

**NIKKO AM GLOBAL UMBRELLA FUND**

**Société d'Investissement à Capital Variable**

**Audited Annual Report**

**For the Year Ended December 31, 2017**

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## NIKKO AM GLOBAL UMBRELLA FUND

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# NIKKO AM GLOBAL UMBRELLA FUND

## Report of the Investment Manager

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NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund

### Portfolio Review

#### ***Fund outperformed in 2017***

Over the review period, the USD Class A Fund returned 39.10%, outperforming the benchmark which returned 36.98% in USD terms. Against the same benchmark, the USD Class B Fund returned 39.15%. On a sector basis, the overweight to North Asian financials and consumer discretionary contributed to performance, while the overweight to healthcare detracted. At the country level, stock selection in Taiwan was a key contributor to relative returns, whereas selection in Korea detracted.

### Market Review

#### ***Asian equities saw solid gains in 2017***

The MSCI Asia Pacific ex-Japan (APxJ) benchmark finished 2017 up 36.98% in USD terms, significantly outstripping the MSCI World Index's return of 22.4% and largely in line with the MSCI Emerging Markets (EM) index which gained 37.3%. Sentiment in Asia Pacific was buoyed by strong earnings, resilient economic data and generally accommodative monetary policy. Asian currencies also largely appreciated against the USD during the period.

#### ***China and Korea outperformed***

China was the best-performing market in 2017 with a gain of 54.1% in USD terms. Improving macroeconomic data underpinned sentiment, while the market shrugged off Moody's one-notch downgrade of China's sovereign rating in May. The long awaited A-Share inclusion was announced, with MSCI agreeing to include 222 large-cap A-share stocks with a combined weight of 0.73% in its emerging markets index. Throughout the year, authorities announced various reforms to ease foreign ownership limits on financial institutions while continuing to reduce financial leverage. GDP growth in 2017 accelerated for the first time in seven years, with full-year growth registering 6.9%. This was well above the official target of 'around 6.5%', and higher than the 6.7% growth registered in 2016.

Meanwhile in Korea, confidence improved after the election of President Moon Jae-In in May brought about promise of chaebol reform and domestic stimulus. Sentiment was further buoyed in the second half of the year by Korean Won strength, heavy buying within the Technology sector and thawing relations with China. Separately, the Bank of Korea (BoK) became the first large Asian economy to raise interest rates since 2014.

#### ***India did well, returns within ASEAN were mixed***

Despite initial teething problems from the rollout of the GST Bill, the Indian market was supported over the year by a public sector unit bank recapitalisation in addition to Moody's upgrade of India's sovereign bond rating for the first time since 2004. In December, Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) won the Gujarat Assembly Elections while the Reserve Bank of India reaffirmed its neutral policy stance. Singapore and Thailand outperformed the rest of ASEAN. Singapore equities were supported by gains in the property and banking sectors, while Thailand was underpinned by easing political tensions and an economic recovery that appears to be gaining traction. Indonesia, Malaysia and the Philippines underperformed. Indonesia was weighed down by a weak Rupiah and lower-than-expected GDP growth, Malaysia by earnings that lagged expectations, and the Philippines by political concerns and a deteriorating trade balance.

#### ***Australia was the weakest performer over the period***

Australia gained 19.9% in USD terms, but lagged the rest of its peers. Earlier in the year, fears concerning Amazon's entry into Australia affected retail stocks. While a recovery in commodity prices gave a boost to the Energy and Materials sectors towards the end of the year, Australian banks markedly underperformed after the government caved to mounting pressure for a Royal Commission of Inquiry into the financial services sector.

### Market Outlook and Strategy

#### ***Continue to see value in the region despite pockets of excessive optimism***

Asian equity markets started 2018 on a very positive note, supported by stronger than expected growth in China. Confidence in the country's banking sector has returned, evidenced by the 25% re-rating in major banking stocks. Despite strong share price returns, valuations remain around long term averages at 14x forward price-to-earnings and 1.7x forward price-to-book, supported by further earnings upgrades. As expected, earnings upgrades are becoming more broad-based following 2017's technology driven growth. We continue to advocate that Asian equities provide better earnings growth prospects at more attractive valuations relative to developed market equities despite some pockets of excessive optimism. Currently we believe the near-term risks to Asian markets are external, in particular the reaction of equity markets to a sustained sell-off in global bonds.

#### ***Favour China and Hong Kong***

We remain constructive on both Chinese and Hong Kong equities as continued efforts to rein in excesses in the financial sector are managed in conjunction with supply side reform and stronger underlying economic growth. We maintain our preference for structural growth sectors – Tourism, Healthcare, and Insurance – and have recently added more positions in the consumer sector. In Hong Kong, we remain optimistic that better loan growth momentum and the prospect of higher interest rates will continue to drive returns for banks while volumes on Hong Kong Exchange continue to soar as a result of greater southbound participation by mainland investors and foreign inflows.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund (continued)

##### ***Remain constructive of India but mindful of rich valuations***

While we remain constructive on the long term outlook for India, we note that some areas of the Indian equity market are now looking very richly valued. Rising oil prices and a tighter global interest rate environment are structural headwinds to the Indian economy and these are so far being largely ignored by investors. As such we are becoming more cautious on the market. The upcoming budget is likely to include some support for the rural and mass market population segments ahead of national elections in 2019 but options are limited by the current fiscal deficit. We expect India's economic growth to rebound in 2018 as the adverse impact from demonetisation and GST wanes and the public sector bank recapitalisation boosts a revival in private sector capital expenditure. We have reduced the overweight position in Indian equities but remain invested in long-term sustainable franchises, and relatively unloved areas of the market.

##### ***Focus on niche Technology stocks in Korea and Taiwan; remain underweight ASEAN***

Korea and Taiwan have been key beneficiaries of a resurgence of their respective technology sectors. We believe there is a need to be more selective in this segment. After the strong earnings growth in memory chips this year, there is a risk that DRAM or NAND prices could roll over in 2018 as new capacity comes on. Even though China and South Korea seem to have made significant progress in normalising relations, geopolitical risks continue to loom. Taiwan's technology sector is heavily dependent on demand for Apple products and unit sales for its latest smartphone models are being revised lower. Hence, we focus on stocks exposed to niche areas of the value chain, namely electric vehicles and display solutions.

We maintain our underweight stance in ASEAN. Singapore and Indonesia remain relative preferences given better growth prospects and attractive valuations. We have recently moved to zero weight Philippine equities on signs of overheating in the economy and capital outflows pressuring the currency. In Thailand, we see early signs of consumption recovery but remain underweight awaiting a resolution to the political impasse.

##### ***Remain underweight in Australia***

Notwithstanding lingering uncertainties in the domestic labour and property market, we believe Australia will continue to benefit as global growth leadership moves from the US to Asia. Our preference, however, is to be at the forefront of this economic growth and hence retain a bias for stocks in Asia over Australia. Within Australia, we maintain select positions in insurance, commodities, data centre and consumer related sectors.

#### **IMPORTANT INFORMATION**

This document is for information only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you. Investments in unit trusts are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited ("Nikko AM Asia").

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The CPF interest rate for the Ordinary Account ("OA") is based on the 12-month fixed deposit and month-end savings rates of major local banks, subject to a minimum 2.5% interest per annum. The interest rate for Special, Medisave and Retirement Accounts ("SMRA") is pegged to the 12-month average yield of 10-year Singapore Government Securities yield plus 1%. A 4% floor rate will be maintained for interest earned on SMRA until 31 December 2015, after which a 2.5% minimum rate will apply. An extra 1% interest is paid on the first S\$60,000 of a member's combined balances, including up to S\$20,000 in the OA. The first S\$20,000 in the OA and the first S\$40,000 in the Special Account ("SA") cannot be invested under the CPF Investment Scheme ("CPFIS").

#### **For Hong Kong Investors**

The Fund is offered only to professional investors and is not authorized by the Securities and Futures Commission in Hong Kong. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund (continued)

#### SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

##### Appointment of soft dollar brokers

Soft dollar brokers will be appointed onto the Managers' broker panel only after the Managers have ensured that:

- a) full disclosure of the practice of accepting soft dollars is made;
- b) the commission rates charged are comparable with the market rates;
- c) there is no conflict of interest;
- d) the soft dollar credits are used only for clearly defined services;
- e) at all times trades are executed through the respective brokers only on the basis of best execution regardless whether soft dollar benefits will accrue. Best execution shall include competitive prices with smooth execution ability; and
- f) relevant regulations and guidelines are complied with.

The procedures for the appointment of the brokers shall be no different from that of normal full service brokers.

##### Execution and allocation

If the Trustee objects to the use of the soft dollar brokers, the trades of the Fund shall be segregated from the rest of the trades that are executed through the relevant soft dollar broker(s). The Managers will execute trades for such accounts only with authorised full service brokers.

It is the responsibility of the Managers to ensure that the allocation quotas are adhered to. In addition, the Managers will monitor the execution ability of the soft dollar brokers and assign the business strictly on a "best execution" basis.

Subject to the provisions of the Code\*, in its management of the Fund, the Managers may receive soft dollar commissions from, or may enter into soft dollar arrangements with, stockbrokers who execute trades on behalf of the Fund and the soft dollars received would be restricted to the following kinds of services:

- a) specific advice as to the advisability of dealing in, or of the value of any investments;
- b) research and advisory services;
- c) economic and political analysis;
- d) portfolio analysis including valuation and portfolio measurements;
- e) market analysis;
- f) data and quotation services;
- g) computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and
- h) custodial services in relation to the investments managed for clients.

The following are, however, prohibited:

- a) travel, accommodation and entertainment expenses;
- b) general administrative goods and services including office equipment and premises;
- c) membership fees;
- d) employee salaries; and
- e) direct money payments / rebates.

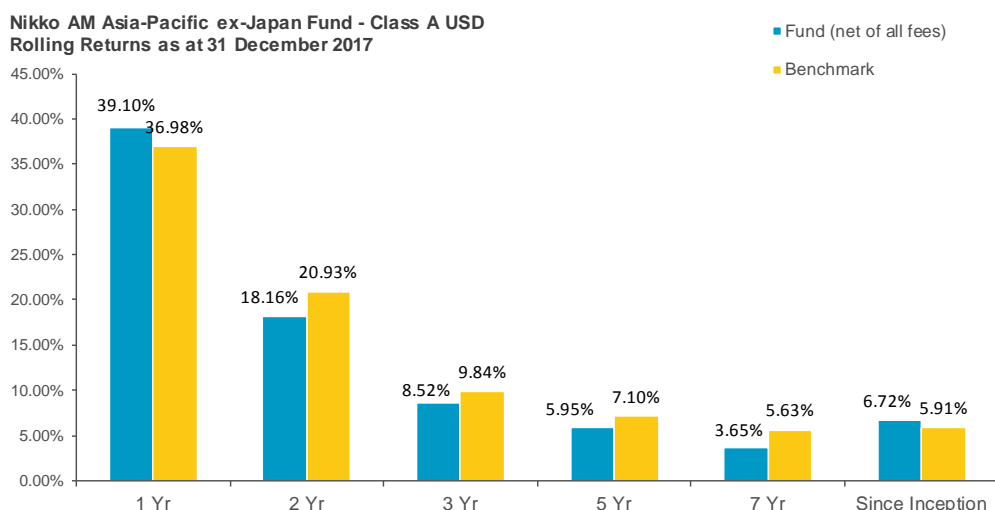
Records of the payments made using soft dollar commissions shall be retained with the Managers.

\* The "Code" means the Code on Collective Investment Schemes issued by the Authority pursuant to the Securities and Futures Act, as may be amended, modified, or supplemented from time to time by the Authority.

## NIKKO AM GLOBAL UMBRELLA FUND

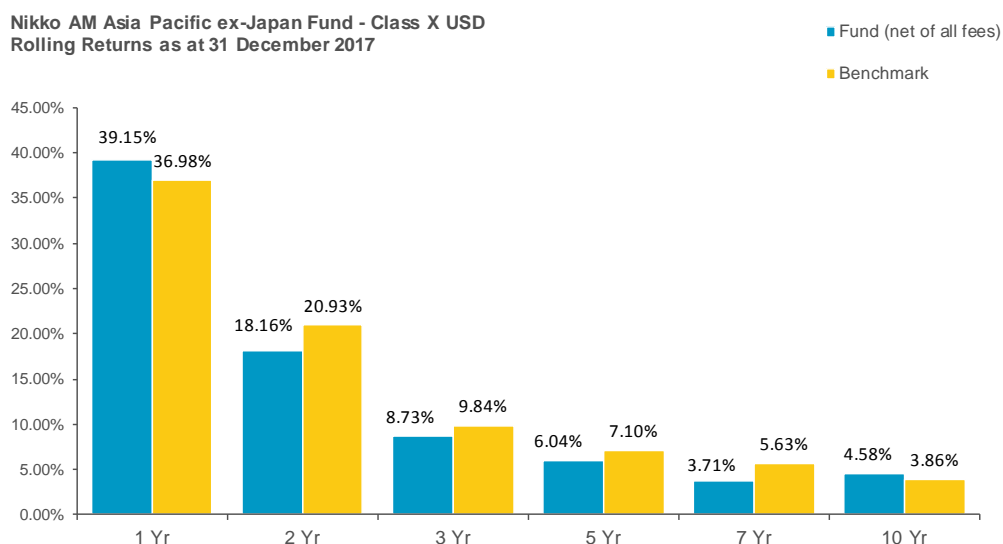
### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund (continued)



The inception date of the Nikko AM Asia-Pacific ex-Japan Fund - Class A USD was February 23, 2007. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees.

Returns for periods in excess of 1 year have been annualized. Benchmark returns are based on the MSCI AC Pacific ex Japan Index from inception to September 30, 2011 and the MSCI AC Asia Pacific Index from 1 October 2011 (© 2008 Morgan Stanley Capital International Inc., all rights reserved)(USD base).



The inception date of the Nikko AM Asia Pacific ex-Japan Fund - Class X USD was April 1, 1996. Fund returns provided relate to the performance of Share Class X USD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Benchmark returns are based on the the MSCI AC Pacific ex Japan Index from December 1, 2006 to September 30, 2011 and the MSCI AC Asia Pacific ex Japan Index from 1 October 2011 (© 2008 Morgan Stanley Capital International Inc, all rights reserved).

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund

##### Portfolio Review

##### ***Fund was positive in absolute return in 2017***

For the calendar year 2017, the investment portfolio was up on an absolute basis and flat on a relative basis as both developed and emerging market currencies contributed to positive performance for the year.

##### ***Returns in emerging markets outpaced those in developed markets***

The investment portfolio benefitted from exposure to emerging market currencies with strong contribution to returns from the Brazilian Real, on the performance of local bond markets due to easier monetary policy, the slight overweight on the Mexican Peso as Trump concerns proved to be too bearish and the Polish Zloty as the eastern European currency rallied on the strength of the Eurozone and its relatively high carry. On the negative side, the

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund (continued)

portfolio was negatively affected by a lack of exposure to CNY as the Renminbi rallied on the strength of the Chinese economy. The portfolio refrained from holding CNY IBRD based debt due to lack of viable green bond issues.

On the developed market side the portfolio benefitted from the portfolios local pod performance in USD terms as well as a slight overweight to the NOK on the resurgence in global energy prices. On the negative side, the major detractors were underweight positioning to Canada as the Canadian dollar continued to rebound on recovery in energy prices and more hawkish central bank expectations while the portfolios underweight to GBP led to underperformance as the currency outperformed versus the dollar on improving sentiment towards Brexit.

#### Market Review

***Overall returns were dominated by Central banks and politics over the period.***

Developed market growth picked up slightly for 2017, but was overshadowed by the threat of populist political parties in core European markets such as France.

***The European Central Bank (ECB) tapered its QE program.***

*The overall consensus is that the ECB will announce a planned tapering at its June meeting to beginning in September and wind down QE to a near zero level by December 2018.*

***Donald Trump passed tax reform***

Donald Trump and the Republican Party were able to pass the administrations stated tax-reform agenda in the final weeks of 2017, lowering the US personal and corporate rate in the process. During Q4 US Treasuries' rose and the yield curve started to flatten following the momentum of tax reform passing.

***The Fed hiked rates three times in 2017***

The Fed was able to raise its benchmark interest rate three times in 2017 as the US unemployment rate fell to 4.1% from 4.7% at the start of the year despite inflation remaining under the Fed's stated 2.0% target.

***Turkey was the worst performing EM Market***

Turkey's economy has been overstimulated by cheap and easy credit and now needs tighter monetary conditions to anchor inflation expectations. The reluctance to do so by the Central Bank has led to renewed pressure on the currency and market confidence can now only be restored by a decisive rate hike.

***South Africa produced one of the strongest EM returns***

South Africa had a rollercoaster year as well. Standard & Poor's downgraded the country rating to junk at the end of November on concerns over the lack of fiscal discipline. Then mid-December Cyril Ramaphosa, the market friendly anti-corruption candidate, was elected as the new ANC leader, bringing renewed hope that the incumbent ANC president, Jacob Zuma, would step down early and hence lead to a more lenient stance from rating agencies.

***The Euro was the strongest performing developed market in USD terms***

*On the back of more optimistic expectations from the ECB, the European bond market was the top performing developed bond market on the back of the Euros 12.6% appreciation versus the USD for 2017.*

***The US was the weakest performing market overall***

The US dollar was the weakest performing developed market currency for 2017 as the recovery in energy prices, a stronger Yuan, and increasing growth expectation in non-US markets led the dollar to be treated as a funding currency. The US was the second strongest bond market in local terms next to Australia, generating a positive performance for all of 2017, but faced significant hurdles as all developed market foreign currencies outperformed the dollar for the year.

#### Portfolio Repositioning

##### ***Allocation changes***

We have maintained the portfolio's EM allocation on the expectation that the rebound in commodity prices, more hawkish developed market central banks and higher relative carry would benefit emerging market currencies relative to developed markets.

##### ***Currency***

In the beginning of the year we reduced our overweight BRL exposure on its outperformance but still maintain the overweight exposure due to the higher relative yield and historically low valuation relative versus the dollar as the economic situation improves. We added exposure to the Australian dollar on the resurgence in commodity prices and higher relative yields in developed markets. We reduced PLN exposure on the low availability of green bonds and to take profit on the strong relative performance of the currency.

##### ***Duration***

We have maintained a low duration positioning for the fund given expectations of higher developed market rates in the Eurozone and the United States as inflation data could potentially pick-up on low unemployment and higher oil prices.

#### Market Outlook

***Fed to hike three times in 2018, risk is for four hikes***

In the US, the tightness of the labour market, combined with recent higher oil prices ought to see both headline and core inflation move higher from its current level. We also believe the expectations for further rate hikes by the Federal Reserve (Fed), together with a concomitant reduction of the balance

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund (continued)**

sheet ought to see US rates under selling pressure, which is a key justification behind maintaining our short duration position. Despite the ongoing normalisation of monetary policy by the Fed, the USD performance has been somewhat underwhelming. We attribute this to a broad based acceleration in economic activity outside of US, causing a number of central banks to turn increasingly less accommodative, which has helped support respective currencies in the process.

### ***ECB to announce tapering schedule in June***

The improving growth momentum across the Eurozone, and the ongoing tightening of the labour market conditions ought to see the European Central Bank (ECB) reduce its Quantitative Easing (QE) purchases to a level that will no longer expand their balance sheet and halt by the end of 2018. The first rate hike is likely to follow suit but not until the following year. Even though we expect the ECB to begin monetary policy tightening only later this year, we feel the forward guidance will be amended well ahead of that. The assumed increased hawkishness of the central bank ought to be supportive of the currency and lead to a backup in Eurozone market rates.

### ***Brexit will dominate GBP***

In the UK, we believe that the level of GBP currently is primarily whole being driven by politics. The Brexit news flow continues to dominate the level of the currency. We believe there is a limited chance of another general election or referendum over the near term. We have also seen better than expected macroeconomic data especially within manufacturing. However, we would argue the relative downside risk of the GBP is high as it seems most positive news has been priced in. Therefore, it is skewed to the downside and in the longer term we see little upside

### ***Trump to remain a source of volatility***

As we observed in 2017, Tax reform remained a source of significant volatility for bond markets. We expect Trump to remain an ongoing source of geopolitical event risk as he continues to push both his domestic and international agenda.

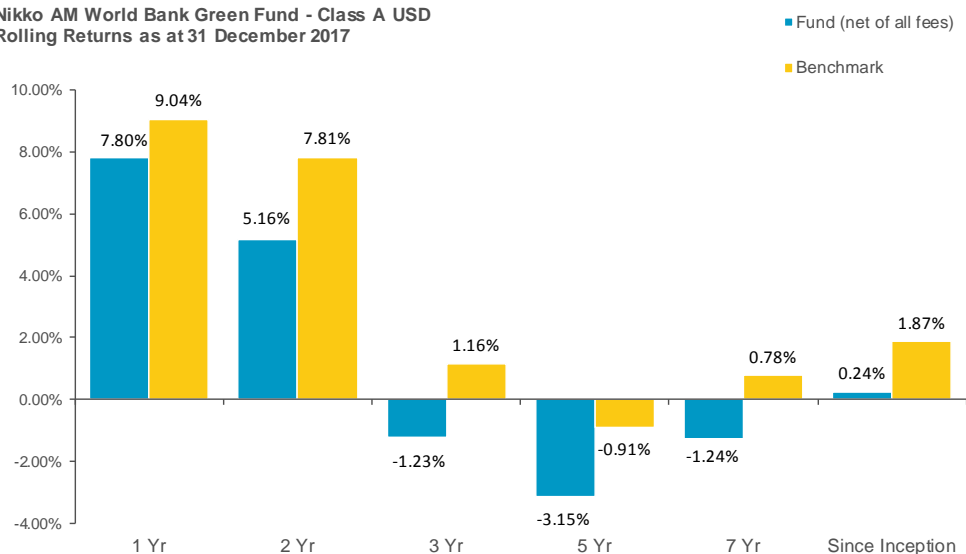
### ***Higher yielding EM currencies will continue to outperform***

We think the trade that dominated 2016 and 2017 will continue to perform in 2018 as the relatively higher yields, and synchronized global growth will continue to benefit emerging market economies.

### ***Muted political risk in European markets***

Irrespective of the outcome of this election, Italy will likely remain the same and, again, have a fragile government that will lack the ability to enact the structural reforms needed to increase the country's growth prospects and global competitiveness. Additionally, needless to say, poor economic and fiscal policies are, and will likely be, a recurring theme in Italian politics. While Renzi and the caretaker governments before him made sound reforms (i.e. pension and labour reforms in 2011 and 2014 respectively), M5S and the hard right parties (LN and FdI) have made it core to their agenda to undo them. In addition, all of the economic agendas so far proposed ahead of the election lead to more debt and a higher public deficit. In the long run, Italy will continue to suffer under its unsustainable debt load and entice investors to demand a higher premium for holding Italian assets.

**Nikko AM World Bank Green Fund - Class A USD**  
**Rolling Returns as at 31 December 2017**

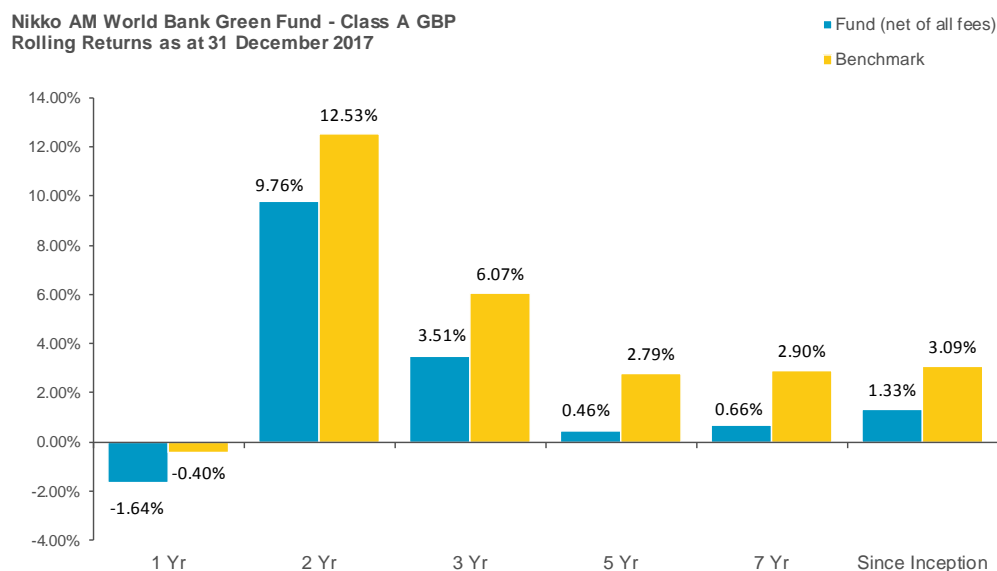


The inception date of the Nikko AM World Bank Green Fund - Class A USD was February 25, 2010. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Up to December 31, 2016 the benchmark return is comprised of 50% Citigroup World Government Bond Index and 50% JP Morgan Government Bond Index - Emerging markets. From January 2, 2017 the benchmark is a custom blend of around 50% Emerging Markets and 50% Developed Markets currencies World Bank Bonds.

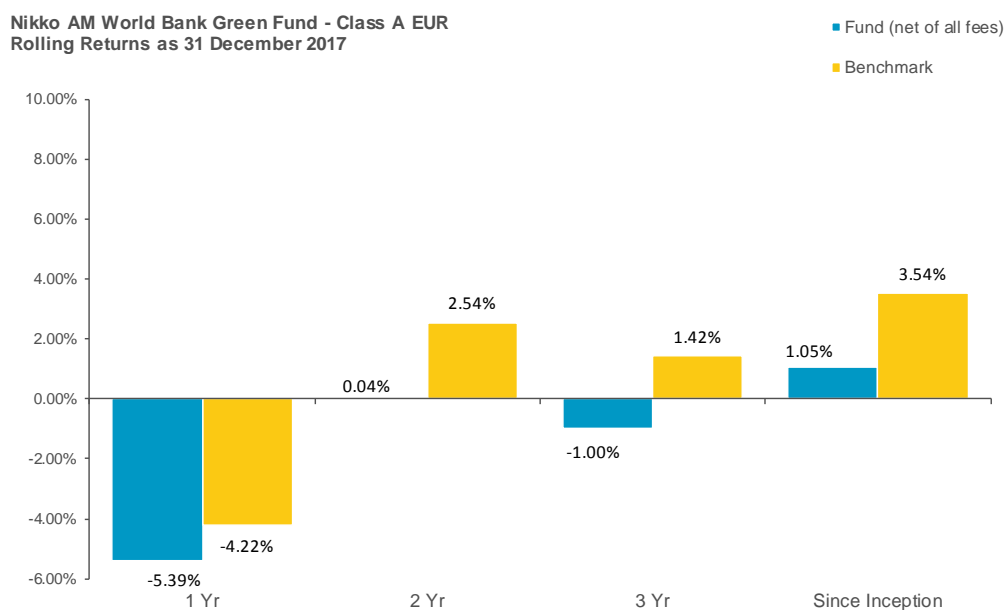


# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund (continued)**



The inception date of the Nikko AM World Bank Green Fund - Class A GBP was March 22, 2010. Fund returns provided relate to the performance of Share Class A GBP and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Up to December 31, 2016 the benchmark return is comprised of 50% Citigroup World Government Bond Index and 50% JP Morgan Government Bond Index - Emerging markets. From January 2, 2017 the benchmark is a custom blend of around 50% Emerging Markets and 50% Developed Markets currencies World Bank Bonds. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.



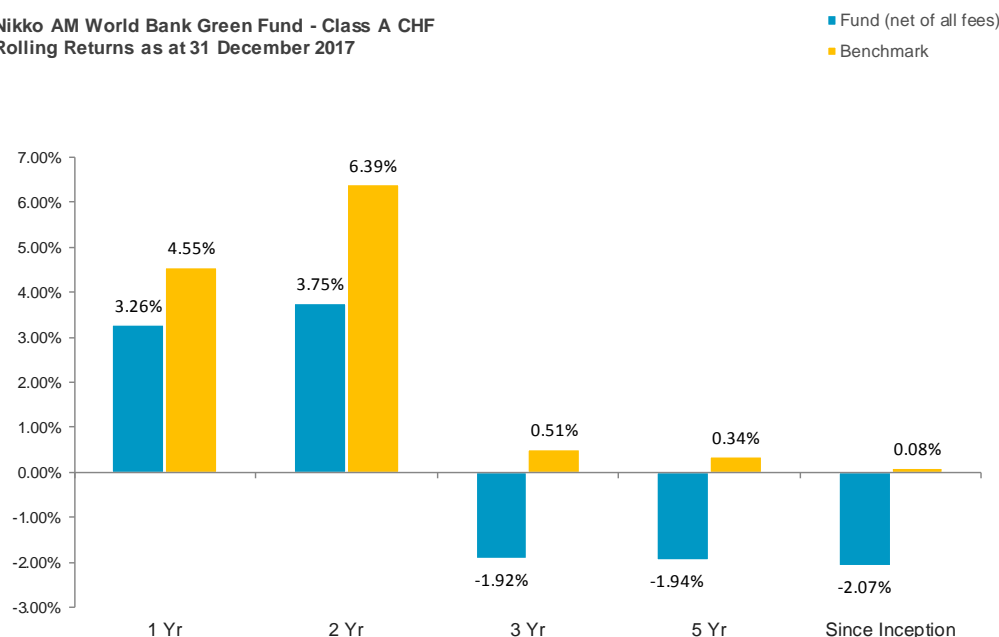
The inception date of the Nikko AM World Bank Green Fund - Class A EUR was August 23, 2011. The Share Class A EUR was originally launched on 23 August 2011 but was dormant from 11 Mar 2013 to 18 Feb 2014. Fund returns provided relate to the performance of Share Class A EUR and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Up to December 31, 2016 the benchmark return is comprised of 50% Citigroup World Government Bond Index and 50% JP Morgan Government Bond Index - Emerging markets. From January 2, 2017 the benchmark is a custom blend of around 50% Emerging Markets and 50% Developed Markets currencies World Bank Bonds. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund (continued)

Nikko AM World Bank Green Fund - Class A CHF  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM World Bank Green Fund - Class A CHF was October 3, 2012. Fund returns provided relate to the performance of Share Class A CHF and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Up to December 31, 2016 the benchmark return is comprised of 50% Citigroup World Government Bond Index and 50% JP Morgan Government Bond Index - Emerging markets. From January 2, 2017 the benchmark is a custom blend of around 50% Emerging Markets and 50% Developed Markets currencies World Bank Bonds. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund

##### Market Review

In 2017, Chinese authorities continued to pursue a fine balancing act between near-term growth objectives and long-term structural challenges. Despite these measures, full-year GDP growth accelerated for the first time in seven years, producer prices reflat and corporate profits showed strong recovery. The much anticipated 19<sup>th</sup> National Congress of the Communist Party passed smoothly with the expected consolidation of President Xi Jinping's leadership pointing to continuity with the ongoing deleveraging, reform and industrial transformation policies. Through his keynote address, President Xi did signal a shift in strategic thinking from one focused primarily on the pace of growth towards more sustainable and better quality growth.

Offshore government bonds succumbed to a marked sell-off in 2017, with the jump in yields happening in the last quarter. Short-term bonds were hit worse compared to longer-dated securities, with 2-year and 10-year yields rising about 54 and 44 basis points (bps), respectively. The sell-off happened despite the Chinese central bank's announcement of a two-tiered reserve requirement ratio (RRR) cut effective early 2018. Market weakness was prompted in part by solid economic growth which surprised the market, and an acceleration in the PPI. However, the PBoC Governor's warnings on leverage and asset prices, as well as the announcement of broad-sweeping set of regulatory tightening rules on the asset management industry towards the end of the year was the main driver of weak sentiment in the last three months of 2017. Notably, Moody's and S&P both downgraded their ratings on China sovereign in the year, but the impact on government bond yields and Chinese corporate credit spreads were relatively muted.

In contrast to government bonds, China offshore credits registered gains in the year, with gains generated mainly from tighter credit spreads as government bond yields rose. Tighter spreads were partly driven by high demand for higher-yielding assets such as Emerging Market (EM) credits. Inflows into EM bond funds turned out much stronger than expected, with Asia credit receiving strong inflows from global as well as regional-based investors. Moreover, China's unexpectedly strong GDP growth continued to support the positive credit fundamentals. The Markit iBoxx ALBI China Offshore Investment Grade TRI Index returned +3.19%, with spreads tightening by 26bps, whereas the iBoxx ALBI China Offshore High Yield & Unrated TRI Index delivered +7.11%, with spreads tightening 198bps.

Meanwhile, the RMB appreciated against the US Dollar in the year on the back of expectations of a potential acceleration of FX reforms in China, following policymakers' announcement that financial institutions were no longer required to put aside reserves when buying dollars for clients through currency forwards, and the PBoC's adjustment of the reserve requirement for offshore banks' onshore RMB deposits.

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund (continued)**

### **Performance Review**

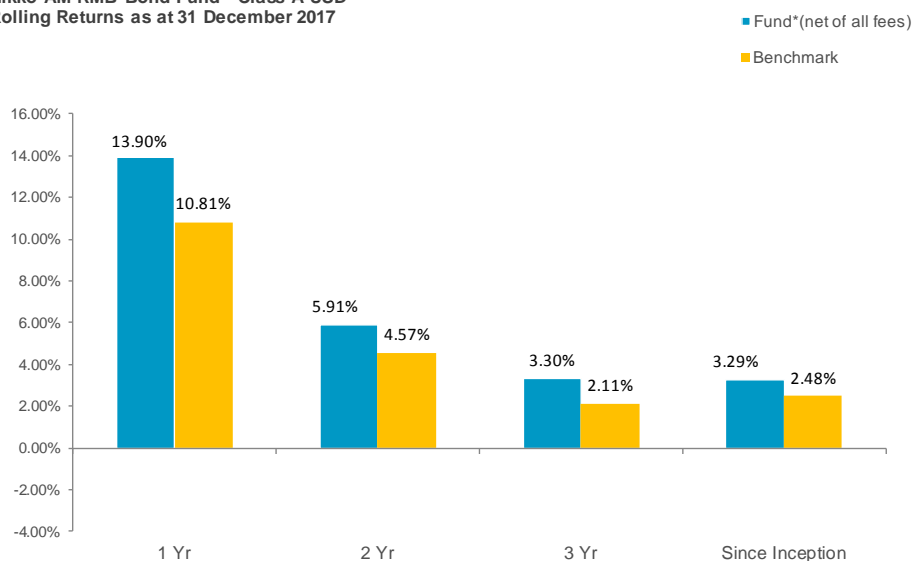
For 2017, the Fund returned 13.90% in USD terms (net of all fees), as compared to the benchmark return of 10.81%. Security selection was the main contributor to relative performance. This was partially offset by slight negative contributions from duration positioning and asset allocation.

### **Market Outlook and Strategy**

Market fundamentals for dimsum bonds should remain constructive in 2018, driven by strong technical demand resulting from better sentiment for RMB outlook and a structural shortage of dimsum bonds as the universe continues to shrink, with over 30% of outstanding bonds expected to mature. We expect rekindled interest in the RMB internationalisation play on the back of China's healthy fundamentals, stabilising capital outflow and improving FX reserves. Anticipation of China bonds' inclusion in global bond indices should further anchor the technical demand for dimsum bonds.

The correction in the China onshore bond market has resulted in a spread premium over the offshore market. Moreover, with lower funding costs in the offshore market and the ongoing regulatory push to de-lever onshore financial institutions, we expect bond issuance in the dimsum market to pick up substantially in 2018, particularly in the second half of the year. As a result, we will be defensively positioned in the front end of the curve in anticipation of higher supply, and be selective in participating in new issuance while waiting for market repricing to occur.

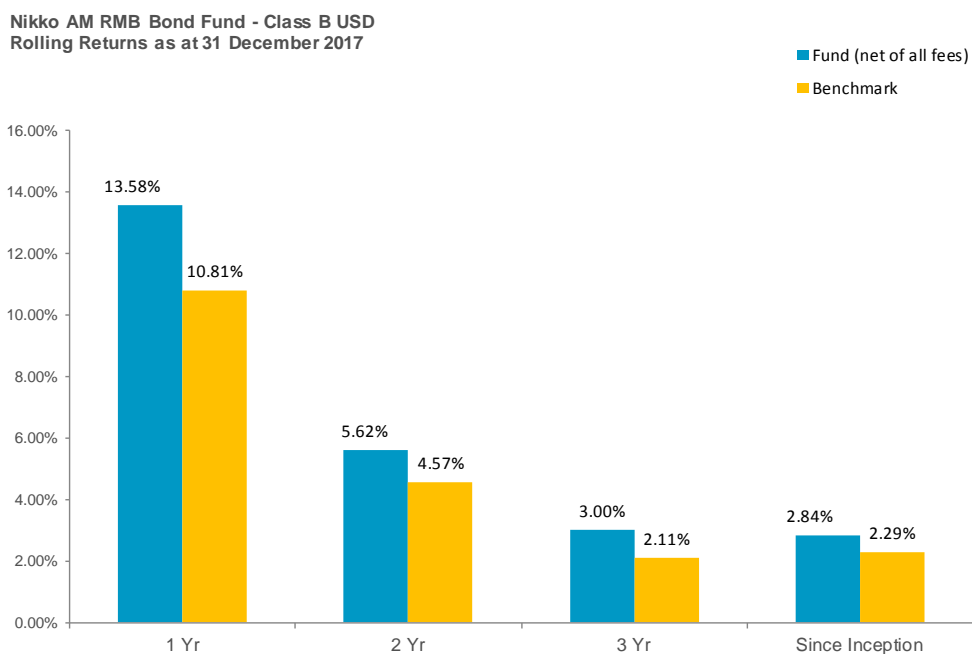
**Nikko AM RMB Bond Fund - Class A USD**  
**Rolling Returns as at 31 December 2017**



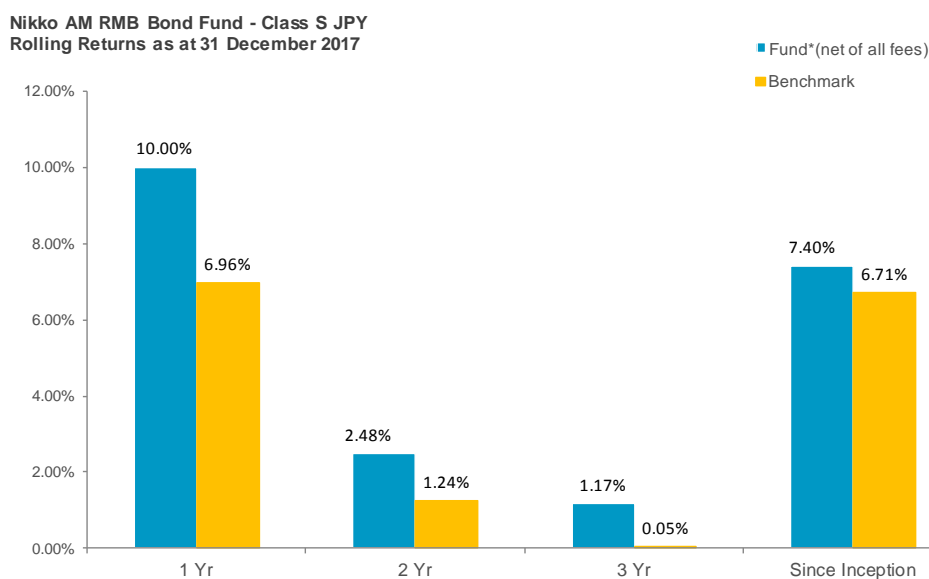
The inception date of the Nikko AM RMB Bond Fund Share Class A USD was February 1, 2013. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. \*The fund is not benchmark constrained; reference benchmark data is provided for information purposes only. Benchmark is iBoxx ALBI China Offshore Index from 20 April 2016 (CNH base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class. Previously it was (now discontinued) HSBC Offshore RMB Bond Index from 1 October 2013 and prior to that it was the Bank of China Hong Kong (BOCHK) Offshore RMB Bond Index until 30 September 2013. Benchmark performance returns prior to 1 October 2013 include a combination of the HSBC/BOCHK. Returns for periods in excess of 1 year are annualized.

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund (continued)**



The inception date of the Nikko AM RMB Bond Fund - Class B USD was September 2, 2013. Fund returns provided relate to the performance of Share Class B USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark is iBoxx ALBI China Offshore Index from 20 April 2016 (CNH base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class. Previously it was (now discontinued) HSBC Offshore RMB Bond Index from 1 October 2013 and prior to that it was the Bank of China Hong Kong (BOCHK) Offshore RMB Bond Index until 30 September 2013. Benchmark performance returns prior to 1 October 2013 include a combination of the HSBC/BOCHK. Returns for periods in excess of 1 year are annualized.



The inception date of the Nikko AM RMB Bond Fund - Class S JPY was February 1, 2013. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. \*The fund is not benchmark constrained; reference benchmark data is provided for information purposes only. Benchmark is iBoxx ALBI China Offshore Index from 20 April 2016 (CNH base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

## **NIKKO AM GLOBAL UMBRELLA FUND**

### **Report of the Investment Manager**

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#### **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund (continued)**

Previously it was (now discontinued) HSBC Offshore RMB Bond Index from 1 October 2013 and prior to that it was the Bank of China Hong Kong (BOCHK) Offshore RMB Bond Index until 30 September 2013. Benchmark performance returns prior to 1 October 2013 include a combination of the HSBC/BOCHK. Returns for periods in excess of 1 year are annualized.

#### **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**

##### **Market Review**

2017 was an encouraging year for global growth. Recovery in the US continued, with the unemployment rate falling to a 16-year low in October. Economic growth forecasts in the Eurozone were upgraded, and Japan recorded its seventh straight quarter of positive GDP growth. Despite this, inflationary pressures have remained low. Against such a backdrop, central banks in the US and Europe began winding down their extraordinary monetary stimulus, while keeping the pace of reduction in monetary accommodation gradual. The US Federal Open Market Committee (FOMC) raised the target range for the federal funds rate three times for a cumulative 75 basis points (bps), and commenced its balance sheet normalization program in October. Meanwhile, the European Central Bank (ECB) announced it would continue to make net purchases under its asset purchase program (APP) until end September 2018, albeit in reduced monthly amounts.

In Asia, growth accelerated across much of the region. Inflation remained subdued through most of the year, but began ticking up in a number of countries towards the end of the year. Monetary policy was left accommodative in most countries, although central banks in Korea and Malaysia struck a hawkish tone towards year-end. The combination of unexpectedly strong growth and easy monetary policy supported the improving trajectory in Asia credit fundamentals and kept the default rate low. Moody's and S&P both downgraded their ratings on China sovereign, but the impact on Chinese corporate credit spreads were relatively muted. In May, Indonesia finally secured investment grade (IG) rating from all three major rating agencies, following the S&P upgrade to BBB-/Stable. India also enjoyed a sovereign rating upgrade to Baa2/Stable from Moody's in November, somewhat ahead of expectations, but is in line with the progress that the country has achieved in its institutional and economic fundamentals. Meanwhile, the Philippines' sovereign rating was upgraded to BBB/Stable by Fitch in December.

Developments in China remained a primary investor focus. As expected, the Chinese authorities continued to pursue a fine balancing act between near-term growth objectives and long-term structural challenges. There were sustained efforts through the year to contain financial risks through regulatory and liquidity tightening, further reduce obsolete and excess capacity in traditional industrial sectors, and stabilize the property sector through further tightening measures. Despite these measures, GDP growth strengthened, producer prices reflat and corporate profits showed strong recovery. The much anticipated 19<sup>th</sup> National Congress of the Communist Party passed smoothly with the expected consolidation of President Xi Jinping's leadership pointing to continuity with the ongoing deleveraging, reform and industrial transformation policies. Through his keynote address, President Xi did signal a shift in strategic thinking from one focused primarily on the pace of growth towards more sustainable and better quality growth.

While developments in China evolved pretty much as expected, political tensions in the Korean peninsula became an unexpected source of turbulence for Asia credit. This resulted in some underperformance of South Korean credits, notably in the middle of the year, but which has since recovered as the tension between North Korea and the US and its allies faded towards the end of the year. While our base case is that there will be no all-out military conflict, a re-escalation of the tensions in 2018 cannot be ruled out.

Amidst strong global growth dynamics and still conducive liquidity environment, demand for higher-yielding assets such as Emerging Market (EM) credits remained strong despite the start of monetary policy normalization in the developed economies. Inflows into EM bond funds turned out much stronger than expected, with Asia credit receiving strong inflows from global as well as regional-based investors. This helped to absorb the strong gross issuance, led by Chinese issuers, resulting in broad-based spread tightening across Asia credit. Asia Investment grade (IG) returned 5.46%, with spread tightening 26 basis points (bps) from 185bps to 158bps.

##### **Performance Review**

For 2017, the Fund's Share class A USD returned 5.04% on a net basis, underperforming the JACI Investment Grade benchmark by 42 basis points (bps). Security selection was the main contributor to relative performance. This was partially offset by negative contributions from duration positioning and asset allocation.

##### **Market Outlook and Strategy**

We expect Asian corporate credit fundamentals to remain broadly stable. The banking system across Asia is likely to see improved profitability if rates begin rising and the yield curve steepens, while asset quality concerns are beginning to ease across Singapore, Hong Kong and India. The string of regulatory tightening measures introduced in China will likely be credit positive for major Chinese banks even if it leads to tighter liquidity and narrower profit margins in the near-term.

The investment grade corporate sector in Asia has shown improvements in leverage and debt servicing ratios over the last few years. We believe the deleveraging trend among Asia IG corporates will continue into 2018 given expectations of broadly stable earnings, continued discipline on capital expenditure and still subdued appetite for merger and acquisitions (M&A), apart from a few large strategic acquisitions by Chinese state-owned enterprises (SOEs). The Chinese authorities have put the spotlight on overseas acquisitions by Chinese companies, both public and private, hence the magnitude of overseas M&A by Chinese companies should moderate as well in 2018. On the other hand, with global policy rates starting to rise and Asian central banks following suit, we could see higher funding costs and therefore stable to slightly weaker debt servicing metrics in 2018, after several years of consistent improvement.

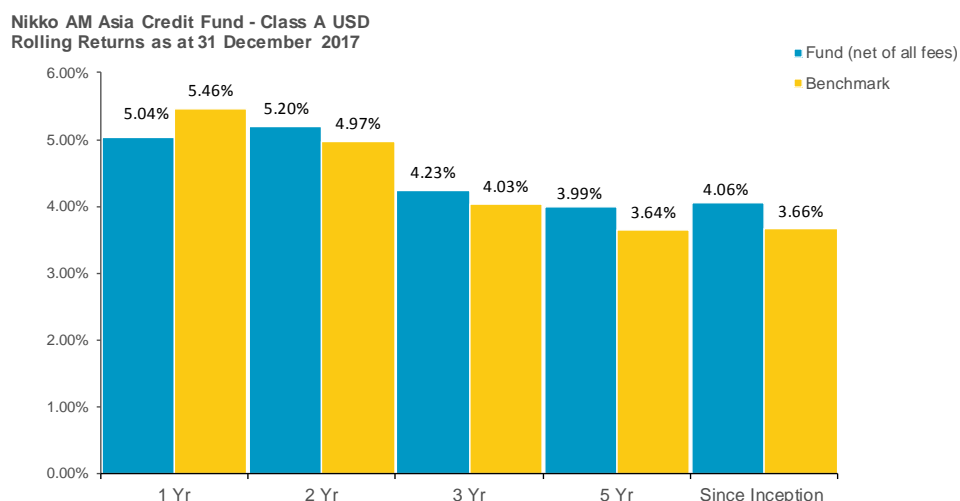
## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

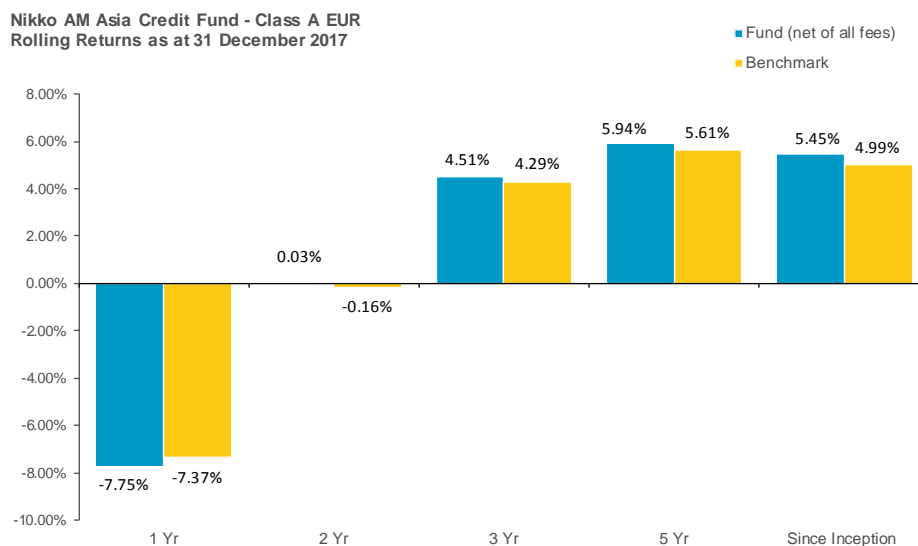
#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund (continued)

The technical backdrop for Asia credit is likely to remain neutral. The robust external flows into EM funds should continue into 2018 barring any major deterioration in EM fundamentals. Indigenous demand for Asia credit should also remain decent in 2018. However, with the CNY strengthening in 2017, the rise in onshore bond yields and credit spreads, the demand for USD Chinese credit from China based investors might moderate in a year where gross supply is likely to be around, if not higher, than the record high seen in 2017.

Asian credit returns are likely to be subdued in 2018 reflecting a continuation of less accommodative US monetary policy and current valuation. For Asian IG credits, the expectation is that credit spreads will end 2018 with some small tightening on the back of a sound Asian fundamental backdrop albeit with valuations on the expensive side from a historical context. Bond carry will again dominate returns as the expected rise in UST yields will negatively impact total returns. With this, we expect modest positive returns for Asian IG bonds.



The inception date of the Nikko AM Asia Credit Fund - Class A USD was November 2, 2012. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are the JACI Investment Grade Return Index (USD base).

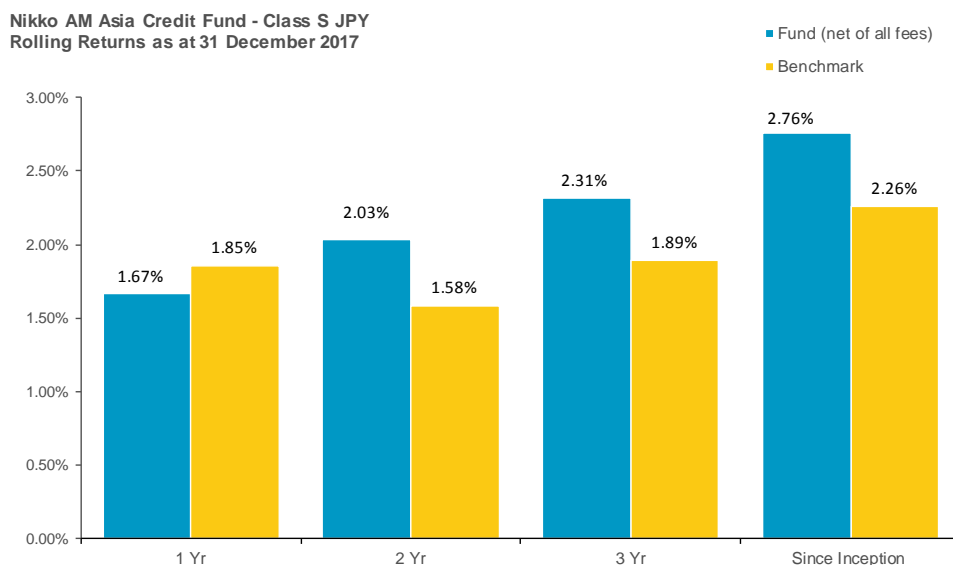


The inception date of the Nikko AM Asia Credit Fund - Class A EUR was November 2, 2012. Fund returns provided relate to the performance of Share Class A EUR and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are the JACI Investment Grade Return Index (USD base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund (continued)



The inception date of the Nikko AM Asia Credit Fund - Class S JPY was December 17, 2014. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are the JACI Investment Grade Return Index (USD base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund

##### Market Review for 2017

The buoyant mood of the global equity markets carried on through 2017 with markets remaining on their upward trajectory returning 24.00% over the year. Company earnings remained robust and the agreement of the long awaited US tax reform bill, which announced permanent cuts for corporations, provided a lift for markets towards the end of 2017. While growth expectations remain positive overall, to counter this US yield curve has flattened, and has opened up the debate of what do we expect next? While no one has the answer yet as to what this flattening may or may not predict, it is clear that looking forwards to 2018, simply searching for economic growth surprise, or not, will not be the shrewdest approach to stock picking. The frequent disconnect between economic and profit growth, and with other factors such as technological innovation remaining dominant factors in defining profitability, for individual companies.

In recent months we have seen a change in commodity pricing with prices rising in part due to stronger demand from China for hard commodities. And as for oil, an OPEC driven agreement to extend production cuts to the end of 2018 has seen the price of Brent crude surging around 18% in the final quarter of the year alone.

Looking at sector performance, the strongest gains over 2017 were in the Information Technology sector at 41.8% and the Materials sector at 29.6%. While lower beta sectors such as Telecommunications and Energy returned 7.7% and 6.8% respectively, the dispersion of returns was relatively tight around the benchmark.

Regionally, returns in key markets also fell into a fairly narrow range around the benchmark. A return to favour for Europe as growth began picking up some speed saw it return 26.9% over the year. Japan also picked up some pace, returning 24.0% bang in line with benchmark returns as GDP continued to expand, and exports and business investment continuing to rise. Economic data remains positive in both Europe and Japan. The US was a relative laggard with returns of 21.2%, albeit returns were healthy.

