

# PHARUS SICAV ASIAN NICHES



## *Monthly Risk Report*

31 March 2020

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

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# 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
- Ex-Ante analysis: size and style allocation
- Liquidation time horizon

## Ex-ante analysis: VaR 1 month 99% as of 31/03/2020

	VaR Alert Level		VaR 99% 1M Fund	VaR 99% 1M Fund (prev, month)
	I°	II°		
<i>Pharus Asian Niches</i>	-8,0%	-10,0%	-23,17%	-9,30%

- The alert levels are linked to the 99% VaR 1M.
- During the first two weeks of March the market reeled for the Covid-19 potential repercussions on the economy, steering the VaR above the second threshold. An extraordinary Board of Director was called to discuss the situation. The BoD was held on 13th March and it was agreed to grant a waiver for the following two months regarding the risk budget. This waiver must be confirmed by the BoD during every meeting held within the same period (i.e. 2 months).
- The waiver was granted due to the exceptional situation that led to a similar increase of VAR in most equity indexes.

### VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-1,33%	-4,94%
Historical 1W	-2,97%	-11,04%
Historical 1M	-6,23%	-23,17%

Source: MSCI RiskMetrics, Niche AM

## EQUITY PORTFOLIO: Indices % price changes

Indice	Price as of 31/03/2020	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change Since inception * (local currency)	% Price Change since inception * (€)
<b>Pharus Asian Niches</b>	<b>76,74</b>	<b>-17,86%</b>	<b>-17,86%</b>	<b>-23,22%</b>	<b>-23,22%</b>
<i>Electric Mobility</i>	-	-20,02%	-20,02%	-27,60%	-27,60%
5G	-	-13,41%	-13,41%	-12,20%	-12,20%
<i>Internet Victims</i>	-	-28,73%	-28,73%	-31,46%	-31,46%
<i>Small Cap Indonesia</i>	-	-29,47%	-29,47%	-41,16%	-41,16%
<i>Korea Reunification</i>	-	-20,83%	-20,83%	-39,54%	-39,54%
<i>Close the Gap</i>	-	-16,98%	-16,98%	-20,11%	-20,11%
<i>Neglected Luxury</i>	-	-29,49%	-29,49%	-37,91%	-37,91%
<i>Orphan Companies</i>	-	-7,55%	-7,55%	-10,85%	-10,85%
<i>Steel Substitution</i>	-	-21,44%	-21,44%	-28,95%	-28,95%
Korea (.KS200)	236,82	-11,64%	-12,99%	-17,17%	-21,57%
Tokyo Stock Exchange (.TOPX)	1403,04	-7,14%	-6,70%	-12,42%	-7,64%
Indonesia (.JKSE)	4538,93	-16,76%	-26,79%	-30,15%	-38,02%
China (.HSI)	23603,48	-9,67%	-9,19%	-16,73%	-13,56%
MSCI Asia Pacific (.dMIPC00000PEU)	150,22	-12,13%	-12,13%	-12,17%	-12,17%
Europe (,STOXX)	320,06	-14,80%	-14,80%	-20,66%	-20,66%
Bond High Yield	207,35	-8,95%	-8,95%	-6,70%	-6,70%

\* 18/02/2019

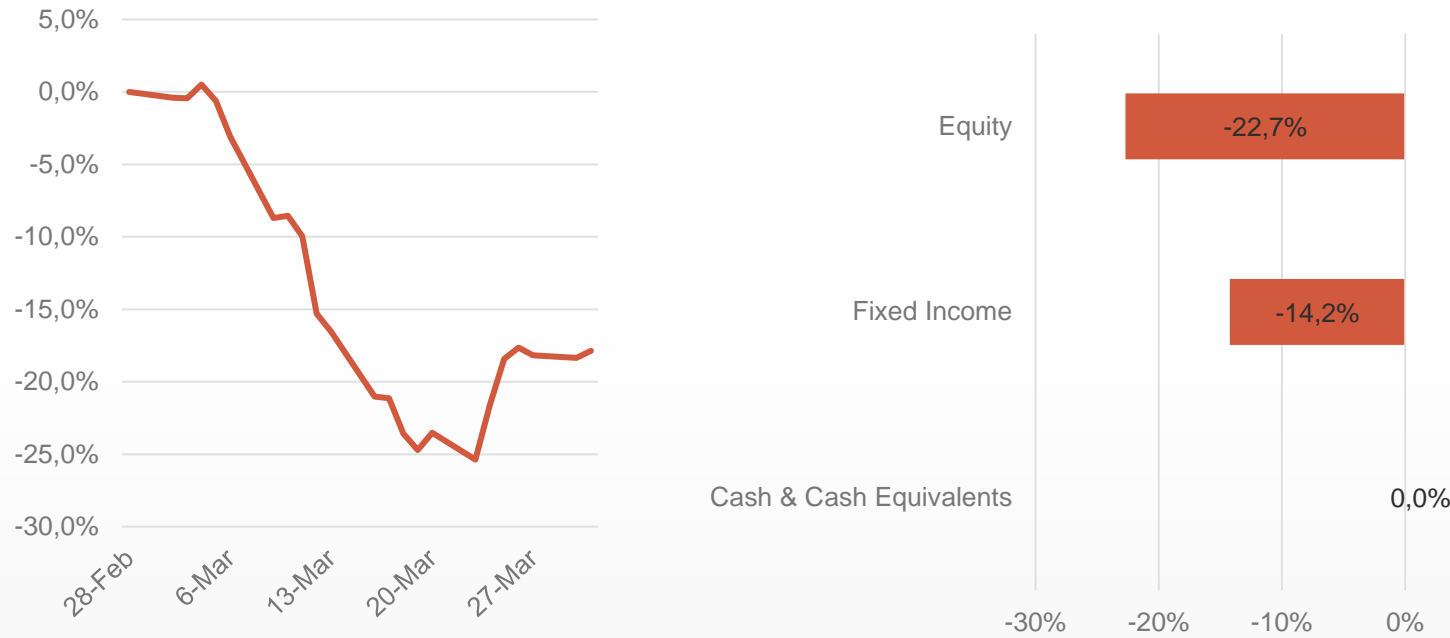
Source: Niche AM, Thomson Reuters

# PORTFOLIO: Allocation & performance summary

NAVps: -17,86% (28 February – 31 March'20)

