

# FACTSHEET (R USD)

31 August 2022



## Investment Focus

The objective of the Fund is to achieve long-term capital growth by investing in listed African equities which will benefit from various socio-economic structural changes unfolding in Africa. These include the demographic wave driven by a growing African middle class and the digital revolution unfolding throughout the continent.

The capital allocation of the Fund follows a robust 'Quantamental' approach combining crucial top down risk management, quantitative stock filtering process and solid bottom-up analysis. This disciplined framework guides the decision making process throughout the investment cycle, starting from mega trend identification till execution.

## Price Data

I Class - USD	10.9393
I Class - EUR	10.8809
I Class - MUR	487.3862
R Class - USD	9.4852
R Class - EUR	8.8435
R Class - MUR	468.6843

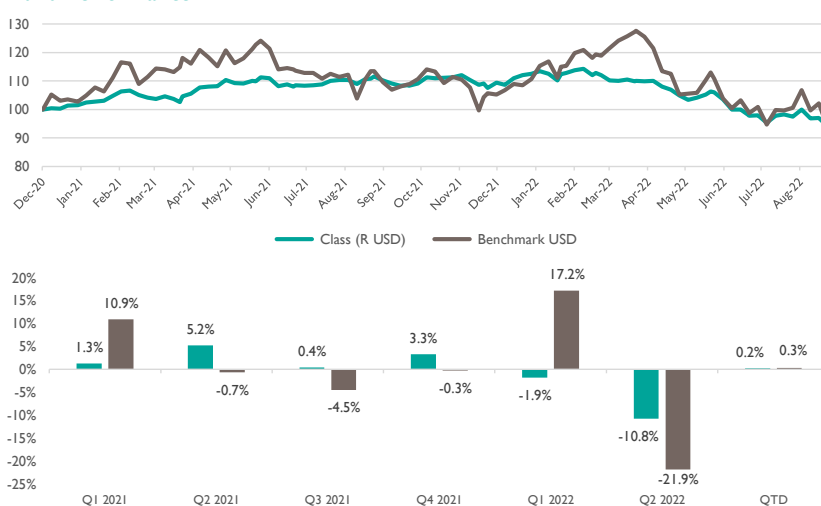
## Fund Facts

ISIN	-
Bloomberg Ticker	-
Investment Manager	AXYS Investment Partners
Inception Date	11 December 2020
Benchmark	MSCI EFM Africa Index
Management Fee - R	2.0%
Management Fee - I	1.5%
Entry Fee	Up to a maximum of 2%
Exit Fee	Up to a maximum of 2%
Minimum Investment	R: USD 1,000 or equiv. I: USD 100,000 or equiv.
Liquidity	Weekly
Sub/Red Cut-off	Friday 11:00am MRU Time

## Key Figures - as of end of month

Asset Under Management (USD)	2,927,428
Number of Holdings (ex. Cash)	38
Market Cap (M USD weighted)	4,397
Price/Book (trail. weighted)	2.9x
Price/Earnings (trail. weighted)	10.1x
Dividend Yield (trail. %)	5.13%
Active Share	>90%
Beta	0.3
Volatility	8.5%
Tracking Error	4.7%
Risk Adjusted Return	-0.4
Information Ratio	-0.1
Largest Upside (weekly)	2.53%
Largest Drawdown (weekly)	-3.44%
No of upside returns (weekly)	48
No of downside returns (weekly)	40

## Fund Performance



## Performance as at 31 August 2022

	I Month	3 Months	YTD	I Year	Since Inception
Class R USD	-3.51%	-10.75%	-15.31%	-14.38%	-5.15%
Benchmark	-3.68%	-15.02%	-11.57%	-15.41%	-4.00%

## Market Review

### Northern Africa

**Morocco** – Over the month the MASI Free Float Index TR (USD) has been flattish +0.12% driven by Health Care, Materials and Utilities sectors. On the macro front, CPI accelerated in July to 7.7% YoY mainly driven by food prices +12.0% YoY. Unemployment rate dropped to 11.2% in 22Q2. Budget Deficit for 2022 as at July came down 58.0% YoY at US\$1.6B. External debt rose by 3.8% YoY in 22Q1 at US\$37.4B.

