

EMERGING MARKETS DEBT FUND



31 January 2019

FUND OBJECTIVE

The Fund aims to provide positive absolute returns on an annual basis by investing principally in emerging markets debt

FUND SUMMARY

- Actively managed to aim to deliver positive absolute returns in excess of a cash benchmark
- Aims to add value by capturing 'best ideas', executed in a way that seeks to generate lower levels of volatility
- Invests across the spectrum of the emerging market debt and currencies with an unconstrained approach
- Rigorous and disciplined investment process

SHARE CLASS PERFORMANCE



Source: Insight Investment and Rimes. Fund performance is shown for share class S £ Acc and is calculated as total return, including reinvested income, gross of fees and expenses. Gross of fees performance results do not reflect the deduction of charges, which will reduce investors' returns. Performance for periods over one year is annualised. Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may be partly due to exchange rate fluctuations). Investors may not get back the full amount invested.

FUND MANAGER COMMENTS

The Fund returned positive over the month, outperforming its cash benchmark. The Fed took a dramatically dovish turn in January by dropping any bias toward hiking rates in 2019 and softening its rhetoric on balance sheet policy. This change in stance supported a strong rally across EM fixed income assets. In the Fund, performance was positive across sub-asset class exposures, with the largest contributions from FX and rates. There were smaller positive contributions from sovereign credit and local currency corporates. From a regional perspective contributions were also universally positive – with Latin America and Central and Eastern Europe the largest performance drivers. Looking ahead, the reversal in Fed policy, and likely softening of US dollar performance, should enable the EM fixed income rally to be sustained into the near future. Key risks to this outlook include an escalation of US-China trade tensions, further slowdown in Chinese growth and deteriorating developed market credit market conditions.

FUND FACTS

Fund size: £787.9m

Inception date: 25 May 2007

Benchmark: 3 Month LIBID

Fund manager: Colm McDonagh

Target return: Outperform benchmark by 2% pa (before tax, fees and expenses) over rolling five year periods. However, a positive return is not guaranteed and a capital loss may occur.

FUND CHARACTERISTICS

	Fund
Yield (%)	4.00
Duration (years)	2.2
Total gross exposure (%)	73
Total net exposure (%)	54

GEOGRAPHY

(%)	Fund	Fund
China	5.8	Indonesia 3.5
Colombia	5.6	Chile 2.4
South Africa	4.3	Qatar 1.3
Egypt	4.2	Romania 1.2
Thailand	3.6	Argentina 1.2

EXPOSURE BY CURRENCY

(%)	Fund	Fund
Turkish lira	3.3	Colombian peso 2.1
Hungarian forint	3.0	Peruvian sol 2.1
South African rand	2.5	Polish zloty 2.0
Brazilian real	2.2	Chilean peso 1.5
Chinese renminbi	2.2	Kazakh tenge 0.8

REGION

(%)	Fund
Asia	17.7
Central-Eastern Europe	4.0
Latin America	20.3
Middle-East And Africa	12.3
Index	0.0
US Treasury	0.0

TECHNICAL DETAILS

Legal structure: Open Ended Investment Company (UCITS)

Domicile: Ireland

Share class currencies: Sterling

Dealing frequency: With effect from 15 March 2018: each business day (London and New York)

Settlement period: T+3

Pricing method: Swinging single price

Scheme: Insight Global Funds II plc

Depository: Northern Trust Fiduciary Services (Ireland) Limited

Administrator: Northern Trust International Fund Administration Services (Ireland) Limited

Ongoing charges: 0.05% (represented by share class S Acc, other share classes are available)



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