

PHARUS SICAV ASIAN NICHES



Monthly Risk Report

31 October 2020

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

Summary

- Ex-ante analysis: VaR 1 month – 95%
- 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 95% as of 31/10/2020

	VaR Alert Level		VaR 95% 1M Fund	VaR 95% 1M Fund (prev. month)
	I°	II°		
<i>Pharus Asian Niches</i>	-7,0%	-9,0%	-8,75%	-8,68%

- A Bod called on 09th October has approved the proposal of Risk management team to rescale the absolute VaR internal limit to a different confidence interval – from 99% to 95% – in line with the industry standard
- The current VaR is slightly below the second rescaled alert level, almost unchanged compared to the previous month
- The Bod has confirmed the waiver to risk budget until 13th November

VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-1,87%	-5,19%
Historical 1W	-4,17%	-11,60%
Historical 1M	-8,75%	-24,34%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

Indice	Price as of 31/10/2020	% 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	91,04	-	0,68%	-	-11,41%	-	-8,96%
<i>Electric Mobility</i>	-	-	-0,76%	-	-1,74%	-	-1,09%
5G	-	-	-2,53%	-	-17,66%	-	-8,43%
<i>Internet Victims</i>	-	-	-0,72%	-	-31,28%	-	-19,87%
<i>Small Cap Indonesia</i>	-	-	8,89%	-	-23,00%	-	-26,30%
<i>Korea Reunification</i>	-	-	7,85%	-	-13,63%	-	-19,64%
<i>Close the Gap</i>	-	-	-1,43%	-	8,57%	-	5,75%
<i>Neglected Luxury</i>	-	-	-1,64%	-	-33,80%	-	-28,11%
<i>Orphan Companies</i>	-	-	-1,42%	-	-10,36%	-	-2,90%
<i>Steel Substitution</i>	-	-	1,99%	-	-15,38%	-	-7,08%
Korea (.KS200)	301,60	-2,53%	-0,93%	2,67%	0,48%	5,49%	1,40%
Tokyo Stock Exchange (.TOPX)	1579,33	-2,84%	-1,49%	-8,25%	-8,24%	-1,41%	1,17%
Indonesia (.JKSE)	5128,23	5,30%	6,19%	-18,59%	-26,42%	-21,08%	-27,00%
China (.HSI)	24107,42	2,76%	3,36%	-14,48%	-17,82%	-14,96%	-16,41%
MSCI Asia Pacific (.dMIPC00000PEU)	166,09	-	-0,65%	-	-10,78%	-	-2,89%
Bond High Yield (AHYE.PA)	227,96	-	-0,11%	-	-3,61%	-	2,58%

* 18/02/2019

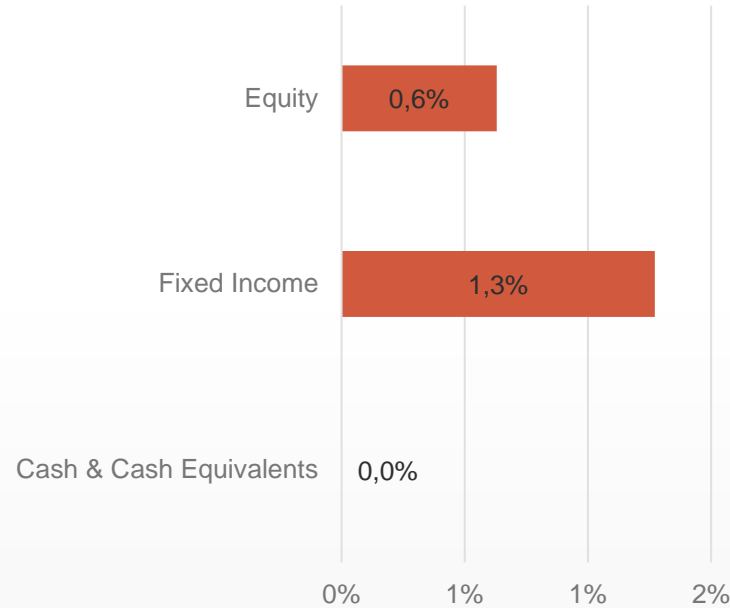
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: +0,68% (30 Sept – 31 Oct '20)



Performance Breakdown by Asset Class
(30 Sept – 31 Oct '20)



Equity Portfolio: Monthly Performance by Sector
(30 Sept – 31 Oct '20)

	Avg Weight	1 Month	
		Return	Contribution
Equity	69,5%	0,6%	0,44%
Financials	10,2%	5,5%	0,56%
Industrials	9,4%	1,1%	0,10%
Real Estate	0,9%	8,6%	0,08%
Consumer Discretionary	7,9%	0,9%	0,08%
Health Care	0,5%	0,7%	0,00%
Consumer Staples	3,4%	-0,8%	-0,03%
Materials	8,1%	-0,7%	-0,06%
Communication Services	12,8%	-0,6%	-0,08%
Information Technology	6,4%	-3,3%	-0,21%
Fund*	9,6%	0,0%	0,00%

