

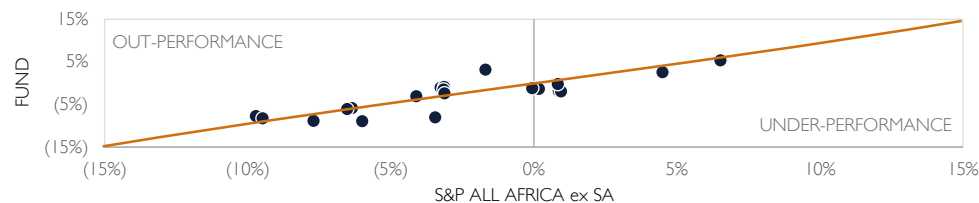
# Renasset Africa ex S.A. Fund



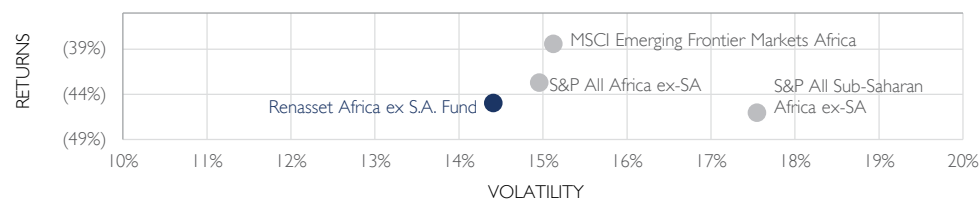
## Fund Objective

The Fund seeks long-term capital appreciation through investment primarily in a portfolio of African Securities excluding South-African Securities. The Fund Manager uses a bottom-up approach to develop both stock and thematic views. Having an African based team gives a local perspective within a global firm that concentrates solely on Frontier and Emerging Markets. The Fund Manager's stock picking style is a combination of proprietary valuation models, target prices, stock market capitalisation, liquidity and view of management's quality.

## Active Monthly Returns<sup>1</sup> (Since Inception to 29 February 2016, C Share Class, Monthly, %)



## Total Return / Volatility<sup>1</sup> (Since Inception to 29 February 2016, C Share Class, %)



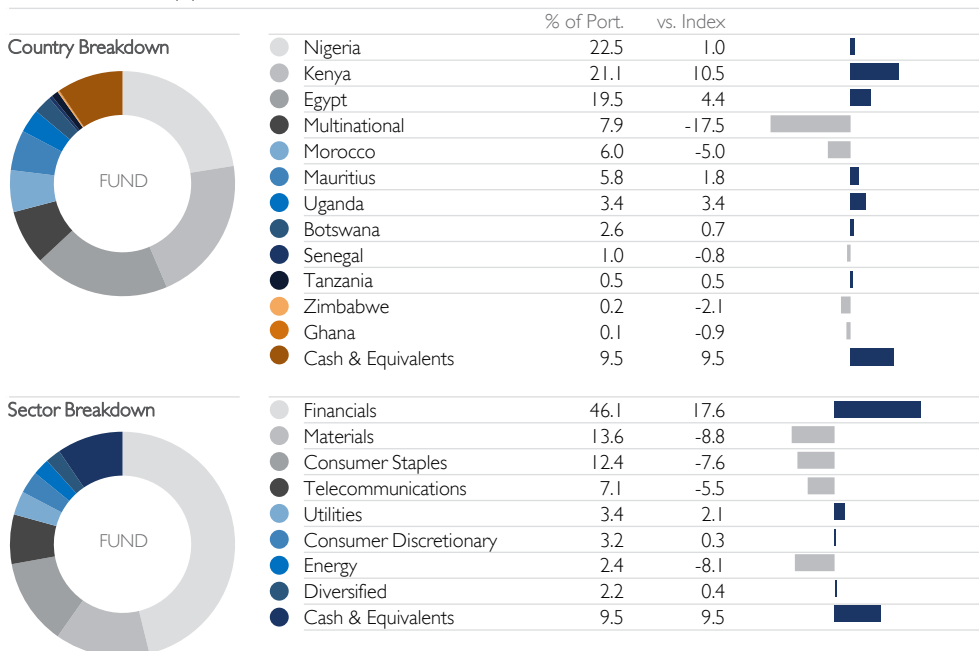
## Cumulative Performance<sup>2</sup> (%)

	1mth	3mth	6mth	YTD	Since Inception
C USD	2.6%	-6.6%	-11.2%	-6.5%	-45.0%
Index <sup>3</sup>	4.5%	-2.8%	-9.8%	-3.6%	-42.7%

## Annual Performance<sup>2</sup> (%)

	2014	2015
C USD	-20.4%	-26.1%
Index <sup>3</sup>	-18.3%	-28.6%

## Portfolio Overview<sup>4</sup> (%)



## Investment Process

- Long only
- Bottom-up stock picking
- Blend of quality, risk and value
- Fundamental research with target prices building a Fund focused on stocks with greatest upside while taking advantage of unique themes specific to Africa

## Fund Summary

Fund Type	UCITS IV
Domicile	Dublin
Currency	USD
Index	S&P All Africa ex- South Africa Capped Net Total Return Index
Fund Manager	Sven Richter
Launch Date	26 June 2014
AuM	USD 26.3m

