

LionGlobal Japan Fund

The Fund aims for medium to long-term capital appreciation by investing in Japanese equities and equity-related instruments.

Fund Manager's Commentary

The TOPIX Total Return Index rose 4.9% in local currency terms for the month of February 2024.

The Japan market continued its relentless upward march since the start of the year, despite high volatility of individual stocks during the results season. The rally has thus far been driven by large foreign funds inflows, focused mainly in the large caps and thematic stocks like the semiconductor production equipment stocks due to the current booming demand for powerful chips used in Artificial Intelligence (AI). The overall results for the fiscal third quarter was good, helped by the weaker Yen for exporters, continued re-opening demand, price hikes and lower input costs for the domestic sector. News of the Japan's financial regulator, Financial Service Agency (FSA), asking the non-life insurers to accelerate the unwinding of their crossholdings helped drive positive sentiment that corporate governance reforms was taking hold in Japan.

Our stock picks did well in the consumer and healthcare sectors.

Our stock picks underperformed in the semiconductor sector.

After the stellar performance in 2023, the Japanese stock market has continued its strength into the new year, led by foreign investors warming to the idea of corporate governance reforms leading to better shareholder returns in Japan. Besides the Tokyo Stock Exchange pushing for companies to improve their capital efficiency and corporate value, Japan's financial regulator FSA is asking non-life insurers to accelerate the unwinding of their crossholdings lends credence to the sustained push for better corporate governance by key parties. Despite the current uncertain global economic and geopolitical outlook, the structural changes make the Japanese market a more attractive destination for both domestic and global investors in the long run.

We prefer globally competitive companies that can ride on structural growth trends and companies that can grow through value-added products and services. We like structural growth themes like factory automation and digitalization that enhance productivity across all types of economies, as well as solutions and products that contribute to sustainability and environmental protection. Inbound consumption is a long-term structural driver for Japan. Technology and healthcare are also areas of structural growth. Companies that accelerate efforts to improve capital efficiency improvement and shareholders' returns are a near-term focus.

All data are sourced from Lion Global Investors and Bloomberg as of 29 February 2024 unless otherwise stated.

Fund Facts

Fund Inception Date:	SGD Class: 18 June 1999
	USD Class: 16 Aug 2004
Subscription Mode:	Cash, SRS ²
Minimum Investment:	S\$ / US\$ 1,000
Initial Charge:	Currently 5% Maximum 5%
Management Fee:	Currently 1.25% p.a. Maximum 2.0% p.a.
Valuation Dealing:	Every dealing day
NAV Price:	S\$1.568/US\$1.166
Fund Size:	S\$6.8 million

Codes

SGD Class:	SG9999002315 OCBSJPI
USD Class:	SG9999002323 OCBJPUS

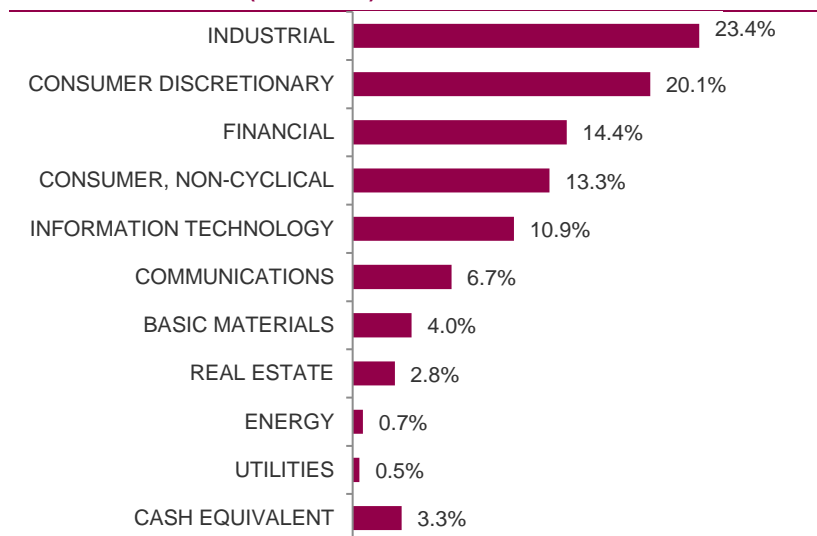
Performance (%)

		1-year	3-years p.a.	5-years p.a.	10-years p.a.	Since Inception p.a.
SGD Class ¹	NAV	21.3	0.9	6.4	6.4	2.1
	NAV [^]	15.2	-0.8	5.4	5.8	1.9
	Benchmark [#]	24.6	3.2	6.4	6.9	1.6
USD Class ¹	NAV	21.5	0.5	6.6	5.8	4.4
	NAV [^]	15.4	-1.2	5.5	5.2	4.2
	Benchmark [#]	24.8	2.8	6.5	6.3	4.0

Past performance is not necessarily indicative of future performance

Source: Lion Global Investors Ltd / Morningstar

Sector Allocation (% of NAV)



Top 10 Holdings (% of NAV)

TOYOTA MOTOR CORP	5.2
MITSUBISHI UFJ FINANCIAL GROUP	2.8
SONY GROUP CORP	2.6
DAIICHI SANKYO CO LTD	2.2
HITACHI LTD	2.0
SUMITOMO MITSUI FINANCIAL GROUP INC	2.0
ORIENTAL LAND CO LTD	1.9
MITSUBISHI CORP	1.9
KEYENCE CORP	1.9
ORIX CORP	1.8

[#] Benchmark.

From 1 July 2002: TOPIX.

From 1 March 2014: TOPIX Total Return Index (in respective fund's currency)

[^] NAV: Figures include Initial Charge.

¹ Returns based on single pricing. Dividends are reinvested net of all charges payable upon reinvestment and in respective share class currency terms. Return periods longer than 1 year are annualised.

² Supplementary Retirement Scheme ("SRS") monies may be used to purchase SGD Class Units only.

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