

Robeco Asian Stars Equities D USD

Robeco Asian Stars Equities is an actively managed fund that invests in stocks of the most attractive companies in Asia. The selection of these stocks is based on fundamental analysis. The fund's focus is on the high-growth developing countries in the region. The fund focuses on stock selection and has a concentrated portfolio.



Vicki Chi, Joshua Crabb
Fund manager since 01-04-2022

Performance

	Fund	Index
1 m	1.44%	1.25%
3 m	9.38%	9.63%
Ytd	5.56%	3.65%
1 Year	5.56%	7.52%
2 Years	2.04%	0.56%
3 Years	-2.33%	-7.21%
5 Years	5.47%	1.81%
10 Years	4.71%	4.23%
Since 02-2014	5.38%	4.72%

Annualized (for periods longer than one year)

Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Calendar year performance

	Fund	Index
2023	5.23%	5.98%
2022	-14.24%	-19.67%
2021	8.01%	-4.72%
2020	19.23%	25.02%
2019	18.00%	18.17%
2021-2023	-0.85%	-6.74%
2019-2023	6.52%	3.69%

Annualized (years)

Index

MSCI AC Asia ex Japan Index (Net Return, USD)

General facts

Morningstar	★★★★★
Type of fund	Equities
Currency	USD
Total size of fund	USD 39,657,955
Size of share class	USD 456,934
Outstanding shares	2,672
1st quotation date	05-02-2014
Close financial year	31-12
Ongoing charges	1.50%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

- Exclusions
- ESG Integration
- Voting & Engagement

For more information on exclusions see <https://www.robeco.com/exclusions/>

Performance

Indexed value (until 30-04-2024) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 1.44%.

The portfolio underperformed versus its benchmark, driven by stock selection. Stock picks worked well in Taiwan and China, but detracted in India and Indonesia. In terms of sectors, stock selection in industrials and real estate contributed positively, while communications and financials dragged. On the positive side, Chinese stocks dominated. TV production and online streaming company Iqiyi surged on better sentiment for Chinese ADRs. Kunlun went up on its upstream exposure. Beijing New Building Materials reported good earnings and is showing synergy from its recent acquisition. On the other side, HCL Technologies reported inline results for the last quarter of 2023, but a disappointing outlook for 2024. This is in line with other IT services companies in India, but weaker than street expectations, which showed hope that HCL could do better than peers. SK hynix saw volatile trading this month, following AI sentiment in the US, and underperformed versus TSMC.

Market development

Asian markets gained 1.2% in April, outperforming the MSCI AC World Index which lost 3.4%. DM markets traded lower on renewed worry of inflation as the US March inflation data surprised to the upside for a third straight month. This led the market to price in just over one Fed rate cut for 2024 – from as high as seven in late December 2023. The 48 bps move higher in UST 10-year yields was the largest since September 2022 and helped Value/Financials broadly outperform in Asia. China (+6.6%)/Hong Kong (+5.2%) led the region in April as flows finally returned to the country and fast money bought into Chinese property and internet as well as Hong Kong financials. Singapore (+3.9%) and Malaysia (+1.4%) held up well, but Indonesia was the weakest market in the region this month due to FX volatility, to which Bank Indonesia responded with a rate hike in support of the rupiah. South Korea was also weak, dragged down by South Korean won depreciation and generally poor sentiment across tech, battery materials and internet stocks.

Expectation of fund manager

The global AI thematic came up against high expectations and stretched valuations, combined with rate cut expectations reaching a new low in the US for the year. This saw marked change in leadership in Asia with a rebound in the out-of-favor and under-owned China market. There are many reasons to expect volatility to continue: US inflation numbers and rate expectations, BoJ interventions, geopolitics and the looming US election. This is when it is important to stay focused on fundamentals and take advantage of less rational moves in stocks. Valuations in Asia remain low in absolute terms and extreme compared to the US markets. China continues to bump along the bottom with very low valuations, even after the rebound this month. The South Korean Value Up policy continues after the election uncertainty jitters, but identifying companies that change like in Japan will be critical. The fund's portfolio (41 stocks) is good value at 11.1x forward earnings, 5.8x cash flow, 1.2x book, 13.1% ROE and 3.1% dividend yield.

