



Stewart Investors

St Andrews Partners

# Stewart Investors Latin American Fund (UK OEIC)

# Q2

Quarterly Investment Report  
1 April - 30 June 2021



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## Risk Factors

This document is a financial promotion for the Stewart Investors Latin America Fund in the UK and Switzerland and elsewhere where lawful. Investing involves certain risks including:

- **The value of investments and any income from them may go down as well as up and are not guaranteed. Investors may get back significantly less than the original amount invested.**
- **Emerging market risk:** Emerging markets tend to be more sensitive to economic and political conditions than developed markets. Other factors include greater liquidity risk, restrictions on investment or transfer of assets, failed/delayed settlement and difficulties valuing securities.
- **Currency risk:** The Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund and could create losses. Currency control decisions made by governments could affect the value of the Fund's investments and could cause the Fund to defer or suspend redemptions of its shares.
- **Single country / specific region risk:** investing in a single country or specific region may be riskier than investing in a number of different countries or regions. Investing in a larger number of countries or regions helps spread risk.

Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell. Reference to the names of any company is merely to explain the investment strategy and should not be construed as investment advice or a recommendation to invest in any of those companies.

For a full description of the terms of investment and the risks please see the Prospectus and Key Investor Information Document.

**If you are in any doubt as to the suitability of our funds for your investment needs, please seek investment advice.**

**If you are unsure of the terminology used in this report, please seek independent financial advice.**

# Stewart Investors Latin America Fund

## Portfolio Overview

30 June 2021

### Investment Philosophy

Our investment approach founded in 1988 is based on:

- Stewardship
- An absolute return mindset\*
- Bottom-up analysis\*
- Long-term thinking
- Searching for quality companies
- Finding sustainable and predictable growth
- Strong valuation disciplines

#### Investment objective and policy

The Fund aims to achieve capital growth over the long term (at least five years).

The Fund invests in shares of companies based in or where the majority of their activities take place in Latin America.

The Fund may invest up to 10% in other funds.

The Fund may use derivatives to reduce risk or to manage the Fund more efficiently.

#### Fund Information

Fund Launch Date	14 April 2009
Fund Size (£m)	59.7
UK's Investment Association Sector	Specialist
Benchmark	MSCI EM Latin America Net Index*
Number Of Holdings	42
Fund Manager(s)	Dominic St George/ Tom Prew

\* The benchmark for this Fund has been identified as a means by which investors can compare the performance of the Fund and has been chosen because its constituents most closely represent the scope of the investable assets. The benchmark is not used to limit or constrain how the portfolio is constructed nor is it part of a target set for Fund performance. Given the diverse nature of the constituent funds within the Specialist IA sector the manager does not compare performance of this Fund with its IA sector.

#### Available Share Classes

ISIN	Sedol	Share Class
GB00B64TSD33	B64TSD3	Stewart Investors Latin America Fund GBP Class A (Accumulation)
GB00B64TSF56	B64TSF5	Stewart Investors Latin America Fund GBP Class B (Accumulation)
GB00B64TSG63	B64TSG6	Stewart Investors Latin America Fund EUR Class A (Accumulation)
GB00B64TSH70	B64TSH7	Stewart Investors Latin America Fund EUR Class B (Accumulation)

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♦ **Absolute return:** a return provided by a share or portfolio which is not measured relative to another share or benchmark index.

♦ **Bottom-up:** analysis of a company focused principally on its management, franchise and financials rather than the broader industry in which it operates, or macroeconomic factors, such as economic growth.

