

SKERRYVORE GLOBAL EMERGING MARKETS ALL-CAP EQUITY FUND C SHARE CLASS

# Monthly Report

Report for the month ended 30 August 2024



**Skerryvore**  
ASSET MANAGEMENT



# Investment Results

## C SHARE CLASS – PERIOD RETURNS TO 30 AUGUST 2024

	1 Month (%)	3 Month (%)	6 Month (%)	1 Year (%)	2 Year p.a (%)	Since Inception p.a. <sup>2</sup> (%)
Fund (net)	-1.61	1.79	2.22	6.78	13.59	4.39
Benchmark <sup>1</sup>	-2.20	3.84	5.24	9.84	8.49	0.11
Value Added	0.59	-2.05	-3.02	-3.06	5.10	4.28

### FUND OBJECTIVE

The fund's objective is to achieve long-term capital appreciation through investing in companies operating in, or exposed to, emerging markets.

### COMMENTARY

Global emerging market equities fell in Australian dollar terms during the period. The strategy also fell in value but outperformed the MSCI emerging markets index.

During August the strategy benefitted from strong absolute returns in Indian drug maker **Cipla** and Latin American fintech **Mercado Libre**. A recovery in the shares of Brazilian bank **Bradesco** also helped overall performance. From a relative perspective, the strategies' limited exposure to Chinese equities helped.

The large holding in Mexican retailer **FEMSA** had the largest negative impact, largely due to the weakness of the Mexican peso following the outcome of elections there. We maintain our conviction that FEMSA will continue to pass through the inflationary effects of devaluation via its highly efficient convenience retail and Coca Cola bottling operations and added to the position during the month.

During August we continued reducing the position in Taiwanese chip maker **TSMC** as hype around AI investments continued to build. The proceeds were used to add to some strong franchises that had not performed so well, these included FEMSA, Chinese pharmacy operator **Yifeng**, royalty streaming business **Franco Nevada** and Korean games developer **Nexon**.

There were no new holdings or complete sales during the month.

### OUTLOOK

Many years' experience of investing in inflation-prone emerging markets has taught us to seek out companies with strong pricing power. A proven ability to create intellectual property, ownership of strong brands and well-managed retail franchises are some of the attributes of companies we have seen navigate previous periods of high inflation. Regulated assets or assets at high risk of being regulated often lack pricing power, which can leave them more exposed to inflationary pressures and for that reason we have tended to avoid holding these in our portfolios.

### STOCK LEVEL ATTRIBUTION

#### TOP CONTRIBUTORS TO RETURN

Name	Contribution (%)
MercadoLibre	0.30
Banco Bradesco	0.20
Cipla	0.18
Mega Lifescience	0.16
Bajaj Auto	0.16

#### TOP DETRACTORS TO RETURN

Name	Contribution (%)
Fomento Economico Mexicano	-0.64
Nexon Ltd	-0.42
Qualitas Controladora	-0.36
Franco Nevada	-0.31
Kotak Mahindra Bank	-0.16