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

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



	Avg Weight	1 Month Return	Contribution
<b>Equity</b>	<b>65,5%</b>	<b>-22,7%</b>	<b>-14,87%</b>
Energy	0,2%	-13,9%	-0,03%
Health Care	0,5%	-36,4%	-0,18%
Consumer Staples	2,7%	-18,2%	-0,49%
Information Technology	6,2%	-9,4%	-0,58%
Real Estate	1,3%	-56,8%	-0,76%
Materials	7,4%	-24,5%	-1,80%
Industrials	9,4%	-20,1%	-1,90%
Financials	10,0%	-24,0%	-2,40%
Communication Services	11,9%	-20,7%	-2,47%
Consumer Discretionary	8,3%	-34,8%	-2,88%
Fund*	7,7%	-19,1%	-1,48%

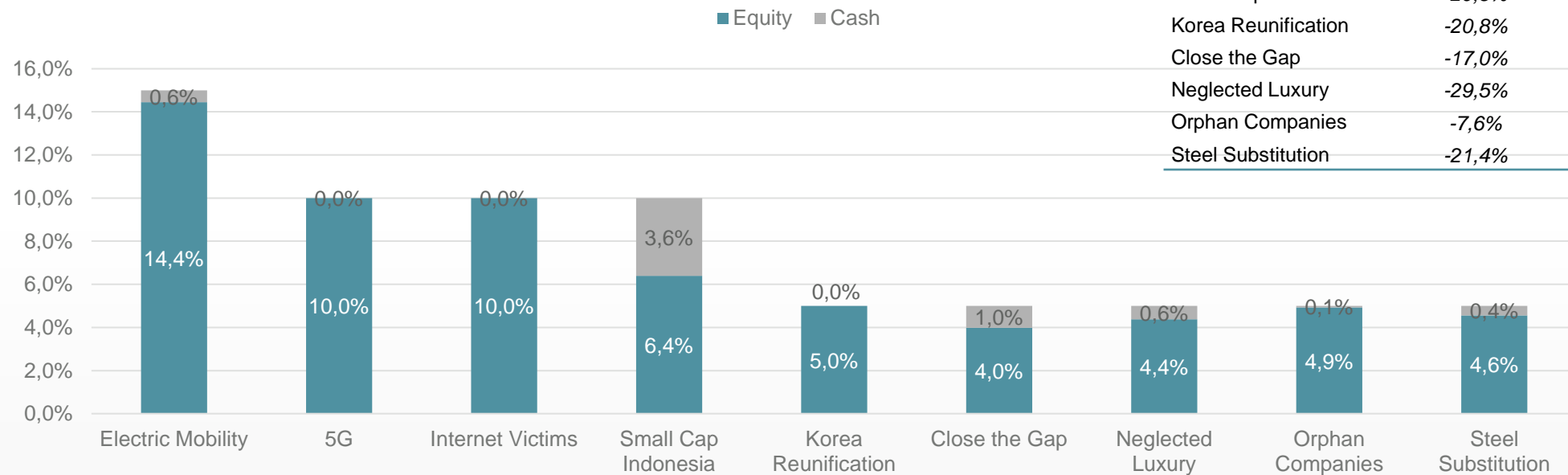
As of 31 Mar 2020

AUM (€ mln) 13,186 mln

Source: Niche AM, Thomson Reuters  
\*Pharus Electric Mobility

# EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 31 March 2020

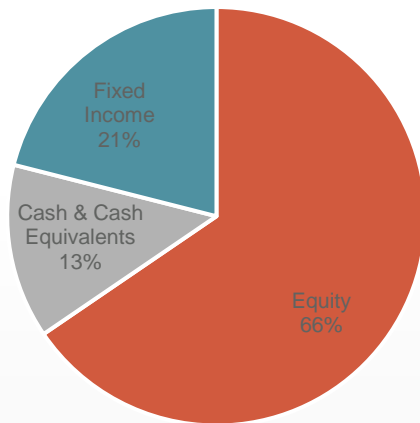


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	-20,0%	-20,4%
5G	-13,4%	-13,4%
Internet Victims	-28,7%	-28,7%
Small Cap Indonesia	-29,5%	-42,9%
Korea Reunification	-20,8%	-20,8%
Close the Gap	-17,0%	-17,9%
Neglected Luxury	-29,5%	-29,5%
Orphan Companies	-7,6%	-8,1%
Steel Substitution	-21,4%	-22,3%

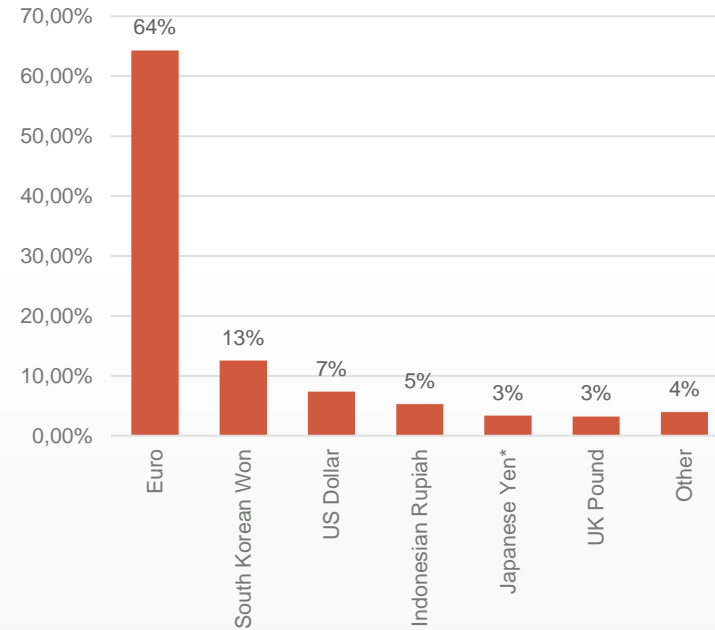
Weight % previous Month	14,7%	10,0%	10,0%	6,2%	5,0%	4,6%	4,8%	4,1%	4,9%
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# PORTFOLIO: Allocation summary

