

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

UK closed-end investment trust focused on long-term total return

MARCH 2019

OBJECTIVE

Utilico Emerging Markets Trust plc ("UEM") seeks to provide long-term total return by investing predominantly in infrastructure, utility and related sectors mainly in emerging markets.

INVESTMENT APPROACH

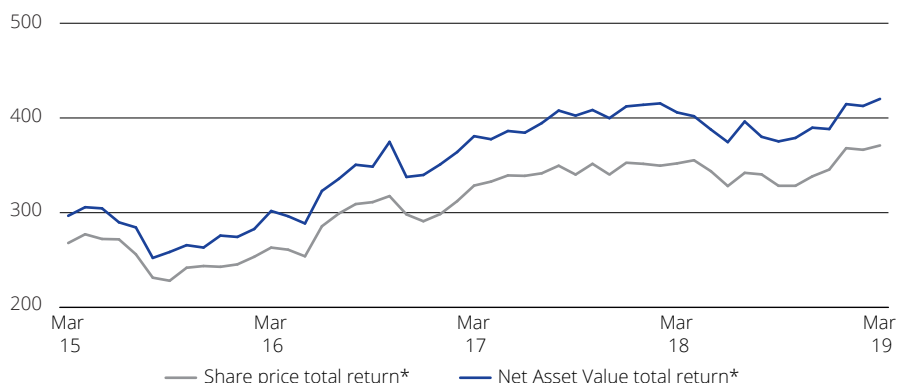
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

KEY DATES

Launch Date⁺	20 July 2005
Year End	31 March
AGM	September
Ex-Dividend Dates	September, December, March & June
Dividend Paid Dates	September, December, March & June
Continuation Vote	To be proposed at the AGM in 2021

⁺Utilico Emerging Markets Limited - UEM's predecessor

PERFORMANCE



Rebased to 100 as at 20 July 2005

PERFORMANCE (Total return*)

	1 month	3 months	1 year	3 years	Inception
Share Price	1.2%	7.4%	5.4%	41.0%	271.0%
Net Asset Value	1.8%	8.2%	3.5%	39.2%	320.1%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Mar 19	Mar 18	Mar 17	Mar 16	Mar 15
Share Price	5.4%	7.1%	24.9%	(1.8%)	8.2%
Net Asset Value	3.5%	6.6%	26.2%	1.7%	12.4%

*Total return is calculated based on undiluted NAV/share price plus dividends reinvested and adjusted for the exercise of warrants and subscription shares

FUND DETAILS

ORDINARY SHARES

Ticker: UEM.L

NAV at launch ⁺	98.36p
NAV (cum income)	249.84p
Share Price	217.90p
Discount to diluted NAV	(12.8%)
NAV Total return since launch*	320.1%
Annual average compound return*	11.0%
Historic Dividend paid per share (last 12 months)	7.20p
Historic Dividend Yield (last 12 months)	3.3%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	229,812,473

⁺Utilico Emerging Markets Limited - UEM's predecessor

*Total return is calculated based on undiluted NAV plus dividends reinvested and adjusted for the exercise of warrants and subscription shares

CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£581.9m
Bank Debt	£(7.8)m
Shareholders' Funds	£574.1m
Gearing (based on AIC definition)	(1.1%)

Gearing AIC - standardised gearing calculation as recommended by the AIC is based on net assets

INVESTMENT MANAGERS

UEM is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

www.icm.limited and www.icmim.limited

INVESTMENT MANAGEMENT FEE

0.65% of net assets plus Company Secretarial Fee.

PERFORMANCE FEE

15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year.





PERFORMANCE

During March UEM's NAV total return increased by 1.8%, a performance that was below the MSCI Emerging Markets Total Return Index

which advanced by 3.0% in Sterling terms.

Emerging markets ("EM") were mostly positive in March, buoyed by the US Federal Reserve's guidance that further US interest rate increases were now not expected in 2019. The strong recovery in the Chinese Shanghai Composite Index continued, with a further 5.1% gain in the month, as investor sentiment continues to improve following tax cuts, expectations of a fiscal stimulus and hope of a trade deal with the US. India's SENSEX Index was also strong, up by 7.8% ahead of general elections, where Prime Minister Narendra Modi is seen as increasingly likely to be returned for a second term in May.

The Romanian BET Index continued to recover after the government amended its controversial bank "greed tax", gaining 4.8% for the month. The Philippines PSEI Index advanced by 2.8% in March.

