

# UK listed fund uniquely focused on global infrastructure and utilities megatrends in emerging markets



3 year rating out of 2,946  
Global Emerging Markets  
Equity funds as of  
30 April 2024.

## Fund details

### Investment 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 ("EM").

### Investment approach

UEM is a UK closed ended investment trust investing primarily in operational infrastructure and utilities assets benefiting from long term infrastructure megatrends.

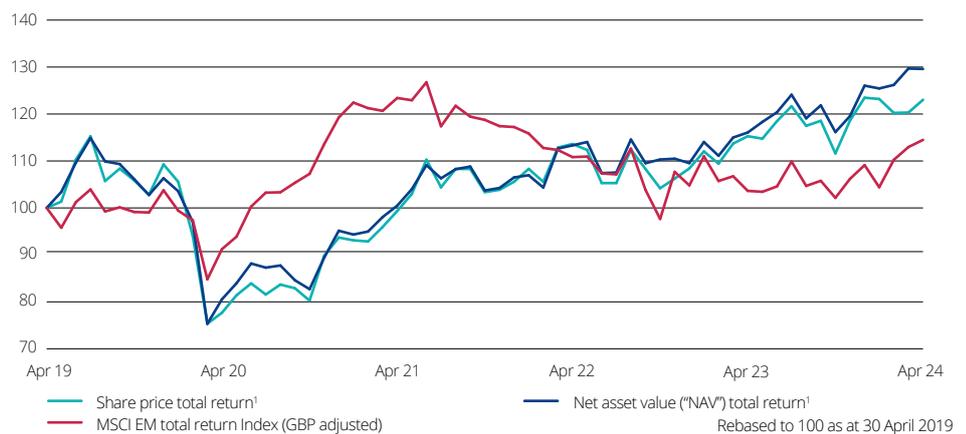
### Fund Manager

Charles Jillings

Fund overview	
NAV per share at launch <sup>2</sup>	98.36p
NAV per share (cum income)	273.85p
Share price	226.00p
Discount to NAV	(17.5%)
NAV per share total return since launch <sup>1</sup>	442.8%
Annual average compound return <sup>1</sup>	9.4%
Historic dividend paid per share (last 12 months)	8.60p
Historic dividend yield (last 12 months)	3.8%
Ongoing charges figure	1.4%
Shares in issue	190,242,717
Market capitalisation	£429.9m
Fund launch date	20 July 2005
Year end	31 March

Capital structure	
Gross assets less current liabilities	£521.0m
Bank debt	£0m
Net assets	£521.0m
Gearing/(net cash)	(0.5%)

## Fund performance



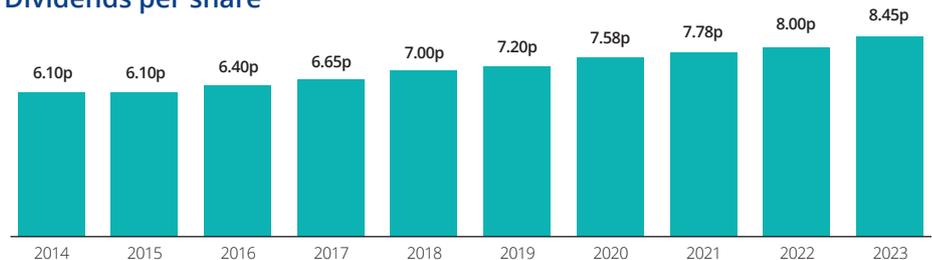
Performance (total return <sup>1</sup> )	1 month	3 months	1 year	3 years	5 years	Inception
Share price	2.3%	(0.1%)	6.7%	23.9%	23.0%	365.0%
NAV per share	(0.1%)	3.3%	11.7%	29.0%	29.6%	442.8%
MSCI EM Index (GBP adjusted)	1.4%	9.7%	10.5%	(7.2%)	14.5%	287.0%

Rolling 12 month performance (total return <sup>1</sup> )	Apr 24	Apr 23	Apr 22	Apr 21	Apr 20
Share price	6.7%	1.5%	14.4%	27.9%	(22.3%)
NAV per share	11.7%	2.4%	12.8%	24.8%	(19.5%)
MSCI EM Index (GBP adjusted)	10.5%	(6.5%)	(10.2%)	35.3%	(8.8%)

## Investment management

Investment managers	ICM Limited and ICM Investment Management Limited
Investment management fee	1.0% of NAV ≤ £500m; 0.9% of NAV > £500m ≤ £750m; 0.85% of NAV > £750m ≤ £1,000m; and, 0.75% of NAV > £1,000m

