

*unique
investing*



NICHE
JUNGLE

PROJECT
NJ
Korea Reunification SDG



Bi-Weekly Risk Report

14 November 2022

Please refer to the UCITS fund prospectus and KIID before making any final investment decision

Summary

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- [Portfolio: Allocation & performance](#)
- [Ex-ante analysis: VaR 1 month – 95%](#)

NJ Korea Reunification SDG



Project characteristics

Instrument	UCITS Fund – Art.8 Plus SFDR
Project website	Link
Supplement	Link
ISIN	Class A – IE00007XSO15 Class I – IE0004F6ARY1 Class Q (listed class) - IE000ROCQO77
Project ICAV:	NicheJungle ICAV www.nichejungle.com
Project Inception date:	17/10/2022 (3 weeks since inception)
Project AUM:	6,3 mln € as of 14/11/2022
Project Max AUM:	25 mln
Project Liquidability at max. AUM	96% 5 day – 100% 20 days
Project liquidity :	Daily
Project # stocks	Min: 100 Max: 150
Project currency hedging policy	No hedging policy
Institutional and listed classes fees	0% management fees 20% performance fees (absolute with HWM – no reset)
Project Investment Manager:	Niche Asset Management Ltd – www.nicheam.com



The project invests in south Korean companies that are significantly exposed to the domestic market and are operating in infrastructure and consumption businesses. These are the areas that could benefit the most from a reconciliation between South Korea and North Korea. Korean domestic stocks are the most attractive worldwide from a valuation standpoint and the likely imminent inclusion of South Korea among MSCI developed markets could be the catalyst for a significative repricing. The event of reconciliation provides the project portfolio with a further powerful free option to which today Mr Market assigns zero probability. However, as we are used to learn, geopolitical events can hardly be anticipated...

Korean equity: a significant opportunity...

CUMULATIVE INDEX PERFORMANCE – PRICE RETURNS (USD)
(OCT 2007 – OCT 2022)

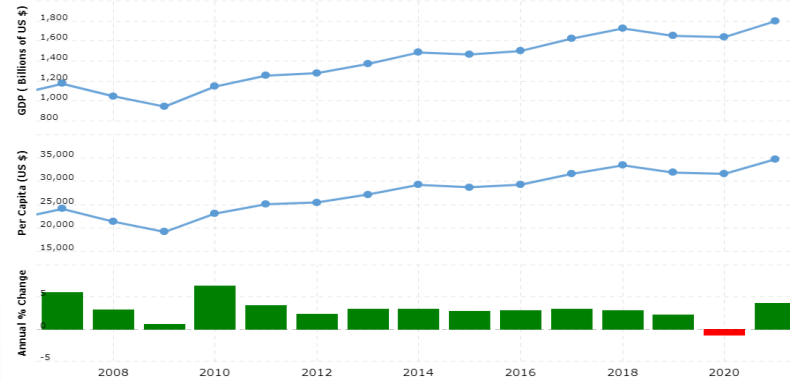


ANNUAL PERFORMANCE (%)

Year	MSCI Korea Value	MSCI Korea
2021	-6.26	-10.04
2020	28.35	42.63
2019	5.59	10.39
2018	-23.32	-22.60
2017	36.61	45.51
2016	11.79	6.98
2015	-8.41	-7.94
2014	-19.76	-12.61
2013	5.78	3.10
2012	11.55	20.16
2011	-13.39	-12.84
2010	25.44	25.29
2009	74.99	69.42
2008	-49.65	-55.87

Korean equity market (value and blended index) -25%/-21% (USD) since 2007

BUT



Korean GDP +54% (USD) since 2007!!!

The most undervalued market worldwide

INDEX PERFORMANCE – GROSS RETURNS (%) (OCT 31, 2022)

FUNDAMENTALS (OCT 31, 2022)

	ANNUALIZED								Div Yld (%)			
	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Dec 31, 1974		P/E	P/E Fwd	P/BV
MSCI World Value	9.74	-2.53	-7.69	-10.07	5.01	4.70	7.91	11.18	3.23	13.21	11.69	1.89
MSCI World	7.21	-6.74	-18.09	-19.74	6.62	6.92	9.52	10.56	2.17	17.39	14.89	2.75

INDEX PERFORMANCE – GROSS RETURNS (%) (OCT 31, 2022)

FUNDAMENTALS (OCT 31, 2022)

