

PHARUS SICAV ASIAN NICHES



Monthly Risk Report

30 September 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 30/09/2020

	VaR Alert Level		VaR 95% 1M Fund	VaR 95% 1M Fund (prev. month)
	I°	II°		
<i>Pharus Asian Niches</i>	-7,0%	-9,0%	-8.68%	-9.01%

- 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	-1.85%	-5.09%
Historical 1W	-4.14%	-11.38%
Historical 1M	-8.68%	-23.86%

Source: MSCI RiskMetrics, Niche AM

EQUITY PORTFOLIO: Indices % price changes

Indice	Price as of 30/09/2020	% 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	90.43	-	-1.77%	-	-12.00%	-	-9.53%
<i>Electric Mobility</i>	-	-	0.63%	-	-1.08%	-	-0.43%
5G	-	-	-6.99%	-	-15.53%	-	-6.05%
<i>Internet Victims</i>	-	-	-2.21%	-	-30.92%	-	-19.45%
<i>Small Cap Indonesia</i>	-	-	-11.84%	-	-27.47%	-	-30.59%
<i>Korea Reunification</i>	-	-	6.69%	-	-19.91%	-	-25.48%
<i>Close the Gap</i>	-	-	0.86%	-	9.92%	-	7.07%
<i>Neglected Luxury</i>	-	-	1.05%	-	-32.95%	-	-27.19%
<i>Orphan Companies</i>	-	-	8.43%	-	-9.17%	-	-1.61%
<i>Steel Substitution</i>	-	-	-1.55%	-	-16.93%	-	-8.79%
Korea (.KS200)	309.44	0.75%	4.10%	5.33%	-0.57%	8.23%	0.34%
Tokyo Stock Exchange (.TOPX)	162549	0.45%	2.75%	-5.57%	-6.85%	1.47%	2.70%
Indonesia (.JKSE)	4870.04	-7.03%	-7.09%	-22.69%	-30.71%	-25.05%	-31.26%
China (.HSI)	23459.05	-6.82%	-5.08%	-16.78%	-19.97%	-17.24%	-19.13%
MSCI Asia Pacific (.dMIPC00000PEU)	167.17	-	0.10%	-	-10.20%	-	-2.26%
Bond High Yield (AHYE.PA)	228.21	-	-1.73%	-	-3.50%	-	2.69%

* 18/02/2019

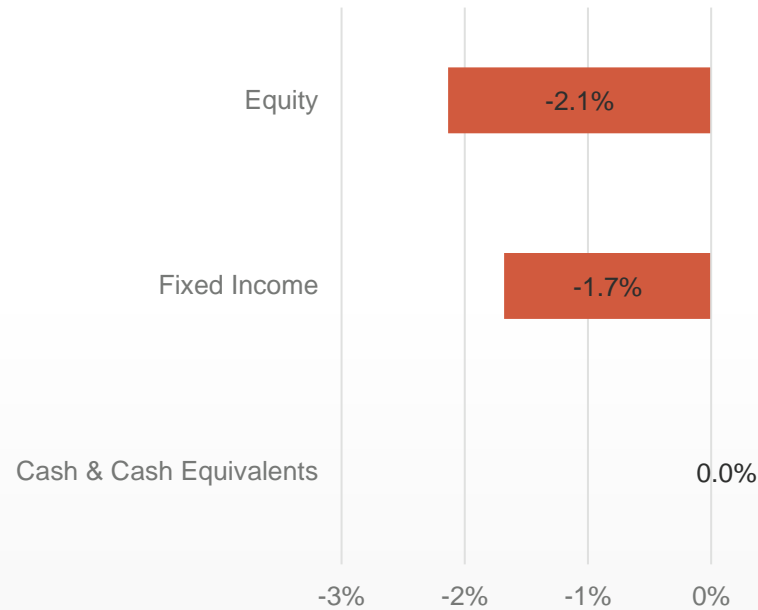
Source: Niche AM, Thomson Reuters

PORTFOLIO: Allocation & performance summary

NAVps: -1.77% (31 Aug – 30 Sept '20)



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



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

	Avg Weight	1 Month Return	Contribution
Equity	68.4%	-2.1%	-1.46%
Industrials	9.1%	6.3%	0.76%
Consumer Staples	3.1%	-0.3%	-0.01%
Consumer Discretionary	8.1%	-0.4%	-0.01%
Health Care	0.5%	-4.3%	-0.03%
Materials	8.2%	-0.6%	-0.06%
Information Technology	6.3%	-2.5%	-0.22%
Real Estate	1.0%	-19.6%	-0.30%
Communication Services	12.5%	-2.8%	-0.49%
Financials	10.0%	-7.6%	-1.09%
Fund*	9.5%	0.0%	0.00%