## Dividends per share



Dividends payable March, June, September and December

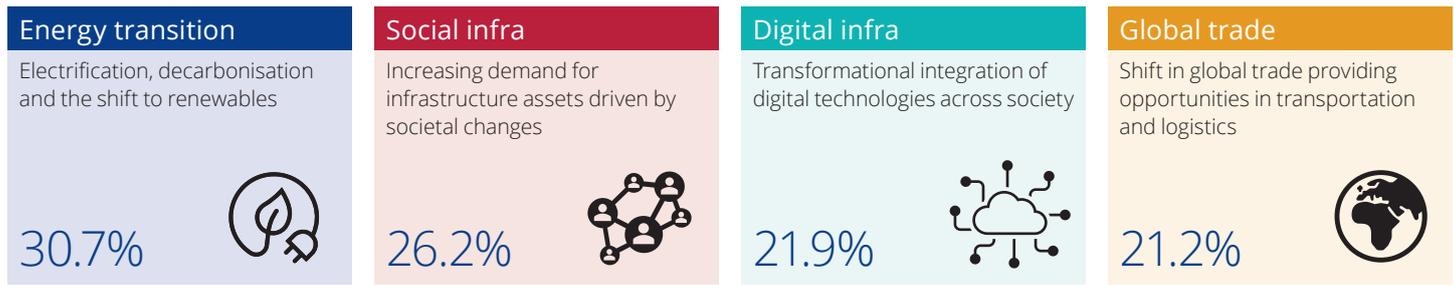
Past performance is not a guide to future returns and future returns are not guaranteed.

<sup>1</sup> Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares.

<sup>2</sup> Utilico Emerging Markets Limited – UEM's predecessor.

© 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

## Megatrends providing structural tailwinds for long term sustainable growth

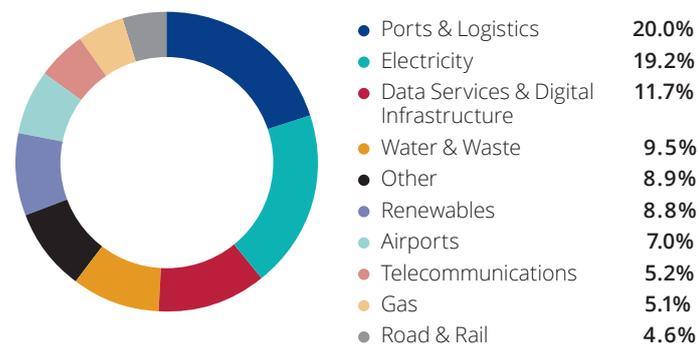


### Total top 30 | 70.6%

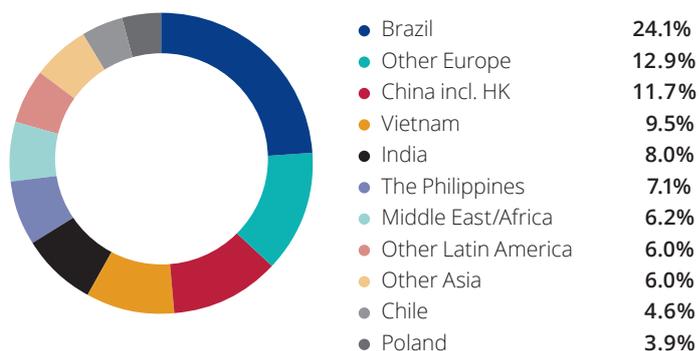
		%			%			%			
1	International Container Terminal Services, Inc.		5.0	11	Centrais Eletricas Brasileiras S.A. (Eletrobras)		2.5	21	JSL S.A.		1.7
2	Alupar Investimento S.A.		4.3	12	KunLun Energy Company		2.3	22	Powergrid Infrastructure Investment Trust		1.7
3	FPT Corporation		4.1	13	Manila Water Company, Inc		2.1	23	Holding Bursatil Regional S.A		1.6
4	Santos Brasil Participacoes		3.9	14	Serena Energia S.A.		2.1	24	Power Grid Corporation of India		1.6
5	Orizon Valorizacao de Residuos S.A.		3.8	15	Citic Telecom International Holdings		2.0	25	Petalite Limited		1.5
6	InPost S.A.		3.1	16	Ocean Wilsons Holdings		2.0	26	TTS (Transport Trade Services) S.A.		1.5
7	India Grid Trust		2.9	17	Rumo S.A.		2.0	27	Shanghai International Airport Co., Ltd		1.5
8	Korean Internet Neutral Exchange (KINX)		2.8	18	Aguas Andinas S.A.		1.8	28	China Gas Holdings		1.4
9	VinaCapital Vietnam Opportunity Fund		2.6	19	TAV Havalimanlari Holding A.S.		1.8	29	Sonatel		1.4
10	Umeme		2.5	20	Cia de Saneamento Basico do Estado de Sao Paulo (Sabesp)		1.8	30	Grupo Traxion S.A.B. de C.V		1.3

## Investment allocation as at 30 April 2024

### Sector



### Geography



Lower volatility to EM with consistently low beta<sup>1</sup> and an active share of over 98%<sup>2</sup>

**SIGN UP** to receive our monthly factsheet and other UEM news, or visit <https://www.uemtrust.co.uk/news/news-alerts>




UEM News
LinkedIn

Past performance is not a guide to future returns and future returns are not guaranteed.