	ANNUALIZED								Div Yld (%)			
	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Nov 25, 2008		P/E	P/E Fwd	P/BV
MSCI China A	-9.49	-21.11	-34.87	-35.58	0.76	-1.73	5.27	5.63	2.37	13.90	10.62	1.71
MSCI ACWI	6.06	-7.54	-19.58	-20.81	5.34	5.76	8.54	10.30	2.3	16.45	14.21	2.53
MSCI Emerging Markets	-3.09	-14.01	-30.73	-29.15	-4.07	-2.73	1.16	6.75	3.75	11.14	10.12	1.49

INDEX PERFORMANCE – PRICE RETURNS (%) (OCT 31, 2022)

FUNDAMENTALS (OCT 31, 2022)

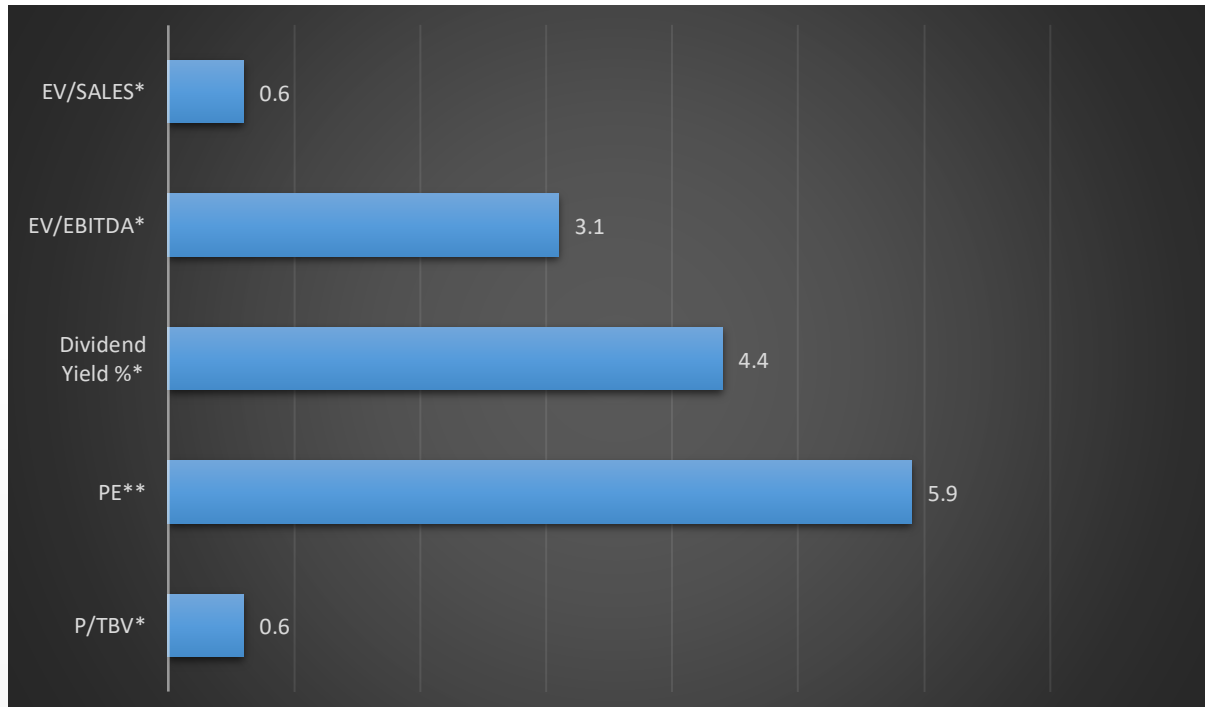
	ANNUALIZED								Div Yld (%)			
	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Dec 31, 1996		P/E	P/E Fwd	P/BV
MSCI Korea Value	8.24	-13.44	-32.15	-32.96	-4.73	-7.73	-2.02	4.26	3.53	6.67	7.50	0.65
MSCI Korea	8.35	-14.64	-35.43	-35.89	-4.10	-6.46	-0.21	5.12	2.46	8.02	9.36	0.89

On top of this, a cheaper, safer and politically/ethically more acceptable indirect exposure to China

...an even better opportunity if played through domestic exposed companies, those you cannot buy through funds or ETFs



PROJECT NJ KR EQUITY PORTFOLIO Valuation (as of 14 November '22)