##### Performance Review

We outperformed relative to the benchmark over 2017, maintaining our focus on Future Quality stocks. Class A USD returned 24.15% on a net of all fee return basis, 15bps ahead of the benchmark returns of 23.97%.

Future Quality companies are those businesses that often go unnoticed by the market today, where growth is not reflected in current valuations, and these types of company did well over 2017.

With regards to portfolios, our stock picking drives the overall shape of positioning with respect to geographies or sectors. Over the year these stock picks have continued to be reasonably dispersed across sectors and geographies.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund (continued)

As a result of this stock picking, over the last calendar year we were overweight Healthcare (+8.9%) Industrials (+5.6%) and Real Estate (+4.0%). In the Healthcare sector favourable demographic tailwinds combined with a healthy number of companies which meet our Future Quality criteria have contributed to this relative industry overweight.

Our relative underweight sector positions were in Consumer Discretionary (-4.4%), Financials (-4.1%) and Utilities (-3.8%), as there were fewer stocks in these sectors that lent themselves well to a Future Quality portfolio.

Our best contributing stock this year was IT stock Tencent. The company's core online gaming business continues to grow very strongly while growth also remained very strong in the less developed Tencent franchises like online advertising and e-payments. The company was also driven higher by strong operating results and the relative strength of the IT sector. Revenue growth of 60% year on year and accelerating growth in newer areas like mobile gaming, payments and cloud services confirmed once again the strength of their competitive position and the ongoing diversification of their growth drivers.

Facebook and Microsoft were strong performing Information Technology stocks over the year. Facebook saw continued rapid growth in daily active users and in rising revenue generated per user. The company also started to monetise Instagram, WhatsApp and Messenger. Microsoft continues to deliver strong results in all segments, with their cloud business growing very strongly, while also delivering improving margins.

Our best performing Healthcare stock LivaNova, had a particularly strong run in September after it held an analyst day where they reassured the market about the outlook for mid-single digit near term growth, and longer term growth in the mid-teens between 2017 and 2021. New analysts also initiated coverage with a positive view which was also helpful. Shares were further boosted in November following better than expected quarterly results and the announcement that they are to sell their weakest business, CRM, to MicroPort Scientific for USD 190m. With this low growth, barely profitable business gone, the remaining assets offer revenue growth and operating margins above global medical technology averages.

Weaker stocks over the year include Consumer Discretionary stock Advanced Auto Parts, as on-going weaker industry demand is causing excess inventory to build up in the distribution channel – this is placing the company's balance sheet under pressure. We exited the stock in September 2017.

During the year HD Supply delivered a reassuring set of results and stable 2018 guidance which subsequently saw the shares bounce. We believe this led the shares to be fully valued and we saw greater opportunity for growth in other areas of the market - we sold the remaining part of our holding in HD Supply in November 2017.

Healthcare name Shire announced a strategic review of its neuroscience (ADHD) business and further changes in their management team in Q3 2017. Despite management reconfirming guidance, the market continues to be concerned they will deploy Shire's strong balance sheet on value destroying growth, and expensive acquisitions. We believe there is considerable value in Shire and that the market is being myopic, placing undue negativity on the stock, and we remain long term holders.

Li Ning is a Chinese producer of sportswear and shoes and it was added to the portfolio in November. It is in good stead to take advantage of the secular growth opportunity which exists for sporting goods in China. The company's strategic efforts to improve working capital; close down unproductive stores; open new category driven stores; and grow on-line are being rewarded with accelerating growth, improving margins and strong cash flow. While it appears to have been a drag on performance, it is important to acknowledge the, as yet, very short hold period of the stock in the portfolio.

#### Market Outlook

As ever our strategy is focussed on picking a selection of companies across the globe that meet our Future Quality criteria. As a reminder these are businesses that we expect to grow, will have superior and ideally rising returns, can do so sustainably, are governed by management we trust and whose valuations don't reflect these prospects.

Market commentary is often focussed on this latter element, as the shape of returns in markets can have a significant bearing over the shorter term. However our role is to maximise returns within this market exposure, and over the long term this is best served by selecting businesses that are the Future Quality we described. However, to specifically answer the valuation question, we would observe the following.

Since the introduction of QE, equities and all risk assets have benefitted from policies that have deliberately targeted higher pricing of assets. With rising interest rates in the USA and either an end to new QE, or the prospect of similar in Europe, it is evident that this tail wind for markets is in the process of reversing. Despite this, sentiment amongst investors is generally now bullish and it would appear that recency bias is encouraging some to assume that the returns enhanced by rising valuations over the last half decade can be continued. This would appear unrealistic in our view unless a bout of speculative fervour is now upon us.

If valuation therefore is a modest source of return at best, the importance of profitability and growth in cash flow is of even greater import. This is where the signals are more encouraging, as profitability of corporations in almost all geographies remains very robust. More importantly this has not been garnered as a result of high growth in the broader economy that will diminish rapidly if monetary policy is notably tightened. What is more relevant is that higher profit shares have generally been at the expense of income shares.



## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund (continued)

The degree to which real incomes have lagged real profits, and income dispersions within societies have become increasingly extreme, is an issue that will shift from being festering to real and an enduring for investors. The higher fall in tax for the wealthier cohort in the USA as a result of the new tax regulations will likely be against the trend. As we wrote last quarter, exceptional returns on capital amongst firms that have grown to dominate our lives and market indices will be likely targets for political expropriation of profits. Bankers are passing the baton to internet giants as the new evil in the public eye.

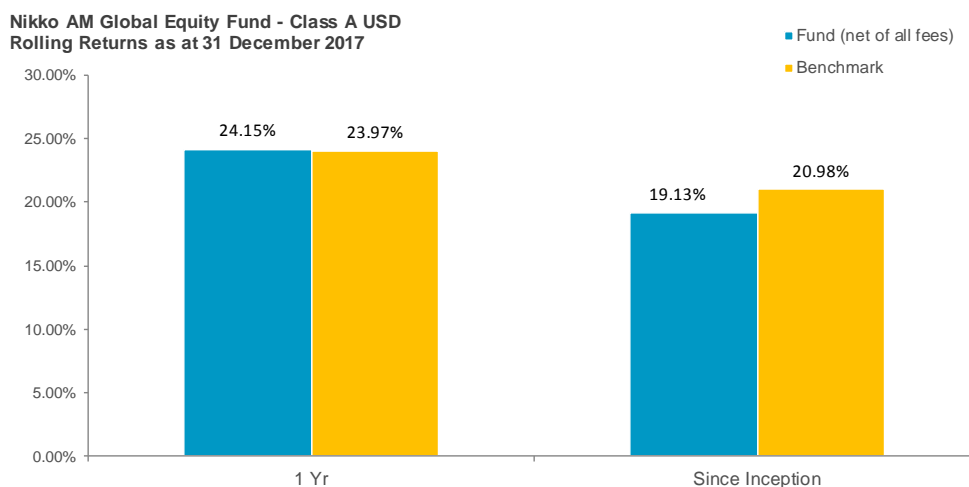
Bringing this back to what matters, stock picking, we are focussed on the following as drivers of improving growth and profitability.

**Industry 2.0** – the application of new advances in technology have been experienced by all of us through smartphones and social media. These same technologies are now being applied to industrial analog assets through the IOT (internet of things), enabling higher productive output for those businesses applying them. This shift in focus and likely scale of capital investment in these technologies will be enduring in our view. At the stock level this is reflected in long standing holdings in leading manufacturers of image sensors (Sony), Industrial automation implementers (Siemens), Cloud software solutions (Red Hat) and sensing manufacturers (Keyence).

**Emerging consumption** – This is most evident in countries where household savings rates are high, consumer credit penetration is lower and broader economic growth is conducive to rising incomes. Asian economies generally lead on these metrics and hence we continue to believe that companies that operate in these markets that can have enduring growth, particularly where their brand or franchise is strong. Examples in the portfolio include drinks manufacturers (Treasury Wine), sports retailers (Li Ning), mortgage providers in India (HDFC) and cellular tower operators in India and Latin America (American Tower).

**Unique growth drivers** – Our focus is on companies and not markets, and hence we are always seeking businesses that meet our Future Quality parameters, but also have growth catalysts that are unique to them. Our proprietary ranking tool, which we use to compare our Future Quality stock picks, specifically identifies those with these more unique characteristics. Dolby Laboratories, where a holding was established over the quarter is a good example of such a company. This enduring franchise has experienced consistent strong profitability over many years, but has exhibited only modest growth as demand for their licences from PC's and older TV's has matured. However we think the market underestimates the degree to which the desire for better media experiences will increase demands for their new Dolby Vision, Dolby Atmos and Dolby Voice technologies.

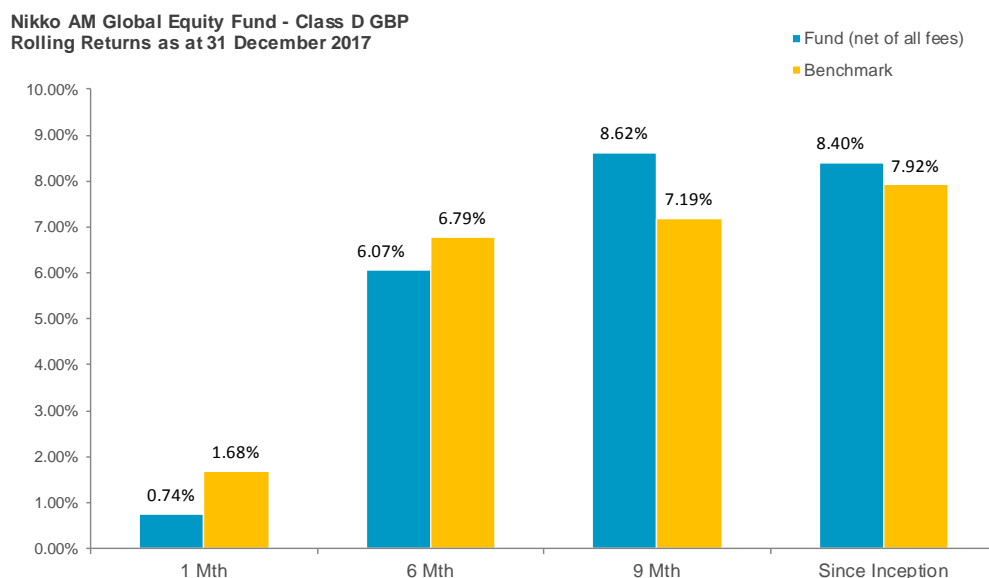
**Summary** - Whilst we are not necessarily enthusiastic about returns to be garnered from owning everything (the index), we are excited about the businesses we hold in portfolios, whether due to their unique drivers or being exposed to areas of growth that we believe will be both superior and more enduring than the market expects. No doubt 2018 will see more geopolitical gyrations, Trump headlines and divergent trends in profitability as growth remains such that there is no tide to lift all boats, and careful stock picking will be key for maximising returns in global equity markets.



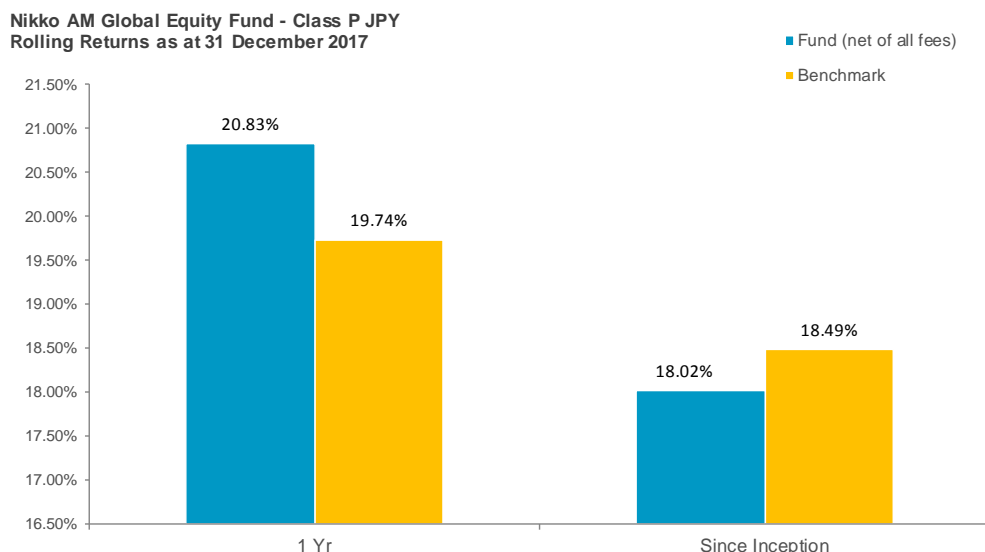
The inception date of the Nikko AM Global Equity Fund - Class A USD was February 22, 2016. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI All Country World Index © MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualized.

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund (continued)**



The inception date of the Nikko AM Global Equity Fund - Class D GBP was February 21, 2017. Fund returns provided relate to the performance of Share Class D GBP and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI All Country World Index © MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualized. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.



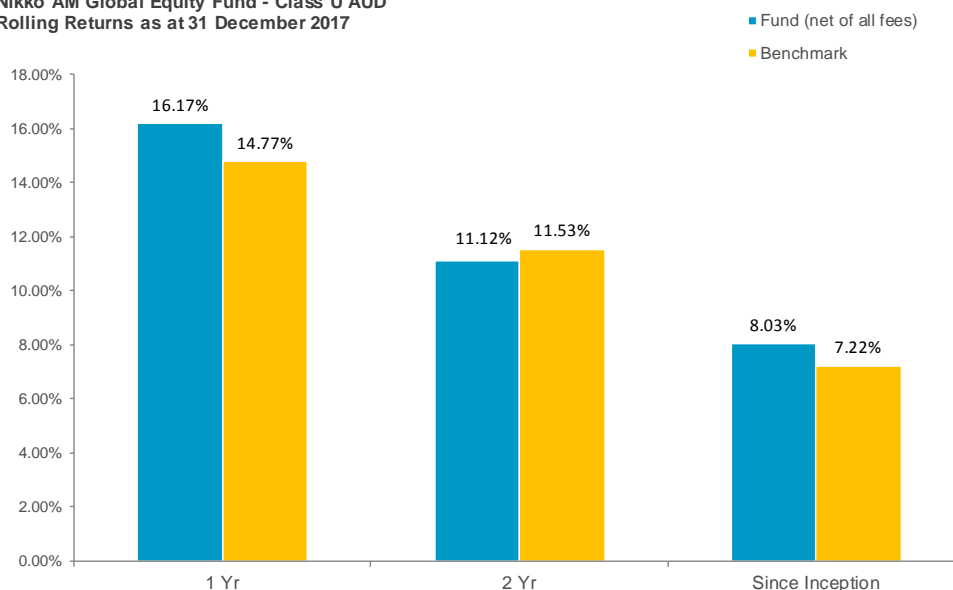
The inception date of the Nikko AM Global Equity Fund - Class P JPY was April 1, 2016. Fund returns provided relate to the performance of Share Class P JPY shares and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI All Country World Index © MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualized. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund (continued)

Nikko AM Global Equity Fund - Class U AUD  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM Global Equity Fund - Class U AUD was July 15, 2015. Fund returns provided relate to the performance of Share Class U AUD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI All Country World Index © MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualized. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund

##### Portfolio Review

##### *Fund gained for the period under review*

The Fund (Class A USD) gained 8.58% in USD terms in 2017. Equities were the biggest contributor to fund returns, led by Japan and Asian equities. US and EU equities also saw healthy gains. Credit allocations across both high grade and high yield were significant positive contributors too given the tightening in credit spreads. Elsewhere, local currency bond allocations in the emerging markets also added to performance. Gains were led by Mexico and Russia, as both the Mexican Peso and Russian Ruble strengthened against the USD in 2017. Inflation sensitive assets including global infrastructure securities, commodities and gold added to portfolio diversification and contributed positively to fund returns. Conversely, exposure to commodity risk premia detracted from returns over the year.

##### Market Review

2017 was an encouraging year for global growth. Recovery in the US continued, with the unemployment rate falling to a 16-year low in October. Economic growth forecasts in the Eurozone were upgraded, and Japan recorded its seventh straight quarter of positive GDP growth. Despite this, inflationary pressures have remained low. Against such a backdrop, central banks in the US and Europe began winding down monetary stimuli. The Federal Open Market Committee (FOMC) raised the Fed Funds rate by a total of 75 basis points (bps), and started shrinking its bond portfolio in October, while the European Central Bank (ECB) declared it would further reduce its monthly purchase of government bonds.

Political developments played a significant role in driving market direction. The year began amid concerns on the rise of anti-establishment leaders in Europe, but the defeat of Geert Wilders and his far-right Freedom Party in the Dutch elections, as well as the resounding victory of Emmanuel Macron in the French presidential elections, assuaged market fears of another country potentially exiting the European Union. In the meantime, political uncertainties in Washington escalated in May. The appointment of a special prosecutor to investigate possible ties between President Trump's election campaign and Russia heightened concerns of a setback in the president's economic agenda. Geopolitical tensions in the Korean peninsula became a key focus of markets in the third quarter of the year, pushing 10-year US Treasury yields to year lows. Towards year-end, markets' main focus turned to US tax reform legislation.

##### Market Outlook & Strategy

While we are still bullish on the global growth story, volatility is likely to return in 2018. We do not believe that volatility is necessarily a bad thing - in fact it is healthy. This environment should help separate winners from losers, rather than expecting the tide to lift all boats for another year. While we remain positive, this divergence should make asset allocation decisions all the more important in 2018.

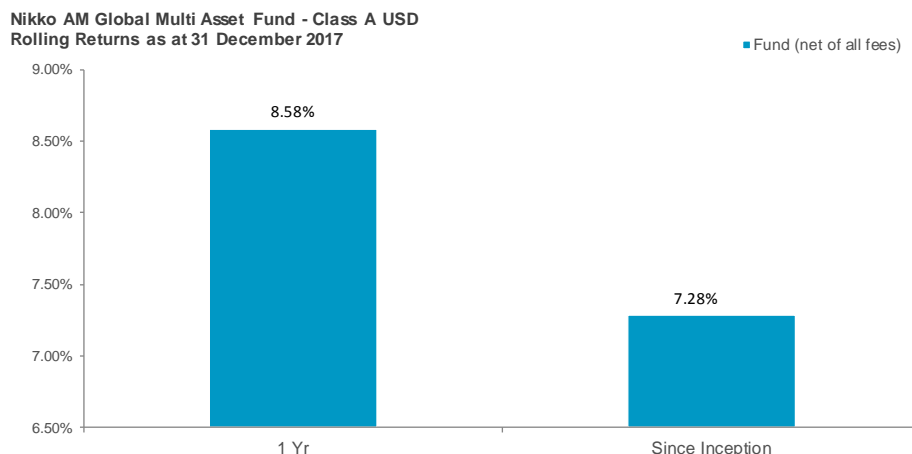
# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund (continued)**

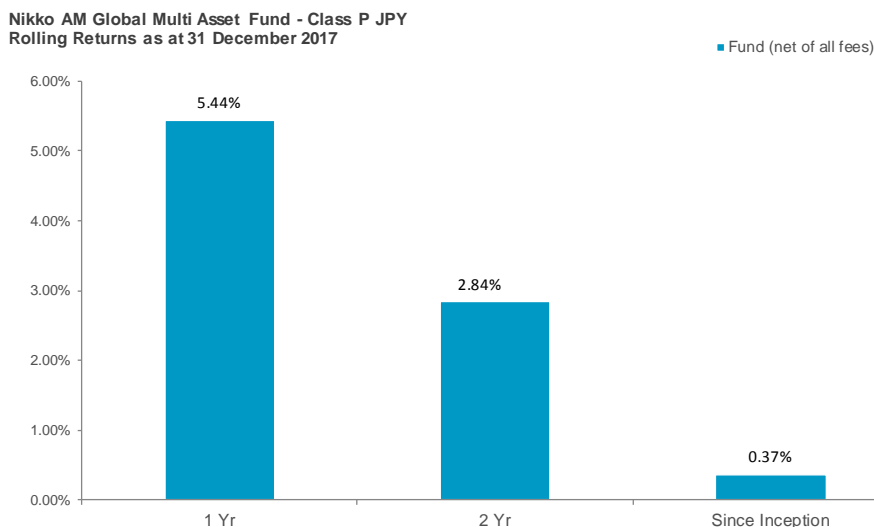
Given supportive earnings, we remain constructive on equities, though remain cautious with respect to expensive markets such as the US and Germany. So far, earnings remain supported but the main risk is inflation surprise, which could lead to more aggressive central bank tightening and a sudden rise in yields. Overall, our preference is for Japanese equities. In particular, we believe that Japan Value is becoming more positive on valuations, supported by a more hawkish Bank of Japan (BOJ). We are also relatively positive on Asia as growth continues to surprise on the upside.

Within Sovereigns, Developed Market (DM) sovereign bonds are expensive and risks of a turn are rising given overly stretched valuations, accelerating growth and (eventually) rising inflation. We prefer low duration and, in a portfolio context, investment grade (IG) credit that offers a better yield with similar protection characteristics. While Credit is also expensive, we prefer IG in the US and also Asia USD IG that has slightly lower duration risk. High yield (HY) is supported by decent cash flow and now tax cuts in the US, but the small pick-up in yield relative to IG does not compensate for the asymmetric risk of central bank tightening. Outside of hard currency spread products, EM local currency sovereigns offer good value with notably higher real yields and less exposure to rising rates driven by DM tightening.

Commodities are attractive for their value support and natural hedge to rising inflation risk. Given the depths of the sell-off that ended in early 2016, suppliers have been slow to invest in capacity while demand is quickly catching up. The main risks are a slowdown in China demand and/or returning dollar strength. On the currencies front, the Euro remains relatively attractive for valuations, momentum and macro fundamentals. Conversely, we remain cautious on the USD as we believe it may suffer further if the new US tax bill leads to higher deficits. Also, the willingness for global nations to park excess savings in USD is dissipating. Meanwhile, we are increasingly positive on the JPY. The BOJ's indicated willingness to let the yield curve rise could help lend support to the Yen or at least remove some of the pressure keeping it down.



The inception date of the Nikko AM Global Multi Asset Fund - Class A USD was February 22, 2016. Fund returns provided relate to the performance of Share Class A USD shares and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.



## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund (continued)

The inception date of the Nikko AM Global Multi Asset Fund - Class P JPY was March 18, 2015. Fund returns provided relate to the performance of Share Class P JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund

##### Portfolio Review

###### ***Fund returned 41.89% in 2017***

Over the review period, the Fund (Class A USD) returned 41.89% in USD terms, outperforming the benchmark which returned 41.72%. At the country level, our positions in India and Hong Kong added to relative performance during the year whilst an underweight in South Korea detracted. On a sector basis, Consumer Discretionary and Consumer Staples added to relative performance while Healthcare detracted.

##### Market Review

###### ***Asian equities saw solid gains in 2017***

The MSCI Asia ex-Japan (AxiJ) benchmark finished 2017 up 41.72% in USD terms, outperforming the MSCI World Index's return of 22.40% and the MSCI Emerging Markets (EM) index which gained 37.28%. Sentiment in Asia was buoyed by strong earnings, resilient economic data and generally accommodative monetary policy. Asian currencies also largely appreciated against the USD during the period.

###### ***China and Korea outperformed***

China was the best-performing market in 2017 with a gain of 54.1% in USD terms. Improving macroeconomic data underpinned sentiment, while the market shrugged off Moody's one-notch downgrade of China's sovereign rating in May. The long awaited A-Share inclusion was announced, with MSCI agreeing to include 222 large-cap A-share stocks with a combined weight of 0.73% in its emerging markets index. Throughout the year, authorities announced various reforms to ease foreign ownership limits on financial institutions while continuing to address financial leverage. GDP growth in 2017 accelerated for the first time in seven years, with full-year growth registering 6.9%. This was well above the official target of 'around 6.5%', and higher than the 6.7% growth registered in 2016.

Meanwhile in Korea, confidence improved after the election of President Moon Jae-In in May brought about promise of chaebol reform and domestic stimulus. Sentiment was further buoyed in the second half of the year by Korean Won strength, heavy buying within the Technology sector as the global memory market boomed and thawing relations with China. Separately, the Bank of Korea (BoK) became the first large Asian economy to raise interest rates since 2014.

###### ***India did well, returns within ASEAN were mixed***

Despite initial teething problems from the rollout of the GST Bill, the Indian market was supported over the year by a public sector unit bank recapitalisation in addition to Moody's upgrade of India's sovereign bond rating for the first time since 2004. In December, Prime Minister Narendra Modi's Bharatiya Janata Party (BJP) won the Gujarat Assembly Elections while the Reserve Bank of India reaffirmed its neutral policy stance.

Singapore and Thailand outperformed the rest of ASEAN. Singapore equities were supported by gains in the property and banking sectors, while Thailand was underpinned by easing political tensions and an economic recovery that appears to be gaining traction. Indonesia, Malaysia and the Philippines underperformed. Indonesia was weighed down by a weak Rupiah and lower-than-expected GDP growth, Malaysia by earnings that lagged expectations, and the Philippines by political concerns and a deteriorating trade balance.

##### Market Outlook and Strategy

###### ***Continue to see value in the region despite pockets of excessive optimism***

Asian equity markets started 2018 on a very positive note, supported by stronger than expected growth in China. Confidence in the country's banking sector has returned, evidenced by the 25% re-rating in major banking stocks. Despite strong share price returns, valuations remain around long term averages at 13x forward price-to-earnings and 1.6x forward price-to-book, supported by further earnings upgrades. As expected, earnings upgrades are becoming more broad-based following 2017's technology driven growth. We continue to advocate that Asian equities provide better earnings growth prospects at more attractive valuations relative to developed market equities despite some pockets of excessive optimism. Currently we believe the near-term risks to Asian markets are external, in particular the reaction of equity markets to a sustained sell-off in global bonds.

###### ***Favour China and Hong Kong***

We remain constructive on both Chinese and Hong Kong equities as continued efforts to rein in excesses in the financial sector are managed in conjunction with supply side reform and stronger underlying economic growth. We maintain our preference for structural growth sectors – Tourism, Healthcare and Insurance – and have recently added more positions in the consumer sector. In Hong Kong, we remain optimistic that better loan growth momentum and the prospect of higher interest rates will continue to drive returns for banks while volumes on Hong Kong Exchange continue to soar as a result of greater southbound participation by mainland investors and foreign inflows.

###### ***Remain constructive of India but mindful of rich valuations***

While we remain constructive on the long term outlook for India, we note that some areas of the Indian equity market are now looking very richly valued. Rising oil prices and a tighter global interest rate environment are structural headwinds to the Indian economy and these are so far being largely ignored by investors. As such we are becoming more cautious on the market. The upcoming budget is likely to include some support for the rural and mass market

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

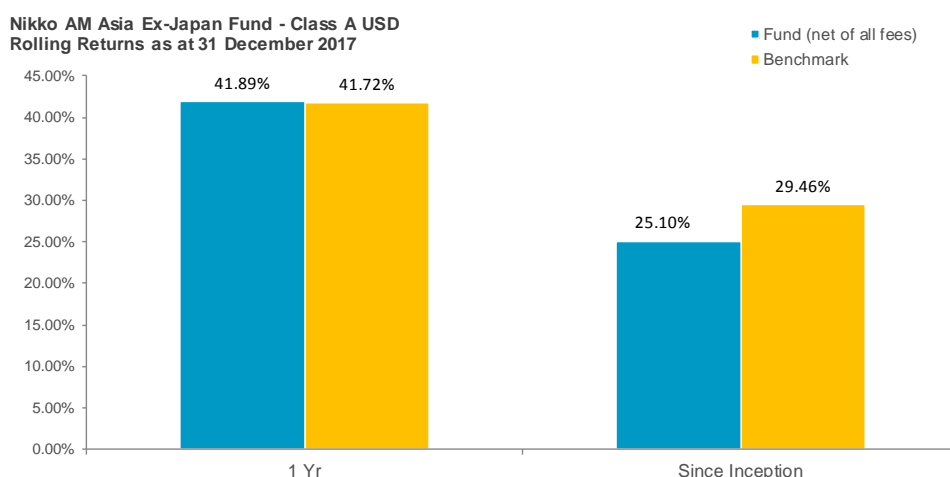
#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund (continued)

population segments ahead of national elections in 2019 but options are limited by the current fiscal deficit. We expect India's economic growth to rebound in 2018 as the adverse impact from demonetisation and GST wanes and the public sector bank recapitalisation boosts a revival in private sector capital expenditure. We have reduced the overweight position in Indian equities but remain invested in long-term sustainable franchises, and relatively unloved areas of the market.

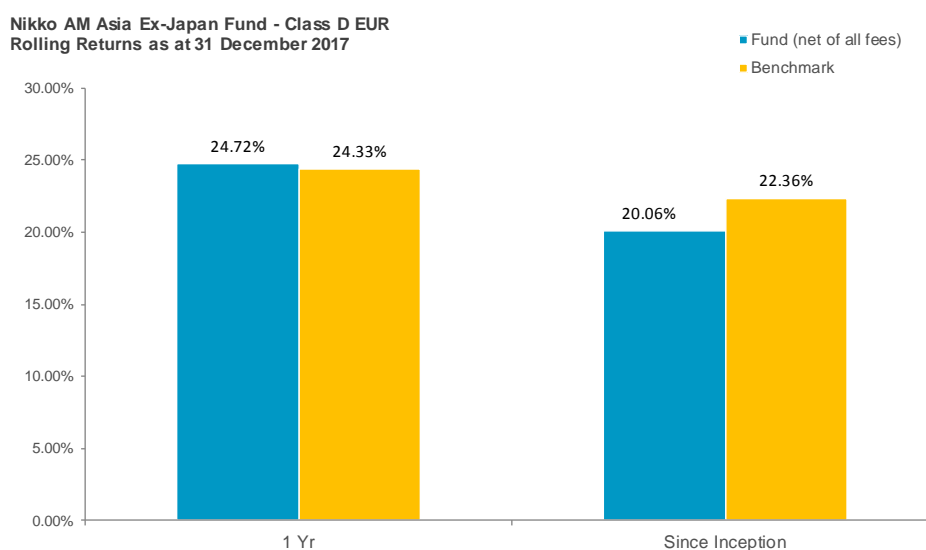
#### *Focus on niche Technology stocks in Korea and Taiwan; remain underweight ASEAN*

Korea and Taiwan have been key beneficiaries of a resurgence of their respective technology sectors. We believe there is a need to be more selective in this segment. After the strong earnings growth in memory chips this year, there is a risk that DRAM or NAND prices could roll over in 2018 as new capacity comes on. Even though China and South Korea seem to have made significant progress in normalising relations, geopolitical risks continue to loom. Taiwan's technology sector is heavily dependent on demand for Apple products and unit sales for its latest smartphone models are being revised lower. Hence, we focus on stocks exposed to niche areas of the value chain, namely electric vehicles and display solutions.

We maintain our underweight stance in ASEAN. Singapore and Indonesia remain relative preferences given better growth prospects and attractive valuations. We have recently moved to zero weight Philippine equities on signs of overheating in the economy and capital outflows pressuring the currency. In Thailand, we see early signs of consumption recovery but remain underweight awaiting a resolution to the political impasse.



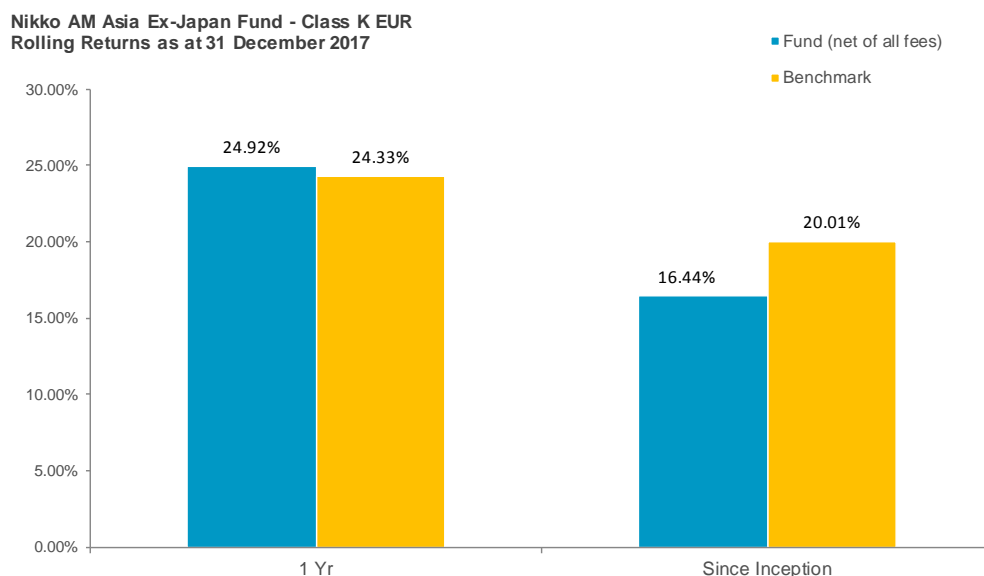
The inception date of the Nikko AM Asia Ex-Japan Fund - Class A USD was February 22, 2016. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI AC Asia ex Japan Index(c) MSCI Inc (USD base). Returns for periods in excess of 1 year have been annualised.



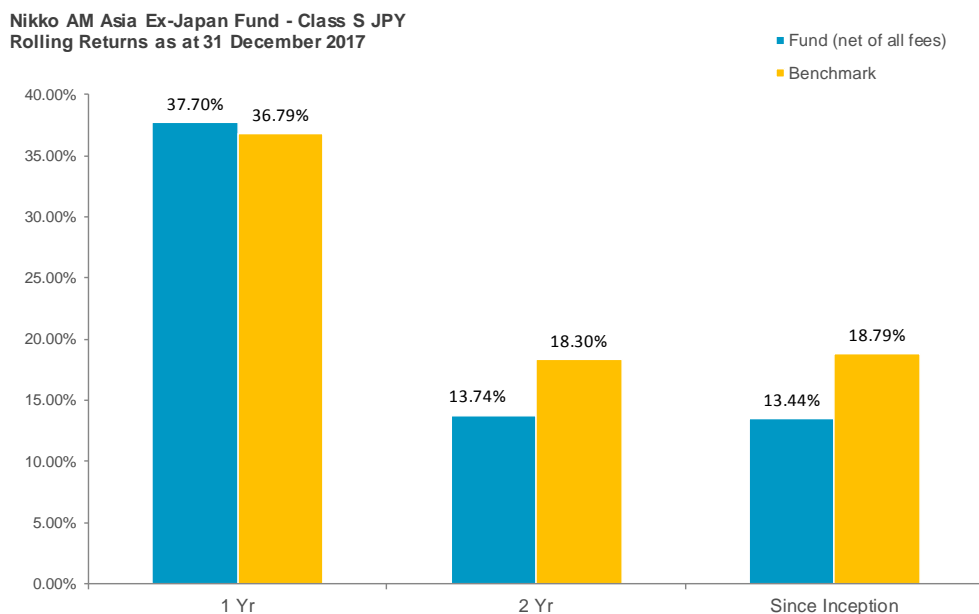
# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund (continued)**

The inception date of the Nikko AM Asia Ex-Japan Fund - Class D EUR was November 9, 2016. Fund returns provided relate to the performance of Share Class D EUR and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI AC Asia ex Japan Index(c) MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualised. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.



The inception date of the Nikko AM Asia Ex-Japan Fund - Class K EUR was August 4, 2016. Fund returns provided relate to the performance of Share Class K EUR and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI AC Asia ex Japan Index(c) MSCI Inc. (USD base). Returns for periods in excess of 1 year have been annualized. Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.



The inception date of the Nikko AM Asia Ex-Japan Fund - Class S JPY was September 4, 2015. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are MSCI AC

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund (continued)

Asia ex Japan Index(c) MSCI Inc. (USD base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class. Returns for periods in excess of 1 year have been annualized.

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund

Returns %	3 Mth	Year-to-Date	Since Inception
Nikko AM Emerging Markets Multi Asset Fund (Class S JPY)	2.87	12.02	12.02
Nikko AM Emerging Markets Multi Asset Fund (Class A USD)	2.66	7.90	7.90

#### Portfolio Review

##### *Fund gained 12.02% since inception*

The Fund (Class S JPY) gained 12.02% in JPY terms since its inception on 7 April 2017. Equities contributed the most to performance since the Fund's inception, supported by strong performance within Asian equities. The equity markets in China, South Korea and Russia led gains. Within local currency bonds, Mexico was the biggest detractor, largely owing to weakness in the peso. Conversely, gains in Chinese, Indian and Russian local currency bonds mitigated some losses. Meanwhile, contribution from hard currency bonds was largely flat during the review period.

#### Market Review

2017 was an encouraging year for global growth. Recovery in the US continued, with the unemployment rate falling to a 16-year low in October. Economic growth forecasts in the Eurozone were upgraded, and Japan recorded its seventh straight quarter of positive GDP growth. Despite this, inflationary pressures have remained low. Against such a backdrop, central banks in the US and Europe began winding down monetary stimuli. The Federal Open Market Committee (FOMC) raised the Fed Funds rate by a total of 75 basis points (bps), and started shrinking its bond portfolio in October, while the European Central Bank (ECB) declared it would further reduce its monthly purchase of government bonds. Meanwhile, emerging markets (EM) also performed strongly, benefiting from significant macro adjustments, ongoing reforms, increasing consumption and the synchronised global recovery supporting demand for exports. The weaker USD also provided the liquidity tailwinds to EM currencies.

Political developments played a significant role in driving market direction. The year began amid concerns on the rise of anti-establishment leaders in Europe, but the defeat of the Freedom Party in the Dutch elections and victory of Emmanuel Macron in the French presidential elections assuaged market fears of another country potentially exiting the European Union. In the meantime, political uncertainties in Washington escalated in May. The appointment of a special prosecutor to investigate Russia's interference in the US elections heightened concerns of a setback in the Trump's economic agenda and led to sanctions imposed against Russia. In the third quarter of the year, geopolitical tensions in the Korean peninsula became a key focus of markets. Towards year-end, markets' main focus turned to US tax reform legislation.

South Africa had a rollercoaster year as well. Standard & Poor's downgraded the country rating to junk at the end of November on concerns over the lack of fiscal discipline. Then mid-December Cyril Ramaphosa, the market friendly anti-corruption candidate, was elected as the new ANC leader, bringing renewed hope that the incumbent ANC president, Jacob Zuma, would step down early and hence lead to a more lenient stance from rating agencies. Elsewhere in EMEA, Turkey remain plagued by destructive leadership that have kept external imbalances wide with little hope of reform.

Within LatAM, business-friendly Pinera won the presidential election in Chile by a healthy margin. After years of populist policy breeding sub-par growth, the pendulum is now firmly swinging to more business-friendly policies, opening new channels for growth. Mexico was a notable exception in the region during the year where violence was running hot and populist leader Obrador currently leading in the polls for the October 2018 presidential election. In Brazil, Congress voted against sending corruption allegations against President Temer to the Supreme Court in October 2017. However, the president received slightly less support than in a previous vote, raising concern that his political capital may be waning. This has led to concern over the government's ability to pass reforms required to control public debt.

#### Market Outlook & Strategy

Asia remains the top growth story. India equities were upgraded for an improved earnings outlook supported by returning growth prospects as the harsh effects of demonetisation and Goods and Services Tax (GST) transition begin to wear off. Meanwhile, Korea and Taiwan are both key beneficiaries of the structural increase in demand across the Tech sector. ASEAN growth is okay, but mostly owing to China demand and continued local stimulus, while private investment and consumption have been slow to pick up. Vietnam and the Philippines are notable exceptions, both firing on all growth cylinders, while we see the credit cycle beginning to turn in Indonesia as well.



## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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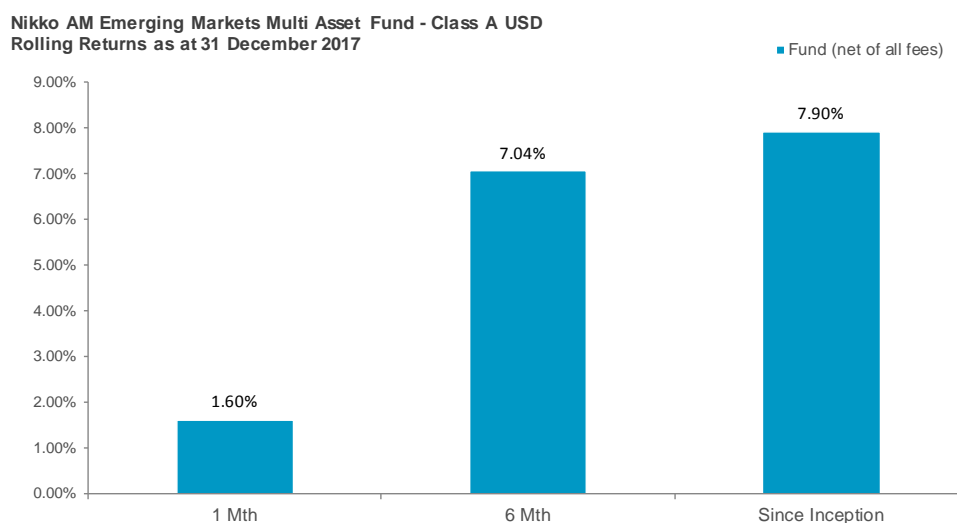
#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund (continued)

Overall, we still favour Asian equities over local and hard currency bonds, as many central banks have or are considering when to lift rates. Still, conditions should remain supportive of equities where earnings continue to deliver on strong demand, both locally and through exports. Equities are beginning to look expensive, but part of this is driven by higher tech exposure in China and a relatively tepid return on equity in ASEAN that is just beginning to recover. Within fixed income, we upgraded Philippine local currency bonds for improving momentum. Perceptions of elevated political risk may be waning as President Duterte pushes forward on this reform agenda.

Within EMEA, opportunities remain patchy with abundant risks. Overall, the region is less interesting given the opportunities in Asia and Latin America (LatAm). However we still like Russia for its value and steadily improving growth on the back of better policies. We are still quite negative on Turkey and South Africa for having squandered the opportunity to reform past significant economic imbalances. However, we must acknowledge the new hope for South Africa as reflected in the recent African National Congress (ANC) election.

Elsewhere, LatAm continues to benefit from steep rate cuts and still buoyant demand for the commodities that it exports. Political risk also continues to ebb, with the exception of Mexico. Rising political uncertainties coupled with difficult NAFTA negotiations with the US amount to significant headwinds for the country, at least for the near term. Overall, we prefer Argentina as it is well positioned to weather its economic adjustment, but inflation is proving to be more stubborn than originally hoped. In late December, the central bank cut rates by 75bps, which may have been premature as the currency remains volatile. Our base case is that the currency can continue to depreciate on high inflation, but the central bank will ultimately succeed in its containment.

LatAM local bonds are still attractive, but less so given the late stages of the easing cycle. We prefer equities for still reasonable valuations and potential for top line growth and margin expansion.



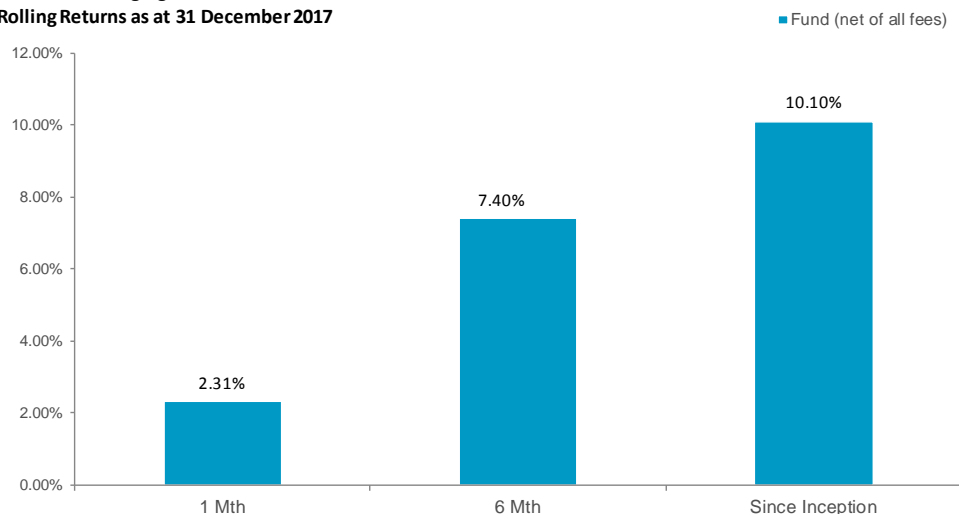
The inception date of the Nikko AM Emerging Markets Multi Asset Fund - Class A USD was May 30, 2017. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

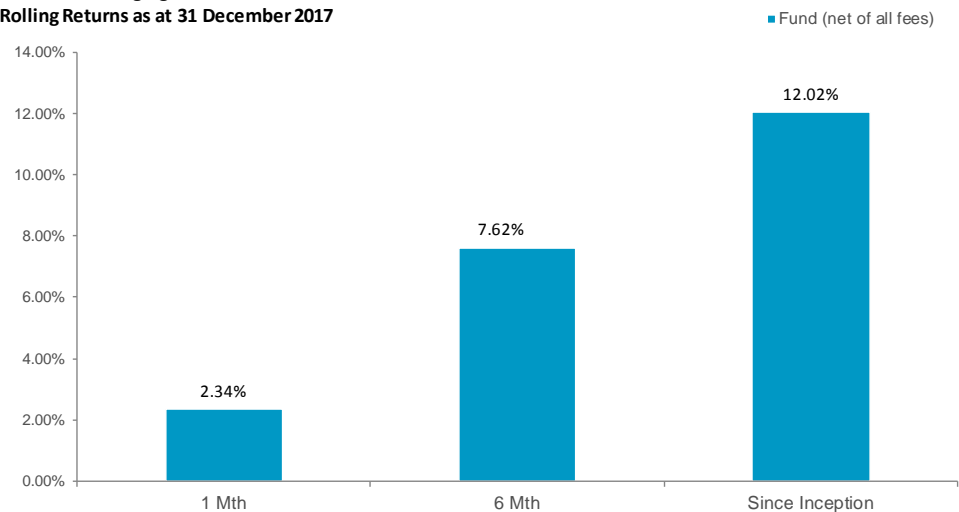
#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund (continued)

**Nikko AM Emerging Markets Multi Asset Fund - Class P JPY**  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM Emerging Markets Multi Asset Fund - Class P JPY was May 18, 2017. Fund returns provided relate to the performance of Share Class P JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.

**Nikko AM Emerging Markets Multi Asset Fund - Class S JPY**  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM Emerging Markets Multi Asset Fund - Class S JPY was April 7, 2017. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund

##### Market Review

Japanese equities corrected from the start of January until mid-April, despite market support from the exchange-traded fund (ETF) purchases by the Bank of Japan (BOJ). Factors weighing on the market included increasing uncertainty concerning the Trump administration's policies and mounting geopolitical risk linked to Syria and North Korea.

Japanese share prices then rallied from late April until the end of December, despite increasing risk aversion among investors in response to rising tensions on the Korean Peninsula after the North Korean regime threatened to conduct a nuclear ballistic missile test in the waters around the US territory of Guam as part of its testing program.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund (continued)

Market hopes of consolidation in the EU were bolstered by the victory of a moderate non-aligned candidate in the French presidential election. In Japan, the economy continued to recover amid the release of better-than-expected economic indicators. The victory of the ruling coalition in the Lower House elections reinforced market expectations of the government continuing to pursue an expansive economic strategy. In the US, the enactment of tax reforms including a cut in federal corporate taxes also bolstered hopes this would stimulate the economy.

#### Performance Review

Over the period, the performance of the Class A JPY fund was +23.79% and the performance of the Class X JPY fund was +23.7%.

Stocks contributing to fund outperformance relative to benchmark in the first half of the period included Nintendo, MinebeaMitsumi, Sony and Tokai Carbon, while Tokai Carbon, Sumitomo Metal Mining, Japan Steel Works and Denka contributed in the second half. Stocks detracting from fund underperformance versus its benchmark included Mitsubishi Heavy Industries, Mazda Motor, JGC and Asics in the first half and Tsumura, Kobe Steel, Mazda Motor and Asics in the second half.

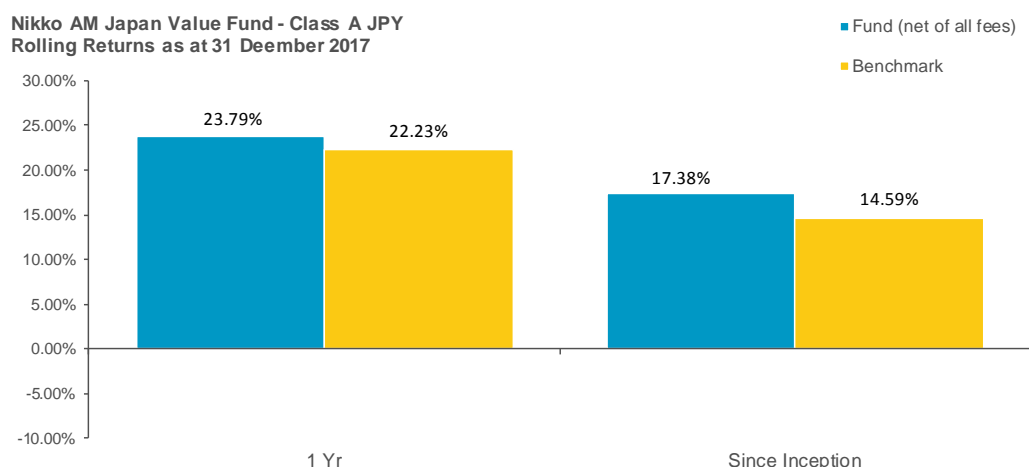
Portfolio rebalancing was based on appropriate consideration of stock valuations, lowering the weightings of stocks whose valuations were stretched after a rally in the share price while focusing purchases on undervalued stocks with strong positive cash flow growth projections.

#### Market Outlook

While we anticipate further rallies in Japanese and global equity markets due to a combination of (1) persistently favorable global economic conditions and (2) new record earnings by companies based on capital investment in areas of competitive advantage and M&A, alongside improved returns to shareholders and higher returns on capital, we think that markets are likely to encounter greater stress ahead. Several factors are likely to increase market volatility, including (1) the possible re-emergence of a long-term upward trend in US interest rates as monetary policy crosses and inflection point, (2) the first shoots of inflation in China and some other developing countries, and (3) higher commodity prices, as evidenced by the growth in demand for natural gas derived from environmental impact mitigation efforts. Moreover, in addition to rising distribution and labor costs, higher raw material prices are gradually starting to erode corporate earnings. These trends require scrutiny of changes on the expense side of the ledger, including any forward-looking investments in growth areas, as companies seek to sustain profits at record levels.

Stock selection will continue to be based on identifying undervalued stocks with robust financials and which also offer high dividend yields. Specifically, we will continue to target significantly undervalued stocks with the potential for a positive re-rating due to one or more of the following three factors:

- 1) Products, technology and expertise in Japanese or overseas markets
- 2) Robust, highly differentiated business base
- 3) Post-restructuring growth potential

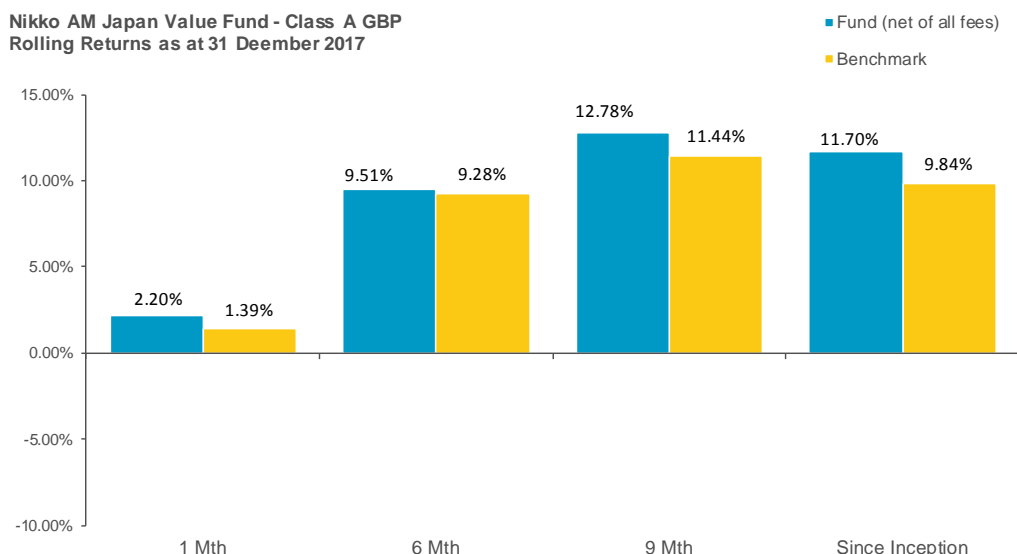


The inception date of the Nikko AM Japan Value Fund - Class A JPY was February 1, 2016. Fund returns provided relate to the performance of Share Class A JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base).

## NIKKO AM GLOBAL UMBRELLA FUND

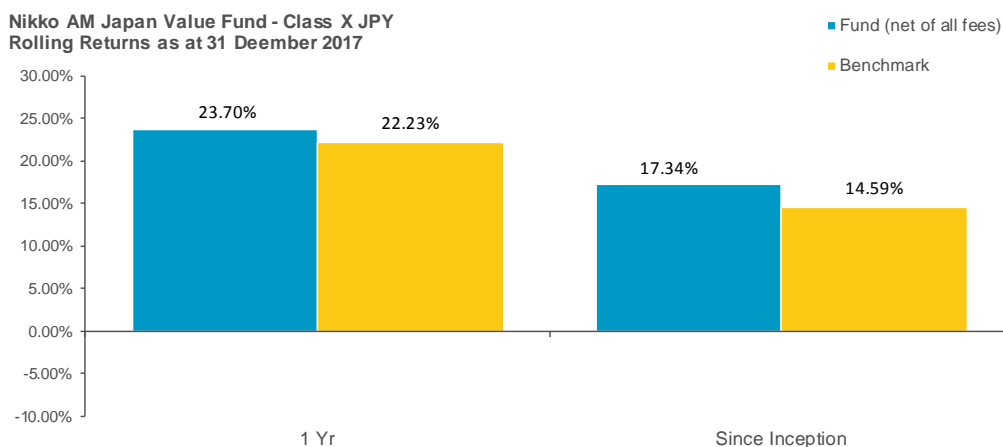
### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund (continued)



The inception date of the Nikko AM Japan Value Fund - Class A GBP was March 30, 2017.