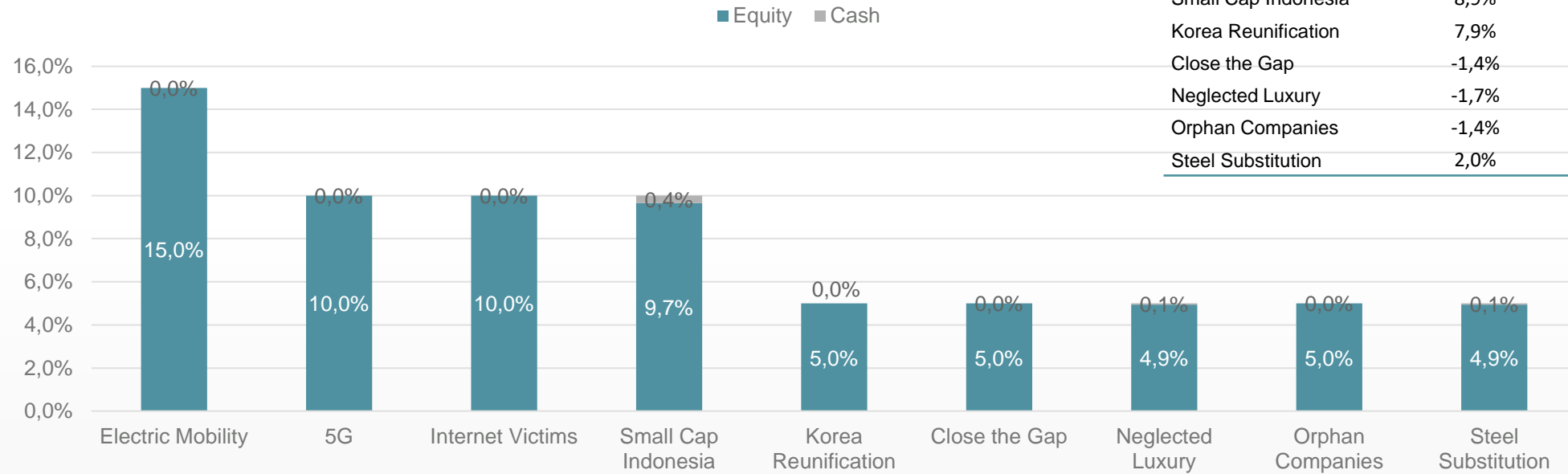
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

As of 31 Oct 2020

AUM (€ mln)	14,400 mln
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EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 31 Oct 2020

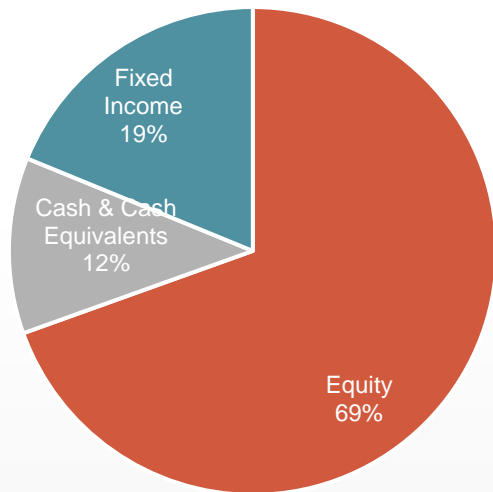


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	-0,8%	-0,8%
5G	-2,5%	-2,5%
Internet Victims	-0,7%	-0,7%
Small Cap Indonesia	8,9%	9,3%
Korea Reunification	7,9%	7,9%
Close the Gap	-1,4%	-1,4%
Neglected Luxury	-1,7%	-1,6%
Orphan Companies	-1,4%	-1,4%
Steel Substitution	2,0%	2,0%

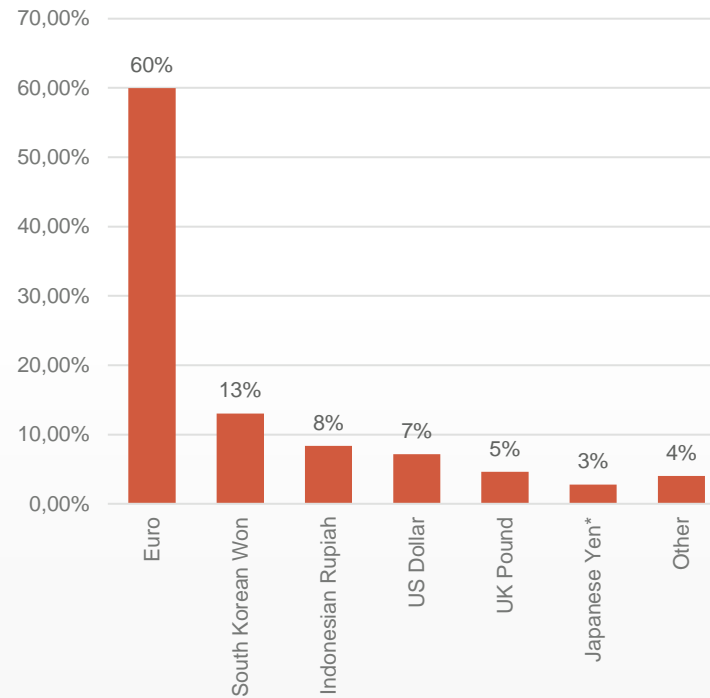
Weight % previous Month	15,0%	10,0%	10,0%	9,3%	5,0%	5,0%	5,0%	5,0%	4,5%
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PORTFOLIO: Allocation summary

