

Japan Equity High Conviction (I2) JPY

SMD-AM FUNDS | MONTHLY FACTSHEET

Data as of 30 June 2024

Investment Objective

Maximise total return over the medium-to-long term by focusing on fundamentals and concentrate investments on stocks that differ significantly between strategy's analysis and market expectations. The target return is the reference benchmark +5%.

Product Description

This product is actively managed and seeks to achieve mid-to-long term capital growth through investing primarily in equities or equities-related securities issued by Japanese companies. The product is limited to a maximum of 30 holdings and aims to generate excess returns in any market environment by utilising a bottom-up investment approach focusing on "Micro Leading Indicators" that are directly linked to corporates' near-term earnings.

Investor Profile

Institutional and wholesale investors seeking to participate in the capital market performance of an actively managed, SFDR Article 8 compliant, concentrated Japanese equity portfolio. The Sub-Fund is therefore suitable for investors who can afford to invest their capital over the longer term.

Key Facts

ISIN [S - JPY]	LU2786909205
Bloomberg Ticker	SMHCJSH
Sub-Fund Domicile	Luxembourg
Legal Structure	SICAV
LEI	21380039FEH3QPIJV648
Regulatory Structure	UCITS
Investment Manager	Sumitomo Mitsui DS Asset Management Company, Limited
SMDAM (UK) LEI:	213800U65SVAMEAI6V90
Strategy Inception	February 2020
Sub-Fund Inception	27 March 2024
Share Class Inception	27 March 2024
Portfolio Manager	Hideyuki TANIUCHI, CMA CFA
Base Currency	JPY
Available Currencies	JPY, USD, EUR, GBP, HKD
Investment Style	Value
EU 2019/2088 SFDR Regs: Article 8	The Sub-Fund is categorised under SFDR as Article 8. The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective.
Reference Benchmark*	TOPIX (with div)
Number of Holdings	30 Maximum
Fund AUM (million)**	USD 7.80 JPY 1,172.88
Strategy Size (million)**	USD 421 JPY 63,331
Administrator	Brown Brothers Harriman (Luxembourg) S.C.A.
BBH LEI	222100V03Y766EM5TZ83

* For performance comparison purposes and not to attain the SFDR environmental or social characteristics promoted by this Sub-Fund. **As at 30 June 2024

Investment Information

Investment Management Fee	Institutional (S) 0.45% p.a.
	Institutional (I2) 0.70% p.a.
	Wholesale (A) 1.20% p.a.
Max Man Co. Fee	0.05% p.a.
Trading Frequency	Daily
Dealing Cut-Off Time	16:00 CET

Daily Fund Performance vs. Reference Benchmarks

Performance data for 12 months is not available, therefore, we cannot provide performance data as this would be deemed insufficient to provide a useful indication of past performance.

Fund Performance Share class: (I2) JPY as at 30 June 2024

ISIN: LU2786909890 Fund: Net of Fees	July 2024 %	June 2024 %	May 2024 %	3 Months %	1 Year % p.a.	Since Inception %†
High Conviction	-	-	-	-	-	-
Reference benchmark: TOPIX (with div)	-	-	-	-	-	-
Excess Return	-	-	-	-	-	-

Performance Risk Warning

Past performance is not a reliable indicator of future performance and may not be repeated. An investment's value and the income deriving from it may fall, as well as rise, due to market fluctuations. Investors may not get back the amount originally invested. Any minor discrepancies are due to rounding. Performance is shown in JPY, the return may increase or decrease as a result of currency fluctuations, and is net of fees (after trading expenses).

Performance Disclaimers

Source for all Sub-Fund data is SMDAM and SMDAM (UK). Basis for (S) JPY share class performance data: NAV based, total return (net of fees), in JPY.

Where the Japan Equity High Conviction UCITS Fund performance is compared to TOPIX (with div) index performance, this is done for reference purposes only as the UCITS Fund is benchmark-agnostic.

† Inception date of Japan Equity High Conviction UCITS Fund (S) JPY is 27 March 2024.



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The prospectus and the Key Information
Document as well as the annual and semi-
annual reports may be obtained free of
charge from our website: www.smd-am.co.uk

Market Commentary

The Nikkei Stock Average closed June up 2.8% m/m at 39,583.08 and TOPIX up 1.3% at 2,809.63. The market was range-bound in early and mid-June as investors closely watched US economic indicators. In late June, although concerns regarding the political scene in Europe acted as a drag, Japanese stocks rallied on yen depreciation.

In early June, US long-term interest rates declined in reaction to weaker economic indicators there. When US technology stocks were bought, semiconductor-related names advanced on the Tokyo market, too. From mid-month, the Tokyo market was weighed down by selling due to position adjustments and profit taking. The Bank of Japan announced that it would decide on a plan for JGB purchase cuts in July. In late June, Japanese stocks rose owing to yen depreciation and a rise in US technology names. As the yen-dollar rate advanced to the ¥161/\$ range at one point, automobile stocks, among others, were upbeat. Semiconductor production equipment names were also bought against the backdrop of higher US technology stocks. Domestic long-term interest rates rose in reaction to moves by the Japanese central bank, and banking names and other financials performed well.

Performance data shown in JPY terms.

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Fund Characteristics

Top Ten Holdings	%	GICS Sector Weightings	
Tokio Marine Holdings Inc	6.78	<ul style="list-style-type: none"> ■ Industrials ■ Information Technology ■ Financials ■ Consumer Discretionary ■ Telecommunication Services ■ Health Care ■ Consumer Staples ■ Materials ■ Energy ■ Utilities 	
Mitsubishi UFJ Financial Gro	6.59		
Hitachi Ltd	6.15		
Mitsubishi Corp	5.57		
Softbank Group Corp	5.09		
Disco Corp	4.81		
Daiichi Sankyo Co Ltd	4.74		
Mitsubishi Heavy Industries	4.36		
Shin-Etsu Chemical Co Ltd	4.04		
Ibiden Co Ltd	3.44		
Total	51.57		

Source: SMDAM, as at 30 June 2024.

Risk warning: The organisations and/or financial instruments mentioned are for reference purposes only. Material content should not be construed as a recommendation for their purchase or sale.

NB: Futures positions constitute 2.38% of the portfolio as at 30 June 2024.

Institutional (I & S)

Share Class	ISIN	Minimum investment amount*	Subsequent investment amount*
I2, JPY	LU2786909890	JPY 30,000,000	JPY 6,000,000
S, JPY	LU2786909205	JPY 30,000,000	JPY 6,000,000
S, USD (UH)	LU2786909627	JPY 30,000,000	JPY 6,000,000

Wholesale (A)

Share Class	ISIN	Minimum investment amount*	Subsequent investment amount*
A, USD (H)	LU1767077123	JPY 200,000	JPY 100,000
A, USD (UH)	LU2786910047	JPY 200,000	JPY 100,000
A, EUR (H)	LU1767076828	JPY 200,000	JPY 100,000
A, EUR (UH)	LU2788607526	JPY 200,000	JPY 100,000
A, HKD (H)	LU2786910120	JPY 200,000	JPY 100,000
A, HKD (UH)	LU2786909114	JPY 200,000	JPY 100,000

(H) indicates hedged share class. (UH) indicates unhedged share class.

* JPY or the equivalent in other currencies



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This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID before making any final investment decisions.

The Sub-Fund is making disclosures as an Article 8 fund for the purposes of the SFDR.