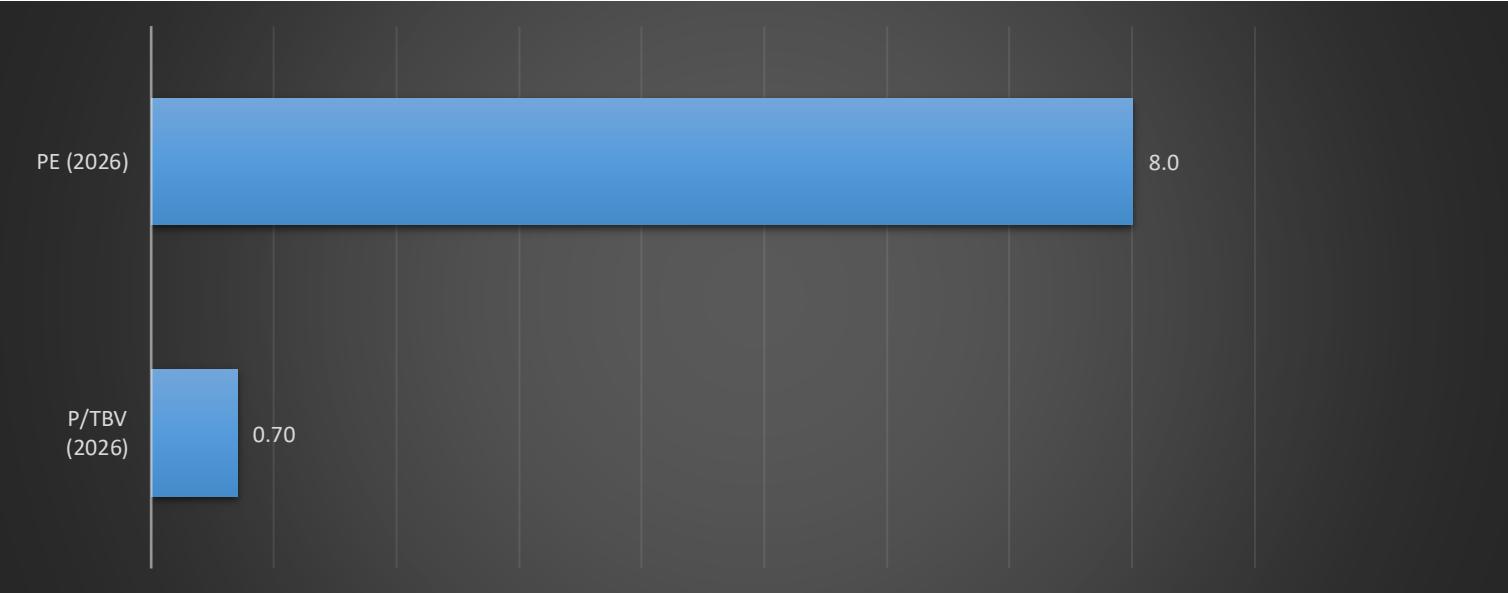


** Last available*

*** Forward estimate, if available, otherwise the latest data*

Source: NicheAM, Refinitiv

PROJECT NJ KR Portfolio Valuation at exit (as for valuation gap report) after rerating of 90% on cautious assumptions



Source: NicheAM

90% potential rerating on following assumptions:

Exit 2026

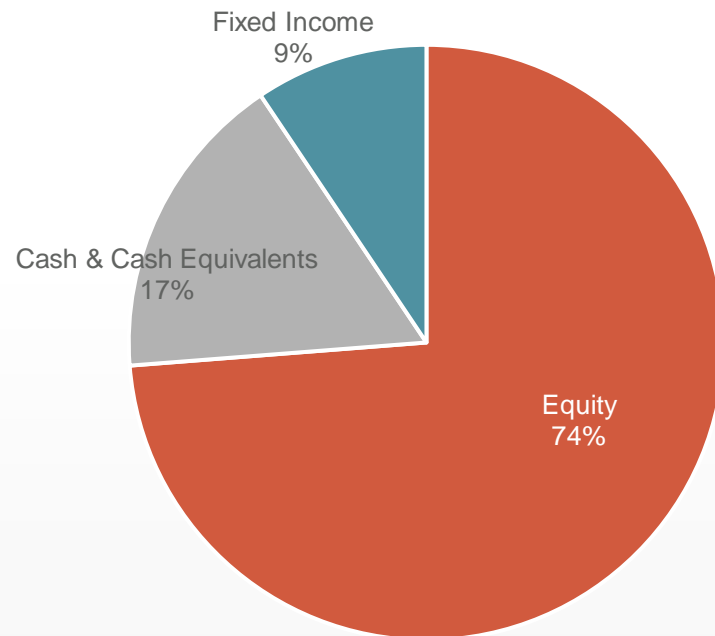
- No reunification/reconciliation (rapprochement)
- No inclusion of SKorea in the MSCI Developed Countries
- Nominal EPS growth '22-'26E of just 8%
- Modest market rerating of 20% (still >30% upside to MSCI World Value despite better growth outlook)