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

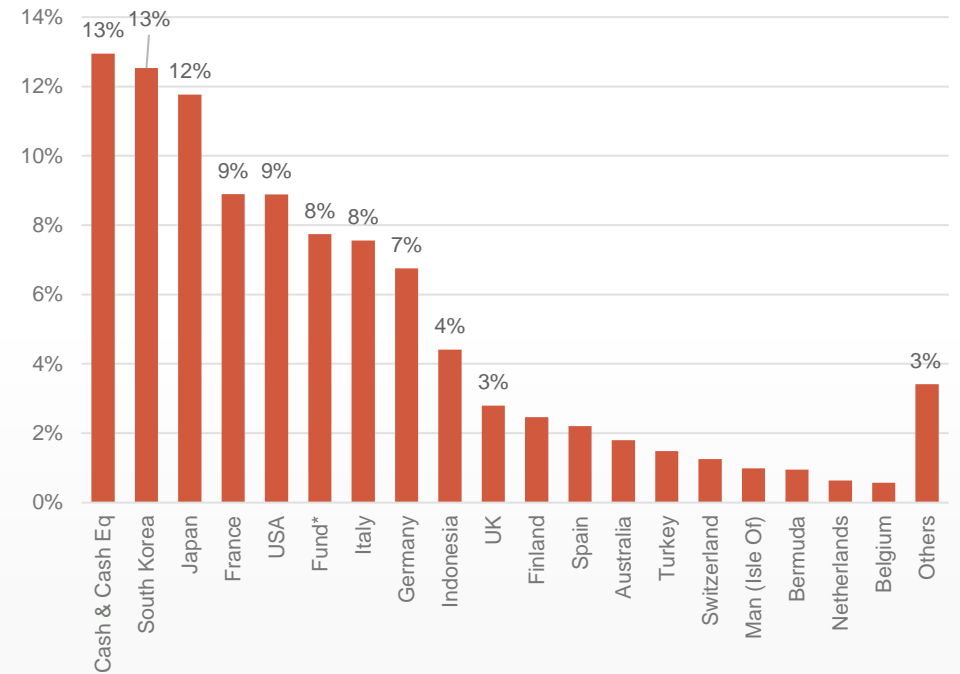


**Breakdown by Currency  
as of 31 March 2020**



\* net of JPY hedging

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



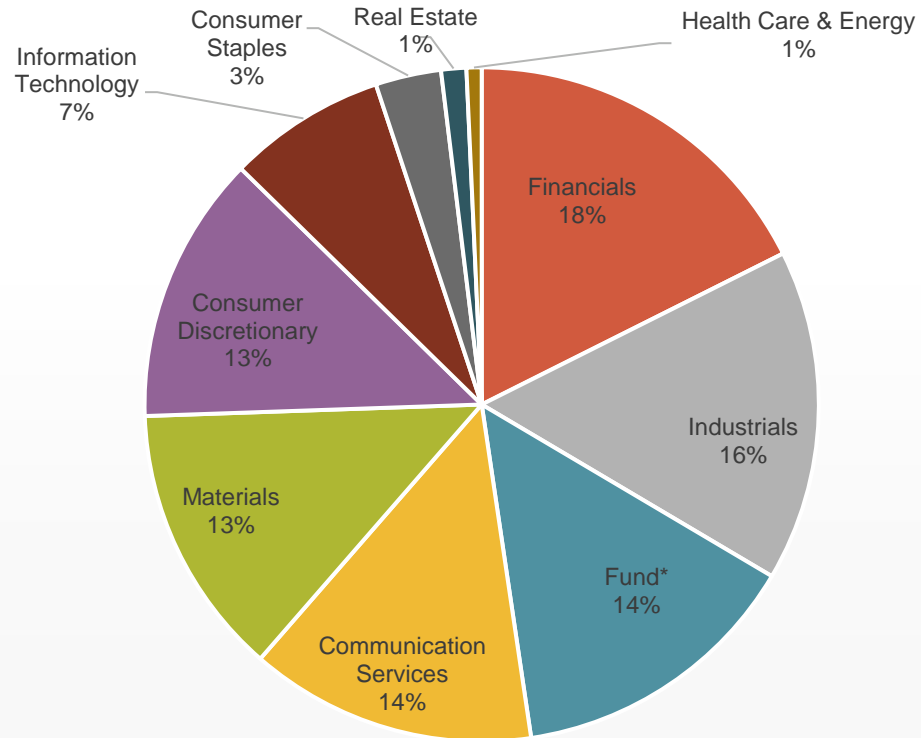
Source: Niche AM, Thomson Reuters  
\*Pharus Electric Mobility

