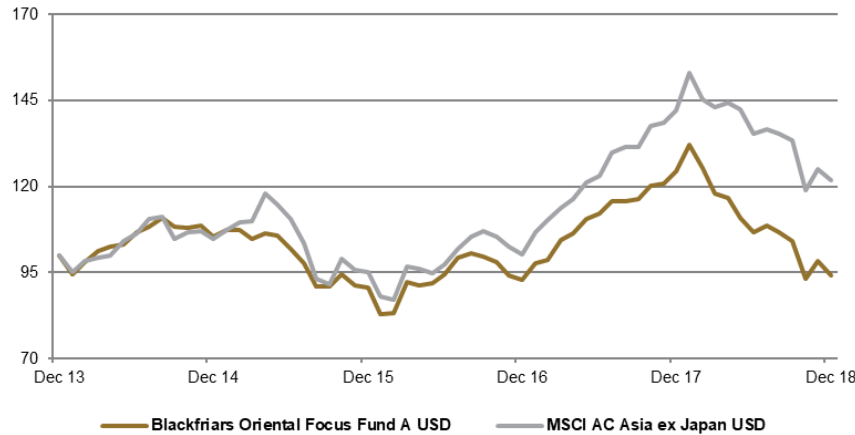


## Investment Objective

The Blackfriars Oriental Focus Fund invests in Asian equity markets excluding Japan and aims to generate long term capital growth. The Fund is not managed against, nor constrained by, any index. The mandate is "long only" and the portfolio is subject to normal market risk. The Dollar A share class is unhedged.



## Commentary

The MSCI AC Asia ex Japan Index fell 2.7% in December. Malaysia (+1.6%), the Philippines (+1.5%) and Indonesia (+0.9%) held up well while China (-6.1%) and Thailand (-2.9%) underperformed.

The shakeout in Wall Street and continued negative sentiment towards technology stocks impacted performance with portfolio holdings Alibaba (-14.8%) and SK Hynix (-12.7%) recording double digit declines over the month. Siam City Cement (-12.1%) gave up recent gains while Chinese clothes designer JNBY (-19.2%) was sold off as Chinese consumption trends weaken somewhat.

The sharp decline in US equities in the fourth quarter was overdue, all other equity markets - developed and emerging - have been struggling since early 2018. The combination of a stronger dollar, rising short term dollar interest rates, a contracting Federal Reserve balance sheet and increased trade tensions have taken their toll. It is also abundantly clear that economic growth has slowed considerably while the latest purchasing managers index released across the Asian region suggest the first quarter of 2019 will be hard work. To state the obvious, a weaker dollar and a trade deal would improve sentiment towards Asian equity considerably.

Structure	
<b>Investment Manager</b>	<b>Legal Status</b>
Blackfriars Asset Management Limited	A sub fund of Blackfriars Developing Markets Funds plc, an Irish domiciled UCITS (V)
<b>Auditors</b>	
Grant Thornton	
<b>Administrator</b>	<b>Custodian</b>
RBC Investor Services Ireland Limited	RBC Investor Services Bank S.A.
Dealing Information	
<b>Minimum Initial Investment</b>	\$10,000
<b>Minimum Subsequent Investment</b>	\$2,500
<b>Dealing Frequency</b>	Daily (by 4pm)
<b>Dealing Contact</b>	t: +353 1 440 6555
<b>- RBC Customer Contact Centre</b>	Dublin_TA_Customer_Support@rbc.com
<b>Other Enquiries</b>	t: +44 (0) 20 7332 2270
<b>- Blackfriars Asset Management Limited</b>	
<b>ISIN</b>	IE00B02H5587
<b>Bloomberg Ticker</b>	BDTEMDA ID
<b>Benchmark</b>	MSCI AC Asia ex Japan
<b>IMA Sector</b>	Pacific excluding Japan
<b>Morningstar Category</b>	Asia ex Japan Equity
Fees & NAV	
<b>Annual Management Fee</b>	1.50%
<b>Ongoing Charges</b>	2.41%
<b>Entry Charge</b>	NIL
<b>Exit Charge</b>	NIL
<b>Historic Dividend</b>	\$0.41
<b>Historic Yield</b>	2.1%
<b>Dividend Paid</b>	January
<b>Net Asset Value per share</b>	\$19.11
<b>Fund Size (mn)</b>	\$29.6

Cumulative Performance	One Month	Three Month	One Year	Three Year	Five Year
Blackfriars Oriental Focus A USD	-4.2%	-9.4%	-24.2%	4.1%	-5.7%
MSCI AC Asia ex Japan USD	-2.7%	-8.7%	-14.4%	28.0%	21.8%
Historic Calendar Year Performance	2014	2015	2016	2017	2018 YTD
Blackfriars Oriental Focus A USD	5.5%	-14.2%	2.5%	34.0%	-24.2%
MSCI AC Asia ex Japan USD	4.8%	-9.2%	5.4%	41.7%	-14.4%

Performance is in USD and includes gross dividends reinvested, calculated net of fees. Source: Blackfriars Asset Management Limited, MSCI.