+ FREE OPTION

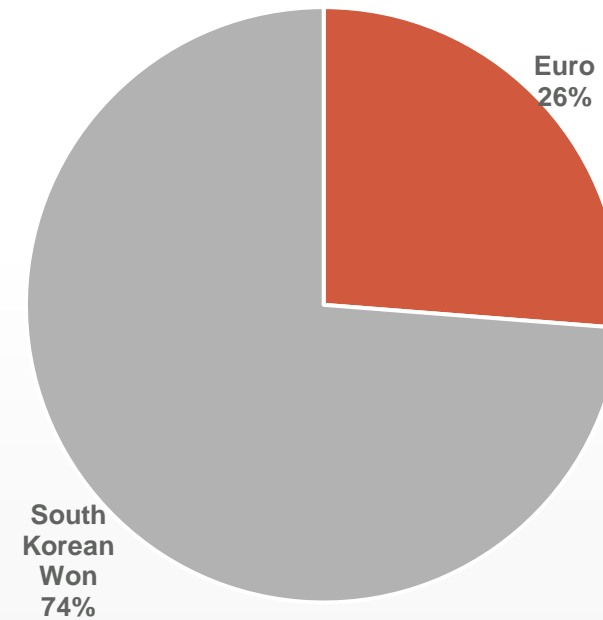
In case of reconciliation (rapprochement) between North and South Korea the upside could be above 150% for the portfolio (see presentation for further details). In fact it is composed by companies that would benefit from the massive investments in infrastructure and the increase in consumptions related to the North Korea opening of the economy (as it was the case decades ago for countries like China and Vietnam)

PORTFOLIO: Allocation summary

Breakdown by Asset Class
as of 14 November '22



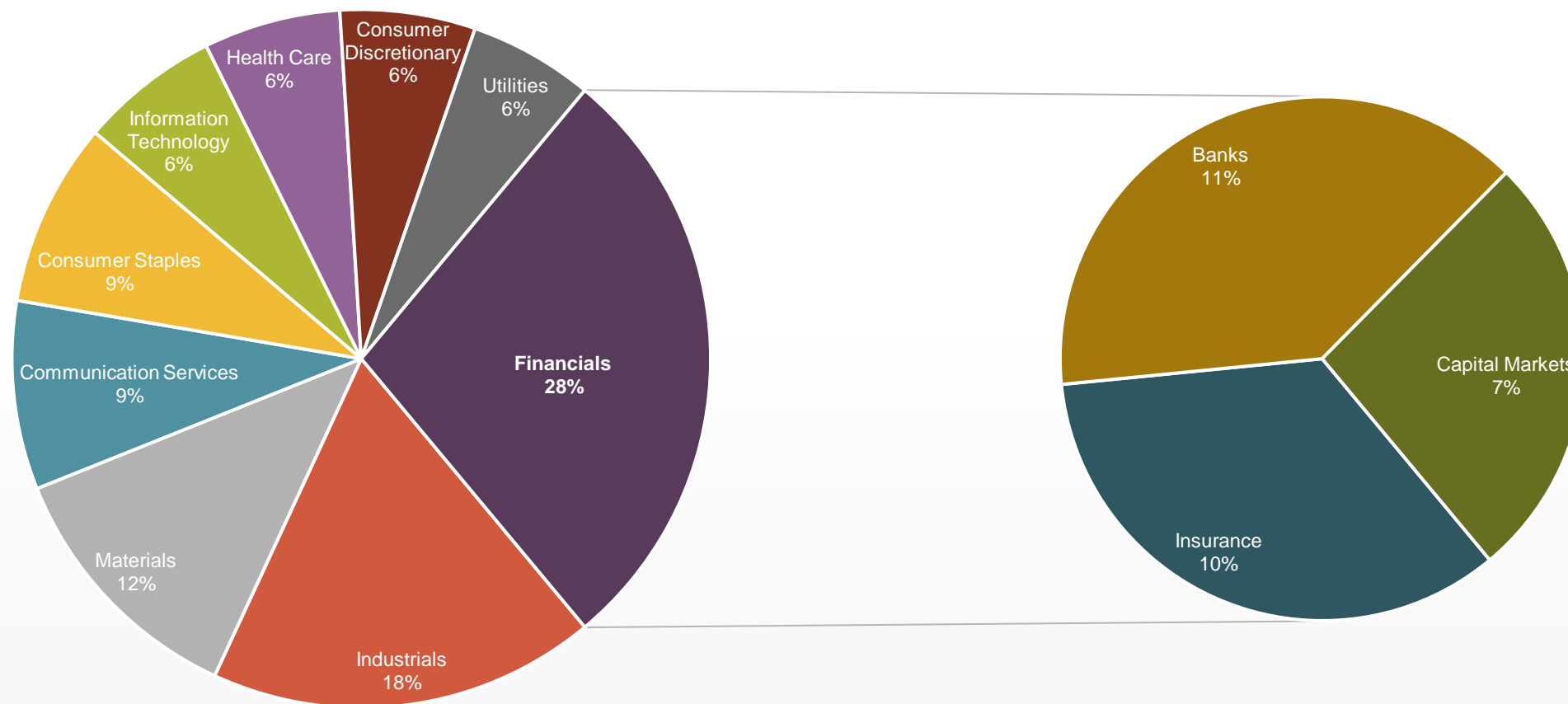
Breakdown by Currency
as of 14 November '22



