

iMGP Funds

iMGP Japan Opportunities

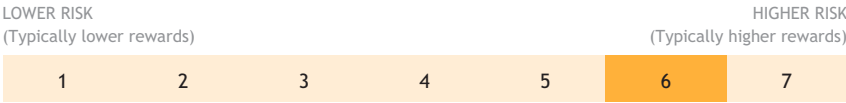
Managed by
Eurizon Capital SGR S.p.A.

Share class : I JPY
ISIN : LU0933609314
For qualified investors only

Investment objective

The objective of this Sub-fund is to provide its investors with capital growth; at least two thirds of the Sub-fund’s assets are invested at all times in equities and other similar instruments issued by companies having their registered office in Japan. The Sub-fund may purchase securities traded on the regulated markets listed in section 13 “Investment restrictions” and in particular on the Jasdaq. The TOPIX Net TR index is used, in the appropriate currency of a given Share Class of the Sub-fund, for comparison mainly, including for performance comparison. Although the Sub-fund is actively managed and the Sub-Manager is not limited to investing in accordance with the composition of the index, the Sub-fund may be constrained by certain risk indicators or restrictions that refer to the index. The Sub-fund includes the integration of ESG factors into its investment selection process.

Risk/Return profile



Performance & risk measures

Data as of 2023.03.31



Monthly returns	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2023	8.2%	4.3%	2.0%	1.7%	-	-	-	-	-	-	-	-	-
2022	3.2%	0.4%	-1.1%	3.5%	-2.2%	0.5%	-0.3%	3.1%	0.5%	-3.7%	3.6%	2.5%	-4.4%
2021	10.2%	0.1%	4.5%	7.0%	-2.9%	1.0%	0.4%	-2.0%	0.6%	4.6%	-1.0%	-4.6%	3.1%
2020	-5.0%	-1.2%	-10.7%	-8.9%	2.2%	5.8%	-0.5%	-6.1%	8.4%	1.8%	-3.7%	7.9%	2.0%
2019	19.7%	5.2%	3.7%	-1.7%	2.7%	-5.0%	2.7%	0.9%	-2.3%	6.2%	4.4%	0.0%	1.9%
2018	-16.2%	-0.1%	-4.1%	-1.6%	4.1%	-0.5%	-0.4%	1.8%	-1.0%	3.0%	-8.4%	-0.1%	-9.3%

Cumulative performance	Fund	Index
1M	1.7%	1.5%
3M	8.2%	7.0%
6M	9.8%	10.5%
1Y	8.7%	5.4%
3Y	45.4%	51.7%
5Y	24.3%	30.3%
Since inception	47.1%	48.3%

Calendar year performance	Fund	Index
YTD	8.2%	7.0%
2022	3.2%	-2.9%
2021	10.2%	12.4%
2020	-5.0%	7.0%
2019	19.7%	17.7%
2018	-16.2%	-16.3%

Annualized risk measures	Fund	Index
Volatility	14.9%	15.8%
Sharpe ratio	1.1	1.1
Tracking error	5.3%	-
Information ratio	-0.3	-
Beta	0.9	-
Correlation	0.9	-

Annualized performance	Fund	Index
3Y	13.3%	14.9%
5Y	4.4%	5.4%
Since inception	5.1%	5.2%

Source: iM Global Partner Asset Management. Past performance does not guarantee or predict future performance. Annualized risk measures based on 3-year weekly returns if more than 3-year history or 1-year if less than 3-year history.

iMGP Japan Opportunities

Share class : I JPY

For qualified investors only

Manager Comment

Highlights

- Tokyo headline CPI eased to 3.3% year on year
- Indicative wage to increase by 3.8%, the strongest growth over the last three decades
- Market trading close to decade median

Cumulative performance	Fund	Index
1M	1.7%	1.5%
YTD	8.2%	7.0%

Market Review

The TOPIX Net Total Return was up by +1.5%, returning better than global equities, up by +0.7% in yen terms. The market rotated into a growth style, reverting from the previous month. Mega-cap growth was up by +4% while mega-cap value was down by -1%. The TOPIX REIT index was down by -3%. The yen strengthened by 2% to JPY133 per US dollar. The Information Technology sector led the market gaining +5%, as the Semiconductor segment jumped by another +6% and became the best-performing industry for this quarter, returning +27%. The Financials sector tanked by -9% amidst the global banking turmoil in the US and in Europe but also expectations of lower inflation globally in the coming quarters, wiping out its year-to-date gain until mid-March. The Tokyo headline CPI slightly eased to 3.3% year on year but came in above the consensus. The Japanese Trade Union Confederation (Rengo) which covers less than 20% of workers announced its first round of wage rate revision. The headline increase was 3.8%, of which the base pay is set to increase by 2.3%, the strongest growth over the last three decades. BoJ’s manufacturing Tankan sharply declined on a weak demand outlook, while non-manufacturing continued to improve on belated reopening and expectation on inbound tourism recovery.

