

Jade Far Eastern and General Pension Fund

Investment Manager's Report

Nov 2020

Investment Commentary

For the last six months from May 2020 to October 2020, the portfolio returned +15.28% in British Pounds, and TOPIX performance in Japanese Yen was +7.9% and +7.65% in British Pounds.

	30 Apr 2020		31 Oct 2020	
	£Millions	%	£Millions	%
Japanese Equities	16.6	98.5	18.5	98.5
Pacific Basin Equities	0.0	0.0	0.0	0.0
North American Equities	0.0	0.0	0.0	0.0
European Equities	0.0	0.0	0.0	0.0
UK Equities	0.0	0.0	0.0	0.0
Fixed Interest	0.0	0.0	0.0	0.0
Cash Deposits	0.2	1.5	0.3	1.5
	16.8	100.0	18.8	100.0

Global stock markets were affected by factors such as changes in number of new coronavirus infections and speculation around deteriorating U.S-China relations, however the global economy continues along its gradual path of recovery from the trough, supporting the market uptrend up until August. From September through October, markets showed slight weakness due to policy uncertainty in the run-up to the U.S presidential election.

The Japanese stock market continued its uptrend along with global peers. Although the prime minister changed during this period, the impact on the market was limited. The market continued to climb along with improvements in the global economy.

The Japanese yen traded sideways against the British Pound.

With regard to the asset allocation strategy, the portfolio remained fully invested in Japanese equities except for the cash portion which was held at around 2 percent.

While paying attention to the development of vaccines, we intend to focus our efforts on stock switches within similar industrial sectors based on the strength of near-term earnings recovery and mid to long-term growth potential on the premise that the normalization of the economy will require some time.

Technical Information

The Jade Far Eastern & General Pension Fund ("the Scheme") is an approved pension fund, administered by Phoenix Life Limited with investment management services provided by Asset Management One International Ltd. On 1st October 2011, Bluefin's administrative responsibilities were passed to 3HR Benefits Consultancy Limited whose contact details are shown on the next page. Asset Management One International Ltd is responsible for the Investment Commentary and Performance sections and the Statutory Information is provided by Phoenix Life Limited.

Statutory Information

As at the valuation on 31st October 2020, the Net Fund Bid Value was £18,597,122.35 with 8,028,853.697 units in issue.

Bid Price: 2.316

Offer Price: 2.438

The assets and liabilities of the Fenchurch Fund were amalgamated into the Jade Far Eastern and General Fund as from 8 December 1999.

Fund Objectives

The Jade Far Eastern & General Pension Fund was launched on 1 May 1990 in order to provide a suitable investment vehicle for members of the Jade Pension Scheme. It was created to enable Japanese, Korean, and other Far Eastern delegates in the UK to invest their rebated National Insurance Contributions (protected rights) with the opportunity of improving their returns.

The Fund seeks to achieve long-term capital growth by investment, mostly in Japanese and, to a lesser extent, other Asian and International equities, bonds and cash investments, with the overriding objective of outperforming the Japanese TOPIX Index.

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Performance

	31/10/2015	30/04/2016	31/10/2016	30/04/2017	31/10/2017	30/04/2018	31/10/2018	30/04/2019	31/10/2019	30/04/2020	31/10/2020
Fund offer	154.7	159.3	204.8	197.8	224.6	226.9	213.2	210.4	227.3	213.1	243.8
Fund bid	147.0	151.3	194.6	187.9	213.4	215.6	202.5	199.9	215.9	202.4	231.6
TOPIX Index (yen)	1558.2	1340.6	1393.0	1531.8	1766.0	1777.2	1646.1	1617.9	1667.0	1464.0	1579.3
% Change since:	31/10/2015	30/04/2016	31/10/2016	30/04/2017	31/10/2017	30/04/2018	31/10/2018	30/04/2019	31/10/2019	30/04/2020	
Fund offer	3.0%	28.6%	-3.4%	13.5%	1.0%	-6.0%	-1.3%	8.0%	-6.2%	14.4%	
TOPIX Index (yen)	-14.0%	3.9%	10.0%	15.3%	0.6%	-7.4%	-1.7%	3.0%	-12.2%	7.9%	

Source: Bloomberg, Phoenix Life Ltd

Asset Management One International Ltd provides investment management services to Jade Far Eastern and General Pension Fund.

The value of an investment portfolio and the income from it may fall as well as rise and investors may not get back the amount originally invested. Past performance is no guarantee of future performance.

Charges

A management fee of 1% per annum of the Fund's value is deducted monthly in arrears to meet the investment management and servicing costs of the Fund. Value Added Tax (currently 20%) has been added to the fee. The fee is shared between Asset Management One International Ltd. and 3HR Benefits Consultancy Limited.

Risk Level

This fund has been graded as above average risk which we describe as follows:

Funds that invest predominantly in one type of investment or geographical region, for example Japanese equities (shares). Fund prices may fluctuate significantly but offer the potential for good returns over the long term.

This level of risk is typically suitable for investors who are prepared to accept a higher than average degree of risk in order to potentially achieve above-average long-term returns. Investors accept that this will involve a high degree of exposure to equity investments (shares) whose performance may be volatile and thus could lead to loss.

If you are not sure that this fits in with your investment objectives we recommend that you obtain independent financial advice.

Further Information

Members can obtain information about the Scheme and the Fund from:

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Phoenix Life Limited is authorised and regulated by the Financial Conduct Authority.

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Important Announcement

Fund Managers reports will no longer be issued to you in paper format. From now on all reports will be available via the 3HR website at the following address:

<https://www.broadstone.co.uk/3hr-report-page/>

If you prefer, on request, these can be sent to you electronically. Please send an e-mail to info@3hrbc.com to register your interest and your e-mail address will be recorded for future correspondence.

Disclaimer: This document is for information purposes only and does not constitute independent financial advice.