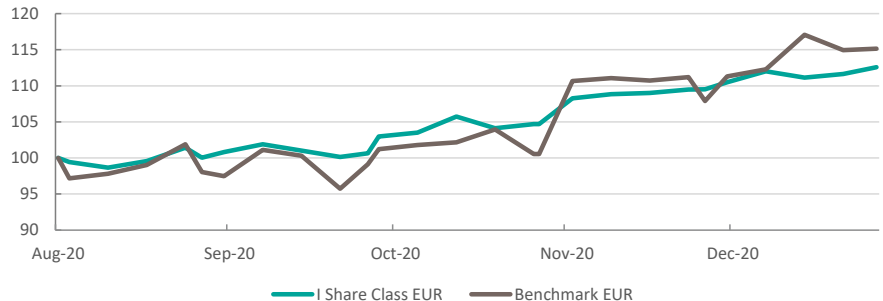


Investment Focus

The objective of the Fund is to achieve long-term capital growth by investing in listed African equities which will benefit from various socio-economic structural changes unfolding in Africa. These include the demographic wave driven by a growing African middle class and the digital revolution unfolding throughout the continent.

The capital allocation of the Fund follows a robust 'Quantamental' approach combining crucial top down risk management, quantitative stock filtering process and solid bottom-up analysis. This disciplined framework guides the decision making process throughout the investment cycle, starting from mega trend identification till execution.

Fund Performance



Performance as at 31 December 2020

	1 Month	3 Months	YTD	1 Year	Since Inception
Class I EUR	2.78%	11.86%	-	-	12.57%
Benchmark	6.73%	16.18%	-	-	15.16%

Price Data

I Class - USD	11.592
I Class - EUR	9.4888
I Class - MUR	460.0535
R Class - USD	10.1352
R Class - MUR	446.1019

Fund Facts

ISIN	MU0676S00017
Bloomberg Ticker	AXAFIC
Investment Manager	AXYS Investment Partners
Inception Date	08 May 2020
Benchmark	MSCI EFM Africa Index
Management Fee - R	2.0%
Management Fee - I	1.5%
Entry Fee	Up to a maximum of 2%
Exit Fee	Up to a maximum of 2%
Minimum Investment	R: USD1,000 or equiv. I: USD100,000 or equiv.
Liquidity	Weekly
Sub/Red Cut-off	Friday 11:00am MRU Time

Market Review

Egypt

In December, the EGX 30 Index TR (USD) declined by 1.4% driven by Telecom and Real Estate. On the macro front, the 2020 GDP is expected to expand by 2.9%. The Central Bank of Egypt (CBE) has kept its benchmark rates unchanged (825bps-925bps), while Core CPI rose by 4.0% YoY in November, well below the CBE target. PMI slightly declined to 50.9 from 51.4 a month ago but was still in expansionary territory for a third consecutive month.

Kenya

Over the month, the NSE All-Share Index TR (USD) gained 5.6% driven mainly by Materials and Consumer Discretionary. The Kenyan Shilling appreciated against the greenback by 0.75% during the month.

Mauritius

In December, the SEMDEX Index TR (USD) increased by 3.9% driven by Consumer Discretionary and Industrials. Turnover for the month of December 2020 amounted to Rs 813.9M, geared towards MCBG which made up 32.07% of TMT, followed by HWP and SBMH which accounted for 18.6% and 5.0% of total TMT, respectively. Foreign investors were net sellers for the tune of Rs 30.5m in the market. Foreign investors were net sellers on MCB and SBMH.

Morocco

Over the month, the MADEX Free Float Index TR (USD) returned +5.0%, driven by Energy and Industrials stocks. On the macro front, Q3 GDP fell 7.2% YoY, November's CPI rose 0.2% while the Central Bank put its benchmark rate on hold at 1.5%. On the political front, Morocco and Israel agreed on normalizing their relation.

Nigeria

In December, the Nigerian Stock Exchange All Share Index TR (USD) returned +12.2%, driven mainly by Telecommunications and Materials. This marks Nigeria's position as best performing African stock exchange in 2020. To many, this is largely attributed to the low yield environment in the fixed income space as well as the rebound in Nigeria's crude trading above USD50/barrel. Conversely, the Manufacturing PMI for December stood at 49.6 shifting from expansionary to a contraction while the Non-Manufacturing PMI stood at 45.7 in December indicating a contraction for the ninth consecutive month.

South Africa

Over the month, the FTSE/JSE All Share TR (USD) was up 9.71%, driven by Materials, Energy and Financials. Value stocks also outperformed growth stocks over the period. Retailer confidence recovered in Q3 (36) and Q4 (50) after crashing to its 29-year low in Q2, driven by a sharp increase in spending on consumer goods. In Q3 personal disposable income (PDI) also rose by 73.1% annualised, as economic activity resumed. South Africa also saw a new surge in COVID-19 cases, due to a new, more contagious strain. In December, SA's manufacturing PMI dropped from 52.6 in November to 50.3, as lockdown restrictions were tightened.