Fund Review

The fund outperformed the benchmark thanks to positive stock selection. Sector allocation was negative mainly due to an overweight in Financials which was offset by a good positioning within the sector. The overall impact of the tech rally was neutral thanks to semi materials exposure within Materials even though the exposure to the semiconductor industry was limited. The main contributors were Sumitomo Bakelite, Murata Manufacturing and East Japan Railway. Sumitomo Bakelite further gained +10%, surging by a third year-to-date. Murata also gained +10% as the market expects bottoming out of inventory adjustment. East Japan Railway +7% served its role as a defensive name during the banking turmoil. The main detractors were the banks Mizuho Financial Group and Resona Holdings as well as the life insurance company Japan Post Insurance that tanked by low teen percentages amidst the financial turmoil. Three names newly joined the portfolio. Kansai Paint, a mid-size painting company with a large presence in Japan, India and Europe, was initiated earlier in the month as auto production is expected to recover and the input cost to decline. The position was topped up at a public offering benefitting from a lower share price. Nomura Research Institute, one of the largest IT system integrators domestically, was initiated as the company is well-positioned to benefit from digital transformation/software investments. The share price tanked after its major shareholders reduced their stakes last November and remained at a similar level on weak results due to cost issues at its newly acquired overseas business. At the current level, the valuation looks attractive for a top-quality company. Mitsubishi Shokuhin, the largest food wholesaler in Japan, also join the portfolio for being a beneficiary of food inflation, its asset-light operation and attractive valuation. Amid continuous inflation, the team continues to favour companies with strong pricing power to absorb cost inflation and maintain prices beyond. Companies benefitting from lower raw material cost are also played. Cash is at the maintenance level. The ESG profile is broadly unchanged and continues to outperform the benchmark, comparing particularly favourable in its carbon emission intensity.

Outlook

Consensus earnings estimates for the TOPIX were down by 1% for FY22 & FY23 respectively. The EPS growth is expected to grow by 7% in FY23. Even if domestic activities are likely to pick up along with the border reopening, inflation should weigh on consumption. The visibility of the manufacturing sector is quite low due to the global economic outlook. TOPIX valuations are at 12.6x 12-month forward P/E, 1.18x P/B and 2.5% dividend yield. The Fund is trading at 13.4x, 1.25x and 2.5% respectively broadly in line with the market but focusing on reasonably priced free cash flow generators. The team is keeping eye on quality names with reasonable valuations that can weather the economic uncertainty.

Portfolio Breakdown

By Country		By Sector		Top 10	
JAPAN 97.0%		Industrials	26.2%	TOYOTA MOTOR CORP	4.9%
Cash & Others 3.0%		Technology	20.1%	KDDI CORPORATION	3.5%
		Consumer Discretionary	14.2%	MIZUHO FINANCIAL	3.5%
		Financials	12.0%	SONY CORP	3.3%
		Consumer Staples	8.9%	KAMIGUMI CO LTD	3.1%
		Communications	6.9%	RECRUIT HOLDINGS CO LTD	3.0%
		Health Care	4.4%	KOMATSU LTD	3.0%
		Materials	4.2%	SECOM	3.0%
		Cash & Others	3.0%	BRIDGESTONE	3.0%
				SUMITOMO BAKELITE	2.9%
					33.2%
By Currency		By Market Capitalization		Top 3 Contributors	
JPY 100.0%		Mega Cap > 30 bn	33.2%	SUMITOMO BAKELITE	0.3%
		Large Cap 5 bn - 30 bn	31.0%	MURATA MANUFACT	0.2%
		Mid Cap 1 bn - 5 bn	32.4%	SONY CORP	0.2%
		Small Cap < 1 bn	0.5%		
		Cash & Others	3.0%		
				Top 3 Detractors	
				MIZUHO FINANCIAL	-0.4%
				MITSUBISHI UFJ FINANCIAL	-0.3%
				JAPAN POST INSURANCE CO LTD	-0.2%

