

unique investing



**NICHE
JUNGLE**

**PROJECT
NJ**
Indonesian Infrastructure Small Caps SDG



Monthly Risk Report

31 January 2024

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

Summary

- [Project Characteristics](#)
- [Portfolio Valuation](#)
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NJ Indonesia Infrastructure Small Cap SDG

Project Characteristics

Instrument	UCITS Fund – Art.8 Plus SFDR
Project website	Link
Supplement	Link
ISIN	Class A – IE0006KCMUK2 Class I – IE0009OQU6T7 Class Q (listed class) - IE000R9RIBW8
Project ICAV:	NicheJungle ICAV www.nichejungle.com
Project Inception date:	17/11/2023
Project AUM:	9.20 mln € as of 31/01/2024
Project Max AUM:	20 mln
Project Liquidity at max. AUM	81% 5 day – 95% 20 days
Project liquidity :	Daily
Project # stocks	Min: 80 Max: 120
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 Indonesian Small Cap companies exposed to the country’s massive infrastructure plan.

This asset class is trading at depressed levels in absolute terms despite the rosy growth outlook for the country: Indonesia is the 7th largest economy in the world and has its 4th largest population. Its territory is huge, fertile and rich in commodities. The weather and thousands of pristine beaches make it ideal for tourism. By emerging market standards, both the institutional framework and corporate governance are good. The Central Bank is independent, public debt is low, inflation is under control and economic growth healthy.

This market niche is also trading at a significant discount to the big caps. The fact that there are no financial products (ETF or UCITS funds) on the asset class is clearly one of the reasons for that.

The investment case bears strong similarities to what happened with Indian small caps, which over the last few years benefited from a strong rerating as the outlook for the Indian market improved.

PROJECT NJ INDONESIA INFRASTRUCTURE SMALL CAP SDG : a valuation anomaly



Indonesia is a country with solid fundamentals - considering the growth potential, the valuation of Indonesia's big caps is attractive while the valuation of its small caps is even more so

	PE '24	Average GDP growth '24-27E
MSCI India Small Cap	24,1x	6,5%
MSCI India	20,5x	6,5%
MSCI Thailand	15,7x	3,6%
MSCI Indonesia	13,4x	5,2%
MSCI Malaysia	13,4x	4,4%
MSCI Vietnam	12,2x	7,0%
MSCI Philippines	11,7x	5,8%
MSCI Singapore	11,1x	2,6%
MSCI Indonesia Small Cap	9,9x	5,2%
Indonesia Infrastructure Small Caps SDG Portfolio	6,6x	5,2%

Source: Bloomberg, IMF, NicheAM, valuations consensus as of 30/11/23

The Small Cap universe represents a valuation anomaly

This asset class is trading:

- **at depressed levels in absolute terms despite the rosy growth outlook**
- **at a strong discount to the big caps (see next slide for few examples)**

... and the fact that there are **no financial products on this asset class is clearly one of the reasons**

Powerful catalysts

→ **Infrastructure plan: 400bln USD to be spent (about 35% of GDP)**

→ **Supply chain diversification from China**

→ **EV materials**

→ **India equity market catch-up**



PROJECT NJ INDONESIA INFRASTRUCTURE SMALL CAP SDG at exit (as for valuation gap report) on cautious assumptions

Upside at project closure: 75%

This corresponds to 13.8x earnings (Indonesia's big caps valuation as of today)

We remain cautious and do not incorporate a potential re-rating towards India's small caps (which trading at 23.5x earnings would imply a further **70% upside**).

And we do not consider either the expected mid-term EPS growth of about 12%, which would imply a **further 70% upside** in 5 years' time.