Source: Niche AM, Thomson Reuters

EQUITY PORTFOLIO: Allocation summary: Breakdown by Sector

as 14 November '22



EQUITY PORTFOLIO: Holdings (as of 14 November '22)



Holding	Portfolio Weight	Holding	Portfolio Weight
Samsung Fire And Marine Insurance Pref.	2.08%	Korea Gas Corp	0.82%
Hana Financial Group Inc	1.98%	Mirae Asset Life	0.78%
Shinsegae Information & Comm	1.63%	Sk Rent A Car Shares	0.77%
Daishin Securities Pref.Non.Voting	1.63%	Korean Reinsurance Co	0.76%
Sk Telekom	1.62%	Hyundai Fire Marine Insurance Co Ltd	0.75%
Lg Uplus Corp	1.54%	Ssangyong Fire Marine Insurance	0.74%
Posco Holdings Inc.	1.44%	Sam Jung Pulp	0.74%
Korea Electric Power Corp	1.40%	Asia Paper Manufacturing Co	0.73%
Hyundai Elevator	1.37%	Shinhan Financial Group ADR	0.73%
Kyungdong City G	1.28%	SK Telecom ADR	0.72%
Kb Financial Group Inc	1.28%	Db Financial Inv	0.68%
Samsung Life Insurance Co Ltd	1.27%	Cj Cheiljedang Corp	0.67%
G2R Incorp	1.25%	Megastudyedu Co Ltd	0.63%
Kuhmo Industrial Co Ltd	1.21%	Viewworks	0.61%
Woori Financial Group	1.21%	Oyang Corp	0.61%
Bnk Financial Group Inc	1.18%	Dongbu Engineering Construction	0.59%
Sk Square Co., Ltd.	1.04%	Cell Biotech Co Ltd	0.58%
Samsung Securities Co Ltd	1.01%	Global Enterprise Co Ltd	0.58%
Korean Air	0.99%	Ottogi Corporation	0.58%
Hyosung Corp	0.95%	Daesang Corp	0.57%
E-Mart	0.91%	Daihan Pharmaceutical Co Ltd	0.56%
Kt Adr	0.90%	Saraminhr Co Ltd	0.56%
Soulbrain Holdings Co., Ltd.	0.89%	Hyundai Department Store H And S	0.56%
Hyundai Engineering Construction	0.86%	Seoul Securities Co Ltd	0.54%
Dongwon Industries Co Ltd	0.85%	Hyundai Home Shopping	0.54%
Sindoricom	0.85%	Lotte Chilsung Beverage Co Pfd Shs	0.53%
SK Chem Pref	0.85%	Interflex Co Ltd	0.53%
Tae Kwang Industrial Co Ltd	0.83%	Daehan Flour Mills	0.51%
Korea Polyol Co Ltd	0.83%	Nong Shim Holdings Co Ltd	0.51%
Imarketkorea Inc	0.82%	Gabia Inc	0.51%

Equity Exposure: 74%
No of holdings: 108
Average Weight: 0.68%
Median Weight: 0.54%

TOP 5 : 8.94%
TOP 10: 15.97%
TOP 25: 31.77%
TOP 50: 49.59%

EQUITY PORTFOLIO: Holdings (as of 14 November '22)