Fund returns provided relate to the performance of Share Class A GBP and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.



The inception date of the Nikko AM Japan Value Fund - Class X JPY was February 1, 2016. Fund returns provided relate to the performance of Share Class X JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base).

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund

##### Market Review

Japanese equities corrected from the start of January until mid-April, despite market support from the exchange-traded fund (ETF) purchases by the Bank of Japan (BOJ). Factors weighing on the market included increasing uncertainty concerning the Trump administration's policies and mounting geopolitical risk linked to Syria and North Korea.

Japanese share prices rallied from late April until the end of December, despite increasing risk aversion among investors in response to rising tensions on the Korean Peninsula after the North Korean regime threatened to conduct a nuclear ballistic missile test in the waters around the US territory of Guam as part of its testing program.

Market hopes of consolidation in the EU were bolstered by the victory of a moderate non-aligned candidate in the French presidential election. In Japan, the economy continued to recover amid the release of better-than-expected economic indicators. The victory of the ruling coalition in the Lower House

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund (continued)

elections reinforced market expectations that the government would continue to pursue an expansive economic strategy. In the US, the enactment of tax reforms including a cut in federal corporate taxes also bolstered hopes this would stimulate the economy.

#### Performance Review

The performance of the Class A JPY fund over the period was 22.8%.

Stocks contributing to fund outperformance relative to benchmark included SMC, Keyence, Nidec and Outsourcing. Stocks detracting from fund performance versus the benchmark included Mabuchi Motor, Fujitsu General, Hoya, and NSK.

During the period under review, the portfolio was rebalanced based on appropriate consideration of underlying fundamentals (basic economic conditions) and projected performance trends.

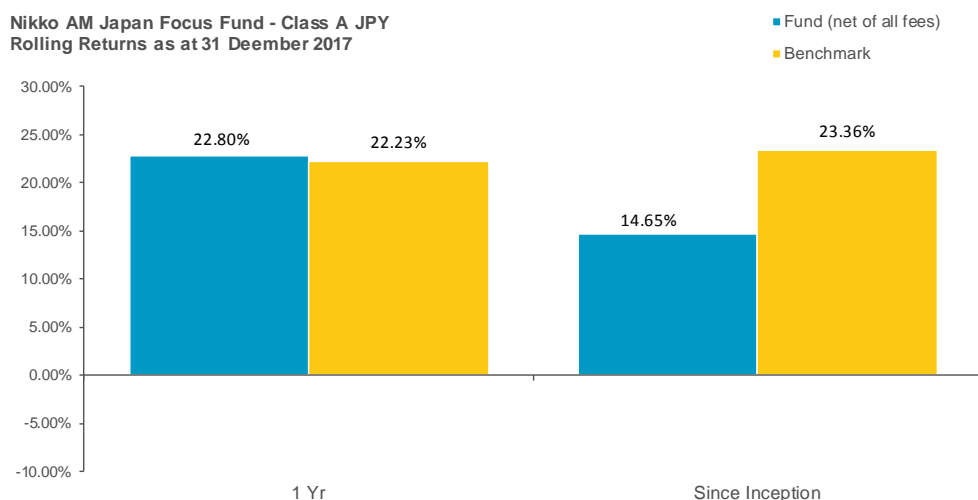
In the first quarter of 2017, the fund bought or increased the portfolio weighting of (1) machinery stocks whose earnings were expected to benefit from improved order momentum or the cheaper yen and (2) financial sector stocks expected to gain in value from increases in interest rates in line with prevailing global trends. At the same time, the fund sold off or reduced the portfolio weighting of stocks in the electrical machinery and electronic component sectors whose valuations were starting to look stretched despite robust financial performance. During April and May, the fund added or increased portfolio weightings for stocks in the toiletries sector with medium-term growth potential due to steadily rising sales in China. With share prices rallying, the fund also continued to sell off or reduce the portfolio weighting of those electrical machinery and electronic component sector stocks exhibiting increasingly stretched valuations. From June to August, the fund added or increased portfolio weightings for (1) toiletries stocks, where strong demand was projected to continue and (2) machinery stocks expected to generate strong earnings due to benefits from overseas investment in labor-saving equipment. At the same time, the fund sold off or reduced the portfolio weighting of housing stocks, based on forecasts of slowing demand momentum. Then from September through December, the fund added or increased portfolio weightings for (1) financials benefiting from the prevailing increases in interest rates worldwide and (2) machinery stocks expected to generate strong earnings from a favorable demand environment. The fund also eliminated or reduced the portfolio weighting of those stocks in the retail, service and electrical machinery sectors with increasingly stretched valuations as a result of their rising share prices, despite strong financial performance.

#### Market Outlook

While short-term risk aversion could emerge, we see increased global risk appetite supporting an extension of the rally in Japanese equities. One noteworthy feature is that many listed Japanese companies are actively trying to improve shareholder returns.

Against this backdrop, the key investment themes on which we plan to focus are (1) the growing purchasing power of developing countries due to rising income levels, (2) technology-based global competitiveness of Japanese companies amid the demographic and structural changes in Japan caused by an aging society, and (3) the positive effects of the upgrading of other network services upon shifting consumption patterns and growing demand for infrastructure.

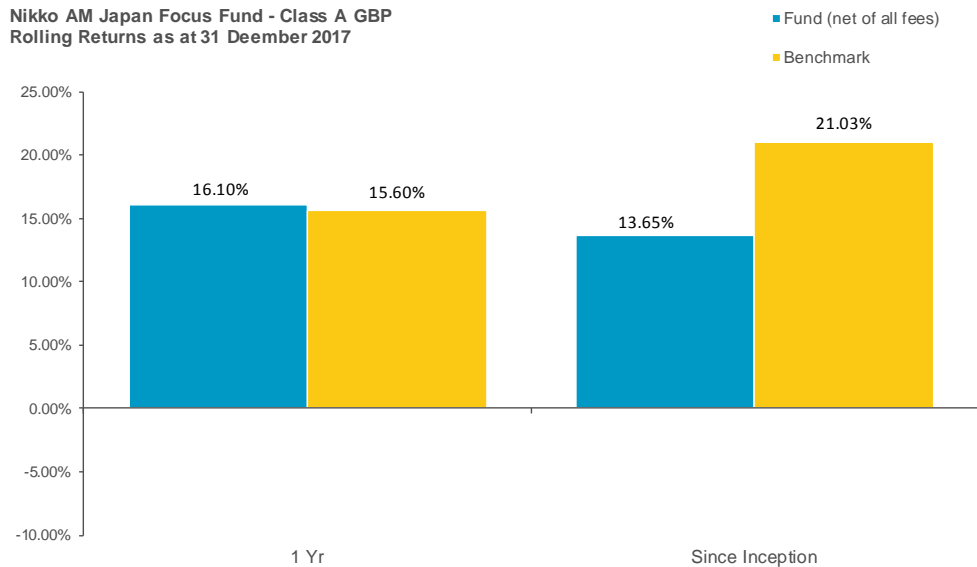
Looking ahead, in our quest to build the portfolio and improve performance, we will continue to search for stocks that can expand earnings under challenging conditions and which have long-term growth potential.



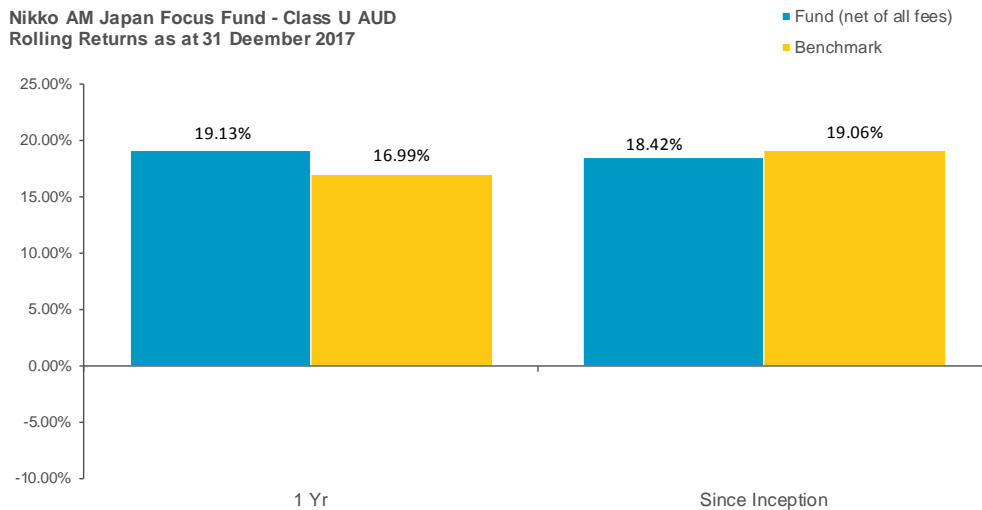
The inception date of the Nikko AM Japan Focus Fund Class A JPY was May 25, 2016. Fund returns provided relate to the performance of Share Class A JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base).

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund (continued)**



The inception date of the Nikko AM Japan Focus Fund - Class A GBP was August 3, 2016. Fund returns provided relate to the performance of Share Class A GBP and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

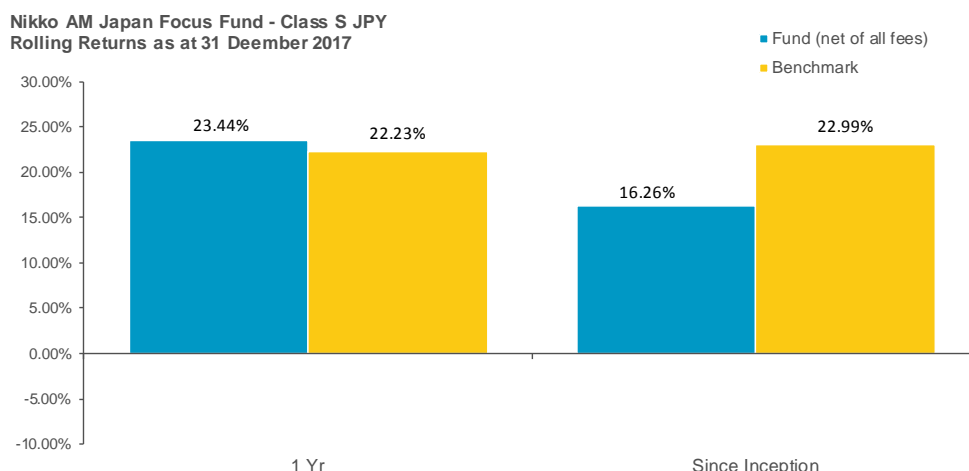


The inception date of the Nikko AM Japan Focus Fund - Class U AUD was November 16, 2016. Fund returns provided relate to the performance of Share Class U AUD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base). Externally/separately sourced FX rate has been applied to recalculate the BM performance in the relevant denomination currency of the share/unit class.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund (continued)



The inception date of the Nikko AM Japan Focus Fund - Class S JPY was February 29, 2016. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualized. Benchmark returns are TOPIX Total Return Index, © Tokyo Stock Exchange Inc., all rights reserved (JPY base).

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund

##### Market Review

Global credit markets returned in 2017 9.089%, according to the Bloomberg Barclay Global Aggregate Corporate Bond Index. Main driver for the positive results were government owned entities as well as insurance companies. Furthermore, Basic Industry had a solid performance in 2017. On the flip side, Capital Goods and Technology companies had a weaker year and underperformed the border market.

Longer maturities performed better than shorter with the 10+ Yr bucket are reporting the strongest performance.

##### Performance Review

Fund returns provided relate to the performance of Class A USD and Class S USD shares are presented net of investment management fees, trading commissions and administrative fees.

The fund is benchmarked against the Bloomberg Barclay Global Aggregate Corporate Bond Index.

In 2017 the Class A USD returned 10.47% (net of all fees) and Class S 10.61% (net of all fees). The fund's benchmark returned over the same period 9.089%. The positive absolute performance was mainly driven by the downward move in rates as well as strong spread tightening of corporate bonds. The latter was caused by a benign macro environment, expectation of the US tax reform and below average default rates across the globe.

##### Market and Strategy Outlook

Overall, we believe that the fundamental credit environment remains strong and we believe it is a good time to invest in credit given solid company results and low default rates. Moody's are forecasting default rates to fall below 3% in the US and below 2% in Europe.

We would argue that credit markets still have upside if fundamentals remain supportive and markets tighten to pre-crisis levels. We acknowledge there are still positive fund flows into credit and central banks are continuing bond buying programmes. We see the central banks being a key factor in the performance of credit markets in 2018 and beyond with any change of course could affect the market.

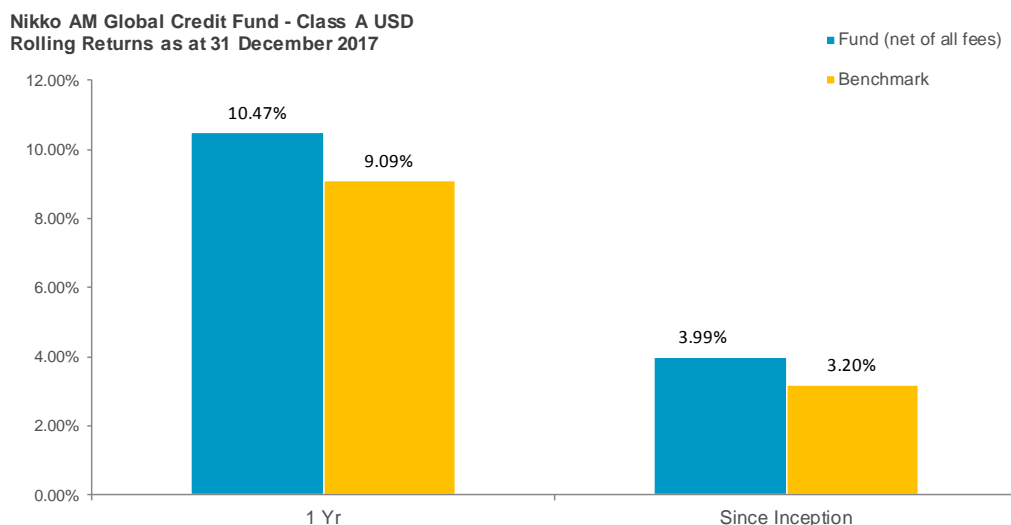
##### Investment Themes for 2018

We see the key investment themes to drive performance in Global Credit in 2018 to be similar to this year. Using the output of our initial market assessment seen in Table 1 we have developed our investment themes to be taken into 2017; Long US High Yield, Long Chinese Tier1 SOEs, Long European Hybrids, Long European Financials, Long Rising Stars.

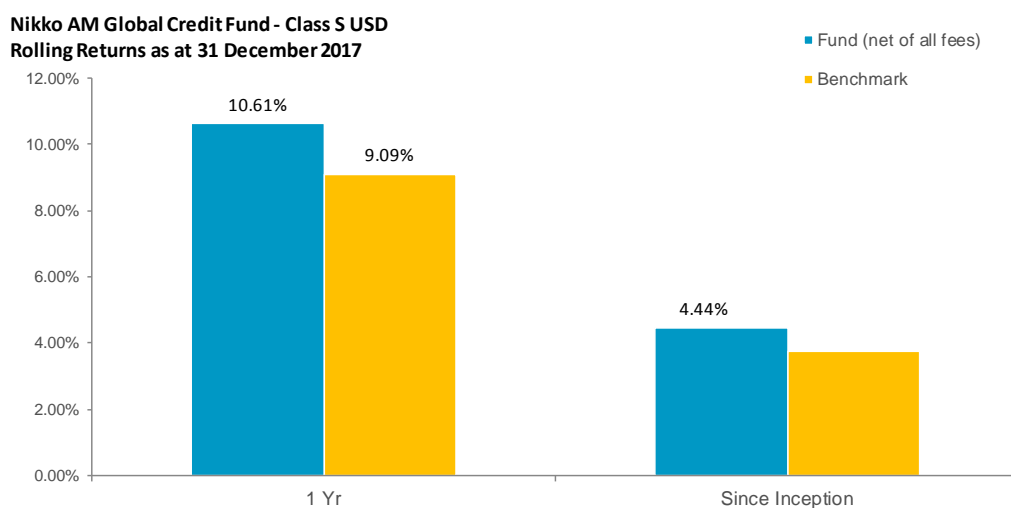
## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

#### NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund (continued)



The inception date of the Nikko Am Global Credit Fund - Class A USD was August 17, 2016. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are the Barclays Global Aggregate Corporate Index (USD base). Returns for periods in excess of 1 year have been annualized.



The inception date of the Nikko AM Global Credit Fund - Class S USD was 3 August 2016. Fund returns provided relate to the performance of Share Class S USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are the Barclays Global Aggregate Corporate Index (USD base). Returns for periods in excess of 1 year have been annualized.

#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund

##### Market Review

2017 was another strong year for emerging market (EM) fixed income, with markets reflecting a continued improvement in EM fundamentals, after an inflection point in early 2016. Overall in 2017, local debt was the best performing segment in EM (up 15% - JPM GBI EM GD), followed by external debt (up 10% - JPM EMBI GD) and corporate debt (up 8% - JPM CEMBI BD).

2017 turned out to be a repeat of 2016 in many ways. Much like 2016, most of the sources of risk we identified at the start of the year failed to have a significant impact on the market - unable to derail the powerful bull market and ongoing search for yield.

One of our key risks for 2017 was US protectionism, yet so far the US administration has been quite pragmatic, and the only noticeable impact has been on the Mexican peso, having underperformed the rest of the market since NAFTA re-negotiations started in August.



## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund (continued)

At the start of the year, we also had concerns about the evolution of government policy in China. The focus on domestic stability, and the preference for quality over quantity of growth meant that the authorities could well miscalculate the appropriate response to signs of economic trouble. This risk could have taken the form of a significant slow-down followed by an excessive reflation of asset bubbles, leaving the economy with higher leverage and hence more fragile than before. Fortunately, the slow tightening of monetary conditions and the crackdown on wealth management products and shadow banking has gone smoothly and did not trigger any market panic.

On North Korea, we were concerned that the Trump administration could retaliate against the rogue state, and thus trigger a crisis in Sino-American relations. Ultimately, the US pushed hard to tighten sanctions and even deployed some Navy forces in the area, but escalation was avoided.

The year also brought another wave of political risks in Europe, yet none of them materialized. French elections didn't lead to the far-right euro-sceptic National Front taking power; the traditional parties were severely sanctioned as expected but the void was filled, against the odds, by a pro-European centrist movement lead by Emmanuel Macron. Later in the year, stability ultimately prevailed in Germany. Merkel's position was undeniably weakened as her generous immigration policy faced some resistance, but in the absence of any strong challenger, she has remained Chancellor (but as of yet been unable to form a Government). Ultimately, from being a source of concern at the start of the year, Europe became synonymous with stability and strong economic growth.

Finally, in EM, Turkey and South Africa delivered their typical share of surprise and volatility. Turkey's economy has been overstimulated by cheap and easy credit and now needs tighter monetary conditions to anchor inflation expectations. The reluctance to do so by the Central Bank has led to renewed pressure on the currency and market confidence can now only be restored by a decisive rate hike. South Africa had a rollercoaster year as well. Standard & Poor's downgraded the country rating to junk at the end of November on concerns over the lack of fiscal discipline. Then mid-December Cyril Ramaphosa, the market friendly anti-corruption candidate, was elected as the new ANC leader, bringing renewed hope that the incumbent ANC president, Jacob Zuma, could step down early and hence lead to a more lenient stance from rating agencies.

#### Performance Review

The fund had a strong absolute performance over 2017, finishing the year at +13.62%. However, the performance lagged the benchmark as we reduced the risk to protect some gains. Concerning country selection, being underweight CE4 (Poland, Czech Republic, Hungary, Romania) was costly in terms of relative performance versus the benchmark. On the other hand, our early investment in Uruguay paid off as Uruguay was later included in the benchmark. Finally, we had a negative view on US rates and remained underweight low yielders like Peru and Thailand, which cost us some money relatively to the benchmark, as the correlation between low yielders and US treasuries somewhat broke during 2017.

#### Market Outlook

In our view, EM fixed income assets will continue to be driven by the interaction between two strong thematises: EM growth dynamics and the pace of US interest rate rises. With the global economy forecast to deliver another year of above-potential growth, the gap between EM and DM growth is again expected to widen. Risks to monitor for EM asset returns continue to be the pace of US rate hikes, particularly at points when faster than expected Fed hikes and a stronger dollar could raise questions of EM vulnerabilities. Although we see the asset class as being generally much less susceptible to "tantrum" concerns given the reduction of macro fragilities since 2013, there are still countries with weaknesses, and there will be times when we could see some consolidation taking place in certain local markets.

EM growth is forecast to be slightly higher than in 2017, at just below 5%. Despite China being projected to slow down further this year, EM ex-China should improve significantly, driven mainly by a continued recovery in domestic demand. A wider EM-DM growth differential should continue to support foreign direct investments (FDIs) and portfolio flows into the asset class. As in 2017, strong inflows should continue to provide a backstop when risk aversion materializes, as substantial amounts of money remains waiting on the side-line, as investors hope for better entry levels.

EM inflation should finally start to move higher in 2018, but the increase will not be broad-based. After declining steadily from a peak of over 6% in 2011, EM inflation troughed below 3% mid-2017 and likely ended the year slightly above 3%. This trend should continue into 2018, driven by three factors. Firstly, the unwinding of food and energy price disinflation during the first half of 2017; secondly, indirect tax hikes in a number of countries; and thirdly, sticky core prints among low-yielders on the back of closing output gaps. The end of disinflation will also see monetary policy divergence within EM. It is likely that low yielding countries will be the first to hike their policy rates to restore positive real yields, on the back of rising DM rates.

Finally, heavy election calendars in all three regions will create uncertainty for the otherwise positive economic outlook. In EM Asia, there could be six elections next year. The key votes to watch will be the general elections in Pakistan and local elections in Indonesia. In EMEA, many countries are expected to hold elections next year, but only South Africa will likely have a significant impact on the market. We are also following the Italian elections very closely, as the outcome could have a material impact on the future of the European Union (EU) and hence Central and Eastern European countries. Meanwhile, in the coming year Latin America will witness the heaviest political calendar for many years, where we will see key elections in Brazil, Colombia and Mexico.

In summary, we remain highly constructive on EM in 2018, with local debt expected to continue to outperform hard currency debt in the year ahead. Local debt is starting the year with a much higher carry (over 6%) and EM FX should benefit from a number of interest rate hikes, specifically in the low-yielding segment of the asset class. High yielding currencies, on the other hand, will generally continue to benefit from stronger commodities prices, a by-product of the synchronised global growth cycle.

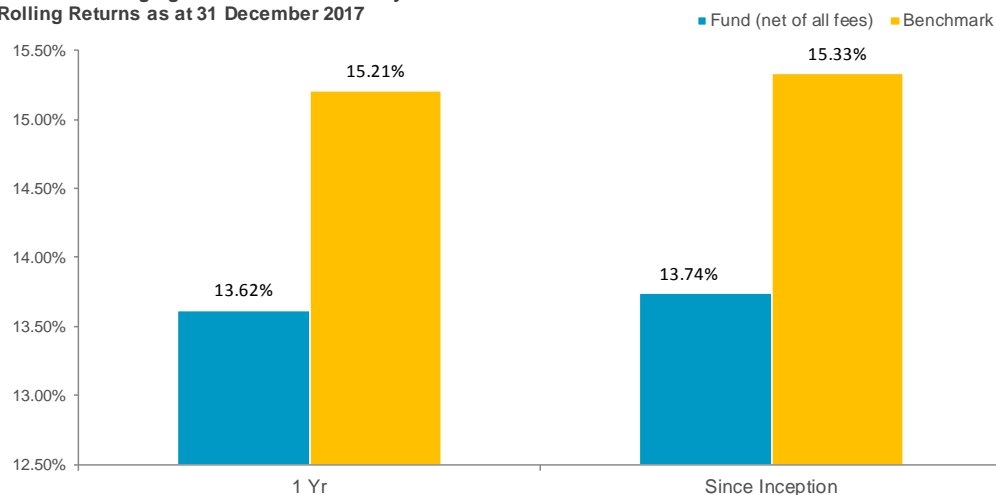
In contrast, we expect that external debt could be negatively impacted by Fed hikes. If we add up the carry, plus a modest currency appreciation, EM local debt performance for 2018 could be close to 10%.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

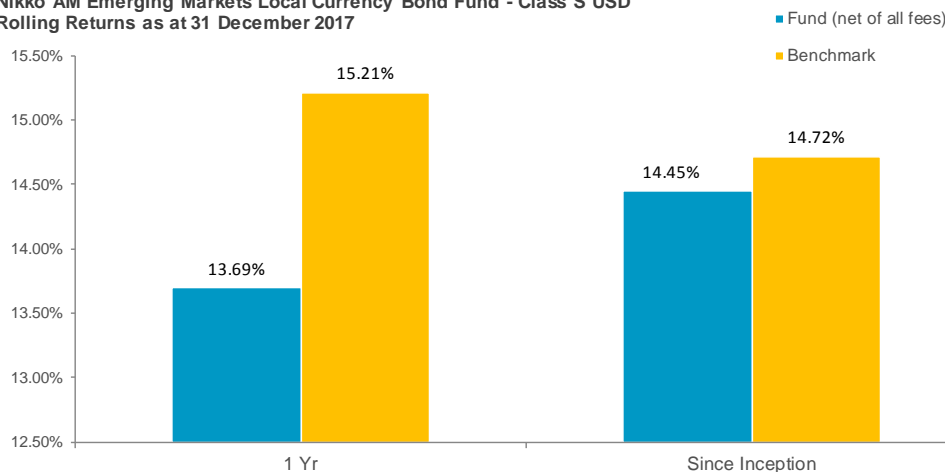
#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund (continued)

Nikko AM Emerging Markets Local Currency Bond Fund - Class A USD  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM Emerging Markets Local Currency Bond Fund - Class A USD was December 29, 2016. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are the J.P. Morgan GBI-EM Global Diversified Composite (USD base). Returns for periods in excess of 1 year have been annualised.

Nikko AM Emerging Markets Local Currency Bond Fund - Class S USD  
Rolling Returns as at 31 December 2017



The inception date of the Nikko AM Emerging Markets Local Currency Bond Fund - Class S USD was December 8, 2016. Fund returns provided relate to the performance of Share Class S USD and are presented net of investment management fees, trading commissions and administrative fees. Benchmark returns are the J.P. Morgan GBI-EM Global Diversified Composite (USD base). Returns for periods in excess of 1 year have been annualised.

#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund

##### Portfolio Review

##### **Fund returned 0.03% in JPY terms since inception**

From the period since inception on 26 April 2017 to 31 December 2017, the Nikko AM Alternative Risk Premia Fund (JPY Class S) returned 0.03%. There was a considerable dispersion in performance across different types of risk premia over the period. The largest positive contributors to Fund performance included alternative risk premia harvested within equities, FX value, rate carry and equity volatility carry. Conversely, performance detractors since inception included FX momentum, rate momentum and commodity value.

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund (continued)

##### Market Review

The S&P 500, NASDAQ and Dow all hit record highs in 2017, while the TOPIX index breached its highest levels since 1991. Although US equities ranked as one of the most expensive equity markets on our valuation models back in 2016, they have since gained a further 20%. The top 10 gainers accounted for over half the rise of the S&P 500 index. Additionally, most of these were expensive growth names such as FANG (Facebook, Amazon, Netflix and Google), which have soared a mouth-watering 40%. Overall, growth outperformed value stocks by an average of 15% within the S&P 500 universe and by almost 20% within the broader Russell 3000 universe.

The persistence in performance differentials has also resulted in strong performance in 2017 from strategies based on buying past winners and selling past losers, or Price Momentum. As a result, Momentum, too, has trounced Value this year and become highly correlated with Growth.

However the tight correlation between Growth and Price Momentum cannot be counted to persist forever. Much of this correlation historically can be traced back to a macro influence – primarily low rates and low growth.

In the closing few weeks of the year, we saw some signs of a Growth/Value reversal. Prospects of higher rates led to a Financials-led Value outperformance over Growth. If rates rise further in 2018, and if the Value rebound proves to be more durable, it may well be that price momentum could shift from Growth to Value names.

##### Market Outlook and Strategy

Our research views continue to suggest overweighting most equity risk premiums, including volatility carry, offset by an underweight allocation to most alternative risk premia in the Rates and FX asset classes.

Within equity risk premia, our valuation models suggest valuations and macro are both attractive for the equity value premium while the equity volatility premium appears attractive due to a large spread between implied and realised volatility. The equity momentum risk premia does appear stretched on valuations given the exposure to expensive growth companies, but momentum remains supportive.

We are overweight rates volatility carry, as continued gradual normalisation of monetary policy should ensure that implied volatility continues to trade above realised. Our positive outlook is supported by continued strong momentum. We are also overweight commodity risk premia, primarily due to their diversification benefits particularly relative to equity premia in periods of stress.

Conversely, we are underweight rates & FX momentum, which rank poorly on both our value and momentum models. We are also underweight rates carry, as momentum has deteriorated and valuations are neutral.

##### **IMPORTANT INFORMATION**

This document is for information only with no consideration given to the specific investment objective, financial situation and particular needs of any specific person. Any securities mentioned herein are for illustration purposes only and should not be construed as a recommendation for investment. You should seek advice from a financial adviser before making any investment. In the event that you choose not to do so, you should consider whether the investment selected is suitable for you. Investments in unit trusts are not deposits in, obligations of, or guaranteed or insured by Nikko Asset Management Asia Limited (“Nikko AM Asia”).

**Past performance or any prediction, projection or forecast is not indicative of future performance.** The funds may use or invest in financial derivative instruments. The value of units and income from them may fall or rise. Investments in the funds are subject to investment risks, including the possible loss of principal amount invested. You should read the relevant prospectus and product highlights sheet obtainable from appointed distributors of Nikko AM Asia or our website ([www.nikkoam.com.sg](http://www.nikkoam.com.sg)) before investing.

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The CPF interest rate for the Ordinary Account (“OA”) is based on the 12-month fixed deposit and month-end savings rates of major local banks, subject to a minimum 2.5% interest per annum. The interest rate for Special, Medisave and Retirement Accounts (“SMRA”) is pegged to the 12-month average yield of 10-year Singapore Government Securities yield plus 1%. A 4% floor rate will be maintained for interest earned on SMRA until 31 December 2015, after which a 2.5% minimum rate will apply. An extra 1% interest is paid on the first S\$60,000 of a member’s combined balances, including up to S\$20,000 in the OA. The first S\$20,000 in the OA and the first S\$40,000 in the Special Account (“SA”) cannot be invested under the CPF Investment Scheme (“CPFIS”).

##### **For Hong Kong Investors**

The Fund is offered only to professional investors and is not authorized by the Securities and Futures Commission in Hong Kong. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to this document. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Nikko Asset Management Asia Limited. Registration Number 198202562H

## NIKKO AM GLOBAL UMBRELLA FUND

### Report of the Investment Manager

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#### NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund (continued)

#### SOFT DOLLAR COMMISSIONS/ARRANGEMENTS

##### Appointment of soft dollar brokers

Soft dollar brokers will be appointed onto the Managers' broker panel only after the Managers have ensured that:

- a) full disclosure of the practice of accepting soft dollars is made;
- b) the commission rates charged are comparable with the market rates;
- c) there is no conflict of interest;
- d) the soft dollar credits are used only for clearly defined services;
- e) at all times trades are executed through the respective brokers only on the basis of best execution regardless whether soft dollar benefits will accrue. Best execution shall include competitive prices with smooth execution ability; and
- f) relevant regulations and guidelines are complied with.

The procedures for the appointment of the brokers shall be no different from that of normal full service brokers.

##### Execution and allocation

If the Trustee objects to the use of the soft dollar brokers, the trades of the Fund shall be segregated from the rest of the trades that are executed through the relevant soft dollar broker(s). The Managers will execute trades for such accounts only with authorised full service brokers.

It is the responsibility of the Managers to ensure that the allocation quotas are adhered to. In addition, the Managers will monitor the execution ability of the soft dollar brokers and assign the business strictly on a "best execution" basis.

Subject to the provisions of the Code\*, in its management of the Fund, the Managers may receive soft dollar commissions from, or may enter into soft dollar arrangements with, stockbrokers who execute trades on behalf of the Fund and the soft dollars received would be restricted to the following kinds of services:

- a) specific advice as to the advisability of dealing in, or of the value of any investments;
- b) research and advisory services;
- c) economic and political analysis;
- d) portfolio analysis including valuation and portfolio measurements;
- e) market analysis;
- f) data and quotation services;
- g) computer hardware or software that are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis; and
- h) custodial services in relation to the investments managed for clients.

The following are, however, prohibited:

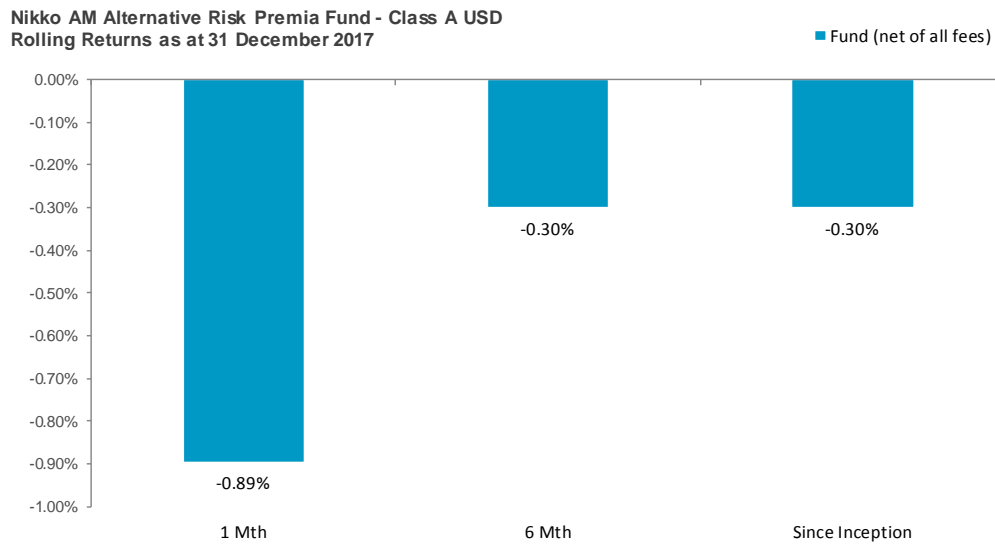
- a) travel, accommodation and entertainment expenses;
- b) general administrative goods and services including office equipment and premises;
- c) membership fees;
- d) employee salaries; and
- e) direct money payments / rebates.

Records of the payments made using soft dollar commissions shall be retained with the Managers.

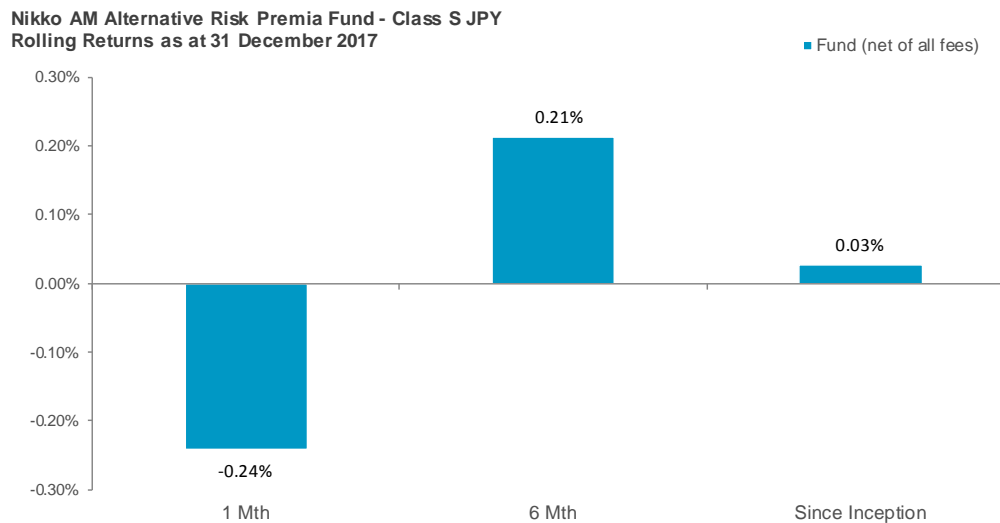
\* The "Code" means the Code on Collective Investment Schemes issued by the Authority pursuant to the Securities and Futures Act, as may be amended, modified, or supplemented from time to time by the Authority.

# **NIKKO AM GLOBAL UMBRELLA FUND** **Report of the Investment Manager**

## **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund (continued)**



The inception date of the Nikko AM Alternative Risk Premia Fund - Class A USD was June 30, 2017. Fund returns provided relate to the performance of Share Class A USD and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.



The inception date of the Nikko AM Alternative Risk Premia Fund - Class S JPY was April 26, 2017. Fund returns provided relate to the performance of Share Class S JPY and are presented net of investment management fees, trading commissions and administrative fees. Returns for periods in excess of 1 year have been annualised.

## NIKKO AM GLOBAL UMBRELLA FUND

### Management and Administration

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#### Management Company

Nikko Asset Management Luxembourg S.A., 19, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg

#### Board of Directors of the Fund

*Chairman* Mr. Nicolaus P. Bocklandt, Independent, Certified Director, 6B, route de Trèves, L-2633 Luxembourg, Grand Duchy of Luxembourg

*Director* Mr. Jacques Elvinger, Partner, Elvinger Hoss Prussen, *société anonyme*, 2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg

*Director* Mr. William A. Jones, Independent Director, 137, avenue du Bois, L-1250 Luxembourg, Grand Duchy of Luxembourg

#### Depositary and Administrator

Brown Brothers Harriman (Luxembourg) S.C.A., 80, Route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg

#### Investment Managers

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Asia-Pacific ex-Japan Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM World Bank Green Fund: Nikko Asset Management Europe Ltd. 1 London Wall, London, EC2Y 5AD United Kingdom

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM RMB Bond Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Asia Credit Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Global Equity Fund: Nikko Asset Management Europe Ltd. 1 London Wall, London, EC2Y 5AD United Kingdom

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Global Multi Asset Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Asia ex-Japan Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Emerging Markets Multi Asset Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961, From April 7, 2017

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Japan Value Fund: Nikko Asset Management Co., Ltd. Midtown Tower, 9-7-1 Akasaka Minato-ku, Tokyo, Japan 107-6242

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Japan Focus Fund: Nikko Asset Management Co., Ltd. Midtown Tower, 9-7-1 Akasaka Minato-ku, Tokyo, Japan 107-6242

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Global Credit Fund: Nikko Asset Management Europe Ltd. 1 London Wall, London, EC2Y 5AD United Kingdom

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Emerging Markets Local Currency Bond: Nikko Asset Management Europe Ltd. 1 London Wall, London, EC2Y 5AD United Kingdom

*NIKKO AM GLOBAL UMBRELLA FUND* - Nikko AM Alternative Risk Premia Fund: Nikko Asset Management Asia Ltd. 12 Marina View, #18-02 Asia Square Tower 2, Singapore 018961, From April 26, 2017

#### Auditor

PricewaterhouseCoopers, *Société coopérative*, 2, rue Gerhard Mercator, L-2182 Luxembourg, Grand Duchy of Luxembourg

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Management and Administration**

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**Legal Adviser**

Elvinger Hoss Prussen, *société anonyme*, 2, Place Winston Churchill, L-1340 Luxembourg, Grand Duchy of Luxembourg



## **Audit report**

To the Shareholders of  
**Nikko AM Global Umbrella Fund**

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### *Our opinion*

In our opinion, the accompanying financial statements give a true and fair view of the financial position of NIKKO AM GLOBAL UMBRELLA FUND and of each of its sub-funds (the “Fund”) as at December 31, 2017, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### **What we have audited**

The Fund’s financial statements comprise:

- the statement of net assets as at December 31, 2017;
- the Portfolio of Investments as at December 31, 2017;
- the Statement of Operations and Changes in Net Assets for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### *Basis for opinion*

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under those Law and standards are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

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*PricewaterhouseCoopers, Société coopérative, 2 rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg  
T: +352 494848 1, F: +352 494848 2900, [www.pwc.lu](http://www.pwc.lu)*

*Cabinet de révision agréé. Expert-comptable (autorisation gouvernementale n°10028256)  
R.C.S. Luxembourg B 65 477 - TVA LU25482518*





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#### *Other information*

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our audit report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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#### *Responsibilities of the Board of Directors of the Fund for the financial statements*

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.



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*Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements*

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund;
- conclude on the appropriateness of the Board of Directors of the Fund’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 30 April 2018



Laurent Marx

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Net Assets**  
**As at December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia-Pacific ex-Japan Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM World Bank Green Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM RMB Bond Fund in USD	
ASSETS:						
Investments in securities and purchased options, at market value (Note 3d, 3i) . . . . .	USD	66,810,496	USD	34,231,422	USD	24,339,963
Cash (Note 3c) . . . . .		2,255,895		559,602		481,663
Cash held with Brokers and counterparties <sup>(1)</sup> (Note 3c) . . . . .		—		—		—
Unrealized appreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		—		—
Unrealized appreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Swaps, premium paid . . . . .		—		—		—
Unrealized appreciation on swap contracts (note 3k, 12) . . . . .		—		—		—
Receivables for:						
Reimbursement due from Manager (Note 9) . . . . .		90,657		126,864		123,360
Dividends (Note 3e) . . . . .		41,843		—		—
Interest (Note 3e) . . . . .		—		799,313		319,537
Investments sold . . . . .		4		—		124,850
Shares subscribed . . . . .		—		—		—
Other assets . . . . .		6,088		201		2,212
Total Assets . . . . .		69,204,983		35,717,402		25,391,585
LIABILITIES:						
Options written at market value (Note 3i, 10) . . . . .		—		—		—
Unrealized depreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		—		—
Unrealized depreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Unrealized depreciation on swap contracts (Note 3k, 12) . . . . .		—		—		—
Payables for:						
Investments purchased . . . . .		—		—		—
Interest . . . . .		—		—		—
Management fees (Note 4) . . . . .		43,016		13,534		10,651
Depository fees (Note 5) . . . . .		14,516		2,406		1,703
Administrative Agent fees (Note 5) . . . . .		8,725		10,581		9,854
Taxe d'abonnement (Note 7) . . . . .		8,909		998		712
Legal fees . . . . .		10,062		20,071		8,977
Audit fees . . . . .		25,195		6,822		4,837
Transfer Agent fees (Note 6) . . . . .		1,740		1,705		2,767
Shares redeemed . . . . .		—		—		—
Organization expenses (Note 3l) . . . . .		—		—		—
Other liabilities . . . . .		35,260		47,947		41,898
Total Liabilities . . . . .		147,423		104,064		81,399
TOTAL NET ASSETS . . . . .	USD	69,057,560	USD	35,613,338	USD	25,310,186
NET ASSET VALUE PER SHARE:						
Class A CHF . . . . .			CHF	7.45		
Class A EUR . . . . .			EUR	9.45		
Class A GBP . . . . .			GBP	9.01		
Class A USD . . . . .	USD	49.66	USD	8.44	USD	11.72
Class X USD . . . . .	USD	49.48			USD	11.29
Class S JPY . . . . .					JPY	105,479.38
NET ASSET VALUE PER SHARE IN USD EQUIVALENT:						
Class A CHF . . . . .			USD	7.65		
Class A EUR . . . . .			USD	11.34		
Class A GBP . . . . .			USD	12.19		
Class S JPY . . . . .					USD	936.35

(1) Cash held with Brokers and counterparties includes cash collateral.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Net Assets (continued)**  
**As at December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia Credit Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Equity Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Multi Asset Fund in USD	
ASSETS:						
Investments in securities and purchased options, at market value (Note 3d, 3i) . . . . .	USD	28,232,429	USD	43,293,932	USD	13,347,553
Cash (Note 3c) . . . . .		789,865		753,868		747,274
Cash held with Brokers and counterparties <sup>(1)</sup> (Note 3c). . . . .		—		—		344,741
Unrealized appreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		—		13,786
Unrealized appreciation on futures contracts (Note 3j, 12) . . . . .		—		—		85,250
Swaps, premium paid . . . . .		—		—		—
Unrealized appreciation on swap contracts (note 3k, 12) . . . . .		—		—		7,110
Receivables for:						
Reimbursement due from Manager (Note 9) . . . . .		111,068		190,741		227,481
Dividends (Note 3e) . . . . .		—		59,756		11,434
Interest (Note 3e) . . . . .		294,981		—		70,346
Investments sold . . . . .		—		—		89
Shares subscribed . . . . .		—		2,109		—
Other assets . . . . .		1,165		5,632		4,875
Total Assets . . . . .		29,429,508		44,306,038		14,859,939
LIABILITIES:						
Options written at market value (Note 3i, 10) . . . . .		—		—		19,773
Unrealized depreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		—		51,974
Unrealized depreciation on futures contracts (Note 3j, 12) . . . . .		—		—		50,484
Unrealized depreciation on swap contracts (Note 3k, 12) . . . . .		—		—		75,294
Payables for:						
Investments purchased . . . . .		—		—		—
Interest . . . . .		—		—		1,070
Management fees (Note 4) . . . . .		8,911		258		1,244
Depository fees (Note 5) . . . . .		2,323		4,950		18,064
Administrative Agent fees (Note 5) . . . . .		12,373		6,963		9,856
Taxe d'abonnement (Note 7) . . . . .		552		1,336		380
Legal fees . . . . .		8,397		8,359		4,036
Audit fees . . . . .		5,708		8,969		2,837
Transfer Agent fees (Note 6) . . . . .		1,442		1,638		1,488
Shares redeemed . . . . .		—		4,881		—
Organization expenses (Note 3l) . . . . .		—		—		—
Other liabilities . . . . .		29,321		27,499		20,066
Total Liabilities . . . . .		69,027		64,853		256,566
TOTAL NET ASSETS . . . . .	USD	29,360,481	USD	44,241,185	USD	14,603,373
NET ASSET VALUE PER SHARE:						
Class A EUR . . . . .	EUR	14.53				
Class A USD . . . . .	USD	14.88	USD	13.83	USD	11.39
Class D GBP . . . . .			GBP	10.84		
Class P JPY . . . . .			JPY	1.34	JPY	1.01
Class S JPY . . . . .	JPY	105,160.41				
Class U AUD . . . . .			AUD	12.09		
NET ASSET VALUE PER SHARE IN USD EQUIVALENT:						
Class A EUR . . . . .	USD	17.44				
Class D GBP . . . . .			USD	14.66		
Class P JPY . . . . .			USD	0.01	USD	0.01
Class S JPY . . . . .	USD	933.51				
Class U AUD . . . . .			USD	9.46		

(1) Cash held with Brokers and counterparties includes cash collateral.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Net Assets (continued)**  
**As at December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia ex-Japan Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Emerging Markets Multi Asset Fund <sup>(1)</sup> in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Japan Value Fund in JPY	
ASSETS:						
Investments in securities and purchased options, at market value (Note 3d, 3i) . . . . .	USD	28,250,170	USD	10,740,486	JPY	817,152,930
Cash (Note 3c) . . . . .		762,561		316,180		8,712,458
Cash held with Brokers and counterparties <sup>(2)</sup> (Note 3c). . . . .		—		—		—
Unrealized appreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		—		—
Unrealized appreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Swaps, premium paid . . . . .		—		—		—
Unrealized appreciation on swap contracts (note 3k, 12) . . . . .		—		—		—
Receivables for:						
Reimbursement due from Manager (Note 9) . . . . .		150,827		204,741		10,696,519
Dividends (Note 3e). . . . .		18,509		10,262		443,410
Interest (Note 3e). . . . .		—		99,259		—
Investments sold . . . . .		—		—		3,224,164
Shares subscribed . . . . .		—		—		—
Other assets . . . . .		6,724		5,979		393,995
Total Assets . . . . .		29,188,791		11,376,907		840,623,476
LIABILITIES:						
Options written at market value (Note 3i, 10) . . . . .		—		—		—
Unrealized depreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		10,176		—
Unrealized depreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Unrealized depreciation on swap contracts (Note 3k, 12) . . . . .		—		—		—
Payables for:						
Investments purchased. . . . .		—		1,590		2,588,015
Interest. . . . .		—		—		—
Management fees (Note 4) . . . . .		11,912		2,350		465,819
Depositary fees (Note 5) . . . . .		10,504		26,032		220,516
Administrative Agent fees (Note 5) . . . . .		8,034		7,768		260,499
Taxe d'abonnement (Note 7) . . . . .		2,897		279		71,868
Legal fees. . . . .		8,322		416		1,000,348
Audit fees . . . . .		5,413		2,145		449,837
Transfer Agent fees (Note 6). . . . .		2,338		2,393		80,648
Shares redeemed . . . . .		77,942		—		—
Organization expenses (Note 3l) . . . . .		—		7,000		—
Other liabilities. . . . .		19,699		13,608		3,190,894
Total Liabilities . . . . .		147,061		73,757		8,328,444
TOTAL NET ASSETS . . . . .	USD	29,041,730	USD	11,303,150	JPY	832,295,032
NET ASSET VALUE PER SHARE:						
Class A GBP . . . . .					GBP	11.17
Class A JPY . . . . .					JPY	1,357.68
Class A USD . . . . .	USD	15.14	USD	10.79		
Class D EUR . . . . .	EUR	12.31				
Class K EUR . . . . .	EUR	12.38				
Class P JPY . . . . .			JPY	1.06		
Class S JPY . . . . .	JPY	133,991.24	JPY	112,021.40		
Class X JPY . . . . .					JPY	1,357.16
NET ASSET VALUE PER SHARE IN USD, JPY EQUIVALENT:						
Class A GBP . . . . .					JPY	1,702.58
Class D EUR . . . . .	USD	14.78				
Class K EUR . . . . .	USD	14.87				
Class P JPY . . . . .			USD	0.01		
Class S JPY . . . . .	USD	1,189.45	USD	994.42		

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund commenced operations on April 7, 2017.

(2) Cash held with Brokers and counterparties includes cash collateral.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Net Assets (continued)**  
**As at December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Japan Focus Fund in JPY		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Credit Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Emerging Markets Local Currency Bond Fund in USD	
ASSETS:						
Investments in securities and purchased options, at market value (Note 3d, 3i) . . . . .	JPY	4,507,757,800	USD	20,158,620	USD	5,397,832
Cash (Note 3c) . . . . .		180,486,655		830,429		234,455
Cash held with Brokers and counterparties <sup>(1)</sup> (Note 3c). . . . .		—		—		—
Unrealized appreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		3,365		39,941
Unrealized appreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Swaps, premium paid . . . . .		—		—		—
Unrealized appreciation on swap contracts (note 3k, 12) . . . . .		—		—		—
Receivables for:						
Reimbursement due from Manager (Note 9) . . . . .		5,387,279		37,151		36,839
Dividends (Note 3e) . . . . .		2,372,620		—		—
Interest (Note 3e) . . . . .		—		269,302		114,079
Investments sold . . . . .		3,264,501		—		—
Shares subscribed . . . . .		—		—		—
Other assets . . . . .		393,804		6,365		5,510
Total Assets . . . . .		4,699,662,659		21,305,232		5,828,656
LIABILITIES:						
Options written at market value (Note 3i, 10) . . . . .		—		—		—
Unrealized depreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		14,288		30,685
Unrealized depreciation on futures contracts (Note 3j, 12) . . . . .		—		—		—
Unrealized depreciation on swap contracts (Note 3k, 12) . . . . .		—		—		—
Payables for:						
Investments purchased. . . . .		53,854,474		631		5,467
Interest . . . . .		—		—		—
Management fees (Note 4) . . . . .		994,719		3,586		2,181
Depository fees (Note 5) . . . . .		502,881		2,972		2,845
Administrative Agent fees (Note 5) . . . . .		669,140		8,143		1,731
Taxe d'abonnement (Note 7) . . . . .		120,775		537		143
Legal fees. . . . .		903,241		3,061		—
Audit fees . . . . .		867,016		4,094		3,426
Transfer Agent fees (Note 6) . . . . .		170,981		1,784		939
Shares redeemed . . . . .		5,056,423		—		—
Organization expenses (Note 3l) . . . . .		—		2,376		512
Other liabilities. . . . .		2,350,075		3,112		2,395
Total Liabilities . . . . .		65,489,725		44,584		50,324
TOTAL NET ASSETS . . . . .	JPY	4,634,172,934	USD	21,260,648	USD	5,778,332
NET ASSET VALUE PER SHARE:						
Class A GBP . . . . .	GBP	11.97				
Class A JPY . . . . .	JPY	1,244.25				
Class A USD . . . . .			USD	10.55	USD	11.37
Class S JPY . . . . .	JPY	131,812.35				
Class S USD . . . . .			USD	1,062.77	USD	1,153.39
Class U AUD . . . . .	AUD	12.08				
NET ASSET VALUE PER SHARE IN JPY EQUIVALENT:						
Class A GBP . . . . .	JPY	1,823.96				
Class U AUD . . . . .	JPY	1,064.55				

(1) Cash held with Brokers and counterparties includes cash collateral.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Net Assets (continued)**  
**As at December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND NIKKO AM Alternative Risk Premia Fund <sup>(1)</sup> in USD		NIKKO AM GLOBAL UMBRELLA FUND Combined in USD	
<b>ASSETS:</b>				
Investments in securities and purchased options, at market value (Note 3d, 3i) . . . . .	USD	15,983,215	USD	338,055,632
Cash (Note 3c) . . . . .		663,454		10,074,777
Cash held with Brokers and counterparties <sup>(2)</sup> (Note 3c). . . . .		1,320,000		1,664,741
Unrealized appreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		57,092
Unrealized appreciation on futures contracts (Note 3j, 12) . . . . .		—		85,250
Swaps, premium paid . . . . .		10,502		10,502
Unrealized appreciation on swap contracts (note 3k, 12) . . . . .		132,538		139,648
Receivables for:				
Reimbursement due from Manager (Note 9) . . . . .		18,574		1,461,080
Dividends (Note 3e). . . . .		—		166,802
Interest (Note 3e) . . . . .		61,790		2,028,607
Investments sold . . . . .		—		182,543
Shares subscribed . . . . .		—		2,109
Other assets . . . . .		13,167		64,911
<b>Total Assets</b> . . . . .		<b>18,203,240</b>		<b>353,993,694</b>
<b>LIABILITIES:</b>				
Options written at market value (Note 3i, 10) . . . . .		—		19,773
Unrealized depreciation on forward foreign currency exchange contracts (Note 3h, 12) . . . . .		—		107,123
Unrealized depreciation on futures contracts (Note 3j, 12) . . . . .		—		50,484
Unrealized depreciation on swap contracts (Note 3k, 12) . . . . .		380,984		456,278
Payables for:				
Investments purchased . . . . .		—		508,732
Interest . . . . .		24,043		25,113
Management fees (Note 4) . . . . .		3,058		113,666
Depository fees (Note 5) . . . . .		2,007		94,744
Administrative Agent fees (Note 5) . . . . .		2,175		94,455
Taxe d'abonnement (Note 7) . . . . .		—		18,453
Legal fees. . . . .		8,043		96,642
Audit fees . . . . .		3,502		84,638
Transfer Agent fees (Note 6). . . . .		993		21,461
Shares redeemed . . . . .		—		127,709
Organization expenses (Note 3l) . . . . .		—		9,888
Other liabilities. . . . .		9,526		299,518
<b>Total Liabilities</b> . . . . .		<b>434,331</b>		<b>2,128,677</b>
<b>TOTAL NET ASSETS</b> . . . . .	<b>USD</b>	<b>17,768,909</b>	<b>USD</b>	<b>351,865,017</b>
<b>NET ASSET VALUE PER SHARE:</b>				
<b>Class A USD</b> . . . . .	<b>USD</b>	<b>9.97</b>		
<b>Class S JPY</b> . . . . .	<b>JPY</b>	<b>100,027.25</b>		
<b>NET ASSET VALUE PER SHARE IN USD EQUIVALENT:</b>				
<b>Class S JPY</b> . . . . .	<b>USD</b>	<b>887.95</b>		

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund commenced operations on April 26, 2017.