Top 10 largest positions

We like the technology value chain in Asia and expect companies to structurally benefit from strong demand. SK Hynix, Hon Hai, Samsung Electronics and TSMC are the best exposures in our view. In Asia, where long-term growth for financial inclusion and wealth accumulation is on the horizon, we select high-quality exposures such as Bank Mandiri, ICICI bank and Ping An. We also have a strong focus on cash flow and like underappreciated stocks with solid fundamentals. Alibaba, FPT, Hyundai Motor, Hon Hai, HCL Technologies & Midea are good examples of this.

Fund price

30-04-24	USD	171.01
High Ytd (29-04-24)	USD	171.01
Low Ytd (17-01-24)	USD	152.73

Fees

Management fee	1.25%
Performance fee	15.00%
Service fee	0.20%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V Yes
 Share class D USD
 This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Italy, Luxembourg, Singapore, Spain, Switzerland

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns.

Risk management

Risk management is fully integrated into the investment process to ensure that positions always meet predefined guidelines.

Dividend policy

The fund does not distribute dividends

Fund codes

ISIN	LU0591060586
Bloomberg	RASTEDU LX
Sedol	BRCJK03
Valoren	12465561

Top 10 largest positions

Holdings

ICICI Bank Ltd ADR
 SK Hynix Inc
 Taiwan Semiconductor Manufacturing Co Lt
 Alibaba Group Holding Ltd
 Bank Mandiri Persero Tbk PT
 FPT Corp
 HCL Technologies Ltd
 Samsung Electronics Co Ltd
 Hon Hai Precision Industry Co Ltd
 Hyundai Motor Co Pref
Total

Sector	%
Financials	6.65
Information Technology	6.30
Information Technology	5.69
Consumer Discretionary	5.36
Financials	4.93
Information Technology	4.71
Information Technology	3.87
Information Technology	3.67
Information Technology	3.34
Consumer Discretionary	3.28
Total	47.81

Top 10/20/30 weights

TOP 10	47.81%
TOP 20	73.40%
TOP 30	90.23%

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	6.23	5.88
Information ratio	0.99	0.92
Sharpe ratio	-0.24	0.27
Alpha (%)	4.67	5.31
Beta	0.83	0.92
Standard deviation	16.91	18.64
Max. monthly gain (%)	14.65	14.65
Max. monthly loss (%)	-9.81	-15.33

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	24	38
Hit ratio (%)	66.7	63.3
Months Bull market	15	30
Months outperformance Bull	8	17
Hit ratio Bull (%)	53.3	56.7
Months Bear market	21	30
Months Outperformance Bear	16	21
Hit ratio Bear (%)	76.2	70.0

Above mentioned ratios are based on gross of fees returns.

Asset Allocation

Asset allocation		
Equity		99.1%
Cash		0.9%

Sector allocation

The fund is well represented in IT, financials and consumer stocks. We believe Asia has a competitive advantage in technology and this is one of the key reasons why investors should overweight Asia. We favor high-quality, attractively valued stocks in IT hardware and semiconductors exposed to long-term growth trends in the Internet of Things, 5G and AI. We are selective in our direct internet exposures, avoiding high multiples with unrealistic earnings expectations. We find that the consumer space in Asia offers exciting long-term winners that will grow with an increasing shift towards consumption in the region. Financial inclusion and growth of wealth in Asia will drive profits to the best-positioned financial companies in the coming decade, whether in insurance, retail banking or fintech. We like financials with a prudent capital buffer, attractive valuation and structural growth potential in the region. We have increased our exposure in the region to utilities with an attractive valuation which are participating in the energy transition for long-term carbon neutrality goals.

Sector allocation			Deviation index	
Information Technology	<div><div></div></div>	30.3%	<div><div></div></div>	4.2%
Financials	<div><div></div></div>	20.8%	<div><div></div></div>	0.1%
Consumer Discretionary	<div><div></div></div>	17.2%	<div><div></div></div>	3.3%
Communication Services	<div><div></div></div>	9.2%	<div><div></div></div>	-0.4%
Industrials	<div><div></div></div>	5.8%	<div><div></div></div>	-1.9%
Health Care	<div><div></div></div>	5.5%	<div><div></div></div>	2.0%
Real Estate	<div><div></div></div>	3.7%	<div><div></div></div>	1.0%
Utilities	<div><div></div></div>	3.6%	<div><div></div></div>	0.8%
Energy	<div><div></div></div>	2.0%	<div><div></div></div>	-2.0%
Materials	<div><div></div></div>	1.1%	<div><div></div></div>	-3.7%
Consumer Staples	<div><div></div></div>	0.9%	<div><div></div></div>	-3.5%