Source: iM Global Partner Asset Management

iMGP Japan Opportunities

Share class : I JPY

For qualified investors only

Dealing information

Liquidity	Daily
Cut-off time	TD-1 12:00 Luxembourg
Minimum initial investment	100,000,000
Settlement	TD+2
ISIN	LU0933609314
CH Security Nr	21758589
Bloomberg	OYJOIJ2 LX

Fees

Subscription fee	Max 0.00%
Redemption fee	Max 1.00%
Management fee	Max 0.75%
Performance fee	-

Administrative information

Central Administration	CACEIS Bank, Luxembourg Branch	Auditor	PwC Luxembourg
Transfert Agent	CACEIS Bank, Luxembourg Branch	Management company	iM Global Partner Asset Management S.A.
Custodian Bank	CACEIS Bank, Luxembourg Branch		

Important information

This marketing document has been issued by the investment fund, iMGP (hereinafter referred to as “iMGP”). It is not intended for distribution to or use by individuals or legal entities that are citizens of or reside in a state, country, or jurisdiction in which applicable laws and regulations prohibit its distribution, publication, issue, or use. Users are solely responsible for verifying that they are legally authorised to consult the information herein. **Only the most recent version of the prospectus, the key information document (“KID”) (key investor information document (“KIID”) in the UK), and the annual and half-yearly reports of iMGP (hereinafter referred to as iMGP’s “legal documentation”) should be considered as a basis for investment decisions. These documents are available in English on the website, www.imgp.com/iMGP, or from the iMGP offices at 5, Allée Scheffer, L-2520 Luxembourg.** For Switzerland, the prospectus, the key information document, the annual and semi-annual reports, as well as the statutes can be obtained without charges from CACEIS (Switzerland) SA- 35 Route de Signy - CH-1260 Nyon, representative for Switzerland and CACEIS Bank, Paris, succursale de Nyon / Suisse, paying agent for Switzerland. For other countries, the list of representatives is available on www.imgp.com.

The information or data contained in the present document does not in any way constitute an offer or a recommendation or advice to buy or sell shares in the Fund’s units. Furthermore, any reference to a specific security in this document should not be construed as a recommendation or investment advice. They are intended solely to inform the investor as to past performance, and do not reflect the opinion of iMGP or any related companies as to future returns. The information, opinions and assessments contained in the present document shall apply at the time of publication and may be revoked or changed without prior notice. iMGP has not taken any measures to adapt to each individual investor who remains responsible for his own independent decisions. Moreover, investors are advised to consult their legal, financial or tax advisors before taking any investment decisions. Tax treatment depends entirely on the financial situation of each investor and may be subject to change. It is recommended that investors obtain the appropriate expert advice before taking any investment decisions. This marketing document is in no way intended to replace the legal documentation and/or any information that investors obtain from their financial advisors.

The value of the units referred to may fluctuate and investors may not recoup all or part of their original investment. Investors should consult the iMGP’s prospectus for further details on the risks involved. **Past performance does not predict future returns.** It is calculated in the unit currency and, where investments are made in a different currency, may also be affected by fluctuations in exchange rates. The performance data given does not include commissions or any fees linked to the subscription to and/or repurchase of shares. **Returns are calculated net of fees in the reference currencies of specific sub - funds.** They reflect the current fees, include management commissions and possibly also performance commissions deducted from the sub-funds. All returns are calculated from NAV to NAV with dividends reinvested. Unless otherwise stated, the performance of sub-funds is shown on a total return basis, including dividends or any other relevant distributions. All returns shown are gross of any tax deductions that could be applicable to an investor. It is possible that companies linked to iMGP and their executives, directors or personnel hold or have held stakes or positions in the securities listed in this document, or that they have traded or acted as market maker for these securities. Moreover, these entities or individuals may also have past or present ties with the executives of the companies issuing the abovementioned shares; furnish or have furnished financial or other services; or are or have been a director of the companies in question. Please note that any reference to an index is made for information purposes only. The performance of the Fund may differ from the performance of the index. None of the index provider data may be reproduced or re-disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. The risk indicator of the Fund is deemed to reflect the level of risk of the Fund. It can vary from 1 to 7. Level 1 on the scale does not mean that investing in the Fund is risk free. The indicator is based on historic data and can therefore not guarantee the level of future risk of the Fund. The indicator is also not intended to be an investment objective for the Fund and therefore can vary over time. For further information, please refer to the most recent version of the key information document (“KID”), (“KIID” in the UK).