## Portfolio Characteristics

	Fund	Index
(%) Volatility	14.4	15.0
(%) Active Share	57.3	
(%) Tracking Error	7.92	
Information Ratio	-0.22	

## Financial Ratios

	Fund	Index
Price Earnings (12 months forward)	8.7	13.9
Price to Book	2.5	3.6
Return on Equity	21.4	16.5
Dividend Yield	4.5	3.2

## Top 10 Holdings, %

Randgold Resources	5.8%
Zenith Bank	5.0%
Commercial International Bank	4.7%
Eastern Tobacco	4.7%
Safaricom	3.9%
Attijariwafa Bank	3.8%
Equity Group Holdings	3.7%
MCB Group	3.7%
Umeme	3.4%
KCB Group	3.4%

## Market Cap, %

> 5 Bln	17.6
1-5 Bln	47.5
< 1 Bln	24.8

<sup>1</sup> Performance based on monthly total returns in USD, since inception, net of fees, excluding initial charge. <sup>2</sup> Performance based on monthly total returns in USD, net of fees. <sup>3</sup> The benchmark of the Fund is S&P All Africa ex-South Africa Capped Net Total Return Index. <sup>4</sup> Performance is from inception of share class to year end. Past performance is not a guide to future performance. The value of investments may go down as well as up and investors may lose money. SOURCE: Unless otherwise stated, all data sourced from Bloomberg as at 29 February 2016.

# Renasset Africa ex S.A. Fund



## Performance and Fund Manager Activity

In February the Renasset Africa ex S.A. Fund (Class C) gained 2.6% which was behind the Standard & Poor's All Africa ex-South Africa which gained 4.5%. The underperformance was mainly attributable to the underweight in gold stocks and in particular Randgold Resources. Although Randgold is the fund's largest holding, this stock makes up more than 10% of the benchmark, and thus the 27% rally in the share drove the benchmark's outperformance. Outside of this stock the fund benefitted from a strong selection effect in its Egyptian holdings which relates to a rally in Oriental Weavers and Egypt Tobacco. The fund was negatively affected by a 12% decline in Zenith Bank which drifted lower on macro concerns.

During the month we continued to reduce the fund's exposure to Nigeria whilst rebalancing remaining exposure to strong companies that can prosper despite the controls in the currency market. The core of the fund now sits in near equal weightings of Nigeria, Egypt and Kenya. The largest underweight remains the multinational mining stocks, as many of these companies we believe could have their balance sheets at risk in a low commodity price environment. We have begun to rebuild a position in Zimbabwe, as the selloff in the market has improved the risk return potential. UCITS rules will however limit the potential size of this position.

## Market Commentary

A return of moderate risk appetite has driven a rally in emerging markets since late January. This fed through to African markets with the Egyptian, Kenyan, Nigerian and Moroccan markets rallying 5.4%, 5.1%, 1.7% and 1.2% respectively in February in USD terms. Somewhat counterintuitively, in the midst of this risk driven rally we have seen a strong rally in the gold price year to date which has supported the London and Toronto listed gold counters in the fund's universe.

The Nigerian Government and Central Bank continue to maintain the currency peg through restricting access to US Dollars at the official rate to specific areas of the economy. We have recently been disappointed that the President and Central Bank Governor have seemingly backtracked from moving towards a managed devaluation to a more hardline currency stance. We expect that this will put further strain on the Nigerian economy in the short to medium term. The fund's Nigerian exposure is positioned towards companies with the balance sheet strength and management expertise to deal with these headwinds.

The macro data out of Kenya on the other hand points to an improving macroeconomic environment. Low oil prices and recovering tea prices have strengthened the country's balance of payments. The el Niño effect, whilst relatively severe elsewhere in the world, was somewhat benign in Kenya, and thus food security has been improving. Stock prices are low, risks are subsiding, and thus we remain comfortable that Kenya is the fund's largest overweight position.

## Outlook

Economic risks in the fund's region are currently heightened, but medium term growth is still forecast to be comfortably above the global average in most of these countries. Current price weakness in the markets has provided an opportunity to position the fund in the best quality companies which look positioned to benefit from this growth. As such we are still bullish on the fund's long term prospects, but remain cognitive of the need to guard against short term risks.

In the shorter term there is still some momentum in the emerging market rally, but this is vulnerable to market views on US Fed tightening and Chinese growth. In March will also see an acceleration in earnings releases which could drive market movement and also give us some timely insight into underlying operating conditions for these companies.

## Contacts

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SOURCE: Bloomberg as of 29 February 2016, unless stated otherwise. **Past performance is not a guide to future returns.**

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Fund Facts	
Management Fee	1.25%
Initial Min. Investment	USD 1,000,000
Dealings	Daily
Redemptions	Daily
Redemption Notice	T+3
Redemption Fee*	3.0%
Administrator	Northern Trust Fiduciary Services (Ireland) Limited
Entry Charges*	5.0%
* At Investment Manager discretion.	
Launch Date	
C USD	26.06.14
Launch Price	
C USD	10.00
Current NAV	
C USD	5.50
Bloomberg Codes	
C USD	RAMAXSC ID
ISIN Codes	
C USD	IE00BKY6CH40