

EMERGING CITIES. EMERGING WEALTH. EMERGING OPPORTUNITIES.

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

AUGUST 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

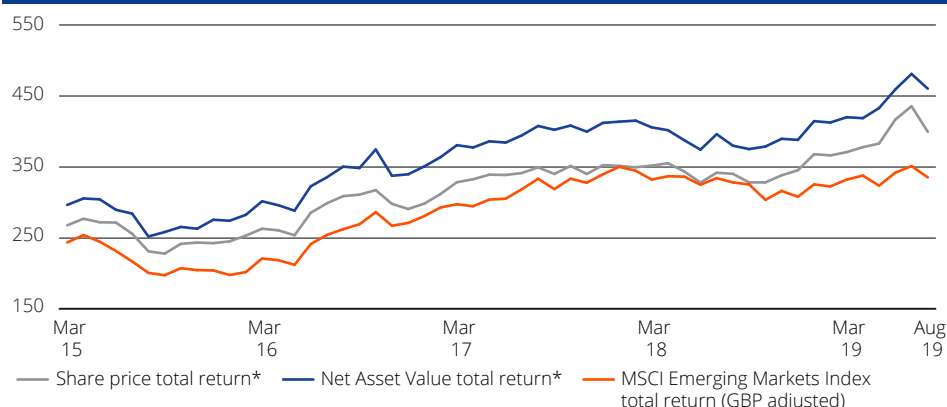
To seek to invest mainly in companies and sectors displaying the characteristics of essential services or monopolies such as utilities, transportation infrastructure, communications or companies with a unique product or market position.

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	(8.3%)	4.3%	17.4%	29.3%	299.6%
Net Asset Value	(4.3%)	6.3%	21.1%	31.3%	360.3%
MSCI Emerging Markets Index (GBP adjusted)	(4.5%)	3.6%	2.2%	27.8%	235.5%

ROLLING 12 MONTH PERFORMANCE (Total return*)

12 Months to	Aug 19	Aug 18	Aug 17	Aug 16	Aug 15
Share Price	17.4%	(2.7%)	13.1%	33.6%	(11.5%)
Net Asset Value	21.1%	(6.8%)	16.4%	39.0%	(10.3%)
MSCI Emerging Markets Index (GBP adjusted)	2.2%	(1.5%)	27.0%	30.6%	(16.7%)

*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)	271.93p
Share Price	233.00p
Discount to diluted NAV	(14.3%)
NAV Total return since launch*	360.3%
Annual average compound return*	11.4%
Historic Dividend paid per share (last 12 months)	7.20p
Historic Dividend Yield (last 12 months)	3.1%
Ongoing charges figure excluding performance fee	1.1%
Shares in issue	228,057,408

+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	£644.7m
Bank Debt	£(24.6)m
Shareholders' Funds	£620.1m
Gearing (based on AIC definition)	2.8%

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

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

UEM's NAV total return declined by 4.3% in August, broadly in line with the MSCI Emerging Markets Total Return Index which declined by 4.5% in Sterling terms over the same period.

Globally, equity markets were volatile in August and most ended the month weaker than they had been at the end of July. There were worries about the strength of the global economy as the trade war between the US and China intensified, the UK and Germany reported declines in GDP for Q2 2019 and the protests in Hong Kong continued. Bond yields continued to decline, with the 30-year US Treasury yield falling below 2.0% for the first time ever during August. Central Banks in a number of emerging markets including India, Thailand, Mexico, Egypt and Indonesia cut interest rates during the month.

There was a collapse in the Argentinian equity market and the Peso as the left-wing opposition polled significantly stronger in election primaries than forecast. The Merval Index declined by 41.5% and the currency fell 25.5% against Sterling in August. Capital controls were imposed at the end of the month. UEM had 2.6% of its portfolio invested in Argentina at the end of July and by the end of August, UEM had sold and repatriated proceeds from almost all of its holdings in Argentina.

