

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 7.8% in local currency terms for the month of January 2024.

The Japan market rallied almost straight out of the new year despite the initial sluggish start by most other global markets. The rally was driven mostly by foreign investors buying into the market. The rally also coincided with the weakening of the Yen which weakened as US bond yields moved higher as US Federal Reserve members pushed back against expectations of early rate cuts while expectations of an early end to ultra-easy monetary policies in Japan were dampened with the Noto earthquake on 1st January 2024. The enhanced Nippon Individual Savings Account (NISA) program for tax-exempt stock purchases for individual investors in Japan started in January 2024 but most of the investment from this program apparently went to overseas markets.

Our stock picks did well in the industrial capital goods sector.

Our stock picks underperformed in the semiconductor sector.

After the stellar performance in 2023, the Japanese stock market has continued its strength right at the start of the new year. It appears that foreign investors are increasingly warming to the idea of corporate governance reforms leading to better shareholder returns in Japan. The Tokyo Stock Exchange is not letting up on its push for companies to improve their corporate value, releasing the names of companies that have introduced measures as well as examples of companies' initiatives that have met investors' expectations to spur further action from corporate management. 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 31 January 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\$1.514/US\$1.132
Fund Size:	S\$6.4 million

Codes

SGD Class:	SG9999002315 OCBSJPI
USD Class:	SG9999002323 OCBJPUS

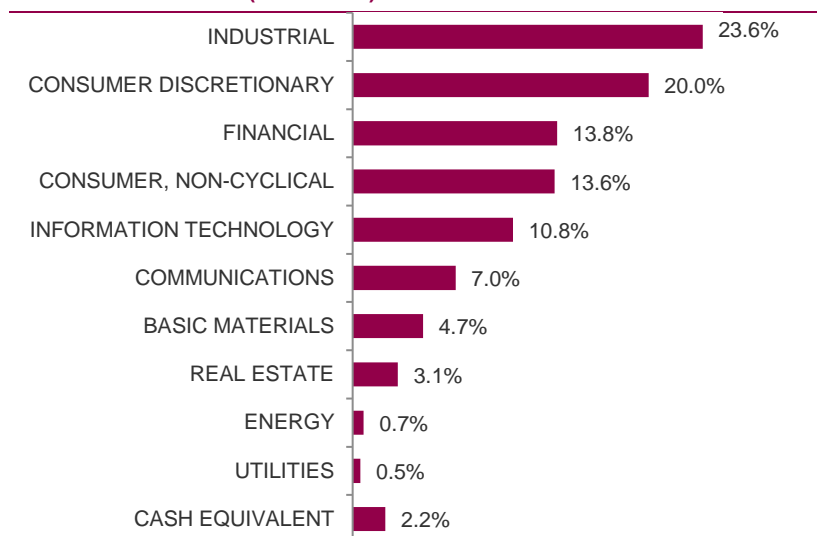
Performance (%)

		1-year	3-years p.a.	5-years p.a.	10-years p.a.	Since Inception p.a.
SGD Class ¹	NAV	15.2	0.2	5.8	5.9	1.9
	NAV [^]	9.5	-1.5	4.7	5.4	1.7
	Benchmark [#]	19.3	2.7	6.0	6.4	1.5
USD Class ¹	NAV	13.3	-0.1	5.9	5.4	4.3
	NAV [^]	7.6	-1.8	4.9	4.9	4.0
	Benchmark [#]	17.4	2.4	6.1	5.9	4.1

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	4.7
SONY GROUP CORP	3.2
MITSUBISHI UFJ FINANCIAL GROUP	2.7
ORIENTAL LAND CO LTD	2.1
DAIICHI SANKYO CO LTD	2.1
HITACHI LTD	2.0
SUMITOMO MITSUI FINANCIAL GROUP INC	2.0
KEYENCE CORP	1.9
ORIX CORP	1.8
MITSUBISHI CORP	1.7

[#]Benchmark:

From 1 July 2002: TOPIX.

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

[^]NAV: Figures include Initial Charge.

¹Returns 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.

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

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