



## Pangolin Asia Fund November 2020 NAV

As at the 30th of November 2020 the NAV of the Class A shares of the Pangolin Asia Fund was US\$422.87 net of all fees and expenses, up 8.30% from US\$390.47 in October.

As of today, the fund is about 86% invested, with the split being approximately as follows:

Singapore	13 %
Malaysia	25 %
Indonesia	61 %
Thailand	1 %

We don't disclose our names but some details are always available to investors (and those wishing to become investors) on request.

### Overview

To put things into some perspective, please see the tables below.

Return (in local currencies, except MSCI Asia Ex-Japan)										
Period	DOW	S&P 500	NASDAQ	JSE	KLSE	STI	SET	MSCI ex JP	MSCI-ASEAN	PAF
Nov-20	11.84%	10.75%	11.80%	9.44%	6.53%	15.29%	17.86%	7.98%	15.68%	8.30%
YTD 2020	3.86%	12.10%	35.96%	-10.91%	-1.64%	-12.94%	-10.86%	14.87%	-12.54%	-14.37%

Return (in USD)										
Period	DOW	S&P 500	NASDAQ	JSE	KLSE	STI	SET	MSCI ex JP	MSCI-ASEAN	PAF
Nov-20	11.84%	10.75%	11.80%	13.36%	8.68%	17.42%	21.26%	7.98%	15.68%	8.30%
YTD 2020	3.86%	12.10%	35.96%	-12.51%	-1.22%	-12.66%	-12.56%	14.87%	-12.54%	-14.37%

% Change in Currency Vs USD				
Month	MYR	SGD	IDR	THB
Nov-20	2.01%	1.85%	3.58%	2.89%
YTD 2020	0.42%	0.32%	-1.80%	-1.92%

The most notable thing last month was probably the strength in regional currencies against the dollar. Many market commentators reckon that once the dollar starts to weaken emerging markets will attract a flood of money. Well, we'll see. It's been so long since that was the case.

The new thing from banking analysts seems to be PPOP. Apparently, the PPOP for Indonesian banks is back to pre-Covid levels. Obviously, and because I'm thick, I had to Google PPOP which stands for pre-provisioning operating profit. We all like to be optimists but (other than indicating a pick-up in activity) it seems a bit of a meaningless measure to me, particularly as Indonesia is not yet out of the woods as far as Covid is concerned.

There is talk of another lockdown to come in Jakarta and possibly elsewhere. Public holidays and elections are great spreaders of the disease. In Kuala Lumpur we are in a semi-lockdown although most businesses are open. The majority of cases are within the migrant worker community. Singapore suffered similarly but they knew where their migrant workers were (dormitories). In Malaysia, they are spread throughout the community. Furthermore, there are many illegal workers who would clearly rather evade the authorities than come forward to get tested. But generally, within the wider community, cases are rare and most states are not locked down.

Whether we can travel to the beach over Christmas remains to be seen. It's not looking likely for now.



## Outlook

Covid still dominates. We know there are vaccines and hopefully 12 months from now we'll be through this. And in most of Asia the virus is largely being controlled through strict, but effective, measures which are not being replicated in the West. Quarantining is in hotels which are overseen by the Ministry of Health in Malaysia (I know because I served my 14 days). Vietnam has banned all incoming flights due to a cabin crew passing on Covid to their family; and this is in a country which had a grand total of **3** new cases yesterday.

The tactic is, as far as possible, to eliminate the virus and then reopen the economies. This excludes tourism. Asia would rather go it alone than risk having to close down again. Even in Kuala Lumpur it feels more or less normal – I went to the pub last night. This is a significant shift of mindset; previously Asia has looked to the West for leadership. And the signing of the Regional Comprehensive Economic Partnership (RCEP) affirms this. The RCEP includes China and economically is larger than whatever NAFTA is now called and the EU.

So, given the Covid battle is not over – perhaps we're at the end of the beginning – we remain cautious investors. Even if the vaccine can be rolled out quickly (and that's a maybe) there remain many other problems. The fund is not quite fully invested and we own what we believe to be stable and well-capitalised businesses, many of which have yet to participate in the recent rally. I assume that at some point investors will come down to our level.

## Sweet Little Sixteen

The fund turned 16 on Tuesday. Back in the early days, one potential investor (you know who you are) reckoned I wasn't interested in building a sustainable business. Well, we're still around and although the fund has lagged rather this year, we Pangolins remain as committed as ever. It wouldn't have happened without my colleagues, led by Vinchel in Singapore, and I am grateful for all their hard work.

As many of you know, we have also recently hired Mohshin Aziz to launch the Pangolin Aviation Recovery Fund. We will also be moving to a slightly larger office upstairs in the same building. Exciting times for sure, but don't worry, we won't allow it to distract us from our existing investing mindset and process.