# EQUITY PORTFOLIO: allocation summary

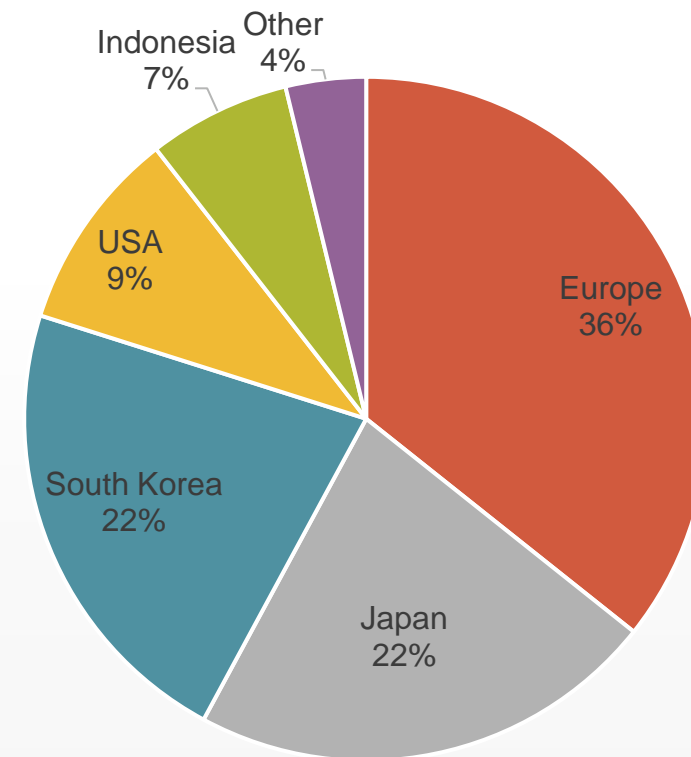
Equity Exposure: 66%

Equity Exposure previous month: 65%

**Equity Breakdown by Sector as of 31 March 2020**  
Rebased



**Equity Breakdown by Country as of 31 March 2020**  
Rebased





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

	Trade	End Portfolio Weight
Banco Comercial Portugues Ord Shs	BUY	0,22%
Banco Santander Ord Shs	BUY	0,35%
UBS Group Ord Shs	BUY	0,56%
Standard Chartered PLC Ord Shs	BUY	0,32%
ING Groep Ord Shs	BUY	0,21%
Nokia ADR representing one Ord Shs Series A	BUY	0,12%
Credit Suisse Group Ord Shs	BUY	0,26%
HSBC Holdings Ord Shs	BUY	0,17%
Axa Ord Shs	BUY	0,41%
Toshiba Ord Shs	BUY	0,34%
BNP Paribas Ord Shs	BUY	0,42%
Carnival Ord Shs	ADD	0,24%
Samsung Fire Ins Preferred Stock	ADD	0,43%
Samsung Life Ord Shs	ADD	0,40%
China Telecom ADR Rep 100 Ord Shs	ADD	0,31%
ViacomCBS Ord Shs Class B	ADD	0,36%
China Mobile ADR Representing 5 Ord Shs	ADD	0,50%
Hana Financial Group Ord Shs	ADD	0,59%
Fluor Ord Shs	ADD	0,19%
Metro Ord Shs	ADD	0,46%
Alcoa Ord Shs	ADD	0,38%

	Trade	End Portfolio Weight
Knoll Ord Shs	ADD	0,62%
Renault Ord Shs	ADD	0,66%
Ericsson Ord Shs Class B	ADD	0,33%
Orange Ord Shs	ADD	0,59%
Nokia Ord Shs	ADD	1,67%
VEON ADR	ADD	0,53%
Barclays Ord Shs	ADD	0,41%
Telefonica Ord Shs	ADD	0,84%
Rizzoli Corriere Della Sera Mediagroup Ord Shs	ADD	0,49%
BT Group Ord Shs	ADD	0,89%
GEDI Gruppo Editoriale Ord Shs	REDUCE	0,08%
LG Corp Preferred Stock	REDUCE	0,44%
Samsung C&T 1P Pref Shs	REDUCE	0,40%
Reach Ord Shs	SELL	0,00%
Natixis Ord Shs	SELL	0,00%
KDDI Ord Shs	SELL	0,00%
UPM-Kymmene Ord Shs	SELL	0,00%
QUALCOMM Ord Shs	SELL	0,00%
Samsung SDI Pref Shs	SELL	0,00%

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

## Top performers\*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Natixis Ord Shs	0,5%	-4,8%	0,13%
Teijin Ord Shs	0,6%	5,2%	0,05%
Tokyo Energy & Systems Ord Shs	0,6%	6,7%	0,05%
Daishin Sec Preferred Stock	0,4%	15,0%	0,04%
Ericsson Ord Shs Class B	0,2%	2,7%	0,04%
GrafTech International Ord Shs	0,4%	-0,5%	0,02%
Orange Ord Shs	0,5%	-8,7%	0,01%
Showa Denko Ord Shs	0,3%	-3,6%	0,01%
Ribbon Communications Ord Shs	0,6%	-6,2%	0,01%
Asahi Broadcasting Group Holdings Ord Shs	0,1%	3,2%	0,01%
China Mobile ADR Representing 5 Ord Shs	0,4%	-5,4%	0,00%
Tokyo Sangyo Ord Shs	0,6%	-3,0%	0,00%
Telefonica Deutschland Holding Ord Shs	0,5%	-4,3%	0,00%
Nokia ADR representing one Ord Shs Series A	0,1%	-4,5%	0,00%
Hitachi Zosen Ord Shs	0,1%	-3,6%	0,00%
Shinsegae I&C Ord Shs	0,4%	-0,5%	0,00%
E-Mart Ord Shs	0,1%	-0,1%	0,00%
Walgreen Boots Alliance Ord Shs	0,2%	-0,1%	0,00%
Conic Metals Ord Shs	0,0%	-24,2%	0,00%
Tanaka Chemical Ord Shs	0,2%	-6,6%	0,00%
QUALCOMM Ord Shs	0,1%	-3,1%	-0,01%
Nh Investment & Securities (1P) Ord Shs	0,1%	-3,9%	-0,01%
GameStop Ord Shs Class A	0,1%	-2,8%	-0,01%
Singapore Press Holdings Ord Shs	0,1%	-5,2%	-0,01%
Japan Post Holdings Ord Shs	0,2%	-7,0%	-0,01%
Toyo Machinery & Metal Ord Shs	0,2%	-7,7%	-0,01%
Atos Ord Shs	0,3%	-8,3%	-0,01%
Samsung SDI Pref Shs	0,1%	-1,3%	-0,01%
Stella Chemifa Ord Shs	0,2%	-7,9%	-0,01%
Laurent-Perrier Ord Shs	0,1%	-8,5%	-0,01%
Commscope Holding Ord Shs	0,1%	-17,3%	-0,01%
Alelion Energy Systems Ord Shs	0,1%	-22,5%	-0,01%
Standard Chartered PLC Ord Shs	0,2%	-16,4%	-0,01%
HSBC Holdings Ord Shs	0,1%	-10,4%	-0,01%
Honda Tsushin Kogyo Ord Shs	0,4%	-8,1%	-0,01%