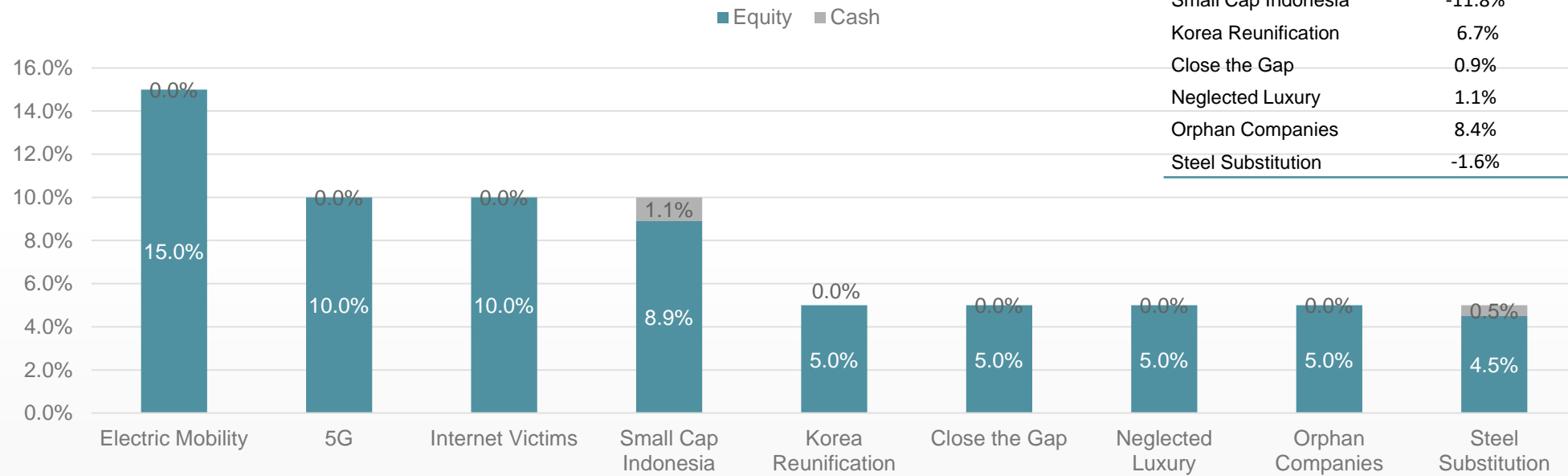
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

As of 30 Sept 2020

AUM (€ mln)	14,565 mln
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EQUITY PORTFOLIO: Breakdown by Niches

Niches equity exposure as of 30 Sept 2020

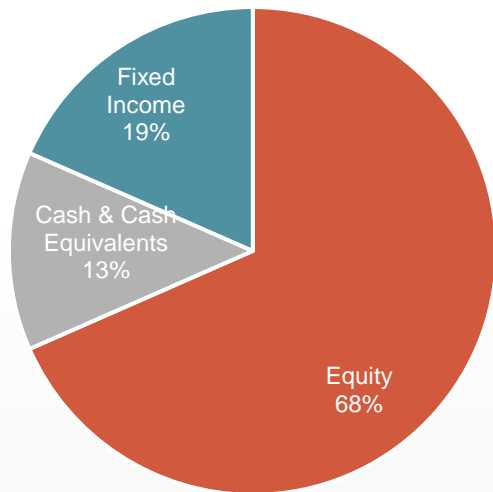


Niches Performance	1 Month	1 Month Pure Equity
Electric Mobility	0.6%	0.6%
5G	-7.0%	-7.0%
Internet Victims	-2.2%	-2.2%
Small Cap Indonesia	-11.8%	-13.4%
Korea Reunification	6.7%	6.7%
Close the Gap	0.9%	0.9%
Neglected Luxury	1.1%	1.1%
Orphan Companies	8.4%	8.4%
Steel Substitution	-1.6%	-1.9%

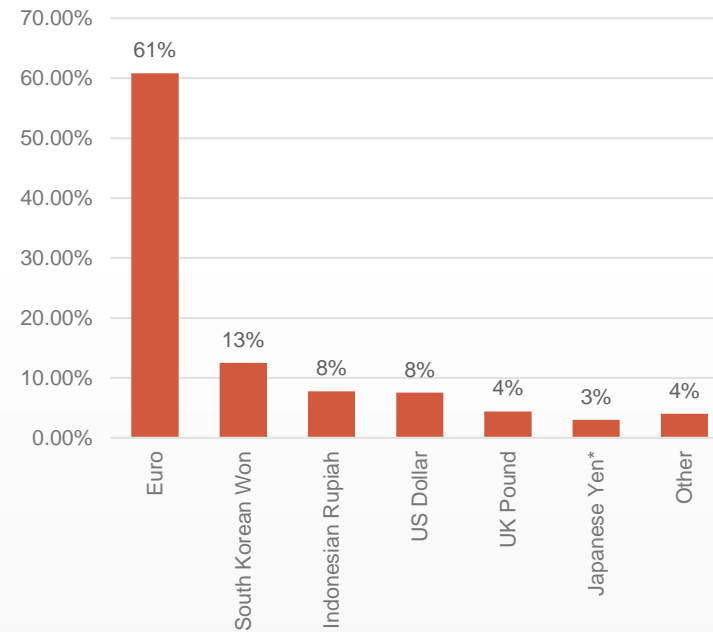
Weight % previous Month	15,0%	10,0%	10,0%	9.3%	5,0%	5,0%	5,0%	5,0%	4,5%
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PORTFOLIO: Allocation summary