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

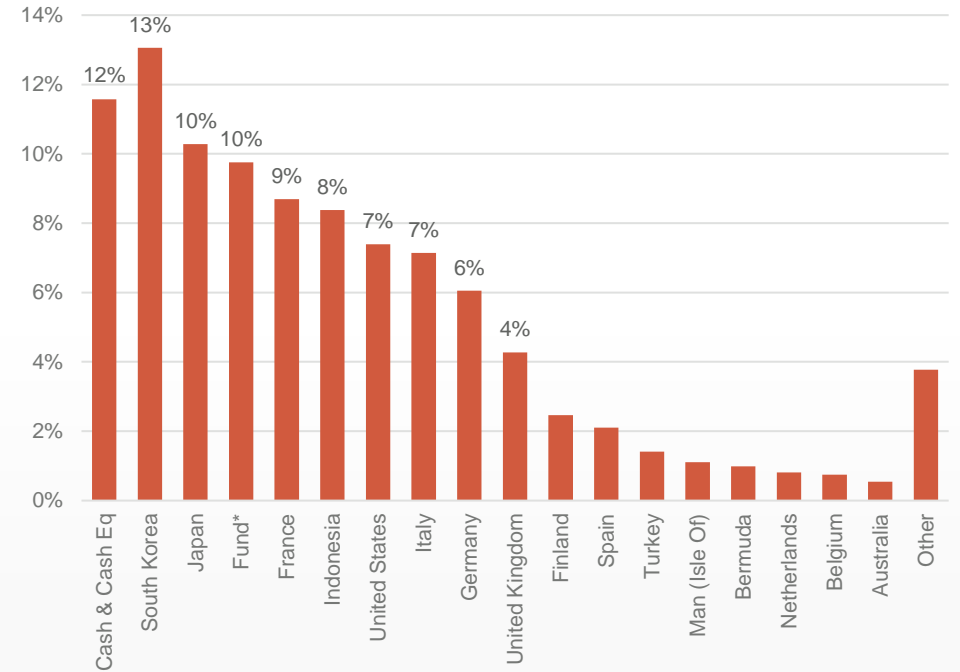


**Breakdown by Currency
as of 31 Oct 2020**



* net of JPY hedging

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



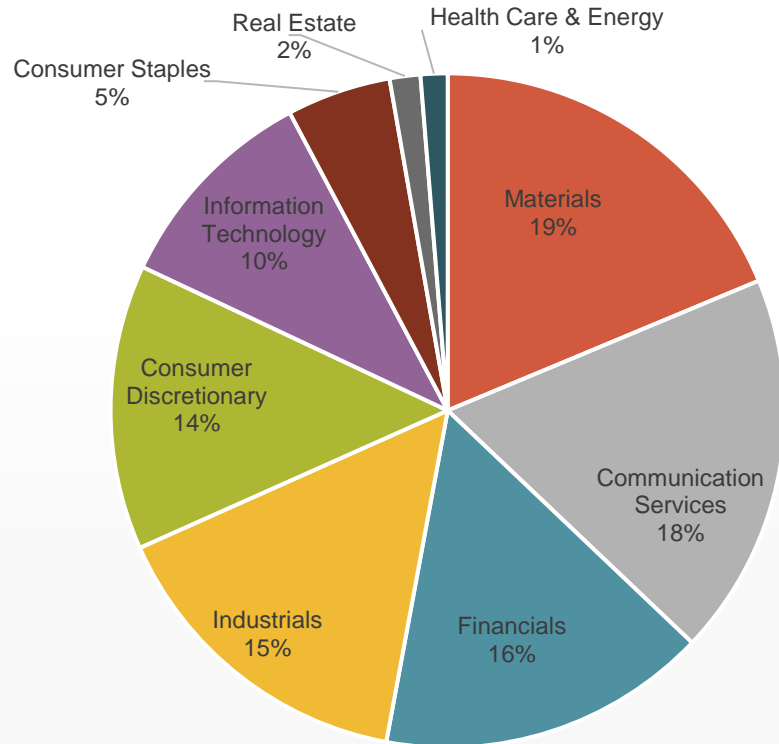
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: Allocation summary