(2) Cash held with Brokers and counterparties includes cash collateral.

The accompanying notes are an integral part of these financial statements.



**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Operations and Changes in Net Assets**  
**For the year ended December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia-Pacific ex-Japan Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM World Bank Green Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM RMB Bond Fund in USD	
NET INVESTMENT INCOME:						
Income:						
Dividends, net of withholding taxes (Note 3e) . . . . .	USD	1,193,166	USD	—	USD	
Interest (Note 3e) . . . . .		5,977		1,595,223		1,223,821
Other Income . . . . .		10,353		8,568		8,568
Total Income . . . . .		1,209,496		1,603,791		1,232,389
Expenses:						
Management fees (Note 4) . . . . .		480,245		161,062		116,529
Administrative Agent fees (Note 5) . . . . .		49,985		67,834		60,770
Transaction costs (Note 8) . . . . .		295,160		8,063		3,612
Audit fees . . . . .		28,035		7,736		5,695
Transfer Agent fees (Note 6) . . . . .		9,969		10,930		17,064
Taxe d'abonnement (Note 7) . . . . .		32,458		3,525		2,412
Depository fees (Note 5) . . . . .		54,209		7,359		6,890
Legal fees . . . . .		14,856		25,239		13,105
Organization expenses (Note 3l) . . . . .		—		—		—
Other expenses . . . . .		63,479		74,256 <sup>(1)</sup>		64,047
Total Expenses . . . . .		1,028,396		366,004		290,124
Reimbursement from Manager (Note 9) . . . . .		(93,944)		(131,322)		(127,173)
Net Expenses . . . . .		934,452		234,682		162,951
Net Investment Income . . . . .		275,044		1,369,109		1,069,438
NET REALIZED AND UNREALIZED GAIN/(LOSS):						
Net realized gain/(loss) on investments (Note 3e) . . . . .		4,816,433		(838,885)		(483,262)
Net realized gain on foreign currency transactions and forward foreign currency exchange contracts (Note 3h) . . . . .		47,477		33,875		1,972
Net realized gain on futures contracts (Note 3j) . . . . .		—		—		—
Net realized gain on swap contracts (Note 3k) . . . . .		—		—		—
Net realized gain on written options (Note 3i) . . . . .		—		—		—
Net change in unrealized appreciation on investments . . . . .		15,914,900		2,010,293		2,393,952
Net change in unrealized appreciation on foreign currency transactions and forward foreign currency exchange contracts . . . . .		842		69,120		36,914
Net change in unrealized appreciation on futures contracts . . . . .		—		—		—
Net change in unrealized appreciation on swap contracts . . . . .		—		—		—
Net change in unrealized appreciation on written options . . . . .		—		—		—
Net Realized and Unrealized Gain on Investments . . . . .		20,779,652		1,274,403		1,949,576
Net Increase in Net Assets Resulting from Operations . . . . .		21,054,696		2,643,512		3,019,014
Increase/(decrease) in Net Assets from capital stock transactions		(10,382,760)		(8,318,690)		1,720,320
Distributions declared to Shareholders (Note 11) . . . . .		—		(1,205,793)		—
Total Increase/(Decrease) in Net Assets . . . . .		10,671,936		(6,880,971)		4,739,334
NET ASSETS:						
Beginning of the year . . . . .		58,385,624		42,494,309		20,570,852
Notional exchange rate adjustment . . . . .		—		—		—
End of the year . . . . .	USD	69,057,560	USD	35,613,338	USD	25,310,186

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund – Other expenses include Tax Agent Expense, Registration Expense, Printing Expense, Director Fees Expense and Overdraft Expense.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Operations and Changes in Net Assets (continued)**  
**For the year ended December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia Credit Fund in USD	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Equity Fund in USD	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Multi Asset Fund in USD
<b>NET INVESTMENT INCOME:</b>			
<b>Income:</b>			
Dividends, net of withholding taxes (Note 3e) . . . . .	USD –	USD 540,456	USD 112,297
Interest (Note 3e) . . . . .	967,326	3,001	260,506
Other Income . . . . .	8,568	–	18,104
<b>Total Income . . . . .</b>	<b>975,894</b>	<b>543,457</b>	<b>390,907</b>
<b>Expenses:</b>			
Management fees (Note 4) . . . . .	114,067	2,365	16,020
Administrative Agent fees (Note 5) . . . . .	80,160	56,341	67,165
Transaction costs (Note 8) . . . . .	8,467	98,923	121,594
Audit fees . . . . .	6,637	9,986	3,282
Transfer Agent fees (Note 6) . . . . .	9,340	13,255	10,140
Taxe d'abonnement (Note 7) . . . . .	3,111	4,552	1,573
Depository fees (Note 5) . . . . .	6,581	18,604	9,470
Legal fees . . . . .	12,793	11,814	11,814
Organization expenses (Note 3l) . . . . .	–	2,121	2,124
Other expenses . . . . .	52,510	54,332	50,118
<b>Total Expenses . . . . .</b>	<b>293,666</b>	<b>272,293</b>	<b>293,300</b>
<b>Reimbursement from Manager (Note 9) . . . . .</b>	<b>(117,068)</b>	<b>(190,741)</b>	<b>(229,270)</b>
<b>Net Expenses . . . . .</b>	<b>176,598</b>	<b>81,552</b>	<b>64,030</b>
<b>Net Investment Income . . . . .</b>	<b>799,296</b>	<b>461,905</b>	<b>326,877</b>
<b>NET REALIZED AND UNREALIZED GAIN/(LOSS):</b>			
Net realized gain on investments (Note 3e) . . . . .	12,770	2,883,177	510,185
Net realized gain/(loss) on foreign currency transactions and forward foreign currency exchange contracts (Note 3h) . .	–	(21,022)	18,718
Net realized loss on futures contracts (Note 3j) . . . . .	–	–	(42,885)
Net realized gain on swap contracts (Note 3k) . . . . .	–	–	32,593
Net realized gain on written options (Note 3i) . . . . .	–	–	12,776
Net change in unrealized appreciation on investments . . . . .	697,038	6,651,768	709,030
Net change in unrealized appreciation/(depreciation) on foreign currency transactions and forward foreign currency exchange contracts . . . . .	–	4,093	(118,145)
Net change in unrealized appreciation on futures contracts . .	–	–	30,853
Net change in unrealized depreciation on swap contracts . . .	–	–	(67,061)
Net change in unrealized depreciation on written options . . .	–	–	(410)
<b>Net Realized and Unrealized Gain on Investments . . . . .</b>	<b>709,808</b>	<b>9,518,016</b>	<b>1,085,654</b>
<b>Net Increase in Net Assets Resulting from Operations . . . . .</b>	<b>1,509,104</b>	<b>9,979,921</b>	<b>1,412,531</b>
Decrease in Net Assets from capital stock transactions . . . . .	(599,430)	(6,478,294)	(3,369,365)
Distributions declared to Shareholders (Note 11) . . . . .	(411,163)	–	–
<b>Total Increase/(Decrease) in Net Assets . . . . .</b>	<b>498,511</b>	<b>3,501,627</b>	<b>(1,956,834)</b>
<b>NET ASSETS:</b>			
Beginning of the year . . . . .	28,861,970	40,739,558	16,560,207
Notional exchange rate adjustment . . . . .	–	–	–
<b>End of the year . . . . .</b>	<b>USD 29,360,481</b>	<b>USD 44,241,185</b>	<b>USD 14,603,373</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Operations and Changes in Net Assets (continued)**  
**For the year ended December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Asia ex-Japan Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Emerging Markets Multi Asset Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Japan Value Fund in JPY	
NET INVESTMENT INCOME:						
Income:						
Dividends, net of withholding taxes (Note 3e) . . . . .	USD	264,653	USD	83,441	JPY	11,488,548
Interest (Note 3e) . . . . .		964		206,852		4,316
Other Income . . . . .		—		—		1,144,369
Total Income . . . . .		265,617		290,293		12,637,233
Expenses:						
Management fees (Note 4) . . . . .		82,998		18,735		5,169,824
Administrative Agent fees (Note 5) . . . . .		49,028		26,198		2,714,899
Transaction costs (Note 8) . . . . .		137,767		89,500		2,307,999
Audit fees . . . . .		6,103		2,145		179,907
Transfer Agent fees (Note 6) . . . . .		14,266		8,071		840,511
Taxe d'abonnement (Note 7) . . . . .		4,237		819		91,084
Depository fees (Note 5) . . . . .		20,563		14,232		215,944
Legal fees . . . . .		11,814		14,882		1,375,943
Organization expenses (Note 3l) . . . . .		2,442		1,021		—
Other expenses . . . . .		56,622		83,720		5,567,964
Total Expenses . . . . .		385,840		259,323		18,464,075
Reimbursement from Manager (Note 9) . . . . .		(154,300)		(204,741)		(10,865,539)
Net Expenses . . . . .		231,540		54,582		7,598,536
Net Investment Income . . . . .		34,077		235,711		5,038,697
NET REALIZED AND UNREALIZED GAIN/(LOSS):						
Net realized gain on investments (Note 3e) . . . . .		1,001,130		197,355		25,445,515
Net realized gain/(loss) on foreign currency transactions and forward foreign currency exchange contracts (Note 3h) . .		(1,236)		12,575		21,295
Net realized gain on futures contracts (Note 3j) . . . . .		—		—		—
Net realized gain on swap contracts (Note 3k) . . . . .		—		—		—
Net realized gain on written options (Note 3i) . . . . .		—		—		—
Net change in unrealized appreciation on investments . . . . .		5,313,735		584,130		129,001,418
Net change in unrealized appreciation/(depreciation) on foreign currency transactions and forward foreign currency exchange contracts . . . . .		349		(11,372)		417
Net change in unrealized appreciation on futures contracts . . .		—		—		—
Net change in unrealized appreciation on swap contracts . . .		—		—		—
Net change in unrealized appreciation on written options . . .		—		—		—
Net Realized and Unrealized Gain on Investments . . . . .		6,313,978		782,688		154,468,645
Net Increase in Net Assets Resulting from Operations . . . . .		6,348,055		1,018,399		159,507,342
Increase in Net Assets from capital stock transactions . . . . .		11,959,808		10,328,959		695,176
Distributions declared to Shareholders (Note 11) . . . . .		—		(44,208)		—
Total Increase in Net Assets . . . . .		18,307,863		11,303,150		160,202,518
NET ASSETS:						
Beginning of the year/period . . . . .		10,733,867		—		672,092,514
Notional exchange rate adjustment . . . . .		—		—		—
End of the year . . . . .	USD	29,041,730	USD	11,303,150	JPY	832,295,032

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Operations and Changes in Net Assets (continued)**  
**For the year ended December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Japan Focus Fund in JPY		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Global Credit Fund in USD		NIKKO AM GLOBAL UMBRELLA FUND Nikko AM Emerging Markets Local Currency Bond Fund in USD	
NET INVESTMENT INCOME:						
Income:						
Dividends, net of withholding taxes (Note 3e)	JPY	51,400,196	USD	—	USD	—
Interest (Note 3e)		50		647,007		346,988
Other Income		—		—		—
Total Income		51,400,246		647,007		346,988
Expenses:						
Management fees (Note 4)		10,785,313		40,689		24,943
Administrative Agent fees (Note 5)		5,147,558		35,498		11,300
Transaction costs (Note 8)		21,259,845		9,960		15,147
Audit fees		785,183		3,882		1,701
Transfer Agent fees (Note 6)		1,315,324		6,211		6,130
Taxe d'abonnement (Note 7)		414,969		2,055		564
Depository fees (Note 5)		1,256,288		2,997		3,429
Legal fees		1,290,746		6,114		2,672
Organization expenses (Note 3l)		—		1,774		1,402
Other expenses		6,510,593		12,351		5,929
Total Expenses		48,765,819		121,531		73,217
Reimbursement from Manager (Note 9)		(7,230,549)		(38,229)		(37,188)
Net Expenses		41,535,270		83,302		36,029
Net Investment Income		9,864,976		563,705		310,959
NET REALIZED AND UNREALIZED GAIN/(LOSS):						
Net realized gain on investments (Note 3e)		346,250,985		27,295		31,304
Net realized gain/(loss) on foreign currency transactions and forward foreign currency exchange contracts (Note 3h)		(20,871)		34,558		(15,073)
Net realized gain on futures contracts (Note 3j)		—		—		—
Net realized gain on swap contracts (Note 3k)		—		—		—
Net realized gain on written options (Note 3i)		—		—		—
Net change in unrealized appreciation on investments		517,675,759		1,432,650		361,316
Net change in unrealized appreciation/(depreciation) on foreign currency transactions and forward foreign currency exchange contracts		775		(14,216)		7,473
Net change in unrealized appreciation on futures contracts		—		—		—
Net change in unrealized appreciation on swap contracts		—		—		—
Net change in unrealized appreciation on written options		—		—		—
Net Realized and Unrealized Gain on Investments		863,906,648		1,480,287		385,020
Net Increase in Net Assets Resulting from Operations		873,771,624		2,043,992		695,979
Increase in Net Assets from capital stock transactions		31,896,813		—		—
Distributions declared to Shareholders (Note 11)		—		—		—
Total Increase in Net Assets		905,668,437		2,043,992		695,979
NET ASSETS:						
Beginning of the year		3,728,504,497		19,216,656		5,082,353
Notional exchange rate adjustment		—		—		—
End of the year	JPY	4,634,172,934	USD	21,260,648	USD	5,778,332

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statement of Operations and Changes in Net Assets (continued)**  
**For the year ended December 31, 2017**

	NIKKO AM GLOBAL UMBRELLA FUND NIKKO AM Alternative Risk Premia Fund in USD	NIKKO AM GLOBAL UMBRELLA FUND Combined in USD
<b>NET INVESTMENT INCOME:</b>		
<b>Income:</b>		
Dividends, net of withholding taxes (Note 3e) . . . . .	USD –	USD 2,752,280
Interest (Note 3e) . . . . .	145,212	5,402,916
Other Income . . . . .	448	64,767
<b>Total Income . . . . .</b>	<b>145,660</b>	<b>8,219,963</b>
<b>Expenses:</b>		
Management fees (Note 4) . . . . .	24,392	1,223,681
Administrative Agent fees (Note 5) . . . . .	9,225	583,299
Transaction costs (Note 8) . . . . .	6,330	1,003,736
Audit fees . . . . .	3,502	87,271
Transfer Agent fees (Note 6) . . . . .	4,211	128,724
Taxe d'abonnement (Note 7) . . . . .	1,338	61,136
Depository fees (Note 5) . . . . .	2,183	159,586
Legal fees . . . . .	9,429	158,204
Organization expenses (Note 3l) . . . . .	1,364	12,248
Other expenses . . . . .	11,806	636,392
<b>Total Expenses . . . . .</b>	<b>73,780</b>	<b>4,054,277</b>
<b>Reimbursement from Manager (Note 9) . . . . .</b>	<b>(18,574)</b>	<b>(1,503,190)</b>
<b>Net Expenses . . . . .</b>	<b>55,206</b>	<b>2,551,087</b>
<b>Net Investment Income . . . . .</b>	<b>90,454</b>	<b>5,668,876</b>
<b>NET REALIZED AND UNREALIZED GAIN/(LOSS):</b>		
Net realized gain/(loss) on investments (Note 3e) . . . . .	(13,215)	11,443,856
Net realized gain on foreign currency transactions and forward foreign currency exchange contracts (Note 3h) . . . . .	5,028	116,876
Net realized gain/(loss) on futures contracts (Note 3j) . . . . .	394	(42,491)
Net realized gain on swap contracts (Note 3k) . . . . .	22,984	55,577
Net realized gain on written options (Note 3i) . . . . .	–	12,776
Net change in unrealized appreciation/(depreciation) on investments . . . . .	(20,890)	41,788,509
Net change in unrealized appreciation/(depreciation) on foreign currency transactions and forward foreign currency exchange contracts . . . . .	2,280	(22,651)
Net change in unrealized appreciation on futures contracts . . .	–	30,853
Net change in unrealized depreciation on swap contracts . . .	(248,470)	(315,531)
Net change in unrealized depreciation on written options . . .	–	(410)
<b>Net Realized and Unrealized Gain/(Loss) on Investments . . .</b>	<b>(251,889)</b>	<b>53,067,364</b>
<b>Net Increase/(Decrease) in Net Assets Resulting from Operations . . . . .</b>	<b>(161,435)</b>	<b>58,736,240</b>
Increase in Net Assets from capital stock transactions . . . . .	17,930,344	13,080,213
Distributions declared to Shareholders (Note 11) . . . . .	–	(1,661,164)
<b>Total Increase in Net Assets . . . . .</b>	<b>17,768,909</b>	<b>70,155,289</b>
<b>NET ASSETS:</b>		
Beginning of the year/period . . . . .	–	280,375,058
Notional exchange rate adjustment . . . . .	–	1,334,670
<b>End of the year . . . . .</b>	<b>USD 17,768,909</b>	<b>USD 351,865,017</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information**  
**As at December 31, 2017**

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia-Pacific ex-Japan Fund			
Class A USD . . . . .	USD 17,141	USD 12,321	USD 12,276
Class B USD <sup>(1)</sup> . . . . .	USD –	USD –	USD 62,117,602
Class X USD <sup>(1)</sup> . . . . .	USD 69,040,419	USD 58,373,303	USD –
<b>SHARES OUTSTANDING</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia-Pacific ex-Japan Fund			
Class A USD . . . . .	345	345	345
Class B USD <sup>(1)</sup> . . . . .	–	–	1,752,971
Class X USD <sup>(1)</sup> . . . . .	1,395,303	1,641,317	–
<b>NET ASSET VALUE PER SHARE</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia-Pacific ex-Japan Fund			
Class A USD . . . . .	USD 49.66	USD 35.71	USD 35.57
Class B USD <sup>(1)</sup> . . . . .	USD –	USD –	USD 35.44
Class X USD <sup>(1)</sup> . . . . .	USD 49.48	USD 35.56	USD –

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund – On February 2, 2016 Class B USD Shares has been renamed as Class X USD Shares.

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM World Bank Green Fund			
Class A CHF . . . . .	CHF 2,075,059	CHF 1,797,507	CHF 1,690,867
Class A EUR . . . . .	EUR 11,224,408	EUR 12,256,731	EUR 9,884,977
Class A GBP . . . . .	GBP 3,412,988	GBP 10,310,060	GBP 11,822,610
Class A USD . . . . .	USD 15,388,792	USD 15,058,306	USD 15,184,054
Class A CHF Equivalent in USD . . . . .	USD 2,129,357	USD 1,768,591	USD 1,689,178
Class A EUR Equivalent in USD . . . . .	USD 13,478,269	USD 12,927,787	USD 10,738,051
Class A GBP Equivalent in USD . . . . .	USD 4,616,920	USD 12,739,625	USD 17,425,344
<b>SHARES OUTSTANDING</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM World Bank Green Fund			
Class A CHF . . . . .	278,500	240,950	220,950
Class A EUR . . . . .	1,188,355	1,188,355	980,561
Class A GBP . . . . .	378,802	1,080,820	1,471,455
Class A USD . . . . .	1,824,015	1,858,347	1,842,972
<b>NET ASSET VALUE PER SHARE</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM World Bank Green Fund			
Class A CHF . . . . .	CHF 7.45	CHF 7.46	CHF 7.65
Class A EUR . . . . .	EUR 9.45	EUR 10.31	EUR 10.08
Class A GBP . . . . .	GBP 9.01	GBP 9.54	GBP 8.03
Class A USD . . . . .	USD 8.44	USD 8.10	USD 8.24
Class A CHF Equivalent in USD . . . . .	USD 7.65	USD 7.34	USD 7.65
Class A EUR Equivalent in USD . . . . .	USD 11.34	USD 10.88	USD 10.95
Class A GBP Equivalent in USD . . . . .	USD 12.19	USD 11.79	USD 11.84

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(1)</sup></u>	<u>December 31, 2015</u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM RMB Bond Fund			
Class A USD. . . . .	USD 5,494,569	USD 2,900,195	USD 3,333,015
Class B CNH. . . . .	CNH —	CNH —	CNH 4,648,315
Class B USD. . . . .	USD 112,911	USD 371,529	USD 988,462
Class S JPY. . . . .	JPY 2,219,509,826	JPY 2,017,683,839	JPY 2,113,505,939
Class B CNH Equivalent in USD. . . . .	USD —	USD —	USD 707,635
Class S JPY Equivalent in USD. . . . .	USD 19,702,706	USD 17,299,128	USD 17,569,358
<b>SHARES OUTSTANDING</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM RMB Bond Fund			
Class A USD. . . . .	468,997	281,906	319,012
Class B CNH. . . . .	—	—	440,000
Class B USD. . . . .	10,000	37,390	97,675
Class S JPY. . . . .	21,042	21,042	21,042
<b>NET ASSET VALUE PER SHARE</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM RMB Bond Fund			
Class A USD. . . . .	USD 11.72	USD 10.29	USD 10.45
Class B CNH. . . . .	CNH —	CNH —	CNH 10.56
Class B USD. . . . .	USD 11.29	USD 9.94	USD 10.12
Class S JPY. . . . .	JPY 105,479.38	JPY 95,887.86	JPY 100,442.26
Class B CNH Equivalent in USD. . . . .	USD —	USD —	USD 1.61
Class S JPY Equivalent in USD. . . . .	USD 936.35	USD 822.12	USD 834.96

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund - Class B CNH Shares terminated on June 7, 2016.

	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia Credit Fund			
Class A EUR. . . . .	EUR 47,067	EUR 51,021	EUR 47,035
Class A USD. . . . .	USD 18,477,459	USD 18,523,463	USD 1,748,741
Class S JPY. . . . .	JPY 1,219,605,581	JPY 1,199,555,109	JPY 1,171,525,201
Class A EUR Equivalent in USD. . . . .	USD 56,519	USD 53,815	USD 51,094
Class S JPY Equivalent in USD. . . . .	USD 10,826,503	USD 10,284,692	USD 9,738,769
<b>SHARES OUTSTANDING</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia Credit Fund			
Class A EUR. . . . .	3,240	3,240	3,240
Class A USD. . . . .	1,242,107	1,281,385	127,418
Class S JPY. . . . .	11,598	11,598	11,598
<b>NET ASSET VALUE PER SHARE</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia Credit Fund			
Class A EUR. . . . .	EUR 14.53	EUR 15.75	EUR 14.52
Class A USD. . . . .	USD 14.88	USD 14.46	USD 13.72
Class S JPY. . . . .	JPY 105,160.41	JPY 103,431.56	JPY 101,010.97
Class A EUR Equivalent in USD. . . . .	USD 17.44	USD 16.61	USD 15.77
Class S JPY Equivalent in USD. . . . .	USD 933.51	USD 886.80	USD 839.72

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017<sup>(1)</sup></u>	<u>December 31, 2016<sup>(2)</sup></u>	<u>December 31, 2015<sup>(3)</sup></u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Equity Fund			
Class A USD. . . . .	USD 6,915	USD 5,569	USD –
Class D GBP. . . . .	GBP 295,792	GBP –	GBP –
Class P JPY . . . . .	JPY 30,900,787	JPY 15,910,515	JPY –
Class U AUD . . . . .	AUD 55,692,427	AUD 56,066,261	AUD 49,762,371
Class D GBP Equivalent in USD . . . . .	USD 400,133	USD –	USD –
Class P JPY Equivalent in USD . . . . .	USD 274,308	USD 136,413	USD –
Class U AUD Equivalent in USD . . . . .	USD 43,559,830	USD 40,597,576	USD 36,204,612

**SHARES OUTSTANDING**

NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Equity Fund			
Class A USD. . . . .	500	500	–
Class D GBP. . . . .	27,290	–	–
Class P JPY . . . . .	23,143,836	14,399,180	–
Class U AUD . . . . .	4,605,283	5,385,921	5,081,262

**NET ASSET VALUE PER SHARE**

NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Equity Fund			
Class A USD. . . . .	USD 13.83	USD 11.14	USD –
Class D GBP. . . . .	GBP 10.84	GBP –	GBP –
Class P JPY . . . . .	JPY 1.34	JPY 1.10	JPY –
Class U AUD . . . . .	AUD 12.09	AUD 10.41	AUD 9.79
Class D GBP Equivalent in USD . . . . .	USD 14.66	USD –	USD –
Class P JPY Equivalent in USD . . . . .	USD 0.01	USD 0.01	USD –
Class U AUD Equivalent in USD . . . . .	USD 9.46	USD 7.54	USD 7.13

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund - Class D GBP Shares commenced operations on February 21, 2017.

(2) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund - Class A USD Shares commenced operations on February 22, 2016.

NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund - Class P JPY Shares commenced operations on April 1, 2016.

(3) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund - Class U AUD Shares commenced operations on July 15, 2015.

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(4)</sup></u>	<u>December 31, 2015<sup>(5)</sup></u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Multi Asset Fund			
Class A USD. . . . .	USD 5,693	USD 5,243	USD –
Class P JPY . . . . .	JPY 1,644,428,629	JPY 1,930,888,182	JPY 2,066,392,901
Class P JPY Equivalent in USD . . . . .	USD 14,597,680	USD 16,554,963	USD 17,177,712

**SHARES OUTSTANDING**

NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Multi Asset Fund			
Class A USD. . . . .	500	500	–
Class P JPY . . . . .	1,627,439,496	2,015,092,307	2,163,158,215

**NET ASSET VALUE PER SHARE**

NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Global Multi Asset Fund			
Class A USD. . . . .	USD 11.39	USD 10.49	USD –
Class P JPY . . . . .	JPY 1.01	JPY 0.96	JPY 0.96
Class P JPY Equivalent in USD . . . . .	USD 0.01	USD 0.01	USD 0.01

(4) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund - Class A USD Shares commenced operations on February 22, 2016.

(5) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund commenced operations on March 18, 2015.



**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(1)</sup></u>	<u>December 31, 2015<sup>(2)</sup></u>
<b>TOTAL NET ASSETS</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia ex-Japan Fund			
Class A USD. . . . .	USD 9,040,534	USD 5,333	USD –
Class D EUR . . . . .	EUR 6,908,913	EUR 1,049,746	EUR –
Class K EUR . . . . .	EUR 3,754,845	EUR 4,336,348	EUR –
Class S JPY . . . . .	JPY 810,646,969	JPY 588,721,137	JPY 626,623,187
Class D EUR Equivalent in USD . . . . .	USD 8,296,222	USD 1,107,220	USD –
Class K EUR Equivalent in USD. . . . .	USD 4,508,818	USD 4,573,763	USD –
Class S JPY Equivalent in USD. . . . .	USD 7,196,156	USD 5,047,551	USD 5,209,054
<b>SHARES OUTSTANDING</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia ex-Japan Fund			
Class A USD. . . . .	597,300	500	–
Class D EUR . . . . .	561,440	106,400	–
Class K EUR . . . . .	303,188	437,709	–
Class S JPY . . . . .	6,050	6,050	6,050
<b>NET ASSET VALUE PER SHARE</b>			
NIKKO AM GLOBAL UMBRELLA FUND			
Nikko AM Asia ex-Japan Fund			
Class A USD. . . . .	USD 15.14	USD 10.67	USD –
Class D EUR . . . . .	EUR 12.31	EUR 9.87	EUR –
Class K EUR . . . . .	EUR 12.38	EUR 9.91	EUR –
Class S JPY . . . . .	JPY 133,991.24	JPY 97,309.28	JPY 103,574.08
Class D EUR Equivalent in USD . . . . .	USD 14.78	USD 10.41	USD –
Class K EUR Equivalent in USD. . . . .	USD 14.87	USD 10.45	USD –
Class S JPY Equivalent in USD. . . . .	USD 1,189.45	USD 834.31	USD 861.00

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund - Class A USD Shares commenced operations on February 22, 2016.

NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund - Class D EUR Shares commenced operations on November 9, 2016.

NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund - Class K EUR Shares commenced operations on August 4, 2016.

(2) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund - Class S JPY Shares commenced operations on September 4, 2015.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017<sup>(1)</sup></u>
<b>TOTAL NET ASSETS</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
Nikko AM Emerging Markets Multi Asset Fund	
Class A USD . . . . .	USD 10,791
Class P JPY . . . . .	JPY 151,870,284
Class S JPY . . . . .	JPY 1,120,213,994
Class P JPY Equivalent in USD . . . . .	USD 1,348,161
Class S JPY Equivalent in USD . . . . .	USD 9,944,199

<b>SHARES OUTSTANDING</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
Nikko AM Emerging Markets Multi Asset Fund	
Class A USD . . . . .	1,000
Class P JPY . . . . .	142,695,530
Class S JPY . . . . .	10,000

<b>NET ASSET VALUE PER SHARE</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
Nikko AM Emerging Markets Multi Asset Fund	
Class A USD . . . . .	USD 10.79
Class P JPY . . . . .	JPY 1.06
Class S JPY . . . . .	JPY 112,021.40
Class P JPY Equivalent in USD . . . . .	USD 0.01
Class S JPY Equivalent in USD . . . . .	USD 994.42

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund commenced operations on April 7, 2017.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset - Class S JPY Shares commenced operations on April 7, 2017.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset - Class P JPY Shares commenced operations on May 18, 2017.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset - Class A USD Shares commenced operations on May 30, 2017.

	<u>December 31, 2017<sup>(2)</sup></u>	<u>December 31, 2016<sup>(3)</sup></u>
<b>TOTAL NET ASSETS</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Value Fund		
Class A GBP . . . . .	GBP 5,586	GBP —
Class A JPY . . . . .	JPY 786,902,525	JPY 636,075,028
Class X JPY . . . . .	JPY 44,541,219	JPY 36,017,486
Class A GBP Equivalent in JPY . . . . .	JPY 851,288	JPY —
<b>SHARES OUTSTANDING</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Value Fund		
Class A GBP . . . . .	500	—
Class A JPY . . . . .	579,594	579,594
Class X JPY . . . . .	32,819	32,819
<b>NET ASSET VALUE PER SHARE</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Value Fund		
Class A GBP . . . . .	GBP 11.17	GBP —
Class A JPY . . . . .	JPY 1,357.68	JPY 1,097.45
Class X JPY . . . . .	JPY 1,357.16	JPY 1,097.45
Class A GBP Equivalent in JPY . . . . .	JPY 1,702.58	JPY —

(2) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund - Class A GBP Shares commenced operations on March 30, 2017.  
(3) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund - Class A JPY Shares and X JPY Shares commenced operations on February 1, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund - Class S JPY Shares commenced operations on February 1, 2016, terminated on March 24, 2016.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(1)</sup></u>
<b>TOTAL NET ASSETS</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Focus Fund		
Class A GBP . . . . .	GBP 4,328,532	GBP 3,539,995
Class A JPY . . . . .	JPY 673,138	JPY 548,152
Class S JPY . . . . .	JPY 3,936,379,369	JPY 3,188,818,467
Class U AUD . . . . .	AUD 425,690	AUD 342,828
Class A GBP Equivalent in JPY . . . . .	JPY 659,613,187	JPY 510,184,213
Class U AUD Equivalent in JPY . . . . .	JPY 37,507,240	JPY 28,953,665
<b>SHARES OUTSTANDING</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Focus Fund		
Class A GBP . . . . .	361,638	343,520
Class A JPY . . . . .	541	541
Class S JPY . . . . .	29,864	29,864
Class U AUD . . . . .	35,233	33,795
<b>NET ASSET VALUE PER SHARE</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Japan Focus Fund		
Class A GBP . . . . .	GBP 11.97	GBP 10.31
Class A JPY . . . . .	JPY 1,244.25	JPY 1,013.22
Class S JPY . . . . .	JPY 131,812.35	JPY 106,779.76
Class U AUD . . . . .	AUD 12.08	AUD 10.14
Class A GBP Equivalent in JPY . . . . .	JPY 1,823.96	JPY 1,485.17
Class U AUD Equivalent in JPY . . . . .	JPY 1,064.55	JPY 856.75

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund - Class A GBP Shares commenced operations on August 3, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund - Class A GBP Hedged holds no investment as of December 31, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund - Class A JPY Shares commenced operations on May 25, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund - Class S JPY Shares commenced operations on February 29, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund - Class U AUD Shares commenced operations on November 16, 2016.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(1)</sup></u>
<b>TOTAL NET ASSETS</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Global Credit Fund		
Class A USD. . . . .	USD 5,273	USD 4,772
Class S USD. . . . .	USD 21,255,375	USD 19,211,884
<b>SHARES OUTSTANDING</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Global Credit Fund		
Class A USD. . . . .	500	500
Class S USD. . . . .	20,000	20,000
<b>NET ASSET VALUE PER SHARE</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Global Credit Fund		
Class A USD. . . . .	USD 10.55	USD 9.54
Class S USD. . . . .	USD 1,062.77	USD 960.59

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund - Class A USD Shares commenced operations on August 17, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund - Class S USD Shares commenced operations on August 3, 2016.

	<u>December 31, 2017</u>	<u>December 31, 2016<sup>(2)</sup></u>
<b>TOTAL NET ASSETS</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Emerging Markets Local Currency Bond Fund		
Class A USD. . . . .	USD 11,373	USD 10,011
Class S USD. . . . .	USD 5,766,959	USD 5,072,342
<b>SHARES OUTSTANDING</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Emerging Markets Local Currency Bond Fund		
Class A USD. . . . .	1,000	1,000
Class S USD. . . . .	5,000	5,000
<b>NET ASSET VALUE PER SHARE</b>		
NIKKO AM GLOBAL UMBRELLA FUND		
Nikko AM Emerging Markets Local Currency Bond Fund		
Class A USD. . . . .	USD 11.37	USD 10.01
Class S USD. . . . .	USD 1,153.39	USD 1,014.47

(2) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund – Class A USD Shares commenced operations on December 29, 2016.  
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund – Class S USD Shares commenced operations on December 8, 2016.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Statistical Information (continued)**  
**As at December 31, 2017**

	<u>December 31, 2017<sup>(1)</sup></u>
<b>TOTAL NET ASSETS</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
NIKKO AM Alternative Risk Premia Fund	
Class A USD. . . . .	USD 9,966
Class S JPY . . . . .	JPY 2,000,544,942
Class S JPY Equivalent in USD. . . . .	USD 17,758,943
<b>SHARES OUTSTANDING</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
NIKKO AM Alternative Risk Premia Fund	
Class A USD. . . . .	1,000
Class S JPY . . . . .	20,000
<b>NET ASSET VALUE PER SHARE</b>	
NIKKO AM GLOBAL UMBRELLA FUND	
NIKKO AM Alternative Risk Premia Fund	
Class A USD. . . . .	USD 9.97
Class S JPY . . . . .	JPY 100,027.25
Class S JPY Equivalent in USD. . . . .	USD 887.95

(1) NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund commenced operations on April 26, 2017.  
 NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund - Class A USD Shares commenced operations on June 30, 2017.  
 NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund - Class S JPY Shares commenced operations on April 26, 2017.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia-Pacific ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (96.7%) <sup>(1)</sup></b>				
<b>AUSTRALIA (9.1%)</b>				
<b>AGRICULTURE (0.8%)</b>				
AUD	514,806	Webster Ltd. <sup>(2)</sup>	0.8%	USD 543,585
<b>COMMERCIAL SERVICES (1.1%)</b>				
AUD	60,127	InvoCare Ltd. <sup>(2)</sup>	1.1	757,156
<b>COMPUTERS (1.0%)</b>				
AUD	146,264	NEXTDC Ltd. <sup>(2)</sup>	1.0	686,402
<b>DIVERSIFIED FINANCIAL SERVICES (1.2%)</b>				
AUD	124,532	Link Administration Holdings Ltd. <sup>(2)</sup>	1.2	822,079
<b>INSURANCE (1.5%)</b>				
AUD	188,312	Insurance Australia Group Ltd.	1.5	1,066,367
<b>MINING (3.5%)</b>				
AUD	245,234	Independence Group NL	1.3	913,014
AUD	100,546	Sandfire Resources NL <sup>(2)</sup>	0.8	543,417
AUD	263,931	Syrah Resources Ltd. <sup>(2)</sup>	1.4	931,016
<b>Total MINING</b>				<b>2,387,447</b>
<b>TOTAL AUSTRALIA</b>				<b>6,263,036</b>
<b>CHINA (25.3%)</b>				
<b>AUTO MANUFACTURERS (1.7%)</b>				
HKD	136,500	BYD Co. Ltd. Class H	1.7	1,189,113
<b>BANKS (4.7%)</b>				
HKD	1,910,000	Bank of China Ltd. Class H	1.4	938,226
HKD	1,657,000	China Construction Bank Corp. Class H	2.1	1,526,153
HKD	202,500	China Merchants Bank Co. Ltd. Class H	1.2	805,617
<b>TOTAL BANKS</b>				<b>3,269,996</b>
<b>BIOTECHNOLOGY (0.7%)</b>				
USD	22,624	Zai Lab Ltd. - ADR <sup>(2)</sup>	0.7	480,308
<b>DIVERSIFIED FINANCIAL SERVICES (0.7%)</b>				
HKD	233,800	Huatai Securities Co. Ltd. Class H <sup>(3)</sup>	0.7	465,369
<b>FOOD (1.0%)</b>				
HKD	242,000	China Mengniu Dairy Co. Ltd.	1.0	719,750
<b>HEALTHCARE-PRODUCTS (1.4%)</b>				
HKD	406,000	China Medical System Holdings Ltd.	1.4	946,276
<b>INSURANCE (2.9%)</b>				
HKD	416,200	China Pacific Insurance Group Co. Ltd. Class H	2.9	1,999,195
<b>INTERNET (8.8%)</b>				
USD	16,128	Alibaba Group Holding Ltd. – ADR <sup>(2)</sup>	4.0	2,780,951
HKD	64,400	Tencent Holdings Ltd.	4.8	3,344,683
<b>TOTAL INTERNET</b>				<b>6,125,634</b>
<b>PHARMACEUTICALS (2.2%)</b>				
HKD	1,180,500	China Resources Pharmaceutical Group Ltd. <sup>(3)</sup>	2.2	1,528,234
<b>TELECOMMUNICATIONS (1.2%)</b>				
HKD	1,714,000	China Telecom Corp. Ltd. Class H	1.2	815,637
<b>TOTAL CHINA</b>				<b>17,539,512</b>
<b>HONG KONG (14.5%)</b>				
<b>BANKS (3.9%)</b>				
HKD	343,500	BOC Hong Kong Holdings Ltd.	2.6	1,740,064
HKD	36,300	Hang Seng Bank Ltd.	1.3	900,848
<b>TOTAL BANKS</b>				<b>2,640,912</b>
<b>DIVERSIFIED FINANCIAL SERVICES (1.3%)</b>				
HKD	29,400	Hong Kong Exchanges & Clearing Ltd.	1.3	901,861
<b>HOME FURNISHINGS (0.8%)</b>				
HKD	202,000	Haier Electronics Group Co. Ltd.	0.8	552,979
<b>INSURANCE (2.7%)</b>				
HKD	216,600	AIA Group Ltd.	2.7	1,846,723

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia-Pacific ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (96.7%) (continued)</b>		
		<b>HONG KONG (14.5%) (continued)</b>		
		<b>LODGING (2.6%)</b>		
HKD	806,000	Shangri-La Asia Ltd.	2.6%	USD 1,829,077
		<b>RETAIL (3.2%)</b>		
HKD	459,500	Lifestyle International Holdings Ltd. <sup>(2)</sup>	0.9	610,135
HKD	195,000	Luk Fook Holdings International Ltd.	1.2	836,894
HKD	734,000	Sun Art Retail Group Ltd.	1.1	775,567
		<b>TOTAL RETAIL</b>		<b>2,222,596</b>
		<b>TOTAL HONG KONG</b>		<b>9,994,148</b>
		<b>INDIA (13.7%)</b>		
		<b>BANKS (3.3%)</b>		
INR	57,172	IndusInd Bank Ltd.	2.0	1,475,621
INR	178,848	State Bank of India	1.3	868,636
		<b>TOTAL BANKS</b>		<b>2,344,257</b>
		<b>FOOD (1.3%)</b>		
INR	11,877	Britannia Industries Ltd.	1.3	877,403
		<b>HOME BUILDERS (1.9%)</b>		
INR	133,411	Sobha Ltd. <sup>(2)</sup>	1.9	1,289,641
		<b>HOME FURNISHINGS (2.4%)</b>		
INR	379,321	Crompton Greaves Consumer Electricals Ltd.	2.4	1,628,951
		<b>PHARMACEUTICALS (2.3%)</b>		
INR	12,421	Dr Reddy's Laboratories Ltd.	0.7	469,819
INR	53,409	Emami Ltd. <sup>(2)</sup>	1.6	1,106,254
		<b>TOTAL PHARMACEUTICALS</b>		<b>1,576,073</b>
		<b>REAL ESTATE (1.5%)</b>		
INR	212,425	Prestige Estates Projects Ltd.	1.5	1,064,330
		<b>RETAIL (1.0%)</b>		
INR	94,202	PC Jeweller Ltd.	1.0	675,881
		<b>TOTAL INDIA</b>		<b>9,456,536</b>
		<b>INDONESIA (4.0%)</b>		
		<b>BANKS (3.1%)</b>		
IDR	659,500	Bank Central Asia Tbk PT	1.6	1,064,534
IDR	2,047,600	Bank Danamon Indonesia Tbk PT	1.5	1,048,890
		<b>TOTAL BANKS</b>		<b>2,113,424</b>
		<b>PHARMACEUTICALS (0.9%)</b>		
IDR	5,101,800	Kalbe Farma Tbk PT	0.9	635,492
		<b>TOTAL INDONESIA</b>		<b>2,748,916</b>
		<b>PHILIPPINES (1.0%)</b>		
		<b>RETAIL (1.0%)</b>		
PHP	35,600	SM Investments Corp.	1.0	706,010
		<b>TOTAL PHILIPPINES</b>		<b>706,010</b>
		<b>SINGAPORE (4.9%)</b>		
		<b>BANKS (2.1%)</b>		
SGD	77,300	DBS Group Holdings Ltd.	2.1	1,437,373
		<b>LODGING (0.8%)</b>		
SGD	61,700	City Developments Ltd.	0.8	576,648
		<b>REAL ESTATE (1.0%)</b>		
SGD	478,600	Wheelock Properties Singapore Ltd. <sup>(2)</sup>	1.0	680,440
		<b>REITS (1.0%)</b>		
SGD	757,300	Fraser's Logistics & Industrial Trust <sup>(2)</sup>	1.0	657,339
		<b>TOTAL SINGAPORE</b>		<b>3,351,800</b>
		<b>SOUTH KOREA (13.1%)</b>		
		<b>BIOTECHNOLOGY (1.5%)</b>		
KRW	3,073	Samsung Biologics Co. Ltd. <sup>(2), (3)</sup>	1.5	1,064,951
		<b>DIVERSIFIED FINANCIAL SERVICES (1.2%)</b>		
KRW	10,456	KIWOOM Securities Co. Ltd. <sup>(2)</sup>	1.2	855,584

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia-Pacific ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (96.7%) (continued)</b>		
		<b>SOUTH KOREA (13.1%) (continued)</b>		
		<b>INSURANCE (1.6%)</b>		
KRW	9,339	Samsung Life Insurance Co. Ltd. <sup>(2)</sup>	1.6%	USD 1,086,082
		<b>MEDIA (1.0%)</b>		
KRW	7,789	CJ E&M Corp. <sup>(2)</sup>	1.0	710,836
		<b>PHARMACEUTICALS (1.4%)</b>		
KRW	1,822	Hanmi Pharm Co. Ltd. <sup>(2)</sup>	1.4	993,926
		<b>RETAIL (1.2%)</b>		
KRW	7,059	Samsung C&T Corp. <sup>(2)</sup>	1.2	830,820
		<b>SEMICONDUCTORS (5.2%)</b>		
KRW	1,483	Samsung Electronics Co. Ltd.	5.2	3,529,666
		<b>TOTAL SOUTH KOREA</b>		<b>9,071,865</b>
		<b>TAIWAN (9.4%)</b>		
		<b>AUTO PARTS &amp; EQUIPMENT (1.0%)</b>		
TWD	138,000	Hota Industrial Manufacturing Co. Ltd.	1.0	681,688
		<b>BANKS (0.7%)</b>		
TWD	451,142	Shanghai Commercial & Savings Bank Ltd. <sup>(2)</sup>	0.7	510,138
		<b>DIVERSIFIED FINANCIAL SERVICES (1.0%)</b>		
TWD	242,000	Chailease Holding Co. Ltd.	1.0	704,242
		<b>SEMICONDUCTORS (6.7%)</b>		
TWD	644,576	Advanced Semiconductor Engineering, Inc.	1.2	826,338
TWD	84,000	Parade Technologies Ltd. <sup>(2)</sup>	2.4	1,662,584
TWD	270,000	Taiwan Semiconductor Manufacturing Co. Ltd.	3.1	2,082,261
		<b>TOTAL SEMICONDUCTORS</b>		<b>4,571,183</b>
		<b>TOTAL TAIWAN</b>		<b>6,467,251</b>
		<b>UNITED KINGDOM (0.8%)</b>		
		<b>DIVERSIFIED FINANCIAL SERVICES (0.8%)</b>		
AUD	15,055	Janus Henderson Group PLC - CDI <sup>(2)</sup>	0.8	579,343
		<b>TOTAL UNITED KINGDOM</b>		<b>579,343</b>
		<b>UNITED STATES (0.9%)</b>		
		<b>HEALTHCARE-PRODUCTS (0.9%)</b>		
AUD	1,971,048	Osprey Medical, Inc. - CDI <sup>(2)</sup>	0.9	632,079
		<b>TOTAL UNITED STATES</b>		<b>632,079</b>
		<b>TOTAL COMMON STOCKS (Cost USD 49,381,040)</b>		<b>66,810,496</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 49,381,040)</b>	96.7%	USD 66,810,496
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	3.3	2,247,064
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 69,057,560</b>

<sup>(1)</sup> All investments are transferable securities admitted to an official exchange listing.

<sup>(2)</sup> Non-Income producing security.

<sup>(3)</sup> 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.

**Currency Legend**

AUD	Australian Dollar
HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee
KRW	South Korean Won
PHP	Philippine Peso
SGD	Singapore Dollar
TWD	Taiwan Dollar
USD	US Dollar

The accompanying notes are an integral part of these financial statements.



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia-Pacific ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Banks . . . . .	17.8%
Semiconductors . . . . .	11.9
Internet . . . . .	8.8
Insurance . . . . .	8.7
Pharmaceuticals . . . . .	6.8
Retail . . . . .	6.4
Diversified Financial Services . . . . .	6.2
Lodging . . . . .	3.4
Mining . . . . .	3.5
Home Furnishings . . . . .	3.2
Real Estate . . . . .	2.5
Food . . . . .	2.3
Healthcare-Products . . . . .	2.3
Biotechnology . . . . .	2.2
Home Builders . . . . .	1.9
Auto Manufacturers . . . . .	1.7
Telecommunications . . . . .	1.2
Commercial Services . . . . .	1.1
Media . . . . .	1.0
Auto Parts & Equipment . . . . .	1.0
Computers . . . . .	1.0
REITS . . . . .	1.0
Agriculture . . . . .	0.8
<b>Total Investments . . . . .</b>	<b>96.7%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>3.3%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
China . . . . .	25.3%
Hong Kong . . . . .	14.5
India . . . . .	13.7
South Korea . . . . .	13.1
Taiwan . . . . .	9.4
Australia . . . . .	9.1
Singapore . . . . .	4.9
Indonesia . . . . .	4.0
Philippines . . . . .	1.0
United States . . . . .	0.9
United Kingdom . . . . .	0.8
<b>Total Investments . . . . .</b>	<b>96.7%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>3.3%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM World Bank Green Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (96.1%)<sup>(1)</sup></b>				
<b>SUPRANATIONAL (96.1%)</b>				
International Bank for Reconstruction & Development				
CAD	5,400,000	1.13% due 03/11/2020	11.9%	USD 4,238,243
PLN	68,000	1.50% due 07/31/2020	0.1	19,374
USD	2,450,000	1.50% due 07/12/2022	6.4	2,296,647
USD	5,603,000	2.13% due 03/03/2025	15.3	5,470,343
PHP	25,400,000	3.13% due 09/25/2020	1.4	505,863
PLN	2,291,000	3.25% due 01/31/2019	1.9	670,476
AUD	6,515,000	3.50% due 04/29/2019	14.5	5,191,537
NZD	1,000,000	3.75% due 02/10/2020	2.1	730,367
INR	82,700,000	5.75% due 05/08/2020	3.6	1,283,772
INR	33,200,000	6.38% due 08/07/2018	1.5	521,608
RUB	23,500,000	6.50% due 07/26/2019	1.1	407,435
RUB	48,250,000	6.75% due 06/20/2023	2.4	846,054
ZAR	12,760,000	7.00% due 06/07/2023	2.8	987,354
MXN	3,950,000	7.33% due 09/19/2022 <sup>(2)</sup>	0.4	139,037
MXN	52,600,000	7.50% due 03/05/2020	7.5	2,666,925
RUB	54,250,000	8.00% due 08/22/2018	2.7	949,010
COP	5,100,000,000	8.00% due 03/02/2020	5.1	1,824,585
TRY	8,435,000	8.25% due 03/04/2022	5.6	1,979,498
BRL	10,625,000	11.75% due 11/04/2020	9.8	3,503,294
<b>TOTAL SUPRANATIONAL</b>				<b>34,231,422</b>
<b>TOTAL FIXED INCOME SECURITIES (Cost USD 36,453,310)</b>				<b>34,231,422</b>
<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 36,453,310)</b>			96.1%	<b>USD 34,231,422</b>
<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>			3.9	<b>1,381,916</b>
<b>TOTAL NET ASSETS</b>			<b>100.0%</b>	<b>USD 35,613,338</b>

<sup>(1)</sup> All investments are transferable securities admitted to an official exchange listing.

<sup>(2)</sup> The rate indicated is the yield to maturity at purchase calculated as the weighted average. The investment has a zero coupon rate.