# Performance

30 June 2021

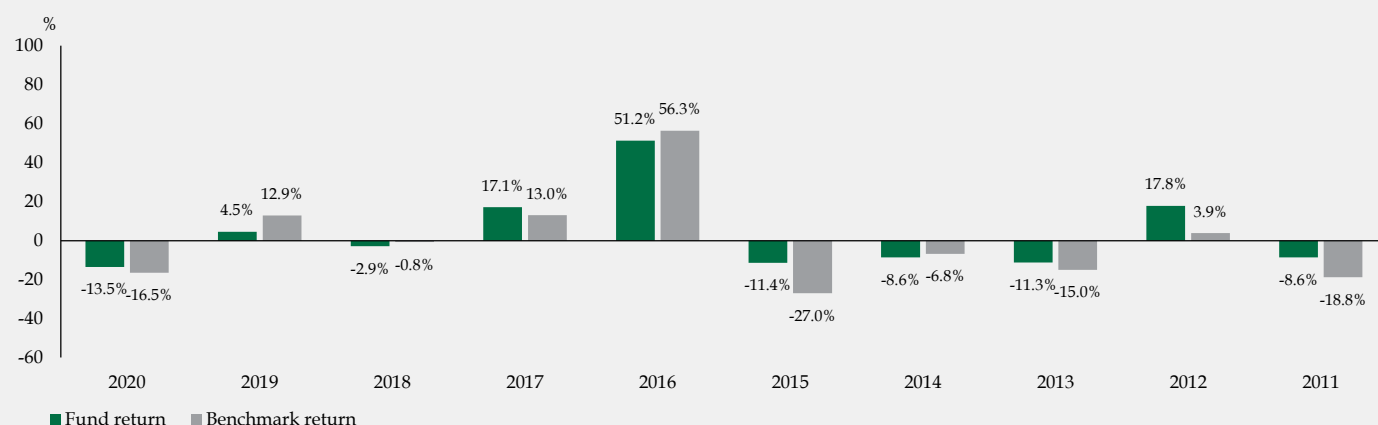
## Annual Performance (% in GBP) to 30 June 2021

	12 mths to 30/06/21	12 mths to 30/06/20	12 mths to 30/06/19	12 mths to 30/06/18	12 mths to 30/06/17
Stewart Investors Latin America Fund	14.4	-25.6	17.5	-1.8	18.8
MSCI EM Latin America Net Index	29.6	-30.4	22.9	-1.8	18.4

## Cumulative Performance (% in GBP) to 30 June 2021

	Since Inception	10 yrs	5 yrs	3 yrs	1 yr	YTD	6 mths	3 mths
Stewart Investors Latin America Fund	160.9	26.2	16.7	0.1	14.4	2.9	2.9	4.1
MSCI EM Latin America Net Index	59.7	-9.3	28.8	10.8	29.6	7.7	7.7	14.9

## Calendar Year Performance (% in GBP) to 30 June 2021



**These figures refer to the past. Past performance is not a reliable indicator of future results. For investors based in countries with currencies other than GBP, the return may increase or decrease as a result of currency fluctuations.** Since inception performance figures have been calculated from 14 April 2009. All performance data for the Stewart Investors Latin America Fund Class B (Accumulation) GBP as at 30 June 2021. Source for fund - Lipper IM / Stewart Investors. Performance data is calculated on a net basis by deducting fees incurred at fund level (e.g. the management fee and other fund expenses), save that it does not take account of initial charges or switching fees (if any). Income reinvested is included on a net of tax basis. Source for benchmark - MSCI, income reinvested net of tax.

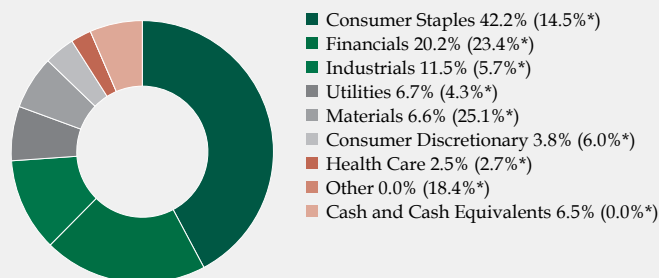
# Portfolio Allocation and Stock Holdings

30 June 2021

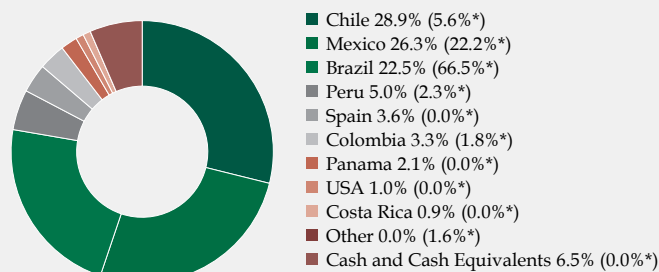
## Ten Largest Holdings as at 30 June 2021

