

Schroder Asian Total Return (ATR)

16/09/2025

Results analysis from Kepler Trust Intelligence

Schroder Asian Total Return (ATR) has released its half year results for the period ending 30/06/2025. The trust saw a NAV decrease of 2.4% on a total return basis, versus the reference index which rose 4.3% over the same period. Returns since period end have been strong, with ATR returning 10.8% to 09/09/2025.

Managers Robin Parbrook and King Fuei Lee have delivered excellent long-term returns, with five-year NAV of 44.5% and ten year returns of 222.7% or 12.5% annualized (to 09/09/2025). ATR continues to have the narrowest discount in the peer group, reflecting the strong track record.

Two key factors have impacted performance. Firstly, the strength of China and Hong Kong. Holdings Tencent and Netease contributed positively, whilst not owning "old China" consumer stocks also proved beneficial. However, not holding domestically focussed consumer stocks was a headwind. Secondly, Korea which rallied on reform hopes, although the managers note these have often failed to materialise. Their two Korean holdings did contribute positively though.

The portfolio construction approach uses clusters which has balanced defensive exposure with attractive yields, against structurally challenged areas. Additional clusters offer a balance of strong growth potential against more volatile politics. Hedging strategies are also used. The short-term models indicate a neutral to positive view, whereas their longer-term models indicate caution. As such, they have a small short exposure, which they may increase depending on pricing.

At the end of the period the level of gearing was 6.7%. Shortly after the period end, the managers took out a new RCF with a lower capacity reflecting an increased use of derivatives (CFDs).

Chair Sarah MacAulay commented on the "consistently strong long-term track record" noting that "NAV total return has outperformed the Reference Index over 3, 5 and 10 years".

Kepler View

Robin Parbrook and King Fuei Lee, managers of Schroder Asian Total Return (ATR) have a long-term time horizon, which has been reflected in very strong returns over multiple time periods. The managers' use of bottom-up stock selection, top-down overlays and hedging strategies as one interconnected approach makes ATR a unique proposition in our view.

The portfolio construction approach is also a standout. The managers are benchmark-agnostic therefore position the portfolio depending on where they find the best opportunities. By using investment clusters, they can create a differentiated profile that can distinguish itself from peers. The current bias to the more defensive and yield-generative markets could prove beneficial in more volatile times. Similarly, the hedging strategies could offer downside protection.

The trust has experienced some short-term headwinds which are arguably out of the managers' control. Similarly, consumer stocks, driven by likely temporary trends have performed well. Robin and King Fuei caution these are unlikely to drive long-term returns and have therefore remained on the sidelines, albeit at the expense of near-term performance.

We believe the post-period bounce back demonstrates this transience, with ATR rising over 10% to 09/09/2025, with long-term returns still considerably ahead of the trust's reference index. Despite this, ATR's discount has widened slightly, albeit remaining the narrowest of peers, which could provide an attractive entry point.

[CLICK HERE TO READ THE FULL REPORT](#)

Visit [Kepler Trust Intelligence](#) for more high quality independent investment trust research.

Important information

This report has been issued by Kepler Partners LLP. **The analyst who has prepared this report is aware that Kepler Partners LLP has a relationship with the company covered in this report and/or a conflict of interest which may impair the objectivity of the research.**

Past performance is not a reliable indicator of future results. The value of investments can fall as well as rise and you may get back less than you invested when you decide to sell your investments. It is strongly recommended that if you are a private investor independent financial advice should be taken before making any investment or financial decision.

Kepler Partners is not authorised to make recommendations to retail clients. This report has been issued by Kepler Partners LLP, is based on factual information only, is solely for information purposes only and any views contained in it must not be construed as investment or tax advice or a recommendation to buy, sell or take any action in relation to any investment.

The information provided on this website is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject

Kepler Partners LLP to any registration requirement within such jurisdiction or country. In particular, this website is exclusively for non-US Persons. Persons who access this information are required to inform themselves and to comply with any such restrictions.

The information contained in this website is not intended to constitute, and should not be construed as, investment advice. No representation or warranty, express or implied, is given by any person as to the accuracy or completeness of the information and no responsibility or liability is accepted for the accuracy or sufficiency of any of the information, for any errors, omissions or misstatements, negligent or otherwise. Any views and opinions, whilst given in good faith, are subject to change without notice.

This is not an official confirmation of terms and is not a recommendation, offer or solicitation to buy or sell or take any action in relation to any investment mentioned herein. Any prices or quotations contained herein are indicative only.

Kepler Partners LLP (including its partners, employees and representatives) or a connected person may have positions in or options on the securities detailed in this report, and may buy, sell or offer to purchase or sell such securities from time to time, but will at all times be subject to restrictions imposed by the firm's internal rules. A copy of the firm's Conflict of Interest policy is available on request.

[PLEASE SEE ALSO OUR TERMS AND CONDITIONS](#)

Kepler Partners LLP is authorised and regulated by the Financial Conduct Authority (FRN 480590), registered in England and Wales at 70 Conduit Street, London W1S 2GF with registered number OC334771.

This information is provided by Reach, the non-regulatory press release distribution service of RNS, part of the London Stock Exchange. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lseg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

NRAKZGMLGVMGKZM