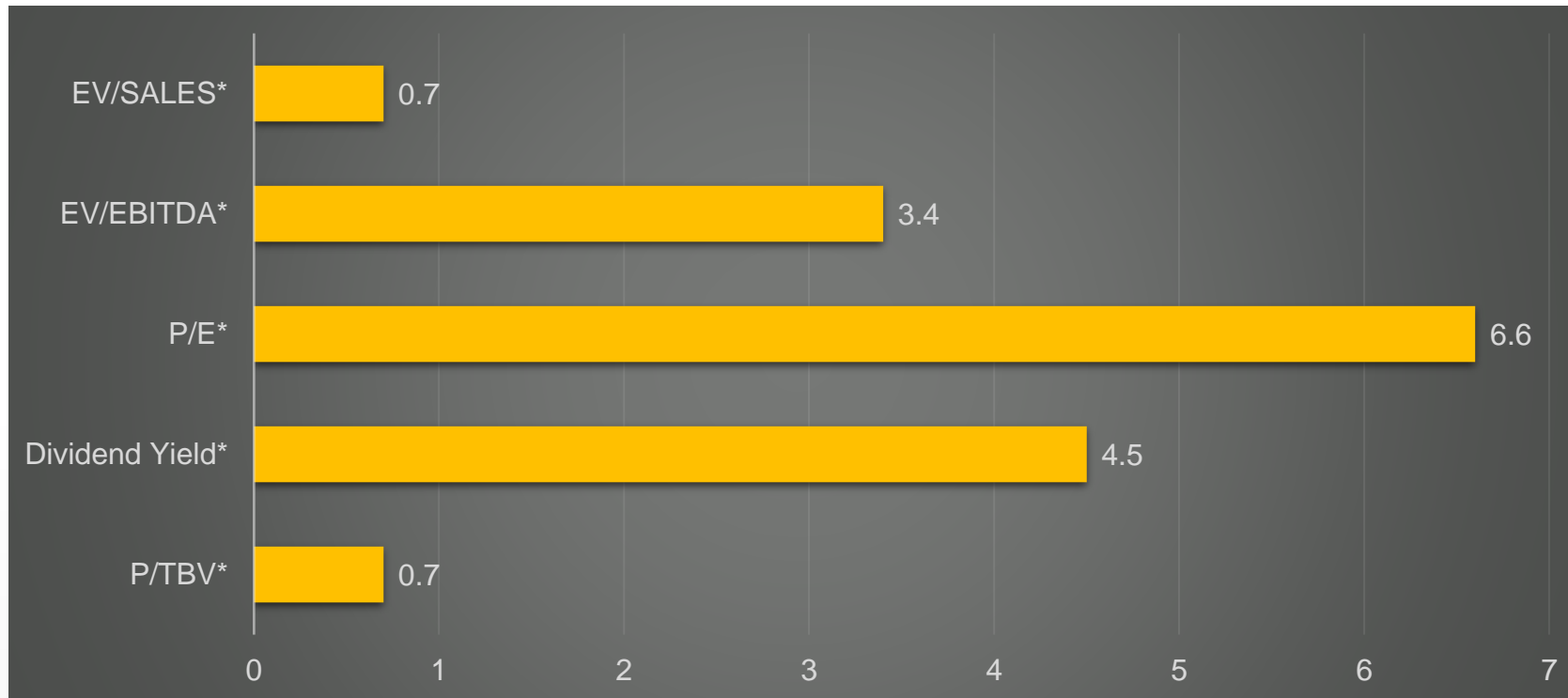
Source: NicheAM

Something to look-up to: the Indian Small Caps case



Source : Bloomberg, NicheAM

PROJECT NJ INDONESIA INFRASTRUCTURE SMALL CAP SDG EQUITY PORTFOLIO: Valuation (as of 31 January '24)