Country allocation

In general, we like countries that are attractively priced on cash flow in relation to returns on capital invested. The portfolio is heavy in China, South Korea and India. The Chinese market dropped to new lows, with extreme pessimistic views priced in. The next stage will be about stock selection and earnings recovery. China is now a great market for stock pickers like us. The South Korean government's reform agenda on corporate governance is now recognized by the market. We expect more concrete actions to materialize in the coming months, but realize that earnings cyclicality would be a real test on the resolve of shareholder return improvement in South Korea. India's high valuation is risky in our view, but we continue to search for value stocks in this promising market. Indonesia is a beneficiary of reopening and investments from both China and the west, and we find good valuation and earnings revision here. We like Vietnam based on its positive long-term earnings growth outlook combined with low valuations, although it will take time for the country to revive its property market.

Country allocation		Deviation index	
China	<div><div></div></div> 37.6%	<div><div></div></div> 6.8%	
Korea	<div><div></div></div> 16.9%	<div><div></div></div> 3.0%	
Taiwan	<div><div></div></div> 11.8%	<div><div></div></div> -8.0%	
India	<div><div></div></div> 11.7%	<div><div></div></div> -9.1%	
Indonesia	<div><div></div></div> 7.5%	<div><div></div></div> 5.5%	
Hong Kong	<div><div></div></div> 6.0%	<div><div></div></div> 0.9%	
Viet Nam	<div><div></div></div> 4.7%	<div><div></div></div> 4.7%	
Philippines	<div><div></div></div> 3.0%	<div><div></div></div> 2.3%	
Singapore	<div><div></div></div> 1.0%	<div><div></div></div> -2.7%	
Malaysia	<div><div></div></div> 0.0%	<div><div></div></div> -1.6%	
Thailand	<div><div></div></div> 0.0%	<div><div></div></div> -1.7%	
Cash and other instruments	<div><div></div></div> 0.0%	<div><div></div></div> 0.0%	

Currency allocation

Asian FX volatility increased significantly in April. The Dollar index gained again (+1.7%) as bond yields in the US rose further. JPY (-4.3%) saw the biggest decline and volatility in the JPY rose to year-to-date highs as the BoJ held on to its dovish stance. In EM Asia, higher beta FX (KRW -2.6% and THB -1.8%) and relatively fragile FX (IDR -2.6% and PHP -2.8%) also lost ground. HKD (+0.0%), INR (+0.0%) and CNY (-0.3%) were the best-performing currencies in Asia this month.

Currency allocation			Deviation index	
Hong Kong Dollar	<div><div></div></div>	34.4%	<div><div></div></div>	5.6%
Korean Won	<div><div></div></div>	16.8%	<div><div></div></div>	2.9%
Taiwan Dollar	<div><div></div></div>	11.7%	<div><div></div></div>	-8.1%
Indian Rupee	<div><div></div></div>	11.6%	<div><div></div></div>	-9.2%
Indonesian Rupiah	<div><div></div></div>	7.5%	<div><div></div></div>	5.5%
Chinese Renminbi (Yuan)	<div><div></div></div>	5.6%	<div><div></div></div>	0.4%
Vietnam Dong	<div><div></div></div>	5.0%	<div><div></div></div>	5.0%
U.S. Dollar	<div><div></div></div>	3.5%	<div><div></div></div>	1.5%
Philippine Peso	<div><div></div></div>	3.0%	<div><div></div></div>	2.3%
Singapore Dollar	<div><div></div></div>	1.0%	<div><div></div></div>	-2.6%
Other	<div><div></div></div>	0.0%	<div><div></div></div>	-3.3%

ESG Important information

The sustainability information in this factsheet can help investors integrate sustainability considerations in their process. This information is for informational purposes only. The reported sustainability information may not at all be used in relation to binding elements for this fund. A decision to invest should take into account all characteristics or objectives of the fund as described in the prospectus. The prospectus is available on request and free of charge on the Robeco website.