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

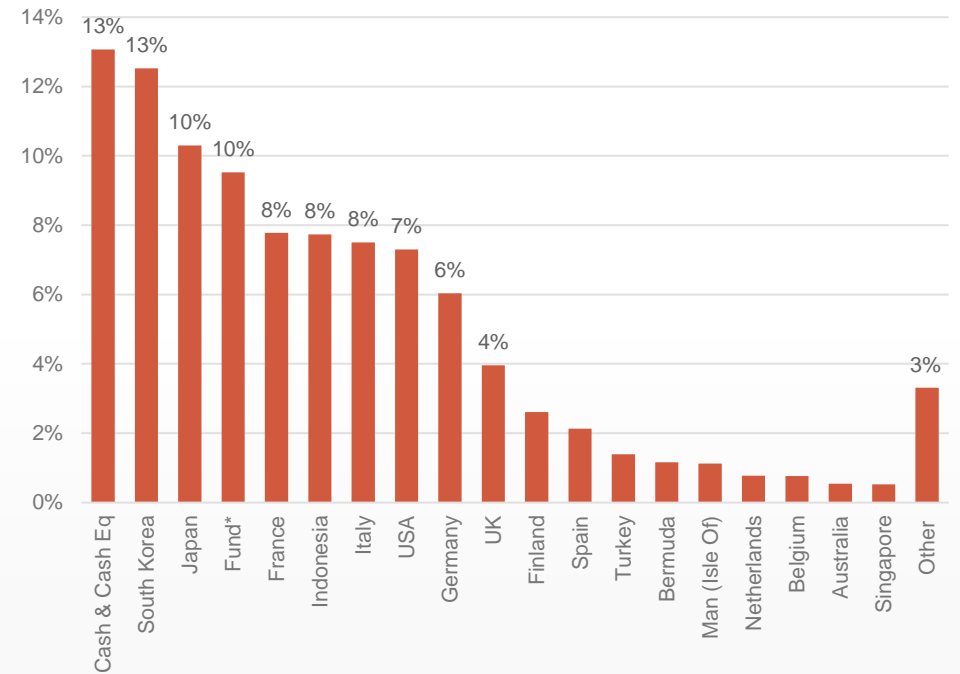


**Breakdown by Currency
as of 30 Sept 2020**



* net of JPY hedging

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



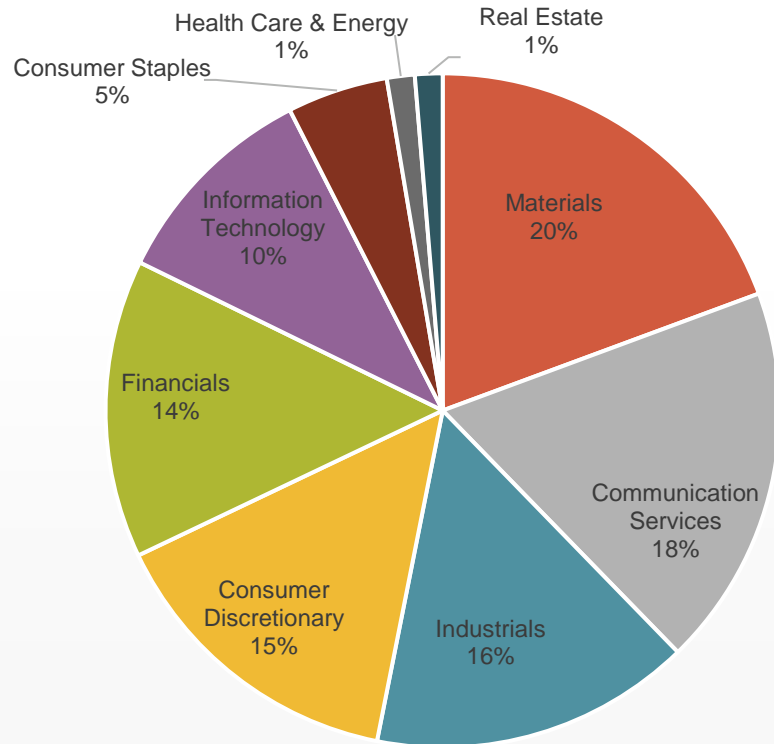
Source: Niche AM, Thomson Reuters
*Pharus Electric Mobility