The Hong Kong Hang Seng Index was another notable decliner, down 7.4% in the month, driven by trade war fears, Yuan weakness and Hong Kong protest concerns. The declines in the Shanghai Composite Index were a more modest 1.6%. Brazil's BOVESPA Index declined by 0.7% and India's SENSEX Index was down by 0.4%. Mexico's MEXBOL Index was one of the few markets to gain in August, up 4.3%, recovering most of July's losses. The Romanian BET Index was up by 0.3%.

Latin American currencies weakened. Aside from the fore mentioned Argentinian Peso drop, the Brazilian Real declined by 8.5% against Sterling and the Mexican Peso weakened by 4.9%. August also witnessed a 3.8% drop in the Chinese Yuan against Sterling, causing the US to label China a

currency manipulator as the Yuan rate to the US Dollar exceeded CNY 7.00 for the first time since 2008.

PORTFOLIO

There was one change to the constituents of UEM's top twenty portfolio in August, with Conpet, the Romanian pipeline operator regaining its place in the top twenty, replacing Torrent Power.

Stock performance in the top twenty was mixed, with eight stocks gaining and twelve declining in share price.

The largest share price decline was in Ocean Wilsons Holdings (down by 16.2%), which reported weaker than expected results due to poor economic activity in its Brazilian operations. Investors also appeared disappointed that the conclusion of its strategic review in late July was not to sell assets. APT Satellite's results were also disappointing aside from an increased dividend declaration and the share price declining by 11.4% during the month. Power Grid of India declined by 4.9% and India Grid Trust was down by 3.8% during August.

The strongest gainers in the month were once again in Brazil and included Omega Geracao, up by 11.2%, Ecorodovias, up by 5.7% and Cosan Logistica, up by 5.6% in the month. There was a 3.3% gain in the share price of Gujarat State Petronet.

DEBT

UEM increased its bank debt in August from £8.2m to £24.6m, all drawn in US Dollars.

OTHER

UEM's share price ended August at 233.00p, down 8.3% from July. The discount to NAV widened significantly from 10.6% to 14.3%.

On 27 August 2019, UEM declared the first quarterly dividend for the year to 31 March 2020 of 1.80p per share to be paid on 27 September 2019 to shareholders on the register on 6 September 2019.

During the month UEM bought back 43,485 shares for cancellation at a price of 238.00p.

Charles Jillings
ICM Investment Management Limited
and ICM Limited

PORTFOLIO SUMMARY

TOP TWENTY HOLDINGS		% of total investments
1	International Container Terminal Services Inc.	6.1%
2	Companhia de Saneamento do Paraná (Sanepar)	4.7%
3	Alupar Investimento S.A.	4.6%
4	Energisa S.A.	3.8%
5	China Resources Gas Group Ltd	3.8%
6	China Everbright Greentech Limited	3.5%
7	Rumo S.A.	3.3%
8	Cosan Logistica S.A.	2.9%
9	Ocean Wilsons Holdings Limited	2.7%
10	Engie Energia Chile S.A.	2.6%
11	Transgaz S.A.	2.4%
12	Omega Geracao S.A.	2.4%
13	Metro Pacific Investments Corporation	2.3%
14	Ecorodovias Infraestrutura e Logistica S.A.	2.2%
15	APT Satellite Holdings Limited	2.1%
16	India Grid Trust	2.0%
17	Power Grid Corporation of India Limited	1.9%
18	Yuexiu Transport Infrastructure Limited	1.9%
19	Gujarat State Petronet Limited	1.9%
20	Conpet S.A.	1.7%
Total Top Twenty		58.8%

SECTOR SPLIT OF INVESTMENTS

Electricity	20.0%
Ports	14.8%
Road and Rail	11.3%
Gas	9.7%
Water and Waste	9.3%
Other	8.9%
Renewables	8.4%
Telecoms and Satellites	8.3%
Infrastructure Investment Funds	5.8%
Airports	3.5%

GEOGRAPHICAL SPLIT OF INVESTMENTS

Brazil	28.7%
China including Hong Kong	16.8%
India	10.3%
Philippines	9.1%
Middle East /Africa	8.3%
Romania	6.6%
Other Latin America	6.4%
Other Asia	4.8%
Other Europe	4.0%
Chile	2.6%
Malaysia	1.9%
Thailand	0.5%

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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).