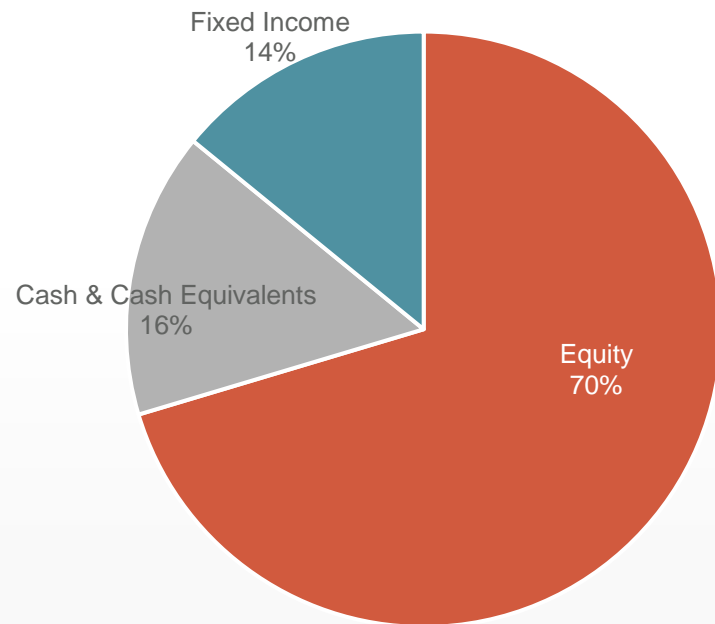


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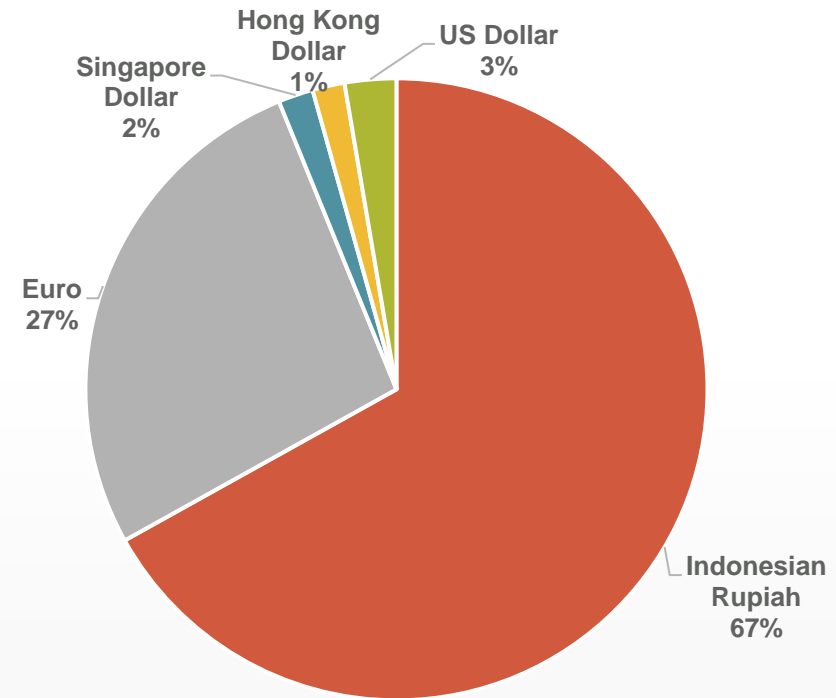
Source: NicheAM, Refinitiv

PORTFOLIO: Allocation summary

**Breakdown by Asset Class
 as of 31 January '24**



**Breakdown by Currency
 as of 31 January '24**



Source: Niche AM, Refinitiv

EQUITY PORTFOLIO: Holdings (as of 31 January '24)