Sustainability

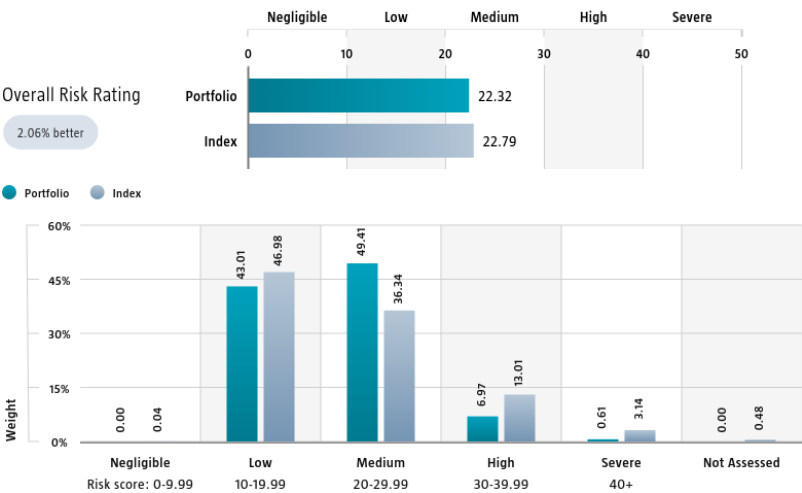
The fund incorporates sustainability in the investment process through exclusions, ESG integration, engagement and voting. The fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up investment analysis to assess existing and potential ESG risks and opportunities. In the stock selection the fund limits exposure to elevated sustainability risks. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.

The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures. The index used for all sustainability visuals is based on MSCI AC Asia ex Japan Index (Net Return, USD).

Sustainalytics ESG Risk Rating

The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio allocations broken into Sustainalytics' five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. Index scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index.

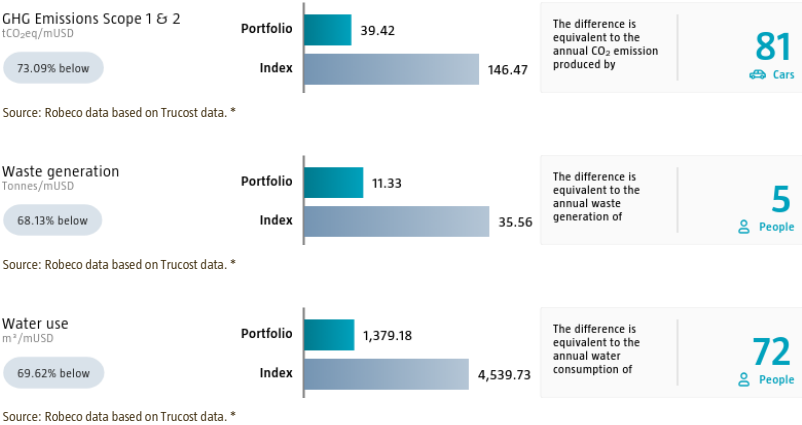
Only holdings mapped as corporates are included in the figures.



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Environmental Footprint

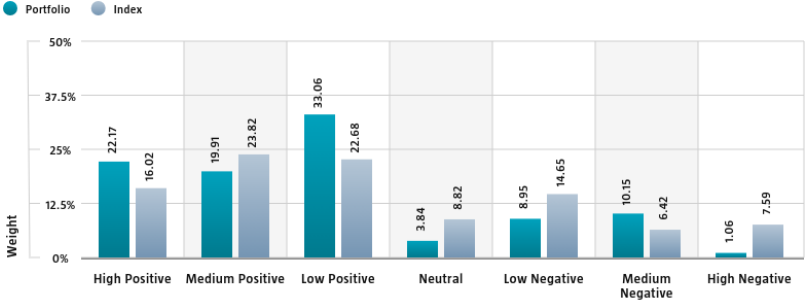
Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted average, multiplying each assessed portfolio constituent's footprint by its respective position weight. For comparison, index footprints are shown besides that of the portfolio. The equivalent factors that are used for comparison between the portfolio and index represent European averages and are based on third-party sources combined with own estimates. As such, the figures presented are intended for illustrative purposes and are purely an indication. Only holdings mapped as corporates are included in the figures.



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SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco’s SDG Framework. The framework utilizes a three-step approach to assess a company’s impact alignment with the relevant SDGs and assign a total SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. For comparison, index figures are provided alongside that of the portfolio. Only holdings mapped as corporates are included in the figures.



Source: Robeco. Data derived from internal processes.