**Egypt** – Over the month the EGX 30 Index TR (USD) rose by 5.1% driven by Telecom, Real Estate and Industrials sectors. Core CPI accelerated in July at 15.6% YoY. 22Q2 The CBE left the policy rates unchanged this month at 1125bps-1225bps. Unemployment rate remained unchanged on QoQ basis at 7.2%. Trade deficit dropped 35.8% in May at US\$2.6B on strong export momentum and declining import. June Industrial production rose 5.4% MoM.

**Tunisia** – Over the month the TUNINDEX Index TR (USD) climbed by 3.20% driven by Industrials, Consumer Staples and Energy sectors. GDP growth was 2.8% YoY in 22Q2 while unemployment rate declined to 15.3% during the same period. July CPI came at 8.2% or +0.1% MoM YoY driven by food inflation up 11.0%. Trade deficit dropped by 75% at US\$147.5M for the first half of 2022 driven by higher fiscal collection.

### Western Africa

**Nigeria** – Over the month the Nigerian Stock Exchange All Share Index TR (USD) returned -0.96% dragged by Materials. Annual inflation hits 17-year high as it increased to 19.6% YoY in July from 18.6% YoY in June, double the CBN target of 9% driven by both gas and fuel prices and higher food prices. Fitch revised up their 2022 real GDP forecast from 1.8% to 2.5%, reflecting upward oil price revisions while private consumption growth is expected to decelerate to 3.5% in 2022, compared to 3.7% in 2021.

**BRVM** – Over the month the BRVM Composite Index TR (USD) declined by -2.39% driven by Consumer Staples, Industrials and Materials. July CPI rose 11.0% YoY in Senegal (+2.6% MoM).

**Ghana** – Over the month, the GGSECI Index TR (USD) returned -14.18% dragged by Energy and Financials. Annual inflation stood at 31.7% YoY in July as compared to 29.8% YoY in June. PPI at 38.0% YoY in June as compared to 33.5% YoY in May. Government looking to borrow US\$3B from the IMF double the US\$1.5B it asked earlier, to build up buffers, to restore macroeconomic stability and debt sustainability. BOG increased the MPR by 300bps to 22.0% from 19.0% and increased the cash reserve ratio to 15.0% from 12.0% due to rising inflation and cedi depreciation vs USD.

### Eastern Africa

**Kenya** – Over the month, the NSE All-Share TR (USD) returned -2.03% dragged by Comm. Services. William Ruto wins the election with 50.5% against Odinga to become the 5th president of Kenya. Annual inflation increased to 8.3% YoY in July from 7.9% YoY in June. Q1'22 Private sector credit growth has hit a 5Y high, according to the CBK, this can be attributed to reversed interest rate controls in 2019 and post COVID recovery.

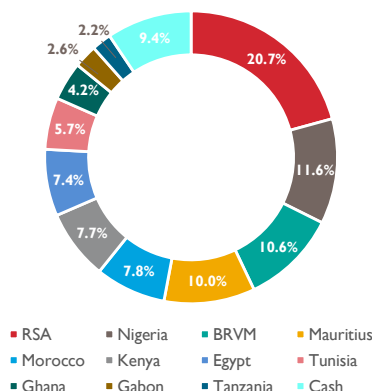
**Mauritius** – Over the month, the SEMDEX TR (USD) returned +5.49% driven by Financials and Cons. Discretionary. Annual inflation stood at 11.0% YoY in July as compared to 9.6% YoY in June. PPI at 18.5% YoY in July as compared to 17.6% YoY in June. Tourist arrivals at 470,640 from Jan-July 2022, representing 61.5% of 2019 levels during the same period.

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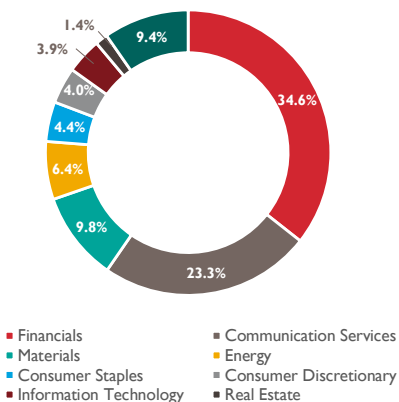
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## Geographic Split