Holding	Portfolio Weight	Holding	Portfolio Weight
Pt Tempo Scan Pacific Tbk	2.89%	Indonesia Kendaraan Terminal	0.88%
Ramayana Lestari	2.07%	Pt Bank Btpn Tbk	0.88%
Panin Insurance Tbk	2.01%	Surya Pertiwi Tbk Pt	0.82%
Cikarang Listrindo Tbk	1.88%	Pp Presisi --- Registered Shs	0.82%
Asuransi Tugu Pratama Indone	1.77%	Tunas Baru Lampung -Shs-	0.78%
Wijaya Karya Beton Tbk	1.68%	Pabrik Kertas Tjiwi Kimia	0.76%
First Pacific Co Ltd	1.67%	Bekasi Fajar Industrial	0.75%
Perusahaan Gas Nega -B-	1.63%	Pt Jaya Konstruksi Manggala Pratama Tbk	0.72%
Bank Danamon Indonesia Series -A-	1.62%	Lippo Karawaci	0.72%
Panin Life	1.60%	Kmi Wire And Cable Tbk Pt	0.69%
Indofood Sukses Makmur Tbk	1.58%	Pt Bank Tabungan Pensiunan Nasional Syar	0.68%
XI Axiata	1.47%	Pt Surya Semesta Internusa Tbk	0.68%
Pt Bumi Serpong Damai Tbk	1.44%	Prod Widyahusad Registered	0.67%
Pt Bank Tabungan Negara (Persero)	1.41%	Pt Lippo Cikarang Tbk	0.67%
Pt Mitra Pinasthika Mustika Tbk	1.41%	Vale Indonesia Tbk	0.67%
Astra Graphia	1.38%	Uni-Chm --- Registered Shs	0.65%
Golden Agri-Resources	1.36%	Pelayaran Nasional Ekalya Pu	0.63%
Pt Bukalapak.Com Tbk	1.34%	Sinar Eka Selaras Tbk Pt	0.63%
Pt Wijaya Karya Bangunan Gedung Tbk	1.34%	Suryamas Dutamakmur Tbk Pt	0.58%
Total Bangun Persad Tbk	1.31%	Erajaya Swasembada Tbk	0.57%
Blue Bird	1.19%	Bank Ibk Indonesia Tbk Pt	0.56%
Pp London Sumatra	1.18%	Bpd Jabar -B-	0.50%
Pt Central Proteinaprima Tbk	1.11%	Salim Ivimas Pratama	0.48%
Dharma Satya Nusantara Tbk Pt	1.07%	Bank Mayapada Intl Tbk Pt	0.48%
Indah Kiat Pulp Paper Corp	1.05%	Panca Mitra Multiperdana Pt	0.47%
Matahari Dept -A-	1.02%	Gaya Abadi Sempurna Tbk Pt	0.47%
Bank Pan Indonesia Tbk	0.99%	Pt Sat Nusapersada Tbk	0.46%
Astra Agro Lestari	0.96%	Pt Nusa Raya Cipta Tbk	0.46%
Pt Steel Pipe Industry Of Indonesia Tbk	0.95%	Jasa Armada Indonesia Pt	0.45%
Samudera Indonesia	0.92%	Puradelta Lestari Tbk Pt	0.43%

Equity Exposure: 70%
 No of holdings: 94
 Average Weight: 0.75%
 Median Weight: 0.63%

TOP 5 : 10.62%
 TOP 10: 18.82%
 TOP 25: 39.48%
 TOP 50: 58.11%

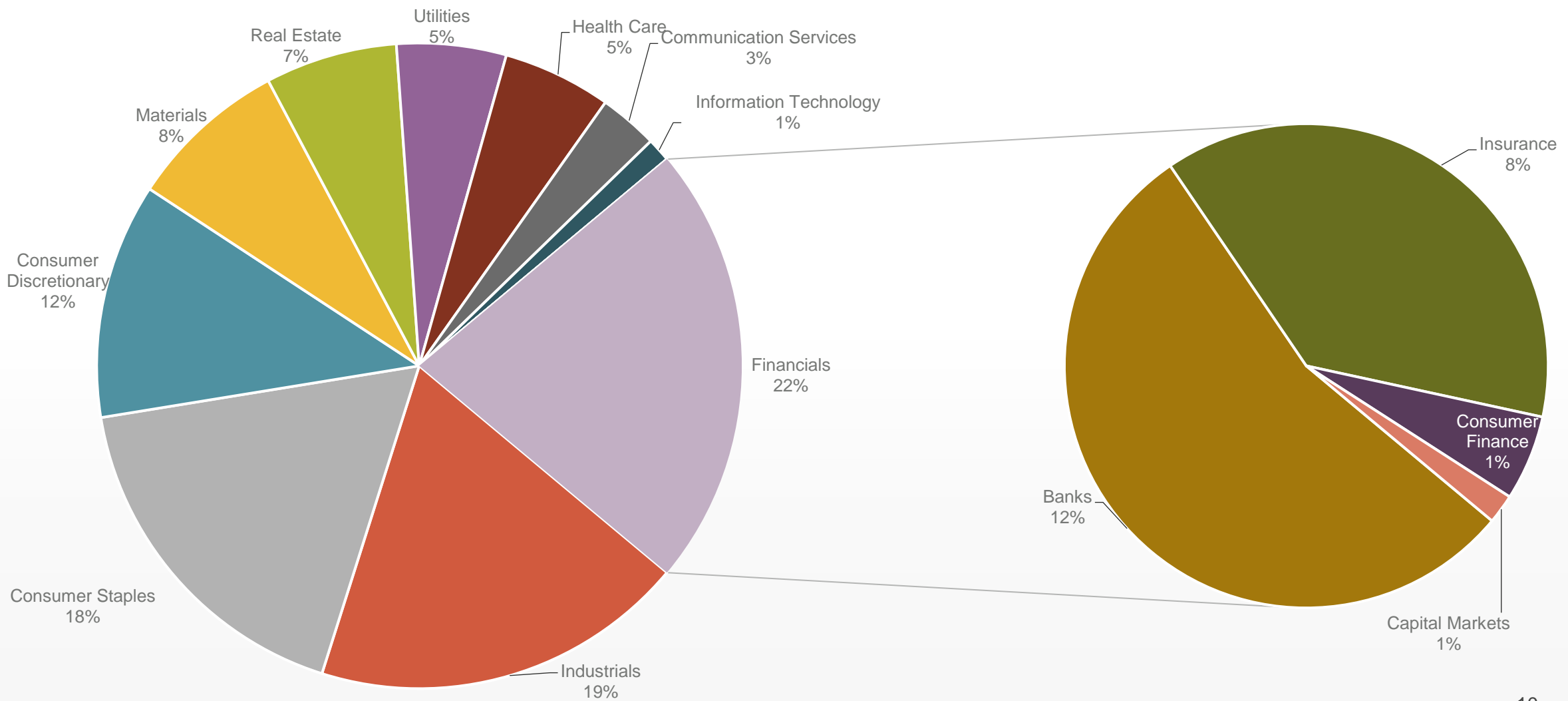
EQUITY PORTFOLIO: Holdings (as of 31 January '24)



