



# ASIAN EQUITY

## Our Capabilities and Investment Approach

### Well established robust and proven investment process

Our investment and research process was founded on more than a decade of teamwork and time-tested principles. Enhancements and refinements have been made along the way to adapt the process to changing market dynamics so as to make more effective investment decisions.

### Large and established team

The cornerstone of our Asian Equity capability is predicated on the long working relationship of core team members. Head of Asian Equity Rob Mann and senior portfolio manager Eng-Teck Tan have been working together since 2010. The team is multi-cultural and has worked an average of seven years at Nikko AM, which has helped foster a collegiate environment of cooperation, reliability, intellectual compatibility and trust. Creating a culture that allows team members to robustly challenge each other's ideas, the team averages 16 years of relevant experience, bringing to the table extensive hands-on portfolio management expertise and analyses over different market cycles. This allows us to be better prepared for future market uncertainties and volatility.

### Independent yet integrated investment approach

Research analysts and portfolio managers are assigned individual sectors and country/regional responsibilities respectively. This structure ensures that the full spectrum of Asia ex-Japan markets is covered and allows for a more holistic and integrated approach to portfolio construction. Our analysts also enjoy the independence to explore and take into consideration stocks that fall beyond the traditional boundaries of large-cap indices. This provides our highly experienced portfolio managers the flexibility to invest in the best investment ideas within a given market without biases towards benchmarks or market cap.

### Extensive multi-country and multi-sector capabilities

In line with our commitment to provide sophisticated and diverse investment solutions to our clients, our team covers a wide range of strategies and sectors within the Asia ex-Japan region. Our deep regional experience allows us to deliver the very best investment opportunities.

#### Asia Equity Strategies

- Asia ex Japan
- Asia Pacific ex Japan
- Developed Asia ex Japan
- Asia Healthcare
- Asia Small Cap
- ASEAN
- China A Shares
- All China
- India
- Singapore

#### Sector Coverage

- Healthcare
- Technology
- Utilities, Telecom
- Energy, Materials
- Financials
- Real Estate
- Consumer
- Industrials

## The investment process

The team adopts a five-step integrated investment process:

1. **Opportunity set definition:** the investible universe is defined by applying market capitalisation limits and liquidity screens to stocks listed in Asia ex-Japan markets.
2. **Idea generation:** all team members attend structured weekly meetings to discuss generating new stock ideas.
3. **Detailed fundamental research:** from idea generation, stocks are selected for further detailed fundamental analysis including Environmental, Social and Governance (ESG) assessment, and subsequently presented by the sector analyst to the team for discussion and a collective final stock rating.
4. **Portfolio construction & macro overlay:** portfolio construction includes the buying and selling of stocks based on the internal ranking system. An independent macro assessment is used to cross check country allocations resulting from bottom-up stock selection. This is to identify unintended risks and help avoid undue geo-political uncertainties.
5. **Ongoing risk monitoring & management:** risk control involves daily portfolio risk management processes managed by independent risk teams spanning four functions, namely Investment Management, Risk Management, Investment Compliance and Enterprise Risk Management.



### Key Characteristics:

- Style Agnostic & Benchmark Unaware
- Driven by fundamental views and conviction
- Bottom-up stock selection
- Fundamental Research Driven
- Three-year or longer research outlook
- Concentrated portfolios

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