## Sector Split



## Top 5 Positions

Naspers	4.0%
Seplat	3.8%
BIAT	3.8%
SGBC	3.6%
FirstRand	3.6%

## Top 3 Contributors (bps)

MCB Group	37
Telecom Egypt	29
Misr Fertilizers	23

## Top 3 Detractors (bps)

Airtel Africa	-90
Helios Towers	-47
Vaalco Energy	-45

## Market Cap Breakdown (USD)

Above 1B	49.9%
500M — 1B	8.2%
100M — 500M	31.0%
Below 100M	11.0%

## Market Review Continued

**Tanzania** – Over the month the DARSSEI Index TR (USD) returned +0.17% driven by Financials. Tanzania GDP grew by 5.4% YoY in Q1'22 compared to 5.0% growth achieved in Q1'21. Annual inflation up to 4.5% YoY in July from 4.4% YoY in June. Exports of goods and services increased 25.4% to USD 11.1B for H1'2022 compared to USD8.8B during the same period last year. Gold exports declined 11% to USD2.7B from USD3B for H1'22 compared to the same period last year. Travel receipts rose 96.0% to USD1.7B from USD0.9B for the period Jan-May 2022 compared to the same period last year driven by an increase of tourists by 76% for the same period.

## Southern Africa

**South Africa** – The FTSE / JSE All-Share Index (TR) was down 4.46% in August, dragged by Industrials and Healthcare as most sectors posted negative returns. Unemployment Rate fell to 33.9% in Q2'22, the lowest since Q1'21. Headline consumer inflation accelerated to 7.8% in July. Producer inflation edged closer to its 2008 all-time high, reaching 18% YoY in July, beating market expectations. Both imports and exports worsened in July, though trade surplus widened in as imports contracted the most.

## Portfolio Positioning

### Northern Africa

**Morocco** – Stock selection has been positive at the portfolio level with: HPS +10.61%, Disway +3.59% contributing positively by 17bps and 9bps respectively while BCP -0.02% and Maroc Telecom -0.73% have contributed negatively by 1bp and 0bp respectively. **Egypt** – Stock selection has been positive overall with the exception of Commercial Intl Bank Egypt -0.94% which has contributed negatively by 2bps at the portfolio level. Otherwise, Telecom Egypt +14.70%, Misr Fertilizers +13.98%, and Talaat Moustafa +5.55% all have contributed positively respectively by 34bps, 26bps and 8bps. **Tunisia** – Stock selection has been mixed-bag: Delice Holding -2.16% has contributed negatively by 4bps while BIAT +0.56% has contributed positively to the overall performance by 2bps.

### Western Africa

**Nigeria** – Returns on the Nigerian portfolio has been a mixed bag for the month: MTN Nigeria and Zenith bank were up 1.87% and 5.36% respectively, each contributing 6bps. On the other hand Seplat -7.08% and Airtel Africa -20.41% contubuting -29bps and -90bps. **BRVM and Gabon** – Stock selection has been negative overall with VAALCO -14.99%, Societe Ivoirienne de Banque -4.22%, Societe Generale -2.78%, Sonatel -2.04% and Endeavor Mining -1.0% have contributed negatively by 39bps, 11bps, 10bps, 6bps and 1bp respectively to the overall portfolio performance. **Ghana** – Over the month, stock selection was negative as both CAL Bank -13.81% and MTN Ghana -12.55% contributed negatively by 31bps and 33bps to the portfolio performance.

### Eastern Africa

**Kenya** – Returns on the Kenyan portfolio has been a mixed bag for the month: Diamond Trust Bank +1% and Kenya Reinsurance+1.46% contributed positively by 1bps and 14bps while Diamond Trust -2.73% and Kenya Reinsurance -0.34% contributed negatively to the overall performance by 1bp and 2bps respectively. **Mauritius** – The Mauritius portfolio was positive with the exception of Alteo, which was down 5.15%, contributing -13bps, while MCB +12.37%, ENL +2.45%, +1.73% contributed 37bps, 7bps and 0bps respectively. **Tanzania** – Helios Towers was down 17.78% over the month, contributing negatively by 47bps to the overall portfolio.

### Southern Africa

**South Africa** – The South African portfolio was mostly down over the month, with the exception of Naspers +0.15%, positively contubuting 1bps. MTN Group -13.09% contubuted -34bps. Miners were down as Glencore -2.12%, Impala Platinum -4.91% and Sibanye-Stillwater -7.59%, contributed -6bps, -13bps and -14bps respectively. Financials were also down as Nedbank -5.53%, Transaction Capital -3.94%, and FirstRand -4.76% contributed -15bps, -6bps, and -18bps respectively.

Note: Performance is reported in USD Total Return terms.

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