Holding	Portfolio Weight	Holding	Portfolio Weight
Clipan Finance Indonesia	0.43%	Asuransi Multi Artha Guna Pt	0.23%
Pt Enseval Putera Megatrading Tbk	0.43%	Emdeki Utama Pt	0.23%
Bayu Buana Tbk Pt	0.43%	Lippo Mapletree Indonesia Real Estate	0.22%
Pt Bank Woori Saudara Indonesia 1906 Tbk	0.40%	Pp Tbk	0.22%
Pt Triputra Agro Persada Tbk	0.36%	Panca Budi Idaman Pt	0.20%
Global Mediacom	0.36%	Indo Kordsa Tbk Pt	0.19%
Pt Bank Internasional Indonesia Tbk-A	0.35%	Bank Victoria Internation Pt	0.17%
Ken Erg --- Registered Shs	0.34%	Bank Panin Dubai Syariah Tbk	0.14%
Pt Sampoerna Agro Tbk	0.31%	Bank Permata Series -A-	0.13%
Surya Toto Indonesia Pt	0.30%	Wahana Ottomitra Multiartha	0.13%
Adira Dinamika Multi Finance	0.30%	Mulia Industrindo	0.12%
Panin Securitas	0.30%	Pt Tembaga Mulia Semanan Tbk	0.12%
Pt Budi Starch And Sweetener Tbk	0.29%	Pt Putra Mandiri Jembar Tbk	0.11%
Bank Ganesha Tbk Pt	0.27%	Kedawung Setia Industrial Tb	0.09%
Media Nusantara Shs	0.25%	Pt Asahimas Flat Glass Tb	0.09%
Indospring Tbk Pt	0.25%	Asuransi Dayin Mitra Tbk Pt	0.06%
Indofood Agri Resources Ltd	0.24%	Sekar Bumi Tbk Pt	0.01%



EQUITY PORTFOLIO: Allocation summary: Breakdown by Sector as of 31 January '24



Source: NicheAM, Refinitiv

EQUITY PORTFOLIO: Change in holdings (31 December '23 - 31 January '24)