Engagement

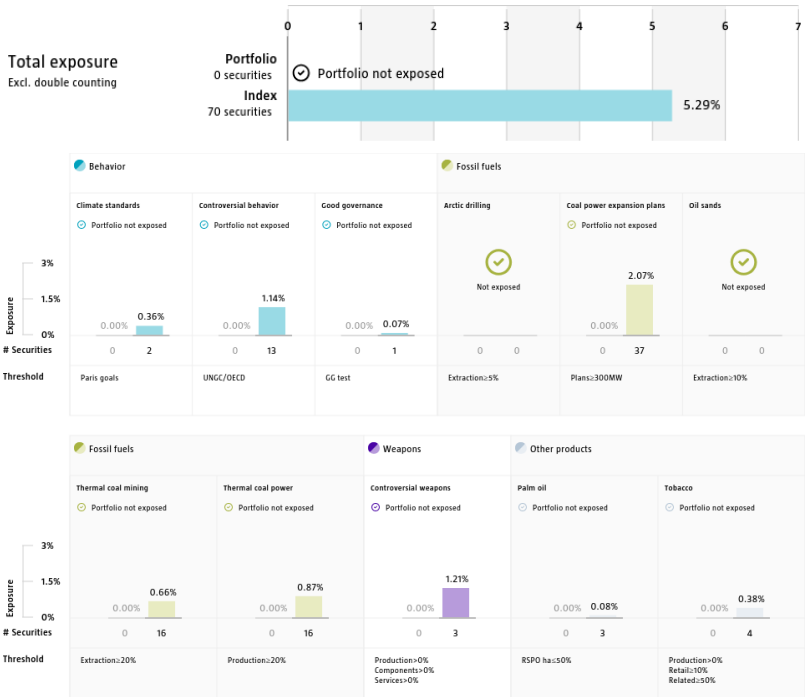
Robeco distinguishes between three types of engagement. Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company’s SDG contribution. Enhanced engagement is triggered by misconduct and focuses on companies severely breaching international standards. The report is based on all companies in the portfolio for which engagement activities have taken place during the past 12 months. Note that companies may be under engagement in multiple categories simultaneously. While the total portfolio exposure excludes double counting, it may not equal the sum of individual category exposures.

	Portfolio exposure	# companies engaged with	# activities with companies engaged with
Total (* excluding double counting)	43.62%	14	46
Environmental	16.26%	4	11
Social	11.67%	4	10
Governance	17.88%	5	17
Sustainable Development Goals	3.64%	1	4
Voting Related	0.00%	0	0
Enhanced	1.06%	2	4

Source: Robeco. Data derived from internal processes.

Exclusions

The Exclusions charts display the degree of adherence to exclusion applied by Robeco. For reference, index exposures are shown beside that of the portfolio. Thresholds are based on revenues unless otherwise indicated. For more information about the exclusion policy and which level applies, please refer to the Exclusion Policy and Exclusion List available on Robeco.com.



Source: We use several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available [Exclusion Policy](#)

Investment policy

Robeco Asian Stars Equities is an actively managed fund that invests in stocks of the most attractive companies in Asia. The selection of these stocks is based on fundamental analysis. The fund's focus is on the high-growth developing countries in the region. The fund focuses on stock selection and has a concentrated portfolio.

The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to, normative, activity-based and region-based exclusions, proxy voting and engagement.

The majority of stocks selected through this approach will be components of the Benchmark, but stocks outside the Benchmark index may be selected too. The fund can deviate substantially from the weightings of the Benchmark. The fund aims to outperform the Benchmark over the long run, whilst still controlling relative risk through the applications of limits (on VaR Ratio) to the extent of deviation from the Benchmark. This will consequently limit the deviation of the performance relative to the Benchmark. The Benchmark is a broad market weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV

Vicki Chi is Portfolio Manager in the Asia Pacific team with a focus on defensive sectors. Prior to joining this team in 2014, she was an Analyst in the Robeco Emerging Markets team where she covered Chinese stocks in the telecom and banking sector. Vicki started her career in 2006 at Robeco. She is a native speaker of Mandarin Chinese and holds a Master's in Business Administration from Erasmus University Rotterdam. She also is a CFA® charterholder. Joshua Crabb is Lead Portfolio Manager and Head of Asia Pacific Equities. Before joining Robeco in 2018, Joshua was Head of Asian Equities at Old Mutual and Portfolio Manager at BlackRock and Prudential in Hong Kong. He started his career in the investment industry as Sector Analyst at BT Financial Group in 1996. Joshua holds a Bachelor's with Honors in Finance from the University of Western Australia and he is a CFA® charterholder.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Sustainability images

The figures shown in the sustainability visuals are calculated on subfund level.

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Morningstar

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