Note: % of total investments

<sup>1</sup> Five-year adjusted beta for UEM shares versus the MSCI EM Index (GBP) as at 30 April 2024 is 0.81.

<sup>2</sup> Active share is a measure of the difference between UEM's holdings and the MSCI EM Index – the higher the percentage, the lower the overlap in composite companies.

## Market and portfolio performance



### PERFORMANCE

UEM's NAV total return decreased marginally by 0.1% in April, underperforming the MSCI Emerging Markets total return Index which was up by 1.4% in Sterling terms in the month.

Markets in April were mixed with the US market battling against the stronger than expected March inflationary data reported and the US Consumer Price Index increasing by 0.4% pushing annual inflation up to 3.5% compared to 3.2% reported in February. Resilience of the US economy was also evidenced via stronger reported nonfarm payrolls data as well as better than expected retail sales, indicating that inflationary pressures remain and subsequently dampening market expectations of a cut in interest rates in June to potentially only one or two cuts later this year. As a result, the S&P Index was down by 4.2% in April.

The UK and European markets experienced a different story with lower-than-expected inflationary numbers reported for March, resulting in the Bank of England and the European Central Bank expected to now cut rates sooner than the US Federal Reserve. The FTSE 100 was up by 2.4% for April with the European markets mimicking the direction of the US and the Eurostoxx Index was down by 3.2% in the month.

Emerging markets were also mixed. Turkey was the outperformer for the month with the Borsa Istanbul (BIST) Index up by 9.9% as core inflationary pressures eased slightly and the market now expecting headline interest rates peaking in May at 75%. Argentina also performed strongly this month, up by 9.1%, with investor sentiment seeing significant improvement amid structural economic reforms led by Javier Milei, the recently elected president. For the first time since 2008, Argentina achieved a quarterly fiscal surplus in 1Q24, exceeding by a wide margin the targets set by the IMF. The Hong Kong Hang Seng Index and Chinese Shanghai Index also increased by 7.4% and 2.1% respectively, helped by the better than expected 1Q24 GDP result of 5.3%, indicating that growth is on track to meet this year's government target of 5.0%. Chinese GDP growth was boosted by manufacturing and infrastructure investment, despite the property sector continuing to be a drag. The Indian Sensex Index continued on its upward trajectory, up

by 1.2% for the month as the country's general elections started.

The Vietnam Ho Chi Minh Index in April was disappointingly down by 5.8%, as the expectation of "higher for longer" US interest rates continues to put pressure on the Vietnamese currency resulting in the Central Bank increasing the 14 day reverse repo rate by 25bp. In Brazil, the Brazilian Bovespa market was down by 1.7%, impacted by the delay in US rate cuts resulting in a re-pricing of the yield curve but was also affected by the perceived increase in fiscal risk caused by the government's decision to revise its 2025-26 fiscal targets.

In April, Sterling's performance was also mixed, up 2.6% versus the Brazilian Real, 1.9% against the Philippine Peso and 1.7% against the Indonesian Rupee but it was down by 3.4% against the Chilean Peso and 0.9% against the US Dollar and Hong Kong Dollar.

### PORTFOLIO

There were no changes to the constituents of the top thirty holdings in April. UEM continued to see a number of its investee companies report strong financial results in the month.

TAV's share price was up by 23.6%, benefitting from 1Q24 results being stronger than expected with revenues up 27.8% and EBITDA increasing 96.8%. Manila Water's share price was up by 10.7% as the market continues to see strong momentum following strong results in March. Kunlun Energy's share price was also up by 16.8% resulting from the positive momentum witnessed in the Hong Kong market in April. Power Grid of India's share price was up by 8.8% during the month.

Weaker price performance in April was seen at Serena Energia, down by 12.6% following the release of data showing weak wind resources for the month. Serena was also affected by the



higher re-pricing of the Selic rate during the month which also affected Eletrobras which was down by 10.9%. Nuam was also down by 9.6% on the back of investors taking some profit after a strong performance witnessed in March.

The valuation of UEM's unlisted investment, Petalite, was reduced by £2.1m reflecting continued declines in the share prices of listed EV charging peers and a difficult funding environment for early-stage companies. Petalite is valued at £8.0m as at 30 April 2024, representing 1.5% of UEM's portfolio.

Portfolio purchases amounted to £6.4m and realisations totalled £2.1m.

### DEBT

UEM's debt remained at nil in the month as UEM repaid all amounts outstanding under the £50m committed multicurrency revolving facility from The Bank of Nova Scotia in March. UEM is currently in discussions regarding a replacement revolving facility and a further announcement will be made in due course.

### OTHER

UEM's share price ended April at 226.00p, increasing by 2.3% over the month with the discount narrowing to 17.5% from 19.3%. UEM bought back 0.6m shares at an average price of 222.77p in the month.

**Charles Jillings**  
ICM Investment Management Limited  
and ICM Limited

### 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).