1. MSCI Emerging Markets Index (AUD)  
2. Inception date – 02 August 2021

Past performance does not predict future returns



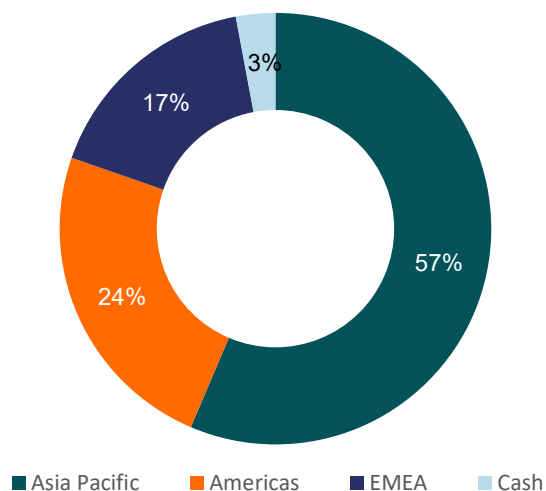
Skerryvore



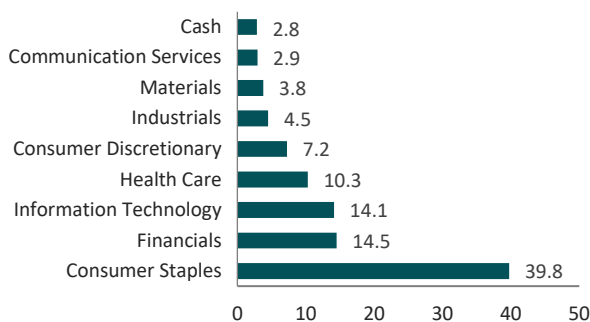
## TOP 10 HOLDINGS

Name	Weight (%)
Fomento Economico Mexicano	5.72
TSMC	5.43
Cipla	5.15
HDFC Bank Limited	4.70
Tata Consultancy Services	3.91
Coca-Cola HBC	3.39
Heineken Holding	3.37
Raia Drogasil	3.20
Franco Nevada	3.16
WEG SA	3.04

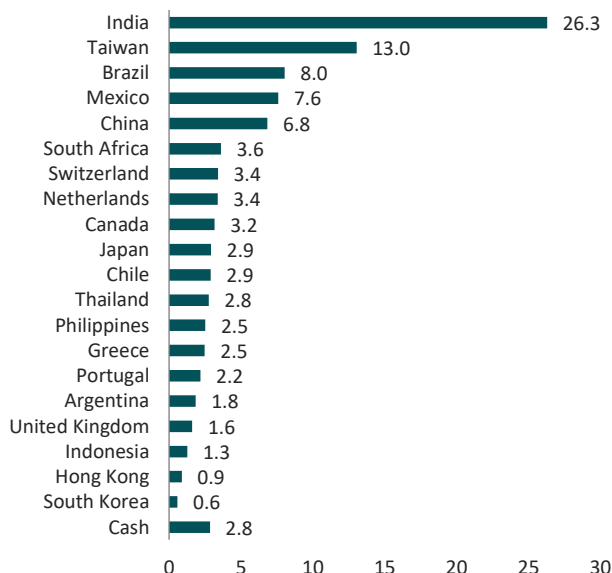
## REGIONAL WEIGHTS



## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## THE FUND AT A GLANCE




Feature	Fund Facts
APIR code	BFL3229AU
Benchmark	MSCI Emerging Markets Index (AUD)
Investment objective	Achieve long-term capital appreciation through investing in companies, operating in, or exposed to, emerging markets
Portfolio managers	Glen Finegan, Nicholas Cowley, Michael Cahoon
Active stock limit	+10%
Cash	0-10%
Recommended investment period	Long term (five years plus)
Buy/sell spread	+/-0.3%
Entry/exit fees	Nil
Management fees & costs*	1.10% p.a. of Net Asset Value of the fund

## HOW TO INVEST

The fund is open to investors directly via the PDS (available on our [website](#)) or via the following platforms: AMP North - BT (Panorama) - Hub24 - Macquarie Wrap - Netwealth - Mason Stevens - Powerwrap - Praemium

Visit [how to invest](#) to find out more.

## GET IN TOUCH

-  [skerryvoream.com](https://www.skerryvoream.com)
-  1800 895 388 (AU) or 0800 442 302 (NZ)
-  [client.experience@bennelongfunds.com](mailto:client.experience@bennelongfunds.com)

Data as of 30 August 2024

Source: Landy Tech

\*Management fees and costs consist of annual management fee rate and capped recoverable expenses. For a detailed split of the fees and costs, please refer to the fund(s) PDS.

