

**ABOUT US:** UEM is a UK closed-end investment trust, traded on the London Stock Exchange.  
Registration No 11102129

**OBJECTIVE:** 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.

## AUGUST 2018

### ORDINARY SHARES

Ticker: UEM.L

NAV at launch	98.36p
NAV (cum income)	231.53p
Share Price	205.00p
Discount to diluted NAV	(11.5%)
NAV Total Return since launch*	280.1%
Annual average compound return*	10.7%
Historic Dividend paid per share (last 12 months)	7.00p
Historic Dividend Yield (last 12 months)	3.4%
Ongoing charges figure excluding performance fee	1.0%
Shares in issue	234,300,711

### CAPITAL STRUCTURE

Gross Assets less Current Liabilities	£547.5m
Bank Debt	£5.0m
Shareholders' Funds	£542.5m
Gearing (based on AIC definition)	(0.5%)

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

### BOARD

John Rennocks	Susan Hansen	Garry Madeiros
Garth Milne	Anthony Muh	

### MANAGEMENT & PERFORMANCE FEES

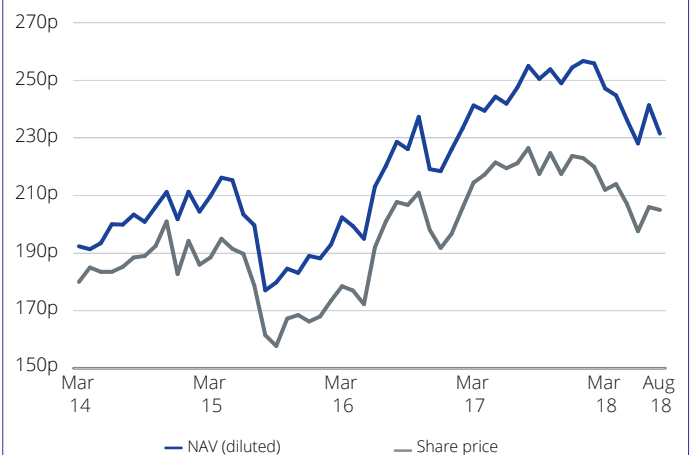
Investment Management Fee	0.65% of net assets plus Company Secretarial Fee
Performance Fee	15% of the outperformance of the higher of (i) benchmark plus 2% and (ii) 8%, subject to high watermark, with a cap on the performance fee of 1.85% of average net assets for that financial year

### INVESTMENT MANAGERS

Utilico Emerging Markets Trust plc is managed by ICM Limited and ICM Investment Management Limited, which is authorised and regulated by the Financial Conduct Authority.

[www.icm.limited](http://www.icm.limited) and [www.icmim.limited](http://www.icmim.limited)

### ORDINARY SHARES PERFORMANCE



### PERFORMANCE (Total return\*)

	1 month	3 months	1 year	3 years	Inception
Share Price	(0.5%)	(1.0%)	(2.7%)	47.1%	240.4%
Net Asset Value	(4.1%)	(2.0%)	(6.8%)	50.7%	280.1%

### ROLLING 12 MONTH PERFORMANCE (Total return\*)

12 Months to	Aug 18	Aug 17	Aug 16	Aug 15	Aug 14
Share Price	(2.7%)	13.1%	33.6%	(11.5%)	15.4%
Net Asset Value	(6.8%)	16.4%	39.0%	(10.3%)	11.7%

### 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

### TEAM

Charles Jillings	Jacqueline Broers	Mark Lebbell
Duncan Saville	Jonathan Grocock	

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



## PERFORMANCE

UEM's NAV declined by 4.1% in the month of August, underperforming the MSCI Emerging Markets Total Return Index which posted a drop of 1.8% in Sterling terms over the same period.

Emerging markets continued to be volatile in August. The continuing strength of the US economy and expectations of further interest rate rises has driven the US Dollar higher. This, coupled with higher oil prices, threats of increased trade tariffs and extended sanctions, is creating a headwind for many markets and currencies worldwide.

This was expressed most notably in the currency markets, with steep declines in the Turkish Lira at the beginning of August and the Argentinian Peso towards the end of the month. The Lira lost 23.9% of its value against Sterling during the month and the Argentinian Peso fell 29.3%. Overnight interest rates in Argentina were raised to 60% and the IMF agreed to revise the terms of its bailout package.

Stock markets posted mixed performances. Chinese bourses were weak with the Shanghai Composite down 5.3% and the Hang Seng declining 2.4% in August. However, elsewhere in Asia, performances were positive, with the Indian SENSEX Index up 2.8%, the PSEI Index in Manila up 2.4% and the FTSE Bursa Malaysia up 2.0% in the month.

In Latin America, markets were weaker, with Brazil's Bovespa Index down 3.2%, the Chilean ISPA Index down 3.0% whilst the Merval Index in Buenos Aires was flat. In Romania, the BET Index gained 3.7% in August.

In addition to the weakness seen in the Argentinian Peso and Turkish Lira, there was also weakness in the Brazilian Real and the Chilean Peso which declined 8.0% and 4.8% against Sterling respectively. Sterling itself was 0.9% weaker against the US Dollar.

