

## Pendal Asian Share Fund

ARSN: 087 593 468

## Factsheet

Global Equities

November 2020

### About the Fund

The Pendal Asian Share Fund (**Fund**) is an actively managed portfolio of Asian shares, excluding Japan and Australia.

### Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the MSCI AC Asia ex Japan (Standard) Index (Net Dividends) in AUD over the medium to long term. The suggested investment timeframe is five years or more.

### Description of Fund

This Fund is designed for investors who want the potential for long term capital growth and are prepared to accept high variability of returns. The Fund can invest in any sharemarket in the Asian region, excluding Japan and Australia, that offers attractive opportunities including Korea, Hong Kong, Taiwan, Singapore, China, Malaysia, Thailand, Indonesia, the Philippines, India and Vietnam. The Fund may also hold cash and may use derivatives.

As manager of the Fund, J O Hambro Capital Management (**JOHCM**) investment process for Asian shares aims to add value through fundamental stock selection. JOHCM focuses on identifying and owning quality long-term sustainable growth companies and is benchmark agnostic. These core holdings are combined with cyclical holdings that are valuation driven with consideration for current macro-economic conditions. The Fund will typically hold between 40 and 55 stocks.

The Fund has assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the Fund. The Fund's foreign currency exposure will generally not be hedged to the Australian dollar but JOHCM may do so from time to time. JOHCM does not intend to use currency trading as an additional source of Fund returns.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

### Investment Manager

The portfolio is managed by J O Hambro Capital Management Limited, a wholly-owned subsidiary within the Pendal Group.

### Management Costs<sup>1</sup>

Issuer fee <sup>2</sup>	1.00% pa
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<sup>1</sup> You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

<sup>2</sup> This is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund. The Issuer fee is paid from the assets of the Fund and is reflected in the unit price of your investment.

### Risks

An investment in the Fund involves risk, including:

- **Market risk** - The risk associated with factors that can influence the direction and volatility of an overall market, as opposed to security-specific risks. These factors can affect one country or a number of countries.
- **Security specific risk** - The risk associated with an individual asset.
- **International investments risk** – The risk arising from political and economic uncertainties, interest rate movements and differences in regulatory supervision associated with international investments.
- **Concentrated portfolio risk** – The Fund's investment strategy of seeking to generate high returns by investing in a concentrated portfolio of global shares may make the Fund more volatile than a diversified global share fund with a larger number of shares. This means there is a greater risk of negative returns, particularly over the short to medium term.
- **Currency risk** - Currency exchange rate fluctuation risk arising from investing across multiple countries.

Please read the Fund's Product Disclosure Statement (**PDS**) for a detailed explanation of each of these risks.

### Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	1.05	1.13	2.96
3 months	8.59	8.86	9.79
FYTD	20.51	21.02	14.83
6 months	23.83	24.45	19.97
1 year (pa)	25.87	27.14	14.61
2 years (pa)	23.04	24.29	15.49
3 years (pa)	8.20	9.29	7.82
5 years (pa)	9.99	11.10	11.62

The investment manager for this Fund changed on 12 March 2014. Performance before this date may not be directly comparable.

### Country Allocation (as at 30 November 2020)

China	29.0%
India	25.6%
South Korea	18.6%
Hong Kong	10.8%
Taiwan	7.2%
Singapore	5.2%
Indonesia	1.1%
Philippines	0.0%
Malaysia	0.0%
Other	0.0%
Cash	2.5%

### Top 10 Holdings (as at 30 November 2020)

Tencent Holdings	6.6%
Meituan Dianping	5.8%
Samsung	5.7%
Taiwan Semiconductor	5.4%
Kakao	5.2%
Li-Ning	4.6%
Jubilant Foodworks	4.5%
SBI Card	4.1%
HKEX	3.9%
Venture Corporation	3.7%

### Other Information

Fund size (as at 30 Nov 2020)	\$81 million
Date of inception <sup>3</sup>	August 1996
Minimum Investment	\$25,000
Buy-sell spread <sup>4</sup>	
For the Fund's current buy-sell spread information, visit <a href="http://www.pendalgroup.com">www.pendalgroup.com</a>	
Distribution frequency	Quarterly
APIR code	BTA0054AU

<sup>3</sup> JOHCM started managing the Fund in March 2014.

<sup>4</sup> The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

## Fund manager's commentary

Asian equities soared higher in November in line with the US and European markets. Investors were buoyed by news that vaccines being rolled out earlier than expected. Investors looked past the renewed surges of Covid-19 infections in the US and Europe and fears that the fragile economic rebound could experience a double-dip and instead focused on the longer-term economic rebound. Indeed, bad news on the economic front is taken as good news for stock markets as the weak economic backdrop forces the hands of policy makers to keep the spigots flowing on the fiscal and monetary fronts to prop up economies.

The portfolio underperformed over the month with the negative relative return largely down to sector allocation effects, namely our overweight in consumer discretionary. Although this overweight provided a drag, stock selection here was strong helping to offset weakness among some of our financials holdings. Our underweight in Alibaba added value after the suspension of Ant Financial's highly anticipated IPO while SBI Cards was the main laggard.

For more information please call **1800 813 886**,  
contact your key account manager or visit [pendalgroup.com](http://pendalgroup.com)

**PENDAL**

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PFSL is the responsible entity and issuer of units in the Pental Asian Share Fund (**Fund**) ARSN: 087 593 468. A product disclosure statement (**PDS**) is available for the Fund and can be obtained by calling 1800 813 886 or visiting [www.pentalgroup.com](http://www.pentalgroup.com). You should obtain and consider the PDS before deciding whether to acquire, continue to hold or dispose of units in the Fund. An investment in the Fund is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested.

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If market movements, cash flows or changes in the nature of an investment (e.g. a change in credit rating) cause the Fund to exceed any of the investment ranges or limits specified, this will be rectified by PFSL as soon as reasonably practicable after becoming aware of it. If PFSL does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified are accurate as at the date of this factsheet and PFSL reserves the right to vary these from time to time.