**Currency Legend**

AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
COP	Columbian Peso
INR	Indian Rupee
MXN	Mexican Peso
NZD	New Zealand Dollar
PHP	Philippine Peso
PLN	Polish Zloty
RUB	Russian Ruble
TRY	Turkish Lira
USD	US Dollar
ZAR	South African Rand

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM World Bank Green Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

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<b>Industry</b>	<b>% of Net Assets</b>
Supranational . . . . .	96.1%
<b>Total Investments . . . . .</b>	<b>96.1%</b>
Cash and other net assets in excess of liabilities . . . . .	3.9%
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Supranational . . . . .	96.1%
<b>Total Investments . . . . .</b>	<b>96.1%</b>
Cash and other assets in excess of liabilities . . . . .	3.9%
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (96.7%)</b>				
<b>BRITISH VIRGIN ISLANDS (17.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (17.6%)</b>				
		China New Town Finance I Ltd.		
CNH	7,000,000	5.50% due 05/07/2018	4.2%	USD 1,073,318
		Rosy Capital Global Ltd.		
CNH	8,000,000	5.25% due 07/30/2018	4.9	1,229,253
		UA Finance BVI Ltd.*		
CNH	8,000,000	6.90% due 05/02/2018	4.9	1,233,099
		Unican Ltd.		
CNH	6,000,000	5.15% due 07/02/2018	3.6	922,521
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>4,458,191</b>
<b>TOTAL BRITISH VIRGIN ISLANDS</b>				<b>4,458,191</b>
<b>CAYMAN ISLANDS (43.9%)</b>				
<b>CORPORATE BONDS &amp; NOTES (43.9%)</b>				
		Dorsett Hospitality International Ltd.		
CNH	6,000,000	6.00% due 04/03/2018	3.6	921,369
		Fantasia Holdings Group Co. Ltd.		
CNH	15,000,000	9.50% due 05/04/2019	9.5	2,386,651
		Greenland Hong Kong Holdings Ltd.		
CNH	5,000,000	5.50% due 01/23/2018	3.0	767,360
		Lai Fung Holdings Ltd.		
CNH	7,000,000	6.88% due 04/25/2018	4.3	1,077,434
		Longfor Properties Co. Ltd.		
CNH	7,500,000	6.75% due 05/28/2018	4.6	1,158,651
		New World China Land Ltd.		
CNH	6,000,000	5.50% due 02/06/2018	3.6	921,373
		Ocean Wealth II Ltd.		
CNH	5,000,000	6.50% due 02/27/2020	3.1	789,729
		Sinostrong International Ltd.		
CNH	8,000,000	4.00% due 05/28/2018	4.8	1,222,375
		Tingyi Cayman Islands Holding Corp.		
CNH	5,500,000	4.38% due 08/06/2018	3.3	831,950
		Uni-President China Holdings Ltd.		
CNH	6,940,000	3.90% due 08/28/2019	4.1	1,044,005
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>11,120,897</b>
<b>TOTAL CAYMAN ISLANDS</b>				<b>11,120,897</b>
<b>CHINA (5.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (5.3%)</b>				
		Bank of China Ltd.		
CNH	8,750,000	4.50% due 11/22/2020	5.3	1,336,767
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,336,767</b>
<b>TOTAL CHINA</b>				<b>1,336,767</b>
<b>FRANCE (3.1%)</b>				
<b>CORPORATE BONDS &amp; NOTES (3.1%)</b>				
		BNP Paribas S.A. <sup>(1)</sup>		
CNH	5,000,000	5.00% due 03/17/2025	3.1	772,491
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>772,491</b>
<b>TOTAL FRANCE</b>				<b>772,491</b>
<b>HONG KONG (4.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (4.8%)</b>				
		Lenovo Group Ltd.		
CNH	7,000,000	4.95% due 06/10/2020	4.3	1,079,439
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,079,439</b>
<b>TOTAL HONG KONG</b>				<b>1,079,439</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
		<b>FIXED INCOME SECURITIES (96.7%) (continued)</b>		
		<b>HUNGARY (3.7%)</b>		
		<b>GOVERNMENT BONDS (3.7%)</b>		
CNH	6,000,000	Hungary Government International Bond 6.25% due 04/25/2019	3.7%	USD 941,378
		<b>TOTAL GOVERNMENT BONDS</b>		<b>941,378</b>
		<b>TOTAL HUNGARY</b>		<b>941,378</b>
		<b>NEW ZEALAND (4.8%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (4.8%)</b>		
CNH	8,000,000	Fonterra Co.-operative Group Ltd. 4.00% due 06/22/2020	4.8	1,216,207
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>1,216,207</b>
		<b>TOTAL NEW ZEALAND</b>		<b>1,216,207</b>
		<b>SINGAPORE (11.4%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (11.4%)</b>		
CNH	4,000,000	Global Logistic Properties Ltd. 4.00% due 05/11/2018	2.4	614,047
CNH	14,820,000	ITNL Offshore Two Pte Ltd. 7.50% due 04/01/2018	9.0	2,270,260
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>2,884,307</b>
		<b>TOTAL SINGAPORE</b>		<b>2,884,307</b>
		<b>SUPRANATIONAL (2.1%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (2.1%)</b>		
CNH	3,500,000	Central American Bank for Economic Integration 3.95% due 09/21/2019	2.1	530,286
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>530,286</b>
		<b>TOTAL SUPRANATIONAL</b>		<b>530,286</b>
		<b>TOTAL FIXED INCOME SECURITIES (Cost USD 23,915,786)</b>		<b>24,339,963</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 23,915,786)</b>	96.2%	USD 24,339,963
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	3.8	970,223
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 25,310,186</b>

\* Transferable investments dealt on other regulated market. All other investments are transferable securities admitted to an official exchange listing.

(1) Variable Rate as of December 31, 2017.

**Currency Legend**

CNH	Chinese Yuan (Off-Shore)
USD	US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM RMB Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

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<b>Industry</b>	<b>% of Net Assets</b>
Special Purpose . . . . .	34.5%
Financial . . . . .	27.4
Industrial . . . . .	20.2
Bank . . . . .	8.3
Government National . . . . .	3.7
Supranational . . . . .	2.1
<b>Total Investments . . . . .</b>	<b>96.2%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>3.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Cayman Islands . . . . .	43.9%
British Virgin Islands . . . . .	17.6
Singapore . . . . .	11.4
China . . . . .	5.3
New Zealand . . . . .	4.8
Hong Kong . . . . .	4.3
Hungary . . . . .	3.7
France . . . . .	3.1
Supranational . . . . .	2.1
<b>Total Investments . . . . .</b>	<b>96.2%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>3.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (96.2%)</b>				
<b>AUSTRALIA (2.1%)</b>				
<b>CORPORATE BONDS &amp; NOTES (2.1%)</b>				
USD	200,000	CNOOC Curtis Funding No 1 Pty Ltd. 4.50% due 10/03/2023	0.7%	USD 212,882
USD	400,000	Commonwealth Bank of Australia 3.38% due 10/20/2026 <sup>(2)</sup>	1.4	397,128
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>610,010</b>
<b>TOTAL AUSTRALIA</b>				<b>610,010</b>
<b>BERMUDA (0.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.7%)</b>				
USD	200,000	China Resources Gas Group Ltd. 4.50% due 04/05/2022	0.7	210,095
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>210,095</b>
<b>TOTAL BERMUDA</b>				<b>210,095</b>
<b>BRITISH VIRGIN ISLANDS (21.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (21.8%)</b>				
USD	300,000	CCCI Treasury Ltd. 3.50% due 4/21/2020 <sup>(1) (2)</sup>	1.0	299,192
USD	200,000	Charming Light Investments Ltd. 4.38% due 12/21/2027	0.7	200,905
USD	300,000	China Cinda Finance 2017 I Ltd. 4.40% due 03/09/2027	1.0	304,027
USD	200,000	China Great Wall International Holdings III Ltd. 3.13% due 08/31/2022	0.6	196,804
USD	200,000	3.88% due 08/31/2027	0.7	194,949
USD	200,000	China Merchants Finance Co. Ltd. 5.00% due 05/04/2022	0.7	212,351
USD	200,000	China Shenhua Overseas Capital Co. Ltd. 3.13% due 01/20/2020	0.7	200,587
USD	300,000	3.88% due 01/20/2025	1.0	307,749
USD	500,000	CNOOC Finance 2012 Ltd. 3.88% due 05/02/2022	1.8	515,381
USD	200,000	CNPC General Capital Ltd. 2.70% due 11/25/2019	0.7	199,942
USD	300,000	Dianjian Haixing Ltd. 4.05% due 10/21/2019 <sup>(1) (2)</sup>	1.0	299,190
USD	200,000	Double Rosy Ltd. 3.63% due 11/18/2019	0.7	200,832
USD	300,000	Guangzhou Metro Investment Finance BVI Ltd. 3.38% due 12/03/2020	1.0	300,663
USD	200,000	Huarong Finance 2017 Co. Ltd. 4.00% due 11/7/2022 <sup>(1) (2)</sup>	0.7	198,085
USD	200,000	4.25% due 11/07/2027	0.7	197,191
USD	200,000	4.50% due 01/24/2022 <sup>(1) (2)</sup>	0.7	201,927
USD	200,000	4.75% due 04/27/2027	0.7	204,645
USD	500,000	King Power Capital Ltd. 5.63% due 11/03/2024	1.9	558,909
USD	200,000	Midea Investment Development Co. Ltd. 2.38% due 06/03/2019	0.7	198,653
USD	300,000	Sinopec Group Overseas Development 2012 Ltd. 4.88% due 05/17/2042	1.1	337,329
USD	320,000	Sinopec Group Overseas Development 2017 Ltd. 3.25% due 09/13/2027	1.1	312,488
USD	200,000	4.25% due 04/12/2047	0.7	206,539
USD	200,000	SPIC 2016 US dollar Bond Co. Ltd. 3.00% due 12/06/2021	0.7	199,966
USD	350,000	State Grid Overseas Investment 2016 Ltd. 3.50% due 05/04/2027	1.2	351,692
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>6,399,996</b>
<b>TOTAL BRITISH VIRGIN ISLANDS</b>				<b>6,399,996</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (96.2%) (continued)</b>				
<b>CAYMAN ISLANDS (12.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (12.3%)</b>				
USD	200,000	Alibaba Group Holding Ltd. 4.20% due 12/06/2047	0.7%	USD 208,237
USD	200,000	Azure Nova International Finance Ltd. 3.50% due 03/21/2022	0.7	200,328
USD	250,000	Baidu, Inc. 3.50% due 11/28/2022	0.9	253,602
USD	400,000	CCBL Cayman 1 Corp. Ltd. 2.75% due 05/31/2021	1.3	392,612
USD	200,000	CDBL Funding 1 3.50% due 10/24/2027	0.7	194,212
USD	300,000	China Overseas Grand Oceans Finance II Cayman Ltd. 5.13% due 01/23/2019	1.0	305,115
USD	300,000	CK Hutchison Capital Securities 17 Ltd. 4.00% due 5/12/2022 <sup>(1) (2)</sup>	1.0	303,266
USD	400,000	CSCEC Finance Cayman I Ltd. 2.95% due 11/19/2020	1.4	399,875
USD	200,000	HPHT Finance 17 Ltd. 2.75% due 09/11/2022	0.7	195,032
USD	100,000	Hutchison Whampoa International 03/33 Ltd. 7.45% due 11/24/2033	0.5	143,784
USD	200,000	Link Finance Cayman 2009 Ltd. 3.60% due 09/03/2024	0.7	204,458
USD	200,000	Longfor Properties Co. Ltd. 3.88% due 07/13/2022	0.7	199,765
USD	200,000	Sun Hung Kai Properties Capital Market Ltd. 3.38% due 02/25/2024 <sup>(2)</sup>	0.7	201,094
USD	400,000	3.63% due 01/16/2023	1.3	409,111
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>3,610,491</b>
<b>TOTAL CAYMAN ISLANDS</b>				<b>3,610,491</b>
<b>CHINA (4.4%)</b>				
<b>CORPORATE BONDS &amp; NOTES (3.7%)</b>				
USD	400,000	China Minmetals Corp. 3.75% due 11/13/2022 <sup>(1) (2)</sup>	1.3	393,196
USD	400,000	Industrial & Commercial Bank of China Ltd. 2.91% due 11/13/2020	1.4	399,128
USD	300,000	Shenzhen Expressway Co. Ltd. 2.88% due 07/18/2021	1.0	295,388
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,087,712</b>
<b>GOVERNMENT BONDS (0.7%)</b>				
USD	200,000	Export-Import Bank of China 4.00% due 11/28/2047	0.7	201,618
<b>TOTAL GOVERNMENT BONDS</b>				<b>201,618</b>
<b>TOTAL CHINA</b>				<b>1,289,330</b>
<b>HONG KONG (12.4%)</b>				
<b>CORPORATE BONDS &amp; NOTES (12.4%)</b>				
USD	400,000	Bank of China Hong Kong Ltd. 5.55% due 02/11/2020	1.4	420,474
USD	200,000	CGNPC International Ltd. 3.13% due 12/11/2022	0.7	199,297
USD	200,000	3.75% due 12/11/2027	0.7	199,179
USD	400,000	China Construction Bank Asia Corp. Ltd. 4.25% due 08/20/2024 <sup>(2)</sup>	1.4	406,160
USD	200,000	China Taiping Insurance Holdings Co. Ltd. 5.45% due 9/10/2019 <sup>(1) (2)</sup>	0.7	204,600
USD	200,000	Chong Hing Bank Ltd. 3.88% due 07/26/2027 <sup>(2)</sup>	0.7	198,532
USD	300,000	CRCC Yupeng Ltd. 3.95% due 8/1/2019 <sup>(1) (2)</sup>	1.0	302,010
USD	200,000	Dah Sing Bank Ltd. 4.25% due 11/30/2026 <sup>(2)</sup>	0.7	202,301
USD	200,000	5.25% due 01/29/2024 <sup>(2)</sup>	0.7	203,766

The accompanying notes are an integral part of these financial statements.



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (96.2%) (continued)</b>				
<b>HONG KONG (12.4%) (continued)</b>				
<b>CORPORATE BONDS &amp; NOTES (12.4%) (continued)</b>				
USD	400,000	ICBCIL Finance Co. Ltd. 2.13% due 09/29/2019	1.3%	USD 393,615
USD	200,000	3.38% due 04/05/2022	0.7	199,707
USD	200,000	Swire Properties MTN Financing Ltd. 2.75% due 03/07/2020	0.7	199,470
USD	500,000	Weichai International Hong Kong Energy Group Co. Ltd. 4.13% due 09/30/2020	1.7	508,653
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>3,637,764</b>
<b>TOTAL HONG KONG</b>				<b>3,637,764</b>
<b>INDIA (2.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.9%)</b>				
USD	250,000	NTPC Ltd. 4.75% due 10/03/2022	0.9	266,937
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>266,937</b>
<b>GOVERNMENT BONDS (1.4%)</b>				
USD	400,000	Export-Import Bank of India 4.00% due 01/14/2023	1.4	414,208
<b>TOTAL GOVERNMENT BONDS</b>				<b>414,208</b>
<b>TOTAL INDIA</b>				<b>681,145</b>
<b>INDONESIA (10.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.8%)</b>				
USD	200,000	Pertamina Persero PT 6.45% due 05/30/2044	0.8	239,495
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>239,495</b>
<b>GOVERNMENT BONDS (10.0%)</b>				
USD	500,000	Indonesia Government International Bond 3.75% due 04/25/2022	1.8	514,794
USD	400,000	4.13% due 01/15/2025	1.4	415,268
USD	400,000	4.75% due 01/08/2026	1.5	434,537
USD	200,000	4.88% due 05/05/2021	0.7	213,301
USD	400,000	5.25% due 01/17/2042	1.5	447,748
USD	400,000	5.95% due 01/08/2046	1.7	493,803
USD	400,000	Perusahaan Penerbit SBSN Indonesia III 3.40% due 03/29/2021	1.4	406,680
<b>TOTAL GOVERNMENT BONDS</b>				<b>2,926,131</b>
<b>TOTAL INDONESIA</b>				<b>3,165,626</b>
<b>ISLE OF MAN (1.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.0%)</b>				
USD	300,000	Gohl Capital Ltd. 4.25% due 01/24/2027	1.0	307,658
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>307,658</b>
<b>TOTAL ISLE OF MAN</b>				<b>307,658</b>
<b>MALAYSIA (4.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (3.5%)</b>				
USD	200,000	Axiata SPV1 Labuan Ltd. 5.38% due 04/28/2020	0.7	210,628
USD	231,000	Petronas Capital Ltd. 7.88% due 05/22/2022	1.0	278,275
USD	400,000	RHB Bank Bhd 2.50% due 10/06/2021	1.4	393,490
USD	100,000	Telekom Malaysia Bhd* 7.88% due 08/01/2025	0.4	128,100
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,010,493</b>
<b>GOVERNMENT BONDS (1.3%)</b>				
USD	400,000	Export-Import Bank of Malaysia Bhd 2.48% due 10/20/2021	1.3	395,302
<b>TOTAL GOVERNMENT BONDS</b>				<b>395,302</b>
<b>TOTAL MALAYSIA</b>				<b>1,405,795</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (96.2%) (continued)</b>				
<b>NETHERLANDS (0.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.7%)</b>				
USD	200,000	Minejesa Capital BV 4.63% due 08/10/2030	0.7%	USD 204,536
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>204,536</b>
		<b>TOTAL NETHERLANDS</b>		<b>204,536</b>
<b>PHILIPPINES (2.2%)</b>				
<b>GOVERNMENT BONDS (2.2%)</b>				
USD	400,000	Philippine Government International Bond 3.70% due 02/02/2042	1.4	397,270
USD	150,000	9.50% due 02/02/2030	0.8	236,978
		<b>TOTAL GOVERNMENT BONDS</b>		<b>634,248</b>
		<b>TOTAL PHILIPPINES</b>		<b>634,248</b>
<b>SINGAPORE (8.4%)</b>				
<b>CORPORATE BONDS &amp; NOTES (8.4%)</b>				
USD	300,000	BOC Aviation Ltd. 3.50% due 09/18/2027	1.0	291,088
USD	300,000	BPRL International Singapore Pte Ltd. 4.38% due 01/18/2027	1.1	309,361
USD	600,000	Oversea-Chinese Banking Corp. Ltd. 4.00% due 10/15/2024 <sup>(2)</sup>	2.1	610,496
USD	200,000	SP PowerAssets Ltd. 3.00% due 09/26/2027	0.7	197,554
USD	250,000	Temasek Financial I Ltd. 3.38% due 07/23/2042	0.9	258,127
USD	400,000	United Overseas Bank Ltd. 3.50% due 09/16/2026 <sup>(2)</sup>	1.3	402,612
USD	400,000	3.75% due 09/19/2024 <sup>(2)</sup>	1.3	404,722
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>2,473,960</b>
		<b>TOTAL SINGAPORE</b>		<b>2,473,960</b>
<b>SOUTH KOREA (7.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (4.2%)</b>				
USD	200,000	Busan Bank Co. Ltd. 3.63% due 07/25/2026	0.7	193,040
USD	200,000	Heungkuk Life Insurance Co. Ltd. 4.48% due 11/09/2047 <sup>(2)</sup>	0.7	196,558
USD	200,000	Korean Reinsurance Co. 4.50% due 10/21/2044 <sup>(2)</sup>	0.7	201,105
USD	200,000	Shinhan Bank Co. Ltd. 2.25% due 04/15/2020	0.7	196,838
USD	250,000	2.88% due 03/28/2022	0.7	247,396
USD	200,000	3.88% due 12/07/2026 <sup>(2)</sup>	0.7	202,301
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>1,237,238</b>
<b>GOVERNMENT BONDS (2.8%)</b>				
USD	400,000	Export-Import Bank of Korea 3.00% due 11/01/2022	1.4	397,887
USD	200,000	Korea Gas Corp. 3.88% due 02/12/2024	0.7	207,449
USD	200,000	4.25% due 11/02/2020	0.7	207,160
		<b>TOTAL GOVERNMENT BONDS</b>		<b>812,496</b>
		<b>TOTAL SOUTH KOREA</b>		<b>2,049,734</b>
<b>THAILAND (1.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.7%)</b>				
USD	200,000	Bangkok Bank PCL 5.00% due 10/03/2023	0.7	218,850
USD	300,000	Kasikornbank PCL 2.38% due 04/06/2022	1.0	292,208
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>511,058</b>
		<b>TOTAL THAILAND</b>		<b>511,058</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
		<b>FIXED INCOME SECURITIES (96.2%) (continued)</b>		
		<b>UNITED ARAB EMIRATES (0.7%)</b>		
		<b>GOVERNMENT BONDS (0.7%)</b>		
USD	200,000	Abu Dhabi Government International Bond 3.13% due 10/11/2027	0.7%	USD 195,552
		<b>TOTAL GOVERNMENT BONDS</b>		<b>195,552</b>
		<b>TOTAL UNITED ARAB EMIRATES</b>		<b>195,552</b>
		<b>UNITED STATES (2.9%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (2.9%)</b>		
USD	300,000	CNOOC Finance 2015 USA LLC 3.50% due 05/05/2025	1.0	302,372
USD	500,000	Reliance Holding USA, Inc. 5.40% due 02/14/2022	1.9	543,059
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>845,431</b>
		<b>TOTAL UNITED STATES</b>		<b>845,431</b>
		<b>TOTAL FIXED INCOME SECURITIES (Cost USD 28,222,881)</b>		<b>28,232,429</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 28,222,881)</b>	96.2%	USD 28,232,429
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	3.8	1,128,052
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 29,360,481</b>

(1) Perpetual maturity.

(2) Variable Rate as of December 31, 2017.

\* Transferable investments dealt on other regulated market. All other investments are transferable securities admitted to an official exchange listing.

**Currency Legend**

USD US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia Credit Fund**
**Société d'Investissement à Capital Variable**
**Classifications**
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Banks . . . . .	18.3%
Sovereign . . . . .	17.6
Oil & Gas . . . . .	11.8
Diversified Financial Services . . . . .	11.5
Electric . . . . .	5.5
Real Estate . . . . .	5.2
Engineering & Construction . . . . .	4.4
Holding Companies-Diversified . . . . .	2.2
Gas . . . . .	2.1
Insurance . . . . .	2.1
Leisure Time . . . . .	1.9
Coal . . . . .	1.7
Auto Parts & Equipment . . . . .	1.7
Commercial Services . . . . .	1.7
Internet . . . . .	1.6
Mining . . . . .	1.3
Telecommunications . . . . .	1.2
Lodging . . . . .	1.1
Transportation . . . . .	1.0
Investment Companies . . . . .	0.9
REITS . . . . .	0.7
Home Furnishings . . . . .	0.7
<b>Total Investments . . . . .</b>	<b>96.2%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>3.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
British Virgin Islands . . . . .	21.8%
Hong Kong . . . . .	12.4
Cayman Islands . . . . .	12.3
Indonesia . . . . .	10.8
Singapore . . . . .	8.4
South Korea . . . . .	7.0
Malaysia . . . . .	4.8
China . . . . .	4.4
United States . . . . .	2.9
India . . . . .	2.3
Philippines . . . . .	2.2
Australia . . . . .	2.1
Thailand . . . . .	1.7
Isle of Man . . . . .	1.0
Bermuda . . . . .	0.7
Netherlands . . . . .	0.7
United Arab Emirates . . . . .	0.7
<b>Total Investments . . . . .</b>	<b>96.2%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>3.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Equity Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (97.9%)<sup>(1)</sup></b>				
<b>AUSTRALIA (2.3%)</b>				
<b>BEVERAGES (2.3%)</b>				
AUD	82,611	Treasury Wine Estates Ltd.	2.3%	USD 1,031,242
<b>TOTAL AUSTRALIA</b>				<b>1,031,242</b>
<b>CHINA (8.1%)</b>				
<b>INTERNET (3.9%)</b>				
HKD	33,400	Tencent Holdings Ltd.	3.9	1,734,665
<b>PHARMACEUTICALS (2.2%)</b>				
HKD	224,000	Sinopharm Group Co. Ltd. Class H	2.2	968,519
<b>RETAIL (2.0%)</b>				
HKD	1,111,000	Li Ning Co. Ltd. <sup>(2)</sup>	2.0	899,624
<b>TOTAL CHINA</b>				<b>3,602,808</b>
<b>FRANCE (2.1%)</b>				
<b>ELECTRICAL COMPONENT &amp; EQUIPMENT (2.1%)</b>				
EUR	11,047	Schneider Electric SE	2.1	939,975
<b>TOTAL FRANCE</b>				<b>939,975</b>
<b>GERMANY (3.6%)</b>				
<b>HOUSEHOLD PRODUCTS/WARES (1.0%)</b>				
EUR	3,446	Henkel AG & Co. KGaA	1.0	456,624
<b>MISCELLANEOUS MANUFACTURERS (2.6%)</b>				
EUR	8,017	Siemens AG	2.6	1,118,154
<b>TOTAL GERMANY</b>				<b>1,574,778</b>
<b>HONG KONG (2.9%)</b>				
<b>INSURANCE (2.9%)</b>				
HKD	148,400	AIA Group Ltd.	2.9	1,265,253
<b>TOTAL HONG KONG</b>				<b>1,265,253</b>
<b>INDIA (2.5%)</b>				
<b>DIVERSIFIED FINANCIAL SERVICES (2.5%)</b>				
INR	41,558	Housing Development Finance Corp. Ltd.	2.5	1,113,704
<b>TOTAL INDIA</b>				<b>1,113,704</b>
<b>IRELAND (5.9%)</b>				
<b>AIRLINES (1.8%)</b>				
EUR	43,810	Ryanair Holdings PLC <sup>(2)</sup>	1.8	791,736
<b>BUILDING MATERIALS (2.1%)</b>				
EUR	25,357	CRH PLC	2.1	912,090
<b>HEALTHCARE-SERVICES (2.0%)</b>				
USD	8,153	ICON PLC <sup>(2)</sup>	2.0	914,359
<b>TOTAL IRELAND</b>				<b>2,618,185</b>
<b>JAPAN (6.9%)</b>				
<b>DIVERSIFIED FINANCIAL SERVICES (1.9%)</b>				
JPY	226,500	Ichigo, Inc.	1.9	858,549
<b>ELECTRONICS (2.4%)</b>				
JPY	1,900	Keyence Corp.	2.4	1,064,607
<b>HOME FURNISHINGS (2.6%)</b>				
JPY	24,700	Sony Corp.	2.6	1,114,515
<b>TOTAL JAPAN</b>				<b>3,037,671</b>
<b>NETHERLANDS (2.5%)</b>				
<b>ELECTRONICS (2.5%)</b>				
EUR	28,787	Koninklijke Philips NV	2.5	1,090,257
<b>TOTAL NETHERLANDS</b>				<b>1,090,257</b>
<b>UNITED KINGDOM (8.2%)</b>				
<b>CHEMICALS (2.3%)</b>				
GBP	24,202	Johnson Matthey PLC	2.3	1,006,732

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Equity Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (97.9%) (continued)</b>		
		<b>UNITED KINGDOM (8.2%) (continued)</b>		
		<b>HEALTHCARE-PRODUCTS (3.9%)</b>		
USD	21,444	LivaNova PLC <sup>(2)</sup>	3.9%	USD 1,713,804
		<b>MACHINERY-DIVERSIFIED (2.0%)</b>		
GBP	31,244	Weir Group PLC	2.0	897,293
		<b>TOTAL UNITED KINGDOM</b>		<b>3,617,829</b>
		<b>UNITED STATES (52.9%)</b>		
		<b>AGRICULTURE (2.2%)</b>		
USD	9,380	Philip Morris International, Inc.	2.2	990,997
		<b>BANKS (7.2%)</b>		
USD	69,968	Huntington Bancshares, Inc.	2.3	1,018,734
USD	48,813	KeyCorp.	2.2	984,558
USD	5,014	SVB Financial Group <sup>(2)</sup>	2.7	1,172,123
		<b>TOTAL BANKS</b>		<b>3,175,415</b>
		<b>BIOTECHNOLOGY (2.2%)</b>		
USD	9,196	Celgene Corp. <sup>(2)</sup>	2.2	959,695
		<b>BUILDING MATERIALS (2.3%)</b>		
USD	32,170	Summit Materials, Inc. Class A <sup>(2)</sup>	2.3	1,011,425
		<b>COMMERCIAL SERVICES (5.5%)</b>		
USD	20,773	Healthcare Services Group, Inc.	2.5	1,095,153
USD	24,347	TransUnion <sup>(2)</sup>	3.0	1,338,111
		<b>TOTAL COMMERCIAL SERVICES</b>		<b>2,433,264</b>
		<b>COSMETICS/PERSONAL CARE (2.7%)</b>		
USD	9,472	Estee Lauder Cos, Inc. Class A	2.7	1,205,217
		<b>ENTERTAINMENT (1.8%)</b>		
USD	12,842	Dolby Laboratories, Inc. Class A	1.8	796,204
		<b>HEALTHCARE-PRODUCTS (4.1%)</b>		
USD	3,425	Cooper Cos, Inc.	1.7	746,239
USD	12,706	ResMed, Inc.	2.4	1,076,071
		<b>TOTAL HEALTHCARE-PRODUCTS</b>		<b>1,822,310</b>
		<b>HEALTHCARE-SERVICES (2.5%)</b>		
USD	6,920	Laboratory Corp. of America Holdings <sup>(2)</sup>	2.5	1,103,809
		<b>INSURANCE (3.4%)</b>		
USD	27,060	Progressive Corp.	3.4	1,524,019
		<b>INTERNET (3.7%)</b>		
USD	9,274	Facebook, Inc. Class A <sup>(2)</sup>	3.7	1,636,490
		<b>OIL &amp; GAS (1.3%)</b>		
USD	7,624	Occidental Petroleum Corp.	1.3	561,584
		<b>PHARMACEUTICALS (1.6%)</b>		
GBP	13,676	Shire PLC	1.6	721,508
		<b>REITS (2.8%)</b>		
USD	8,598	American Tower Corp.	2.8	1,226,677
		<b>SOFTWARE (7.8%)</b>		
USD	25,553	Microsoft Corp.	5.0	2,185,803
USD	10,339	Red Hat, Inc. <sup>(2)</sup>	2.8	1,241,714
		<b>TOTAL SOFTWARE</b>		<b>3,427,517</b>
		<b>TELECOMMUNICATIONS (1.8%)</b>		
USD	20,733	AT&T, Inc.	1.8	806,099
		<b>TOTAL UNITED STATES</b>		<b>23,402,230</b>
		<b>TOTAL COMMON STOCKS (Cost USD 34,182,528)</b>		<b>43,293,932</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 34,182,528)</b>	97.9%	USD 43,293,932
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	2.1	947,253
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 44,241,185</b>

<sup>(1)</sup> All investments are transferable securities admitted to an official exchange listing.

<sup>(2)</sup> Non-income producing security.

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Equity Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As December 31, 2017**

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**Currency Legend**

AUD	Australian Dollar
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
INR	Indian Rupee
JPY	Japanese Yen
USD	US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Equity Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Healthcare-Products . . . . .	8.0%
Software . . . . .	7.8
Internet . . . . .	7.6
Banks . . . . .	7.2
Insurance . . . . .	6.3
Commercial Services . . . . .	5.5
Electronics . . . . .	4.9
Healthcare-Services . . . . .	4.5
Diversified Financial Services . . . . .	4.4
Building Materials . . . . .	4.4
Pharmaceuticals . . . . .	3.8
REITS . . . . .	2.8
Cosmetics/Personal Care . . . . .	2.7
Miscellaneous Manufacturers . . . . .	2.6
Home Furnishings . . . . .	2.6
Beverages . . . . .	2.3
Chemicals . . . . .	2.3
Agriculture . . . . .	2.2
Biotechnology . . . . .	2.2
Electrical Component & Equipment . . . . .	2.1
Retail . . . . .	2.0
Machinery-Diversified . . . . .	2.0
Telecommunications . . . . .	1.8
Entertainment . . . . .	1.8
Airlines . . . . .	1.8
Oil & Gas . . . . .	1.3
Household Products/Wares . . . . .	1.0
<b>Total Investments . . . . .</b>	<b>97.9%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>2.1%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
United States . . . . .	52.9%
United Kingdom . . . . .	8.2
China . . . . .	8.1
Japan . . . . .	6.9
Ireland . . . . .	5.9
Germany . . . . .	3.6
Hong Kong . . . . .	2.9
India . . . . .	2.5
Netherlands . . . . .	2.5
Australia . . . . .	2.3
France . . . . .	2.1
<b>Total Investments . . . . .</b>	<b>97.9%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>2.1%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (17.8%)<sup>(1)</sup></b>				
<b>ARGENTINA (2.2%)</b>				
<b>AGRICULTURE (0.1%)</b>				
USD	1,119	Adecoagro S.A. <sup>(2)</sup>	0.1%	USD 11,570
<b>BANKS (1.2%)</b>				
USD	522	Banco Macro S.A. - ADR	0.5	60,489
USD	810	BBVA Banco Frances S.A. - ADR <sup>(2)</sup>	0.1	20,412
USD	1,170	Grupo Financiero Galicia S.A. - ADR	0.6	77,045
<b>TOTAL BANKS</b>				<b>157,946</b>
<b>ELECTRIC (0.3%)</b>				
USD	677	Pampa Energia S.A. - ADR <sup>(2)</sup>	0.3	45,549
<b>INVESTMENT COMPANIES (0.0%)</b>				
USD	263	Cablevision Holding S.A. - GDR <sup>(2)</sup>	0.0	6,580
<b>OIL &amp; GAS (0.3%)</b>				
USD	2,038	YPF S.A. - ADR	0.3	46,691
<b>PIPELINES (0.1%)</b>				
USD	897	Transportadora de Gas del Sur S.A. - ADR <sup>(2)</sup>	0.1	19,940
<b>TELECOMMUNICATIONS (0.2%)</b>				
USD	860	Telecom Argentina S.A. - ADR <sup>(2)</sup>	0.2	31,502
<b>TOTAL ARGENTINA</b>				<b>319,778</b>
<b>CHINA (2.6%)</b>				
<b>AUTO MANUFACTURERS (0.1%)</b>				
HKD	2,500	BYD Co. Ltd. Class H	0.1	21,779
<b>BANKS (0.4%)</b>				
HKD	37,000	Bank of China Ltd. Class H	0.1	18,175
HKD	27,000	China Construction Bank Corp. Class H	0.2	24,868
HKD	3,000	China Merchants Bank Co. Ltd. Class H	0.1	11,935
<b>TOTAL BANKS</b>				<b>54,978</b>
<b>BIOTECHNOLOGY (0.1%)</b>				
USD	427	Zai Lab Ltd. – ADR <sup>(2)</sup>	0.1	9,065
<b>DIVERSIFIED FINANCIAL SERVICES (0.1%)</b>				
HKD	5,200	Huatai Securities Co. Ltd. Class H <sup>(3)</sup>	0.1	10,350
<b>FOOD (0.1%)</b>				
HKD	4,000	China Mengniu Dairy Co. Ltd.	0.1	11,897
<b>HEALTHCARE-PRODUCTS (0.1%)</b>				
HKD	8,000	China Medical System Holdings Ltd.	0.1	18,646
<b>INSURANCE (0.2%)</b>				
HKD	6,400	China Pacific Insurance Group Co. Ltd. Class H	0.2	30,742
<b>INTERNET (0.7%)</b>				
USD	279	Alibaba Group Holding Ltd. - ADR <sup>(2)</sup>	0.3	48,108
HKD	1,200	Tencent Holdings Ltd.	0.4	62,323
<b>TOTAL INTERNET</b>				<b>110,431</b>
<b>IRON/STEEL (0.5%)</b>				
HKD	42,000	Angang Steel Co. Ltd. Class H <sup>(2)</sup>	0.2	38,415
HKD	80,000	Maanshan Iron & Steel Co. Ltd. Class H <sup>(2)</sup>	0.3	37,762
<b>TOTAL IRON/STEEL</b>				<b>76,177</b>
<b>PHARMACEUTICALS (0.2%)</b>				
HKD	20,000	China Resources Pharmaceutical Group Ltd. <sup>(3)</sup>	0.2	25,891
<b>TELECOMMUNICATIONS (0.1%)</b>				
HKD	32,000	China Telecom Corp. Ltd. Class H	0.1	15,228
<b>TOTAL CHINA</b>				<b>385,184</b>
<b>HONG KONG (1.2%)</b>				
<b>BANKS (0.3%)</b>				
HKD	6,000	BOC Hong Kong Holdings Ltd.	0.2	30,394
HKD	700	Hang Seng Bank Ltd.	0.1	17,372
<b>TOTAL BANKS</b>				<b>47,766</b>

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>COMMON STOCKS (17.8%) (continued)</b>				
<b>HONG KONG (1.2%) (continued)</b>				
<b>DIVERSIFIED FINANCIAL SERVICES (0.1%)</b>				
HKD	600	Hong Kong Exchanges & Clearing Ltd.	0.1%	USD 18,405
<b>HOME FURNISHINGS (0.1%)</b>				
HKD	4,000	Haier Electronics Group Co. Ltd.	0.1	10,950
<b>INSURANCE (0.2%)</b>				
HKD	3,600	AIA Group Ltd.	0.2	30,693
<b>LODGING (0.2%)</b>				
HKD	14,000	Shangri-La Asia Ltd.	0.2	31,771
<b>RETAIL (0.3%)</b>				
HKD	9,000	Lifestyle International Holdings Ltd. <sup>(2)</sup>	0.1	11,950
HKD	3,000	Luk Fook Holdings International Ltd.	0.1	12,875
HKD	13,000	Sun Art Retail Group Ltd.	0.1	13,737
<b>TOTAL RETAIL</b>				<b>38,562</b>
<b>TOTAL HONG KONG</b>				<b>178,147</b>
<b>INDIA (1.2%)</b>				
<b>BANKS (0.3%)</b>				
INR	958	IndusInd Bank Ltd.	0.2	24,725
INR	3,090	State Bank of India	0.1	15,008
<b>TOTAL BANKS</b>				<b>39,733</b>
<b>FOOD (0.1%)</b>				
INR	222	Britannia Industries Ltd.	0.1	16,400
<b>HOME BUILDERS (0.2%)</b>				
INR	2,340	Sobha Ltd. <sup>(2)</sup>	0.2	22,620
<b>HOME FURNISHINGS (0.2%)</b>				
INR	7,112	Crompton Greaves Consumer Electricals Ltd.	0.2	30,542
<b>PHARMACEUTICALS (0.2%)</b>				
INR	286	Dr Reddy's Laboratories Ltd.	0.1	10,818
INR	961	Emami Ltd. <sup>(2)</sup>	0.1	19,905
<b>TOTAL PHARMACEUTICALS</b>				<b>30,723</b>
<b>REAL ESTATE (0.1%)</b>				
INR	3,947	Prestige Estates Projects Ltd.	0.1	19,776
<b>RETAIL (0.1%)</b>				
INR	1,800	PC Jeweller Ltd.	0.1	12,915
<b>TOTAL INDIA</b>				<b>172,709</b>
<b>INDONESIA (0.3%)</b>				
<b>BANKS (0.2%)</b>				
IDR	10,500	Bank Central Asia Tbk PT	0.1	16,949
IDR	34,200	Bank Danamon Indonesia Tbk PT	0.1	17,518
<b>TOTAL BANKS</b>				<b>34,467</b>
<b>PHARMACEUTICALS (0.1%)</b>				
IDR	96,400	Kalbe Farma Tbk PT	0.1	12,008
<b>TOTAL INDONESIA</b>				<b>46,475</b>
<b>JAPAN (8.1%)</b>				
<b>AUTO MANUFACTURERS (0.6%)</b>				
JPY	900	Honda Motor Co. Ltd.	0.2	30,855
JPY	1,000	Toyota Motor Corp.	0.4	64,030
<b>TOTAL AUTO MANUFACTURERS</b>				<b>94,885</b>
<b>AUTO PARTS &amp; EQUIPMENT (0.5%)</b>				
JPY	1,200	Nissin Kogyo Co. Ltd. <sup>(2)</sup>	0.2	23,787
JPY	600	Stanley Electric Co. Ltd.	0.2	24,368
JPY	1,500	Sumitomo Electric Industries Ltd.	0.1	25,366
<b>TOTAL AUTO PARTS &amp; EQUIPMENT</b>				<b>73,521</b>
<b>BANKS (0.8%)</b>				
JPY	900	77 Bank Ltd. <sup>(2)</sup>	0.2	22,738
JPY	6,600	Mitsubishi UFJ Financial Group, Inc.	0.3	48,417
JPY	900	Sumitomo Mitsui Financial Group, Inc.	0.3	38,892
<b>TOTAL BANKS</b>				<b>110,047</b>

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (17.8%) (continued)</b>		
		<b>JAPAN (8.1%) (continued)</b>		
		<b>BUILDING MATERIALS (0.2%)</b>		
JPY	300	Daikin Industries Ltd.	0.2%	USD 35,513
		<b>CHEMICALS (0.4%)</b>		
JPY	600	Denka Co. Ltd.	0.2	24,048
JPY	4,000	Sumitomo Chemical Co. Ltd.	0.2	28,762
		<b>TOTAL CHEMICALS</b>		<b>52,810</b>
		<b>DISTRIBUTION/WHOLESALE (0.4%)</b>		
JPY	1,200	Mitsubishi Corp.	0.2	33,161
JPY	900	Yondoshi Holdings, Inc. <sup>(2)</sup>	0.2	23,864
		<b>TOTAL DISTRIBUTION/WHOLESALE</b>		<b>57,025</b>
		<b>ELECTRIC (0.1%)</b>		
JPY	700	Electric Power Development Co. Ltd.	0.1	18,859
		<b>ELECTRONICS (0.2%)</b>		
JPY	1,000	ESPEC Corp. <sup>(2)</sup>	0.2	25,246
		<b>FOOD (0.6%)</b>		
JPY	300	Ariake Japan Co. Ltd.	0.2	25,619
JPY	300	MEIJI Holdings Co. Ltd.	0.2	25,539
JPY	800	Seven & I Holdings Co. Ltd.	0.2	33,257
		<b>TOTAL FOOD</b>		<b>84,415</b>
		<b>HAND/MACHINE TOOLS (0.2%)</b>		
JPY	500	Noritake Co. Ltd. <sup>(2)</sup>	0.2	25,344
		<b>HEALTHCARE-PRODUCTS (0.4%)</b>		
JPY	400	As One Corp. <sup>(2)</sup>	0.2	25,069
JPY	600	Terumo Corp.	0.2	28,442
		<b>TOTAL HEALTHCARE-PRODUCTS</b>		<b>53,511</b>
		<b>HOME BUILDERS (0.2%)</b>		
JPY	1,200	Sekisui Chemical Co. Ltd.	0.2	24,096
		<b>HOME FURNISHINGS (0.4%)</b>		
JPY	1,900	Panasonic Corp.	0.2	27,821
JPY	800	Sony Corp.	0.2	36,098
		<b>TOTAL HOME FURNISHINGS</b>		<b>63,919</b>
		<b>INSURANCE (0.2%)</b>		
JPY	700	Tokio Marine Holdings, Inc.	0.2	31,946
		<b>IRON/STEEL (0.1%)</b>		
JPY	800	JFE Holdings, Inc.	0.1	19,217
		<b>MACHINERY-CONSTRUCTION &amp; MINING (0.6%)</b>		
JPY	4,000	Hitachi Ltd.	0.2	31,173
JPY	900	Komatsu Ltd.	0.2	32,580
JPY	1,800	Mitsubishi Electric Corp.	0.2	29,904
		<b>TOTAL MACHINERY-CONSTRUCTION &amp; MINING</b>		<b>93,657</b>
		<b>PHARMACEUTICALS (0.4%)</b>		
JPY	2,200	Astellas Pharma, Inc.	0.2	28,064
JPY	1,500	Santen Pharmaceutical Co. Ltd.	0.2	23,582
		<b>TOTAL PHARMACEUTICALS</b>		<b>51,646</b>
		<b>REAL ESTATE (0.4%)</b>		
JPY	1,300	Aeon Mall Co. Ltd.	0.2	25,435
JPY	1,600	Mitsubishi Estate Co. Ltd.	0.2	27,838
		<b>TOTAL REAL ESTATE</b>		<b>53,273</b>
		<b>RETAIL (0.2%)</b>		
JPY	200	Nitori Holdings Co. Ltd.	0.2	28,522
		<b>TELECOMMUNICATIONS (0.8%)</b>		
JPY	800	KDDI Corp.	0.1	19,917
JPY	800	Nippon Telegraph & Telephone Corp.	0.3	37,646
JPY	1,000	NTT DOCOMO, Inc.	0.2	23,622
JPY	400	SoftBank Group Corp.	0.2	31,673
		<b>TOTAL TELECOMMUNICATIONS</b>		<b>112,858</b>
		<b>TRANSPORTATION (0.4%)</b>		
JPY	300	East Japan Railway Co.	0.2	29,281

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (17.8%) (continued)</b>		
		<b>JAPAN (8.1%) (continued)</b>		
		<b>TRANSPORTATION (0.4%) (continued)</b>		
JPY	400	West Japan Railway Co.	0.2%	USD 29,213
		<b>TOTAL TRANSPORTATION</b>		<b>58,494</b>
		<b>TOTAL JAPAN</b>		<b>1,168,804</b>
		<b>LUXEMBOURG (0.1%)</b>		
		<b>COMPUTERS (0.1%)</b>		
USD	320	Globant S.A. <sup>(2)</sup>	0.1	14,867
		<b>TOTAL LUXEMBOURG</b>		<b>14,867</b>
		<b>PHILIPPINES (0.1%)</b>		
		<b>RETAIL (0.1%)</b>		
PHP	640	SM Investments Corp.	0.1	12,692
		<b>TOTAL PHILIPPINES</b>		<b>12,692</b>
		<b>SINGAPORE (0.3%)</b>		
		<b>BANKS (0.1%)</b>		
SGD	1,200	DBS Group Holdings Ltd.	0.1	22,314
		<b>LODGING (0.1%)</b>		
SGD	1,200	City Developments Ltd.	0.1	11,215
		<b>REAL ESTATE (0.1%)</b>		
SGD	9,100	Wheelock Properties Singapore Ltd. <sup>(2)</sup>	0.1	12,938
		<b>TOTAL SINGAPORE</b>		<b>46,467</b>
		<b>SOUTH KOREA (1.1%)</b>		
		<b>BIOTECHNOLOGY (0.1%)</b>		
KRW	53	Samsung Biologics Co. Ltd. <sup>(2),(3)</sup>	0.1	18,367
		<b>DIVERSIFIED FINANCIAL SERVICES (0.1%)</b>		
KRW	177	KIWOOM Securities Co. Ltd. <sup>(2)</sup>	0.1	14,483
		<b>INSURANCE (0.1%)</b>		
KRW	170	Samsung Life Insurance Co. Ltd. <sup>(2)</sup>	0.1	19,770
		<b>MEDIA (0.1%)</b>		
KRW	118	CJ E&M Corp. <sup>(2)</sup>	0.1	10,769
		<b>PHARMACEUTICALS (0.2%)</b>		
KRW	41	Hanmi Pharm Co. Ltd. <sup>(2)</sup>	0.2	22,366
		<b>RETAIL (0.1%)</b>		
KRW	122	Samsung C&T Corp. <sup>(2)</sup>	0.1	14,359
		<b>SEMICONDUCTORS (0.4%)</b>		
KRW	23	Samsung Electronics Co. Ltd.	0.3	54,743
KRW	5	Samsung Electronics Co. Ltd. Class Preference	0.1	9,761
		<b>TOTAL SEMICONDUCTORS</b>		<b>64,504</b>
		<b>TOTAL SOUTH KOREA</b>		<b>164,618</b>
		<b>TAIWAN (0.6%)</b>		
		<b>AUTO PARTS &amp; EQUIPMENT (0.1%)</b>		
TWD	2,000	Hota Industrial Manufacturing Co. Ltd.	0.1	9,880
		<b>BANKS (0.1%)</b>		
TWD	9,898	Shanghai Commercial & Savings Bank Ltd. <sup>(2)</sup>	0.1	11,192
		<b>DIVERSIFIED FINANCIAL SERVICES (0.1%)</b>		
TWD	4,000	Chailease Holding Co. Ltd.	0.1	11,640
		<b>SEMICONDUCTORS (0.3%)</b>		
TWD	10,000	Advanced Semiconductor Engineering, Inc.	0.1	12,820
TWD	5,000	Taiwan Semiconductor Manufacturing Co. Ltd.	0.2	38,561
		<b>TOTAL SEMICONDUCTORS</b>		<b>51,381</b>
		<b>TOTAL TAIWAN</b>		<b>84,093</b>
		<b>TOTAL COMMON STOCKS (Cost USD 2,244,111)</b>		<b>2,593,834</b>

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>EXCHANGE TRADED FUNDS &amp; CLOSED-END FUNDS (17.2%)</b>				
<b>FRANCE (2.5%)</b>				
<b>EXCHANGE TRADED FUNDS (2.5%)</b>				
EUR	5,850	LYXOR CAC 40 DR UCITS ETF <sup>(2)</sup>	2.5%	USD 366,232
<b>TOTAL FRANCE</b>				<b>366,232</b>
<b>GUERNSEY (3.6%)</b>				
<b>CLOSED-END FUNDS (3.6%)</b>				
GBP	123,300	HICL Infrastructure Co. Ltd. <sup>(2)</sup>	1.9	263,868
GBP	120,500	International Public Partnerships Ltd. <sup>(2)</sup>	1.7	255,431
<b>TOTAL CLOSED-END FUNDS</b>				<b>519,299</b>
<b>TOTAL GUERNSEY</b>				<b>519,299</b>
<b>IRELAND (10.7%)</b>				
<b>EXCHANGE TRADED FUNDS (10.7%)</b>				
USD	29,799	HSBC MSCI RUSSIA CAPPED UCITS ETF \$ <sup>(2)</sup>	2.1	309,463
GBP	4,500	iShares Core FTSE 100 UCITS ET <sup>(2)</sup>	0.3	46,343
USD	140	iShares Core S&P 500 UCITS ETF USD Acc <sup>(2)</sup>	0.2	36,331
USD	17,300	iShares Physical Gold ETC <sup>(2)</sup>	3.0	441,280
GBP	5,325	iShares US Property Yield UCITS ET <sup>(2)</sup>	1.0	152,154
USD	54,555	WisdomTree Enhanced Commodity UCITS ETF - USD Acc <sup>(2)</sup>	4.1	592,467
<b>TOTAL EXCHANGE TRADED FUNDS</b>				<b>1,578,038</b>
<b>TOTAL IRELAND</b>				<b>1,578,038</b>
<b>JERSEY, CHANNEL ISLANDS (1.9%)</b>				
<b>EXCHANGE TRADED FUNDS (1.9%)</b>				
GBP	98,200	3i Infrastructure PLC <sup>(2)</sup>	1.9	276,307
<b>TOTAL JERSEY, CHANNEL ISLANDS</b>				<b>276,307</b>
<b>UNITED STATES (2.1%)</b>				
<b>EXCHANGE TRADED FUNDS (2.1%)</b>				
USD	7,415	SPDR Dow Jones International Real Estate ET <sup>(2)</sup>	2.1	300,233
<b>TOTAL UNITED STATES</b>				<b>300,233</b>
<b>TOTAL EXCHANGE TRADED FUNDS &amp; CLOSED-END FUNDS(Cost USD 2,924,635)</b>				<b>3,040,109</b>
<b>FIXED INCOME SECURITIES (52.4%)</b>				
<b>AUSTRALIA (7.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.7%)</b>				
USD	100,000	Westpac Banking Corp. 2.10% due 05/13/2021	0.7	98,826
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>98,826</b>
<b>GOVERNMENT BONDS (7.1%)</b>				
AUD	1,310,000	Australia Government Bond 2.75% due 04/21/2024	7.1	1,041,318
<b>TOTAL GOVERNMENT BONDS</b>				<b>1,041,318</b>
<b>TOTAL AUSTRALIA</b>				<b>1,140,144</b>
<b>BRAZIL (1.1%)</b>				
<b>GOVERNMENT BONDS (1.1%)</b>				
USD	150,000	Brazilian Government International Bond 4.88% due 01/22/2021	1.1	159,150
<b>TOTAL GOVERNMENT BONDS</b>				<b>159,150</b>
<b>TOTAL BRAZIL</b>				<b>159,150</b>
<b>BRITISH VIRGIN ISLANDS (1.4%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.4%)</b>				
USD	200,000	CNPC General Capital Ltd. 2.70% due 11/25/2019	1.4	199,942
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>199,942</b>
<b>TOTAL BRITISH VIRGIN ISLANDS</b>				<b>199,942</b>
<b>CAYMAN ISLANDS (1.5%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.5%)</b>				
USD	200,000	Hongkong Land Finance Cayman Islands Co. Ltd. 4.50% due 06/01/2022	1.5	212,967
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>212,967</b>
<b>TOTAL CAYMAN ISLANDS</b>				<b>212,967</b>

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>FIXED INCOME SECURITIES (52.4%) (continued)</b>		
		<b>CHINA (3.0%)</b>		
		<b>GOVERNMENT BONDS (3.0%)</b>		
CNH	3,000,000	China Government Bond 3.39% due 05/21/2025	3.0%	USD 434,379
		<b>TOTAL GOVERNMENT BONDS</b>		<b>434,379</b>
		<b>TOTAL CHINA</b>		<b>434,379</b>
		<b>INDIA (2.9%)</b>		
		<b>GOVERNMENT BONDS (2.9%)</b>		
INR	26,200,000	India Government Bond 8.15% due 06/11/2022	2.9	423,599
		<b>TOTAL GOVERNMENT BONDS</b>		<b>423,599</b>
		<b>TOTAL INDIA</b>		<b>423,599</b>
		<b>INDONESIA (1.9%)</b>		
		<b>GOVERNMENT BONDS (1.9%)</b>		
IDR	3,308,000,000	Indonesia Treasury Bond 10.25% due 07/15/2022	1.9	282,245
		<b>TOTAL GOVERNMENT BONDS</b>		<b>282,245</b>
		<b>TOTAL INDONESIA</b>		<b>282,245</b>
		<b>JAPAN (2.0%)</b>		
		<b>GOVERNMENT BONDS (2.0%)</b>		
JPY	27,200,000	Japan Government Twenty Year Bond 2.10% due 06/20/2027	2.0	288,629
		<b>TOTAL GOVERNMENT BONDS</b>		<b>288,629</b>
		<b>TOTAL JAPAN</b>		<b>288,629</b>
		<b>RUSSIA (3.5%)</b>		
		<b>GOVERNMENT BONDS (3.5%)</b>		
RUB	17,500,000	Russian Federal Bond - OFZ 7.00% due 08/16/2023	2.1	303,971
USD	200,000	Russian Foreign Bond - Eurobond 4.50% due 04/04/2022	1.4	211,709
		<b>TOTAL GOVERNMENT BONDS</b>		<b>515,680</b>
		<b>TOTAL RUSSIA</b>		<b>515,680</b>
		<b>SINGAPORE (2.8%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (2.8%)</b>		
USD	200,000	Oversea-Chinese Banking Corp. Ltd. <sup>(4)</sup> 3.15% due 03/11/2023	1.4	200,193
USD	200,000	United Overseas Bank Ltd. <sup>(4)</sup> 3.75% due 09/19/2024	1.4	202,361
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>402,554</b>
		<b>TOTAL SINGAPORE</b>		<b>402,554</b>
		<b>UNITED KINGDOM (3.7%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (0.7%)</b>		
USD	100,000	HSBC Holdings PLC 5.10% due 04/05/2021	0.7	107,443
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>107,443</b>
		<b>GOVERNMENT BONDS (3.0%)</b>		
GBP	290,000	United Kingdom Gilt 3.75% due 09/07/2021	3.0	437,529
		<b>TOTAL GOVERNMENT BONDS</b>		<b>437,529</b>
		<b>TOTAL UNITED KINGDOM</b>		<b>544,972</b>
		<b>UNITED STATES (20.8%)</b>		
		<b>CORPORATE BONDS &amp; NOTES (10.9%)</b>		
USD	100,000	Amazon.com, Inc. 3.30% due 12/05/2021	0.7	103,269
USD	100,000	BB&T Corp. 6.85% due 04/30/2019	0.7	106,011
USD	100,000	CCO Holdings LLC/CCO Holdings Capital Corp. 5.75% due 02/15/2026	0.7	103,875

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (52.4%) (continued)</b>				
<b>UNITED STATES (20.8%) (continued)</b>				
<b>CORPORATE BONDS &amp; NOTES (10.9%) (continued)</b>				
USD	100,000	CenturyLink, Inc. 6.45% due 06/15/2021	0.7%	USD 101,000
USD	100,000	General Electric Co. 4.38% due 09/16/2020	0.7	105,043
USD	100,000	Georgia-Pacific LLC 8.00% due 01/15/2024	0.9	127,331
USD	100,000	Goldman Sachs Group, Inc. 3.75% due 05/22/2025	0.7	103,025
USD	100,000	International Business Machines Corp. 7.00% due 10/30/2025	0.9	127,938
USD	100,000	Oracle Corp. 3.40% due 07/08/2024	0.7	103,692
USD	100,000	Owens-Brockway Glass Container, Inc. 5.00% due 01/15/2022	0.7	103,500
USD	100,000	Sirius XM Radio, Inc. 5.38% due 04/15/2025	0.7	104,125
USD	100,000	Sprint Corp. 7.25% due 09/15/2021	0.7	105,875
USD	100,000	Tempur Sealy International, Inc. 5.63% due 10/15/2023	0.7	104,000
USD	100,000	TJX Cos, Inc. 2.75% due 06/15/2021	0.7	101,404
USD	100,000	XPO Logistics, Inc. 6.50% due 06/15/2022	0.7	104,375
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,604,463</b>
<b>GOVERNMENT BONDS (9.9%)</b>				
USD	270,079	U.S. Treasury Inflation Indexed Bond 3.88% due 04/15/2029	2.5	368,198
USD	360,373	U.S. Treasury Inflation Indexed Note 0.38% due 07/15/2023	2.5	363,081
USD	720,000	U.S. Treasury Note 2.00% due 08/31/2021	4.9	717,637
<b>TOTAL GOVERNMENT BONDS</b>				<b>1,448,916</b>
<b>TOTAL UNITED STATES</b>				<b>3,053,379</b>
<b>TOTAL FIXED INCOME SECURITIES (Cost USD 7,606,603)</b>				<b>7,657,640</b>
<b>B. OTC FINANCIAL DERIVATIVE INSTRUMENTS</b>				
<b>PURCHASED OPTIONS (0.4%)</b>				
KRW	16,800,000	Put Option with BNP Paribas on 100 Shares of KOSPI 200 Index, 3/08/2018 @ KRW 308.6265,	0.4	55,970
<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET AND OTC FINANCIAL DERIVATIVE INSTRUMENTS (Cost USD 12,830,160)</b>			91.4%	<b>USD 13,347,553</b>
<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>			8.6	<b>1,255,820</b>
<b>TOTAL NET ASSETS</b>			<b>100.0%</b>	<b>USD 14,603,373</b>

<sup>(1)</sup> All investments are transferable securities admitted to an official exchange listing.

