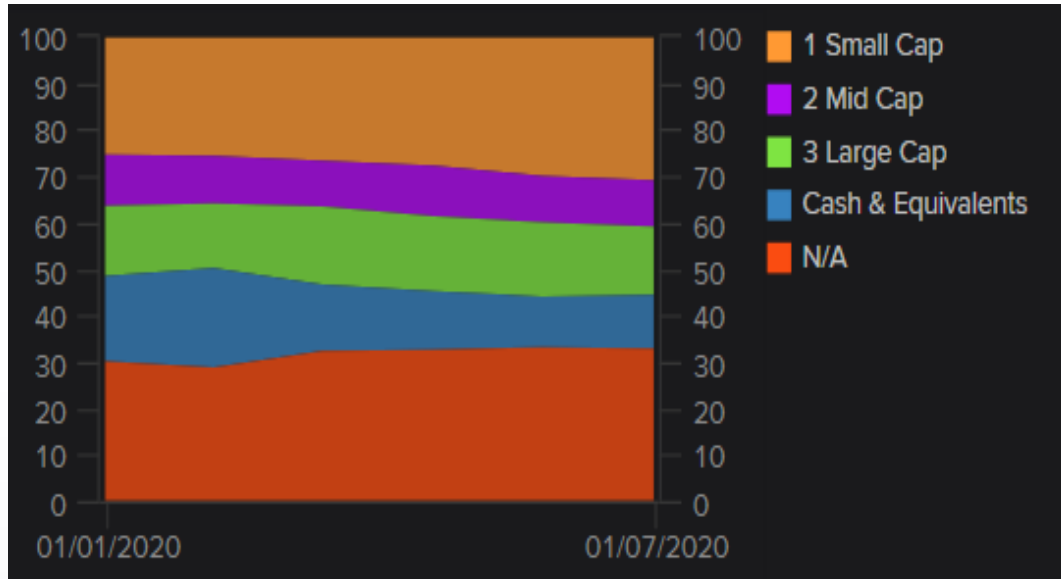


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	8,93	25,17	100,00%	29,29	25,17
Nokia	0,52	1,32	2,77%	2,49	0,78
Renault	0,32	0,71	1,03%	0,93	0,68
KT ADR	0,37	0,70	2,36%	0,87	0,68
BT Group	0,33	0,62	1,51%	0,81	0,28
VEON	0,23	0,50	1,09%	0,80	0,57
Ribbon Communications	0,25	0,58	0,72%	0,80	0,37
Alcoa	0,27	0,67	0,84%	0,78	0,70
Gannett	0,25	0,53	0,43%	0,78	0,49
SK Telecom ADR	0,27	0,60	1,98%	0,77	0,74
Knoll	0,30	0,49	0,89%	0,67	0,69
Syrah Resources	0,21	0,49	0,45%	0,63	0,35
Macys	0,27	0,56	0,65%	0,62	0,44
Royal Mail	0,21	0,52	0,86%	0,62	-0,01
ViacomCBS Ord Shs Class B	0,23	0,58	0,72%	0,60	0,52
Telefonica	0,19	0,47	1,04%	0,60	0,34

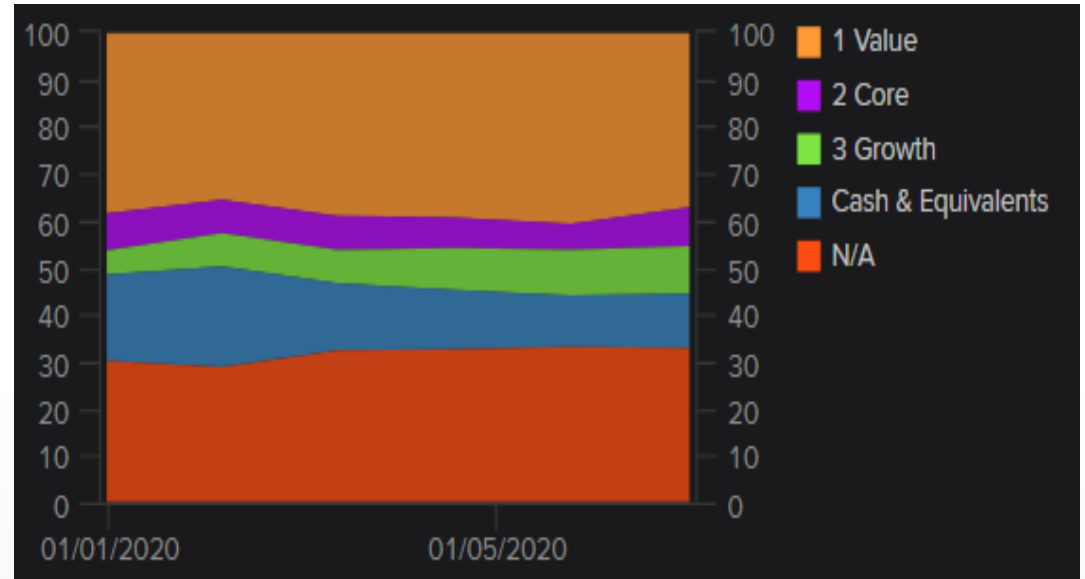
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 30/06/2020*

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%	98%	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

30-June-20

Total JPY Exposure **173,186,361 (9% AUM)**

Total JPY Net Exposure **41,886,361 (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	76%	25/09/2020

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