The price of Brent Crude oil rose 4.3% in August whilst gold declined by 1.9%.

## PORTFOLIO

There was one change to the constituents of the top twenty holdings in the month of August, with Metro Pacific, a Philippines based infrastructure conglomerate replacing BYMA, the Argentinian Stock Exchange due to their relative price moves. Metro Pacific's share price advanced 15.5% during the month, making it the strongest performer in the top twenty holdings.

Other holdings that advanced strongly during the month were Transelectrica (up by 9.3%) and Transgaz (up by 6.8%). Despite weakness in wider markets in China, Yuexiu Transport gained 7.0% for the month and APT Satellite advanced 5.7%. ICT's share price was up 6.8% for the month and Power Grid of India advanced 5.5%.

Stocks that declined by more than 5.0% in August were mostly Latin American. TGS' USD denominated ADRs declined by 21.4%, having advanced 36.0% in July. Ocean Wilsons declined by 15.7%, Comgas declined by 12.3%, Enel Americas declined by 10.1% and Alupar was down 6.9%. In Asia, Shanghai Airport's share price was down 9.0%.

Portfolio purchases during the month totalled £25.9m and realisations were £17.4m.

## DEBT

UEM started the month with no bank debt and drew down EUR 5.6m (equivalent to £5.0m) on its Scotiabank facility during the month.

## OTHER

UEM's share price ended August at 205.00p, a decrease of 0.5% over the month. The discount narrowed from 14.7% to 11.5%.

On 15 August 2018, UEM announced it had completed all requirements, including a Court approved capital reduction to create a £500m distributable reserve, to enable the Company to both declare dividends and buy back shares. 207,925 shares were bought back and cancelled at an average price of 204.77p during August.

On 22 August 2018, UEM declared a first quarterly dividend of 1.80p per ordinary share in respect of the year ending 31 March 2019, which will be paid on 21 September 2018 to shareholders on the register on 7 September 2018.

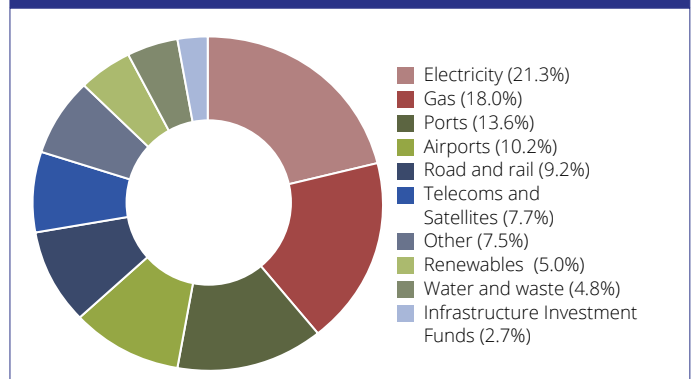
*Charles Jillings*

*ICM Investment Management Limited and ICM Limited*

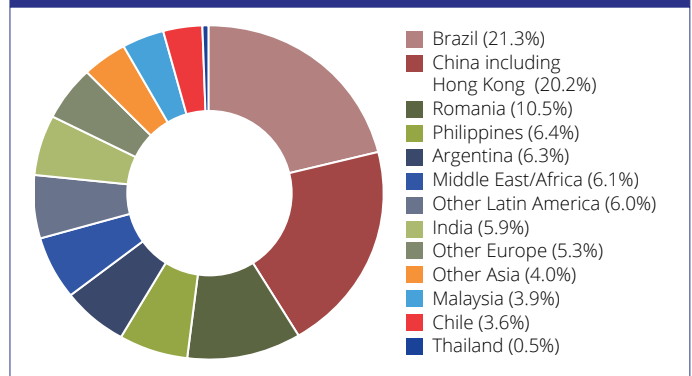
## TOP TWENTY HOLDINGS

	% of gross assets
1. International Container Terminal Services Inc.	4.6%
2. Ocean Wilsons Holdings Limited	3.9%
3. China Resources Gas Group Ltd	3.7%
4. Yuexiu Transport Infrastructure Limited	3.6%
5. Transgaz S.A.	3.1%
6. Transelectrica SA	2.9%
7. Companhia de Gas de Sao Paulo (Comgas)	2.6%
8. Malaysia Airport Holdings Berhad	2.6%
9. Alupar Investimento S.A.	2.6%
10. Energisa S.A.	2.5%
11. Rumo S.A.	2.3%
12. APT Satellite Holdings Limited	2.2%
13. Conpet S.A.	2.2%
14. Shanghai International Airport Co Ltd	2.2%
15. Engie Energia Chile S.A.	2.1%
16. China Everbright Greentech Limited	2.0%
17. Power Grid Corporation of India	1.9%
18. Transportadora de Gas del Sur S.A.	1.8%
19. Metro Pacific Investments Corporation	1.7%
20. Enel Americas S.A.	1.6%
<b>Total Top 20</b>	<b>52.1%</b>

## SECTOR SPLIT OF INVESTMENTS



## GEOGRAPHICAL SPLIT OF INVESTMENTS



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