Merry Christmas and Happy New Year,

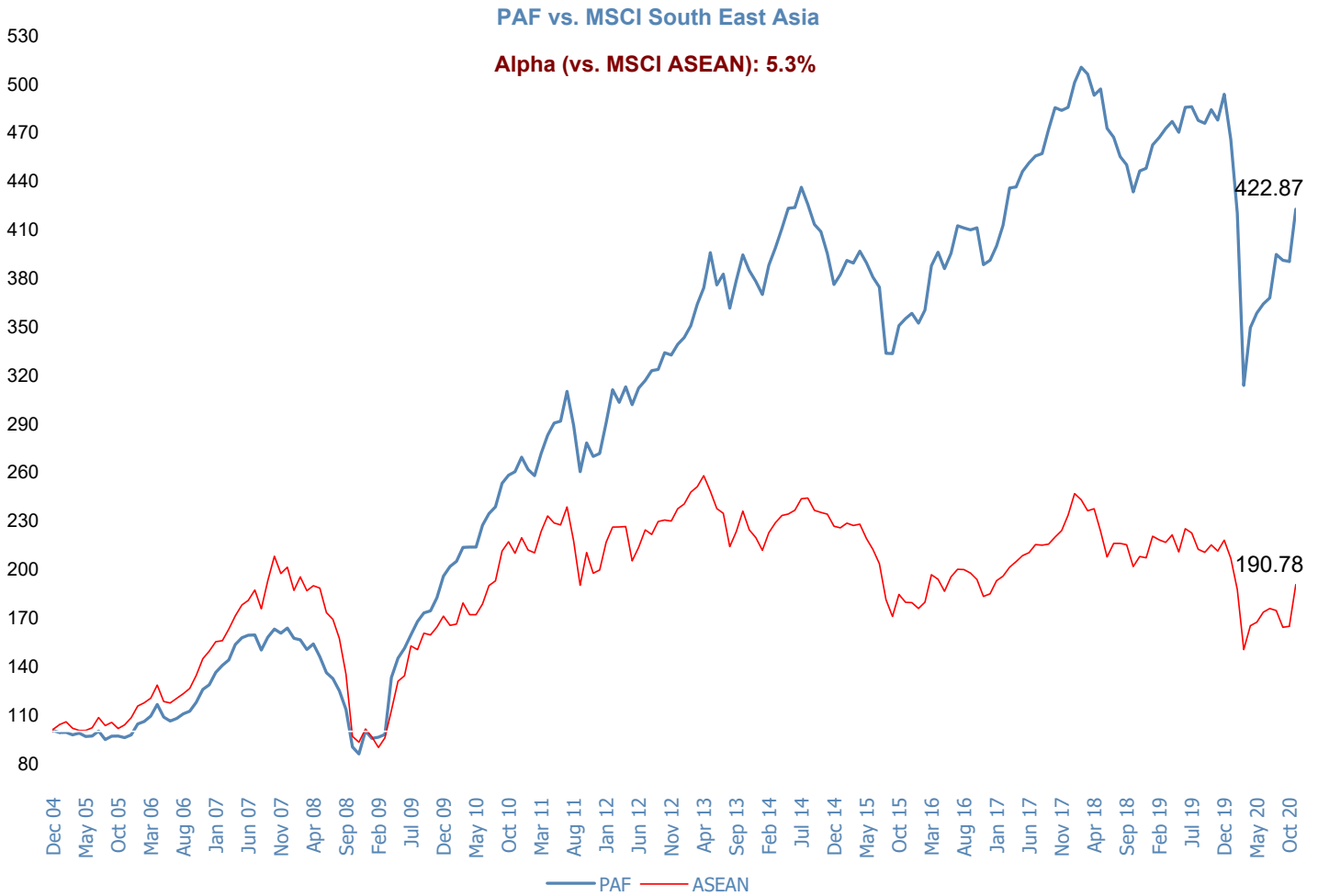
James

4<sup>th</sup> December 2020.

*We don't like to discuss our stocks publicly but I am always happy to talk to existing investors and those interested in investing. The Pangolin Asia Fund is most suitable for investors who are happiest when markets are falling.*