Holding	Portfolio Weight	Holding	Portfolio Weight
Kisco Corp Tentative	0.50%	Dgb Financial Group Ltd	0.41%
DI E And C - Registered Shs	0.49%	Kyobo Securities	0.40%
Hyundai Electric & Energy Systems Co Ltd	0.49%	Tongyang Life	0.40%
Indust Bk Of Korea	0.48%	Ilshin Spinning Co Ltd	0.40%
Shinhan Financial Group	0.48%	Pharmgen Science Inc	0.40%
Hyundai Department	0.47%	Jls Co Ltd	0.39%
Inbody Co Ltd	0.47%	Woori Investment & Securities Pfd	0.39%
Korea Life Insurance Co Ltd	0.47%	Huons Global Co Ltd	0.38%
Daelim Industrial Pref	0.47%	Lotte Rental Co Ltd	0.38%
Dongkook Pharmaceutical Co Ltd	0.47%	Hwa Sung Industrial	0.38%
Youngone Corporation	0.46%	Bgf Rg Registered Shs	0.36%
Hwacheon Machine	0.46%	Incheon City Gas Co Ltd	0.35%
Lg Haussys	0.46%	Bookook Secs Co	0.35%
Whan In Pharmaceutic	0.45%	Namhae Chemical Corp	0.35%
LG Haussys Prf	0.45%	Kwang Dong Pharmaceutical Co Ltd	0.35%
Hyundai Steel Co	0.43%	Kpc Holdings Corp	0.31%
Yuhwa Securities Co Ltd	0.43%	Gs Engineering & Construction	0.31%
Digital Daesung Co Ltd	0.42%	Chinyang Holdings Co	0.30%
Cuckoo Electronics Co Ltd	0.42%	Daehan Synthetic	0.29%
Woongjin Thinkbig Co	0.42%	Cs Holdings Co Ltd	0.28%
Huons Co Ltd	0.41%	Rifa Co.Ltd.	0.27%
Megastudy	0.41%	Korea Circuit Co Ltd-Pref	0.20%
Kisco Holdings	0.41%	Daewoo Securities - Pfd Shs	0.19%
Yesco	0.41%	Hyundai Livart	0.18%

EQUITY PORTFOLIO: Change in holdings (31 October'22 - 14 November '22)

Holding	Trade	End Portfolio Weight	Change in Weight* 31 Oct'22- 14 Nov'22	Total Return on sold positions
Sk Telecom	BUY	1.6%	1.6%	
Soulbrain Holdings	BUY	0.9%	0.9%	
Korea Gas	BUY	0.8%	0.8%	
Imarketkorea	BUY	0.8%	0.8%	
Hyundai Marine & Fire Insurance	BUY	0.7%	0.7%	
MegaStudyEdu	BUY	0.6%	0.6%	
Viewworks	BUY	0.6%	0.6%	
Ottogi	BUY	0.6%	0.6%	
Cell Biotech	BUY	0.6%	0.6%	
Daihan Pharmaceutical	BUY	0.6%	0.6%	
SaraminHR	BUY	0.6%	0.6%	
Interflex	BUY	0.5%	0.5%	
Gabia	BUY	0.5%	0.5%	
Hyundai Electric & Energy Systems	BUY	0.5%	0.5%	
Inbody	BUY	0.5%	0.5%	
Dongkook Pharmaceutical	BUY	0.5%	0.5%	
LX Hausys	BUY	0.5%	0.5%	
LX Hausys 1P Pref Shs	BUY	0.5%	0.5%	
Woongjin Thinkbig	BUY	0.4%	0.4%	
Digital Daesung	BUY	0.4%	0.4%	
Megastudy	BUY	0.4%	0.4%	

**Not adjusted for subscriptions/redemptions and changes in market value*

Source: NicheAM, Refinitiv

EQUITY PORTFOLIO: Change in holdings (31 October'22 - 14 November '22)

Holding	Trade	End Portfolio Weight	Change in Weight* 31 Oct'22- 14 Nov'22	Total Return on sold positions
Huons	BUY	0.4%	0.4%	
PharmGen Science	BUY	0.4%	0.4%	
JLS	BUY	0.4%	0.4%	
Huons Global	BUY	0.4%	0.4%	
INCHEON CITY GAS ORD	BUY	0.3%	0.3%	
KPX Holdings	BUY	0.3%	0.3%	
Korea Circuit Pref Shs	BUY	0.2%	0.2%	
Mirae Asset Securities Pref Shs	BUY	0.2%	0.2%	
Hyundailivart	BUY	0.2%	0.2%	
Kyungdong City Gas	ADD	1.3%	0.9%	
Samsung Securities	ADD	1.0%	0.6%	
SK RENT A CAR	ADD	0.8%	0.6%	
Hyosung	ADD	0.9%	0.4%	
Shinsegae I&C	ADD	1.6%	0.4%	
Korean Reinsurance	ADD	0.8%	0.4%	
Dongwon Industries	ADD	0.8%	0.4%	
Dongbu Engineering and Construction	ADD	0.6%	0.3%	
Eugene Investment & Securities	ADD	0.5%	0.3%	
Whanin Pharm	ADD	0.5%	0.2%	
Manho Rope & Wire	SELL	0.0%	-0.5%	+59.72%