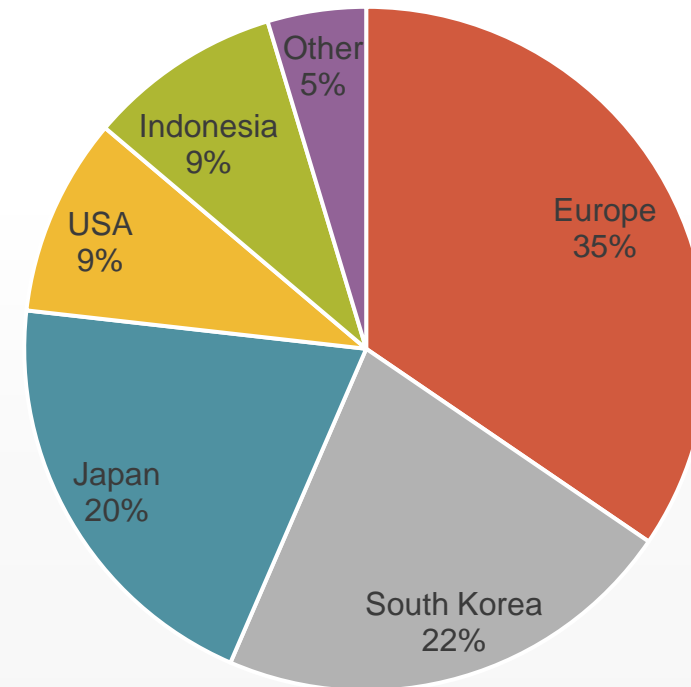
Equity Exposure: 69%

Equity Exposure previous month: 68%

Equity Breakdown by Sector as of 31 Oct 2020
Rebased



Equity Breakdown by Country as of 31 Oct 2020
Rebased



EQUITY PORTFOLIO: Change in holdings (30 Sept – 31 Oct '20)

	Trade	End Portfolio Weight
Cairo Communication	BUY	0,12%
Nokia	BUY	0,25%
Barclays	ADD	0,52%
Sainsbury(J)	ADD	0,34%
Axa	ADD	0,47%
BNP Paribas	ADD	0,52%
BMW	REDUCE	0,42%
Daimler	REDUCE	0,28%
Stora Enso	REDUCE	0,68%
Resolute Forest Products	REDUCE	0,38%
Royal Mail	REDUCE	0,68%
Mandarin Oriental International	SELL	0,00%
Bed Bath and Beyond	SELL	0,00%

EQUITY PORTFOLIO: Monthly performance (30 Sept – 31 Oct '20)

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Bank Bukopin	0,6%	20,0%	0,10%
Reach	0,3%	43,0%	0,10%
Nippon Kodoshi	0,2%	46,5%	0,10%
Bed Bath and Beyond	0,1%	65,9%	0,10%
Harley Davidson	0,3%	34,9%	0,09%
Hana Financial Group	0,7%	12,2%	0,08%
Alcoa	0,7%	11,8%	0,07%
Bank Danamon Indonesia	0,5%	16,1%	0,07%
PP (Persero)	0,5%	13,6%	0,07%
Lippo Karawaci	0,4%	16,2%	0,07%
Bank Tabungan Negara (Persero)	0,4%	18,6%	0,06%
Fluor	0,2%	29,7%	0,06%
Shinhan Financial	0,4%	17,9%	0,06%
Orange	0,7%	8,4%	0,05%
Tokyo Energy & Systems	0,5%	9,2%	0,05%
POSCO	0,5%	10,1%	0,05%
Ribbon Communications	0,4%	12,1%	0,05%
Samsung C&t	0,5%	9,2%	0,05%
KB Financial Group	0,4%	10,8%	0,04%
First Pacific	0,3%	15,0%	0,04%
BT Group	1,1%	3,8%	0,04%
Lippo Cikarang	0,5%	7,8%	0,04%
Barclays	0,4%	9,9%	0,04%
Wijaya Karya Beton	0,3%	11,7%	0,04%
Macys	0,4%	9,7%	0,04%
Samsung Life	0,5%	7,5%	0,04%
POSTNL	0,4%	9,2%	0,04%
KB Financial Group	0,3%	12,0%	0,03%
Avaya Holdings	0,3%	13,9%	0,03%
G li R	0,5%	7,2%	0,03%
Bnk Financial Group	0,3%	13,0%	0,03%
Sociedad Quimica y Minera de Chile	0,2%	16,1%	0,03%
Meritz Fire & Marine Insurance	0,3%	11,8%	0,03%
Samsung Fire Ins Preferred	0,5%	6,4%	0,03%
Publicis Groupe	0,4%	8,0%	0,03%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Nokia	1,8%	-13,4%	-0,24%
Imerys	0,4%	-19,3%	-0,09%
SK Telecom	1,6%	-5,4%	-0,09%
Toda Kogyo	0,3%	-21,8%	-0,07%
Honda Tsushin Kogyo	0,5%	-13,5%	-0,06%
ProSieben Sat,1 Media N	0,4%	-14,5%	-0,06%
Shinsegae I&C	0,6%	-9,4%	-0,05%
Seronics	0,3%	-15,0%	-0,05%
Tokyo Sangyo	0,6%	-7,5%	-0,05%
Axa	0,4%	-12,5%	-0,05%
Carnival	0,3%	-14,5%	-0,04%
Telefonica	0,9%	-4,5%	-0,04%
Rizzoli Corriere Della Sera Mediagroup	0,4%	-10,1%	-0,04%
Stora Enso	0,8%	-6,4%	-0,04%
Delfi	0,4%	-7,3%	-0,03%
Renault	0,8%	-4,2%	-0,03%
Gannett Co	0,3%	-10,9%	-0,03%
The Swatch Group	0,3%	-8,9%	-0,03%
Banque Nationale De Belgique	0,3%	-9,7%	-0,03%
Cairo Communication	0,1%	-19,7%	-0,03%
Royal Mail	0,8%	-4,4%	-0,03%
Tanaka Chemical	0,3%	-7,8%	-0,03%
Juniper Networks	0,3%	-7,7%	-0,03%
Knoll	0,6%	-4,3%	-0,03%
Showa Denko	0,4%	-6,6%	-0,02%
International Business Machines	0,3%	-7,6%	-0,02%
Telecom Italia Saving	0,2%	-9,4%	-0,02%
Takaoka Toko	0,5%	-4,0%	-0,02%
Vranken Pommery Monopole	0,6%	-3,3%	-0,02%
Il Sole 24 Ore	0,5%	-4,3%	-0,02%
BMW	0,5%	-5,3%	-0,02%
Ceconomy	0,2%	-9,8%	-0,02%
Hyundai Construction Equipment	0,7%	-2,9%	-0,02%
Marks and Spencer Group	0,2%	-8,0%	-0,02%
Deutsche Telekom N	0,2%	-8,5%	-0,02%