Top 20 Stock Holdings	Weighting (%)	Country	Sector
HOUSING DEVELOPMENT FINANCE	5.5	INDIA	FINANCIALS
TAIWAN SEMICONDUCTOR MANUFAC	4.8	TAIWAN	CONSUMER DISCRETIONARY
SAMSUNG ELECTRONICS CO LTD	4.6	SOUTH KOREA	TECHNOLOGY
LAND & HOUSES PUB - NVDR	4.1	THAILAND	CONSUMER DISCRETIONARY
MINTH GROUP LTD	4.1	HK/CHINA	CONSUMER DISCRETIONARY
SANDS CHINA LTD	3.9	HK/CHINA	CONSUMER DISCRETIONARY
ASTRA INTERNATIONAL TBK PT	3.9	INDONESIA	CONSUMER DISCRETIONARY
SHINHAN FINANCIAL GROUP LTD	3.9	SOUTH KOREA	FINANCIALS
AYALA CORPORATION	3.8	PHILIPPINES	FINANCIALS
ZEE ENTERTAINMENT ENTERPRISE	3.7	INDIA	CONSUMER DISCRETIONARY
TENCENT HOLDINGS LTD	3.7	HK/CHINA	TECHNOLOGY
SIAM CITY CEMENT PCL-FOR	3.6	THAILAND	MATERIALS
SAMSONITE INTERNATIONAL SA	3.6	HK/CHINA	CONSUMER DISCRETIONARY
IND & COMM BK OF CHINA-H	3.5	HK/CHINA	FINANCIALS
ITC LTD	3.4	INDIA	CONSUMER STAPLES
JOHNSON ELECTRIC HOLDINGS	3.1	HK/CHINA	INDUSTRIALS
UNI-PRESIDENT ENTERPRISES CO	3.0	TAIWAN	CONSUMER STAPLES
CHINA OVERSEAS LAND & INVEST	2.9	HK/CHINA	FINANCIALS
LARSEN & TOUBRO LTD	2.7	INDIA	INDUSTRIALS
JNBY DESIGN LTD	2.5	HK/CHINA	CONSUMER DISCRETIONARY

### Regulatory Status

Approved by the Central Bank of Ireland and Recognised by the FCA.

### KIIDs

Key Investor Information Documents can be found on our website.

### UK Reporting Fund Status

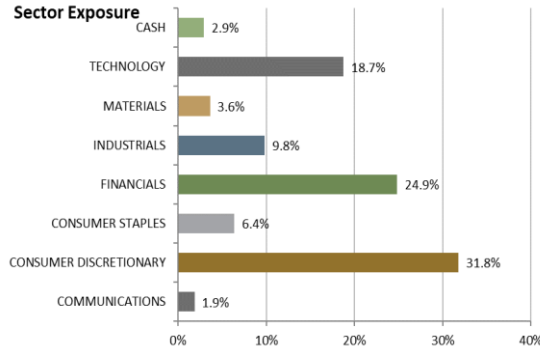
The Reporting Fund Income Disclosure Statement can be found on our website.

### Prospectus

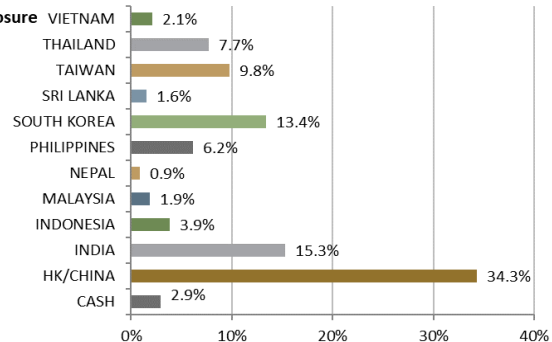
The Prospectus and other supporting documentation and application forms can be found on our website.

[www.blackfriarsam.com](http://www.blackfriarsam.com)

### Sector Exposure



### Country Exposure



Henry Thornton  
+44 (0)20 7332 2272

henry.thornton@blackfriarsam.com



Henry joined Blackfriars in 2014 as a Portfolio Manager. He began his career at Thornton Management (Asia) in 1985. In 1989 he was appointed investment director of Royal Trust Asset Management (Asia), a position he retained during subsequent acquisitions by Credit Lyonnais International Asset Management and Nicholas Applegate Capital Management. In 1999 he was appointed head of emerging markets at Colonial First State Investments, a position he retained until his resignation in April 2000.

Henry went on to co-found BDT Invest LLP and was chief executive officer for 14 years, where he managed the Establishment Investment Trust and co-managed BDT Invest's Oriental Focus and Asian Focus Funds (now the Blackfriars Oriental Focus Fund). He holds a BSSc from Bristol University.

Tony Hann

+44 (0)20 7332 2280

tony.hann@blackfriarsam.com



Tony is Head of Equities at Blackfriars having joined the team (formerly WestLB Asset Management) in 1998 as head of the Asian desk. Initially responsible for managing the Compass Emerging Asian Fund, he became a co-manager of the global emerging markets funds in 2005 and took on his current role of Head of Equities at the beginning of 2009. He continues to have day to day responsibility for the Asian stocks across the GEM portfolios.

Tony began his investment career in 1988 at National Mutual Life where he was responsible for insurance funds across the Asia Pacific region before going on to manage two Asian unit trusts at the Japanese investment bank Sanwa International. Prior to joining Blackfriars, Tony was at General Accident in London for 5 years where he ran the Asia Pacific desk managing a range of pension and life funds. He earned a first class honours degree in Applied Physics from Brunel University, followed by 4 years post-graduate research with the Electro-Optics teams at Brunel and Reading Universities.

