

Jade Far Eastern and General Pension Fund

Investment Manager's Report

May 2021

Investment Commentary

For the last six months from Nov 2020 to April 2021, the portfolio returned +7.92% in British Pounds, and TOPIX performance in Japanese Yen was +20.2% and +7.35% in British Pounds.

	31 Oct 2020		30 Apr 2021	
	£Millions	%	£Millions	%
Japanese Equities	18.5	98.6	18.8	98.2
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	0.3	1.4	0.4	1.8
	18.8	100.0	19.2	100.0

The global stock markets continued their upward trend during the period starting with a rise in November, buoyed by reports of progress in the development of Covid-19 vaccines. The upward trend continued thereafter, digesting some short-term adjustments in between, mainly due to the gradual progress in vaccination on a global basis and the victory of the Democratic Party in both the presidential and congressional elections in the United States, which raised expectations for large-scale economic stimulus.

The Japanese stock market, along with global stock markets, was on an upward trajectory.

However, due to the concerns about an increase in the number of infected people and delays in vaccination, toward the end of this period the Japanese stock market has come to lag behind the world stock market. The Japanese yen depreciated 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.

Our investment plan is to focus on stock switches within similar industrial sectors based on the strength of the earnings recovery and the medium-term growth potential. In addition, although there are some concerns about the current delay in vaccination in Japan, we believe that as the vaccination process gradually progresses, we can expect a recovery in service-related consumption associated with the recovery of people's movement and activity, following the currently strong consumption of goods, durable consumer goods in particular. We therefore intend to carefully shift our weighting from the manufacturing to the non-manufacturing sector, while keeping a close eye on the number of infections and the progress of vaccination.

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 30th April 2021, the Net Fund Bid Value was £ 19,063,866.17 with 7,681,677.5050 units in issue.

Bid Price: 2.613
Offer Price: 2.482

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

	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	30/04/2021
Fund offer	159.3	204.8	197.8	224.6	226.9	213.2	210.4	227.3	213.1	243.8	248.2
Fund bid	151.3	194.6	187.9	213.4	215.6	202.5	199.9	215.9	202.4	231.6	261.3
TOPIX Index (yen)	1340.6	1393.0	1531.8	1766.0	1777.2	1646.1	1617.9	1667.0	1464.0	1579.3	1898.2
% Change since:	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	28.6%	-3.4%	13.5%	1.0%	-6.0%	-1.3%	8.0%	-6.2%	14.4%	1.8%	
TOPIX Index (yen)	3.9%	10.0%	15.3%	0.6%	-7.4%	-1.7%	3.0%	-12.2%	7.9%	20.9%	

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 Broadstone 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 corporate@broadstone.co.uk 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.