EQUITY PORTFOLIO: Allocation summary

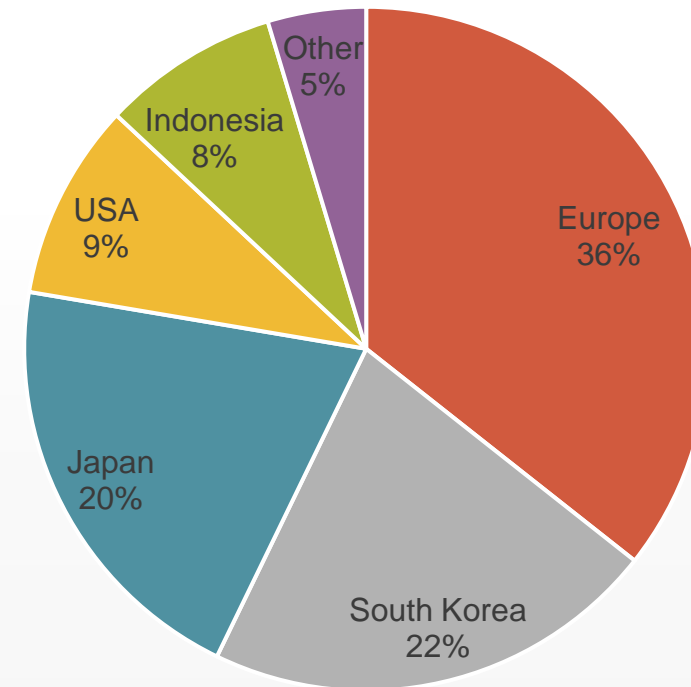
Equity Exposure: 68%

Equity Exposure previous month: 69%

Equity Breakdown by Sector as of 30 Sept 2020
Rebased



Equity Breakdown by Country as of 30 Sept 2020
Rebased



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

	Trade	End Portfolio Weight
Sainsbury(J)	BUY	0.16%
Rakuten	BUY	0.20%
Telefonica	ADD	0.93%
VEON	ADD	0.66%
Walgreen Boots Alliance	ADD	0.26%
GameStop	SELL	0.00%

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

Top performers*

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Royal Mail	0.7%	31.1%	0.19%
Hyundai Construction Equipment	0.6%	25.6%	0.13%
GameStop	0.2%	39.5%	0.10%
Seronics	0.2%	47.4%	0.10%
Honda Tsushin Kogyo	0.4%	27.9%	0.10%
Tokyo Sangyo	0.6%	19.1%	0.10%
Syrah Resources	0.5%	19.9%	0.09%
Shinsegae I&C	0.6%	16.6%	0.08%
Reach	0.2%	44.3%	0.07%
Sanyo Engineering & Construction	0.5%	14.1%	0.07%
RTL Group	0.4%	20.8%	0.07%
Stora Enso	0.8%	8.5%	0.07%
ProSieben Sat.1 Media N	0.4%	18.2%	0.06%
Takaoka Toko	0.5%	11.0%	0.05%
POSCO	0.5%	10.0%	0.04%
Daimler	0.6%	7.9%	0.04%
Samsung Fire Ins Preferred Stock	0.4%	9.5%	0.04%
Samsung Electronics	0.4%	10.0%	0.04%
The Swatch Group	0.3%	12.5%	0.04%
Nippon Carbon	0.4%	10.2%	0.04%
Daishin Sec Preferred Stock	0.5%	7.4%	0.03%
Bed Bath and Beyond	0.1%	25.4%	0.03%
LG Electronics Pref	0.4%	8.5%	0.03%
Veoneer	0.3%	8.0%	0.03%
Stella Chemifa	0.2%	17.0%	0.03%
Heian Ceremony Service	0.6%	4.2%	0.03%
Samsung Electronics Non Voting Pref	0.3%	10.1%	0.03%
Sumitomo Chemical	0.5%	4.8%	0.02%
E-Mart	0.1%	22.2%	0.02%
KB Financial Group	0.4%	5.6%	0.02%
Toyo Tanso	0.3%	7.8%	0.02%
Mandarin Oriental International	0.2%	9.9%	0.02%
Hana Financial Group	0.6%	3.2%	0.02%
Mediaset Espana Comunicacion	0.2%	13.7%	0.02%
Tanaka Chemical	0.3%	5.3%	0.02%

