

# Quarz Active Value Class S (SGD)

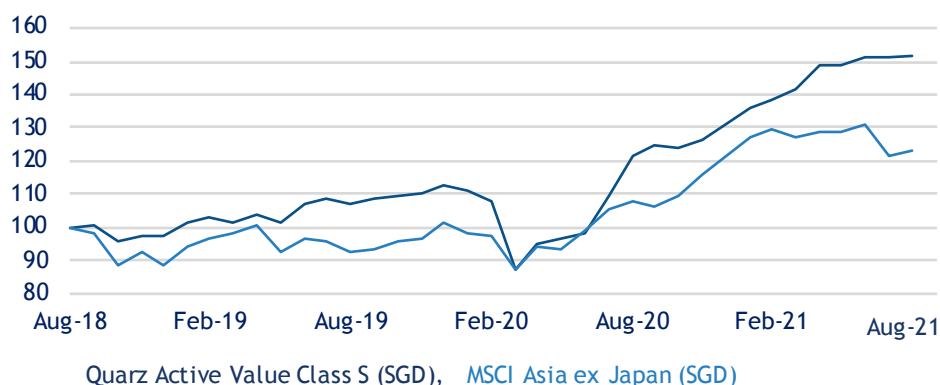
Generating Alpha Through Activist Investing



August 2021

Quarz Capital Management Asia is a value-oriented and research-driven asset manager operating an activist strategy and focusing on listed small and mid-cap companies mainly in developed Asia. Helped by our extensive network, we engage directly with the boards and management teams of our target companies and create value by tackling structural, capital and operational issues.

Performance since Inception (%)



## Market Commentary

Asian stock indices showed mixed results last month. While Singapore's STI index dropped 3.5% amid concerns the covid-related lockdowns might harm the country's manufacturers and suppliers, Australia's ASX200 added 2 percent. The Hong Kong benchmark was also down 0.3 percent and China's CSI 300 lost 0.1 percent, bringing its loss over the past quarter to more than 10 percent.

China's regulatory broadside continued, adding to investors' uncertainty about the direction of the country's financial regulation. After banning profits in the \$100 billion after-school tutoring sector, the government on August 12 released a five-year blueprint calling for greater regulation of vast parts of the economy and providing a sweeping framework for the broader crackdown on key industries. Authorities would "actively" work on legislation in areas including national security, technology and monopolies, according to the document.

In the US and Europe, the majority of stocks climbed last month, especially after investors took assurance from comments by Jerome Powell that the withdrawal of stimulus would be gradual. The S&P 500 and Nasdaq 100 rose after the Federal Reserve chairman's much-anticipated Jackson Hole address, where he reinforced the message that it would be appropriate to begin tapering bond purchases by the end of the year.

Powell said the economy has now met the test of "substantial further progress" toward the Fed's inflation objective while the labour market has also made "clear progress." The remarks come as the latest reading of a closely watched measure of inflation remained elevated, highlighting the case for starting policy normalization.

As a consequence, the decoupling between indices in the US and Asia has continued. The 60-day correlation between the MSCI Asia ex Japan and the SP 500 was at 0.11 during the period ending Sep 1. That's near the 0.03 for the period ending July 1, which was the lowest during the last year, and another strong argument in favour of diversifying into Asia stocks. Our deep-value oriented portfolio is a good way of doing this as the Quarz Active Value Class S fund added an average 15 percent per year (in SGD terms) since inception.

## Fund Information (Class S, SGD)

Name	Quarz Global Investments Fund
Class	Quarz Active Value Class S SGD
Type of Fund	Alternative Investment Trust
Bloomberg	VPQAVSS LE
ISIN	LI0425084352
Valor number	42508435
WKN	A2N430
Portfolio Manager	Quarz Capital ASIA
AIFM	VP Fund Solutions
Fund Domicile	Liechtenstein
Auditor	PwC (Zurich)
Administrator	VP Fund Solutions
Broker	Broker Network
Custodian / Depositary	VP Bank AG
Minimum Investment	SGD 100,000
Lock-up	N/A
Management Fee	1.50%
Performance Fee	20%
Lock-up	N/A
Subscription	monthly
Notice/Withdrawal	90 days / monthly
High Watermark	Yes
Hurdle Rate	N/A

## Performance (net, Class S, SGD)

Month	0.3%
Cumulative YTD	15.84%
Cumulative s. Inception	51.6%
Annualized s. Inception	14.9%
Annualized 5 Years	N/A
Annualized 3 Years	N/A
Best Monthly Return	11.38%
Worst Monthly Return	-19.3%
% of Positive Months	75
Maximum Drawdown	-22.6%
Annualized Volatility	13.4%
Sharpe Ratio (1 Year)	2.9



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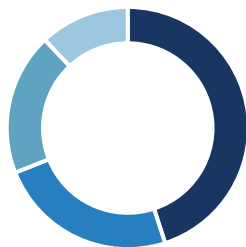
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## Track Record: Quarz Active Value Class S (SGD) (in %, net of fees)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2021	3.7	1.7	2.7	4.9	0.0	1.6	0.1	0.3					15.8
2020	-1.4	-2.7	-19.3	8.7	1.5	2.0	11.4	10.9	2.8	-0.9	2.0	3.8	16.0
2019	4.1	1.5	-1.4	2.1	-2.5	6.0	1.5	-2.0	1.7	0.8	1.1	2.0	15.7
2018									0.5	-4.5	1.3	0.4	-2.4

### Allocation by Region



- 45% Singapore
- 24% Australia
- 19% Japan
- 12% Hong Kong

### Allocation by Sector



- 46% Real Estate
- 17% Industrials
- 6% Technology
- 8% Communication Services
- 8% Consumer Staples
- 4% Healthcare
- 5% Consumer Cyclicals
- 6% Utilities

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