

JOM Silkkitie Asia Equity Investment Fund's NAV was 232.06 at the end of July, so the performance during the month stood at +0.07%. Since fund inception (31st July 2009) the NAV has increased by +132.06%, thus the annual performance has been +8.78%.

During July Asia stock markets were slightly rising or staying put, however, India's large cap index NSE NIFTY 50 declined nearly 6%, while MSCI India Small Cap index declined by more than 9% in July (reasons below). The best market was Vietnam that rose by +4.4% while also other smaller SE-Asia's markets behaved relatively well as Indonesia rose by 0.5%, Philippines rose by 0.6% while Thailand decreased by 1%. Thus, it now feels more strongly than previously that investment flows are flowing into SE-Asian countries that benefit from US-China trade war issue.

India's budget for 2020 that was released in July was clearly disappointing for investors as it was missing many populist items. However, budget was considerably more plausible/realistic vs the budget for previous year. For example, transport infrastructure budget was increased by +25%, that will clearly have long-term benefits to the country – Silkkitie fund has two very attractively valued (P/Es between 3.5-5.5x) infra builders in this respect.

First half results have been so far quite good: Silkkitie fund's Indonesia holdings (8 in total) posted on average 113% average growth YoY while median growth was +23% YoY. With Vietnam holdings (3 in total) average YoY growth was +23%. From our China holdings only Times Property has reported so far: 6m net income rose by +35% YoY. HEC Pharma published a positive profit warning stating that net income will increase by at least 60% YoY. Silkkitie Fund's remaining companies from China, India and the Philippines will report by end of August.

In July we sold off property developer Sobha from India. Therefore India's weight decreased while at the same time we increased Indonesia's weight, as there are many attractively valued companies with improving profit picture.

JOM SILKKITIE, NET ASSET VALUE (31 July 2019)	232.06
Fund size	26.5 mEUR
Number of fund units	114 029.0120
Inception date	31.7.2009
Last month's performance	+0.07%
Performance since inception	+132.06%
Annualized performance since inception	+8.78%
Accumulated management fee*	0.70%
Accumulated performance fee*	0.00%
Accumulated custodian fee*	0.09%
Net investment position**	90.9%
Volatility***	12.3%
Portfolio turnover	228.4%

## OVERVIEW OF THE FUND

### Name:

JOM Silkkitie Asia Equity Investment Fund (UCITS)

### Portfolio Manager:

Juuso Mykkänen

### Custodian:

SEB. Helsinki branch

### Benchmark index:

No official index

### Profit sharing:

The Fund has only accumulating units

### Fund rules last confirmed:

7.7.2017

### Inception date:

31.7.2009

### ISIN-code:

FI4000003470

### Bloomberg-ticker:

JOMSILK FH

### Fund target group:

Demanding investors who understand the potential of Asian equity markets in the long run.

### Minimum subscription:

5 000 €

### Subscription account:

IBAN: FI81 3301 0001 1297 17

BIC: ESSEFIHXXXX

### Management fee:

1.2% p.a.

### Subscription fee:

1.5% - 0%

### Redemption fee:

1% (min. 20 €)

### Performance fee:

10% on the return exceeding the hurdle rate of 5%. (pls see Fund prospectus for details)



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*Past performance is no guarantee for future returns. The Fund value may increase or decrease, and the investor may incur losses when redeeming his shares. Further details on JOM Silkkitie Investment Fund may be found in the key investor information document, fund prospectus and fund rules, which are available by request from JOM Fund Management Ltd, or on the website www.jom.fi. \*For the fiscal period since 1.1.2019, % of fund average net assets. \*\*Prior to end-of-the-month net subscriptions. \*\*\*Based on daily returns during 12 months. Detailed formulas available from the Fund Management Company.*

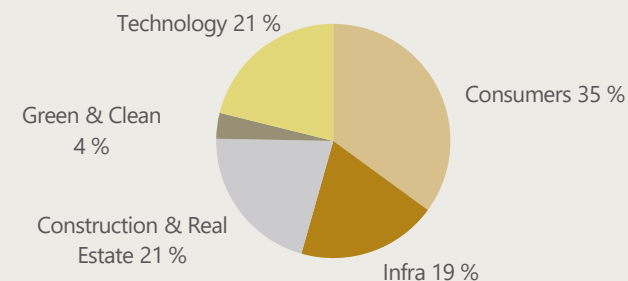
FUND CORRELATION (12M, DAILY) WITH SOME EQUITY INDICES (EUR)