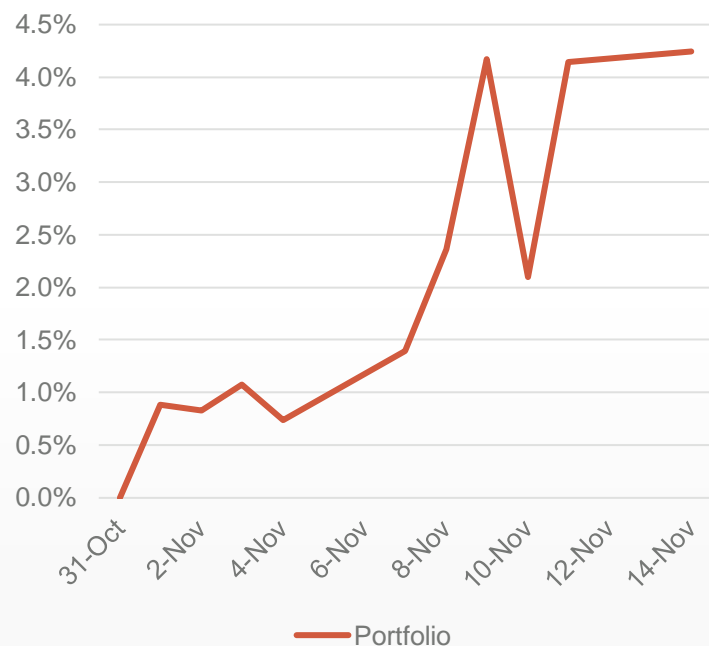
*Not adjusted for subscriptions/redemptions and changes in market value

Source: NicheAM, Refinitiv

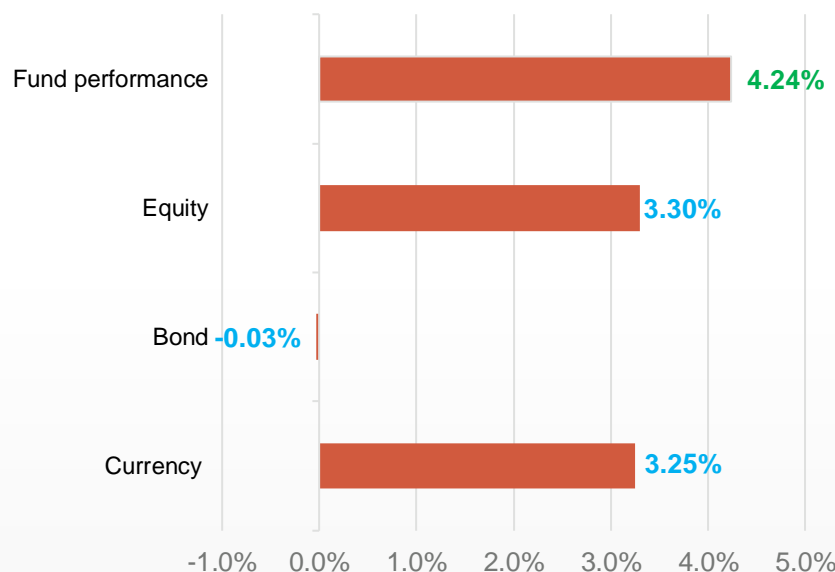
PORTFOLIO: Allocation & Performance summary

Fund Performance	Price as of 14/11/22	2 weeks	YTD	Since Inception**
NicheJungle Korea Reunification SDG*	1026.42	+4.24%	-	+2.64%

Fund Chart (31 October '22 - 14 November '22)



Performance by Asset Class
(31 October '22 - 14 November '22)



Monthly Performance contribution by asset class (31 October '22 - 14 November '22)

	Avg Weight (a)	2 weeks Return (b)	Contribution (c = a*b)
<u>Contribution by asset class</u>			
Equity	66.7%	3.30%	2.20%
Cash & short-term Bond	33.3%	-0.03%	-0.01%
Currency		3.25%	2.05%
Total performance			+4.24%

Equity Contribution by sector

Industrials	11.9%	5.0%	0.59%
Financials	19.7%	2.3%	0.45%
Materials	8.7%	5.0%	0.44%
Utilities	3.8%	4.3%	0.16%
Consumer Staples	5.9%	2.7%	0.16%
Information Technology	4.2%	3.5%	0.15%
Communication Services	6.0%	1.7%	0.10%
Consumer Discretionary	3.7%	2.5%	0.09%
Health Care	2.8%	2.1%	0.06%

*class I. Performance is net of fees

** Inception date: 17/10/2022

Past performance is not indicative or a guarantee of future returns. The currency component may increase or decrease returns. The investment involves taking a risk and possible loss of capital.

