

ALQUITY FUTURE WORLD FUND:  
FACTSHEET AS AT:  
NAV:

GBP Y  
FEBRUARY 2022  
108.72



MONTHLY SUMMARY

Those NAV prices displayed with duplicated ISINs, in currencies other than the base currency of USD, are reflected only on an unofficial and indicative basis. The aforementioned NAVs are for guidance only and we can give no assurances of its accuracy. The official NAV for those ISINs is in USD.

- The relevant Emerging Markets stock index fell by 3.0% in net USD terms, as geopolitical tensions and the outbreak of conflict between Russia and Ukraine weighed on sentiment globally.
- Emerging Europe came under most pressure, given the outbreak of war between Russia and Ukraine and risk of energy supplies from the region being cut off as sanctions increase.
- In India, the RBI struck a more dovish tone than expected in February, keeping policy rates unchanged.

PERFORMANCE OVERVIEW

	2018	2019	2020	2021	2022
JAN	1.5%	4.0%	-3.3%	2.9%	-1.4%
FEB	-1.6%	-0.6%	-3.4%	2.0%	-2.9%
MAR	-0.1%	7.3%	-21.7%	-0.9%	
APR	1.9%	-2.0%	8.0%	1.8%	
MAY	-3.0%	0.6%	4.8%	0.9%	
JUN	-5.5%	0.1%	6.3%	3.1%	
JUL	3.2%	3.0%	-0.5%	-7.0%	
AUG	-2.5%	-5.3%	-0.1%	3.9%	
SEP	-7.8%	1.2%	2.7%	-2.5%	
OCT	-4.0%	-0.8%	2.8%	0.6%	
NOV	7.5%	-1.7%	6.4%	-1.7%	
DEC	-0.2%	2.6%	4.5%	-1.9%	
ANNUAL	-10.9%	7.9%	2.7%	0.8%	-4.3%



PERFORMANCE SUMMARY:

1 Month:	-2.9%	1 Year:	-8.1%
3 Months:	-6.0%	3 Years:	3.5%
6 Months:	-9.4%	Inception:	8.7%
Year to Date:	-4.3%	Annualised:	1.5%

VOLATILITY\*

1Y 12.5%

\*Volatility as of 28th February 2022

3Y\* 16.4%

\*Where the share class has not been running for 3 years, the volatility figure displayed is since the inception of the share class