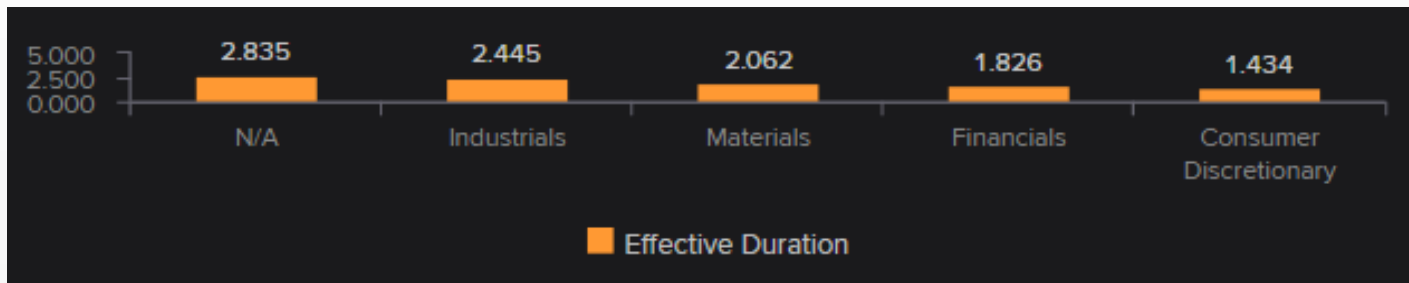
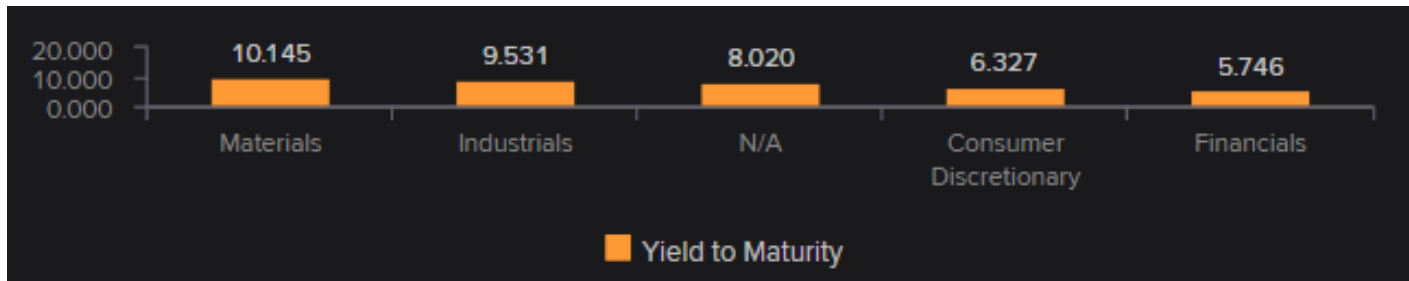
*Sorted from highest to lowest by Contribution

BOND PORTFOLIO*: Characteristics

Coupon	4,98
Yield to Maturity	8,11
Yield to Worst	8,03
Average Life (yrs) to Maturity	2,52
Modified Duration to Maturity	2,11