<sup>(2)</sup> Non-Income producing security.

<sup>(3)</sup> 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.

<sup>(4)</sup> Variable Rate as of December 31, 2017.

**Currency Legend**

AUD	Australian Dollar
CNH	Chinese Yuan (Off-Shore)
EUR	Euro
GBP	British Pound
HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

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**Currency Legend (continued)**

JPY	Japanese Yen
KRW	South Korean Won
PHP	Philippine Peso
RUB	Russian Ruble
SGD	Singapore Dollar
TWD	Taiwan Dollar
USD	US Dollar

The accompanying notes are an integral part of these financial statements.



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

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<b>Industry</b>	<b>% of Net Assets</b>
Sovereign . . . . .	34.4%
Exchange Traded Funds . . . . .	17.2
Banks . . . . .	9.0
Closed-End Funds . . . . .	3.6
Telecommunications . . . . .	2.5
Real Estate . . . . .	2.1
Oil & Gas . . . . .	1.7
Media . . . . .	1.5
Internet . . . . .	1.4
Home Furnishings . . . . .	1.4
Retail . . . . .	1.5
Computers . . . . .	1.0
Pharmaceuticals . . . . .	1.1
Transportation . . . . .	1.1
Forest Products & Paper . . . . .	0.9
Auto Manufacturers . . . . .	0.7
Semiconductors . . . . .	0.7
Insurance . . . . .	0.7
Food . . . . .	0.8
Miscellaneous Manufacturer . . . . .	0.7
Packaging & Containers . . . . .	0.7
Software . . . . .	0.7
Iron/Steel . . . . .	0.6
Machinery-Construction & Mining . . . . .	0.6
Auto Parts & Equipment . . . . .	0.6
Healthcare-Products . . . . .	0.5
Electric . . . . .	0.4
Distribution/Wholesale . . . . .	0.4
Diversified Financial Services . . . . .	0.4
Purchased Options . . . . .	0.4
Chemicals . . . . .	0.4
Home Builders . . . . .	0.4
Lodging . . . . .	0.3
Building Materials . . . . .	0.2
Biotechnology . . . . .	0.2
Electronics . . . . .	0.2
Hand/Machine Tools . . . . .	0.2
Pipelines . . . . .	0.1
Agriculture . . . . .	0.1
Investment Companies . . . . .	0.0
<b>Total Investments . . . . .</b>	<b>91.4%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>8.6%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Multi Asset Fund**

**Société d'Investissement à Capital Variable**

**Classifications**

**As at December 31, 2017**

<b>Country</b>	<b>% of Net Assets</b>
United States . . . . .	22.9%
Ireland . . . . .	10.7
Japan . . . . .	10.1
Australia . . . . .	7.8
China . . . . .	5.6
India . . . . .	4.1
United Kingdom . . . . .	3.7
Guernsey. . . . .	3.6
Russia. . . . .	3.5
Singapore . . . . .	3.1
France . . . . .	2.5
Indonesia . . . . .	2.2
Argentina . . . . .	2.2
Jersey, Channel Islands . . . . .	1.9
Cayman Islands . . . . .	1.5
South Korea . . . . .	1.5
British Virgin Islands . . . . .	1.4
Hong Kong. . . . .	1.2
Brazil . . . . .	1.1
Taiwan . . . . .	0.6
Luxembourg . . . . .	0.1
Philippines . . . . .	0.1
<b>Total Investments . . . . .</b>	<b>91.4%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>8.6%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (97.3%) <sup>(1)</sup></b>				
<b>CHINA (29.2%)</b>				
<b>AUTO MANUFACTURERS (2.0%)</b>				
HKD	65,500	BYD Co. Ltd. Class H	2.0%	USD 570,600
<b>BANKS (5.3%)</b>				
HKD	1,016,000	Bank of China Ltd. Class H	1.7	499,078
HKD	743,000	China Construction Bank Corp. Class H	2.4	684,329
HKD	88,500	China Merchants Bank Co. Ltd. Class H	1.2	352,084
<b>TOTAL BANKS</b>				<b>1,535,491</b>
<b>BIOTECHNOLOGY (0.9%)</b>				
USD	11,776	Zai Lab Ltd. – ADR <sup>(2)</sup>	0.9	250,004
<b>DIVERSIFIED FINANCIAL SERVICES (1.0%)</b>				
HKD	144,600	Huatai Securities Co. Ltd. Class H <sup>(3)</sup>	1.0	287,820
<b>FOOD (1.2%)</b>				
HKD	115,000	China Mengniu Dairy Co. Ltd.	1.2	342,030
<b>HEALTHCARE-PRODUCTS (1.7%)</b>				
HKD	207,000	China Medical System Holdings Ltd.	1.7	482,461
<b>INSURANCE (3.0%)</b>				
HKD	178,600	China Pacific Insurance Group Co. Ltd. Class H	3.0	857,896
<b>INTERNET (10.2%)</b>				
USD	7,673	Alibaba Group Holding Ltd. - ADR <sup>(2)</sup>	4.5	1,323,055
HKD	32,300	Tencent Holdings Ltd.	5.7	1,677,536
<b>TOTAL INTERNET</b>				<b>3,000,591</b>
<b>PHARMACEUTICALS (2.5%)</b>				
HKD	553,000	China Resources Pharmaceutical Group Ltd. <sup>(3)</sup>	2.5	715,894
<b>TELECOMMUNICATIONS (1.4%)</b>				
HKD	882,000	China Telecom Corp. Ltd. Class H	1.4	419,715
<b>TOTAL CHINA</b>				<b>8,462,502</b>
<b>HONG KONG (17.0%)</b>				
<b>BANKS (4.6%)</b>				
HKD	165,500	BOC Hong Kong Holdings Ltd.	2.9	838,372
HKD	20,200	Hang Seng Bank Ltd.	1.7	501,298
<b>TOTAL BANKS</b>				<b>1,339,670</b>
<b>DIVERSIFIED FINANCIAL SERVICES (1.6%)</b>				
HKD	15,200	Hong Kong Exchanges & Clearing Ltd.	1.6	466,268
<b>HOME FURNISHINGS (1.0%)</b>				
HKD	109,000	Haier Electronics Group Co. Ltd.	1.0	298,389
<b>INSURANCE (3.0%)</b>				
HKD	101,400	AIA Group Ltd.	3.0	864,533
<b>LODGING (3.2%)</b>				
HKD	410,000	Shangri-La Asia Ltd.	3.2	930,424
<b>RETAIL (3.6%)</b>				
HKD	247,000	Lifestyle International Holdings Ltd. <sup>(2)</sup>	1.1	327,973
HKD	79,000	Luk Fook Holdings International Ltd.	1.2	339,049
HKD	357,000	Sun Art Retail Group Ltd.	1.3	377,217
<b>TOTAL RETAIL</b>				<b>1,044,239</b>
<b>TOTAL HONG KONG</b>				<b>4,943,523</b>
<b>INDIA (16.4%)</b>				
<b>BANKS (3.8%)</b>				
INR	26,397	IndusInd Bank Ltd.	2.4	681,311
INR	85,218	State Bank of India	1.4	413,890
<b>TOTAL BANKS</b>				<b>1,095,201</b>
<b>FOOD (1.6%)</b>				
INR	6,117	Britannia Industries Ltd.	1.6	451,888
<b>HOME BUILDERS (2.1%)</b>				
INR	64,458	Sobha Ltd. <sup>(2)</sup>	2.1	623,095

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (97.3%) (continued)</b>		
		<b>INDIA (16.4%) (continued)</b>		
		<b>HOME FURNISHINGS (2.9%)</b>		
INR	195,936	Crompton Greaves Consumer Electricals Ltd.	2.9%	USD 841,425
		<b>PHARMACEUTICALS (2.9%)</b>		
INR	7,867	Dr Reddy's Laboratories Ltd.	1.0	297,566
INR	26,466	Emami Ltd. <sup>(2)</sup>	1.9	548,187
		<b>TOTAL PHARMACEUTICALS</b>		<b>845,753</b>
		<b>REAL ESTATE (1.9%)</b>		
INR	108,740	Prestige Estates Projects Ltd.	1.9	544,829
		<b>RETAIL (1.2%)</b>		
INR	49,593	PC Jeweller Ltd.	1.2	355,820
		<b>TOTAL INDIA</b>		<b>4,758,011</b>
		<b>INDONESIA (4.4%)</b>		
		<b>BANKS (3.3%)</b>		
IDR	289,200	Bank Central Asia Tbk PT	1.6	466,813
IDR	942,900	Bank Danamon Indonesia Tbk PT	1.7	483,003
		<b>TOTAL BANKS</b>		<b>949,816</b>
		<b>PHARMACEUTICALS (1.1%)</b>		
IDR	2,656,900	Kalbe Farma Tbk PT	1.1	330,950
		<b>TOTAL INDONESIA</b>		<b>1,280,766</b>
		<b>PHILIPPINES (1.2%)</b>		
		<b>RETAIL (1.2%)</b>		
PHP	17,710	SM Investments Corp.	1.2	351,220
		<b>TOTAL PHILIPPINES</b>		<b>351,220</b>
		<b>SINGAPORE (4.5%)</b>		
		<b>BANKS (2.3%)</b>		
SGD	34,400	DBS Group Holdings Ltd.	2.3	639,659
		<b>LODGING (1.0%)</b>		
SGD	32,500	City Developments Ltd.	1.0	303,745
		<b>REAL ESTATE (1.2%)</b>		
SGD	251,800	Wheelock Properties Singapore Ltd. <sup>(2)</sup>	1.2	357,992
		<b>TOTAL SINGAPORE</b>		<b>1,301,396</b>
		<b>SOUTH KOREA (15.0%)</b>		
		<b>BIOTECHNOLOGY (1.7%)</b>		
KRW	1,454	Samsung Biologics Co. Ltd. <sup>(2)(3)</sup>	1.7	503,885
		<b>DIVERSIFIED FINANCIAL SERVICES (1.4%)</b>		
KRW	4,890	KIWOOM Securities Co. Ltd. <sup>(2)</sup>	1.4	400,135
		<b>INSURANCE (1.9%)</b>		
KRW	4,672	Samsung Life Insurance Co. Ltd. <sup>(2)</sup>	1.9	543,332
		<b>MEDIA (1.0%)</b>		
KRW	3,263	CJ E&M Corp. <sup>(2)</sup>	1.0	297,786
		<b>PHARMACEUTICALS (1.5%)</b>		
KRW	820	Hanmi Pharm Co. Ltd. <sup>(2)</sup>	1.5	447,321
		<b>RETAIL (1.4%)</b>		
KRW	3,358	Samsung C&T Corp. <sup>(2)</sup>	1.4	395,225
		<b>SEMICONDUCTORS (6.1%)</b>		
KRW	629	Samsung Electronics Co. Ltd.	5.1	1,497,074
KRW	143	Samsung Electronics Co. Ltd. - Preference Shares	1.0	279,174
		<b>TOTAL SEMICONDUCTORS</b>		<b>1,776,248</b>
		<b>TOTAL SOUTH KOREA</b>		<b>4,363,932</b>
		<b>TAIWAN (9.6%)</b>		
		<b>AUTO PARTS &amp; EQUIPMENT (1.1%)</b>		
TWD	67,000	Hota Industrial Manufacturing Co. Ltd.	1.1	330,964
		<b>BANKS (1.1%)</b>		
TWD	272,685	Shanghai Commercial & Savings Bank Ltd. <sup>(2)</sup>	1.1	308,344
		<b>DIVERSIFIED FINANCIAL SERVICES (1.1%)</b>		
TWD	113,000	Chailease Holding Co. Ltd.	1.1	328,841

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (97.3%) (continued)</b>		
		<b>TAIWAN (9.6%) (continued)</b>		
		<b>SEMICONDUCTORS (6.3%)</b>		
TWD	272,620	Advanced Semiconductor Engineering, Inc.	1.2%	USD 349,495
TWD	19,000	Parade Technologies Ltd. <sup>(2)</sup>	1.3	376,061
TWD	142,000	Taiwan Semiconductor Manufacturing Co. Ltd.	3.8	1,095,115
		<b>TOTAL SEMICONDUCTORS</b>		<b>1,820,671</b>
		<b>TOTAL TAIWAN</b>		<b>2,788,820</b>
		<b>TOTAL COMMON STOCKS (Cost USD 23,004,205)</b>		<b>28,250,170</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 23,004,205)</b>	97.3%	USD 28,250,170
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	2.7	791,560
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 29,041,730</b>

<sup>(1)</sup> All investments are transferable securities admitted to an official exchange listing.

<sup>(2)</sup> Non-Income producing security.

<sup>(3)</sup> 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.

**Currency Legend**

HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee
KRW	South Korean Won
PHP	Philippine Peso
SGD	Singapore Dollar
TWD	Taiwan Dollar
USD	US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Asia ex-Japan Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Banks . . . . .	20.4%
Semiconductors . . . . .	12.4
Internet . . . . .	10.2
Pharmaceuticals . . . . .	8.0
Insurance . . . . .	7.9
Retail . . . . .	7.4
Diversified Financial Services . . . . .	5.1
Lodging . . . . .	4.2
Home Furnishings . . . . .	3.9
Real Estate . . . . .	3.1
Food . . . . .	2.8
Biotechnology . . . . .	2.6
Home Builders . . . . .	2.1
Auto Manufacturers . . . . .	2.0
Healthcare-Products . . . . .	1.7
Telecommunications . . . . .	1.4
Auto Parts & Equipment . . . . .	1.1
Media . . . . .	1.0
<b>Total Investments . . . . .</b>	<b>97.3%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>2.7%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
China . . . . .	29.2%
Hong Kong . . . . .	17.0
India . . . . .	16.4
South Korea . . . . .	15.0
Taiwan . . . . .	9.6
Singapore . . . . .	4.5
Indonesia . . . . .	4.4
Philippines . . . . .	1.2
<b>Total Investments . . . . .</b>	<b>97.3%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>2.7%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (39.0%)</b>				
<b>ARGENTINA (3.0%)</b>				
<b>AGRICULTURE (0.1%)</b>				
USD	1,207	Adecoagro S.A. <sup>(1)</sup>	0.1%	USD 12,480
<b>BANKS (1.6%)</b>				
USD	563	Banco Macro S.A. - ADR	0.6	65,240
USD	874	BBVA Banco Frances S.A. - ADR <sup>(1)</sup>	0.2	22,025
USD	1,263	Grupo Financiero Galicia S.A. - ADR	0.8	83,169
<b>TOTAL BANKS</b>				<b>170,434</b>
<b>ELECTRIC (0.4%)</b>				
USD	730	Pampa Energia S.A. - ADR <sup>(1)</sup>	0.4	49,114
<b>INVESTMENT COMPANIES (0.0%)</b>				
USD	188	Cablevision Holding S.A. - GDR <sup>(1)</sup>	0.0	4,704
<b>OIL &amp; GAS (0.4%)</b>				
USD	2,200	YPF S.A. - ADR	0.4	50,402
<b>PIPELINES (0.2%)</b>				
USD	968	Transportadora de Gas del Sur S.A. - ADR <sup>(1)</sup>	0.2	21,519
<b>TELECOMMUNICATIONS (0.3%)</b>				
USD	928	Telecom Argentina S.A. - ADR <sup>(1)</sup>	0.3	33,993
<b>TOTAL ARGENTINA</b>				<b>342,646</b>
<b>CHILE (2.2%)</b>				
<b>AIRLINES (0.1%)</b>				
CLP	630	Latam Airlines Group S.A.	0.1	8,897
<b>BANKS (0.4%)</b>				
CLP	174,900	Banco de Chile	0.3	28,098
CLP	209,100	Banco Santander Chile	0.1	16,355
<b>TOTAL BANKS</b>				<b>44,453</b>
<b>BEVERAGES (0.2%)</b>				
CLP	1,140	Cia Cervecerias Unidas S.A.	0.2	17,073
<b>CHEMICALS (0.2%)</b>				
CLP	420	Sociedad Quimica y Minera de Chile S.A. Class B	0.2	24,893
<b>ELECTRIC (0.5%)</b>				
CLP	35,600	Colbun S.A.	0.1	8,018
CLP	133,700	Enel Americas S.A.	0.2	29,785
CLP	83,500	Enel Chile S.A.	0.1	9,910
CLP	13,500	Enel Generacion Chile S.A.	0.1	12,249
<b>TOTAL ELECTRIC</b>				<b>59,962</b>
<b>FOOD (0.1%)</b>				
CLP	4,800	Cencosud S.A.	0.1	14,127
<b>FOREST PRODUCTS &amp; PAPER (0.1%)</b>				
CLP	3,600	Empresas CMPC S.A.	0.1	12,293
<b>HOLDING COMPANIES-DIVERSIFIED (0.1%)</b>				
CLP	800	Empresas COPEC S.A.	0.1	12,683
<b>RETAIL (0.4%)</b>				
CLP	3,990	SACI Falabella	0.4	39,869
<b>TELECOMMUNICATIONS (0.0%)</b>				
CLP	500	Empresa Nacional de Telecomunicaciones S.A.	0.0*	5,626
<b>WATER (0.1%)</b>				
CLP	21,300	Aguas Andinas S.A. Class A	0.1	13,993
<b>TOTAL CHILE</b>				<b>253,869</b>
<b>CHINA (6.6%)</b>				
<b>APPAREL (0.1%)</b>				
HKD	1,000	Shenzhou International Group Holdings Ltd.	0.1	9,517
<b>AUTO MANUFACTURERS (0.2%)</b>				
HKD	3,000	Geely Automobile Holdings Ltd.	0.1	10,400
CNH	2,800	Great Wall Motor Co. Ltd. Class A <sup>(1)</sup>	0.0*	4,945

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>CHINA (6.6%) (continued)</b>		
		<b>AUTO MANUFACTURERS (0.2%) (continued)</b>		
CNH	3,000	Zhengzhou Yutong Bus Co. Ltd. Class A <sup>(1)</sup>	0.1%	USD 11,093
		<b>TOTAL AUTO MANUFACTURERS</b>		<b>26,438</b>
		<b>BANKS (1.3%)</b>		
CNH	5,160	Bank of Beijing Co. Ltd. Class A <sup>(1)</sup>	0.0*	5,642
HKD	45,000	Bank of China Ltd. Class H	0.2	22,105
CNH	5,800	China Construction Bank Corp. Class A <sup>(1)</sup>	0.1	6,849
HKD	41,000	China Construction Bank Corp. Class H	0.3	37,762
CNH	2,400	China Merchants Bank Co. Ltd. Class A <sup>(1)</sup>	0.1	10,695
HKD	3,000	China Merchants Bank Co. Ltd. Class H	0.1	11,935
CNH	11,700	Industrial & Commercial Bank of China Ltd. Class A <sup>(1)</sup>	0.1	11,139
HKD	40,000	Industrial & Commercial Bank of China Ltd. Class H	0.3	32,185
CNH	4,700	Industrial Bank Co. Ltd. Class A <sup>(1)</sup>	0.1	12,270
		<b>TOTAL BANKS</b>		<b>150,582</b>
		<b>BEVERAGES (0.3%)</b>		
CNH	300	Kweichow Moutai Co. Ltd. Class A	0.3	32,087
		<b>CHEMICALS (0.1%)</b>		
CNH	6,600	Sinopec Shanghai Petrochemical Co. Ltd. Class A <sup>(1)</sup>	0.1	6,426
		<b>COMMERCIAL SERVICES (0.2%)</b>		
HKD	8,000	Jiangsu Expressway Co. Ltd. Class H	0.1	12,179
USD	97	New Oriental Education & Technology Group, Inc. - ADR	0.1	9,118
HKD	4,000	Zhejiang Expressway Co. Ltd. Class H	0.0	4,395
		<b>TOTAL COMMERCIAL SERVICES</b>		<b>25,692</b>
		<b>DIVERSIFIED FINANCIAL SERVICES (0.4%)</b>		
CNH	6,900	Anxin Trust Co. Ltd. Class A <sup>(1)</sup>	0.1	13,859
HKD	19,000	China Huarong Asset Management Co. Ltd. Class H <sup>(2)</sup>	0.1	8,969
CNH	2,000	CITIC Securities Co. Ltd. Class A <sup>(1)</sup>	0.0*	5,550
CNH	2,700	Guotai Junan Securities Co. Ltd. Class A <sup>(1)</sup>	0.1	7,679
CNH	3,200	Haitong Securities Co. Ltd. Class A <sup>(1)</sup>	0.1	6,324
HKD	2,800	Huatai Securities Co. Ltd. Class H <sup>(2)</sup>	0.0	5,573
		<b>TOTAL DIVERSIFIED FINANCIAL SERVICES</b>		<b>47,954</b>
		<b>ELECTRIC (0.2%)</b>		
CNH	7,500	China Yangtze Power Co. Ltd. Class A <sup>(1)</sup>	0.2	17,955
		<b>ELECTRONICS (0.1%)</b>		
HKD	500	AAC Technologies Holdings, Inc.	0.1	8,916
		<b>ENERGY-ALTERNATE SOURCES (0.1%)</b>		
CNH	1,300	LONGi Green Energy Technology Co. Ltd. Class A <sup>(1)</sup>	0.1	7,271
		<b>ENGINEERING &amp; CONSTRUCTION (0.1%)</b>		
CNH	1,600	Shanghai International Airport Co. Ltd. Class A <sup>(1)</sup>	0.1	11,059
		<b>HEALTHCARE-PRODUCTS (0.1%)</b>		
HKD	4,000	China Medical System Holdings Ltd.	0.1	9,323
		<b>INSURANCE (0.6%)</b>		
HKD	3,000	Fosun International Ltd.	0.1	6,647
HKD	4,000	PICC Property & Casualty Co. Ltd. Class H	0.1	7,686
CNH	1,700	Ping An Insurance Group Co. of China Ltd. Class A <sup>(1)</sup>	0.2	18,271
HKD	3,000	Ping An Insurance Group Co. of China Ltd. Class H	0.2	31,219
		<b>TOTAL INSURANCE</b>		<b>63,823</b>
		<b>INTERNET (2.0%)</b>		
USD	450	Alibaba Group Holding Ltd. – ADR <sup>(1)</sup>	0.6	77,594
USD	124	Baidu, Inc. – ADR <sup>(1)</sup>	0.3	29,042
HKD	9	China Literature Ltd. <sup>(1) (2)</sup>	0.0*	96
USD	202	Ctrip.com International Ltd. – ADR <sup>(1)</sup>	0.1	8,908
HKD	2,300	Tencent Holdings Ltd.	1.0	119,453
		<b>TOTAL INTERNET</b>		<b>235,093</b>
		<b>MACHINERY-DIVERSIFIED (0.1%)</b>		
HKD	2,000	Haitian International Holdings Ltd.	0.1	6,012

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
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**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>CHINA (6.6%) (continued)</b>		
		<b>OIL &amp; GAS (0.3%)</b>		
HKD	15,000	CNOOC Ltd.	0.2%	USD 21,529
CNH	6,600	PetroChina Co. Ltd. Class A <sup>(1)</sup>	0.1	8,199
HKD	8,000	PetroChina Co. Ltd. Class H	0.0*	5,577
		<b>TOTAL OIL &amp; GAS</b>		<b>35,305</b>
		<b>PHARMACEUTICALS (0.2%)</b>		
CNH	2,300	Jiangsu Hengrui Medicine Co. Ltd. Class A	0.2	24,356
		<b>SEMICONDUCTORS (0.1%)</b>		
CNH	3,000	Sanan Optoelectronics Co. Ltd. Class A <sup>(1)</sup>	0.1	11,692
		<b>SOFTWARE (0.1%)</b>		
USD	46	NetEase, Inc. – ADR	0.1	15,873
		<b>TOTAL CHINA</b>		<b>745,374</b>
		<b>COLOMBIA (2.1%)</b>		
		<b>BANKS (0.8%)</b>		
COP	2,400	Bancolombia S.A.	0.2	24,109
COP	4,800	Bancolombia S.A. Class Preference	0.5	48,120
COP	37,200	Grupo Aval Acciones y Valores S.A. Class Preference	0.1	16,079
		<b>TOTAL BANKS</b>		<b>88,308</b>
		<b>BUILDING MATERIALS (0.4%)</b>		
COP	4,900	Cementos Argos S.A.	0.2	18,914
COP	3,100	Grupo Argos S.A.	0.2	21,688
		<b>TOTAL BUILDING MATERIALS</b>		<b>40,602</b>
		<b>ELECTRIC (0.2%)</b>		
COP	4,100	Interconexion Electrica S.A. ESP	0.2	19,507
		<b>INVESTMENT COMPANIES (0.4%)</b>		
COP	2,500	Grupo de Inversiones Suramericana S.A.	0.3	33,758
COP	1,200	Grupo de Inversiones Suramericana S.A. Class Preference	0.1	15,681
		<b>TOTAL INVESTMENT COMPANIES</b>		<b>49,439</b>
		<b>OIL &amp; GAS (0.3%)</b>		
COP	52,300	Ecopetrol S.A.	0.3	38,728
		<b>TOTAL COLOMBIA</b>		<b>236,584</b>
		<b>HONG KONG (0.5%)</b>		
		<b>COMMERCIAL SERVICES (0.1%)</b>		
HKD	2,000	China Merchants Port Holdings Co. Ltd.	0.0*	5,232
HKD	6,000	COSCO SHIPPING Ports Ltd.	0.1	6,240
		<b>TOTAL COMMERCIAL SERVICES</b>		<b>11,472</b>
		<b>PHARMACEUTICALS (0.1%)</b>		
HKD	6,000	Sino Biopharmaceutical Ltd.	0.1	10,638
		<b>REAL ESTATE (0.2%)</b>		
HKD	4,000	China Overseas Land & Investment Ltd.	0.1	12,869
HKD	2,000	China Resources Land Ltd.	0.1	5,884
		<b>TOTAL REAL ESTATE</b>		<b>18,753</b>
		<b>TELECOMMUNICATIONS (0.1%)</b>		
HKD	2,000	China Mobile Ltd.	0.1	20,276
		<b>TOTAL HONG KONG</b>		<b>61,139</b>
		<b>INDIA (4.1%)</b>		
		<b>AGRICULTURE (0.1%)</b>		
INR	4,070	ITC Ltd.	0.1	16,786
		<b>AUTO MANUFACTURERS (0.4%)</b>		
INR	20	Eicher Motors Ltd.	0.1	9,510
INR	160	Maruti Suzuki India Ltd.	0.2	24,405
INR	1,620	Tata Motors Ltd. <sup>(1)</sup>	0.1	10,944
		<b>TOTAL AUTO MANUFACTURERS</b>		<b>44,859</b>
		<b>AUTO PARTS &amp; EQUIPMENT (0.1%)</b>		
INR	1,240	Motherson Sumi Systems Ltd.	0.1	7,373

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
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Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>INDIA (4.1%) (continued)</b>		
		<b>BANKS (0.4%)</b>		
INR	1,730	Axis Bank Ltd.	0.2%	USD 15,252
INR	2,790	ICICI Bank Ltd.	0.1	13,736
INR	2,250	Yes Bank Ltd.	0.1	11,108
		<b>TOTAL BANKS</b>		<b>40,096</b>
		<b>BUILDING MATERIALS (0.1%)</b>		
INR	23	Shree Cement Ltd.	0.1	6,515
		<b>CHEMICALS (0.2%)</b>		
INR	640	Asian Paints Ltd.	0.1	11,632
INR	630	UPL Ltd.	0.1	7,521
		<b>TOTAL CHEMICALS</b>		<b>19,153</b>
		<b>COMPUTERS (0.5%)</b>		
INR	1,950	Infosys Ltd.	0.2	31,810
INR	480	Tata Consultancy Services Ltd.	0.2	20,305
INR	3,450	Wipro Ltd.	0.1	16,864
		<b>TOTAL COMPUTERS</b>		<b>68,979</b>
		<b>COSMETICS/PERSONAL CARE (0.1%)</b>		
INR	1,790	Dabur India Ltd.	0.1	9,809
		<b>DIVERSIFIED FINANCIAL SERVICES (0.4%)</b>		
INR	1,800	Housing Development Finance Corp. Ltd.	0.3	48,238
INR	430	Indiabulls Housing Finance Ltd.	0.1	8,037
		<b>TOTAL DIVERSIFIED FINANCIAL SERVICES</b>		<b>56,275</b>
		<b>ELECTRIC (0.1%)</b>		
INR	3,750	NTPC Ltd.	0.1	10,361
		<b>ELECTRICAL COMPONENT &amp; EQUIPMENT (0.1%)</b>		
INR	320	Siemens Ltd.	0.1	6,242
		<b>FOOD (0.1%)</b>		
INR	60	Nestle India Ltd.	0.1	7,380
		<b>GAS (0.1%)</b>		
INR	1,050	GAIL India Ltd.	0.1	8,240
		<b>HOUSEHOLD PRODUCTS/WARES (0.3%)</b>		
INR	1,050	Hindustan Unilever Ltd.	0.2	22,410
INR	1,470	Marico Ltd.	0.1	7,400
		<b>TOTAL HOUSEHOLD PRODUCTS/WARES</b>		<b>29,810</b>
		<b>LEISURE TIME (0.2%)</b>		
INR	300	Bajaj Auto Ltd.	0.1	15,659
INR	170	Hero MotoCorp Ltd.	0.1	10,140
		<b>TOTAL LEISURE TIME</b>		<b>25,799</b>
		<b>MEDIA (0.1%)</b>		
INR	1,180	Zee Entertainment Enterprises Ltd.	0.1	10,747
		<b>MINING (0.1%)</b>		
INR	2,120	Vedanta Ltd.	0.1	10,979
		<b>OIL &amp; GAS (0.3%)</b>		
INR	1,170	Bharat Petroleum Corp. Ltd.	0.1	9,486
INR	2,650	Reliance Industries Ltd.	0.2	38,201
		<b>TOTAL OIL &amp; GAS</b>		<b>47,687</b>
		<b>PHARMACEUTICALS (0.2%)</b>		
INR	900	Cipla Ltd.	0.1	8,559
INR	1,020	Sun Pharmaceutical Industries Ltd.	0.1	9,108
		<b>TOTAL PHARMACEUTICALS</b>		<b>17,667</b>
		<b>SOFTWARE (0.1%)</b>		
INR	990	HCL Technologies Ltd.	0.1	13,897
		<b>TELECOMMUNICATIONS (0.1%)</b>		
INR	1,130	Bharti Infratel Ltd.	0.1	6,712
		<b>TOTAL INDIA</b>		<b>465,366</b>

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**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
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Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>COMMON STOCKS (39.0%) (continued)</b>				
<b>INDONESIA (1.6%)</b>				
<b>AGRICULTURE (0.1%)</b>				
IDR	900	Gudang Garam Tbk PT	0.0%*	USD 5,559
IDR	19,600	Hanjaya Mandala Sampoerna Tbk PT	0.1	6,833
<b>TOTAL AGRICULTURE</b>				<b>12,392</b>
<b>BANKS (0.7%)</b>				
IDR	20,300	Bank Central Asia Tbk PT	0.3	32,768
IDR	21,800	Bank Mandiri Persero Tbk PT	0.1	12,854
IDR	10,800	Bank Negara Indonesia Persero Tbk PT	0.1	7,881
IDR	80,000	Bank Rakyat Indonesia Persero Tbk PT	0.2	21,463
<b>TOTAL BANKS</b>				<b>74,966</b>
<b>BUILDING MATERIALS (0.1%)</b>				
IDR	2,600	Indocement Tunggul Prakarsa Tbk PT	0.1	4,206
IDR	4,100	Semen Indonesia Persero Tbk PT	0.0*	2,992
<b>TOTAL BUILDING MATERIALS</b>				<b>7,198</b>
<b>COAL (0.0%)</b>				
IDR	17,400	Adaro Energy Tbk PT	0.0*	2,385
<b>FOOD (0.0%)</b>				
IDR	6,200	Indofood CBP Sukses Makmur Tbk PT	0.0*	4,067
<b>GAS (0.0%)</b>				
IDR	18,700	Perusahaan Gas Negara Persero Tbk	0.0*	2,412
<b>HOUSEHOLD PRODUCTS/WARES (0.1%)</b>				
IDR	2,200	Unilever Indonesia Tbk PT	0.1	9,064
<b>MACHINERY-CONSTRUCTION &amp; MINING (0.0%)</b>				
IDR	1,900	United Tractors Tbk PT	0.0*	4,957
<b>PHARMACEUTICALS (0.1%)</b>				
IDR	60,700	Kalbe Farma Tbk PT	0.1	7,561
<b>REAL ESTATE (0.0%)</b>				
IDR	21,200	Bumi Serpong Damai Tbk PT	0.0*	2,656
<b>RETAIL (0.2%)</b>				
IDR	28,700	Astra International Tbk PT	0.2	17,557
IDR	3,800	Matahari Department Store Tbk PT	0.0*	2,801
<b>TOTAL RETAIL</b>				<b>20,358</b>
<b>TELECOMMUNICATIONS (0.3%)</b>				
IDR	88,400	Telekomunikasi Indonesia Persero Tbk PT	0.3	28,930
<b>TOTAL INDONESIA</b>				<b>176,946</b>
<b>LUXEMBOURG (0.1%)</b>				
<b>COMPUTERS (0.1%)</b>				
USD	345	Globant S.A. <sup>(1)</sup>	0.1	16,029
<b>TOTAL LUXEMBOURG</b>				<b>16,029</b>
<b>MALAYSIA (3.6%)</b>				
<b>AGRICULTURE (0.4%)</b>				
MYR	6,000	HAP Seng Consolidated Bhd	0.1	14,159
MYR	3,000	Kuala Lumpur Kepong Bhd	0.1	18,532
MYR	12,000	Sime Darby Plantation Bhd <sup>(1)</sup>	0.2	17,791
<b>TOTAL AGRICULTURE</b>				<b>50,482</b>
<b>BANKS (1.0%)</b>				
MYR	13,000	CIMB Group Holdings Bhd	0.2	21,008
MYR	10,000	Malayan Banking Bhd	0.2	24,215
MYR	14,000	Public Bank Bhd	0.6	71,885
<b>TOTAL BANKS</b>				<b>117,108</b>
<b>CHEMICALS (0.2%)</b>				
MYR	12,000	Petronas Chemicals Group Bhd	0.2	22,832
<b>ELECTRIC (0.5%)</b>				
MYR	16,000	Tenaga Nasional Bhd	0.5	60,331

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Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>MALAYSIA (3.6%) (continued)</b>		
		<b>ENGINEERING &amp; CONSTRUCTION (0.1%)</b>		
MYR	4,000	Malaysia Airports Holdings Bhd	0.1%	USD 8,688
		<b>FOOD (0.2%)</b>		
MYR	4,000	PPB Group Bhd	0.2	17,040
		<b>HOLDING COMPANIES-DIVERSIFIED (0.1%)</b>		
MYR	12,000	Sime Darby Bhd	0.1	6,553
		<b>LODGING (0.3%)</b>		
MYR	8,000	Genting Bhd	0.2	18,187
MYR	8,000	Genting Malaysia Bhd	0.1	11,129
		<b>TOTAL LODGING</b>		<b>29,316</b>
		<b>OIL&amp;GAS SERVICES (0.1%)</b>		
MYR	22,000	Dialog Group BHD	0.1	13,645
		<b>PIPELINES (0.1%)</b>		
MYR	2,000	Petronas Gas Bhd	0.1	8,639
		<b>REAL ESTATE (0.0%)</b>		
MYR	12,000	Sime Darby Property Bhd <sup>(1)</sup>	0.0*	5,278
		<b>TELECOMMUNICATIONS (0.4%)</b>		
MYR	10,000	DiGi.Com Bhd	0.1	12,602
MYR	6,000	Maxis Bhd	0.1	8,910
MYR	13,000	Telekom Malaysia Bhd	0.2	20,237
		<b>TOTAL TELECOMMUNICATIONS</b>		<b>41,749</b>
		<b>TRANSPORTATION (0.2%)</b>		
MYR	12,000	MISC Bhd	0.2	22,001
		<b>TOTAL MALAYSIA</b>		<b>403,662</b>
		<b>PERU (1.2%)</b>		
		<b>BANKS (0.4%)</b>		
USD	212	Credicorp Ltd.	0.4	43,975
		<b>DIVERSIFIED FINANCIAL SERVICES (0.1%)</b>		
USD	220	InterCorp Financial Services, Inc. <sup>(1)</sup>	0.1	8,470
		<b>FOOD (0.1%)</b>		
PEN	3,200	Alicorp SAA <sup>(1)</sup>	0.1	10,468
		<b>MACHINERY-CONSTRUCTION &amp; MINING (0.1%)</b>		
PEN	9,000	Ferreycorp SAA <sup>(1)</sup>	0.1	7,082
		<b>MINING (0.5%)</b>		
USD	1,200	Cia de Minas Buenaventura SAA - ADR	0.1	16,896
USD	1,900	Hochschild Mining PLC <sup>(1)</sup>	0.1	6,684
USD	600	Southern Copper Corp.	0.2	28,470
PEN	22,200	Volcan Cia Minera SAA <sup>(1)</sup>	0.1	9,043
		<b>TOTAL MINING</b>		<b>61,093</b>
		<b>TOTAL PERU</b>		<b>131,088</b>
		<b>SINGAPORE (4.3%)</b>		
		<b>CLOSE-END FUNDS (4.3%)</b>		
CNH	648,979	Nikko AM China Onshore Bond Fund <sup>(1)</sup>	4.3	482,445
		<b>TOTAL SINGAPORE</b>		<b>482,445</b>
		<b>SOUTH KOREA (5.9%)</b>		
		<b>AGRICULTURE (0.2%)</b>		
KRW	210	KT&G Corp.	0.2	22,657
		<b>AUTO MANUFACTURERS (0.2%)</b>		
KRW	130	Hyundai Motor Co.	0.1	18,944
KRW	230	Kia Motors Corp. <sup>(1)</sup>	0.1	7,197
		<b>TOTAL AUTO MANUFACTURERS</b>		<b>26,141</b>
		<b>AUTO PARTS &amp; EQUIPMENT (0.1%)</b>		
KRW	60	Hyundai Mobis Co. Ltd. <sup>(1)</sup>	0.1	14,740
		<b>CHEMICALS (0.1%)</b>		
KRW	40	LG Chem Ltd.	0.1	15,132

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>SOUTH KOREA (5.9%) (continued)</b>		
		<b>COMMERCIAL SERVICES (0.1%)</b>		
KRW	120	S-1 Corp.	0.1%	USD 11,994
		<b>COSMETICS/PERSONAL CARE (0.2%)</b>		
KRW	30	Amorepacific Corp. <sup>(1)</sup>	0.1	8,533
KRW	16	LG Household & Health Care Ltd. <sup>(1)</sup>	0.1	17,770
		<b>TOTAL COSMETICS/PERSONAL CARE</b>		<b>26,303</b>
		<b>DISTRIBUTION/WHOLESALE (0.2%)</b>		
KRW	230	LG Corp. <sup>(1)</sup>	0.2	19,551
		<b>DIVERSIFIED FINANCIAL SERVICES (0.8%)</b>		
KRW	380	Hana Financial Group, Inc.	0.2	17,677
KRW	570	KB Financial Group, Inc.	0.2	33,756
KRW	190	Korea Investment Holdings Co. Ltd. <sup>(1)</sup>	0.1	12,246
KRW	670	Shinhan Financial Group Co. Ltd.	0.3	30,917
		<b>TOTAL DIVERSIFIED FINANCIAL SERVICES</b>		<b>94,596</b>
		<b>ELECTRIC (0.1%)</b>		
KRW	210	Korea Electric Power Corp.	0.1	7,484
		<b>ELECTRONICS (0.1%)</b>		
KRW	380	LG Display Co. Ltd.	0.1	10,613
		<b>HOME FURNISHINGS (0.1%)</b>		
KRW	140	Coway Co. Ltd.	0.1	12,777
		<b>INSURANCE (0.1%)</b>		
KRW	25	Samsung Fire & Marine Insurance Co. Ltd. <sup>(1)</sup>	0.1	6,235
		<b>INTERNET (0.3%)</b>		
KRW	35	NAVER Corp. <sup>(1)</sup>	0.3	28,443
		<b>IRON/STEEL (0.3%)</b>		
KRW	230	Hyundai Steel Co. <sup>(1)</sup>	0.1	12,590
KRW	80	POSCO	0.2	24,847
		<b>TOTAL IRON/STEEL</b>		<b>37,437</b>
		<b>LODGING (0.2%)</b>		
KRW	650	Kangwon Land, Inc. <sup>(1)</sup>	0.2	21,129
		<b>OIL &amp; GAS (0.1%)</b>		
KRW	50	SK Innovation Co. Ltd.	0.1	9,551
		<b>PHARMACEUTICALS (0.1%)</b>		
KRW	61	Celltrion, Inc. <sup>(1)</sup>	0.1	12,598
		<b>SEMICONDUCTORS (2.5%)</b>		
KRW	90	Samsung Electronics Co. Ltd.	1.9	214,208
KRW	16	Samsung Electronics Co. Ltd. Class Preference	0.3	31,236
KRW	470	SK Hynix, Inc.	0.3	33,586
		<b>TOTAL SEMICONDUCTORS</b>		<b>279,030</b>
		<b>TELECOMMUNICATIONS (0.1%)</b>		
KRW	50	Samsung SDI Co. Ltd.	0.1	9,551
		<b>TOTAL SOUTH KOREA</b>		<b>665,962</b>
		<b>TAIWAN (3.8%)</b>		
		<b>BANKS (0.2%)</b>		
TWD	17,000	Chang Hwa Commercial Bank Ltd.	0.1	9,455
TWD	6,740	Shanghai Commercial & Savings Bank Ltd. <sup>(1)</sup>	0.1	7,621
		<b>TOTAL BANKS</b>		<b>17,076</b>
		<b>CHEMICALS (0.5%)</b>		
TWD	4,000	Formosa Chemicals & Fibre Corp.	0.1	13,845
TWD	6,000	Formosa Plastics Corp.	0.2	19,900
TWD	8,000	Nan Ya Plastics Corp.	0.2	20,942
		<b>TOTAL CHEMICALS</b>		<b>54,687</b>
		<b>COMPUTERS (0.0%)</b>		
TWD	13,000	Innolux Corp.	0.0*	5,417

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (39.0%) (continued)</b>		
		<b>TAIWAN (3.8%) (continued)</b>		
		<b>DIVERSIFIED FINANCIAL SERVICES (0.6%)</b>		
TWD	2,000	Chailease Holding Co. Ltd.	0.1%	USD 5,820
TWD	31,000	First Financial Holding Co. Ltd.	0.2	20,366
TWD	24,000	Hua Nan Financial Holdings Co. Ltd.	0.1	13,509
TWD	10,000	Mega Financial Holding Co. Ltd.	0.1	8,082
TWD	26,000	Taiwan Cooperative Financial Holding Co. Ltd.	0.1	14,503
		<b>TOTAL DIVERSIFIED FINANCIAL SERVICES</b>		<b>62,280</b>
		<b>ELECTRICAL COMPONENT &amp; EQUIPMENT (0.0%)</b>		
TWD	1,000	Delta Electronics, Inc.	0.0*	4,822
		<b>ELECTRONICS (0.4%)</b>		
TWD	12,000	Hon Hai Precision Industry Co. Ltd.	0.4	38,389
TWD	2,000	Pegatron Corp.	0.0*	4,839
		<b>TOTAL ELECTRONICS</b>		<b>43,228</b>
		<b>FOOD (0.1%)</b>		
TWD	4,000	Uni-President Enterprises Corp.	0.1	8,871
		<b>INSURANCE (0.1%)</b>		
TWD	6,000	Cathay Financial Holding Co. Ltd.	0.1	10,787
		<b>METAL FABRICATE/HARDWARE (0.1%)</b>		
TWD	1,000	Catcher Technology Co. Ltd.	0.1	11,022
		<b>SEMICONDUCTORS (1.7%)</b>		
TWD	8,000	Advanced Semiconductor Engineering, Inc.	0.1	10,256
TWD	1,000	MediaTek, Inc.	0.1	9,880
TWD	4,000	Siliconware Precision Industries Co. Ltd.	0.1	6,761
TWD	22,000	Taiwan Semiconductor Manufacturing Co. Ltd.	1.4	169,665
TWD	2,000	Transcend Information, Inc.	0.0*	5,558
		<b>TOTAL SEMICONDUCTORS</b>		<b>202,120</b>
		<b>TELECOMMUNICATIONS (0.1%)</b>		
TWD	3,000	Chunghwa Telecom Co. Ltd.	0.1	10,686
		<b>TOTAL TAIWAN</b>		<b>430,996</b>
		<b>TOTAL COMMON STOCKS (Cost USD 3,925,762)</b>		<b>4,412,106</b>
		<b>EXCHANGE TRADED FUNDS (9.2%)</b>		
		<b>IRELAND (5.9%)</b>		
		<b>EXCHANGE TRADED FUNDS (5.9%)</b>		
USD	64,300	HSBC MSCI RUSSIA CAPPED UCITS ETF <sup>(1)</sup>	5.9	667,755
		<b>TOTAL IRELAND</b>		<b>667,755</b>
		<b>UNITED STATES (3.3%)</b>		
		<b>EXCHANGE TRADED FUNDS (3.3%)</b>		
USD	20,560	VanEck Vectors Vietnam ETF <sup>(1)</sup>	3.3	367,613
		<b>TOTAL UNITED STATES</b>		<b>367,613</b>
		<b>TOTAL EXCHANGE TRADED FUNDS (Cost USD 884,815)</b>		<b>1,035,368</b>
	<b>Principal Amount</b>	<b>FIXED INCOME SECURITIES (46.8%)</b>		
		<b>BRAZIL (5.8%)</b>		
		<b>GOVERNMENT BONDS (5.8%)</b>		
BRL	1,000,000	Brazil Notas do Tesouro Nacional Serie F 10.00% due 01/01/2021	2.7	310,173
USD	330,000	Brazilian Government International Bond 4.88% due 01/22/2021	3.1	350,130
		<b>TOTAL GOVERNMENT BONDS</b>		<b>660,303</b>
		<b>TOTAL BRAZIL</b>		<b>660,303</b>
		<b>CHINA (8.3%)</b>		
		<b>GOVERNMENT BONDS (8.3%)</b>		
CNH	6,500,000	China Government Bond 3.39% due 05/21/2025	8.3	941,155
		<b>TOTAL GOVERNMENT BONDS</b>		<b>941,155</b>
		<b>TOTAL CHINA</b>		<b>941,155</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (46.8%) (continued)</b>				
<b>COLOMBIA (1.6%)</b>				
<b>GOVERNMENT BONDS (1.6%)</b>				
COP	461,200,000	Colombian TES 10.00% due 07/24/2024	1.6%	USD 186,315
		<b>TOTAL GOVERNMENT BONDS</b>		<b>186,315</b>
		<b>TOTAL COLOMBIA</b>		<b>186,315</b>
<b>INDIA (7.4%)</b>				
<b>GOVERNMENT BONDS (7.4%)</b>				
INR	11,000,000	India Government Bond 7.80% due 05/03/2020	1.6	175,951
INR	14,830,000	7.80% due 04/11/2021	2.1	237,877
INR	12,960,000	8.12% due 12/10/2020	1.9	209,951
INR	12,810,000	8.15% due 06/11/2022	1.8	207,111
		<b>TOTAL GOVERNMENT BONDS</b>		<b>830,890</b>
		<b>TOTAL INDIA</b>		<b>830,890</b>
<b>INDONESIA (2.8%)</b>				
<b>GOVERNMENT BONDS (2.8%)</b>				
IDR	3,759,000,000	Indonesia Treasury Bond 10.25% due 07/15/2022	2.8	320,725
		<b>TOTAL GOVERNMENT BONDS</b>		<b>320,725</b>
		<b>TOTAL INDONESIA</b>		<b>320,725</b>
<b>MEXICO (10.5%)</b>				
<b>GOVERNMENT BONDS (10.5%)</b>				
MXN	21,300,000	Mexican Bonos 5.75% due 03/05/2026	8.6	962,325
USD	180,000	Mexico Government International Bond 6.05% due 01/11/2040	1.9	212,040
		<b>TOTAL GOVERNMENT BONDS</b>		<b>1,174,365</b>
		<b>TOTAL MEXICO</b>		<b>1,174,365</b>
<b>PERU (2.9%)</b>				
<b>GOVERNMENT BONDS (2.9%)</b>				
PEN	850,000	Peru Government Bond 8.20% due 08/12/2026	2.9	323,094
		<b>TOTAL GOVERNMENT BONDS</b>		<b>323,094</b>
		<b>TOTAL PERU</b>		<b>323,094</b>
<b>PHILIPPINES (1.9%)</b>				
<b>GOVERNMENT BONDS (1.9%)</b>				
PHP	11,000,000	Philippine Government Bond 4.75% due 05/04/2027 <sup>(3)</sup>	1.9	213,870
		<b>TOTAL GOVERNMENT BONDS</b>		<b>213,870</b>
		<b>TOTAL PHILIPPINES</b>		<b>213,870</b>
<b>POLAND (1.8%)</b>				
<b>GOVERNMENT BONDS (1.8%)</b>				
USD	190,000	Republic of Poland Government International Bond 5.00% due 03/23/2022	1.8	208,050
		<b>TOTAL GOVERNMENT BONDS</b>		<b>208,050</b>
		<b>TOTAL POLAND</b>		<b>208,050</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
		<b>FIXED INCOME SECURITIES (46.8%) (continued)</b>		
		<b>RUSSIA (3.8%)</b>		
		<b>GOVERNMENT BONDS (3.8%)</b>		
		Russian Federal Bond - OFZ		
RUB	25,000,000	7.00% due 08/16/2023	3.8%	USD 434,245
		<b>TOTAL GOVERNMENT BONDS</b>		<b>434,245</b>
		<b>TOTAL RUSSIA</b>		<b>434,245</b>
		<b>TOTAL FIXED INCOME SECURITIES (Cost USD 5,345,779)</b>		<b>5,293,012</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT</b>		
		<b>IN ON ANOTHER REGULATED MARKET (Cost USD 10,156,356)</b>	95.0%	USD 10,740,486
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	5.0	562,664
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 11,303,150</b>

\* Represents less than 0.05% of net assets.