EQUITY PORTFOLIO: Performance (31 October '22 - 14 November '22)

Top performers*

	Avg Weight	Return	Contribution
Posco Holdings	1.3%	22.5%	0.28%
Korea Electric Power	1.3%	19.0%	0.23%
Manho Rope & Wire	0.3%	37.3%	0.20%
Hyundai Engineering & Construction	0.8%	28.2%	0.20%
Hyundai Elevator	1.3%	13.8%	0.17%
KumhoE&C	1.2%	13.6%	0.15%
Korean Air Lines	0.9%	14.8%	0.13%
Sebang	0.5%	28.7%	0.13%
Kyungdong City Gas	1.1%	9.4%	0.13%
Shinsegae I&C	1.6%	9.0%	0.13%
SK Square	1.0%	12.6%	0.12%
Samsung Securities	0.9%	13.1%	0.11%
E-Mart	0.9%	13.0%	0.11%
LG Uplus	1.5%	7.3%	0.11%
Soulbrain Holdings	0.7%	11.6%	0.10%

Bottom performers

	Avg Weight	Return	Contribution
Hyundai Marine & Fire Insurance	0.5%	-12.1%	-0.07%
MegaStudyEdu	0.6%	-7.4%	-0.05%
Inbody	0.3%	-8.9%	-0.05%
Dongwon Industries	0.8%	-1.7%	-0.02%
INCHEON CITY GAS ORD	0.3%	-0.4%	0.00%
Heungkuk Fire & Marine Insurance	0.7%	0.3%	0.00%
SaraminHR	0.3%	0.7%	0.00%
Hyundai Electric & Energy Systems	0.4%	1.4%	0.01%
Namhae Chemical	0.4%	2.5%	0.01%
KPX Holdings	0.3%	3.1%	0.01%
Cell Biotech	0.3%	1.8%	0.01%
Megastudy	0.1%	2.6%	0.01%
Mirae Asset Securities Pref Shs	0.1%	7.0%	0.01%
Ilshin Spinning	0.4%	2.8%	0.01%
Yesco Holdings	0.4%	2.8%	0.01%

*Sorted from highest to lowest by Contribution

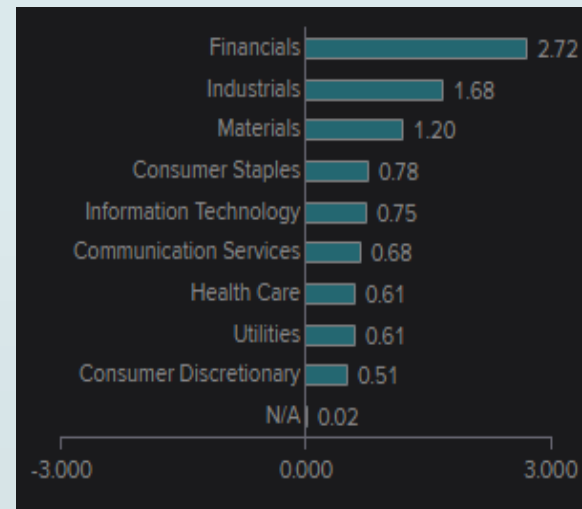
Source: NicheAM, Refinitiv

Ex-ante analysis: VaR 1 month 95% as of 14/11/2022

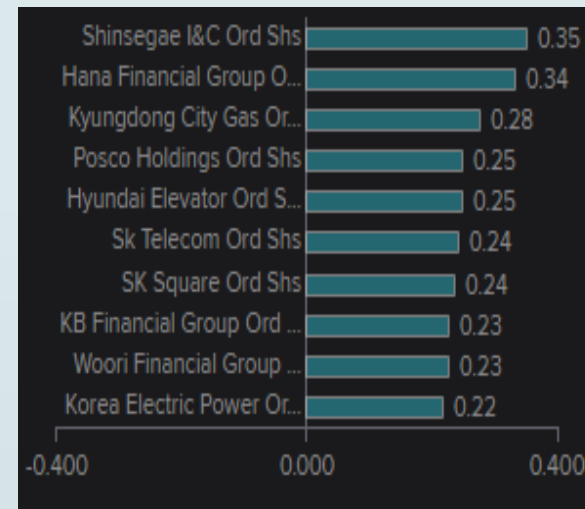
Portfolio VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-1,93%	-2,89%
Historical 1W	-4,32%	-6,47%
Historical 1M	-9,07%	-13,59%

VAR 1M – 95% BY GICS SECTOR AS OF 14/11/2022



VAR 1M-95% TOP 10 SECURITIES AS OF 14/11/2022



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