Jakarta Composite Index JCI	Philippine composite Index PCOMP	HK China H shares HSCEI	MSCI Asia ex-Japan	Topix	MSCI World	S&P 500	Bloomberg Europe 500 Index
Indonesia	Philippines	China	Asia	Japan	World	US	Europe
0.49	0.37	0.66	0.70	0.40	0.34	0.24	0.38

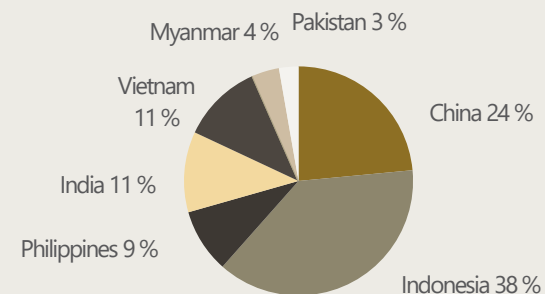
FUND PERFORMANCE MONTHLY (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009	-	-	-	-	-	-	-	-2.74	+7.49	+1.52	+0.40	+7.07	<b>+14.08</b>
2010	+3.55	-0.05	+9.66	+4.00	-8.12	+0.74	+7.55	+2.46	+13.95	+2.45	+2.73	+6.39	<b>+53.60</b>
2011	-8.11	-1.34	+2.81	+3.17	-2.47	-0.62	+7.75	-10.15	-14.07	+5.83	-4.11	+4.73	<b>-17.59</b>
2012	+8.75	+4.07	+2.35	+1.85	-4.68	-2.26	+2.58	-5.49	+0.90	+4.59	+5.35	+2.51	<b>+21.44</b>
2013	+6.18	+6.82	+3.25	-0.51	+10.17	-11.08	-1.57	-6.91	+2.00	+3.54	-1.15	+2.88	<b>+12.31</b>
2014	+2.31	+7.46	+0.14	+2.94	+2.21	-1.48	+7.98	+3.98	-1.25	-0.58	-0.33	-4.53	<b>+19.72</b>
2015	+6.02	+3.20	+5.89	+2.38	+3.81	-8.69	-3.22	-16.41	-2.44	+15.52	-1.36	-0.51	<b>+0.61</b>
2016	-9.61	+0.65	+5.97	+1.25	+1.71	+8.58	+7.75	+1.84	-1.66	+0.30	-3.26	+1.38	<b>+14.44</b>
2017	-0.55	+4.73	+1.51	-0.13	-0.67	-0.93	-4.23	-0.73	-0.40	+1.62	-2.73	+0.30	<b>-2.46</b>
2018	+1.54	+0.55	-5.46	+2.03	+4.85	-9.28	-4.14	+0.32	-5.39	-7.39	+6.50	-1.52	<b>-17.23</b>
2019	+1.56	+3.58	+5.58	-2.45	-4.37	+2.10	+0.07						<b>+5.86</b>