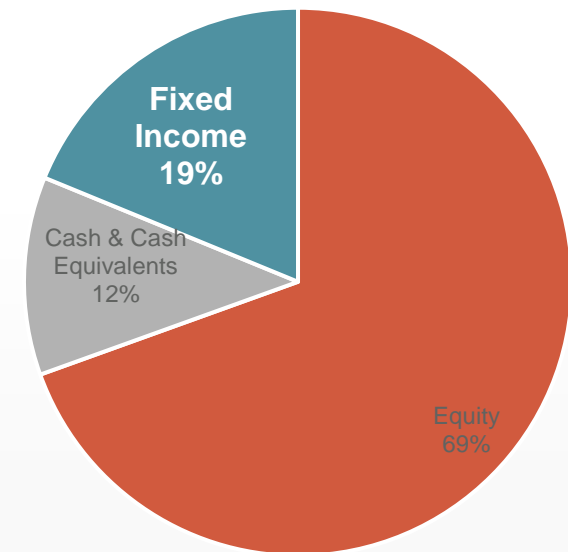
*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



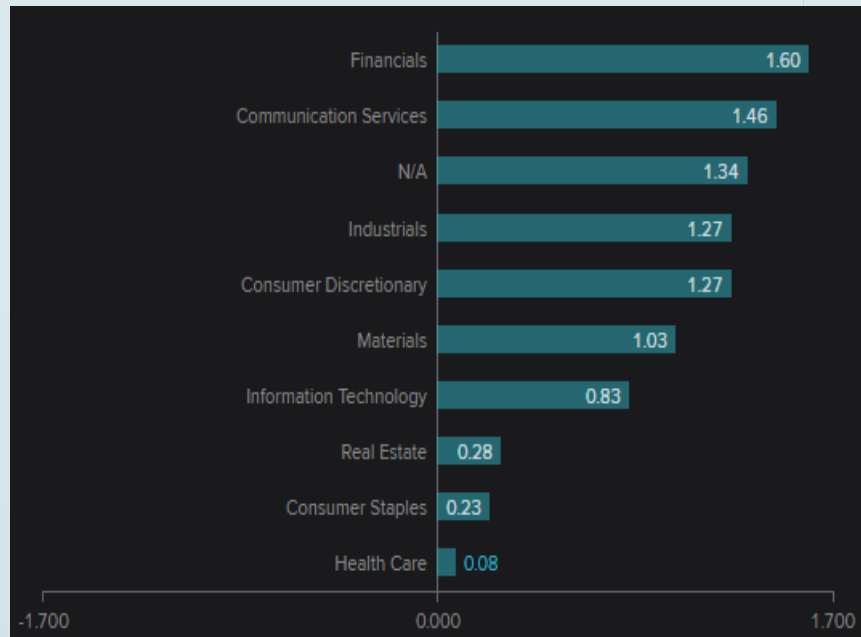
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 31 Oct 2020