## Sixteen years track record and annualised return of 9.4%





Year	Details	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	NAV	465.73	420.43	313.82	349.63	358.55	364.26	367.99	394.82	391.21	390.47	422.87		-14.37%
	% chg	-5.69%	-9.73%	-25.36%	11.41%	2.55%	1.59%	1.02%	7.29%	-0.91%	-0.19%	8.30%		
2019	NAV	462.51	467.10	472.67	477.00	470.36	485.78	486.12	477.67	475.87	484.37	477.85	493.85	10.21%
	% chg	3.21%	0.99%	1.19%	0.92%	-1.39%	3.28%	0.07%	-1.74%	-0.38%	1.79%	-1.35%	3.35%	
2018	NAV	501.11	510.62	506.32	493.22	497.19	472.82	467.29	455.31	450.29	433.40	446.46	448.11	-7.76%
	% chg	3.15%	1.90%	-0.84%	-2.59%	0.80%	-4.90%	-1.17%	-2.56%	-1.10%	-3.75%	3.01%	0.37%	
2017	NAV	400.08	412.81	435.93	436.54	446.18	451.43	455.76	457.12	472.10	485.61	483.86	485.79	24.18%
	% chg	2.27%	3.18%	5.60%	0.14%	2.21%	1.18%	0.96%	0.30%	3.28%	2.86%	-0.36%	0.40%	
2016	NAV	352.31	360.43	387.79	396.17	386.04	395.41	412.53	411.2	410.02	411.25	388.48	391.19	9.16%
	% chg	-1.69%	2.30%	7.59%	2.16%	-2.56%	2.43%	4.33%	-0.32%	-0.29%	0.30%	-5.54%	0.70%	
2015	NAV	382.31	391.18	389.48	396.82	389.67	380.77	374.61	333.73	333.52	350.84	355.19	358.38	-4.76%
	% chg	1.60%	2.32%	-0.43%	1.88%	-1.80%	-2.28%	-1.62%	-10.91%	-0.06%	5.19%	1.24%	0.90%	
2014	NAV	370.08	388.25	398.79	410.89	423.38	423.84	436.37	425.85	413.36	408.97	395.23	376.28	-0.52%
	% chg	-2.16%	4.91%	2.71%	3.03%	3.04%	0.11%	2.96%	-2.41%	-2.93%	-1.06%	-3.36%	-4.79%	
2013	NAV	343.47	350.86	364.04	374.14	395.94	375.98	382.69	361.54	378.56	394.53	384.87	378.24	11.48%
	% chg	1.23%	2.15%	3.76%	2.77%	5.83%	-5.04%	1.78%	-5.53%	4.71%	4.22%	-2.45%	-1.72%	
2012	NAV	290.78	311.15	303.35	313.01	301.88	312.18	316.87	323.01	323.75	334.08	332.63	339.29	24.85%
	% chg	7.00%	7.01%	-2.51%	3.18%	-3.56%	3.41%	1.50%	1.94%	0.23%	3.19%	-0.43%	2.00%	
2011	NAV	261.86	258.03	271.83	283.00	290.51	291.75	310.23	289.05	260.46	278.31	269.95	271.75	0.85%
	% chg	-2.82%	-1.46%	5.35%	4.11%	2.65%	0.43%	6.33%	-6.83%	-9.89%	6.85%	-3.00%	0.67%	
2010	NAV	201.91	205.09	213.68	227.44	213.93	227.45	234.62	238.78	253.28	258.37	260.53	269.47	37.58%
	% chg	3.08%	1.57%	4.19%	6.44%	-5.94%	6.32%	3.15%	1.77%	6.07%	2.01%	0.84%	3.43%	
2009	NAV	95.67	96.38	98.12	133.22	145.25	151.32	159.71	167.99	173.21	174.49	182.60	195.87	95.34%
	% chg	-4.59%	0.74%	1.81%	35.77%	9.03%	4.18%	5.54%	5.18%	3.11%	0.74%	4.65%	7.27%	
2008	NAV	157.49	156.55	150.63	154.03	146.18	136.23	132.58	125.09	113.55	90.36	85.98	100.27	-38.81%
	% chg	-3.89%	-0.60%	-3.78%	2.26%	-5.10%	-6.81%	-2.68%	-5.65%	-9.23%	-20.42%	-4.85%	16.62%	
2007	NAV	136.43	140.75	144.17	153.68	157.90	159.36	159.56	150.23	158.13	163.17	160.72	163.86	27.19%
	% chg	5.90%	3.17%	2.43%	6.60%	2.75%	0.92%	0.13%	-5.85%	5.26%	3.19%	-1.50%	1.95%	
2006	NAV	104.53	106.09	109.42	116.62	108.82	106.34	107.96	110.76	112.41	117.94	125.81	128.83	31.74%
	% chg	6.89%	1.49%	3.14%	6.58%	-6.69%	-2.28%	1.52%	2.59%	1.49%	4.92%	6.67%	2.40%	
2005	NAV	99.24	99.37	97.77	98.86	96.77	97.05	100.14	94.90	96.99	97.05	96.14	97.79	-2.57%
	% chg	-1.13%	0.13%	-1.61%	1.11%	-2.11%	0.29%	3.18%	-5.23%	2.20%	0.06%	-0.94%	1.72%	
2004	NAV	-	-	-	-	-	-	-	-	-	-	-	100.37	0.37%
	% chg	-	-	-	-	-	-	-	-	-	-	-	-	

**Best monthly return** 35.77%  
**Worst monthly return** -25.36%  
**Maximum drawdown** -47.53%  
**% of positive months** 65.10%  
**Annualised return** 9.43%



## By Sector

