



## INVESTMENT OBJECTIVE

To provide investors with attractive risk-adjusted returns over the long-term by investing in high quality companies in the Asia ex Japan region.

## PORTFOLIO UPDATE

The MSCI Asia ex Japan Index (Index) was up +0.2% in AUD terms in February. Asian markets rose significantly early in the month to be up 7.7%, but softened after the Chinese domestic market reopened following the Lunar New Year break (mid-month) due to profit taking and further corrected towards month-end amid the broader global market sell-off due to rising bond yields. Hong Kong (+3.6%) and India (+3.5%) were the best performing markets in the region with the latter supported by a positive market response to the national budget. Thailand (-2.1%) and China (-2.0%) were the worst performing markets. On a sectors basis, Energy (+8.8%) and Real Estate (+7.1%) significantly outperformed amid a global market rotation from growth to value while defensive sectors Healthcare (-5.2%) and Consumer Staples (-4.3%) underperformed.

The Orca Asia Fund (Fund) returned -0.3%, underperforming the index by 0.5%. JOYY (+26.8%) was the top performance contributor for the month as the company completed the sale of its YY Live business to Baidu, removing any doubt that all conditions would be met. HDFC Bank (+7.7%) also contributed significantly to the Fund's performance as the India budget included policy measures to promote the healthy development of the financial sector. On the other hand, the Fund's overweight position in Alibaba Group (-7.3%) detracted from the performance. The Fund's position in Alibaba was moved to overweight recently, on the basis that the concerns on regulatory pressure were overdone in the market. Zhejiang Chint (-9.0%) also held back performance. The company, which generates approximately 40% of revenues from solar farm operations, declined for the second consecutive month following a strong share price move in December 2020. In late 2020 President Xi announced that China aims to be carbon neutral by 2060, generating broad appeal for renewable energy companies, some of which has dissipated in the new year.

## PORTFOLIO MANAGERS



**Ted Alexander**  
Portfolio Manager



**Ying Luo**  
Assistant  
Portfolio Manager

Unit price (exit)	Fund size	12-month Distribution yield (target: 4%)	Annualised performance since inception (25 July 2017) <sup>1</sup>
<b>\$1.4668</b>	<b>\$113.3 million</b>	<b>3.6%</b>	<b>9.4%</b>

Units on issue: 77,122,953

## FUND PERFORMANCE<sup>1</sup>

	1 Month	3 Months	6 Months	1 Year	2 Years (p.a.)	3 Years (p.a.)	Since Inception (p.a.)
Orca Asia Fund	-0.3%	4.8%	11.8%	11.8%	14.6%	–	9.4%
MSCI Asia ex Japan Index (Net, AUD)	0.2%	7.2%	17.8%	19.3%	14.3%	–	8.9%
Excess Return	-0.5%	-2.5%	-6.0%	-7.5%	0.3%	–	0.4%

Note: Numbers may not sum due to rounding.

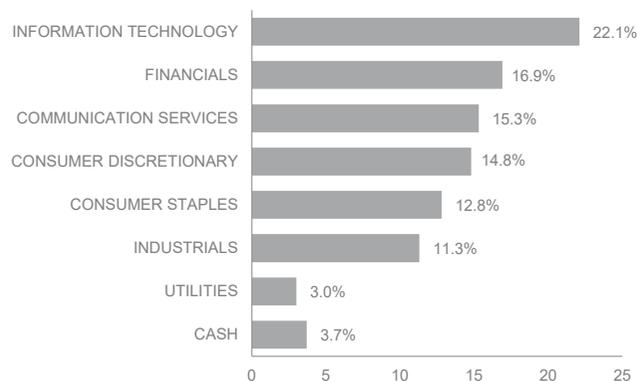
## TOP 10 PORTFOLIO HOLDINGS

Alibaba Group	Techtronic Industries
CP ALL PLC	Tencent Holdings
HCL Technologies	TSMC
Ping An Insurance Group	Uni-President Enterprises
Samsung Electronics	United Overseas Bank Ltd

## PERFORMANCE CHART<sup>1</sup>

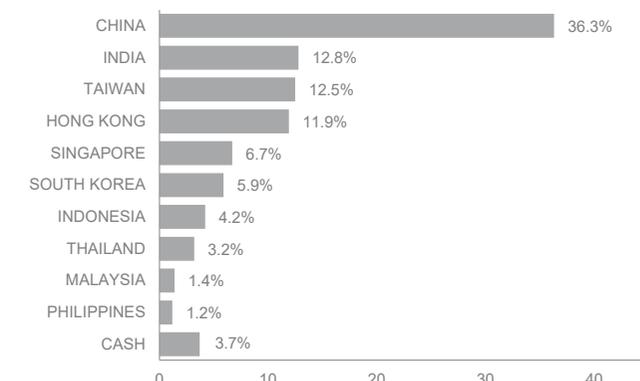


## SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data at 28 February 2021 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 14 May 2018. Chart data range: 14 May 2018 to 28 February 2021. Initial index value 1,000. Index Source: Bloomberg.



# ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 31 December 2020, collectively manage over \$790 million of funds.

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## IMPORTANT INFORMATION

This report has been prepared by Orca Funds Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Orca Asia Fund (**Fund**) (ARSN 624 216 404). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the Responsible Entity of the Fund. For further information on the Fund please refer to the PDS which is available at [orcafunds.com.au](http://orcafunds.com.au).

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