Stock Name	Country	Sector	Portfolio Weight (%)	Index Weight (%)
Fomento Economico Mexicano SAB de CV Sponsored ADR Class B	Mexico	Consumer Staples	9.2	0.0
Quinenco S.A.	Chile	Industrials	7.9	0.0
Compania Cervecerias Unidas S.A. Sponsored ADR	Chile	Consumer Staples	7.6	0.0
Grupo Herdez	Mexico	Consumer Staples	4.7	0.0
Klabin SA (1 COM & 4 PRF)	Brazil	Materials	4.6	0.6
Inversiones Aguas Metropolitanas S.A.	Chile	Utilities	4.1	0.0
Banco Bilbao Vizcaya Argentaria, S.A.	Spain	Financials	3.6	0.0
Kimberly-Clark de Mexico SAB de CV Class A	Mexico	Consumer Staples	3.2	0.4
Alicorp Sa	Peru	Consumer Staples	3.0	0.0
Porto Seguro S.A.	Brazil	Financials	2.9	0.0

## Sector Breakdown



## Country Breakdown



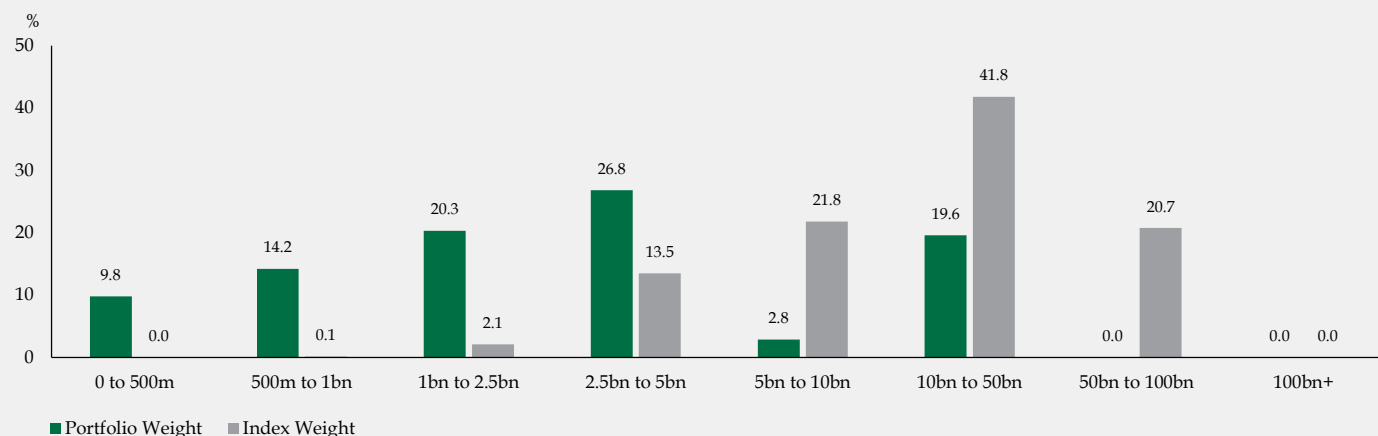
\*Index Weight

\*Index Weight

Sector and Country classifications provided by Factset and Stewart Investors.

Cash Equivalents may include T-Bills.

## Market Capitalisation Breakdown (GBP)



Data source: For illustration purposes only. Portfolio weights may not add up to 100% as cash holdings are excluded and full coverage of stocks is not always available. This information is calculated by Stewart Investors.

# Stock Contribution

30 June 2021

## Top 5 contributors to absolute performance

3 months to 30 June 2021

Stock Name	Country	Sector	Value added (bps*)
Compania Cervecerias Unidas S.A. Sponsored ADR	Chile	Consumer Staples	109
Fomento Economico Mexicano SAB de CV Sponsored ADR Class B	Mexico	Consumer Staples	104
Wilson Sons Bdr	Brazil	Industrials	78
Banco Bilbao Vizcaya Argentaria, S.A.	Spain	Financials	74
Porto Seguro S.A.	Brazil	Financials	72