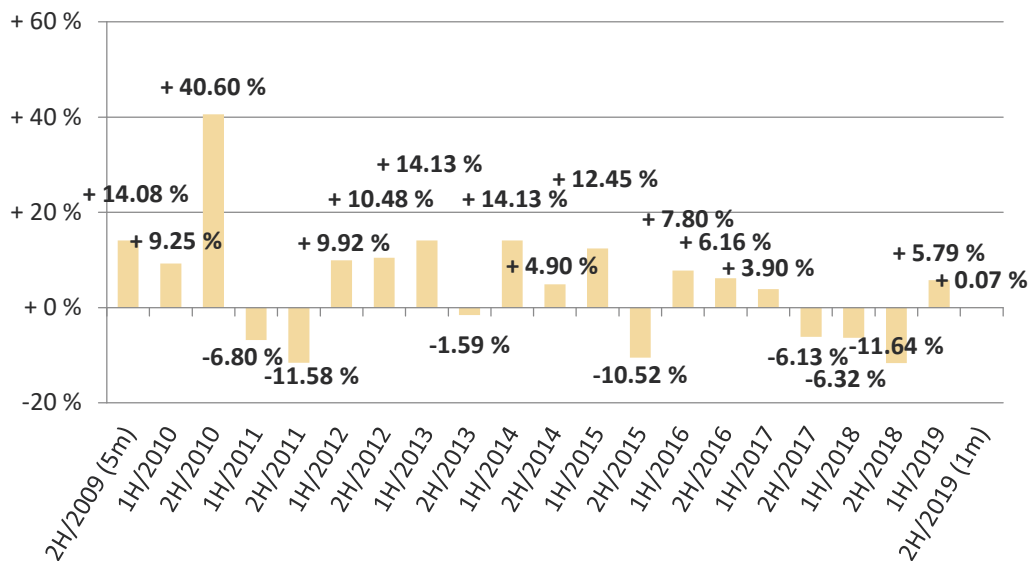
Equities by Investment Themes



Equities Geographical Break-down



JOM SILKKITIE HISTORICAL BI-ANNUAL PERFORMANCE (%)



JOM SILKKITIE NAV VS. THE REGIONAL EQUITY MARKET INDEX



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JOM Komodo Indonesia Equity Investment Fund's NAV was 185.91 at the end of July, as it increased by +3.93% during the month. Since fund inception (15th May 2012) the NAV has increased by +85.91%, thus the annual performance has been +8.98%.

Most of the portfolio companies (27/33) have now reported 6m results: portfolio weighted profits increased by 90% YoY, while median profit improvement was 11% YoY. As expected, 2019 second quarter was weaker than Q1, as election uncertainty prevailed during Apr-June period. What comes to different stocks, digital-tech companies posted highest profit growth figures, while construction and infra related companies posted more uneven results. However, second half of the year is widely expected to post stronger growth especially in interest rate sensitive areas in addition to investment-related areas.

Then central bank BI cut rates by 25bps in July to 5.75%, while at least one more cut is expected by end of the year as inflation has remained stable at only 3.3% YoY. President Jokowi is also expected to announce a new growth and reform-focused government during Autumn. Now, as the election stress has vanished, FDI has also started to pick up: during Q1 FDI growth was already 9.6% YoY and we firmly believe that this trend is set to continue considering the country's low production costs, improving infrastructure picture and very strong domestic demand from Indonesia's 270m people.

During the month we started to buy very a attractively valued investment firm (stocks/mutual funds), whose share price has been sleepy for years. Company's PE is 5.5x, P/BV is 0.8 while dividend yield is 6%, but now profits have started to turn up. In addition, the stock and mutual fund market is in strong structural growth phase: stock market cap to GDP ratio is only around 50% whereas in other parts of Asia it is around 100% or more. Mutual and equity ownership is also less than 1% of population, but this is now changing as especially millennials have started investing via different digital apps etc. Very interesting times ahead.

JOM KOMODO, NET ASSET VALUE (31 July 2019)	185.91
Size of the fund	19.0 mEUR
Number of fund units	102 406.0892
Inception date	15.5.2012
Last month's performance	+3.93%
Performance since inception	+85.91%
Annualised performance since inception	+8.98%
Accumulated management fee*	0.87%
Accumulated performance fee*	0.40%
Accumulated custodian fee*	0.16%
Net investment position**	97.3%
Volatility***	14.5%
Portfolio turnover***	191.5%
Fund's correlation to JCI-Index (12m)	0.72

