

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

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

APRIL 2019

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

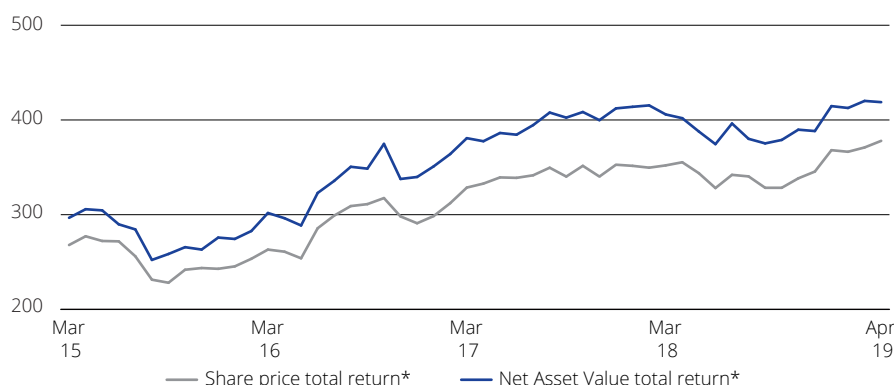
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

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



Rebased to 100 as at 20 July 2005

PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	Inception
Share Price	1.9%	2.7%	6.4%	44.8%	277.9%
Net Asset Value	(0.3%)	1.0%	4.2%	41.4%	318.8%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Apr 19	Apr 18	Apr 17	Apr 16	Apr 15
Share Price	6.4%	6.8%	27.5%	(5.9%)	8.9%
Net Asset Value	4.2%	6.4%	27.4%	(3.1%)	16.5%

*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)	249.06p
Share Price	222.00p
Discount to diluted NAV	(10.9%)
NAV Total return since launch *	318.8%
Annual average compound return *	10.9%
Historic Dividend paid per share (last 12 months)	7.20p
Historic Dividend Yield (last 12 months)	3.2%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	229,812,473

⁺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	£580.1m
Bank Debt	£(7.7)m
Shareholders' Funds	£572.4m
Gearing (based on AIC definition)	(1.2%)

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 and www.icmim.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

During April, UEM's NAV total return decreased by 0.3% whilst the MSCI Emerging Markets Total Return Index increased by 1.7% in Sterling terms.

Emerging Markets were mainly positive in April, with most markets during the period recording a gain, underpinned by the continued dovish stance of the US Federal Reserve as well as positive US economic data released during the month with expected annualised GDP of 3.2% versus 2.2% indicated in 4Q18. The S&P Index was up 3.9% for the period along with the Hong Kong Hang Seng Index, up 2.2%. China also released positive economic news with a higher than expected GDP rate reported of 6.4% in 1Q19 alongside stronger PMI data however gains were trimmed by concerns that Chinese authorities would scale back policy support that helped fuel the prior months growth, resulting in the Shanghai Composite Index down by 0.4%. The Indian SENSEX Index continued its positive momentum, albeit only by 0.9% in April as the Reserve Bank of India cut its benchmark rate to 6.0% from 6.25% to encourage growth. The Thai SET Index and the Philippines PSEI Index witnessed an increase of 2.1% and 0.4% respectively.

The Romanian BET continued its upward trend in April after the government amended its controversial bank "greed tax", up by 4.9%. The Mexican Bolsa Index was also up 3.0% reflecting confidence in the US, whilst the Brazilian Bovespa was up by 1.0%. The Argentinian Merval Index however was down by 11.6% as a deterioration in the country's macro situation has hit the current government's popularity calling into question Macri's ability to be re-elected. The Chilean ISPA Index also saw weakness, down by 1.4%.

Sterling's performance was mixed in April being flat against the US Dollar and up against the Euro by 0.2%. Sterling strengthened most against the Argentinian Peso and Brazilian Real, up 2.1% and 1.0% respectively but depreciated against the Mexican Peso by 1.9%.

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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 the Financial Conduct Authority (FRN: 630094).

PORTFOLIO

There were three new entrants into UEM's top twenty holdings in April, Omega Geracao SA ("Omega"), DP World PLC ("DP World") and Gujarat State Petronet Ltd ("GSPL"). Omega is a private sector Brazilian renewable generation company which owns and operates one of the largest wind farm complexes in Brazil. It is a high-growth company that has been rapidly expanding via M&A, and since UEM invested in Omega in 2017 has more than tripled capacity. DP World is a global port operator positioning itself as a global leader in a global supply chain offering logistics solutions whilst GSPL is an Indian state-owned company which owns the main gas transmission pipelines in Gujarat. It also has a controlling stake in Gujarat Gas, a listed company which provides gas distribution services in the state. UEM has been invested in GSPL since 2017.

During April, the top twenty's performance was mixed with nine stock's share prices increasing over the period. The most noticeable was DP World's share price, up 26.6%, partly due to low liquidity in the stock, followed by Omega, up by 7.0%. Sanepar's share price increased by 4.7%, following the announcement of a 12.1% tariff increase for 2019 and the opening of a public hearing process to discuss the possibility of accelerating the eight-year tariff schedule. Eleven stocks declined, with China Everbright Greentech down by 7.7% and Power Grid of India down 5.8%. Rumo and Cosan Logistica were down 5.3% and 5.4% respectively due to investors' concerns around soya bean volumes on the back of the African Swine Flu outbreak in China.

Purchases during the month for the portfolio amounted to £38.2m and realisations totalled £36.6m.

DEBT

There was no change in bank debt during the month with UEM drawn at £7.7m denominated in Euros.

OTHER

UEM's share price ended April at 222.00p, up 1.9% on previous month-end.

Charles Jillings

ICM Investment Management Limited and ICM Limited

PORTFOLIO SUMMARY

TOP TWENTY HOLDINGS		% of total investments
1	International Container Terminal Services Inc.	6.1%
2	Alupar Investimento S.A.	4.4%
3	Companhia de Gas de Sao Paulo (Comgas)	4.4%
4	Ocean Wilsons Holdings Limited	4.1%
5	China Resources Gas Group Ltd	3.8%
6	Energisa S.A.	3.7%
7	Rumo S.A.	3.3%
8	Companhia de Saneamento do Paraná (Sanepar)	3.2%
9	China Everbright Greentech Limited	3.2%
10	Engie Energia Chile S.A.	3.1%
11	Yuexiu Transport Infrastructure Limited	2.5%
12	APT Satellite Holdings Limited	2.4%
13	Cosan Logistica S.A.	2.3%
14	Transgaz S.A.	2.2%
15	Power Grid Corporation of India Limited	1.9%
16	Metro Pacific Investments Corporation	1.9%
17	Conpet S.A.	1.8%
18	Omega Geracao S.A.	1.7%
19	DP World plc	1.6%
20	Gujarat State Petronet Limited	1.6%
Total Top Twenty		59.2%

SECTOR SPLIT OF INVESTMENTS

Electricity	20.1%
Ports	15.2%
Gas	15.1%
Road and Rail	10.1%
Telecoms and Satellites	7.7%
Water and Waste	7.7%
Other	7.3%
Renewables	7.1%
Airports	6.3%
Infrastructure Investment Funds	3.4%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	29.7%
China including Hong Kong	19.5%
Philippines	8.1%
Romania	7.0%
Middle East/Africa	6.6%
India	6.3%
Other Latin America	6.1%
Other Europe	4.2%
Other Asia	3.9%
Chile	3.1%
Argentina	2.8%
Malaysia	2.0%
Thailand	0.7%