\*Sorted from highest to lowest by Contribution

## Bottom performers

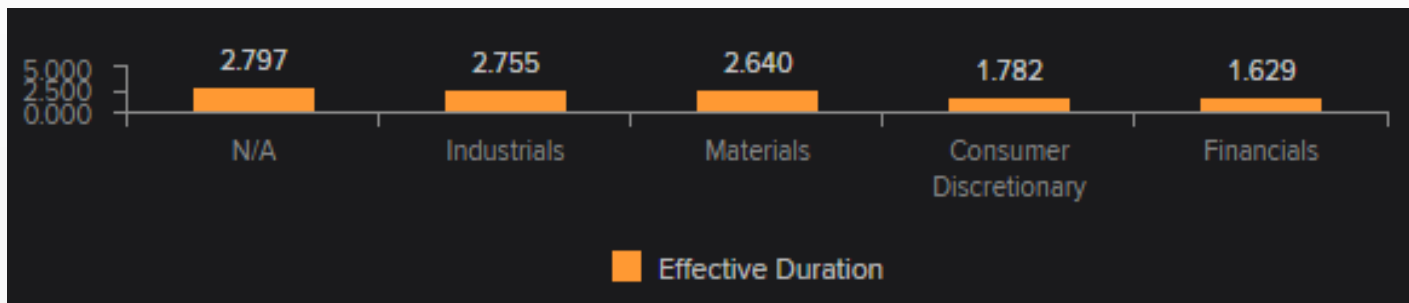
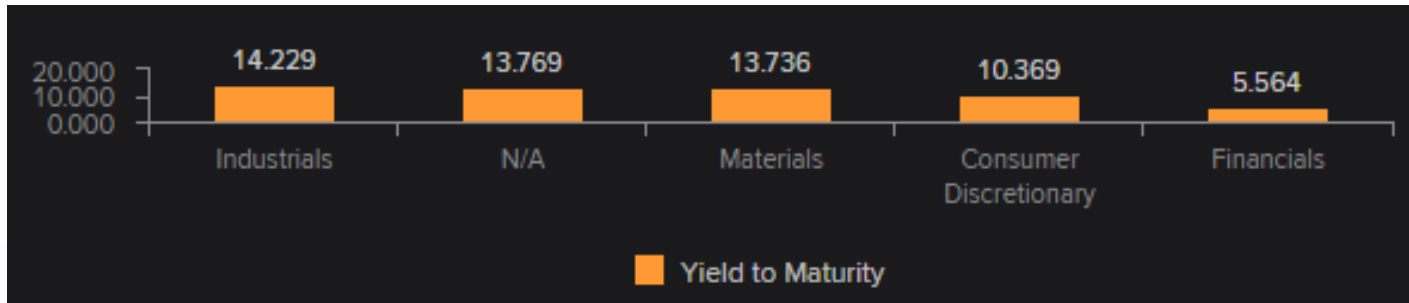
	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
PP (Persero) Ord Shs	0,5%	-59,9%	-0,44%
Lippo Karawaci Ord Shs	0,7%	-48,7%	-0,43%
Macys Ord Shs	0,5%	-61,0%	-0,39%
Alcoa Ord Shs	0,5%	-55,6%	-0,36%
Bank Bukopin Ord Shs	0,5%	-46,9%	-0,34%
Knoll Ord Shs	0,7%	-40,7%	-0,32%
KT ADR Rep 1/2 Ord Shs	1,6%	-19,4%	-0,32%
Pharus SICAV - Electric Mobility Niches Q Cap	0,5%	-4,3%	-0,30%
Carnival Ord Shs	0,3%	-61,0%	-0,28%
Gannett Co Ord Shs	0,3%	-64,8%	-0,24%
Bank Danamon Indonesia Ord Shs	0,4%	-42,0%	-0,24%
Panasonic Ord Shs	1,4%	-18,1%	-0,23%
SK Telecom ADR repsg 1/9 Ord Shs	1,4%	-15,3%	-0,23%
Resolute Forest Products Ord Shs	0,3%	-52,6%	-0,22%
Renault Ord Shs	0,6%	-33,2%	-0,22%
Societe Generale Ord Shs	0,5%	-40,0%	-0,21%
Lippo Cikarang Ord Shs	0,4%	-43,2%	-0,21%
ViacomCBS Ord Shs Class B	0,4%	-42,3%	-0,19%
Tempo Scan Pacific Ord Shs	0,5%	-31,6%	-0,17%
Barclays Ord Shs	0,4%	-38,7%	-0,17%
Matahari Department Store Ord Shs	0,2%	-62,6%	-0,17%
Indosat Ord Shs	0,4%	-33,0%	-0,17%
Paninvest Ord Shs	0,3%	-43,8%	-0,16%
BNP Paribas Ord Shs	0,4%	-36,7%	-0,15%
Vranken Pommery Monopole Ord Shs	0,5%	-26,4%	-0,14%
Imerys Ord Shs	0,4%	-34,7%	-0,14%
Reach Ord Shs	0,2%	-31,0%	-0,14%
Nokia Ord Shs	1,5%	-16,7%	-0,14%
Royal Mail Ord Shs	0,6%	-25,4%	-0,14%
Wijaya Karya Beton Ord Shs	0,3%	-38,7%	-0,13%
G li R Ord Shs	0,4%	-25,6%	-0,13%
Hyundai Construction Equipment Ord Shs	0,4%	-27,9%	-0,13%
Sri Rejeki Isman Ord Shs	0,3%	-36,2%	-0,13%
Hana Financial Group Ord Shs	0,5%	-27,6%	-0,12%
Samsung C&T 1P Pref Shs	0,5%	-19,1%	-0,12%