TURNOVER\*\*

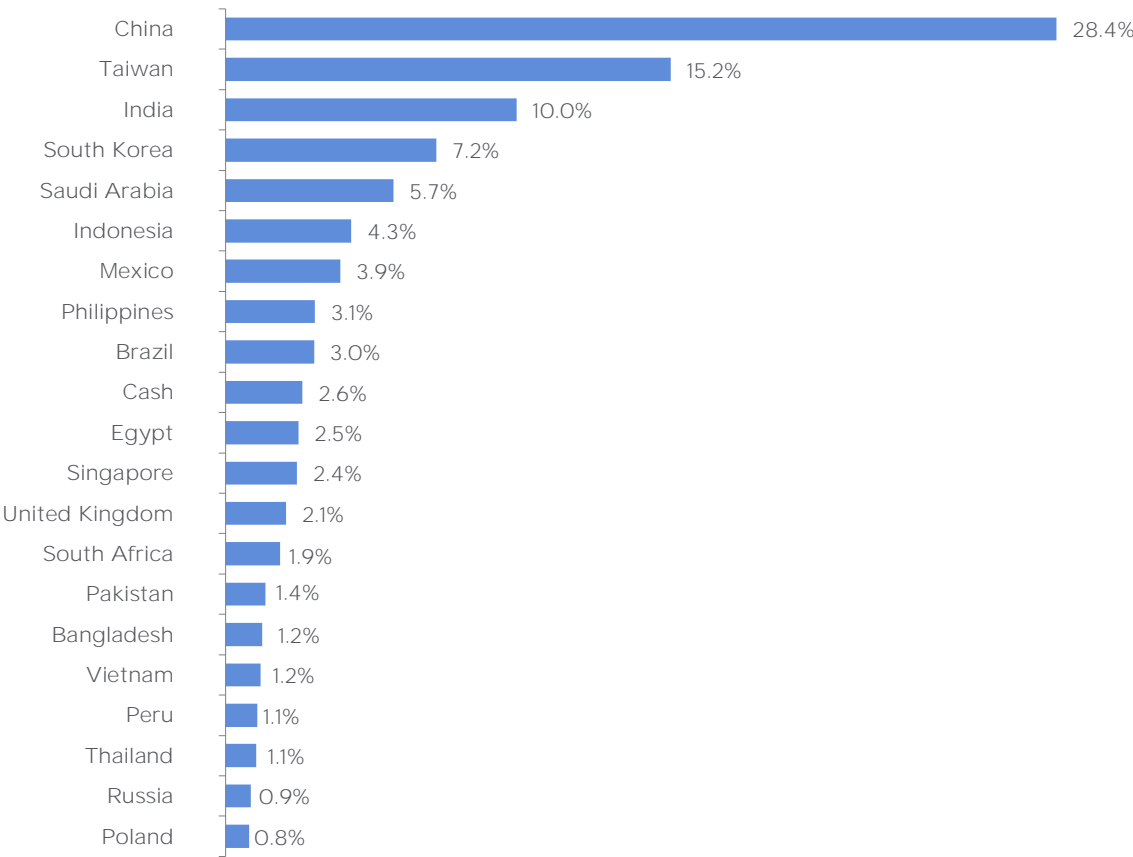
22.1%

\*\*Average turnover of holdings (annualised) since the fund's inception

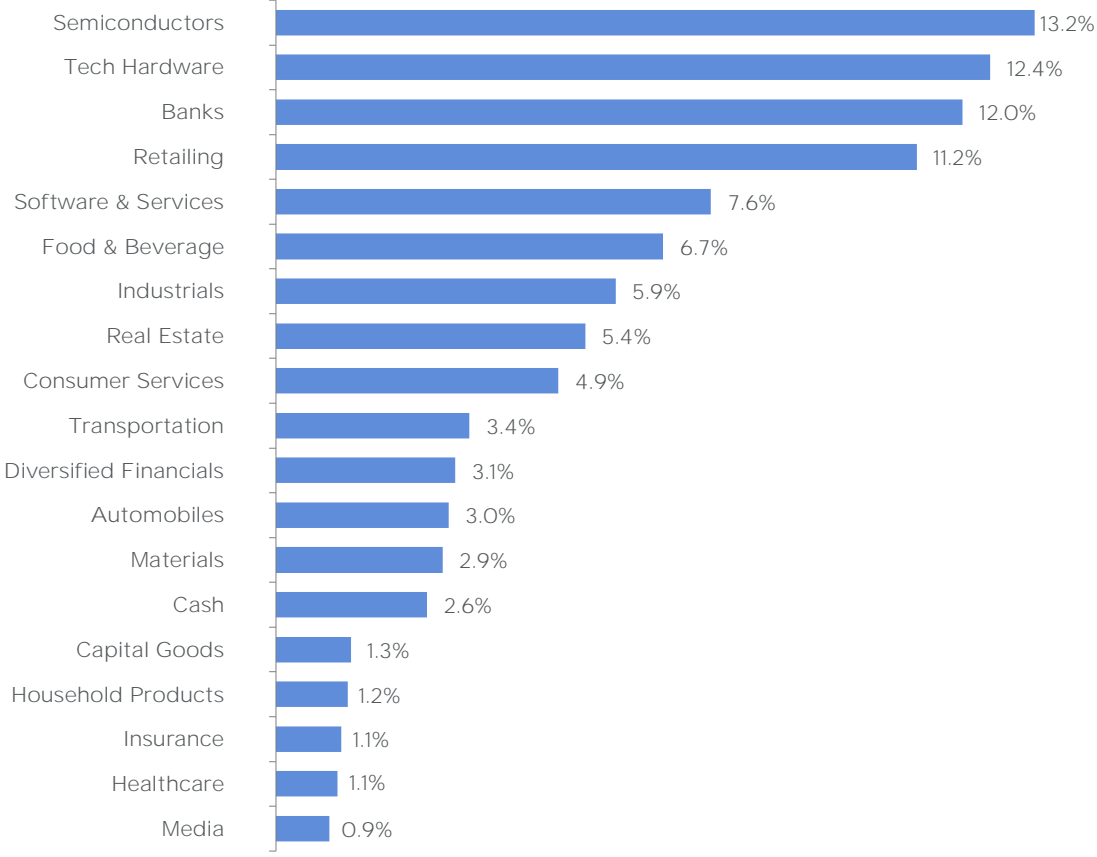
\*\*Turnover as of 28th February 2022

\*For the purposes of reporting, the unrealised capital gains have been removed from the portfolio characteristics calculations, however remain part of the Net Asset Value calculation