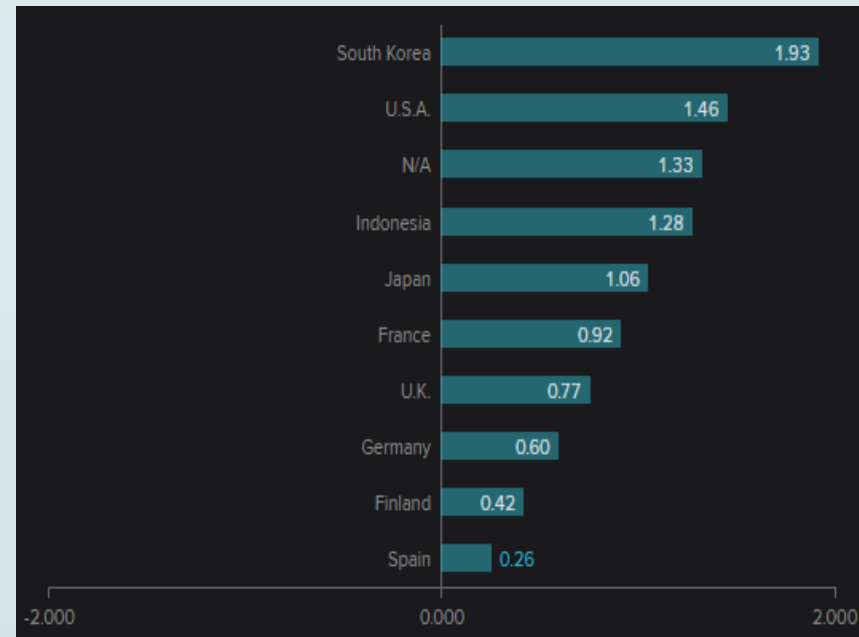


Ex-ante analysis: VaR 1 month 95% as of 31/10/2020

**VAR 1M – 95% BY GICS SECTOR
AS OF 31/10/2020**



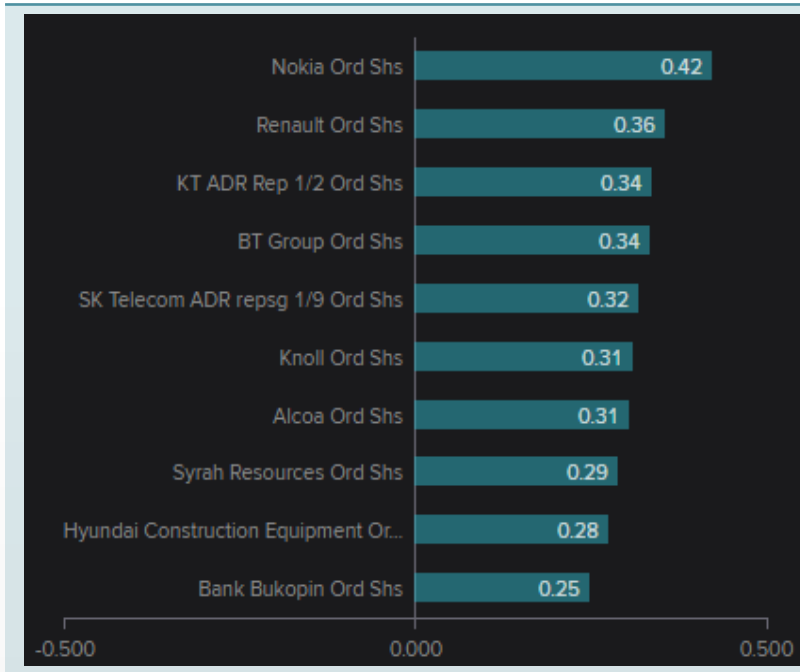
**VAR 1M – 95% BY COUNTRY
AS OF 31/10/2020**



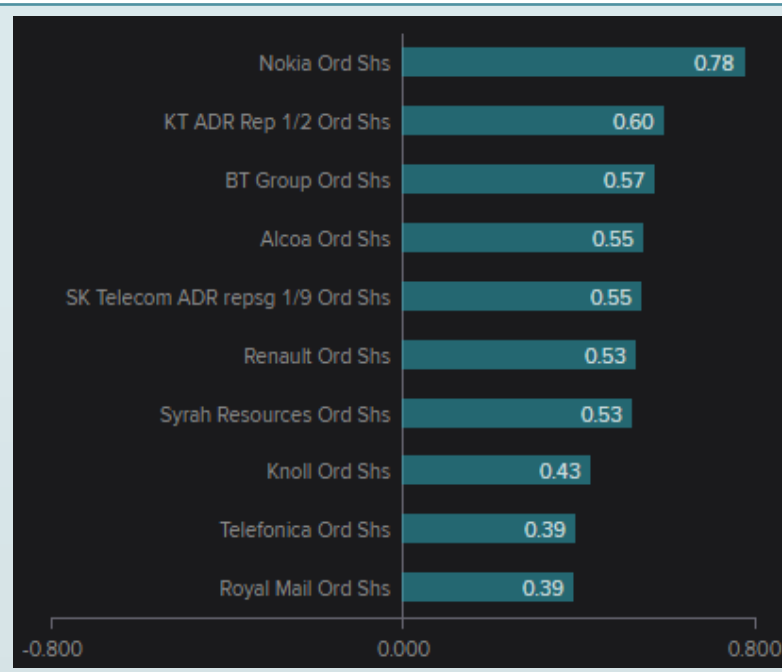
Source: MSCI RiskMetrics, Niche AM

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

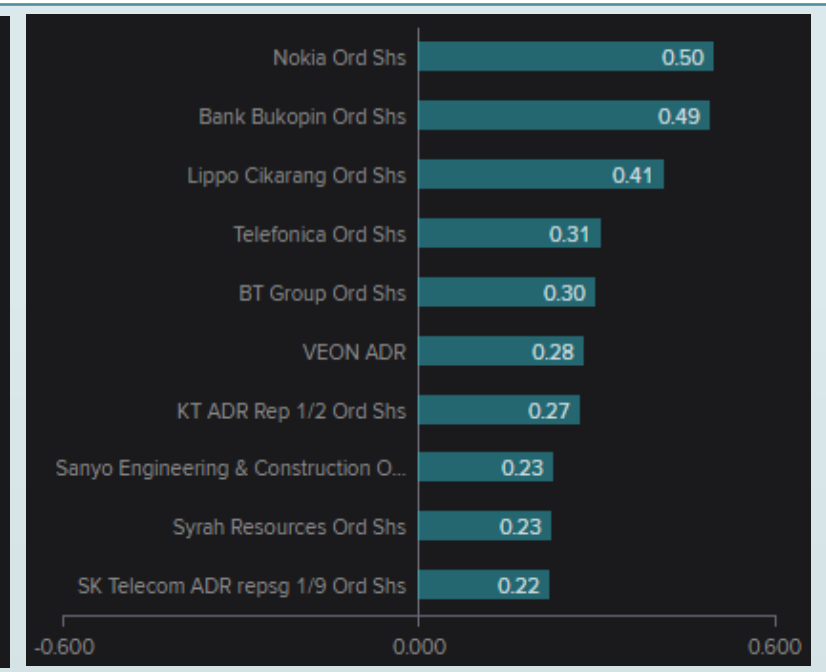
**VAR 1M - 95% TOP 10 SECURITIES
AS OF 31/10/2020**