# BOND PORTFOLIO\*: Characteristics

Coupon	5,15
Yield to Maturity	10,80
Yield to Worst	10,80
Average Life (yrs) to Maturity	2,75
Modified Duration to Maturity	2,17

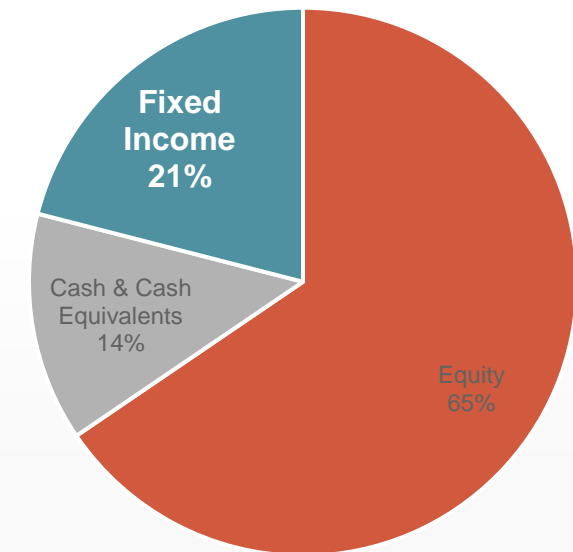
\*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



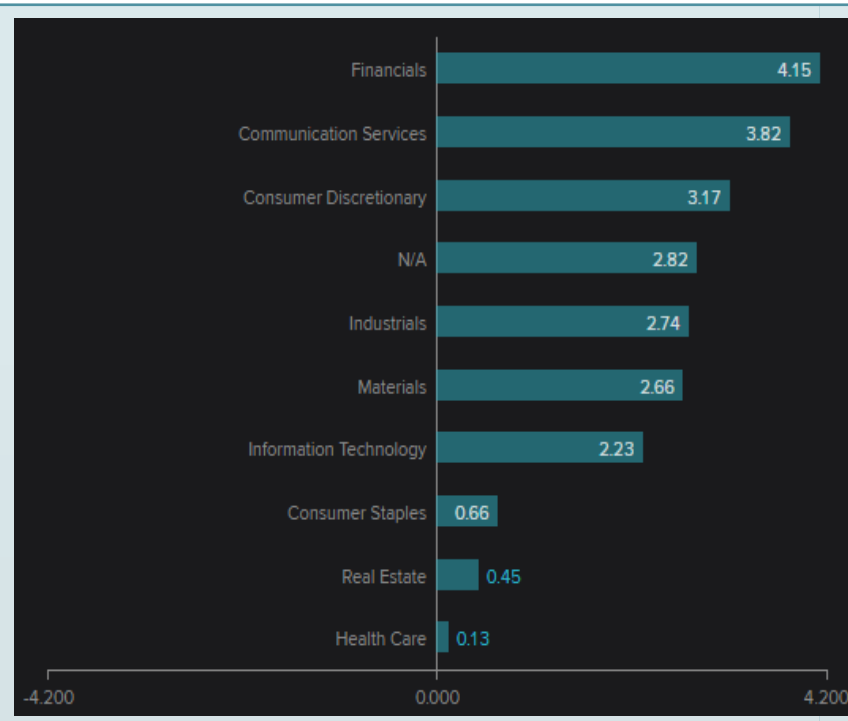
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 31 March '20