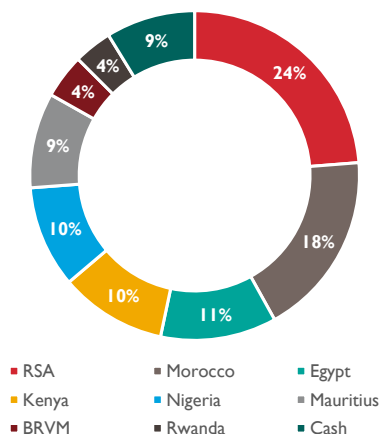
Western Africa – Ex Nigeria

In December, the BRVM Composite Share Index TR (USD) increased by 11.3%, driven by Energy and Industrials. Pres. Ouattara announced the creation of Reconciliation Ministry and named an opposition leader Bertin Konan Kouadio to head the new ministry.

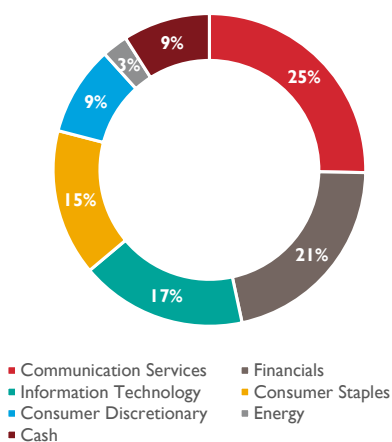
Key Figures - as of end of month

Asset Under Management (USD)	2,036,589
Number of Holdings (ex. Cash)	29
Market Cap (M USD weighted)	6,818
Price/Book (trail. weighted)	5.2x
Price/Earnings (trail. weighted)	18.6x
Dividend Yield (trail. %)	3.48%
Active Share	>90%
Beta	-
Volatility	-
Tracking Error	-
Risk Adjusted Return	-
Information Ratio	-
Largest Upside (weekly)	5.45%
Largest Drawdown (weekly)	-2.63%
No of upside returns (weekly)	19
No of downside returns (weekly)	7

Geographic Split



Sector Split



Top 5 Positions

Airtel Africa	5.2%
MTN Nigeria	4.9%
Hightech Payment Systems	4.8%
Safaricom	4.5%
Sonatel	4.3%

Top 3 Contributors (bps)

BK Group PLC	130
Sonatel	83
Sibanye Stillwater	68

Top 3 Detractors (bps)

Telecom Egypt	-7
Commercial Intl Bank Egypt	-5
Airtel Africa	-4

Market Cap Breakdown (USD)

Above 1B	51.7%
500M — 1B	4.4%
100M — 500M	31.1%
Below 100M	12.8%

Portfolio Positioning

Egypt

Our stock selection has been mixed during the month, in USD terms Fawry and Obour Land respectively up by 9.7% and 6.8% have contributed by +13bps and +10bps to the portfolio performance. Conversely, Talaat Moustafa, Telecom Egypt and Commercial International Bank respectively down by 7.7%, 6.3% and 5.4% have contributed by -11bps, -23bps and -20bps respectively to the overall performance.

Kenya

Stock selection has been positive across the board. Safaricom up 5.6% in USD terms during the month has contributed to +24bps to the portfolio performance. Foreign investors remain bullish on the counter. The month top contributor, Bank of Kigali which remains attractive at this level returned +53.1% in USD term and contributed by +130bps to the overall performance. Diamond Trust Bank and Total Kenya have both generated +22.5% and +5.2% respectively in USD term in December and contributed respectively to +62bps and +13bps to the performance.

Mauritius

Our portfolio consists of Alteo, SBMH, Phoenix Beverages and Afrexim. Their respective contribution to the overall performance was positive across the board: +12bps, +10bps, +2bps and 0bp respectively. We remain confident that these stocks will positively impact the performance in the near future as their last financial account were encouraging.

Morocco

In December, stock market performance has been strong and with the exception of Disway, stock selection has been positive across Morocco in USD terms: High Payment System +13.5%, Microdata +7.5%, LafargeHolcim Maroc +4.9%, Banque Centrale Populaire +3.9%, Maroc Telecom +3.0%, and Disway -1.3%, contributed respectively: +56bps, +5bps, +12bps, 16bps, 7bps and -4bps to the overall performance.

Nigeria

Returns on the Nigerian portfolio was a mixed bag for December. MTN Nigeria and Airtel Africa returned +6.9% and -3.4% respectively in USD total return terms. Their contribution to the overall return was +0.3% and -0.2% respectively. Airtel's price slumped by c. -24% in intraday during the month as an undisclosed Institutional investor sold a 1.6% stake at a significant discount. Moreover, regulations have tightened in the Nigerian telecommunication environment but MTN and Airtel remain confident and have been provided adequate support at the group level to solve the pending issues. Conversely, MTN has enhanced its entertaining offering via a partnership with African-own music-streaming platform, uduX. Meanwhile, Airtel announced a Partnership with Nokia for deployment of 5G in Kenya and the extension of its existing partnership with CGS for managed services including CRM and billing solutions.

South Africa

During the month Sibanye-Stillwater (+68 bps) was the region's top contributor amid a strong performance from PGM miners. Naspers (+6 bps) and Prosus (+1 bps) suffered from negative investor sentiment towards Chinese tech-giants as the SAMR strengthened its anti-trust laws. During the month value stocks Nedbank (+0 bp) and Pick n Pay (-4 bps) were added to the portfolio given their attractive valuations and expected recovery in the future. However, the value rebound slowed during month amid the resurging COVID-19 cases. Cartrack had a return contribution of (+61 bps).

Western Africa – Ex Nigeria

This month Sonatel performed strongly by 23.8% in USD terms contributing +83bps at the portfolio level.

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