



# Market Access QIAIF ICAV Asian Opportunities Fund

## Fund description

The Market Access QIAIF ICAV Asian Opportunities Fund (the "Fund") is a regulated fund authorised by the Central Bank of Ireland, and is subject to the Irish AIFM Regulations. The investment objective of the Fund is to generate capital growth and income over the long term.

## Investment policy

The fund seeks to achieve its investment objective by investing primarily in shares of Asian financial institutions.

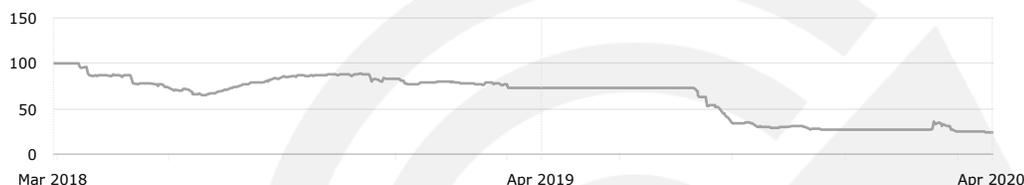
The fund may also invest in preference shares, money market instruments, bank commercial deposits, convertible bonds, and/or other eligible financial instruments determined by the Investment Manager.

The Investment Manager's approach to building a quality value portfolio employs a robust methodology that utilizes a disciplined value approach and quality metrics. The Investment Manager's objective is to construct a portfolio of the cheapest, highest quality value investments to maximize the alpha of the fund's portfolio.

## Fund details

<b>Fund type</b>	Qualifying Investor Alternative Investment Fund
<b>Legal name</b>	Market Access QIAIF ICAV
<b>Legal form</b>	ICAV
<b>Fund domicile</b>	Ireland
<b>Investment manager</b>	China Post Global (UK) Limited
<b>AIFM</b>	FundRock Management Company S.A.
<b>Depository</b>	European Depository Bank SA Dublin Branch
<b>Administrator</b>	Apex Fund Services (Ireland) Limited
<b>Auditor</b>	Ernst & Young
<b>ISIN</b>	IE00BYV3WD24
<b>Bloomberg Ticker</b>	MAQIAOB Equity
<b>Inception date</b>	29 March 2018
<b>Investment Manager Fee</b>	1.00%
<b>Fund currency</b>	USD
<b>Fund NAV</b>	USD 24.1445
<b>Total Fund assets</b>	USD 116,681,283

## Historical Fund performance



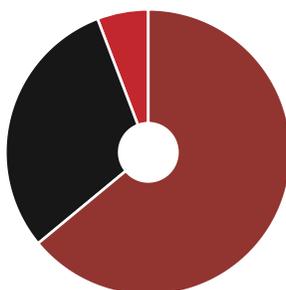
	1M	1Y	3Y	Since inception	Annualised return
<b>QIAIF ICAV Asian Opportunities Fund</b>	-1.65%	-66.93%	N/A	-75.86%	-49.28%

Source for all data: CPG and Bloomberg, 29 April 2020

Launch date of the fund was 29 March 2018

> **Note: Past performance cannot be relied on as a guide to future performance.**

## Portfolio composition



Asian Preference Shares & Equity Related Securities	64.01%
Asian Equities	30.20%
Cash	5.79%

## To find out more

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## Market commentary

The shock of the epidemic paralyzed China's economy in 20Q1 but introduces a friendly environment after it ends. Growth has only showed signs of recovering from domestic structural reforms and external shocks when there are favourable developments on both sides. Policies are set to turn accommodative to support small and medium enterprises and achieve the goal of eliminating poverty. The US-China phase one deal also offers some relief, and hopefully could alleviate the uncertainty and promote manufacturers' confidence.

Outlook towards the Chinese equity market is altered by the uncertainty, going from cautiously optimistic to neutral in the short-term as the epidemic dominates market sentiment and volatility rises. However, the probability of a market collapse is remote after the plunge of mainland equity markets on the first trading day following the Lunar New Year holiday. In the medium-term equity markets may shake off the shock by mid-2020 and deliver a satisfactory return for 2020. In the long-term, this epidemic or pandemic is unlikely to disrupt the current course of economic growth and the equity markets. Although recent oil price plummet and potential re-escalation of US-China trade disputes pose notable risk.

Sector wise, healthcare is an apparent winner as well as large cap names, while consumer services, real estate and construction related sectors are tested. The epidemic and containment shock threatens small and medium enterprises with less reserves, particularly those in consumer service sub-sectors such as restaurants, hotels and travel agencies, leaving market share to the larger survivors. These sub-sectors are packed with small and medium enterprises and employ over 30 million employees. Financial data of listed companies in these sub-sectors shows that a loss of income for 3 months will erode the profits of 3-4 quarters, making it difficult for them to make ends meet given that the loss is not recoverable. Weak real estate developers may suffer losses, or even be driven out of business, as housing sales plummet in response to containment measures, jeopardizing property developers' high turnover strategy that relies on high sales growth. Construction related sectors are being tested due to the prohibition of construction activities and the expected fall of fiscal spending on infrastructure investment.

The Hang Seng Index saw a correction after the epidemic unfolded and may resume an optimistic trajectory by mid-2020, if the base scenario is realized and the phase one deal is honoured. Sentiment remains fragile as the epidemic is ongoing and its impact on the economy is yet to be known. Earnings growth was expected to pick up in 20H1 following the mainland producer price index, and now the recovery may be delayed until 20Q2. However, 20Q3 presents another risk event in the election of the Legislative Council of Hong Kong, which may introduce some pressure on the market. Local names are under stress as uncertainty is rising and continues to erode their profitability. Mainland names, however, are largely immune to the uncertainty, and may benefit from an improved climate in the manufacturing sector and infrastructure spending on certain sectors such as 5G.

## Key risks

Investors in the fund are exposed to fluctuations in equity prices which can go down as well as up and may be subject to significant volatility due to market conditions. Investors can lose up to the amount initially invested.

Changes in foreign exchange rates may affect the value of your investments.

The fund carries the risks associated with investing in the Asian stock markets. Investors in the fund may be affected by local market conditions including political, economic and regulatory developments in Asia.

A fund may hold equity and equity like interests in entities. Equity is subordinate to all other claims into an underlying investment and therefore can experience a low or zero recovery in the event of an insolvency or winding up of the underlying business or entity.

A fund may invest up to 100% of its net assets in one or more securities or cash. In the event that inflation rises significantly over the medium to long term the nominal value of a fund's assets may decrease and inflation may diminish the real value of the fund's investments over time.

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