Bottom performers

	1 Month (Portfolio)		
	Avg Weight	Return	Contribution
Nokia	1.8%	-17.7%	-0.37%
Bank Bukopin	0.6%	-26.7%	-0.19%
Alcoa	0.7%	-18.9%	-0.14%
Lippo Karawaci	0.4%	-24.3%	-0.13%
Bank Danamon Indonesia	0.5%	-20.4%	-0.11%
Bank Tabungan Negara (Persero)	0.4%	-24.0%	-0.11%
Telefonica	0.9%	-11.3%	-0.10%
Societe Generale	0.5%	-16.7%	-0.09%
Lippo Cikarang	0.5%	-15.2%	-0.09%
PP (Persero)	0.5%	-15.1%	-0.09%
Gannett Co	0.3%	-23.4%	-0.08%
BT Group	1.1%	-7.4%	-0.08%
BNP Paribas	0.5%	-15.3%	-0.08%
Macys	0.4%	-16.6%	-0.07%
Matahari Department Store	0.3%	-22.7%	-0.07%
Indosat	0.5%	-13.6%	-0.07%
Wijaya Karya Beton	0.4%	-17.9%	-0.07%
Barclays	0.4%	-14.1%	-0.06%
VEON	0.6%	-9.5%	-0.05%
Renault	0.8%	-6.9%	-0.05%
Juniper Networks	0.4%	-12.3%	-0.05%
Sri Rejeki Isman	0.3%	-12.9%	-0.05%
Rizzoli Corriere Della Sera Mediagroup	0.4%	-10.3%	-0.04%
Norsk Hydro	0.3%	-12.7%	-0.04%
Toshiba	0.4%	-10.1%	-0.04%
Telecom Italia Saving Shs	0.3%	-12.9%	-0.04%
Banco Santander	0.2%	-14.1%	-0.04%
Banco Comercial Portugues	0.2%	-18.6%	-0.03%
Marks and Spencer Group	0.2%	-13.6%	-0.03%
Imerys	0.5%	-6.6%	-0.03%
Orange	0.7%	-4.8%	-0.03%
Ribbon Communications	0.4%	-7.8%	-0.03%
Commscope Holding	0.3%	-10.9%	-0.03%
Panin Financial	0.3%	-11.3%	-0.03%
Bank BTPN	0.3%	-9.5%	-0.03%

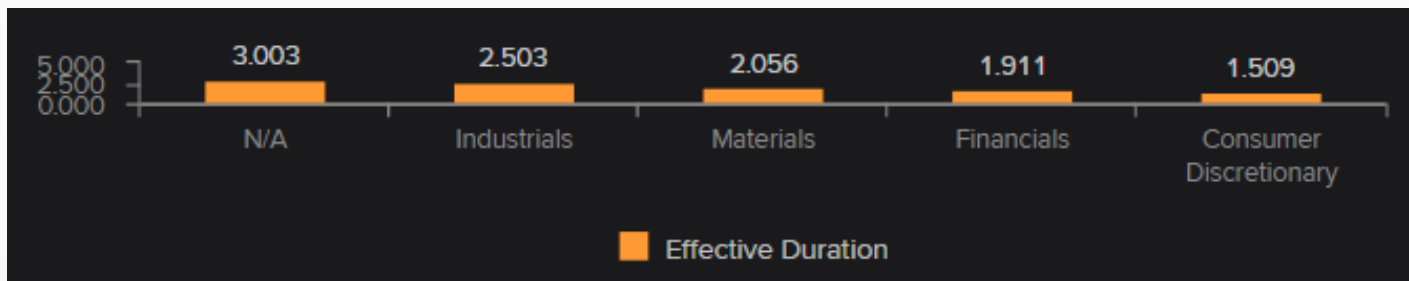
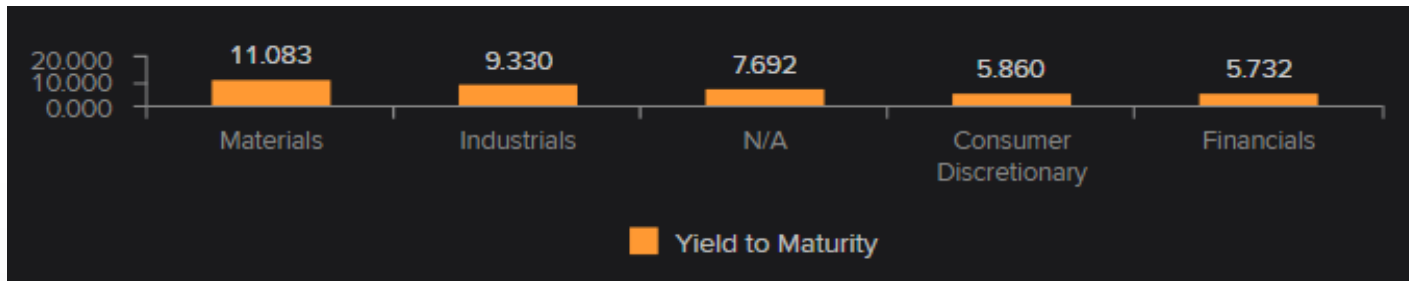
*Sorted from highest to lowest by Contribution

BOND PORTFOLIO*: Characteristics

Coupon	4.96
Yield to Maturity	8.08
Yield to Worst	8.01
Average Life (yrs) to Maturity	2.61
Modified Duration to Maturity	2.18