FUND OVERVIEW

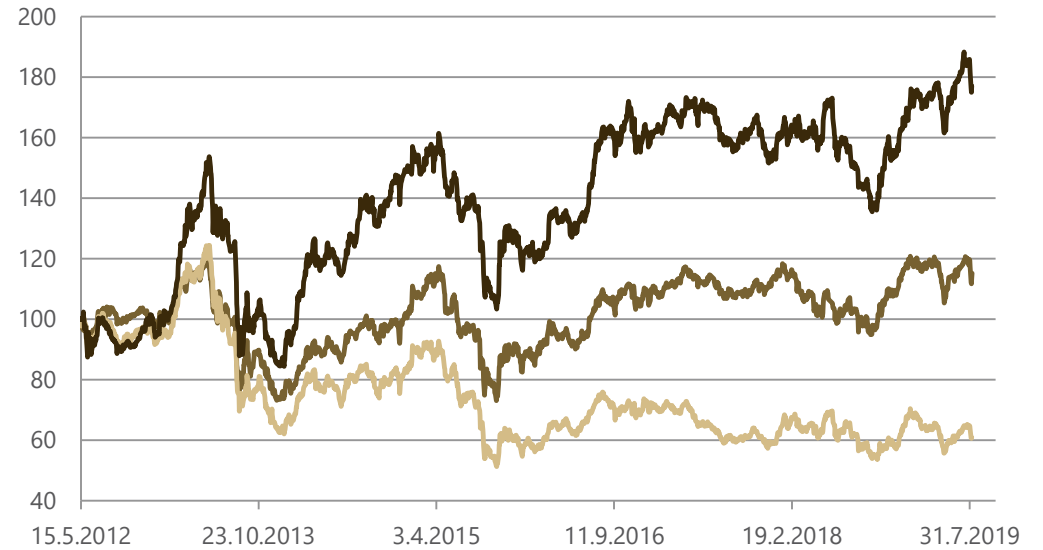
<b>Name:</b> JOM Komodo Indonesia Equity Investment Fund (UCITS)	<b>Inception date:</b> 15.5.2012	<b>Management fee:</b> 1.5% p.a.
<b>Portfolio Manager:</b> Juuso Mykkänen	<b>ISIN-code:</b> FI4000043401	<b>Subscription fee:</b> 1.5% - 0%
<b>Custodian:</b> SEB. Helsinki branch	<b>Fund target group:</b> Demanding investors who understand the potential of Asian equity markets in the long run.	<b>Redemption fee:</b> 2% (min. 20 €)
<b>Benchmark index:</b> No official index	<b>Minimum subscription:</b> 5 000 €	<b>Performance fee:</b> 10% on the return exceeding the hurdle rate of 5%. (pls see Fund prospectus for details)
<b>Profit sharing:</b> The Fund has only accumulating units	<b>Subscription account:</b> IBAN: FI75 3301 0001 1363 24 BIC: ESSEFIHXXX	
<b>Fund rules last confirmed:</b> 7.7.2017		



FUND PERFORMANCE MONTHLY (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2012	-	-	-	-	-6.29	+0.42	+3.62	-8.02	+3.01	+0.71	+7.63	-4.57	<b>-4.34</b>
2013	+6.05	+17.64	+13.43	+1.54	+11.52	-11.79	-8.95	-20.95	-0.95	+7.28	-13.95	-3.40	<b>-10.13</b>
2014	+9.68	+15.86	+10.77	-1.42	+3.20	-6.05	+10.24	+8.15	-2.09	+2.30	+5.50	+2.61	<b>+73.92</b>
2015	+2.45	+0.04	+2.24	-8.35	+1.42	-6.30	+0.26	-16.99	-8.01	+21.09	-1.75	-0.47	<b>-17.26</b>
2016	-1.69	+3.01	+5.87	+0.63	-0.86	+8.49	+9.63	+4.12	-3.45	+7.33	-6.93	+2.44	<b>+30.86</b>
2017	-0.30	+5.05	-0.38	+1.37	+0.73	-2.46	-4.74	-1.73	+1.37	+3.63	-4.47	-1.28	<b>-3.63</b>
2018	+5.21	+0.16	-1.45	+1.09	+3.50	-6.29	-1.32	-4.18	-3.48	-4.27	+13.25	+0.13	<b>+0.88</b>
2019	+6.46	+3.56	+0.19	+1.49	-1.80	+3.24	+3.93						<b>+18.12</b>

JOM KOMODO NAV VS. INDONESIA EQUITY INDICES



— JAKARTA COMPOSITE Index (EUR)  
 — S&P Indonesia SmallCap Price (EUR)  
 — JOM Komodo

Equities by Sectors