# Disclaimer

## Information for investors in Australia and New Zealand

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Effective 1 August 2024, following regulatory approval, from the UK's Financial Conduct Authority, BennBridge became a wholly owned subsidiary of Skerryvore AM LLP ("Skerryvore") and now trades as Skerryvore Asset Management.

Collectively, BennBridge and Skerryvore are referred herein as the Investment Manager or Firm. The registered office of the Firm is Windsor House, Station Court, Station Road, Great Shelford, Cambridge CB22 5NE.

Skerryvore is majority owned by eight partners, with Bennelong Funds Management Group Pty Ltd, the parent company of BFML, holding a minority stake in Skerryvore.

In addition, BFML has been appointed to act as a distributor for the Firm in relation to this Fund in Australia and New Zealand and with regards to the Firm's strategy(s) in certain other Agreed Jurisdictions as defined in a distribution agreement dated 1 August 2024.

For the purposes of this disclaimer "Fund" refers to the fund and/or share class described herein.

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You should also consider the relevant Information Memorandum (IM) and or Product Disclosure Statement (PDS) which is available on the BFML website, [bennelongfunds.com](http://bennelongfunds.com) or by phoning 1800 895 388 (AU) or 0800 442 304 (NZ). Information about the Target Market Determinations (TMDs) for the Bennelong Funds is available on the BFML website.

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The terms of investment in any of the Funds described herein (or any other fund) are solely set out in the relevant Fund's prospectus or private placement memorandum (including any supplements or key investor information documents thereto), as the case may be, application forms/or memorandum and articles of association or limited partnership agreement or instrument of incorporation or other constitutional documents, as the case may be (collectively, the "Fund Documents"). Any decision to purchase securities or interests with respect to the Fund described herein must be based solely upon the information contained in the Fund Documents, which must be received and reviewed prior to any investment decision. Before acquiring an interest in any Fund, each prospective investor is required to confirm that they have carefully reviewed the various risks of an investment in the Fund, as set out in the Fund Documents, and is required to acknowledge and agree to the existence of any actual and potential conflicts of interests described in the Fund Documents and waives, to the fullest extent permitted by any applicable law, any claim with respect to the existence of such conflicts. Any person subscribing for an investment must be able to bear the risks involved (including the risk of a total loss of capital) and must meet the suitability requirements relating to such investments. Some or all alternative investment programmes may not be suitable for certain investors. Any investment in the Fund should be viewed as medium to long term. Past performance does not predict future returns.





# Disclaimer

Among the risks we wish to call to the particular attention of prospective investors are the following:

- Investments in Emerging Markets can involve a higher degree of risk.
- The Fund's investment programme is speculative in nature and entails substantial risks.
- The investments of each Fund may be subject to sudden and large falls in price or value and there could be a large loss upon realisation of a holder's investment, which could equal the total amount invested.
- The Fund does not hedge currency exposure. If the currency of the share class is different from the local currency in the country in which you reside, the figures shown in this document may increase or decrease if converted into your local currency.
- Equity prices fluctuate daily, based on many factors including general, economic, industry or company news. In difficult market conditions, the Fund may not be able to sell a security for full value or at all. This could affect performance and could cause the Fund to defer or suspend redemptions of its shares.
- The Fund may be leveraged.
- A substantial portion of the trades executed for the Fund take place on non-AUS exchanges.
- The use of a single adviser group could mean a lack of diversification and, consequently, higher risk, and may depend on the services of key personnel, and if certain or all of them become available, the Fund may prematurely terminate.
- An investment in the Fund is illiquid and there is no secondary market for the sale of interests in the Fund and none is expected to develop.
- There are restrictions on transferring interests in the Fund.
- The Fund is not a mutual fund pursuant to, and therefore is not subject to regulation under, the United States Investment Company Act.
- The members of the Bennelong Group and their affiliates may receive performance-based compensation, which may result in riskier investments, and the Fund's fees may offset trading profits.
- The Fund is subject to certain conflicts of interest.

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