**CVAR 1M - 95% TOP 10 SECURITIES
AS OF 31/10/2020**



**MVAR 1M - 95% TOP 10 SECURITIES
AS OF 31/10/2020**



Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) as of 31/10/2020

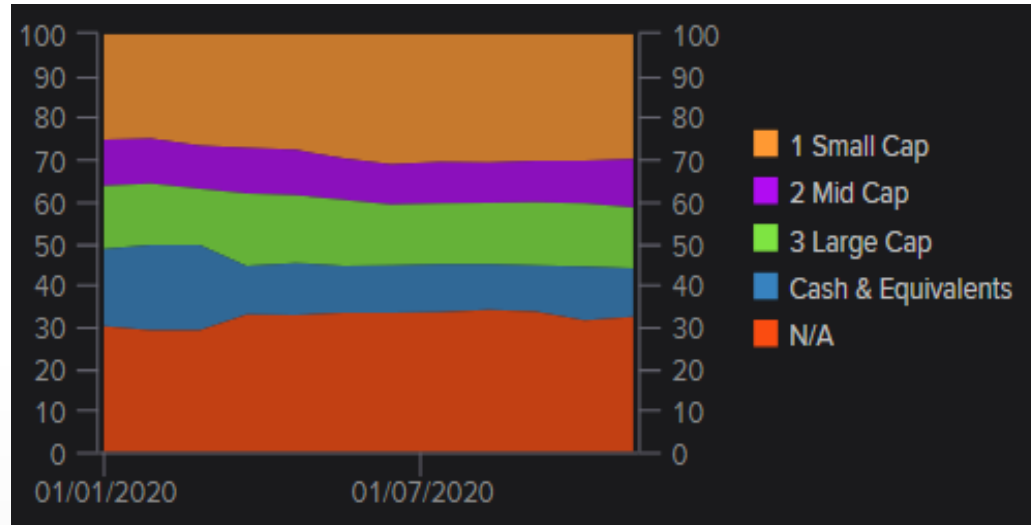


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	8,75	24,34	100,00%	28,76	24,34
Nokia	0,42	1,07	2,15%	1,66	0,60
Renault	0,36	0,70	1,00%	0,91	0,66
Alcoa	0,31	0,77	0,97%	0,90	0,81
KT	0,34	0,70	2,34%	0,86	0,67
Syrah Resources	0,29	0,72	0,76%	0,85	0,58
SK Telecom	0,32	0,65	2,16%	0,85	0,81
BT Group	0,34	0,64	1,55%	0,84	0,28
Telefonica	0,23	0,56	1,25%	0,72	0,41
VEON	0,19	0,43	0,93%	0,69	0,49
Royal Mail	0,22	0,58	0,95%	0,68	-0,01
Knoll	0,31	0,51	0,83%	0,65	0,65
Gannett Co	0,18	0,45	0,36%	0,65	0,41
Hyundai Construction Equipment	0,28	0,46	0,86%	0,63	0,28
Hana Financial Group	0,20	0,50	1,01%	0,63	0,27
Ribbon Communications	0,21	0,36	0,61%	0,60	0,31

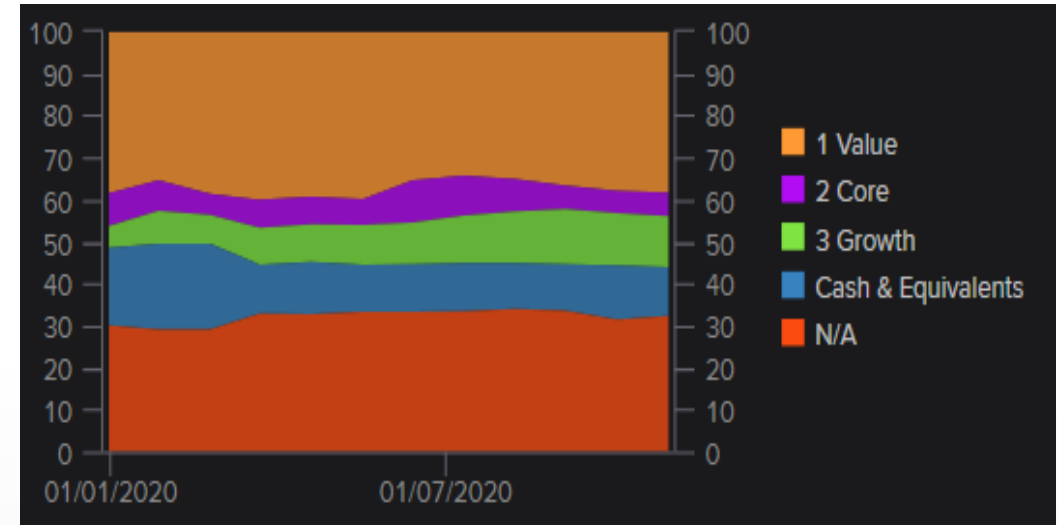
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 31/10/2020*

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: 10% 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-Oct-20

Total JPY Exposure **180,278,821 (10% AUM)**

Total JPY Net Exposure **48,978,821 (3% AUM)**

Currency Pair	<u>RATE</u>	Amount sold in JPY	Amount bought in euro	Amount as a % of total JPY Exposure	Maturity
JPY	123,06069	-131,300,000	1,091,075,29	73%	18/12/2020

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