Holding	Trade	End Portfolio Weight	Change in Weight*	Total Return on sold positions**
Bank Mayapada Internasional	BUY	0.49%	0.49%	
Sinar Eka Selaras	ADD	0.63%	-0.04%	
Pelayaran Nasional Ekalya Purnamasar	ADD	0.63%	0.08%	
Uni-Charm Indonesia	ADD	0.65%	0.23%	
Gaya Abadi Sempurna	ADD	0.47%	0.04%	
Prodia Widyahusada	ADD	0.67%	0.19%	
Blue Bird	ADD	1.19%	0.21%	
Wijaya Karya Beton	ADD	1.68%	0.14%	
Bumi Serpong Damai	ADD	1.44%	0.41%	
Sat Nusapersada	ADD	0.46%	0.09%	
Paninvest	ADD	2.01%	-0.04%	
Tunas Baru Lampung	ADD	0.78%	0.19%	
Bayu Buana	ADD	0.43%	0.12%	
Pabrik Kertas Tjiwi Kimia	ADD	0.76%	0.07%	

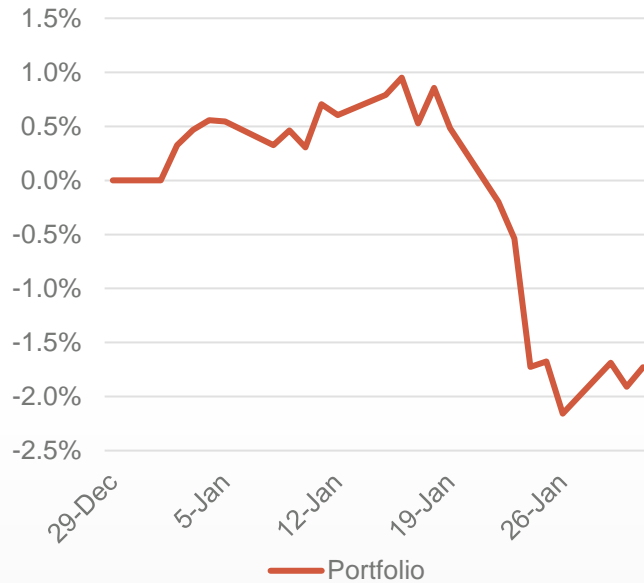
*Not adjusted for subscriptions/redemptions and changes in market value

**Local Currency

Source: NicheAM, Refinitiv

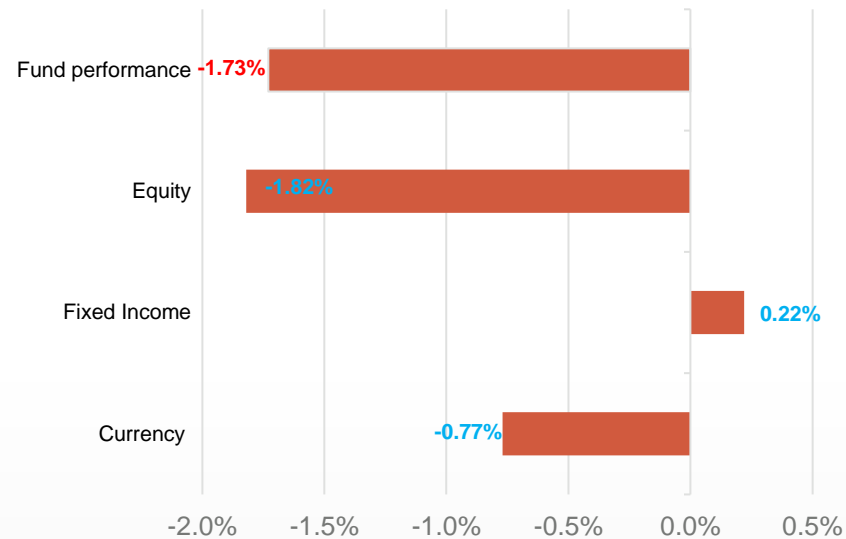
PORTFOLIO: Allocation & Performance summary

Fund* Chart (31 December '23 - 31 January '24)



*class I

Performance by Asset Class (31 December '23 - 31 January '24)



Performance contribution by Asset Class and Sector (31 December '23 - 31 January '24)

	Avg Weight (a)	1 month Return (b)	Contribution (c = a*b)
Contribution by asset class			
Equity*	68.7%	-1.82%	-1.25%
Fixed Income	13.8%	0.22%	0.03%
Currency effect (IDR)		-0.77%	-0.51%
Total performance			-1.73%
Equity Contribution by sector			
Health Care	3.7%	7.89%	0.30%
Communication Services	2.0%	8.29%	0.17%
Utilities	3.8%	1.05%	0.04%
Consumer Staples	12.1%	-0.51%	-0.06%
Information Technology	0.8%	-7.75%	-0.06%
Industrials	12.9%	-0.66%	-0.08%
Materials	5.5%	-5.74%	-0.32%
Consumer Discretionary	8.1%	-4.98%	-0.40%
Real Estate	4.6%	-8.89%	-0.40%
Financials	15.2%	-2.76%	-0.42%

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.