12 months to 30 June 2021

Stock Name	Country	Sector	Value added (bps*)
Fomento Economico Mexicano SAB de CV Sponsored ADR Class B	Mexico	Consumer Staples	262
Banco Bilbao Vizcaya Argentaria, S.A.	Spain	Financials	254
Quinenco S.A.	Chile	Industrials	224
Grupo Herdez	Mexico	Consumer Staples	185
Compania Cervecerias Unidas S.A. Sponsored ADR	Chile	Consumer Staples	182

## Bottom 5 contributors to absolute performance

3 months to 30 June 2021

Stock name	Country	Sector	Value added (bps*)
Inversiones Aguas Metropolitanas S.A.	Chile	Utilities	-144
Enersis Chile SA	Chile	Utilities	-62
Alicorp Sa	Peru	Consumer Staples	-56
Banco de Credito e Inversiones	Chile	Financials	-36
Aguas Andinas S.A. Class A	Chile	Utilities	-31

12 months to 30 June 2021

Stock name	Country	Sector	Value added (bps*)
Inversiones Aguas Metropolitanas S.A.	Chile	Utilities	-295
Alicorp Sa	Peru	Consumer Staples	-99
Enersis Chile SA	Chile	Utilities	-88
M. Dias Branco SA Industria e Comercio de Alimentos	Brazil	Consumer Staples	-55
Aguas Andinas S.A. Class A	Chile	Utilities	-54

Stock Contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.

**These figures refer to the past. Past Performance is not a reliable indicator of future results. For investors based in countries with currencies other than GBP, the return may increase or decrease as a result of currency fluctuation.**

This stock information does not constitute any offer or inducement to enter into investment activity.

Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after the deduction of transactional costs.

Stocks held/listed in non-index countries have economic activity > 50% from developing economies.

\* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

Data source: This information is calculated by Stewart Investors.

# Risk Analysis

30 June 2021

## Portfolio Risk Analysis - Ex-Post 3 Years Annualised to 30 June 2021

Risk Measure	Value	Risk Description
Information Ratio	-0.21	The fund's excess return divided by its tracking error. It is designed to assess a portfolio's performance relative to its level of benchmark risk. The higher the fund's information ratio, the more excess return it generates for each unit of tracking error.
Portfolio Standard Deviation	21.78%	A measure of how much the returns of the fund vary relative to the arithmetical average. The higher the fund's standard deviation, the more its returns tend to deviate from the mean.
Benchmark Standard Deviation	28.86%	A measure of how much the returns of the index vary relative to the arithmetical average. The higher the index's standard deviation, the more its returns tend to deviate from the mean.
Tracking Error	10.26%	The standard deviation of the difference between the fund's returns and those of the index. The higher the fund's tracking error, the more its performance relative to the benchmark may vary.

## Portfolio Risk Analysis - Ex-Ante at 30 June 2021

Risk Measure	Value	Risk Description
Dividend Yield (Fund)	3.33%	The annual dividend yield paid per share divided by the share price. This factor measures the value of company shares according to the stream of dividend income resulting from share ownership.
Dividend Yield (Index)	2.93%	The annual dividend yield paid per share divided by the share price. This factor measures the value of company shares according to the stream of dividend income resulting from share ownership.
Price to Book (Fund)	1.32	The ratio of the company's book value (the sum of shareholders' equity plus accumulated retained earnings from the P & L account) to its share price. This factor has been one of the most successful measures of the intrinsic value of company shares.
Price to Book (Index)	2.21	The ratio of the company's book value (the sum of shareholders' equity plus accumulated retained earnings from the P & L account) to its share price. This factor has been one of the most successful measures of the intrinsic value of company shares.
Price to Earnings (Fund)	2.06	Annual earnings (adjusted for amortizations of intangibles, extraordinary charges and credits) per share divided by the share price. This factor measures the worth of a company's ability to support each share with after tax earnings.
Price to Earnings (Index)	5.68	Annual earnings (adjusted for amortizations of intangibles, extraordinary charges and credits) per share divided by the share price. This factor measures the worth of a company's ability to support each share with after tax earnings.

Data source: Ex-Post information is calculated by Stewart Investors, Ex-Ante information is provided by FactSet.

# Disclaimer

30 June 2021

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References to "we" or "us" are references to Stewart Investors. Stewart Investors is a trading name of First Sentier Investors (UK) IM Limited and First Sentier Investors International IM Limited.

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