(1) Non-Income producing security.

(2) 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.

(3) Transferable investments dealt on other regulated market. All other investments are transferable securities admitted to an official exchange listing.

**Currency Legend**

BRL	Brazilian Real
CLP	Chilean Peso
CNH	Chinese Yuan (Off-Shore)
COP	Columbian Peso
HKD	Hong Kong Dollar
IDR	Indonesian Rupiah
INR	Indian Rupee
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
PEN	Peruvian Sol
PHP	Philippine Peso
RUB	Russian Ruble
TWD	Taiwan Dollar
USD	US Dollar

The accompanying notes are an integral part of these financial statements.



# **NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**

**Société d'Investissement à Capital Variable**

## **Classifications**

**As at December 31, 2017**

Industry	% of Net Assets
Sovereign . . . . .	46.8%
Exchange Traded Funds . . . . .	9.2
Banks . . . . .	6.6
Semiconductors . . . . .	4.4
Close-End Funds . . . . .	4.3
Diversified Financial Services . . . . .	2.4
Internet . . . . .	2.3
Electric . . . . .	2.0
Oil & Gas . . . . .	1.6
Telecommunications . . . . .	1.4
Chemicals . . . . .	1.3
Agriculture . . . . .	1.0
Auto Manufacturers . . . . .	0.9
Computers . . . . .	0.8
Insurance . . . . .	0.7
Pharmaceuticals . . . . .	0.7
Mining . . . . .	0.7
Electronics . . . . .	0.6
Food . . . . .	0.6
Retail . . . . .	0.5
Building Materials . . . . .	0.5
Investment Companies . . . . .	0.5
Lodging . . . . .	0.5
Commercial Services . . . . .	0.4
Beverages . . . . .	0.4
Household Products/Wares . . . . .	0.3
Iron/Steel . . . . .	0.3
Cosmetics/Personal Care . . . . .	0.3
Pipelines . . . . .	0.3
Software . . . . .	0.3
Real Estate . . . . .	0.2
Leisure Time . . . . .	0.2
Auto Parts & Equipment . . . . .	0.2
Transportation . . . . .	0.2
Engineering & Construction . . . . .	0.2
Distribution/Wholesale . . . . .	0.2
Holding Companies-Diversified . . . . .	0.2
Oil & Gas Services . . . . .	0.1
Water . . . . .	0.1
Forest Products & Paper . . . . .	0.1
Home Furnishings . . . . .	0.1
Metal Fabricate/Hardware . . . . .	0.1
Machinery-Construction & Mining . . . . .	0.1
Electrical Component & Equipment . . . . .	0.1
Media . . . . .	0.1
Gas . . . . .	0.1
Healthcare-Products . . . . .	0.1
Airlines . . . . .	0.1
Apparel . . . . .	0.1
Energy-Alternate Sources . . . . .	0.1
Machinery-Diversified . . . . .	0.1
Coal . . . . .	0.0
<b>Total Investments . . . . .</b>	<b>95.0%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>5.0%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Multi Asset Fund**

**Société d'Investissement à Capital Variable**

**Classifications (continued)**

**As at December 31, 2017**

<b>Country</b>	<b>% of Net Assets</b>
China . . . . .	14.9%
India . . . . .	11.5
Mexico . . . . .	10.5
Ireland . . . . .	5.9
South Korea . . . . .	5.9
Brazil . . . . .	5.8
Indonesia . . . . .	4.4
Singapore . . . . .	4.3
Peru . . . . .	4.1
Russia . . . . .	3.8
Taiwan . . . . .	3.8
Colombia . . . . .	3.7
Malaysia . . . . .	3.6
United States . . . . .	3.3
Argentina . . . . .	3.0
Chile . . . . .	2.2
Philippines . . . . .	1.9
Poland . . . . .	1.8
Hong Kong . . . . .	0.5
Luxembourg . . . . .	0.1
<b>Total Investments . . . . .</b>	<b>95.0%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>5.0%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Value Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (98.2%) <sup>(1)</sup></b>				
<b>JAPAN (98.2%)</b>				
<b>AEROSPACE/DEFENSE (0.8%)</b>				
JPY	1,600	Kawasaki Heavy Industries Ltd.	0.8%	JPY 6,328,000
<b>APPAREL (1.1%)</b>				
JPY	5,200	Asics Corp.	1.1	9,339,200
<b>AUTO MANUFACTURERS (5.4%)</b>				
JPY	5,000	Isuzu Motors Ltd.	1.1	9,435,000
JPY	7,700	Mazda Motor Corp.	1.4	11,638,550
JPY	3,300	Toyota Motor Corp.	2.9	23,802,900
<b>TOTAL AUTO MANUFACTURERS</b>				<b>44,876,450</b>
<b>AUTO PARTS &amp; EQUIPMENT (2.8%)</b>				
JPY	1,300	Aisin Seiki Co. Ltd.	0.9	8,229,000
JPY	2,000	Keihin Corp. <sup>(2)</sup>	0.6	4,588,000
JPY	1,200	Musashi Seimitsu Industry Co. Ltd.	0.5	4,320,000
JPY	900	Toyota Industries Corp.	0.8	6,516,000
<b>TOTAL AUTO PARTS &amp; EQUIPMENT</b>				<b>23,653,000</b>
<b>BANKS (8.8%)</b>				
JPY	7,000	Fukuoka Financial Group, Inc.	0.5	4,431,000
JPY	30,500	Mitsubishi UFJ Financial Group, Inc.	2.9	25,205,200
JPY	63,800	Mizuho Financial Group, Inc.	1.6	13,053,480
JPY	8,900	Resona Holdings, Inc.	0.7	5,990,590
JPY	8,400	Seven Bank Ltd.	0.4	3,242,400
JPY	3,300	Shinsei Bank Ltd.	0.8	6,431,700
JPY	3,200	Sumitomo Mitsui Financial Group, Inc.	1.9	15,577,600
<b>TOTAL BANKS</b>				<b>73,931,970</b>
<b>BUILDING MATERIALS (3.7%)</b>				
JPY	1,000	Daikin Industries Ltd.	1.6	13,335,000
JPY	8,000	Nippon Sheet Glass Co. Ltd. <sup>(2)</sup>	1.0	8,192,000
JPY	1,900	Taiheiyō Cement Corp.	1.1	9,243,500
<b>TOTAL BUILDING MATERIALS</b>				<b>30,770,500</b>
<b>CHEMICALS (5.6%)</b>				
JPY	2,400	Denka Co. Ltd.	1.3	10,836,000
JPY	1,200	Mitsui Chemicals, Inc.	0.5	4,350,000
JPY	400	Nitto Denko Corp.	0.5	4,004,000
JPY	8,800	Tokai Carbon Co. Ltd. <sup>(2)</sup>	1.5	12,276,000
JPY	14,000	Toray Industries, Inc.	1.8	14,875,000
<b>TOTAL CHEMICALS</b>				<b>46,341,000</b>
<b>COMMERCIAL SERVICES (0.8%)</b>				
JPY	800	Secom Co. Ltd.	0.8	6,805,600
<b>COMPUTERS (2.3%)</b>				
JPY	10,000	Fujitsu Ltd.	0.9	8,027,000
JPY	3,500	NTT Data Corp.	0.6	4,686,500
JPY	700	TDK Corp.	0.8	6,293,000
<b>TOTAL COMPUTERS</b>				<b>19,006,500</b>
<b>DISTRIBUTION/WHOLESALE (3.7%)</b>				
JPY	3,500	Mitsubishi Corp.	1.3	10,895,500
JPY	7,300	Mitsui & Co. Ltd.	1.6	13,373,600
JPY	1,500	Toyota Tsusho Corp.	0.8	6,802,500
<b>TOTAL DISTRIBUTION/WHOLESALE</b>				<b>31,071,600</b>
<b>DIVERSIFIED FINANCIAL SERVICES (2.6%)</b>				
JPY	8,000	Daiwa Securities Group, Inc.	0.7	5,655,200
JPY	12,600	Nomura Holdings, Inc.	1.0	8,380,260
JPY	3,800	ORIX Corp.	0.9	7,237,100
<b>TOTAL DIVERSIFIED FINANCIAL SERVICES</b>				<b>21,272,560</b>
<b>ELECTRIC (0.9%)</b>				
JPY	2,400	Electric Power Development Co. Ltd.	0.9	7,284,000

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Value Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (98.2%) (continued)</b>		
		<b>JAPAN (98.2%) (continued)</b>		
		<b>ELECTRICAL COMPONENTS &amp; EQUIPMENT (0.4%)</b>		
JPY	6,000	GS Yuasa Corp. <sup>(2)</sup>	0.4%	JPY 3,366,000
		<b>ELECTRONICS (4.4%)</b>		
JPY	8,600	Anritsu Corp. <sup>(2)</sup>	1.3	10,956,400
JPY	4,200	MINEBEA MITSUMI, Inc.	1.2	9,924,600
JPY	1,700	Nippon Electric Glass Co. Ltd.	0.9	7,310,000
JPY	3,800	Yokogawa Electric Corp.	1.0	8,200,400
		<b>TOTAL ELECTRONICS</b>		<b>36,391,400</b>
		<b>ENGINEERING &amp; CONSTRUCTION (4.5%)</b>		
JPY	5,700	JGC Corp.	1.5	12,420,300
JPY	15,100	Penta-Ocean Construction Co. Ltd.	1.5	12,684,000
JPY	1,000	Taikisha Ltd. <sup>(2)</sup>	0.5	3,810,000
JPY	1,500	Taisei Corp.	1.0	8,415,000
		<b>TOTAL ENGINEERING &amp; CONSTRUCTION</b>		<b>37,329,300</b>
		<b>FOOD (0.8%)</b>		
JPY	3,200	Ajinomoto Co., Inc.	0.8	6,787,200
		<b>FOREST PRODUCTS &amp; PAPER (0.8%)</b>		
JPY	3,200	Sumitomo Forestry Co. Ltd.	0.8	6,451,200
		<b>HAND/MACHINE TOOLS (0.6%)</b>		
JPY	2,100	OSG Corp.	0.6	5,124,000
		<b>HEALTHCARE-PRODUCTS (0.6%)</b>		
JPY	2,000	Shimadzu Corp.	0.6	5,124,000
		<b>HOME BUILDERS (1.1%)</b>		
JPY	2,100	Daiwa House Industry Co. Ltd.	1.1	9,086,700
		<b>HOME FURNISHINGS (6.0%)</b>		
JPY	5,000	Panasonic Corp.	1.0	8,247,500
JPY	12,800	Pioneer Corp. <sup>(2)</sup>	0.4	2,918,400
JPY	6,400	Sony Corp.	3.8	32,531,200
JPY	6,000	Zojirushi Corp. <sup>(2)</sup>	0.8	6,888,000
		<b>TOTAL HOME FURNISHINGS</b>		<b>50,585,100</b>
		<b>INSURANCE (2.3%)</b>		
JPY	2,000	Dai-ichi Life Holdings, Inc.	0.6	4,648,000
JPY	5,100	Japan Post Holdings Co. Ltd.	0.8	6,589,200
JPY	1,500	Tokio Marine Holdings, Inc.	0.9	7,711,500
		<b>TOTAL INSURANCE</b>		<b>18,948,700</b>
		<b>INTERNET (0.9%)</b>		
JPY	14,200	Yahoo Japan Corp.	0.9	7,341,400
		<b>IRON/STEEL (3.7%)</b>		
JPY	500	Daido Steel Co. Ltd. <sup>(2)</sup>	0.4	3,470,000
JPY	5,200	Hitachi Metals Ltd.	1.0	8,413,600
JPY	2,600	Japan Steel Works Ltd. <sup>(2)</sup>	1.1	9,425,000
JPY	3,400	Nippon Steel & Sumitomo Metal Corp.	1.2	9,829,400
		<b>TOTAL IRON/STEEL</b>		<b>31,138,000</b>
		<b>MACHINERY-CONSTRUCTION &amp; MINING (4.7%)</b>		
JPY	15,000	Hitachi Ltd.	1.6	13,168,500
JPY	1,600	Komatsu Ltd.	0.8	6,524,800
JPY	6,000	Mitsubishi Electric Corp.	1.3	11,229,000
JPY	4,400	Tadano Ltd. <sup>(2)</sup>	1.0	8,232,400
		<b>TOTAL MACHINERY-CONSTRUCTION &amp; MINING</b>		<b>39,154,700</b>
		<b>MACHINERY-DIVERSIFIED (3.6%)</b>		
JPY	6,500	Kubota Corp.	1.8	14,361,750
JPY	2,200	Mitsubishi Heavy Industries Ltd.	1.1	9,262,000
JPY	1,400	Nabtesco Corp.	0.7	6,048,000
		<b>TOTAL MACHINERY-DIVERSIFIED</b>		<b>29,671,750</b>
		<b>MEDIA (0.5%)</b>		
JPY	3,200	Kadokawa Dwango Corp. <sup>(2)</sup>	0.5	4,451,200
		<b>METAL FABRICATE/HARDWARE (0.5%)</b>		
JPY	1,400	Ryobi Ltd.	0.5	4,480,000

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Value Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (98.2%) (continued)</b>		
		<b>JAPAN (98.2%) (continued)</b>		
		<b>MINING (3.7%)</b>		
JPY	1,200	Dowa Holdings Co. Ltd.	0.7%	JPY 5,520,000
JPY	1,800	Furukawa Co. Ltd. <sup>(2)</sup>	0.5	4,161,600
JPY	4,000	Sumitomo Metal Mining Co. Ltd.	2.5	20,712,000
		<b>TOTAL MINING</b>		<b>30,393,600</b>
		<b>MISCELLANEOUS MANUFACTURER (1.0%)</b>		
JPY	1,000	FUJIFILM Holdings Corp.	0.6	4,605,000
JPY	1,700	Morita Holdings Corp. <sup>(2)</sup>	0.4	3,605,700
		<b>TOTAL MISCELLANEOUS MANUFACTURER</b>		<b>8,210,700</b>
		<b>OIL &amp; GAS (1.1%)</b>		
JPY	6,300	Inpex Corp.	1.1	8,876,700
		<b>PHARMACEUTICALS (3.4%)</b>		
JPY	6,200	Astellas Pharma, Inc.	1.2	8,909,400
JPY	4,000	Kyowa Hakko Kirin Co. Ltd.	1.0	8,716,000
JPY	800	Takeda Pharmaceutical Co. Ltd.	0.6	5,120,800
JPY	1,400	Tsumura & Co. <sup>(2)</sup>	0.6	5,243,000
		<b>TOTAL PHARMACEUTICALS</b>		<b>27,989,200</b>
		<b>REAL ESTATE (1.7%)</b>		
JPY	3,000	Mitsubishi Estate Co. Ltd.	0.7	5,880,000
JPY	3,300	Mitsui Fudosan Co. Ltd.	1.0	8,332,500
		<b>TOTAL REAL ESTATE</b>		<b>14,212,500</b>
		<b>RETAIL (1.7%)</b>		
JPY	5,400	IDOM, Inc. <sup>(2)</sup>	0.5	4,320,000
JPY	1,500	LIXIL VIVA Corp. <sup>(2)</sup>	0.3	2,908,500
JPY	3,500	Marui Group Co. Ltd.	0.9	7,220,500
		<b>TOTAL RETAIL</b>		<b>14,449,000</b>
		<b>TELECOMMUNICATIONS (3.6%)</b>		
JPY	4,400	NTT DOCOMO, Inc.	1.4	11,708,400
JPY	2,000	SoftBank Group Corp.	2.2	17,840,000
		<b>TOTAL TELECOMMUNICATIONS</b>		<b>29,548,400</b>
		<b>TEXTILES (0.9%)</b>		
JPY	3,700	Toyobo Co. Ltd. <sup>(2)</sup>	0.9	7,573,900
		<b>TOYS/GAMES/HOBBIES (4.0%)</b>		
JPY	800	Nintendo Co. Ltd.	4.0	32,952,000
		<b>TRANSPORTATION (3.2%)</b>		
JPY	1,700	Keikyu Corp.	0.4	3,680,500
JPY	2,100	Kintetsu World Express, Inc. <sup>(2)</sup>	0.6	4,905,600
JPY	2,700	Mitsui OSK Lines Ltd.	1.2	10,152,000
JPY	3,800	Seibu Holdings, Inc.	1.0	8,097,800
		<b>TOTAL TRANSPORTATION</b>		<b>26,835,900</b>
		<b>TOTAL JAPAN</b>		<b>817,152,930</b>
		<b>TOTAL COMMON STOCKS (Cost JPY 635,075,903)</b>		<b>817,152,930</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost JPY 635,075,903)</b>	98.2%	JPY 817,152,930
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	1.8	15,142,102
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>JPY 832,295,032</b>

(1) All investments are transferable securities admitted to an official exchange listing.

(2) Non-Income producing security.

**Currency Legend**

JPY Japanese Yen

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Value Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Banks . . . . .	8.8%
Home Furnishings . . . . .	6.0
Chemicals . . . . .	5.6
Auto Manufacturers . . . . .	5.4
Machinery-Construction & Mining . . . . .	4.7
Engineering & Construction . . . . .	4.5
Electronics . . . . .	4.4
Toys/Games/Hobbies . . . . .	4.0
Iron/Steel . . . . .	3.7
Distribution/Wholesale . . . . .	3.7
Building Materials . . . . .	3.7
Mining . . . . .	3.7
Machinery-Diversified . . . . .	3.6
Telecommunications . . . . .	3.6
Pharmaceuticals . . . . .	3.4
Transportation . . . . .	3.2
Auto Parts & Equipment . . . . .	2.8
Diversified Financial Services . . . . .	2.6
Computers . . . . .	2.3
Insurance . . . . .	2.3
Retail . . . . .	1.7
Real Estate . . . . .	1.7
Apparel . . . . .	1.1
Home Builders . . . . .	1.1
Oil & Gas . . . . .	1.1
Miscellaneous Manufacturer . . . . .	1.0
Textiles . . . . .	0.9
Electric . . . . .	0.9
Internet . . . . .	0.9
Commercial Services . . . . .	0.8
Food . . . . .	0.8
Forest Products & Paper . . . . .	0.8
Aerospace/Defense . . . . .	0.8
Hand/Machine Tools . . . . .	0.6
Healthcare-Products . . . . .	0.6
Metal Fabricate/Hardware . . . . .	0.5
Media . . . . .	0.5
Electrical Components & Equipment . . . . .	0.4
<b>Total Investments . . . . .</b>	<b>98.2%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>1.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Japan . . . . .	98.2%
<b>Total Investments . . . . .</b>	<b>98.2%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>1.8%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Focus Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>COMMON STOCKS (97.3%)<sup>(1)</sup></b>				
<b>JAPAN (97.3%)</b>				
<b>AUTO MANUFACTURERS (4.0%)</b>				
JPY	28,100	Suzuki Motor Corp.	4.0%	JPY 183,605,400
<b>AUTO PARTS &amp; EQUIPMENT (11.4%)</b>				
JPY	22,100	Denso Corp.	3.2	149,462,300
JPY	24,000	Koito Manufacturing Co. Ltd.	4.2	190,080,000
JPY	40,900	Stanley Electric Co. Ltd.	4.0	187,117,500
<b>TOTAL AUTO PARTS &amp; EQUIPMENT</b>				<b>526,659,800</b>
<b>BANKS (4.0%)</b>				
JPY	225,500	Mitsubishi UFJ Financial Group, Inc.	4.0	186,353,200
<b>BUILDING MATERIALS (5.0%)</b>				
JPY	17,400	Daikin Industries Ltd.	5.0	232,029,000
<b>CHEMICALS (1.8%)</b>				
JPY	7,400	Shin-Etsu Chemical Co. Ltd.	1.8	84,730,000
<b>COMMERCIAL SERVICES (5.6%)</b>				
JPY	58,100	Outsourcing, Inc.	2.6	119,337,400
JPY	49,700	Recruit Holdings Co. Ltd.	3.0	139,160,000
<b>TOTAL COMMERCIAL SERVICES</b>				<b>258,497,400</b>
<b>COMPUTERS (4.9%)</b>				
JPY	28,500	Itochu Techno-Solutions Corp.	3.0	139,365,000
JPY	67,200	NTT Data Corp.	1.9	89,980,800
<b>TOTAL COMPUTERS</b>				<b>229,345,800</b>
<b>DISTRIBUTION/WHOLESALE (5.0%)</b>				
JPY	111,100	ITOCHU Corp.	5.0	233,643,300
<b>ELECTRICAL COMPONENTS &amp; EQUIPMENT (5.0%)</b>				
JPY	14,600	Nidec Corp.	5.0	230,826,000
<b>ELECTRONICS (11.4%)</b>				
JPY	20,400	Hoya Corp.	2.5	114,811,200
JPY	3,600	Keyence Corp.	4.9	227,232,000
JPY	27,600	Omron Corp.	4.0	185,472,000
<b>TOTAL ELECTRONICS</b>				<b>527,515,200</b>
<b>ENGINEERING &amp; CONSTRUCTION (2.0%)</b>				
JPY	87,000	Kajima Corp.	2.0	94,308,000
<b>HAND/MACHINE TOOLS (12.2%)</b>				
JPY	38,200	Makita Corp.	3.9	180,877,000
JPY	5,000	SMC Corp.	5.1	231,900,000
JPY	34,800	THK Co. Ltd.	3.2	147,204,000
<b>TOTAL HAND/MACHINE TOOLS</b>				<b>559,981,000</b>
<b>HEALTHCARE-PRODUCTS (3.0%)</b>				
JPY	26,400	Terumo Corp.	3.0	140,976,000
<b>HOME BUILDERS (2.0%)</b>				
JPY	41,300	Sekisui Chemical Co. Ltd.	2.0	93,420,600
<b>INSURANCE (2.5%)</b>				
JPY	49,500	Dai-ichi Life Holdings, Inc.	2.5	115,038,000
<b>LEISURE TIME (2.1%)</b>				
JPY	26,000	Yamaha Motor Co. Ltd.	2.1	96,070,000
<b>MACHINERY-CONSTRUCTION &amp; MINING (6.0%)</b>				
JPY	34,500	Komatsu Ltd.	3.0	140,691,000
JPY	73,600	Mitsubishi Electric Corp.	3.0	137,742,400
<b>TOTAL MACHINERY-CONSTRUCTION &amp; MINING</b>				<b>278,433,400</b>
<b>PHARMACEUTICALS (3.0%)</b>				
JPY	22,600	Shionogi & Co. Ltd.	3.0	137,792,200
<b>RETAIL (6.4%)</b>				
JPY	25,000	Matsumotokiyoshi Holdings Co. Ltd.	2.5	116,000,000
JPY	5,900	Nitori Holdings Co. Ltd.	2.0	94,783,500

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Focus Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
		<b>COMMON STOCKS (97.3%) (continued)</b>		
		<b>JAPAN (97.3%) (continued)</b>		
		<b>RETAIL (6.4%) (continued)</b>		
JPY	2,500	Ryohin Keikaku Co. Ltd.	1.9%	JPY 87,750,000
		<b>TOTAL RETAIL</b>		<b>298,533,500</b>
		<b>TOTAL JAPAN</b>		<b>4,507,757,800</b>
		<b>TOTAL COMMON STOCKS (Cost JPY 3,748,663,721)</b>		<b>4,507,757,800</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost JPY 3,748,663,721)</b>	97.3%	JPY 4,507,757,800
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	2.7	126,415,134
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>JPY 4,634,172,934</b>

(1) All investments are transferable securities admitted to an official exchange listing.

**Currency Legend**

JPY Japanese Yen

The accompanying notes are an integral part of these financial statements.



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Japan Focus Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Hand/Machine Tools . . . . .	12.1%
Electronics . . . . .	11.4
Auto Parts & Equipment . . . . .	11.4
Retail . . . . .	6.4
Machinery-Construction & Mining . . . . .	6.0
Commercial Services . . . . .	5.6
Distribution/Wholesale . . . . .	5.0
Building Materials . . . . .	5.0
Electrical Components & Equipment . . . . .	5.0
Computers . . . . .	5.0
Banks . . . . .	4.0
Auto Manufacturers . . . . .	4.0
Healthcare-Products . . . . .	3.0
Pharmaceuticals . . . . .	3.0
Insurance . . . . .	2.5
Leisure Time . . . . .	2.1
Engineering & Construction . . . . .	2.0
Home Builders . . . . .	2.0
Chemicals . . . . .	1.8
<b>Total Investments . . . . .</b>	<b>97.3%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>2.7%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Japan . . . . .	97.3%
<b>Total Investments . . . . .</b>	<b>97.3%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>2.7%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (94.3%)</b>				
<b>AUSTRALIA (4.5%)</b>				
<b>CORPORATE BONDS &amp; NOTES (4.5%)</b>				
USD	100,000	Asciano Finance Ltd. 6.00% due 04/07/2023	0.5%	USD 110,232
USD	200,000	BHP Billiton Finance USA Ltd. 6.25% due 10/19/2075 <sup>(5)</sup>	1.0	216,500
AUD	200,000	Commonwealth Bank of Australia 3.65% due 11/05/2024	0.8	159,140
NZD	150,000	3.91% due 04/22/2020	0.5	109,139
AUD	200,000	Perth Airport Pty Ltd. 5.50% due 03/25/2021	0.8	166,748
USD	200,000	Santos Finance Ltd. 4.13% due 09/14/2027	0.9	197,269
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>959,028</b>
<b>TOTAL AUSTRALIA</b>				<b>959,028</b>
<b>AUSTRIA (1.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.3%)</b>				
EUR	200,000	OMV AG 5.25% due 12/9/2021 <sup>(2)(5)</sup>	1.3	273,182
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>273,182</b>
<b>TOTAL AUSTRIA</b>				<b>273,182</b>
<b>BELGIUM (0.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.7%)</b>				
EUR	100,000	Ethias S.A. 5.00% due 01/14/2026	0.7	138,625
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>138,625</b>
<b>TOTAL BELGIUM</b>				<b>138,625</b>
<b>BRITISH VIRGIN ISLANDS (5.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (5.7%)</b>				
USD	200,000	China Merchants Finance Co. Ltd. 5.00% due 05/04/2022	1.0	212,351
USD	200,000	China Shenhua Overseas Capital Co. Ltd. 3.88% due 01/20/2025	1.0	205,166
USD	200,000	Sinopec Group Overseas Development 2013 Ltd. 4.38% due 10/17/2023	1.0	212,196
USD	200,000	Sinopec Group Overseas Development 2017 Ltd. 4.00% due 09/13/2047	0.9	197,864
USD	200,000	State Grid Overseas Investment 2016 Ltd. 2.13% due 05/18/2021	0.9	195,387
USD	200,000	2.88% due 05/18/2026	0.9	193,160
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,216,124</b>
<b>TOTAL BRITISH VIRGIN ISLANDS</b>				<b>1,216,124</b>
<b>CANADA (1.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.6%)</b>				
CAD	300,000	Greater Toronto Airports Authority 7.05% due 06/12/2030	1.6	341,133
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>341,133</b>
<b>TOTAL CANADA</b>				<b>341,133</b>
<b>CAYMAN ISLANDS (3.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (3.6%)</b>				
AUD	200,000	ADCB Finance Cayman Ltd. 4.75% due 05/28/2019	0.8	159,887
USD	200,000	China SCE Property Holdings Ltd. 10.00% due 07/02/2020	0.9	214,484
USD	200,000	CK Hutchison Capital Securities 17 Ltd. 4.00% due 5/12/2022 <sup>(2)(5)</sup>	1.0	202,178
USD	200,000	Well Hope Development Ltd. 3.88% due 10/19/2022 <sup>(2)(5)</sup>	0.9	197,431
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>773,980</b>
<b>TOTAL CAYMAN ISLANDS</b>				<b>773,980</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (94.3%) (continued)</b>				
<b>DENMARK (0.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.6%)</b>				
EUR	100,000	Danske Bank A/S 5.75% due 4/6/2020 <sup>(1)(2)(5)</sup>	0.6%	USD 129,987
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>129,987</b>
		<b>TOTAL DENMARK</b>		<b>129,987</b>
<b>FRANCE (7.2%)</b>				
<b>CORPORATE BONDS &amp; NOTES (7.2%)</b>				
EUR	200,000	Banque Federative du Credit Mutuel S.A. 3.00% due 09/11/2025	1.3	267,167
USD	200,000	BPCE S.A. 4.63% due 07/11/2024	1.0	210,290
GBP	100,000	CNP Assurances 7.38% due 09/30/2041 <sup>(5)</sup>	0.8	160,145
EUR	100,000	Credit Agricole S.A. 6.50% due 6/23/2021 <sup>(2)(5)</sup>	0.6	135,843
EUR	200,000	Electricite de France S.A. 1.88% due 10/13/2036	1.0	220,620
EUR	100,000	Orange S.A. 5.00% due 10/1/2026 <sup>(2)(5)</sup>	0.7	142,400
EUR	100,000	SPIE S.A. 3.13% due 03/22/2024	0.6	125,816
EUR	200,000	TOTAL S.A. 3.88% due 5/18/2022 <sup>(2)(5)</sup>	1.2	268,979
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>1,531,260</b>
		<b>TOTAL FRANCE</b>		<b>1,531,260</b>
<b>GERMANY (4.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (4.0%)</b>				
EUR	100,000	Allianz SE 5.63% due 10/17/2042 <sup>(5)</sup>	0.7	146,150
GBP	200,000	Deutsche Bank AG 1.88% due 02/28/2020	1.3	272,464
EUR	250,000	Nidda Healthcare Holding GmbH 3.50% due 09/30/2024	1.4	302,388
EUR	100,000	Unitymedia GmbH 3.75% due 01/15/2027	0.6	122,344
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>843,346</b>
		<b>TOTAL GERMANY</b>		<b>843,346</b>
<b>INDIA (1.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.0%)</b>				
USD	200,000	ICICI Bank Ltd. 4.00% due 03/18/2026	1.0	202,462
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>202,462</b>
		<b>TOTAL INDIA</b>		<b>202,462</b>
<b>INDONESIA (1.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.0%)</b>				
USD	200,000	Perusahaan Listrik Negara PT 5.50% due 11/22/2021	1.0	216,760
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>216,760</b>
		<b>TOTAL INDONESIA</b>		<b>216,760</b>
<b>IRELAND (0.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.6%)</b>				
GBP	100,000	Ardagh Packaging Finance PLC / Ardagh Holdings USA, Inc. 4.75% due 07/15/2027	0.6	136,087
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>136,087</b>
		<b>TOTAL IRELAND</b>		<b>136,087</b>
<b>ITALY (1.2%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.2%)</b>				
EUR	100,000	Cooperativa Muratori & Cementisti-CMC di Ravenna SC 6.88% due 08/01/2022	0.6	122,271

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (94.3%) (continued)</b>				
<b>ITALY (1.2%) (continued)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.2%)</b>				
EUR	100,000	Schumann SpA 7.00% due 07/31/2023	0.6%	USD 122,785
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>245,056</b>
		<b>TOTAL ITALY</b>		<b>245,056</b>
<b>JERSEY, CHANNEL ISLANDS (0.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.6%)</b>				
EUR	100,000	Glencore Finance Europe Ltd. 3.75% due 04/01/2026	0.6	136,449
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>136,449</b>
		<b>TOTAL JERSEY, CHANNEL ISLANDS</b>		<b>136,449</b>
<b>LUXEMBOURG (3.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (3.8%)</b>				
EUR	100,000	Altice Financing S.A. 5.25% due 02/15/2023	0.6	124,883
USD	200,000	Altice Luxembourg S.A. 7.63% due 02/15/2025	0.8	191,501
EUR	100,000	Arena Luxembourg Finance Sarl 2.88% due 11/01/2024	0.6	123,057
EUR	100,000	Intralot Capital Luxembourg S.A. 5.25% due 09/15/2024	0.6	121,239
EUR	100,000	Lecta S.A. 6.50% due 08/01/2023	0.6	123,382
EUR	100,000	Matterhorn Telecom Holding S.A. 4.88% due 05/01/2023	0.6	121,528
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>805,590</b>
		<b>TOTAL LUXEMBOURG</b>		<b>805,590</b>
<b>MEXICO (0.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.6%)</b>				
EUR	100,000	Petroleos Mexicanos 4.88% due 02/21/2028	0.6	133,246
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>133,246</b>
		<b>TOTAL MEXICO</b>		<b>133,246</b>
<b>NETHERLANDS (6.7%)</b>				
<b>CORPORATE BONDS &amp; NOTES (6.7%)</b>				
USD	250,000	AT Securities BV 5.25% due 7/21/2023 <sup>(2)(5)</sup>	1.2	253,125
EUR	200,000	Cooperatieve Rabobank UA 6.63% due 6/29/2021 <sup>(2)(5)</sup>	1.3	277,685
USD	200,000	ING Groep NV 6.00% due 4/16/2020 <sup>(2)(5)</sup>	1.0	207,300
EUR	200,000	NN Group NV 4.63% due 04/08/2044 <sup>(5)</sup>	1.3	278,314
EUR	125,000	OI European Group BV 3.13% due 11/15/2024	0.7	157,381
EUR	100,000	Volkswagen International Finance NV 3.88% due 6/14/2027 <sup>(2)(5)</sup>	0.6	126,764
EUR	100,000	Vonovia Finance BV 4.00% due 12/17/2021 <sup>(2)(5)</sup>	0.6	131,204
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>1,431,773</b>
		<b>TOTAL NETHERLANDS</b>		<b>1,431,773</b>
<b>SINGAPORE (1.9%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.9%)</b>				
GBP	200,000	Temasek Financial I Ltd. 5.13% due 07/26/2040	1.9	403,109
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>403,109</b>
		<b>TOTAL SINGAPORE</b>		<b>403,109</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (94.3%) (continued)</b>				
<b>SOUTH KOREA (1.8%)</b>				
<b>CORPORATE BONDS &amp; NOTES (0.9%)</b>				
USD	200,000	Busan Bank Co. Ltd. 3.63% due 07/25/2026	0.9%	USD 193,040
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>193,040</b>
<b>GOVERNMENT BONDS (0.9%)</b>				
USD	200,000	Korea Gas Corp. 3.13% due 07/20/2027	0.9	195,905
		<b>TOTAL GOVERNMENT BONDS</b>		<b>195,905</b>
		<b>TOTAL SOUTH KOREA</b>		<b>388,945</b>
<b>SPAIN (1.1%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.1%)</b>				
EUR	100,000	Banco Bilbao Vizcaya Argentaria S.A. 3.50% due 02/10/2027	0.6	135,085
USD	100,000	Telefonica Emisiones SAU 5.46% due 02/16/2021	0.5	108,171
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>243,256</b>
		<b>TOTAL SPAIN</b>		<b>243,256</b>
<b>SWITZERLAND (1.0%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.0%)</b>				
USD	200,000	UBS Group Funding Switzerland AG 4.13% due 04/15/2026	1.0	209,710
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>209,710</b>
		<b>TOTAL SWITZERLAND</b>		<b>209,710</b>
<b>UNITED ARAB EMIRATES (1.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (1.3%)</b>				
USD	200,000	Abu Dhabi National Energy Co. PJSC 3.88% due 05/06/2024	0.9	202,618
AUD	100,000	Emirates NBD PJSC 5.75% due 05/08/2019	0.4	80,850
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>283,468</b>
		<b>TOTAL UNITED ARAB EMIRATES</b>		<b>283,468</b>
<b>UNITED KINGDOM (5.1%)</b>				
<b>CORPORATE BONDS &amp; NOTES (5.1%)</b>				
EUR	100,000	Aviva PLC 6.13% due 07/05/2043 <sup>(5)</sup>	0.7	149,132
USD	200,000	BP Capital Markets PLC 4.50% due 10/01/2020	0.9	211,624
GBP	100,000	Heathrow Finance PLC 5.75% due 03/03/2025	0.7	152,867
GBP	100,000	HSBC Bank PLC 6.50% due 07/07/2023	0.8	166,148
USD	200,000	McLaren Finance PLC 5.75% due 08/01/2022	1.0	203,432
USD	200,000	Vedanta Resources PLC 6.13% due 08/09/2024	1.0	204,072
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>1,087,275</b>
		<b>TOTAL UNITED KINGDOM</b>		<b>1,087,275</b>
<b>UNITED STATES (37.4%)</b>				
<b>CORPORATE BONDS &amp; NOTES (37.4%)</b>				
USD	100,000	AK Steel Corp. 7.00% due 03/15/2027	0.5	101,750
USD	300,000	Anheuser-Busch InBev Finance, Inc. 4.70% due 02/01/2036	1.6	335,444
USD	200,000	Anheuser-Busch North American Holding Corp. 3.75% due 01/15/2022	1.0	209,036
EUR	150,000	Apple, Inc. 1.38% due 05/24/2029	0.9	184,127
USD	200,000	AT&T, Inc. 4.50% due 05/15/2035	0.9	198,813
USD	100,000	Beazer Homes USA, Inc. 8.75% due 03/15/2022	0.5	110,240

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Number of Shares	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (94.3%) (continued)</b>				
<b>UNITED STATES (37.4%) (continued)</b>				
<b>CORPORATE BONDS &amp; NOTES (37.4%)</b>				
USD	100,000	Boyd Gaming Corp. 6.38% due 04/01/2026	0.5%	USD 107,750
USD	100,000	Burlington Northern Santa Fe LLC 3.65% due 09/01/2025	0.5	105,160
USD	100,000	Caterpillar, Inc. 3.40% due 05/15/2024	0.5	103,897
USD	100,000	CenturyLink, Inc. 6.45% due 06/15/2021	0.5	101,000
USD	200,000	Comcast Corp. 2.85% due 01/15/2023	0.9	201,601
USD	200,000	Dell International LLC / EMC Corp. 6.02% due 06/15/2026 <sup>(3)</sup>	1.0	220,524
USD	100,000	Diageo Investment Corp. 2.88% due 05/11/2022	0.5	101,505
USD	200,000	Exxon Mobil Corp. 4.11% due 03/01/2046	1.1	223,847
EUR	100,000	General Electric Co. 2.13% due 05/17/2037	0.6	119,104
USD	100,000	4.50% due 03/11/2044	0.5	110,777
USD	100,000	General Motors Financial Co., Inc. 3.70% due 05/09/2023	0.5	101,992
USD	200,000	Goldman Sachs Group, Inc. 3.75% due 02/25/2026	1.0	205,218
USD	200,000	Goodman US Finance Two LLC 6.00% due 03/22/2022	1.0	222,710
USD	200,000	Hasbro, Inc. 5.10% due 05/15/2044	1.0	209,905
USD	200,000	Home Depot, Inc. 2.63% due 06/01/2022	0.9	201,116
USD	200,000	HSBC USA, Inc. 2.35% due 03/05/2020	0.9	199,975
USD	200,000	Johnson & Johnson 3.63% due 03/03/2037	1.0	211,296
USD	300,000	JPMorgan Chase & Co. 3.88% due 02/01/2024	1.5	315,283
USD	100,000	L Brands, Inc. 6.75% due 07/01/2036	0.5	100,000
USD	100,000	Lamb Weston Holdings, Inc. 4.63% due 11/01/2024	0.5	103,000
USD	100,000	Lennar Corp. 4.50% due 04/30/2024	0.5	102,530
USD	300,000	Merck & Co., Inc. 2.75% due 02/10/2025	1.4	298,786
USD	300,000	MetLife, Inc. 3.00% due 03/01/2025	1.4	300,274
USD	200,000	NVIDIA Corp. 3.20% due 09/16/2026	0.9	200,603
USD	300,000	Oracle Corp. 1.90% due 09/15/2021	1.4	295,266
USD	500,000	PepsiCo, Inc. 4.25% due 10/22/2044	2.6	551,796
USD	200,000	Prologis LP 3.75% due 11/01/2025	1.0	209,686
USD	250,000	Reliance Holding USA, Inc. 5.40% due 02/14/2022	1.3	271,530
USD	100,000	Sirius XM Radio, Inc. 5.38% due 04/15/2025	0.5	104,125
USD	100,000	T-Mobile USA, Inc. 6.00% due 03/01/2023	0.5	104,700
USD	150,000	United Parcel Service, Inc. 6.20% due 01/15/2038	1.0	206,457
USD	300,000	Wal-Mart Stores, Inc. 5.25% due 09/01/2035	1.8	381,482

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
		<b>FIXED INCOME SECURITIES (94.3%) (continued)</b>		
		<b>UNITED STATES (37.4%) (continued)</b>		
		<b>CORPORATE BONDS &amp; NOTES (37.4%) (continued)</b>		
USD	300,000	Walt Disney Co. 0.88% due 07/12/2019	1.4%	USD 294,543
USD	200,000	Wells Fargo & Co. 3.00% due 02/19/2025	0.9	198,330
		<b>TOTAL CORPORATE BONDS &amp; NOTES</b>		<b>7,925,178</b>
		<b>TOTAL UNITED STATES</b>		<b>7,925,178</b>
		<b>TOTAL FIXED INCOME SECURITIES (Cost USD 19,604,039)</b>		<b>20,055,029</b>
		<b>SHORT TERM INVESTMENTS (0.5%)</b>		
		<b>CANADA (0.5%)</b>		
		<b>GOVERNMENT BONDS (0.5%)</b>		
		Province of Manitoba Canada T-Bill		
CAD	130,000	1.05% due 02/21/18 <sup>(4)</sup>	0.5	103,591
		<b>TOTAL GOVERNMENT BONDS</b>		<b>103,591</b>
		<b>TOTAL CANADA</b>		<b>103,591</b>
		<b>TOTAL SHORT TERM INVESTMENT(Cost USD 100,987)</b>		<b>103,591</b>
		<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 19,705,026)</b>	94.8%	USD 20,158,620
		<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>	5.2	1,102,028
		<b>TOTAL NET ASSETS</b>	<b>100.0%</b>	<b>USD 21,260,648</b>

\* Transferable investments dealt on other regulated market. All other investments are transferable securities admitted to an official exchange listing.

(1) Floating Rate as of December 31, 2017.

(2) Perpetual maturity.

(3) 144A Security - Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid

(4) The rate indicated is the yield to maturity at purchase. The investment has a zero coupon rate.

(5) Variable Rate as of December 31, 2017.

**Currency Legend**

AUD	Australian Dollar
CAD	Canadian Dollar
EUR	Euro
GBP	British Pound
NZD	New Zealand Dollar
USD	US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Global Credit Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Industrial . . . . .	38.0%
Special Purpose . . . . .	24.8
Banks . . . . .	13.8
Financial . . . . .	10.0
Telephone . . . . .	2.1
Utility - Electric . . . . .	2.1
Gas Transmission . . . . .	1.3
Govt Agency . . . . .	0.9
Transportation - Non Rail . . . . .	0.8
Transportation - Rail . . . . .	0.5
Govt Regional . . . . .	0.5
<b>Total Investments . . . . .</b>	<b>94.8%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>5.2%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
United States . . . . .	37.4%
France . . . . .	7.2
Netherlands . . . . .	6.7
British Virgin Islands . . . . .	5.7
United Kingdom . . . . .	5.1
Australia . . . . .	4.5
Germany . . . . .	4.0
Luxembourg . . . . .	3.8
Cayman Islands . . . . .	3.6
Canada . . . . .	2.1
Singapore . . . . .	1.9
South Korea . . . . .	1.8
United Arab Emirates . . . . .	1.3
Austria . . . . .	1.3
Italy . . . . .	1.2
Spain . . . . .	1.1
Indonesia . . . . .	1.0
Switzerland . . . . .	1.0
India . . . . .	1.0
Belgium . . . . .	0.7
Ireland . . . . .	0.6
Jersey, Channel Islands . . . . .	0.6
Mexico . . . . .	0.6
Denmark . . . . .	0.6
<b>Total Investments . . . . .</b>	<b>94.8%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>5.2%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>



**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (93.4%)</b>				
<b>BRAZIL (10.6%)</b>				
<b>GOVERNMENT BONDS (10.6%)</b>				
BRL	1,000,000	Brazil Notas do Tesouro Nacional Serie F 10.00% due 01/01/2019	5.3%	USD 310,178
BRL	1,000,000	10.00% due 01/01/2023	5.3	305,035
<b>TOTAL GOVERNMENT BONDS</b>				<b>615,213</b>
<b>TOTAL BRAZIL</b>				<b>615,213</b>
<b>COLOMBIA (7.7%)</b>				
<b>GOVERNMENT BONDS (7.7%)</b>				
COP	1,400,000,000	Colombia Government International Bond 4.38% due 03/21/2023	7.7	443,384
<b>TOTAL GOVERNMENT BONDS</b>				<b>443,384</b>
<b>TOTAL COLOMBIA</b>				<b>443,384</b>
<b>HUNGARY (5.7%)</b>				
<b>GOVERNMENT BONDS (5.7%)</b>				
HUF	7,200,000	Hungary Government Bond 3.00% due 10/27/2027	0.5	30,373
HUF	30,000,000	5.50% due 12/20/2018	2.1	122,226
HUF	35,700,000	6.00% due 11/24/2023	3.1	174,927
<b>TOTAL GOVERNMENT BONDS</b>				<b>327,526</b>
<b>TOTAL HUNGARY</b>				<b>327,526</b>
<b>INDONESIA (10.1%)</b>				
<b>GOVERNMENT BONDS (10.1%)</b>				
IDR	2,350,000,000	Indonesia Treasury Bond 6.63% due 05/15/2033	2.9	168,971
IDR	1,300,000,000	8.25% due 07/15/2021	1.8	103,004
IDR	1,650,000,000	10.50% due 08/15/2030	2.7	157,983
IDR	1,650,000,000	11.00% due 09/15/2025	2.7	155,737
<b>TOTAL GOVERNMENT BONDS</b>				<b>585,695</b>
<b>TOTAL INDONESIA</b>				<b>585,695</b>
<b>MALAYSIA (6.8%)</b>				
<b>GOVERNMENT BONDS (6.8%)</b>				
MYR	680,000	Malaysia Government Bond <sup>(1)</sup> 3.62% due 11/30/2021	2.9	168,838
MYR	930,000	3.90% due 11/30/2026	3.9	226,845
<b>TOTAL GOVERNMENT BONDS</b>				<b>395,683</b>
<b>TOTAL MALAYSIA</b>				<b>395,683</b>
<b>MEXICO (10.8%)</b>				
<b>GOVERNMENT BONDS (10.8%)</b>				
MXN	3,200,000	Mexican Bonos 5.00% due 12/11/2019	2.7	155,680
MXN	3,400,000	5.75% due 03/05/2026	2.7	153,610
MXN	1,900,000	8.50% due 12/13/2018	1.7	97,796
MXN	4,020,000	8.50% due 05/31/2029	3.7	217,599
<b>TOTAL GOVERNMENT BONDS</b>				<b>624,685</b>
<b>TOTAL MEXICO</b>				<b>624,685</b>
<b>PERU (3.5%)</b>				
<b>GOVERNMENT BONDS (3.5%)</b>				
USD	155,000	Peruvian Government International Bond 7.35% due 07/21/2025	3.5	200,803
<b>TOTAL GOVERNMENT BONDS</b>				<b>200,803</b>
<b>TOTAL PERU</b>				<b>200,803</b>
<b>POLAND (11.6%)</b>				
<b>GOVERNMENT BONDS (11.6%)</b>				
PLN	650,000	Republic of Poland Government Bond 2.00% due 04/25/2021	3.2	185,639
PLN	1,250,000	2.50% due 07/25/2018	6.3	361,957
PLN	450,000	2.50% due 07/25/2026	2.1	122,485
<b>TOTAL GOVERNMENT BONDS</b>				<b>670,081</b>
<b>TOTAL POLAND</b>				<b>670,081</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>FIXED INCOME SECURITIES (93.4%) (continued)</b>				
<b>ROMANIA (3.4%)</b>				
<b>GOVERNMENT BONDS (3.4%)</b>				
		Romania Government Bond		
RON	415,000	2.50% due 04/29/2019	1.9%	USD 106,322
RON	205,000	3.25% due 03/22/2021	0.9	52,296
RON	130,000	5.80% due 07/26/2027	0.6	37,211
<b>TOTAL GOVERNMENT BONDS</b>				<b>195,829</b>
<b>TOTAL ROMANIA</b>				<b>195,829</b>
<b>RUSSIA (6.8%)</b>				
<b>GOVERNMENT BONDS (6.8%)</b>				
		Russian Federal Bond - OFZ		
RUB	6,500,000	6.40% due 05/27/2020	1.9	111,775
RUB	6,500,000	7.00% due 01/25/2023	2.0	112,949
RUB	10,000,000	7.05% due 01/19/2028	2.9	168,868
<b>TOTAL GOVERNMENT BONDS</b>				<b>393,592</b>
<b>TOTAL RUSSIA</b>				<b>393,592</b>
<b>SOUTH AFRICA (8.9%)</b>				
<b>GOVERNMENT BONDS (8.9%)</b>				
		Republic of South Africa Government Bond		
ZAR	2,000,000	6.50% due 02/28/2041	2.0	114,023
ZAR	2,200,000	8.88% due 02/28/2035	2.9	167,046
ZAR	2,600,000	10.50% due 12/21/2026	4.0	234,567
<b>TOTAL GOVERNMENT BONDS</b>				<b>515,636</b>
<b>TOTAL SOUTH AFRICA</b>				<b>515,636</b>
<b>TURKEY (7.2%)</b>				
<b>GOVERNMENT BONDS (7.2%)</b>				
		Turkey Government Bond		
TRY	540,000	6.30% due 02/14/2018	2.5	141,223
TRY	380,000	7.40% due 02/05/2020	1.6	90,300
TRY	360,000	10.40% due 03/20/2024	1.5	88,300
TRY	370,000	11.00% due 02/24/2027	1.6	93,365
<b>TOTAL GOVERNMENT BONDS</b>				<b>413,188</b>
<b>TOTAL TURKEY</b>				<b>413,188</b>
<b>URUGUAY (0.3%)</b>				
<b>GOVERNMENT BONDS (0.3%)</b>				
		Uruguay Government International Bond		
UYU	450,000	9.88% due 06/20/2022	0.3	16,517
<b>TOTAL GOVERNMENT BONDS</b>				<b>16,517</b>
<b>TOTAL URUGUAY</b>				<b>16,517</b>
<b>TOTAL FIXED INCOME SECURITIES (Cost USD 4,971,553)</b>				<b>5,397,832</b>
<b>TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 4,971,553)</b>			93.4%	USD 5,397,832
<b>CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES</b>			6.6	380,500
<b>TOTAL NET ASSETS</b>			<b>100.0%</b>	<b>USD 5,778,332</b>

<sup>(1)</sup> Transferable investments dealt on other regulated market. All other investments are transferable securities admitted to an official exchange listing.

**Currency Legend**

BRL	Brazilian Real
COP	Columbian Peso
HUF	Hungarian Forint
IDR	Indonesian Rupiah
MXN	Mexican Peso
MYR	Malaysian Ringgit
PLN	Polish Zloty
RON	Romanian Lei
RUB	Russian Ruble
TRY	Turkish Lira
USD	US Dollar
UYU	Uruguayan Peso
ZAR	South African Rand

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Emerging Markets Local Currency Bond Fund**  
**Société d'Investissement à Capital Variable**  
**Classifications**  
**As at December 31, 2017**

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<b>Industry</b>	<b>% of Net Assets</b>
Government - National . . . . .	93.4%
<b>Total Investments . . . . .</b>	<b>93.4%</b>
Cash and other net assets in excess of liabilities . . . . .	6.6%
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Poland . . . . .	11.6%
Mexico . . . . .	10.8
Brazil . . . . .	10.6
Indonesia . . . . .	10.1
South Africa . . . . .	8.9
Colombia. . . . .	7.7
Turkey . . . . .	7.2
Malaysia . . . . .	6.8
Russia. . . . .	6.8
Hungary . . . . .	5.7
Peru. . . . .	3.5
Romania . . . . .	3.4
Uruguay . . . . .	0.3
<b>Total Investments . . . . .</b>	<b>93.4%</b>
Cash and other assets in excess of liabilities . . . . .	6.6%
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments**  
**As at December 31, 2017**

Currency	Principal Amount	Security Description	% of Net Assets	Market Value
<b>A. TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET</b>				
<b>FIXED INCOME SECURITIES (80.4%)<sup>(1)</sup></b>				
<b>BELGIUM (7.3%)</b>				
<b>GOVERNMENT BONDS (7.3%)</b>				
USD	1,300,000	Kingdom of Belgium Government International Bond 1.13% due 03/05/2018	7.3%	USD 1,298,632
<b>TOTAL GOVERNMENT BONDS</b>				<b>1,298,632</b>
<b>TOTAL BELGIUM</b>				<b>1,298,632</b>
<b>CANADA (14.6%)</b>				
<b>GOVERNMENT BONDS (14.6%)</b>				
USD	1,300,000	Export Development Canada 1.50% due 10/03/2018	7.3	1,296,570
USD	1,300,000	Province of Ontario Canada 1.20% due 02/14/2018	7.3	1,299,324
<b>TOTAL GOVERNMENT BONDS</b>				<b>2,595,894</b>
<b>TOTAL CANADA</b>				<b>2,595,894</b>
<b>FRANCE (7.3%)</b>				
<b>GOVERNMENT BONDS (7.3%)</b>				
USD	1,300,000	Caisse d'Amortissement De La Dette Sociale 1.38% due 1/29/2018	7.3	1,299,667
<b>TOTAL GOVERNMENT BONDS</b>				<b>1,299,667</b>
<b>TOTAL FRANCE</b>				<b>1,299,667</b>
<b>GERMANY (7.3%)</b>				
<b>CORPORATE BONDS &amp; NOTES (7.3%)</b>				
USD	1,300,000	Kreditanstalt fuer Wiederaufbau 1.00% due 01/26/2018	7.3	1,299,441
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>1,299,441</b>
<b>TOTAL GERMANY</b>				<b>1,299,441</b>
<b>JAPAN (7.3%)</b>				
<b>GOVERNMENT BONDS (7.3%)</b>				
USD	1,300,000	Japan Bank for International Cooperation/Japan 1.75% due 11/13/2018	7.3	1,294,796
<b>TOTAL GOVERNMENT BONDS</b>				<b>1,294,796</b>
<b>TOTAL JAPAN</b>				<b>1,294,796</b>
<b>SUPRANATIONAL (36.6%)</b>				
<b>CORPORATE BONDS &amp; NOTES (36.6%)</b>				
USD	1,300,000	Asian Development Bank 1.88% due 10/23/2018	7.4	1,300,324
USD	1,300,000	Council Of Europe Development Bank 1.00% due 03/07/2018	7.3	1,298,273
USD	1,300,000	European Bank for Reconstruction & Development 1.63% due 11/15/2018	7.3	1,298,408
USD	1,300,000	European Investment Bank 1.00% due 03/15/2018	7.3	1,298,388
USD	1,300,000	International Bank for Reconstruction & Development 1.38% due 04/10/2018	7.3	1,298,756
<b>TOTAL CORPORATE BONDS &amp; NOTES</b>				<b>6,494,149</b>
<b>TOTAL SUPRANATIONAL</b>				<b>6,494,149</b>
<b>TOTAL FIXED INCOME SECURITIES (Cost USD 14,303,469)</b>				<b>14,282,579</b>
<b>SHORT TERM INVESTMENT (9.5%)</b>				
<b>UNITED STATES (9.5%)</b>				
<b>TIME DEPOSITS (9.5%)</b>				
USD	700,636	Australia 1.33% due 01/19/2018	3.9	700,636
USD	1,000,000	Australia and New Zealand 1.43% due 04/11/2018	5.6	1,000,000
<b>TOTAL TIME DEPOSITS</b>				<b>1,700,636</b>
<b>TOTAL UNITED STATES</b>				<b>1,700,636</b>
<b>TOTAL SHORT TERM INVESTMENT (Cost USD 1,700,636)</b>				<b>1,700,636</b>

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund**  
**Société d'Investissement à Capital Variable**  
**Portfolio of Investments (continued)**  
**As at December 31, 2017**

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Currency	Principal Amount	Security Description	% of Net Assets	Market Value	
		TOTAL TRANSFERABLE SECURITIES QUOTED ON A STOCK EXCHANGE OR DEALT IN ON ANOTHER REGULATED MARKET (Cost USD 14,303,469)	89.9%	USD	15,983,215
		CASH AND OTHER ASSETS IN EXCESS OF LIABILITIES	10.1		1,785,694
		TOTAL NET ASSETS	<u>100.0%</u>	<u>USD</u>	<u>17,768,909</u>

(1) All investments are transferable securities admitted to an official exchange listing.

