

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

Offering long-term value in emerging markets investments

NOVEMBER 2019

UK closed-end investment trust focused on long-term total return

OBJECTIVE

Utilico Emerging Markets Trust plc ("UEM") seeks to provide long-term total return by investing predominantly in infrastructure, utility and related sectors mainly in emerging markets.

INVESTMENT APPROACH

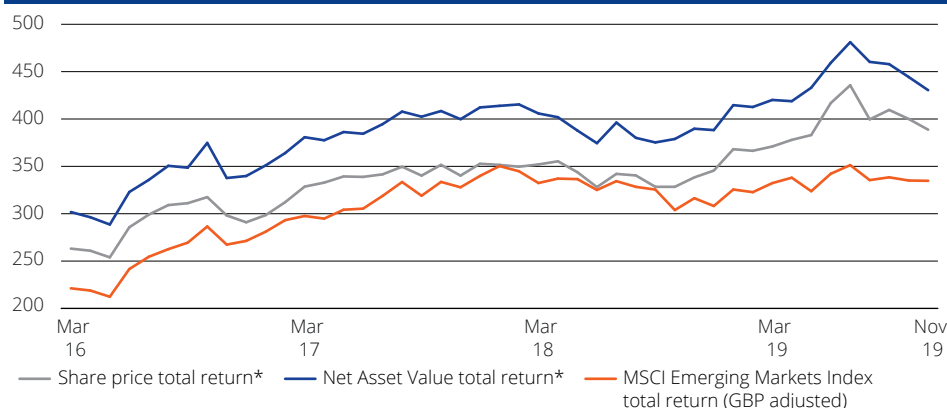
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

KEY DATES

Launch Date⁺	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2021

⁺Utilico Emerging Markets Limited – UEM's predecessor

PERFORMANCE



PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	Inception
Share Price	(2.8%)	(2.7%)	15.0%	30.4%	288.7%
Net Asset Value	(3.1%)	(6.5%)	10.3%	27.5%	330.4%
MSCI Emerging Markets Index (GBP adjusted)	(0.1%)	(0.2%)	5.8%	25.2%	234.7%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Nov 19	Nov 18	Nov 17	Nov 16	Nov 15
Share Price	15.0%	(0.7%)	14.1%	22.4%	(13.3%)
Net Asset Value	10.3%	(2.4%)	18.4%	28.3%	(10.6%)
MSCI Emerging Markets Index (GBP adjusted)	5.8%	(3.5%)	22.6%	30.5%	(13.7%)

*Total return is calculated based on undiluted NAV/share price plus dividends reinvested and adjusted for the exercise of warrants and subscription shares

FUND DETAILS

ORDINARY SHARES

Ticker: UEM.L

NAV at launch +	98.36p
NAV (cum income)	250.66p
Share Price	223.00p
Discount to diluted NAV	(11.0%)
NAV Total return since launch *	330.4%
Annual average compound return *	10.7%
Historic Dividend paid per share (last 12 months)	7.33p
Historic Dividend Yield (last 12 months)	3.3%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	228,057,408

⁺Utilico Emerging Markets Limited – UEM's predecessor

*Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£618.0m
Bank Debt	£(46.4m)
Shareholders' Funds	£571.6m
Gearing (based on AIC definition)	8.9%

Gearing AIC – standardised gearing calculation as recommended by the AIC is based on net assets

INVESTMENT MANAGERS

UEM is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

www.icm.limited

INVESTMENT MANAGEMENT FEE

0.65% of net assets plus Company Secretarial Fee.

PERFORMANCE FEE

15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year.





PERFORMANCE

UEM's NAV total return declined 3.1% for November, underperforming the MSCI Emerging Markets Total Return Index which declined over the month by 0.1%.

Emerging markets during November were weaker, following the strong performance witnessed in October. The US and China continued discussions over a Phase One trade agreement, albeit a deal is yet to be achieved. President Trump signing into law legislation in the US supporting pro-democracy protestors in Hong Kong did little to help the situation, antagonising President Xi illustrating relations are still very fragile. The Shanghai Composite Index and the Hong Kong Seng Index were down 1.9% and 2.1% respectively during the period. Elsewhere in Asia, the markets performed similarly with the Philippines PSEI PCOMP Index down 3.0%, Malaysian FTSE Bursa Seng Index down 2.3% and the Thai SET Index down 0.7%.

The exception in Asia was in India which saw the SENSEX Index up 1.7%, helped partly by the ongoing US China trade discussions, but also by Modi's push to strategically divest government-controlled assets as well as a revival in government consumption, which has been muted post elections.

In Latam, the social unrest witnessed in October in Chile continued with protestors showing little sign of letting up as they rejected the government's announcement it would take steps to change the country's constitution. As a result, the Chilean ISPA Index fell a further 4.3%, with the Chilean Peso depreciation 8.1% against Sterling. Mexico and Argentina also saw a decline over the month with the MEXBOL Index down 1.2% and the Argentinean Merval down 1.4%. Brazil beat the trend, marginally up by 0.9% on the back of a continuing increase of a pro market agenda that is being discussed in Congress and positive market data being announced.