GEOGRAPHIC ALLOCATION



SECTOR ALLOCATION



MONTHLY UPDATE

The relevant Emerging Markets stock index fell by 3.0% in net USD terms, as geopolitical tensions and the outbreak of conflict between Russia and Ukraine weighed on sentiment globally.

In China, the PBoC made its biggest net injection of liquidity since Sept 2020 to ensure stability in the financial system, while also indicating that it would loosen policy further going forward.

In India, the RBI struck a more dovish tone than expected in February, keeping policy rates unchanged. But with inflation picking up and rich valuations we continued to take some profits, rotating into other emerging markets, where we see a more attractive risk-reward trade-off in the next year, including Hanon in Korea.

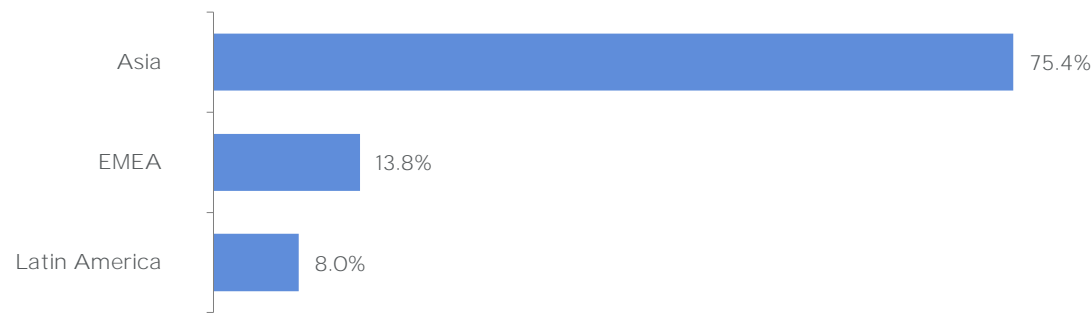
Emerging Europe came under most pressure, given the outbreak of war between Russia and Ukraine and risk of energy supplies from the region being cut off as sanctions increase. We remain underweight to Russia.

In terms of strategy, we exited Escorts in India, adding to banks. We also switched from Polycab into Lemontree Hotels. In Pakistan, we exited Bank Alfalah due to oil price concerns, while in Indonesia we exited our small cap Kino position as it was up 58% YTD.

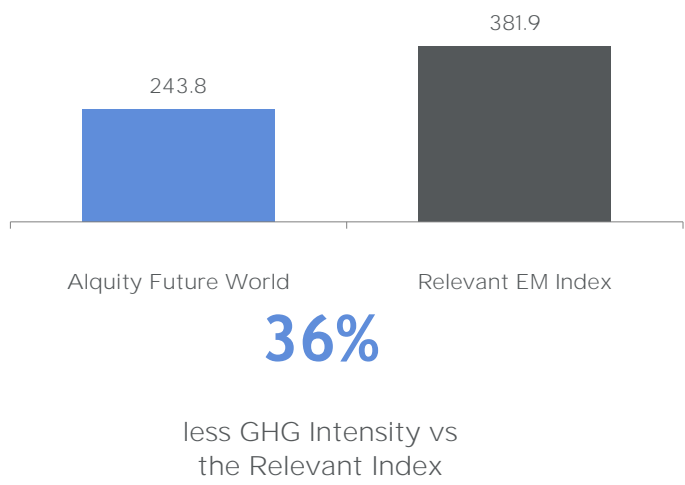
STOCK OF THE MONTH

SK Hynix is a semiconductor manufacturer based in South Korea. The company primarily sells DRAM-related products and has the second highest market share, commanding almost 30% of the market. DRAM is an important input for all electronic appliances such as PC, smartphone and servers. DRAM has multiple structural growth drivers such as rapidly growing data traffic which drives server demand, as well as increasing memory density requirements for PCs and smartphones in order to run more complex applications. SK Hynix is rated a C on our ESG rating system and performs highly on Environmental disclosures and initiatives. For example, the company joined RE100 and is committed to sourcing 100% renewable electricity across its entire global operations by 2050.