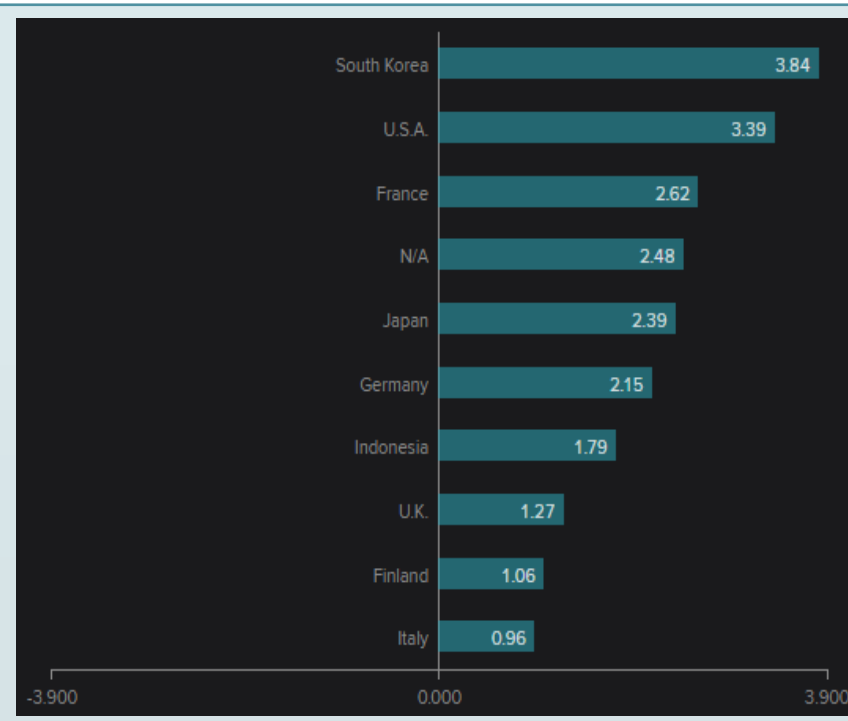


# Ex-ante analysis: VaR 1 month 99% as of 31/03/2020

**VAR 1M – 99% BY GICS SECTOR  
AS OF 31/03/2020**



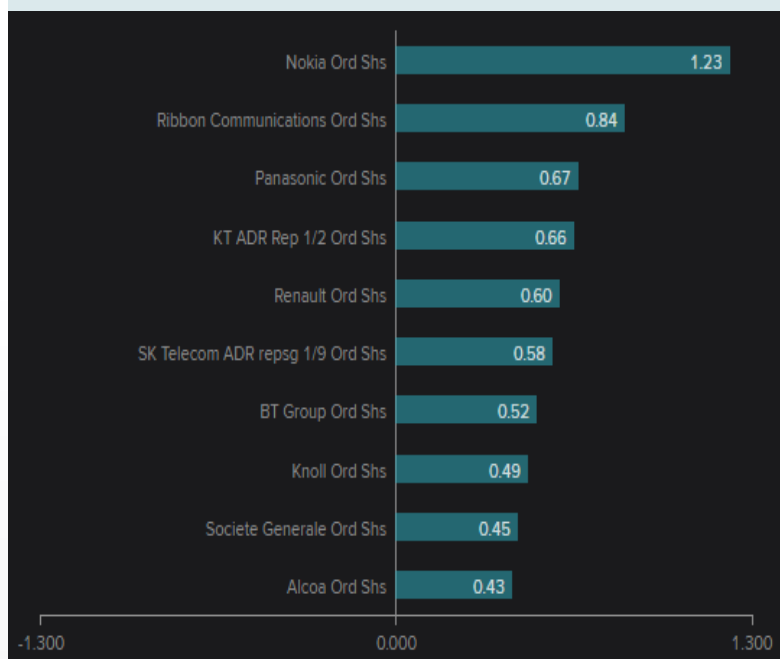
**VAR 1M – 99% BY COUNTRY  
AS OF 31/03/2020**



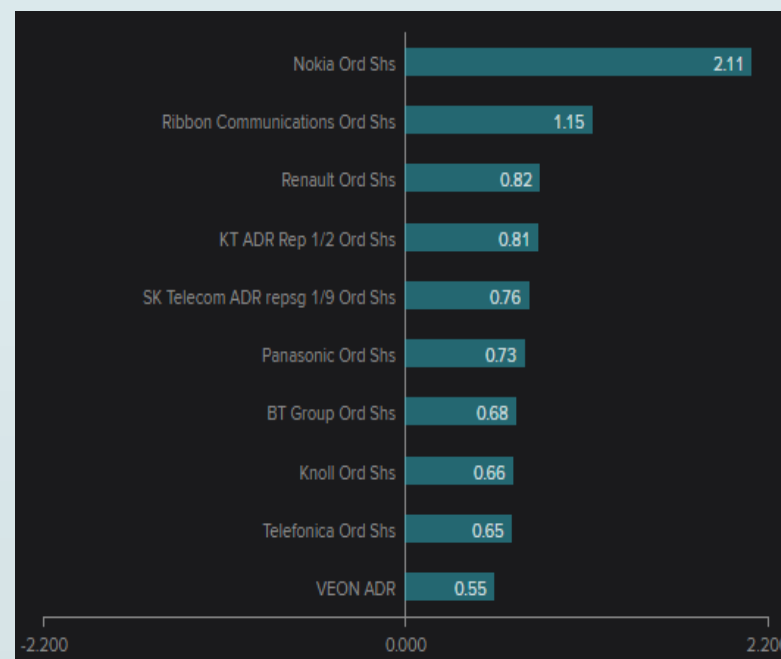
Source: MSCI RiskMetrics, Niche AM

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

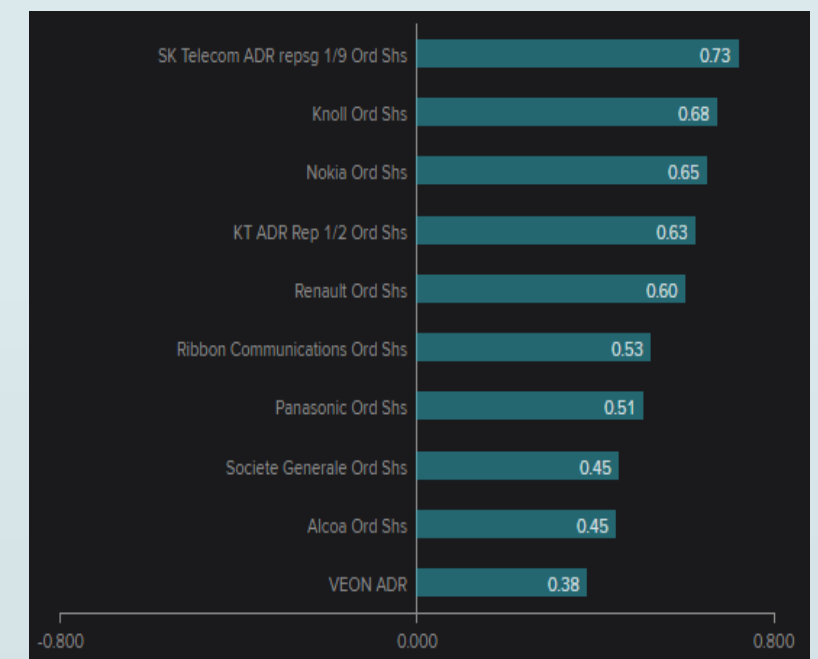
**VAR TOP 10 SECURITIES  
AS OF 31/03/2020**