However, there was some weakness in Latin America, with the Argentinian MERVAL Index down by 3.0%, Brazil's Bovespa down 0.2% and Chile's ISPA Index down by 0.5%. Malaysia's KLCI Index declined by 3.8% as political uncertainty continues to weigh on markets.

Sterling weakened against most currencies during the month, declining 2.0% against the US Dollar and 0.7% against the Euro. The Indian Rupee was notably strong, up by 3.9% against Sterling. Argentina's Peso did however depreciate significantly, falling by 8.2% against Sterling and the Brazilian Real fell by 1.8% against Sterling.

PORTFOLIO

There was one new entry into the top twenty in March. CITIC Telecom International Holdings ("CITIC") replaced Youtap after a 20.2% gain in its share price in March on the back of strong 2018 results. CITIC provides a wide range of telecoms and ICT services to enterprises, with an emphasis on linking mainland China to the rest of the World via its hub in Hong Kong. In addition, CITIC owns 99% of Companhia de Telecomunicações de Macau, the incumbent telecoms operator in Macau.

During March, the top twenty generally performed well with sixteen stocks' share prices increasing over the period. The most notable gainers included ICT, UEM's largest holding, which advanced by 12.7% during the month on continuing positive market sentiment. China Resources Gas gained by 8.8%, Power Grid of India was up by 8.3% and Shanghai Airport, up 8.2%. Four stocks declined, the most significant fall being Ocean Wilsons, whose share price fell by 8.9%, reversing February's gains.

Purchases during the month for the portfolio amounted to £14.3m and realisations totalled £9.1m.

DEBT

UEM did increase gearing during the month, borrowing EUR 9.0m (£7.8m) during March, having been ungeared at the end of February.

OTHER

UEM's share price ended March at 217.90p, up 1.2% on previous month-end, after adjusting for the dividend of 1.80p per ordinary share paid on 29 March 2019.

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Important Notes

The information presented on this document is solely for information purposes and is not intended to be, and should not be construed as, an offer or recommendation to deal in UEM. Investments in UEM are subject to investment risks and the value of investments and the income derived from them may fall as well as rise and investors may not get back the principal amount invested. Past performance is not indicative of future performance. Investors should read the prospectus along with the supplement(s) and seek relevant professional advice before making any investment decision. The information presented has been obtained from sources believed to be reliable, but no representation or warranty is given or may be implied that they are accurate or complete. The Investment Managers reserve the right to make any amendments to the information at any time, without notice. Issued by ICM Investment Management Limited (registered in England: 08421482), which is authorised and regulated the Financial Conduct Authority (FRN: 630094).

PORTFOLIO SUMMARY

TOP TWENTY HOLDINGS		% of total investments
1	International Container Terminal Services Inc.	6.3%
2	Companhia de Gas de Sao Paulo (Comgas)	4.4%
3	Alupar Investimento S.A.	4.0%
4	Ocean Wilsons Holdings Limited	3.9%
5	China Resources Gas Group Ltd	3.7%
6	Energisa S.A.	3.6%
7	Rumo S.A.	3.2%
8	Engie Energia Chile S.A.	2.9%
9	Yuexiu Transport Infrastructure Limited	2.8%
10	Companhia de Saneamento do Paraná (Sanepar)	2.7%
11	China Everbright Greentech Limited	2.5%
12	Cosan Logistica S.A.	2.5%
13	APT Satellite Holdings Limited	2.4%
14	Shanghai International Airport Co Ltd	2.4%
15	Metro Pacific Investments Corporation	2.0%
16	Transgaz S.A.	2.0%
17	Power Grid Corporation of India Limited	1.9%
18	Conpet S.A.	1.8%
19	Enel Americas S.A	1.8%
20	CITIC Telecom International Holdings Limited	1.5%
Total Top Twenty		58.3%

SECTOR SPLIT OF INVESTMENTS

Electricity	20.0%
Gas	15.8%
Ports	15.0%
Road and Rail	10.4%
Telecoms and Satellites	9.1%
Airports	7.0%
Other	6.8%
Water and Waste	6.8%
Renewables	5.9%
Infrastructure Investment Funds	3.2%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	29.0%
China including Hong Kong	20.3%
Philippines	8.3%
Romania	7.0%
Other Latin America	6.1%
Middle East/Africa	5.8%
India	5.8%
Other Asia	4.4%
Other Europe	4.4%
Argentina	3.4%
Chile	2.9%
Malaysia	1.9%
Thailand	0.7%