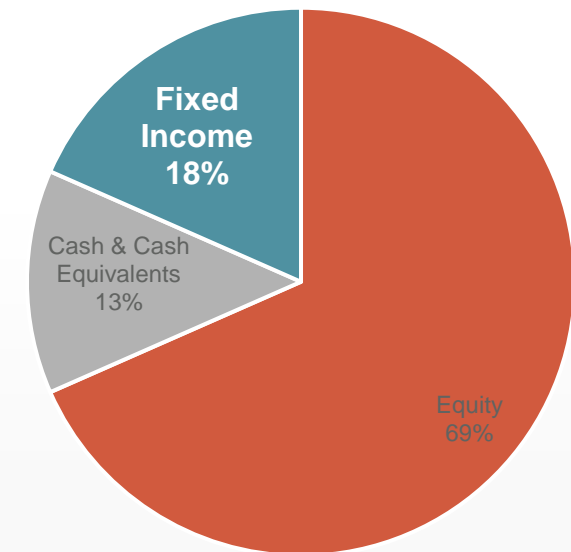
*Metrics include the «Bond portfolio» and «Cash management portfolio»

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



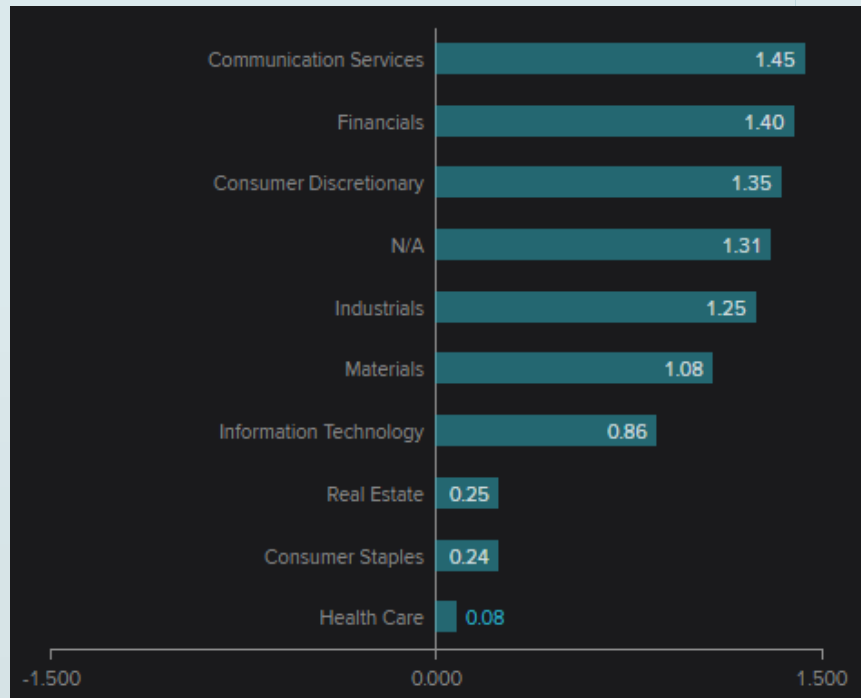
Source: Thomson Reuters, Niche AM

Breakdown by Asset Class as of 30 Sept 2020

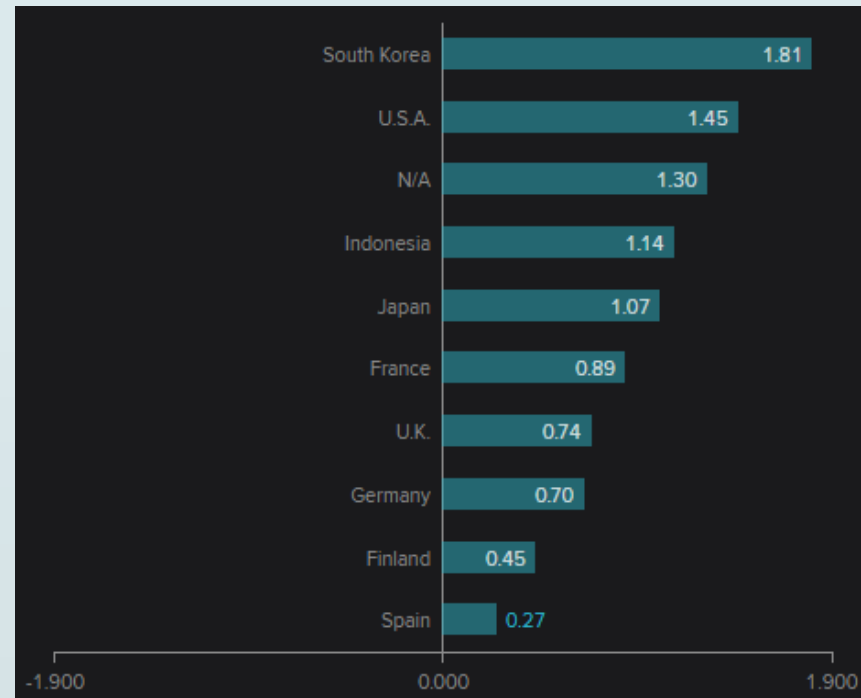


Ex-ante analysis: VaR 1 month 99% as of 30/09/2020

**VAR 1M – 95% BY GICS SECTOR
AS OF 30/09/2020**



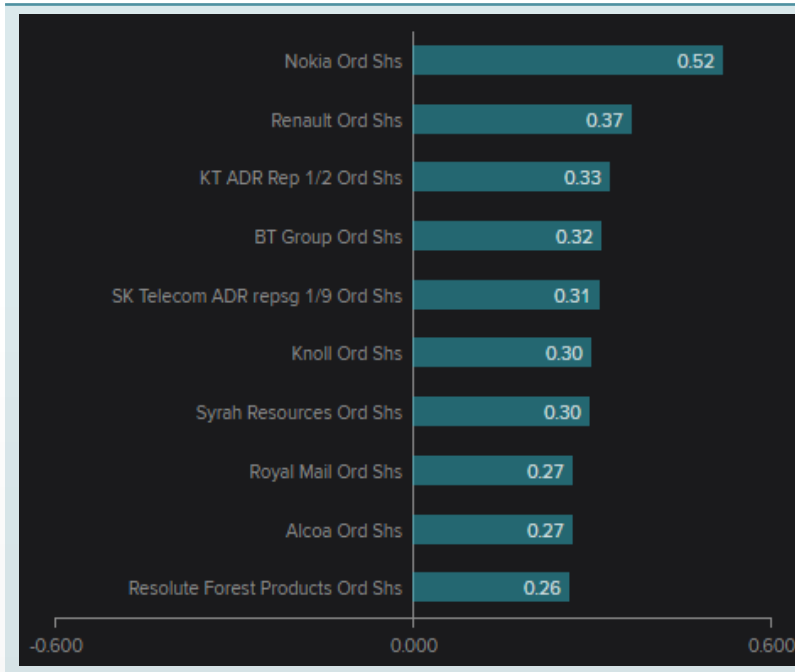