**Currency Legend**

USD      US Dollar

The accompanying notes are an integral part of these financial statements.

**NIKKO AM GLOBAL UMBRELLA FUND – Nikko AM Alternative Risk Premia Fund**

**Société d'Investissement à Capital Variable**

**Classifications**

**As at December 31, 2017**

<b>Industry</b>	<b>% of Net Assets</b>
Multi-National . . . . .	36.6%
Sovereign . . . . .	29.2
Time Deposits . . . . .	9.5
Regional(state/province) . . . . .	7.3
Banks . . . . .	7.3
<b>Total Investments . . . . .</b>	<b>89.9%</b>
<b>Cash and other net assets in excess of liabilities . . . . .</b>	<b>10.1%</b>
<b>Total Net Assets . . . . .</b>	<b>100.0%</b>

<b>Country</b>	<b>% of Net Assets</b>
Supranational . . . . .	36.6%
Canada . . . . .	14.6
United States . . . . .	9.5
Belgium . . . . .	7.3
France . . . . .	7.3
Germany . . . . .	7.3
Japan . . . . .	7.3
<b>Total Investments . . . . .</b>	<b>89.9%</b>
<b>Cash and other assets in excess of liabilities . . . . .</b>	<b>10.1%</b>
<b>Total Net Assets . . . . .</b>	<b>100.00%</b>

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements**  
**As at December 31, 2017**

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**1. General Information**

**NIKKO AM GLOBAL UMBRELLA FUND (“the Company”)** has been established in Luxembourg as an investment company organized under the laws of the Grand Duchy of Luxembourg as a Société d’Investissement à Capital Variable (SICAV). The Company is submitted to the Part I of the Luxembourg Law of 17 December 2010, as amended relating to Undertakings for Collective Investment (the “2010 Law”) for an unlimited period of time. The European Union Directive 2014/91/EU (known as “Ucits V Directive”) transposed into national law and came into effect on 18 March 2016.

The Company is managed by Nikko Asset Management Luxembourg S.A. (the “Management Company”), a company incorporated under the laws of Luxembourg and which has its registered office in Luxembourg. The Management Company was incorporated on November 29, 2006 as “société anonyme” under the laws of the Grand Duchy of Luxembourg and its articles of incorporation are on file with the Registre de Commerce et des Sociétés in Luxembourg. The Management Company is approved as a management company regulated by chapter 15 of the Law of 17 December 2010, as amended.

The Management Company may on behalf of the Company issue different classes of shares (the “Shares”) which are related to specific pools of assets (each a “Sub-Fund”) established within the Company. In respect of each Sub-Fund, the Management Company pursues a specific investment policy. For the purposes of relations between the Shareholders, each Sub-Fund is deemed to be a separate entity.

The securities and other assets of the Company are segregated from the assets of the Management Company and are managed by the Management Company in the interest of the Shareholders and on their behalf.

Brown Brothers Harriman (Luxembourg) S.C.A. has been appointed as the depositary of the assets of the Company (the “Depositary”) pursuant to the terms of a depositary agreement, as amended from time to time (the “Depositary Agreement”), administrative agent (the “Administrative Agent”), registrar and transfer agent (the “Transfer Agent”) for the Company. The Administrative Agent is responsible for the central administration of the Company and in particular for processing the issuance, redemption and switching of Shares, the determination of the Net Asset Value of the Shares of each Sub-Fund and for the maintenance of accounting records.

The Management Company has appointed, as specified in the Company’s Prospectus, investment managers for each Sub-Fund to manage the assets of the Sub-Funds.

As at December 31, 2017 the Fund consists of thirteen Sub-Funds:

<b>Name of the Sub-Fund</b>	<b>Commencement Date</b>
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund	4/1/1996
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund	2/25/2010
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund	2/1/2013
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund	11/2/2012
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund	7/15/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund	3/18/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund	9/4/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund	4/7/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund <sup>(1)</sup>	2/1/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund	2/29/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund	8/3/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund	12/8/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund	4/26/2017

(1) On February 2, 2016 Nikko AM Japan Insight Fund merged with Nikko AM Japan Value Fund.

As at December 31, 2017 the following classes were open:

<b>Name of the Sub-Fund</b>	<b>Class</b>	<b>Commencement Date</b>
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund	Class A USD	2/23/2007
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund <sup>(2)</sup>	Class X USD	2/2/2016

(2) On February 2, 2016 Nikko AM Asia-Pacific ex-Japan Fund Class B USD Shares has been renamed as Class X USD Shares.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

<b>Name of the Sub-Fund</b>	<b>Class</b>	<b>Commencement Date</b>
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund	Class A CHF	10/3/2012
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund	Class A EUR	2/18/2014
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund	Class A GBP	3/22/2010
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund	Class A USD	2/25/2010
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund	Class A USD	2/1/2013
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund	Class B USD	9/2/2013
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund	Class S JPY	2/1/2013
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund	Class A EUR	11/2/2012
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund	Class A USD	11/2/2012
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund	Class S JPY	12/17/2014
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund	Class A USD	2/22/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund	Class D GBP	2/21/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund	Class P JPY	4/1/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund	Class U AUD	7/15/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund	Class A USD	2/22/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund	Class P JPY	3/18/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund	Class A USD	2/22/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund	Class D EUR	11/9/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund	Class K EUR	8/4/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund	Class S JPY	9/4/2015
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund	Class A USD	5/30/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund	Class P JPY	5/18/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund	Class S JPY	4/7/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund	Class A GBP	3/30/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund	Class A JPY	2/1/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund	Class X JPY	2/1/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund	Class A GBP	8/3/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund	Class A JPY	5/25/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund	Class S JPY	2/29/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund	Class U AUD	11/16/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund	Class A USD	8/17/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund	Class S USD	8/3/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund	Class A USD	12/29/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund	Class S USD	12/8/2016
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund	Class A USD	6/30/2017
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund	Class S JPY	4/26/2017

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia-Pacific ex-Japan Fund (the “Sub-Fund”)** pursues an investment strategy that blends bottom-up fundamental research and top-down views within the context of a centralized decision-making approach. The portfolio is designed to add value by exploiting stock price volatility, divergence of company quality and circumstances across the region. This is captured in the strategy’s top-down approach and portfolio construction process.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the “Investment Manager”).

The Sub-Fund offers four classes of shares; Class A shares, Class B shares, Class D shares and Class X shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.



**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

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Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class X shares are closed to subscriptions by new investors, however, they will continue to be available for subscriptions of existing Shareholders.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund (the "Sub-Fund")** seeks to achieve income and capital growth over the mid to long term through investing in bonds issued in multiple currencies by the World Bank with its main focus on "Green Bonds" (which are bonds issued by the World Bank that support projects in its client countries that meet specific criteria for low carbon development) and/or other bonds issued by the World Bank or World Bank Related Issuers for environmental purposes. For this purpose, "World Bank Related Issuers" means entities for which the World Bank manages or arranges the bond issue process and which are deemed, in the opinion of the Investment Manager, of comparable credit quality to the World Bank at the time of investment. The Investment Manager will make currency allocation decisions based on fundamental analysis. The Sub-Fund may also invest in bonds issued by the World Bank and World Bank Related Issuers that are not Green Bonds or bonds issued for environmental purposes.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Europe Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers three classes of shares; Class A shares, Class B shares and Class C shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class C shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM RMB Bond Fund (the "Sub-Fund")** seeks to provide stable capital appreciation over the medium to long term through seeking exposure to Renminbi ("RMB") and listed and unlisted RMB denominated fixed income instruments. The term "RMB" used herein refers to offshore RMB ("CNH") and not onshore RMB ("CNY").

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers four classes of shares; Class A shares, Class B shares, Class C shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class C shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class S shares are reserved to Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund (the "Sub-Fund")** is to generate total return from the capital appreciation and income of investments in mainly USD denominated fixed income securities issued by sovereigns, quasi-sovereigns, supranationals and companies in the Asian region. The Asian region consists of but is not limited to countries such as China, Hong Kong SAR, Indonesia, India, South Korea, Malaysia, Philippines, Pakistan, Singapore, Thailand, Taiwan and Vietnam.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers four classes of shares; Class A shares, Class B shares, Class D shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class S shares are reserved for Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Equity Fund (the "Sub-Fund")** seeks to achieve a long term capital growth primarily through investments in equity securities listed and traded on the stock exchanges in countries included in the developed and emerging markets as defined by MSCI.

**NIKKO AM GLOBAL UMBRELLA FUND**  
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On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Europe Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers six classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved for Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Multi Asset Fund (the "Sub-Fund")** seeks a total return over the medium to longer term primarily investing in global equities and global fixed income securities directly, or indirectly through investment funds or financial derivative instruments. The Sub-Fund may also gain exposure to currencies and alternative assets classes such as (i) real estate through Real Estate Investment Trusts ("REITs"), and (ii) commodities via financial derivative instruments on indices in accordance with Grand Ducal Regulation of 8 February 2008 or through investment funds such as Exchange Traded Funds ("ETFs").

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers five classes of shares; Class A shares, Class B shares, Class D shares, Class P shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved for Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia ex-Japan Fund (the "Sub-Fund")** pursues an investment strategy that blends bottom-up fundamental research and top-down views. The Sub-Fund is designed to add value by its focus on fundamental research. The Sub-Fund is a multi-country fund for those investors who wish to invest in Asia (ex-Japan). The investment universe includes, but is not limited to, Taiwan, China, Hong Kong, Singapore, Malaysia, Thailand, Indonesia, the Philippines, India and Korea. Equity securities held by the Sub-Fund may include common stocks, preferred shares, convertible securities, warrants, depositary receipts, REITs and ETFs.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers five classes of shares; Class A shares, Class B shares, Class D shares, Class K shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class K shares and Class S shares are reserved to Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund (the "Sub-Fund")** seeks to achieve capital appreciation over the medium to long-term. The Sub-Fund will invest primarily in equities and fixed income securities in the emerging markets directly, or indirectly through investment funds or financial derivative instruments.

The emerging market region refers in general to countries with relatively low gross national product per capita. Emerging market countries include but are not limited to countries such as Brazil, Chile, China, India, Indonesia, Mexico, Russia, South Korea, Turkey, United Arab Emirates and Venezuela.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Ltd., as investment manager (the "Investment Manager").

**NIKKO AM GLOBAL UMBRELLA FUND**  
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The Sub-Fund offers six classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares and Class S shares. Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved to Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Value Fund (the "Sub-Fund")** seeks to achieve its investment objective through capital appreciation and dividends by primarily investing in Japanese companies listed on the Tokyo Stock Exchange. The Sub-Fund in normal market conditions will follow a value strategy, investing in companies identified as mispriced based on fundamental research. Where circumstances are appropriate, the Sub-Fund may hold ancillary liquid assets in current or deposit accounts or in regularly traded short term Money Market Instruments denominated in JPY or other currency than JPY issued or guaranteed by highly rated institutions and having a remaining maturity of less than twelve (12) months.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Co., as investment manager (the "Investment Manager").

The Sub-Fund offers seven classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares, Class S shares and Class X shares.

Class A shares are available for subscription and are reserved to Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved to Institutional Investors approved by the Management Company.

Class X shares are closed to subscriptions by new investors, however, they will continue to be available for subscriptions of existing Shareholders.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Japan Focus Fund (the "Sub-Fund")** seeks to achieve a long term capital appreciation. The Sub-Fund will seek to achieve its investment objective by investing in a relatively concentrated portfolio of Japanese companies. Companies will be selected based upon fundamental research and analysis of their prospects for potential Shareholder returns. Where circumstances are appropriate, the Sub-Fund may hold ancillary liquid assets in current or deposit accounts or in regularly traded short term Money Market Instruments denominated in JPY or other currency than JPY issued or guaranteed by highly rated institutions and having a remaining maturity of less than twelve (12) months.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Co., as investment manager (the "Investment Manager").

The Sub-Fund offers six classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved for Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Global Credit Fund (the "Sub-Fund")** seeks to achieve a positive return over the medium to long term derived through income and capital growth, while managing the volatility of the absolute value of the Sub-Fund. The Sub-Fund will invest in bonds, including fixed income and floating rate securities, directly or indirectly through financial derivative instruments and investment funds. The Sub-Fund may invest in debt securities issued by companies, governments, government agencies and supra-nationals located across the globe, including the Americas, Asia and Europe.

**NIKKO AM GLOBAL UMBRELLA FUND**  
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On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Europe Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers five classes of shares; Class A shares, Class B shares, Class P shares, Class S shares and Class U shares.

Class A shares are available for subscription and are reserved for Institutional Investors.

Class B shares are available for subscription to all investors.

Class P shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S Shares are reserved for Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Local Currency Bond Fund (the "Sub-Fund")** seeks to achieve a positive long term total return by investing in emerging market bonds denominated in local currencies in order to provide a combination of income and capital appreciation. The Sub-Fund will invest primarily in bonds issued in local currencies by governments, their agencies and instrumentalities, and companies in emerging markets; and bonds issued in emerging market local currencies by supranational organisations. The Sub-Fund may also invest on an ancillary basis in sovereign debt securities denominated in major currencies and bonds issued in non-local currencies by governments, their agencies and instrumentalities, and companies in emerging markets.

The Emerging Market region refers in general to countries with relatively low gross national product per capita. Emerging market countries include, but are not limited to countries such as Brazil, Chile, China, India, Indonesia, Mexico, Russia, South Korea, Turkey, United Arab Emirates and Venezuela.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Europe Ltd., as investment manager (the "Investment Manager").

The Sub-Fund offers six classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares, Class S shares

Class A shares are available for subscription and are reserved to Institutional Investors.

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P Shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S Shares are reserved to Institutional Investors approved by the Management Company.

The **NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Alternative Risk Premia Fund (the "Sub-Fund")** is to provide stable returns on capital across all market environments, whilst maintaining a low, long term correlation to traditional asset classes, such as equities and bonds. The Sub-Fund will seek to achieve its investment objective by gaining exposure directly, or indirectly using financial derivative instruments, to asset classes such as equities and bonds, in accordance with a risk balanced allocation to a diversified portfolio of alternative risk premia strategies. The Sub-Fund intends to achieve a target gross return of 5% - 8% per annum with a portfolio volatility of 5% - 6%.

On behalf of the Sub-Fund, the Management Company has appointed Nikko Asset Management Asia Limited, as investment manager (the "Investment Manager").

The Sub-Fund offers six classes of shares; Class A shares, Class B shares, Class D shares, Class P shares, Class U shares and Class S shares.

Class A shares are available for subscription and are reserved for Institutional Investors

Class B shares are available for subscription to all investors.

Class D shares are only available to investors who are approved by the Management Company, including recognized financial intermediaries or institutions which provide fee-based investment advisory services to underlying investors.

Class P Shares and Class U shares are reserved for collective investment vehicles managed by the affiliates of the Management Company and for institutional investors for which the affiliates of the Management Company act as investment manager.

Class S shares are reserved to Institutional Investors approved by the Management Company.

## **2. Significant Changes during the Year**

A revised Prospectus was issued on October 30, 2017.

Mr. Junichi Sayato, Executive Deputy President, Nikko Asset Management Co., Ltd, was appointed as a Director of the Management Company with effect of May 11, 2017.

**NIKKO AM GLOBAL UMBRELLA FUND**  
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Nikko AM Emerging Markets Multi Asset Fund was launched on April 7, 2017 with an investment in class S JPY.

Nikko AM Alternative Risk Premia Fund was launched on April 26, 2017 with an investment in class S JPY.

Nikko AM Global Equity Fund - Class D GBP Shares were launched on February 21, 2017.

Nikko AM Japan Value Fund - Class A GBP Shares were launched on March 30, 2017.

Nikko AM Emerging Markets Multi Asset Fund - Class S JPY Shares were launched on April 7, 2017.

Nikko AM Emerging Markets Multi Asset Fund - Class P JPY Shares were launched on May 18, 2017.

Nikko AM Emerging Markets Multi Asset Fund - Class A USD Shares were launched on May 30, 2017.

Nikko AM Alternative Risk Premia Fund - Class S JPY Shares were launched on April 26, 2017

Nikko AM Alternative Risk Premia Fund- Class A USD Shares were launched on June 30, 2017.

### **3. Significant Accounting Policies**

#### *(a) Presentation of Financial Statements*

The financial statements are presented in accordance with Luxembourg legal and regulatory requirements. The preparation of financial statements, in accordance with Luxembourg requirements, requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

#### *(b) Determination of Net Asset Value per Share*

The Net Asset Value ("NAV") per Share of each Sub-Fund is expressed in its currency of denomination. The NAV per Share of each Class of each Sub-Fund is calculated in the currency of the Sub-Fund on each valuation day ("Valuation Day") at the valuation point, as described in the prospectus.

#### *(c) Cash*

Cash and other liquid assets are valued at their face value with interest accrued to the end of the Valuation Day.

#### *(d) Valuation of the Investments in Securities*

The assets of each Sub-Fund were valued as follows:

Securities which are quoted or dealt in on any stock exchange shall be based on the last available closing price and each security traded on any other organized market shall be valued in a manner as similar as possible to that provided for quoted securities. For securities for which trading on the relevant stock exchanges is thin and secondary market trading is done between dealers who, as main market makers, offer prices in response to market conditions, the Management Company may decide to value such securities in line with the prices established.

For non-quoted securities or securities not traded or dealt in on any stock exchange or other organized market, as well as quoted or non-quoted securities on such other market for which no valuation price is available, or securities for which the quoted prices are not representative of the fair value, the value thereof shall be determined prudently and in good faith by the Management Company on the basis of foreseeable sales prices.

Shares or units in underlying open-ended investment funds shall be valued at their last available NAV reduced by any applicable charges.

In the event that extraordinary circumstances render such a valuation impracticable or inadequate, the Management Company is authorized, prudently and in good faith, to follow other rules in order to achieve a fair valuation of the assets of the Sub-Fund.

*(e) Securities Transactions and Investment Income*

Securities transactions are recorded as of trade date for financial reporting purposes. Realized gains and losses from securities sold are recorded on the identified cost basis. Dividend income, net of any applicable withholding tax, is recorded on the ex-dividend date. Interest income, including discount and amortization of premiums, is recorded daily on an accrual basis, net of any applicable withholding tax.

*(f) Distribution Policy*

Each year the Management Company may decide to distribute all available income as well as all other distributable items allowed by Luxembourg investment fund laws consisting, in addition of net income, of gains (realized or unrealized) or of capital as a distribution to the Shareholders, as long as and to the extent that the minimum sum of net assets of each Sub-Fund prescribed by Luxembourg law or its foreign equivalent is maintained. Distributions to Shareholders may be paid only if the net assets of the Company do not fall below the equivalent in USD of EUR 1,250,000. Annual distributions may be declared separately in respect of each Class of each Sub-Fund by the Management Company. Interim distributions may be paid at any time of the year as deemed appropriate upon a decision of the Management Company in relation to any of the Classes of each Sub-Fund.

Entitlement to distributions and allocations not claimed within 5 years if the due date shall be forfeited and the corresponding assets shall revert to the relevant Sub-Fund of the Company.

*(g) Foreign Exchange Transactions and Translations*

The combined financial statements are expressed in USD, the relevant currency of the Company, and the financial statements of the Sub-Funds are expressed in the relevant base currency. The applicable exchange rates prevailing at the end of the year are used to translate currencies other than USD into USD for the Combined Statement of Net Assets at year end. The exchange rate as at December 31, 2017 is used to translate the foreign currency amounts in the Combined Statement of Operations and Changes in Net Assets into USD.

Fluctuations in the value of currency holdings and other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains or losses. Realized gains or losses and unrealized appreciation or depreciation on investment securities and income and expenses are translated on the respective dates of such transactions. The effects of changes in foreign currency exchange rates on investments in securities are not segregated on the Statements of Operations and Changes in Net Assets from the effects of changes in market prices of those securities, but are included with the net realized and unrealized gain or loss on investments. The following table reflects the exchange rates used at December 31, 2017 for each of the above referenced statements:

USD vs. AUD	0.782150
USD vs. CHF	1.026167
USD vs. EUR	1.200800
USD vs. GBP	1.352750
USD vs. JPY	0.008877

*(h) Forward Foreign Currency Exchange Contracts*

Each Sub-Fund may enter into forward foreign currency exchange contracts in connection with settling planned purchases or sales of securities to hedge the currency exposure associated with some or all of a Sub-Fund's securities or classes of shares as a part of an investment strategy. The market value of a forward foreign currency exchange contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency exchange contracts are marked-to-market daily and the change in value is recorded by a Sub-Fund as unrealized gain or loss. A realized gain or loss is equal to the difference between the value of the contract at the time it was opened and the value at the time that the contract was settled.

*(i) Options*

A purchaser of a put option has the right, but not the obligation, to sell the underlying instrument at an agreed upon price ("strike price") to the option seller. A purchaser of a call option has the right, but not the obligation, to purchase the underlying instrument at the strike price from the option seller.

Purchased Options Premiums paid by a Sub-Fund for purchased options are included in Investments in securities, at market value in the Statement of Net Asset. The option is adjusted daily to reflect the current market value of the purchased option and the change is recorded as net change in unrealized appreciation/(depreciation) on investments in the Statement of Operations and Changes in Net Assets. If the option is allowed to expire, a Sub-Fund will lose the entire premiums it paid and record a realized loss for the premium amount.

Written Options Premiums received by a Sub-Fund for written options are included in the Statement of Net Assets. The amount of the liability is adjusted daily to reflect the current market value of the written option and the change in market value is recorded as net change in unrealized appreciation/(depreciation) on written options in the Statement of Operations and Changes in Net Assets. Premiums received from written options that expire are treated as realized gains. A Sub-Fund records a realized gain or loss on written options based on whether the cost of the closing transaction exceeds the premiums received.

*(j) Futures Contracts*

A futures contract is a firm commitment to buy or sell a specified quantity of a standardized amount of deliverable grade security, commodity or cash at a standardized price and specified future date, unless the contract is closed before the delivery date. Initial margin deposits are made to the broker upon entering into futures contracts. During the period the futures contract is open, changes in the value of the contract are recognized as unrealized appreciation or depreciation by "marking-to-market" on a daily basis to reflect the market value of the contract at the end of each day's trading. Variation margin payments are made or received, depending upon whether unrealized appreciation or depreciation is incurred. When the contract is closed, a realized gain or loss is recorded. This realized gain or loss is equal to the difference between the proceeds from (or cost of) the closing transaction and the Sub-Fund's basis in the contract.

*(k) Swap Contracts*

*Total return swaps (TRS)*

All Sub-Funds may invest in TRS subject to the derivatives policy restrictions stated in the Prospectus and in the relevant Annex for such Sub-Fund and the counterparty agree to exchange payments (periodically throughout the life of the contract) where one or both parties pay the returns generated by a security, index, commodities, or instruments on an agreed upon notional amount. The relevant indices include, but are not limited to, currencies, interest rates, prices and total return on interest rates indices, fixed income indices and stock indices.

Total Return Swaps are marked to market based on the valuation elements laid down in the contract, and are obtained from third party pricing agents, market makers or internal models.

*(l) Organizational Expenses*

The organization expenses of the Sub-Fund are costs incurred by each Sub-Fund during its formation. Organization expenses are amortized on a straight-line basis over a maximum five year period for all Sub-Funds.

**4. Management Fees**

The Management Company, being a related party, is entitled to receive fees out of the assets of each Sub-Fund for management, advisory, or other services conducted on behalf of the Company. Management fees for each Sub-Fund are calculated as follows:

- *Nikko AM Asia-Pacific ex-Japan Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.75%, 1.50%, 0.75% and 0.75% for Class A, Class B, Class D and Class X respectively.

- *Nikko AM World Bank Green Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.45%, 0.80% and 0.45% for Class A, Class B and Class C respectively.

- *Nikko AM RMB Bond Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.50%, 0.80%, 0.50% and 0.50% for Class A, Class B, Class C and Class S respectively.

**NIKKO AM GLOBAL UMBRELLA FUND**  
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- *Nikko AM Asia Credit Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.45%, 1.00%, 0.45% and 0.20% for Class A, Class B, Class D and Class S respectively

- *Nikko AM Global Equity Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.75%, 1.50%, 0.75%, 0.00%, 0.00% and 0.20% for Class A, Class B, Class D, Class P, Class U and Class S respectively.

- *Nikko AM Global Multi Asset Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.65%, 1.50%, 0.65%, 0.10% and 0.20% for Class A, Class B, Class D, Class P and Class S respectively.

- *Nikko AM Asia ex-Japan Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.65%, 1.50%, 0.65%, 0.375% and 0.20% for Class A, Class B, Class D, Class K and Class S respectively.

- *Nikko AM Emerging Markets Multi Asset Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.75%, 1.50%, 0.75%, up to 0.60%, up to 0.50% and 0.20% for Class A, Class B, Class D, Class P, Class U and Class S respectively.

- *Nikko AM Japan Value Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.60%<sup>(1)</sup>, 1.50%, 0.60%, 0.00%, up to 0.50%, 0.20% and 0.75% for Class A, Class B, Class D, Class P, Class U, Class S and Class X respectively.

- *Nikko AM Japan Focus Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.60%<sup>(1)</sup>, 1.50%, 0.60%, 0.00%, up to 0.50% and 0.20% for Class A, Class B, Class D, Class P, Class U and Class S respectively.

- *Nikko AM Global Credit Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.40%, 0.80%, up to 0.60%, up to 0.50% and 0.20%, for Class A, Class B, Class P, Class U and Class S respectively.

- *Nikko AM Emerging Markets Local Currency Bond Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.45%, 1.20%, 0.45%, up to 0.60%, up to 0.50% and up to 0.45% for Class A, Class B, Class D, Class P, Class U and Class S respectively.

- *Nikko AM Alternative Risk Premia Fund*

The Management Company is entitled to receive a fee calculated and payable monthly at the rate of 0.75%, 1.50%, 0.75%, up to 0.60%, up to 0.50% and up to 0.20% for Class A, Class B, Class D, Class P, Class U and Class S respectively.

## **5. Depositary and Administrative Agent Fees**

The Depositary Bank is entitled to receive fees out of each Sub-Fund calculated and payable monthly at fixed rates per annum based on the market value of investments held in different countries by each Sub-Fund during the relevant month plus fiduciary and safekeeping fees.

The Administrative Agent Fees comprise:

(i) A fee for Fund Accounting, Fund Administration and Compliance services. This fee is paid out of each Sub-Fund's assets at the rate up to 0.05% per annum of net assets, subject to an annual minimum fee of USD 48,000 per Sub-Fund, per annum. Annual minimum fee will be waived for the 12 months following the launch of any new Sub-Fund.

(ii) A fee for Additional Charges and Services. This fee is calculated in accordance with the agreed fee schedule.

(iii) A fee for Domiciliation and Corporate Agency services. This fee is calculated in accordance with the agreed fee schedule.

(1) The management fee rate was 0.75% until October 30, 2017.



**NIKKO AM GLOBAL UMBRELLA FUND**  
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**6. Transfer Agent Fees**

The Transfer Agent is entitled to receive out of each Sub-Fund an annual register maintenance fee of EUR 4,810 plus additional fees for transactions. These fees are payable monthly.

**7. Taxe d'abonnement**

The Company is not liable to any Luxembourg income or corporation tax. However, the Company is liable in Luxembourg to a tax of 0.05% of its net assets at the end of the relevant quarter. The Sub-Funds are subject to Luxembourg law with respect to its tax status. The rate is reduced to 0.01% per annum, in respect of the Sub-Funds the Shares of which comprises only of Institutional Investors and is payable quarterly and calculated on the basis of the Sub-Funds Shares.

**8. Transaction Costs and Transaction Fees**

Transaction costs are the costs incurred by a Sub-Fund in connection with transactions on its portfolio of investments. These costs are both incremental and directly attributable to the acquisition, issue or disposal of financial assets and liabilities, with incremental costs being those that would not have been incurred if the Sub-Fund had not entered into the transaction. These costs comprise fees and commissions paid to depositary, agents, advisers, brokers and dealers, and any taxes associated with the transaction.

**9. Reimbursement from Manager**

The Management Company voluntarily capped the Total Expenses ratio of each Sub-fund for the year ending December 31, 2017. Any Expenses in excess of this cap is reimbursed by the Management Company to the Fund. The amount is reflected in the caption "Reimbursement due from Manager" in the Statement of Net Assets and in the caption "Reimbursement from Manager" in the Statement of Operation and Changes in the Net Assets.

At its discretion, the Management Company can decide to vary or cease the voluntary fees cap.

**10. Swing Pricing**

A Sub-Fund may suffer a reduction in value, known as "dilution" when trading the underlying investments as a result of net inflows or net outflows of the respective Sub-Fund. This is due to transaction charges and other costs that may be incurred by liquidating and purchasing the underlying assets and the spreads between the buying and selling prices.

In order to counter this effect and to protect Shareholders' interests, the Company may adopt a swing pricing mechanism as part of its valuation policy. This means that in certain circumstances the Company may make adjustments to the net asset value per Share to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

**11. Dividends**

The Board of Directors decided to distribute the following dividends for the Sub-Funds below:

<b>Name of the Sub-Fund</b>	<b>Ex-Date</b>	<b>Currency</b>	<b>Dividend per Share</b>	<b>Dividend per Share in USD</b>
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund Class A CHF	2/28/2017	CHF	0.2500000	0.2496380
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund Class A EUR	2/28/2017	EUR	0.3400000	0.3612840
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund Class A GBP	2/28/2017	GBP	0.3900000	0.4853160
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM World Bank Green Fund Class A USD	2/28/2017	USD	0.2800000	0.2800000
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund Class A USD	1/20/2017	USD	0.1500000	0.1500000
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Asia Credit Fund Class A USD	7/20/2017	USD	0.1500000	0.1500000
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	6/07/2017	JPY	0.0050000	0.0000457
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	7/07/2017	JPY	0.0050000	0.0000439
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	8/07/2017	JPY	0.0050000	0.0000451
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	9/07/2017	JPY	0.0050000	0.0000461
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	10/09/2017	JPY	0.0050000	0.0000444
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	11/07/2017	JPY	0.0050000	0.0000438
NIKKO AM GLOBAL UMBRELLA FUND - Nikko AM Emerging Markets Multi Asset Fund Class P JPY	12/07/2017	JPY	0.0050000	0.0000444

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

**12. Futures Contracts, Swaps and Forward Foreign Currency Exchange Contracts and Written Options.**

**Futures Contracts**

At year end, the Sub-Fund Nikko AM Global Multi Asset Fund has entered into the following futures contracts:

CCY	Number of Contracts Bought/(Sold)	Underlying	Exchange	Expiration Date	Notional Commitment	Unrealized Appreciation/ (Depreciation)
AUD	6	Australia 10 Year Bond March Future	Sydney Futures Exchange	3/15/2018	USD 609,720	USD (3,595)
CAD	(5)	Canada 10 Year Bond March Futures	Montreal Exchange	3/20/2018	(545,792)	7,941
EUR	5	Mini-DAX March Futures	Eurex Exchange	3/16/2018	395,153	(7,595)
			Chicago Mercantile			
USD	8	E-mini Russell 2000 March Futures	Exchange	3/16/2018	615,680	(1,080)
EUR	(2)	Euro-Bund March Futures	Eurex Exchange	3/8/2018	(391,173)	2,882
GBP	1	FTSE 100 Index March Futures	ICE Futures Europe	3/16/2018	99,779	3,544
		Hang Seng China Enterprises Index January	Hong Kong Futures			
HKD	(1)	Futures	Exchange	1/30/2018	(74,022)	(1,004)
CAD	2	S&P/TSX 60 Index March Futures	Montreal Exchange	3/15/2018	303,137	2,509
			Chicago Mercantile			
USD	7	E-mini S&P 500 March Futures	Exchange	3/16/2018	937,950	(1,350)
AUD	(3)	SPI 200 March Futures	Sydney Futures Exchange	3/15/2018	(351,264)	(1,877)
		Euro STOXX 50 Index Dividend December				
EUR	(98)	Futures	Eurex Exchange	12/21/2018	(1,460,532)	(33,983)
		Euro STOXX 50 Index Dividend December				
EUR	98	Futures	Eurex Exchange	12/18/2020	1,423,249	66,561
USD	(5)	US 10 Year Note(CBT) March Futures	Chicago Board of Trade	3/20/2018	(622,047)	1,813
Total					USD 939,838	USD 34,766

At year-end, the Sub-Fund Nikko AM Global Multi Asset Fund did not received any amount of collateral from the counterparties.

**Total Return Swaps Contracts**

At year-end, the Sub-Fund Nikko AM Global Multi Asset Fund has entered into the following total return swaps contracts:

Quantity	Security Description	Counterparty	Currency	Amount (Notional)	Settlement Date	Net Unrealized Appreciation/ (depreciation)
7,979	Commodity MLBVB93 Excess Return Strategy	Merrill Lynch International	USD	2,900,000	09/24/2018	USD (70,779)
1,011	GURU L/S 7fx-hedged USD ER Index	BNP Paribas	USD	512,764	10/05/2018	(4,515)
9,520	Gamma Hedge US Series 32 Excess Return Strategy	Goldman Sachs	USD	720,264	01/04/2018	1,475
8,805	Volatility Carry US Series 71 Excess Return Strategy	Goldman Sachs	USD	1,022,040	05/05/2020	5,635
						USD (68,184)

At year-end, the Sub-Fund Nikko AM Global Multi Asset Fund did not received any amount of collateral from the counterparties.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

At year-end, the Sub-Fund Nikko AM Alternative Risk Premia Fund has entered into the following total return swaps contracts:

Quantity	Security Description	Counterparty	Currency	Amount (Notional)	Settlement Date	Net Unrealized Appreciation/ (depreciation)
24,789	Commodity MLVB93 Excess Return Strategy	Merrill Lynch International	USD	9,010,502	09/24/2018	USD (220,283)
25,893	FX Value US EE Index	Barclays Bank	USD	3,709,467	04/27/2018	(53,373)
21,802	Benchmark G10 FX Trend Excess Return Index	Barclays Bank	USD	3,403,720	04/27/2018	(50,574)
7,075	GURU L/S 7 fx-hedged USD ER Index	BNP Paribas	USD	3,589,352	10/05/2018	(31,602)
		Goldman	USD			
179,659	i-Select III Series 70 Excess Return Strategy 1x	Sachs		18,208,404	04/28/2022	(25,152)
3,009	Interest Rate Strangle Premium Euro Index	Societe Generale	EUR	3,283,020	09/11/2018	939
2,736	BOSS USD 3% Index	Societe Generale	USD	3,679,742	06/12/2018	3,201
28,570	AIR FX ER Index	BNP Paribas	USD	3,573,112	05/07/2018	43,118
20,815	GALAXY G10 Excess Return USD Index	BNP Paribas	USD	3,758,527	05/07/2018	85,280
						USD (248,446)

At year-end, the Sub-Fund Nikko AM Alternative Risk Premia Fund received from the counterparty: Goldman Sachs the amount of collateral of USD 660,000 and BNP Paribas the amount of collateral of USD 660,000.

**Forward Foreign Currency Exchange Contracts**

At year-end, the Sub-Fund Nikko AM Global Multi Asset Fund has entered into the following forward foreign currency exchange contracts:

Settlement Date	Counterparty	CCY Purchased	Amount Bought	CCY Sold	Amount Sold	Net Unrealized Appreciation/ (Depreciation)
03/09/2018	Brown Brothers Harriman & Co.	SEK	3,640,000	USD	(436,190)	USD 10,144
03/09/2018	Brown Brothers Harriman & Co.	USD	874,443	AUD	(1,153,000)	(27,267)
03/09/2018	Brown Brothers Harriman & Co.	USD	292,022	JPY	(32,840,000)	(432)
03/09/2018	Brown Brothers Harriman & Co.	USD	145,885	AUD	(194,000)	(5,834)
03/09/2018	Brown Brothers Harriman & Co.	USD	1,173,946	JPY	(132,000,000)	(1,571)
03/09/2018	Brown Brothers Harriman & Co.	USD	290,819	JPY	(32,700,000)	(388)
03/09/2018	Brown Brothers Harriman & Co.	USD	436,053	EUR	(366,000)	(5,141)
03/09/2018	JP Morgan Chase & Co	EUR	244,000	USD	(290,775)	3,354
03/09/2018	JP Morgan Chase & Co	JPY	38,040,000	USD	(339,510)	(747)
03/09/2018	JP Morgan Chase & Co	JPY	1,703,000	USD	(15,199)	(33)
03/09/2018	JP Morgan Chase & Co	MYR	1,180,000	USD	(290,597)	288
03/09/2018	JP Morgan Chase & Co	USD	440,441	GBP	(327,000)	(2,838)
03/09/2018	JP Morgan Chase & Co	USD	765,047	GBP	(568,000)	(4,930)
03/09/2018	JP Morgan Chase & Co	USD	290,011	THB	(9,450,000)	(440)
03/09/2018	JP Morgan Chase & Co	USD	15,062	JPY	(1,700,000)	(78)
03/09/2018	JP Morgan Chase & Co	USD	356,163	JPY	(40,200,000)	(1,835)
03/09/2018	JP Morgan Chase & Co	USD	290,011	THB	(9,450,000)	(440)
						USD (38,188)

The total commitment on open forward foreign currency exchange contracts at year-end amounts to USD 3,997,632.

**Forward Foreign Currency Exchange Contracts**

At year-end, the Sub-Fund Nikko AM Emerging Markets Multi Asset Fund has entered into the following forward foreign currency exchange contracts:

Settlement Date	Counterparty	CCY Purchased	Amount Bought	CCY Sold	Amount Sold	Net Unrealized Depreciation
03/09/2018	Barclays Bank PLC Wholesale	ARS	4,000,000	USD	(215,866)	USD (10,176)
						USD (10,176)

The total commitment on open forward foreign currency exchange contracts at year-end amounts to USD (215,866).

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

**Forward Foreign Currency Exchange Contracts**

At year-end, the Sub-Fund Nikko AM Global Credit Fund has entered into the following forward foreign currency exchange contracts:

Settlement Date	Counterparty	CCY Purchased	Amount Bought	CCY Sold	Amount Sold	Net Unrealized Appreciation/ (Depreciation)
03/29/2018	Royal Bank of Canada	EUR	98,000	USD	(117,168)	USD 1,125
03/13/2018	State Street Bank	EUR	50,000	GBP	(44,234)	317
03/14/2018	State Street Bank	USD	105,673	AUD	(138,000)	(2,248)
01/25/2018	Toronto Dominion Bank	JPY	11,435,000	USD	(100,913)	709
03/14/2018	Toronto Dominion Bank	USD	381,389	AUD	(498,000)	(8,067)
03/16/2018	Toronto Dominion Bank	USD	314,533	GBP	(234,000)	(2,759)
						<u>USD (10,923)</u>

The total commitment on open forward foreign currency exchange contracts at year-end amounts to USD 583,516.

**Forward Foreign Currency Exchange Contracts**

At year-end, the Sub-Fund Nikko AM Emerging Markets Local Currency Bond Fund has entered into the following forward foreign currency exchange contracts:

Settlement Date	Counterparty	CCY Purchased	Amount Bought	CCY Sold	Amount Sold	Net Unrealized Appreciation/ (Depreciation)
02/15/2018	JP Morgan Chase & Co	THB	13,915,000	USD	(427,778)	USD (294)
01/10/2018	Royal Bank of Canada	BRL	181,400	USD	(55,810)	(1,166)
02/09/2018	Royal Bank of Canada	CLP	74,000,000	USD	(116,471)	3,840
01/12/2018	Royal Bank of Canada	JPY	13,032,000	USD	(115,152)	588
02/28/2018	Royal Bank of Canada	PHP	2,950,000	USD	(57,866)	1,072
01/10/2018	Royal Bank of Canada	USD	199,748	BRL	(634,000)	8,765
03/15/2018	Royal Bank of Canada	USD	144,049	TRY	(570,000)	(3,161)
04/06/2018	Royal Bank of Canada	USD	59,779	ZAR	(771,000)	(1,650)
02/22/2018	Standard Chartered Bank	EUR	234,500	USD	(277,199)	5,230
01/10/2018	Standard Chartered Bank	USD	84,075	BRL	(281,000)	(573)
02/22/2018	Standard Chartered Bank	USD	111,866	EUR	(94,000)	(1,347)
03/21/2018	Standard Chartered Bank	USD	149,613	PLN	(531,000)	(3,250)
03/28/2018	Standard Chartered Bank	USD	116,594	RON	(455,000)	(205)
03/21/2018	State Street Bank	AUD	145,500	USD	(111,695)	2,089
02/09/2018	State Street Bank	CLP	17,700,000	USD	(27,896)	881
03/07/2018	State Street Bank	RUB	1,714,000	USD	(28,696)	818
01/10/2018	State Street Bank	USD	109,687	HUF	(29,256,250)	(3,603)
01/12/2018	State Street Bank	USD	116,688	JPY	(13,032,000)	949
01/12/2018	State Street Bank	USD	57,413	MYR	(242,800)	(2,561)
03/09/2018	State Street Bank	USD	111,826	COP	(337,742,000)	(691)
03/22/2018	Toronto Dominion Bank	ARS	2,600,000	USD	(141,074)	(8,292)
01/10/2018	Toronto Dominion Bank	MXN	1,049,000	USD	(55,869)	(2,325)
01/19/2018	Toronto Dominion Bank	PEN	435,700	USD	(133,958)	387
01/19/2018	Toronto Dominion Bank	PEN	90,650	USD	(27,940)	12
01/10/2018	Toronto Dominion Bank	USD	54,660	BRL	(183,000)	(467)
01/10/2018	Toronto Dominion Bank	USD	274,213	MXN	(5,075,000)	15,173
01/10/2018	Toronto Dominion Bank	USD	186,509	IDR	(2,530,000,000)	137
01/10/2018	Toronto Dominion Bank	USD	56,792	HUF	(14,950,000)	(1,100)
						<u>USD 9,256</u>

The total commitment on open forward foreign currency exchange contracts at year-end amounts to USD 256,107.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Notes to Financial Statements (continued)**  
**As at December 31, 2017**

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**OTC options**

At year-end, the Sub-Fund Nikko AM Global Multi Asset Fund has entered into the following options contracts:

**Written options**

Currency	Description	Counterparty	Strike Price	Maturity	Quantity bought (written)		Commitment	Market Value
KRW	Put Option on KOSPI 200 Index	BNP Paribas	292.383	03/08/2018	(16,800,000)	USD	5,108,029	USD (19,773)
								<u>USD (19,773)</u>

**13. Subsequent Events**

Nikko AM Japan Value Fund Class D GBP Shares launched on February 6, 2018.

Nikko AM Japan Value Fund Class D GBP Hedged Shares launched on February 6, 2018.

Nikko AM Global Equity Fund Class P JPY Hedged Shares launched on February 28, 2018.

Mr. Michael John Cieran Mulholland left the Board of Directors of the Management Company effectively from February 20, 2018.

Mr. David J. Semaya left the Board of Directors of the Management Company effectively from March 20, 2018.

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Additional Unaudited Information**  
**As at December 31, 2017**

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**Remuneration Policy**

Nikko Asset Management Luxembourg S.A.'s remuneration policy and practices reflect our objectives of good corporate governance and sustained, long-term value creation for our shareholders. The remuneration policy and practices also aim to promote sound and effective risk management.

The Company's Management currently consists of a Board comprised of five (5) officers, who have delegated the day-to-day business to four (4) Conducting Officers.

Remuneration of the Board of Directors

Four of the Directors are employed by the Nikko Group, one Director is independent. The Nikko-related Directors are not remunerated by the Company for their positions as Board members of the Company. The other Director is independent and is remunerated by the Company and receives a fixed annual directorship fee of EUR 40,000.

Remuneration of the Conducting Officers

Two of the Conducting Officers are independent from the Nikko Group and are remunerated by the Company. They receive a fixed annual fee of EUR 45,000. The Nikko-related Conducting Officers are not remunerated by the Company for their positions as Conducting Officers of the Company.

Neither the Directors nor the Conducting Officers receive any remuneration other than fixed fees in respect of activities in relation to the Company (i.e. no variable component).

The remuneration of the Directors and of the Conducting Officers has been negotiated at normal arm's length rates for the type of services provided. The structure and amount of the remunerations does not, in the opinion of the Directors, lead to any conflicts of interest other than those which are otherwise inherent in their positions with the Company.

Corporate Governance

The Board of Directors is responsible for monitoring compliance with the Remuneration Policy on an annual basis or when deemed appropriate.

**Global Exposure**

The Management Company employs the standard commitment approach to comply with the CSSF Circular 11/512 which requires each UCITS Fund to calculate its global risk exposure. The standard commitment approach requires the Investment Manager to convert each financial derivative instrument position into the market value of an equivalent position in the underlying asset of that financial derivative taking account of the netting and hedging arrangements.

The Sub-Funds' total commitments to financial derivative instruments is limited to 100% of its total net asset value, with the exception of Nikko AM Global Multi Asset Fund, Nikko AM Emerging Markets Multi Asset Fund and Nikko AM Alternative Risk Premia Fund that follow the absolute VAR approach. The % of VaR as at closing date ( December 31, 2017 ) is as follows:

<b>Fund Name</b>	<b>Value at Risk %</b>
Nikko AM Global Multi Asset Fund	1.19%
Nikko AM Emerging Markets Multi Asset Fund	3.62%
Nikko AM Alternative Risk Premia Fund	2.57%

**Securities Financing Transaction Regulation**

Securities Financing Transaction Regulation ("SFTR") came into force on January 12, 2016 and introduces reporting requirements for securities financing transactions ("SFTs") and total return swaps.

A Securities Financing Transaction (SFT) is defined as per Article 3(11) of the SFTR as:

- a repurchase/reverse repurchase agreement
- securities or commodities lending and securities or commodities borrowing
- a buy-sell back transaction or sell-buy back transaction, or
- a margin lending transaction

As at December 31, 2017 the Sub-Funds held total return swaps as types of instruments under the scope of the SFTR.

*(a) Global Data*

The amount of assets across all SFTs and total return swaps as at December 31, 2017 is as follows:

*Nikko AM Global Multi Asset Fund*

Type of Asset		Amount (Notional)	Unrealised Gain/Loss	% of AUM*
Total return swaps	USD	5,155,068	(68,184)	35.30 %

*Nikko AM Alternative Risk Premia Fund*

Type of Asset		Amount (Notional)	Unrealised Gain/Loss	% of AUM*
Total return swaps	USD	52,803,507	(248,446)	297.17 %

\* Assets Under Management

*(b) Data on reuse of collateral*

There is no reuse of collateral on *Nikko AM Global Multi Asset Fund* during the year ended December 31, 2017.

There is no reuse of collateral on *Nikko AM Alternative Risk Premia Fund* during the year ended December 31, 2017.

*(c) Concentration data*

The ten largest issuers for collateral securities and commodities received across all SFTs and total return swaps as at December 31, 2017 are as follows:

There is no collateral received on *Nikko AM Global Multi Asset Fund* as at December 31, 2017.

There is no collateral received on *Nikko AM Alternative Risk Premia Fund* as at December 31, 2017 .

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Unaudited Appendix (continued)**  
**As at December 31, 2017**

The ten largest counterparties across each SFTs and total return swaps as at December 31, 2017 are as follows:

*Nikko AM Global Multi Asset Fund*

Security type	Counterparty		Amount (Notional)
Total return swaps	BNP Paribas	USD	512,764
Total return swaps	Goldman Sachs	USD	1,742,304
Total return swaps	Merrill Lynch International	USD	2,900,000
	<b>Total</b>	<b>USD</b>	<b>5,155,068</b>

*Nikko AM Alternative Risk Premia Fund*

Security type	Counterparty		Amount (Notional)
Total return swaps	Barclays Bank	USD	7,113,187
Total return swaps	BNP Paribas	USD	10,920,991
Total return swaps	Goldman Sachs	USD	18,208,404
Total return swaps	Merrill Lynch International	USD	9,010,502
Total return swaps	Societe Generale	USD	7,550,423
	<b>Total</b>	<b>USD</b>	<b>52,803,507</b>

(d) Safekeeping of collateral received

There is no collateral received on *Nikko AM Global Multi Asset Fund* as at December 31, 2017.

(e) Safekeeping of collateral granted

There is no collateral granted on *Nikko AM Global Multi Asset Fund* as at December 31, 2017.

*Nikko AM Alternative Risk Premia Fund* as at December 31, 2017.

Depository		Amount
<i>Brown Brothers Harriman</i>		
Cash collateral – BNP Paribas	USD	660,000
Cash collateral – Goldman Sachs	USD	660,000
	<b>Total USD</b>	<b>1,320,000</b>

(f) Return/Costs

Return and cost for each type of SFTs and total return swaps for the year ended December 31, 2017 are recognized in the Statement of operations and changes in net assets.

*Nikko AM Global Multi Asset Fund*

Total return swaps		Amount
Net realized gain/(loss)	USD	38,004
Net unrealized gain/(loss)		(68,184)
Net interest income/(expense)		(6,784)
<b>Total net revenues</b>		<b>(36,964)</b>



**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Unaudited Appendix (continued)**  
**As at December 31, 2017**

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*Nikko AM Alternative Risk Premia Fund*

<b>Total return swaps</b>		<b>Amount</b>
<i>Net realized gain/(loss)</i>	USD	204,821
<i>Net unrealized gain/(loss)</i>		(248,446)
<i>Net interest income/(expense)</i>		(181,837)
<b>Total net revenues</b>		<b>(225,462)</b>

(g) Aggregate transaction data

The aggregate transaction data for collateral positions (including cash) received across all SFTs and total return swaps as at December 31, 2017 is as follows:

There are no collateral positions on *Nikko AM Global Multi Asset Fund* as at December 31, 2017.

The maturity of SFTs and Total Return Swaps as at December 31, 2017 is as follows:

*Nikko AM Global Multi Asset Fund*

<b>Maturity</b>		<b>Amount (Notional)</b>
<b>Total Return Swaps</b>		
Less than one year	USD	4,133,028
More than one year	USD	1,022,040
<b>Total</b>	<b>USD</b>	<b>5,155,068</b>

*Nikko AM Alternative Risk Premia Fund*

<b>Maturity</b>		<b>Amount (Notional)</b>
<b>Total Return Swaps</b>		
Less than one year	USD	34,595,103
More than one year	USD	18,208,404
<b>Total</b>	<b>USD</b>	<b>52,803,507</b>

The settlement and clearing mechanisms for SFTs and total return swaps as at December 31, 2017 are as follows:

*Nikko AM Global Multi Asset Fund*

<b>Settlement and clearing mechanisms</b>		<b>Amount (Notional)</b>
<b>Total Return Swaps</b>		
Bilateral	USD	5,155,068

*Nikko AM Alternative Risk Premia Fund*

<b>Settlement and clearing mechanisms</b>		<b>Amount (Notional)</b>
<b>Total Return Swaps</b>		
Bilateral	USD	52,803,507

**NIKKO AM GLOBAL UMBRELLA FUND**  
**Société d'Investissement à Capital Variable**  
**Unaudited Appendix (continued)**  
**As at December 31, 2017**

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The aggregate transaction data for collateral positions (including cash) received across all SFTs as at December 31, 2017 is as follows:

*Nikko AM Alternative Risk Premia Fund*

<b>Counterparty</b>	<b>Type of collateral</b>	<b>Amount</b>	<b>Quality</b>	<b>Maturity tenor of collateral</b>	<b>Currency of collateral</b>	<b>Country of counterparty establishment</b>
BNP Paribas	Cash	660,000	N/A	N/A	USD	France
Goldman Sachs	Cash	660,000	N/A	N/A	USD	United States