

# Weekly Managers' Report

Issue 01 / 2020 Week ending January 3, 2020

Welcome to this week's issue of the Weekly Managers' Report. Providing a round-up of events in the markets in which our funds operate and an in-depth view of their performances, the Weekly Managers' Report gives a clear insight into how our funds work and what drives their performance. Please read on to find out more about how our funds have performed over the past week.

## WIOF China Performance Fund

Cogent Asset Management Ltd

Mainland Chinese stocks climbed over the week after the central bank cut banks' reserve requirements and US President Donald Trump said a phase one trade deal between the US and China would be signed on January 15. The benchmark Shanghai Composite Index was up 2.6% and the large-cap CSI 300 Index, gained 3.1%. The central bank cut the reserve requirement ratio for banks by a half-point – a move expected to release around USD115bn into the country's financial system. The bank said the decision was made with the upcoming Lunar New Year holidays in mind, but it is the eighth such reduction since early 2018 and comes after Beijing has implemented a range measures to prop up the slowing economy. In other news, the private Caixin/Markit

manufacturing Purchasing Managers' Index (PMI) survey reading was down in December, but remained in expansionary territory. The official manufacturing PMI reading showed a second consecutive month of expansion, however. Elsewhere, Hong Kong's Hang Seng index closed up for the week despite losses on Friday as tensions in the Middle East rose. Equities in Taiwan finished marginally higher as early gains driven by trade optimism were pared at the end of the week by worries over the situation in the Middle East.

## WIOF India Performance Fund

Reliance Wealth Management Ltd.

Indian markets closed lower as rising geopolitical tensions at the end of the week weighed on sentiment. This wiped out gains earlier in the week driven by trade optimism

### Weekly change

WIOF China Performance Fund A Class	4.6982 USD	0.40%	WIOF South-East Asia Performance Fund A Class	3.4098 USD	-0.17%
WIOF India Performance Fund A Class	5.4061 USD	-0.07%	WSF Asian Pacific Fund USD Class A	9.68 USD	0.00%
WIOF International Equity Fund A Class	20.3749 GBP	-1.89%	WSF Global Equity Fund USD Class A	22.77 USD	0.00%

after US President Donald Trump announced a phase one deal between the US and China would be signed later this month. During the week the government announced plans for USD14bn of infrastructure investments in road, rail and airports, while there was more disappointing news from the struggling auto sector. Local auto heavyweight Tata Motors reported a 13.8% y-o-y fall in its overall sales in December while Hyundai Motor India said its sales were down 9.9% y-o-y in the same month.

## WIOF International Equity Fund

Cogent Asset Management Ltd

Major developed equity markets ended lower as rising geopolitical tensions dragged stocks down at the end of the week. In the US, the Dow Jones and S&P indices saw marginal losses as earlier gains were wiped out after markets were spooked by news of the US drone strike that killed top Iranian military leader Qassem Soleimani. The tech-heavy Nasdaq index managed to close marginally higher, despite also seeing losses on Friday. There was also a surprise fall in manufacturing activity in December, according to data from the Institute for Supply Management. It was the fifth consecutive month of contraction in the sector and both employment and new orders fell. In Europe, worries over the fallout from the US drone strike pushed local stocks lower on Friday and into negative territory for the period. Meanwhile, latest data indicated the Eurozone's manufacturing woes deepened in the last month of the year. IHS Markit's December Purchasing Managers' Index (PMI) reading came in at 46.3, down on November and the eleventh consecutive month it has been below the 50 mark that separates contraction from expansion. In the UK, where stocks, as measured by the FTSE 100 index, were marginally lower for the week, manufacturing is also struggling. Data showed the country's manufacturing sector saw its fastest fall in output in more than seven years in December with Brexit uncertainty to blame. In Japan, markets were open for just one day at the start of the week, during which stocks fell. The benchmark Nikkei 225 index lost 0.8%.

## WIOF South-East Asia Performance Fund

Cogent Asset Management Ltd

Trade developments and moves by the Chinese central bank to keep liquidity levels up helped regional markets for much of the week, although performance was affected by worries over rising tensions in the Middle East at the end of the week. Among key data releases, Malaysia's exports dropped in November, falling 5.5% y-o-y. It was the fourth consecutive monthly contraction. Singapore's economy grew 0.7% in 2019, according to official flash estimates. The reading was well below the 3.1% growth seen in 2018 and was the slowest rate of growth since 2009 when the economy expanded just 0.1% y-o-y. Fourth quarter growth was 0.8% y-o-y and 0.1% q-o-q. Meanwhile, in Thailand, central bank officials said economic growth in the last quarter is expected to come in at 2.5% with a similar figure for the whole year.

## WSF Asian Pacific Fund

Cogent Asset Management Ltd

Positive sentiment driven by news a phase one trade deal between the US and China being will be signed this month and further Chinese stimulus measures lent support to Australian markets in the week. Latest data showed house prices continuing to pick up in December with average capital city prices up 1.2% m-o-m and 3% y-o-y. Private credit growth came in at 2.3% y-o-y in November, the slowest since 2010. In South Korea, stocks lost as investors continued to book profits after a recent rally. Growing tensions in the Middle East also weighed on shares at the end of the week. In China, mainland stocks climbed after the central bank cut banks' reserve requirements and news broke that the US and China would sign a phase one trade deal on January 15. In other news, the private Caixin/Markit manufacturing Purchasing Managers' Index (PMI) survey reading was down in December, but remained in expansion territory. China's official manufacturing PMI reading showed a second consecutive month of growth, however. Elsewhere, Hong Kong's Hang Seng index closed up for the week

despite losses on Friday as tensions in the Middle East rose. Equities in Taiwan finished marginally higher as early gains driven by trade optimism were pared at the end of the week by worries over the situation in the Middle East.

## WSF Global Equity Fund

Cogent Asset Management Ltd

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World Investment Opportunities Funds, Luxembourg  
World Shariah Funds, Guernsey

Please consult your financial adviser for more information.  
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