The Brazilian Real was down 5.0% against Sterling, driven by continuing lower interest rates in Brazil as well as the strengthening of the British Pound on the run up to the UK General Election. UK politics continues to have an impact on FX rates, with Sterling strengthening on the back of an expectation that the Conservative will win the General Election. Sterling appreciated 1.1% against

the Euro, 1.1% against the Indian Rupee, 1.7% against the Mexican Peso whilst staying flat against the US Dollar.

PORTFOLIO

During November, there was one change to the constituents of the top twenty holdings, with Gujarat State Petronet replacing Centrais Eletricas Brasileiras ("Eletrobras") on the back of a solid share price performance and UEM increasing its position.

Performance across the top twenty was mixed for November with 11 stocks up for the month. The strongest performance came from Ocean Wilsons Holdings, the share price was up 8.3%, helped by 3Q19 results demonstrating stabilisation within its Brazilian subsidiary's Wilson Sons towage business. Alupar's share price was up 7.2% on the back of strong 3Q19 results as well as an expectation within the Brazilian market that interest rates will decline further. This improving interest rate expectation also helped Rumo, Cosan Logisitca and Ecorodovias' share prices which were all up 7.0%, 5.7% and 5.1% respectively. Omega witnessed a strong share price performance, up 8.5%, following completion of its rights issue in October and strong 3Q19 results which saw EBITDA up 73.9%.

Among the weaker performers during November was China Resources Gas which was down 7.7%, having hit record highs at the end of October on concerns over slowing gas demands. Engie Energia's share price was down 8.3%, due to the continued unrest witnessed in Chile and Metro Pacific's share price was down 10.6% due to the continued rumblings of regulatory uncertainty in the water sector in the Philippines.

Purchases during the month for the portfolio amounted to £18.7m and realisations totalled £4.2m.

DEBT

UEM increased its bank debt in November from £34.8m to £46.4m, drawn in US Dollars.

OTHER

UEM's share price ended November at 223.00p, down 3.7% on end-October. The discount narrowed to 11.0%.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

PORTFOLIO SUMMARY

TOP TWENTY HOLDINGS		% of total investments
1	International Container Terminal Services Inc.	5.6%
2	Alupar Investimento S.A.	4.3%
3	Companhia de Saneamento do Paraná (Sanepar)	4.2%
4	Energisa S.A.	3.5%
5	China Resources Gas Group Ltd	3.4%
6	Rumo S.A.	3.4%
7	Omega Geracao S.A.	3.2%
8	China Everbright Greentech Limited	3.0%
9	Cosan Logistica S.A.	2.9%
10	Ocean Wilsons Holdings Limited	2.9%
11	Ecorodovias Infraestrutura e Logistica S.A.	2.3%
12	Transgaz S.A.	2.3%
13	Engie Energia Chile S.A.	2.1%
14	India Grid Trust	2.1%
15	Yuexiu Transport Infrastructure Limited	2.0%
16	Huaneng Renewables	2.0%
17	Metro Pacific Investments Corporation	2.0%
18	Gujarat State Petronet Limited	1.9%
19	APT Satellite Holdings Limited	1.8%
20	Power Grid Corporation of India Limited	1.8%
Total Top Twenty		56.7%

SECTOR SPLIT OF INVESTMENTS

Electricity	20.1%
Ports	14.2%
Road and Rail	12.2%
Renewables	9.6%
Gas	9.5%
Telecoms and Satellites	8.8%
Water and Waste	8.6%
Other	7.3%
Infrastructure Investment Funds	6.0%
Airports	3.7%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	31.0%
China including Hong Kong	18.7%
India	10.4%
Philippines	8.4%
Other Latin America	6.4%
Romania	6.4%
Middle East/ Africa	6.1%
Other Asia	5.6%
Other Europe	3.1%
Chile	2.1%
Malaysia	1.7%
Argentina	0.1%

Registered Office: The Cottage, Ridge Court, The Ridge, Epsom, Surrey KT18 7EP

UK Contact: Telephone: 01372 271 486

Important Notes

The information presented on this document is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to deal in UEM. Investments in UEM are subject to investment risks and the value of investments and the income derived from them may fall as well as rise and investors may not get back the principal amount invested. Past performance is not indicative of future performance. Investors should read the prospectus along with the supplement(s) and seek relevant professional advice before making any investment decision. The information presented has been obtained from sources believed to be reliable, but no representation or warranty is given or may be implied that they are accurate or complete. The Investment Managers reserve the right to make any amendments to the information at any time, without notice. Issued by ICM Investment Management Limited (registered in England: 08421482), which is authorised and regulated by the Financial Conduct Authority (FRN: 630094).

