



WAVERTON
INVESTMENT MANAGEMENT

WAVERTON ASIA PACIFIC A USD

FUND FACTSHEET - AS AT 30 SEPTEMBER 2017

OBJECTIVES

FUND AIM

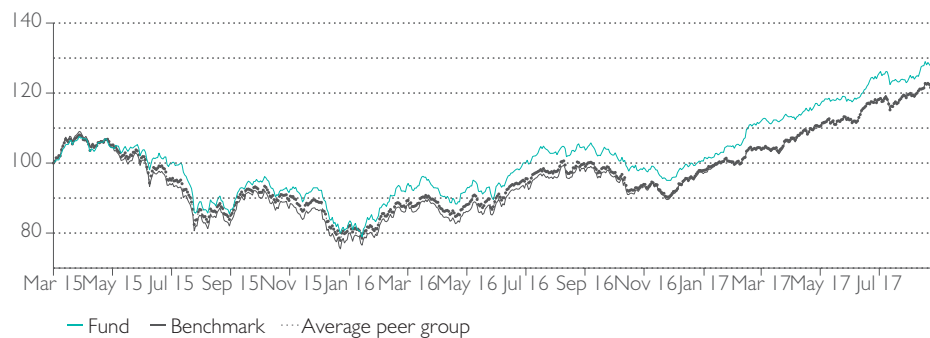
The Waverton Asia Pacific Fund seeks to achieve capital growth and generate an income through diversified investment in equities of Asian-Pacific companies (excluding Japanese equities).

INVESTMENT STYLE

The fund employs a pragmatic approach to investing in Asia through a combination of active country / sector allocations and disciplined stock selection in a reasonably concentrated portfolio (25-40 holdings).

PERFORMANCE

ROLLING PERFORMANCE – SINCE 1ST APRIL 2015*



Risk Warning: Past performance is no guide to future performance. The value of holdings may fall as well as rise and investors may not get back their initial investment. Important information: Performance displayed is for the A Share Class. Performance is calculated on a NAV to NAV basis and does not take into account any initial fees. Performance is displayed net of fees and assumes income is reinvested.

*William Hanbury co-managed the Fund from 1st Jan 2015 and became lead manager on 1st April 2015.

Period	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	Inception Oct 05
Portfolio (%)	1.8	7.3	31.8	22.0	28.7	52.4	172.0
Benchmark (%)	-0.1	6.6	30.9	22.7	25.8	43.9	197.0
Morningstar Peer Group (%)	-0.1	4.9	24.5	17.7	18.6	34.2	150.9
Quartile	I	I	I	I	I	I	2

DISCRETE CALENDAR YEAR PERFORMANCE

Period	2016	2015	2014	2013	2012
Fund (%)	4.1	-4.8	-2.1	9.9	18.8
Benchmark (%)	5.4	-9.2	4.5	3.2	22.9

STANDARDISED PERFORMANCE

Period 1 year to	30/09/2017	30/09/2016	30/09/2015	30/09/2014	30/09/2013
Fund (%)	22.0	19.5	-11.7	4.1	13.7

PORTFOLIO SUMMARY

COUNTRY		SECTOR		TOP 10 HOLDINGS	
Hong Kong	23.3%	Consumer Discretionary	30.3%	Korea Electric Power Corporation	8.1%
South Korea	23.2%	Information Technology	21.5%	Baidu, Inc. Sponsored ADR Class A	7.6%
India	15.3%	Industrials	14.5%	Samsung Electronics Co Ltd Pfd	7.1%
China	10.5%	Consumer Staples	11.5%	Cox & Kings (India) Ltd.	6.0%
Taiwan	7.2%	Utilities	10.4%	China Maple Leaf Educational Systems	5.9%
Philippines	6.7%	Financials	6.2%	Asian Pay Television Trust	4.6%
Singapore	5.0%	Health Care	2.6%	Zhejiang Expressway Co. Ltd. Class H	4.3%
Others	4.0%	Telecommunication Services	2.4%	Ck Hutchison Holdings Ltd	4.2%
Thailand	2.6%	Cash	0.6%	China Meidong Auto Holdings Ltd.	4.2%
Malaysia	2.2%	Total	100.0%	Robinsons Retail Holdings, Inc.	4.1%
Total	100.0%			Total	56.1%

COMMENTARY

The fund outperformed its benchmark by 2% in September resulting a strong finish to the quarter. Strong contributions came from our holding in China Maple Leaf Education, which rallied 32% over the month and from Baidu which rallied 9%. Losses came from our significant holding in KEPCO and from Kiwoom Securities, both of which declined for reasons we believe are short-term in nature and so have taken their sell-offs to further add to our holdings.