AUM: 9,20 mln €
Project closure at 20 mln €

*Equity Performance is net of fees

Source: NicheAM, Refinitiv

EQUITY PORTFOLIO: Performance (31 December '23 - 31 January '24)

Top performers*

	Avg Weight	Return	Contribution
Tempo Scan Pacific	2.8%	11.9%	0.33%
XL Axiata	1.4%	15.1%	0.21%
Panca Mitra Multiperdana	0.4%	55.3%	0.20%
Total Bangun Persada	1.3%	5.6%	0.07%
Samudera Indonesia	0.9%	6.7%	0.06%
Golden Agri Resources	1.3%	4.2%	0.06%
Bank Tabungan Negara (Persero)	1.4%	3.6%	0.05%
Matahari Department Store	1.0%	4.7%	0.05%
Perusahaan Gas Negara	1.6%	2.3%	0.04%
Bank Woori Saudara Indonesia 1906	0.4%	4.4%	0.02%
Bank Danamon Indonesia	1.6%	1.0%	0.02%
Kedawang Setia Industrial	0.1%	16.9%	0.01%
Central Proteina Prima	1.1%	1.2%	0.01%
Asuransi Tugu Pratama Indonesia	1.8%	0.7%	0.01%
Panca Budi Idaman	0.2%	6.3%	0.01%

Bottom performers

	Avg Weight	Return	Contribution
Paninvest	2.0%	-14.4%	-0.29%
Bukalapak.com	1.4%	-11.8%	-0.16%
Lippo Karawaci	0.8%	-18.2%	-0.14%
Ramayana Lestari Sentosa	2.2%	-6.0%	-0.13%
Lippo Cikarang	0.7%	-18.1%	-0.13%
Pabrik Kertas Tjiwi Kimia	0.7%	-15.0%	-0.10%
Bank Pan Indonesia	1.0%	-9.8%	-0.10%
Dharma Satya Nusantara	1.1%	-8.8%	-0.10%
Wijaya Karya Beton	1.6%	-5.4%	-0.08%
Vale Indonesia	0.7%	-10.9%	-0.08%
Indah Kiat Pulp & Paper	1.1%	-6.7%	-0.07%
PP London Sumatra Indonesia	1.2%	-5.8%	-0.07%
Mitra Pinasthika Mustika	1.5%	-4.6%	-0.07%
Gaya Abadi Sempurna	0.4%	-14.0%	-0.06%
Blue Bird	1.0%	-5.8%	-0.06%

*Sorted from highest to lowest by Contribution



Liquidation time-horizon

	1 day	5 days	10 days	30 days
Indonesian Infrastructure Small Caps SDG	69%	90%	96%	99%

Source: Niche AM, Refinitiv

Assumptions in relation to the time it takes to liquidate assets for cash on a daily basis:

- Equity: orders placed on the market at 33% of volumes; average 3 months volumes considered
- Fixed income: 0.05% amount outstanding
- Bond ETF – 1 day

Internal Liquidity requirement: at least 10% can be liquidated in one week and 40% in one month



