



MONTHLY SUMMARY

- The MSCI Emerging Latin America Net Total Return index declined 8.1% in USD in August.
- In Brazil, real GDP growth accelerated to 1% YoY (or 0.4% QoQ) in 2Q19, as domestic drivers (e.g. household spending and investment activity) strengthened.
- In August, Hapvida (Brazil, health care), IRB (Brazil, reinsurance) and Femsa (Mexico, consumer staples) were the top performers within the Alquity Latin America Fund.

PERFORMANCE OVERVIEW

	2015	2016	2017	2018	2019
JAN		0.8%	-0.1%	0.2%	13.2%
FEB	0.3%	4.8%	4.3%	-3.4%	-5.9%
MAR	2.3%	6.3%	2.8%	-4.2%	-4.8%
APR	0.6%	4.2%	-1.6%	0.8%	-0.8%
MAY	-2.1%	-4.0%	0.6%	-8.9%	3.7%
JUN	-3.9%	16.7%	-2.7%	-5.8%	4.4%
JUL	-1.8%	7.5%	6.1%	5.4%	6.5%
AUG	-4.9%	-0.3%	7.6%	-9.6%	-7.7%
SEP	0.4%	2.2%	-1.4%	2.3%	
OCT	3.2%	9.6%	1.3%	10.1%	
NOV	-1.3%	-14.2%	-6.5%	-0.1%	
DEC	0.6%	2.0%	5.6%	0.6%	
ANNUAL	-8.4%	37.9%	16.0%	-13.6%	7.0%



PERFORMANCE SUMMARY:

1 Month:	-7.7%	1 Year:	21.1%
3 Months:	2.6%	3 Years:	5.3%
6 Months:	0.5%	Inception:	35.5%
Year to Date:	7.0%	Annualised:	6.9%

VOLATILITY

1Y 21.5%

3Y* 19.7%

BETA***

0.72

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

TURNOVER**

16.4%

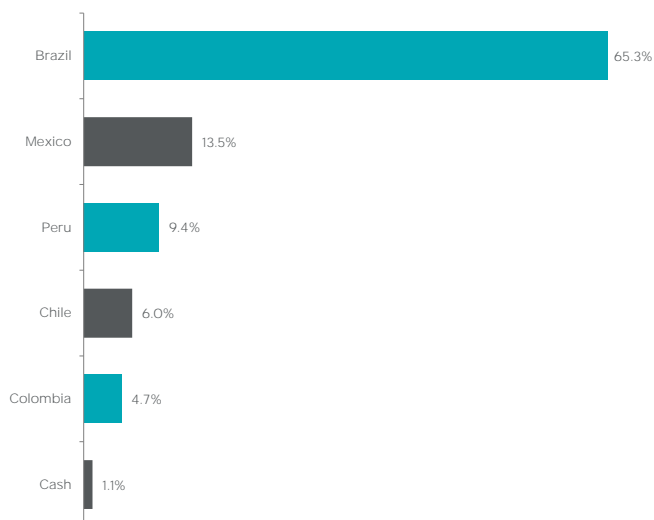
**Average turnover of holdings (annualised) since the fund's inception

ACTIVE SHARE***

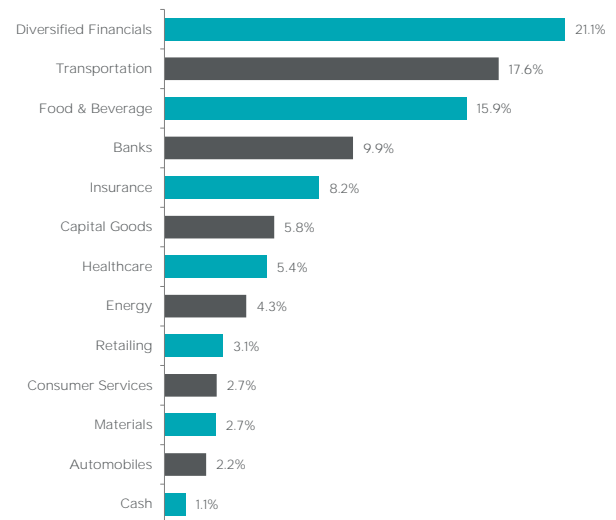
88.1%

***Index used for reference purposes only - the fund is not benchmarked. See overleaf for details of index used.

GEOGRAPHIC ALLOCATION



SECTOR ALLOCATION



MONTHLY UPDATE

The MSCI Emerging Latin America Net Total Return index declined 8.1% in USD in August, due to the elevated degree of global risk aversion induced by the escalation of trade tension between the US and China. In this environment, the majority of the Latin American stock indices declined.

According to the latest macroeconomic indicators, the cyclical recovery in Brazil continued and gained further momentum. Real GDP growth accelerated to 1% YoY (or 0.4% QoQ) in 2Q19, as domestic drivers (e.g. household spending and investment activity) strengthened. Forward-looking indicators, such as business confidence, imply that the domestic economic momentum could further strengthen in the coming months. Meanwhile in Mexico, real GDP growth was revised down to -0.8% YoY in 2Q19, due to a broad-based weakness in the underlying economy. Meanwhile in Colombia, economic growth accelerated to 3% YoY in 2Q19 primarily driven by domestic demand. The central bank in Peru decreased the policy interest rate by 25bp to 2.50% in order to support the growth of the domestic economy.