**VAR 1M – 95% BY COUNTRY
AS OF 30/09/2020**



Source: MSCI RiskMetrics, Niche AM

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

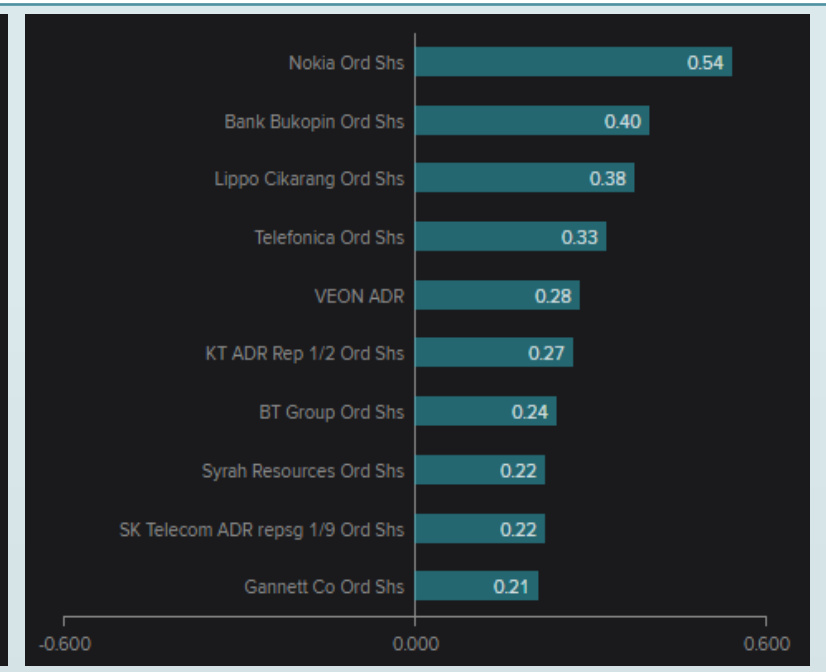
**VAR 1M - 95% TOP 10 SECURITIES
AS OF 30/09/2020**



**CVAR 1M - 95% TOP 10 SECURITIES
AS OF 30/09/2020**



**MVAR 1M - 95% TOP 10 SECURITIES
AS OF 30/09/2020**



Ex-ante analysis: Top securities which are contributing the most to total active risk (sorted by Expected Shortfall) *as of 30/09/2020*