REGIONAL BREAKDOWN



SCOPE 1 & 2 GHG INTENSITY (TONNES/\$MN)

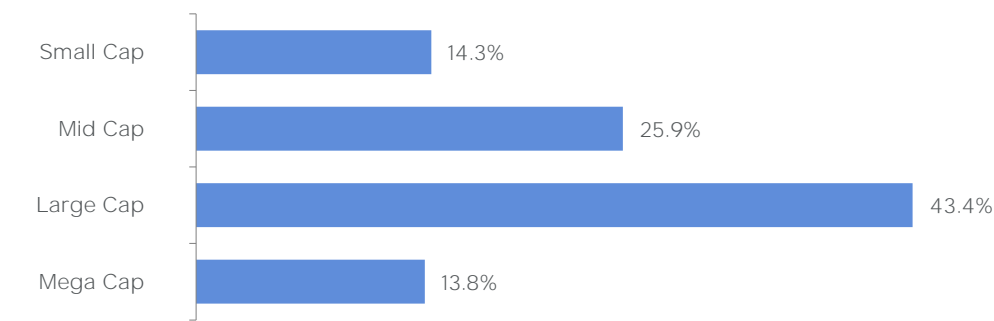


Source: Alquity, as of 31st December 2021

TOP 10 HOLDINGS

1.	TSMC	7.8%
2.	Tencent Holdings	6.1%
3.	SK Hynix	3.0%
4.	HDFC Bank	2.8%
5.	Walmart De Mexico	2.5%
6.	ICICI Bank	2.4%
7.	Saudi British Bank	2.4%
8.	Antofagasta	2.1%
9.	Bank Mandiri	2.0%
10.	Pacific Basin Shipping	2.0%
TOTAL		33.1%

CAPITALISATION



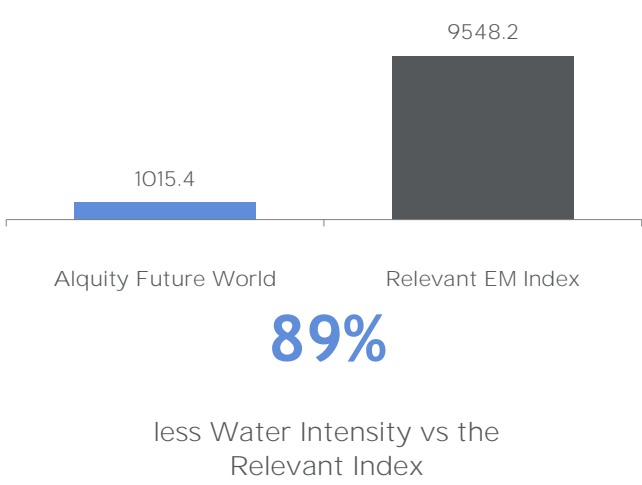
PERFORMANCE CONTRIBUTORS AND DETRACTORS

In February, Alquity Future World Y class declined 2.91% in US Dollar terms (net) versus the 2.99% decline in the relevant EM index.

Asset allocation was positive for the month, notably due to the underweight in Russia and the overweight positions in Saudi Arabia and the smaller markets of Vietnam and Indonesia.

However, this was partly offset by negative stock selection from our positions in the Chinese and Taiwanese technology sectors, as well as Saudi Arabia and Poland. Stock selection from our commodity exposure (Anglo American Platinum in South Africa, Antofagasta in Chile), Korea (Technology) and Mexico (Walmex) was positive.

