

**SHINING A LIGHT ON THE.....
Man GLG Japan CoreAlpa Fund**

AT A GLANCE

Investment Objective	
The Fund seeks capital growth through investing primarily in the quoted securities of companies operating in Japan. The Fund is predominantly invested in companies listed on Japan's stockmarkets. Income earned on investments will be added to the value of investors' shares. Shares can be bought and sold on each business day.	

Inception Date	29 th November 1999
Fund Factsheet Link	http://www.morningstar.co.uk/uk/funds/snaps/hot/snapshot.aspx?id=F0GBR04D3H

Management	
Manager Name	Start Date
Stephen Harker	1 st August 2002
Neil Edwards	21 st February 2005
Jeffrey Atherton	21 st March 2011

Investment Style Details	
Equity Style	
Market Capitalisation	% of Equity
Giant	42.93%
Large	50.44%
Medium	6.64%
Small	0.00%
Micro	0.00%

Top 10 Holdings		
Total number of holdings	42	
Assets in Top 10 Holdings	47.08%	
Name	Sector	% of Assets
Toyota Motor Corp	Consumer Cyclical	6.98%
Japan Post Holdings Co Ltd	Financial Services	5.73%
Mitsubishi UFJ Financial Group Inc	Financial Services	5.20%
Honda Motor Co Ltd	Consumer Cyclical	5.14%
Nippon Steel & Sumitomo Metal Corp	Basic Materials	5.00%
Mitsubishi Estate Co Ltd	Real Estate	4.26%
Sumitomo Mitsui Trust Holdings Inc	Financial Services	4.14%
Sumitomo Mitsui Financial Group Inc	Financial Services	3.69%
Mitsubishi Heavy Industries Ltd	Industrials	3.49%
Nomura Holdings Inc	Financial Services	3.44%

Volatility Measurements	
3-Yr Std Dev (volatility)	15.35%
3-Yr Mean Return (average)	12.90%

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FUND PERFORMANCE

Performance from 1st January 2013 to 30th April 2018:

	2013	2014	2015	2016	2017	2018
Man GLG Japan CoreAlpha Fund	34.07%	2.36%	19.53%	33.62%	11.80%	0.58%
X MSCI Japan ETF	24.61%	0.07%	14.20%	23.48%	13.19%	-0.21%

Performance over 12 months, 3 years, 5 years and 10 years:

	1 year	3 years	5 years	10 years
Man GLG Japan CoreAlpha Fund	12.16%	46.62%	93.87%	202.37%
X MSCI Japan ETF	12.16%	37.33%	57.48%	90.54%

You should note that past performance is not a reliable indicator of future returns and the value of your investments can fall as well as rise. The total return reflects performance without sales charges or the effects of taxation, but is adjusted to reflect all on-going fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

UPDATE....

This is one of the best known Japanese Funds in the market and has been managed by the same team for several years. It has a strong investment track record and for those considering investing in Japan it is one of the funds that often comes onto people's radars. There are of course other funds, and these should be compared before any decisions are made.

The fund style is large cap value, and this makes up 40% of the market in Japan and the fund has 90% invested in this area. It has been a difficult time for value and 2016, 2017, 2018 had the worst start for value in 34 years. Generally, value has been in a long-term decline, but the fund has managed to perform despite this.

There hasn't been much movement in holdings which is unusual with 7 stocks sold in 2017 and one in 2018. In 2017 they added Nissan Motor, Daiwa Securities and Osaka Gas. This year they have added East Japan Railway and Sansai Electric Power.

We discussed the exposure to the Yen and they explained that in 2011 and 2012 there was exchange rate risk and the fund was skewed to being Yen sensitive. In 2016 there was a shift to interest rate sensitivity and now they have no bet on the Yen. The portfolio is more skewed towards a rising market and increasing interest rates.

Corrections in the market are helping to open opportunities. Japan Post is one holding they have which is trading at a 70% discount to the market. They are monitoring stocks and as things get cheaper they hope to find more opportunities.

If you were looking for a unique selling point on this fund it would be hard to pin point but ultimately the two main points are the tilt towards large cap value and the team itself. Its performance has been strong even when the market has not favoured the style of investment that they adopt.

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In summary, a well-known strategy with a strong performance track record. It has a strong team and certainly is a fund that many investors consider when looking at Japan. There are of course other funds which should be looked at before deciding whether this is right to invest in.

The source of information in this note has been provided by GLG and is correct as at April 2018. These are notes from meeting the fund manager or representative and should not be seen as a recommendation to purchase any fund mentioned. Any reference to shares is not a recommendation to buy or sell. Should you wish to make a decision based on these notes we cannot take responsibility for this and you should carry out your own research before making a decision. We would also recommend that you receive advice before following up on any decision.