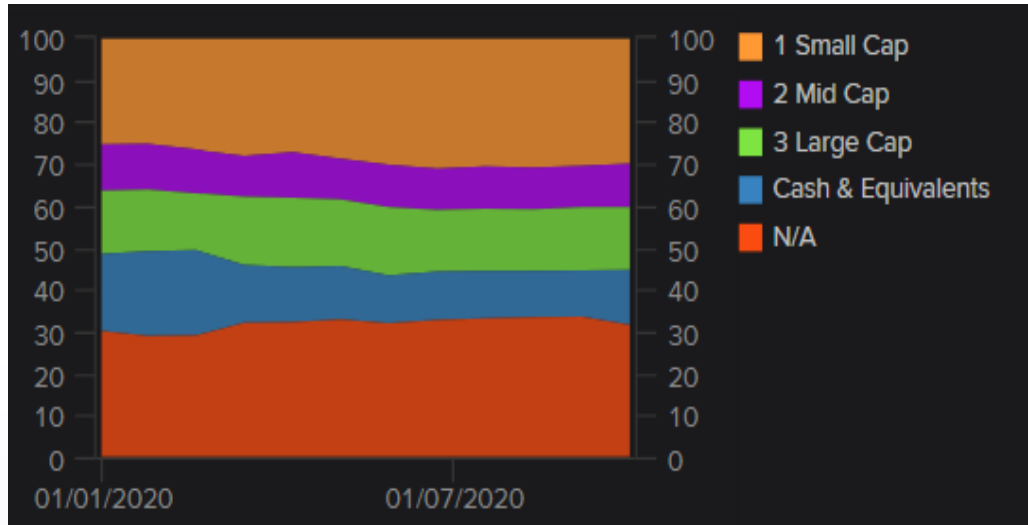


	VaR 1M 95%	VaR 1M 99%	Portfolio Weight %	CVaR 1M 99%	Marginal VaR
Pharus Asian Niches	8.68	23.86	100,00%	22846	23.86
Nokia	0.52	1.22	2.43%	2.19	0.68
Renault	0.37	0.71	1.03%	0.93	0.68
SK Telecom	0.31	0.68	2.24%	0.88	0.84
Syrah Resources	0.30	0.72	0.75%	0.84	0.58
KT	0.33	0.68	2.28%	0.84	0.65
Royal Mail	0.27	0.70	1.15%	0.83	-0.01
BT Group	0.32	0.60	1.46%	0.79	0.27
Alcoa	0.27	0.67	0.85%	0.79	0.71
Telefonica	0.24	0.58	1.29%	0.74	0.42
Gannett Co	0.20	0.49	0.39%	0.71	0.45
VEON	0.19	0.42	0.92%	0.67	0.48
Knoll	0.30	0.48	0.86%	0.65	0.66
Hyundai Construction Equipment	0.26	0.46	0.87%	0.64	0.29
Daimler	0.18	0.45	0.82%	0.63	0.45
Ribbon Communications	0.19	0.43	0.53%	0.59	0.27

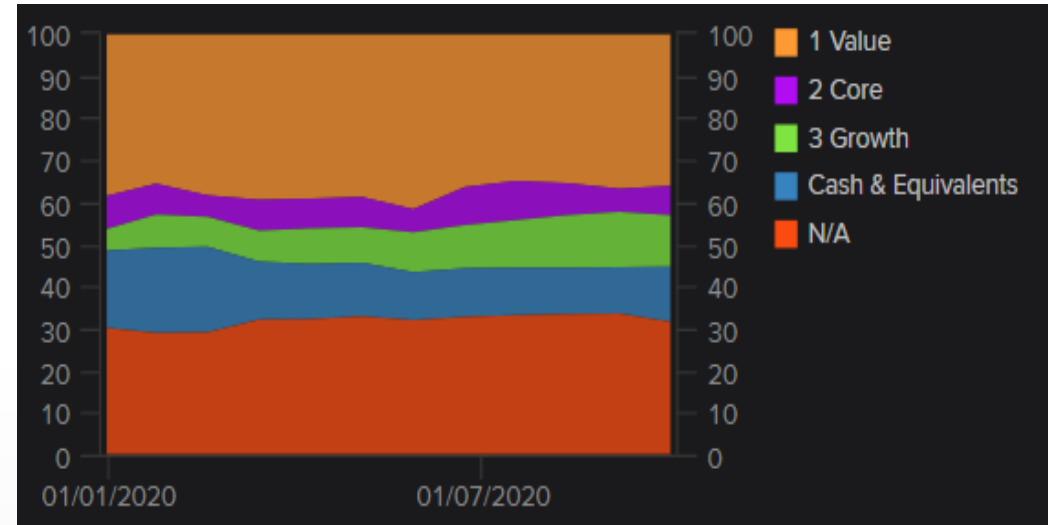
Source: MSCI RiskMetrics, Niche AM

Ex-ante analysis Multi-Factor risk *as of 30/09/2020*

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

30-Sept-20

Total JPY Exposure **185,550,957 (10% AUM)**

Total JPY Net Exposure **54,250,957 (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	71%	18/12/2020

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