Mirabaud - Equities Global Emerging Markets

Monthly Comment

June 2023

MIRABAUD ASSET MANAGEMENT

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Performance Update

Mirabaud - Equities Global Emerging Markets I cap. USD returned 4.59% in June, while the Index returned 3.80%.

Emerging markets lagged developed markets in June, driven by weaker-than-expected data from China, raising concerns over the country's economic recovery. The main drivers of positive portfolio performance came from 1) Hynix, which benefited from the positive sentiment around increased chip demand associated with AI, as well as signs we are nearing a trough in the memory cycle; and 2) Estun, which benefited from earnings upgrades reflecting upbeat guidance following its 1Q results. The main detractors for the month were 1) LG Chem, which saw some profit-taking on concerns that 2Q cathode margins could be hurt by falling lithium prices; and 2) Longi Green Energy, which underperformed after reporting it cut wafer prices, re-igniting fears of excess inventories in the solar supply chain.

Portfolio Activity

We continued to make relative weighting changes to our Taiwan technology holdings, reallocating from companies where we see near-term earnings risk into those with better visibility. We also trimmed our China weighting slightly on the recent weakness in economic data, reducing our weighting in Longi Green on the concerns mentioned above but adding to our China travel names where we continue to see strong drivers.

Annual Performance (%)

	2018	2019	2020	2021	2022	YTD 2023
Mirabaud - Equities Global Emerging Markets I cap. USD	-19.45	18.18	25.84	-9.91	-23.07	5.21
MSCI Emerging Markets TR Net USD	-14.58	18.44	18.31	-2.54	-20.09	4.89

Shareclass Inception date: 03/07/2012. All data sourced from Mirabaud Asset Management and Bloomberg.

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