WATER INTENSITY (TONNES/\$MN)

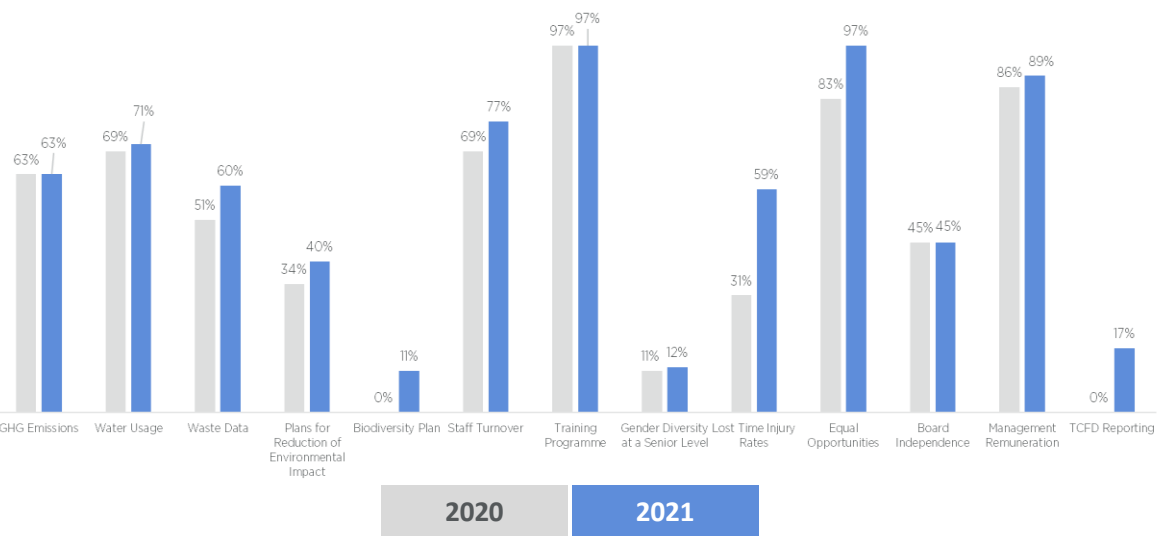


Source: Alquity, as of 31st December 2021

ESG: KEY PROGRESS INDICATORS

For all portfolio holdings, we track a set of Key Progress Indicators “KPIs” that represent a general set of transparency and ESG standards we want all firms to meet over time. In each case, the assessment has a financial motivation and an associated positive potential impact in line with the principles of the UN Global Compact. The chart summarises the where we stand in relation to the KPIs for all the portfolio holdings. These KPIs support our engagement activity with our holdings. Please contact us or refer to our Responsible Investment brochure for full details.

Holdings meeting each KPI standard - % of companies <sup>1</sup>



<sup>1</sup>Source: Alquity. Portfolio overview as of 31/12/2021. Holdings owned at both 31/12/2020 and 31/12/2021

TRANSFORMING LIVES

We donate a proportion of our fees from the Alquity Future World Fund to charity partners in the region, reinforcing our belief that social progress should also lead to financial success.

DONATIONS GENERATED BY THE FUTURE WORLD FUND:	\$306,665
LIVES TRANSFORMED DIRECTLY:	312
LIVES TRANSFORMED INDIRECTLY:	125

Total Lives Transformed by Alquity



Total Donations generated by Alquity



Data correct at 31 Dec 21

Source: Alquity Transforming Lives Foundation

For more information about the Alquity Transforming Lives Foundation please visit [www.alquityfoundation.org](http://www.alquityfoundation.org)

FUND FACTS

Fund :	Alquity Future World Fund
Share Class :	Y Class
Inception Date :	26/07/2016
Fund AUM :	US\$ 37.6m
Number of Holdings :	61
Fund Structure :	UCITS V SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Mike Sell & Marnie Uy
Morningstar Rating :	★
Morningstar Sustainability Rating:	●●●●●
Minimum Investment :	£2,500,000
Annual Management Fee :	0.90%
Performance Fee :	None
ISIN :	LU1070052854
SEDOL :	BTJRGTS
Bloomberg Ticker :	ALQFWGY

FUND OBJECTIVE

The Alquity Future World Fund is equity focused and targets attractive risk-adjusted returns over the long-term by investing in public companies across the emerging and frontier markets. Our portfolio emphasises long-term themes, transparency and alignment of management. This is achieved by a fundamental process which incorporates both financial valuation and Environmental, Social and Governance analysis of material non-financial factors.

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