Number of days necessary to liquidate 25% of the portfolio: 1 day

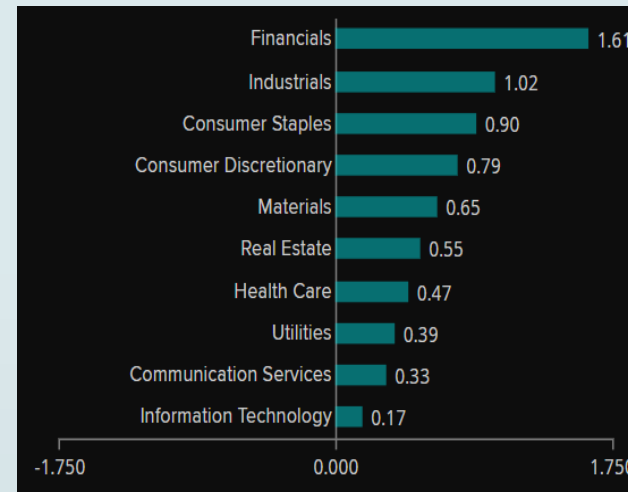
Source: Niche AM, Refinitiv

Ex-ante analysis: VaR 1 month 95% as of 31/01/2024

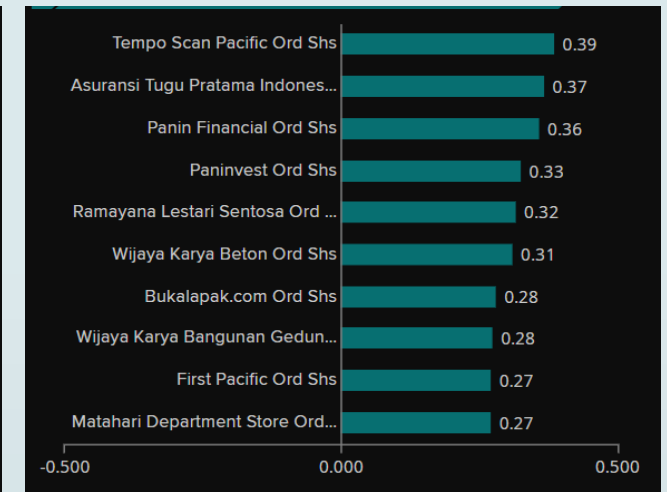
Portfolio VaR Sensitivity

	95% VaR	99% VaR
Historical 1D	-1.10%	-1.58%
Historical 1W	-2.47%	-3.54%
Historical 1M	-5.17%	-7.43%

VAR 1M – 95% BY SECTOR AS OF 31/12/2023



VAR 1M-95% TOP 10 SECURITIES AS OF 31/12/2023



EQUITY PORTFOLIO: Indices % price changes

Index	Price as of 31/012024	% Price Change 1 month (local currency)	% Price Change 1 month (€)	% Price Change 3 month (local currency)	% Price Change 3 month (€)	% Price Change Year to Date (local currency)	% Price Change Year to Date (€)	% Price Change Since inception ** (local currency)	% Price Change Since inception ** (€)
NicheJungle Indonesian Infra Small Caps SDG*	974.64	-	-1.73%	-	-	-	-1.73%	-	-2.54%
MSCI ACWI Net (.dMIWD0000NUS)	390.39	0.59%	2.63%	15.15%	12.59%	0.59%	2.63%	6.81%	7.71%
MSCI Asia Pacific Value (.dMIAP0000VPUS)	157.47	-0.64%	1.38%	10.67%	8.22%	-0.64%	1.38%	4.95%	5.83%
MSCI Asia Pacific (.MIAP00000PUS)	166.51	-1.70%	0.30%	10.52%	8.07%	-1.70%	0.30%	3.50%	4.37%
Indonesia (.JKSE)	7207.94	-0.89%	-1.31%	6.75%	5.08%	-0.89%	-1.31%	3.30%	2.29%
MSCI Small Cap Indonesia – USD (dMIID000S0NUS)	402.58	-5.84%	-3.93%	-2.09%	-4.26%	-5.84%	-3.93%	-2.01%	-1.19%
Korea KOSPI (.KS11)	2497.09	-5.96%	-7.04%	9.62%	8.68%	-5.96%	-7.04%	1.10%	-1.05%
Tokyo Stock Exchange (.TOPX)	2551.10	7.81%	5.64%	13.20%	14.29%	7.81%	5.64%	6.69%	9.60%
China (.HSI)	15485.07	-9.16%	-7.43%	-9.51%	-11.45%	-9.16%	-7.43%	-11.28%	-10.80%

* class I

* *Inception date: 17/11/2023

Source: Niche AM, Refinitiv

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.

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