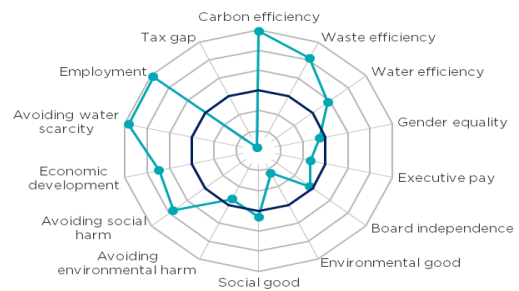
In August, Hapvida (Brazil, health care), IRB (Brazil, reinsurance) and Femsa (Mexico, consumer staples) were the top performers within the Alquity Latin America Fund. In contrast, Kroton (Brazil, education), Ultrapar (Brazil, refining) and M Dias Branco (Brazil, packaged food) were the greatest detractors.

TOP 10 HOLDINGS

1.	CCR	8.4%
2.	BB Seguridade	8.2%
3.	Itau Unibanco	7.1%
4.	Grupo Aeroportuario del Sureste ADR	5.1%
5.	Inversiones La Construccion	5.1%
6.	Porto Seguro	4.9%
7.	Fomento Economico Mexicano	4.5%
8.	Brasil Bolsa Balcao	4.4%
9.	Alicorp	3.9%
10.	Localiza Rent a Car	3.6%

ESG: IMPACT MEASURES

The impact chart below compares the performance of Latin America Fund holdings (purple line) versus the MSCI EM Latin America Index (blue line). Any score inside the blue circle indicates a factor in the portfolio is worse than the index.

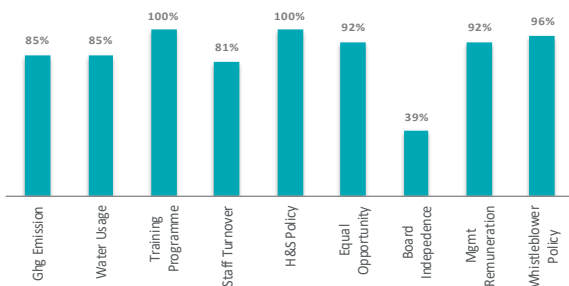


The table below reports the quantitative impact of the Latin America Fund relative to the MSCI EM Latin America Index on our ESG metrics in the chart above.

Metrics	Fund	Index	Based on company reported	Estimated	SDG Relevance
Carbon efficiency	0.08	0.28	tons of GHG (Scope 1 & 2) emissions per unit revenue	28%	7
Waste efficiency	0.06	1.51	tons of waste generated per unit revenue	36%	6, 12, 14, 15
Water efficiency	2.57	22.76	litres fresh water used per unit revenue	30%	6
Gender equality	12.6%	12.8%	percentage of women in boards and top management	5%	5
Executive pay	35.1	34.8	ratio of executive level pay to median employee pay	100%	10
Board independence	39.9%	40.2%	independent board members	5%	10, 16
Environmental good	0.0%	4.6%	portfolio allocated to environmental solutions	n/a	most SDGs
Social good	30.3%	29.0%	portfolio allocated to help alleviate social issues	n/a	most SDGs
Avoiding environmental harm	11.1%	10.2%	portfolio allocated to environmentally destructive industries	n/a	most SDGs
Avoiding social harm	3.4%	6.8%	portfolio allocated to industries aggravating social issues	n/a	most SDGs
Economic development	\$ 13,800	\$ 15,300	median income of portfolio weighted geography of economic activity	n/a	16, 17
Avoiding water scarcity	1.72	2.05	geographic water use (World Resource Institute scale 0-5 from most to least water scarce areas)	n/a	16, 17
Employment	7.3%	6.9%	unemployment in portfolio weighted area of economic activity	n/a	1, 8, 11, 12, 16
Tax gap	4.83%	3.71%	estimated % tax avoided by corporate tax mitigation schemes	n/a	1, 9, 10, 16

ESG : KEY PROGRESS INDICATORS

Percentage of Latin America Fund holdings meeting each KPI standard



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.

Source: Alquity

Source: Impact Cubed. Please contact us for details of full methodology

TRANSFORMING LIVES

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

DONATIONS GENERATED BY THE INDIAN SUBCONTINENT FUND:	\$173,514
LIVES TRANSFORMED DIRECTLY:	255
LIVES TRANSFORMED INDIRECTLY:	148

Total Lives Transformed by Alquity



Total Donations generated by Alquity



Data correct at 28 Feb 19

Source: Alquity Transforming Lives Foundation

FUND FACTS

Fund :	Alquity Latin America Fund
Share Class :	Y Class
Inception Date :	30/01/2015
Fund AUM :	US\$ 15.9m
Number of Holdings :	28
Fund Structure :	UCITS IV SICAV
Domicile :	Luxembourg
Liquidity :	Daily
Fund Manager :	Roberto Lampi
Morningstar Rating :	No Rating
Minimum Investment :	£2,500,000
Annual Management Fee :	0.90%
Performance Fee :	None
ISIN :	LU1070051294
SEDOL :	BTJRGO2
Bloomberg Ticker :	ALQLAGY

FUND OBJECTIVE

The Alquity Latin America Fund is equity focused and targets attractive risk-adjusted returns over the long-term by investing in public companies across Latin America. Our portfolio is unconstrained and 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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For more information about the Alquity Transforming Lives Foundation please visit www.alquityfoundation.org



Index used for Beta: MSCI EM Latin America
Index used for Active Share: iShares MSCI EM Latin America
(Index is used for reference purposes only - the fund is not benchmarked)

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