**CVAR TOP 10 SECURITIES  
AS OF 31/03/2020**



**MVAR TOP 10 SECURITIES  
AS OF 31/03/2020**



# Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) as of 31/03/2020

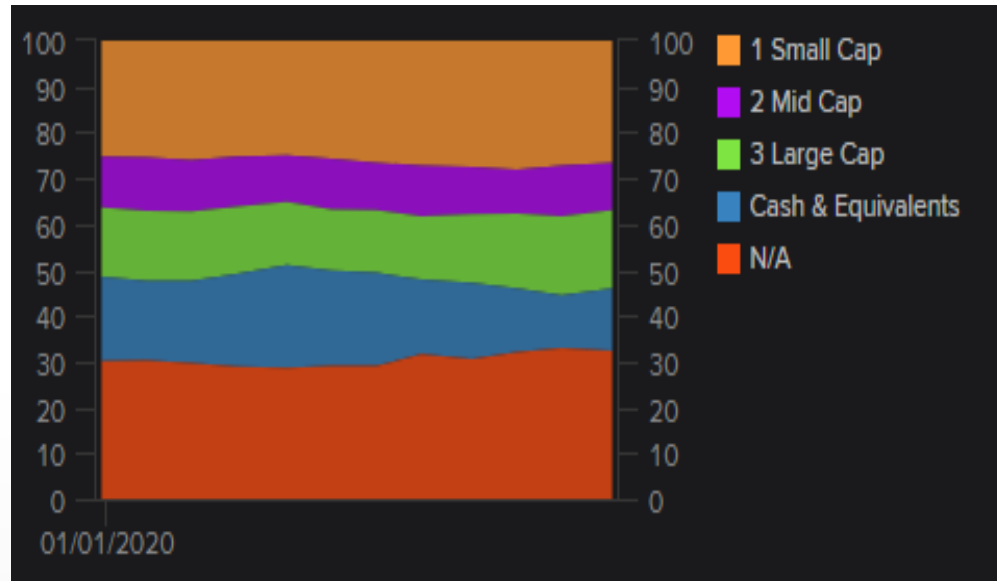


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
<b>Pharus Asian Niches</b>	<b>6.23</b>	<b>23.17</b>	<b>100.00%</b>	<b>27.32</b>	<b>23.17</b>
Nokia Ord Shs	0.43	1.23	2.33%	2.11	0.65
Ribbon Communications Ord Shs	0.26	0.84	1.03%	1.15	0.53
Renault Ord Shs	0.22	0.60	0.92%	0.82	0.60
KT ADR Rep 1/2 Ord Shs	0.27	0.66	2.20%	0.81	0.63
SK Telecom ADR repsg 1/9 Ord Shs	0.21	0.58	1.94%	0.76	0.73
Panasonic Ord Shs	0.26	0.67	2.08%	0.73	0.51
BT Group Ord Shs	0.20	0.52	1.25%	0.68	0.23
Knoll Ord Shs	0.18	0.49	0.87%	0.66	0.68
Telefonica Ord Shs	0.18	0.41	1.17%	0.65	0.38
VEON ADR	0.15	0.34	0.74%	0.55	0.38
Hana Financial Group Ord Shs	0.15	0.41	0.83%	0.52	0.22
Il Sole 24 Ore Ord Shs	0.14	0.35	0.85%	0.51	0.33
Alcoa Ord Shs	0.14	0.43	0.54%	0.50	0.45
Royal Mail Ord Shs	0.16	0.40	0.69%	0.49	0.00
Societe Generale Ord Shs	0.12	0.45	0.60%	0.49	0.45

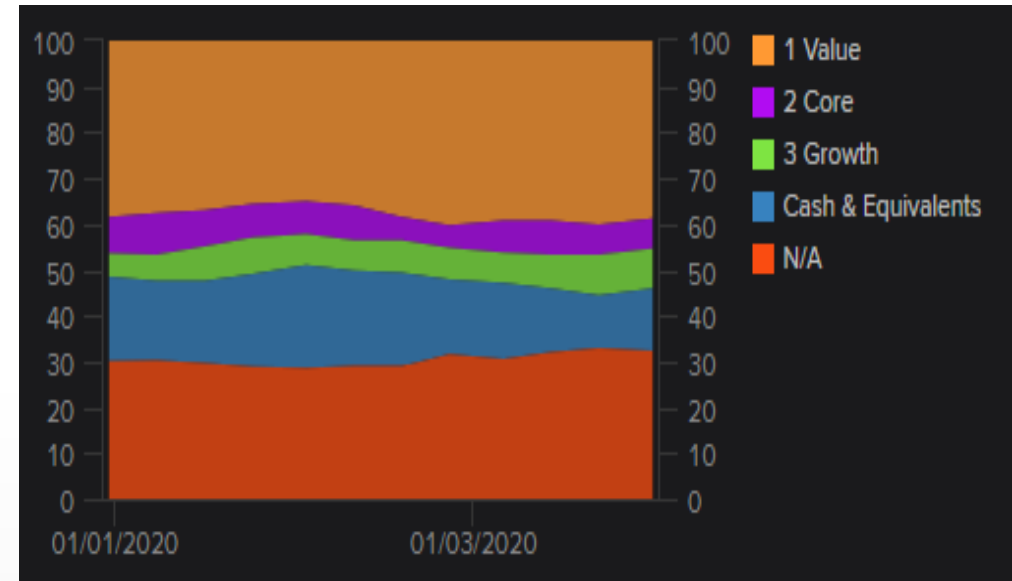
Source: MSCI RiskMetrics, Niche AM

# Ex-ante analysis Multi-Factor risk *as of 31/03/2020*

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	91%	98%	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*




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

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# PORTFOLIO: FX hedging

## Forex outright trades in place: YEN

31-Mar-2020

Total JPY Exposure 180,675,339 (11,6% AUM)

Total JPY Net Exposure 49,375,339 ( 3,2% AUM)

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	120,0475	-131,300,000	1,093,733	72%	26/06/2020

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