We have spent significant time building a quantitative screen. Our starting point was to identify characteristics which have, since 1990, been present in stocks which have outperformed. As the theory would suggest, some of these were related to the "quality" of a business, such as the return it makes from reinvesting capital and what portion of its earnings are in Cash. Other characteristics are related to "valuation", such as its price to earnings and price to book multiple. Back-testing of this methodology would have put forward names that outperformed by 7% a year since 1990.

Our screen puts forward 40 companies it predicts are most likely to outperform from a starting universe of 1,000. Many of the companies our screen proposes we look at but do not necessarily invest in because we cannot, independently, reach an investment case.

A recent name from the screen that we have been adding to is Xinyi Glass. After speaking to the CFO and meeting management in Hong Kong, we built a medium sized holding. However, we have recently increased this significantly after noticing that the CEO, Chairman, vice Chairman and two non-executives are all significantly adding to their holdings since August. Historically there have only ever been three other occasions when management have bought shares in such magnitude and in such concert: Jan 2010, late Sep 2011 and Aug 2015. On each occasion, the shares rallied by at least 50% over the next 6 months.

FUND MANAGER



William Hanbury

INVESTMENT TEAM



Brook Tellwright

ANALYST



Alena Isakova

FUND DETAILS

FUND FACTS

Launch Date	31st October 2005
Morningstar Category	Asia-Pacific Ex-Japan Equity
Benchmark	MSCI AC Asia Ex Japan Index
Fund Size	\$120.5m
No. of Holdings	30
Domicile	Ireland
Sedol	B0NLMSI
Bloomberg Code	WAVAPAU ID
Fund Type	OEIC
Base Currency	USD
Other Currencies	GBP, EUR
Ex Dividend Dates	31st April and 31st October

RISK STATISTICS

3Y Annualised

Fund Volatility (%)	16.2
Index Volatility (%)	15.0
Sharpe Ratio	1.0
Information Ratio	0.2
Tracking Error	5.4
Alpha (%)	1.6
Beta	1.0
Active Share (% - Current)	93.8

FUND INFORMATION

Share class	ISIN	Minimum investment	AMC	INC/ACC	NAV	Historic yield (%)	Ongoing charge (%)
A USD	IE00B0NLMSI8	2,500 USD	1.00%	INC	23.57	0.74%	1.26%
A EUR	IE00B0NLM8P86	1,500 EUR	1.00%	INC	24.31	0.85%	1.25%
A GBP	IE00B0NLMR01	1,500 GBP	1.00%	INC	29.21	0.85%	1.26%

The benchmark was FTSE AllWorld Asia Pacific ex Japan TR from inception to 30th September 2014. From 1st October 2014 the benchmark for the Waverton Asia Pacific Fund is MSCI AC Asia ex Japan.

CONTACT DETAILS

MARKETING CONTACT

Jonno Ross
jross@waverton.co.uk
+44 (0)20 7484 7491
www.waverton.co.uk

ADMINISTRATOR

RBC Investor Services
Dublin_TA_Customer_Support@rbc.com

Risk Warning: past performance is no guide to future performance. The value of holdings may fall as well as rise. All financial investments involve an element of risk. The level of income from the investment may fluctuate in value. Currency movements may also affect the value of the investment. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. The Fund may invest assets in Emerging Market Countries. The risks involved in investments in Emerging Market Countries are likely to exceed the risks of investment in more mature markets. For full details of investment risks please refer to the Prospectus. A copy of the full prospectus and the KIID is available from Waverton Investment Management or Administrator, RBC Investor Services (Ireland). Sources: Waverton, Morningstar.

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