

# EMERGING MARKETS DEBT FUND



30 June 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 generated a positive return in June, outperforming its cash benchmark. In terms of Fund attribution, allocations to local currency rates, FX and sovereign credit all generated positive contributions. From a regional perspective, contributions were positive across the board, with Latin American exposures proving the most significant drivers of outperformance. The Fund's credit and interest rate hedges detracted. The position is a hedge against our long hard currency positions and acted exactly as it should in a rising market. Our security and country selection allowed us to generate positive returns throughout the month. We increased risk over the month as dovish central bank communication overshadowed any lingering fears about global growth in the background. We maintain a net long position. This is due to the continued shift toward a more dovish monetary policy globally, which we believe will result in a search for yield environment amongst fixed income investors that EM debt should benefit from.

## FUND FACTS

**Fund size:** £667.4m

**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 (%)	6.70
Duration (years)	3.1
Total gross exposure (%)	116
Total net exposure (%)	72

## GEOGRAPHY

(%)	Fund	Fund
Colombia	6.9	Russia 5.1
Indonesia	6.0	China 5.1
Egypt	5.7	Brazil 4.9
Peru	5.5	Thailand 4.8
Argentina	5.1	Mexico 4.8

## EXPOSURE BY CURRENCY

(%)	Fund	Fund
Polish zloty	5.4	Kazakh tenge 1.1
Brazilian real	4.8	Chilean peso 1.0
Peruvian sol	4.7	Argentinian peso 0.5
Indian rupee	2.6	Romanian leu 0.1
Colombian peso	2.0	Mexican peso 0.1

## REGION

(%)	Fund
Asia	29.8
Central-Eastern Europe	7.7
Latin America	32.5
Middle-East And Africa	9.0
Index	0.0
US Treasury	-7.5

## TECHNICAL DETAILS

**Legal structure:** Open Ended Investment Company (UCITS)

**Domicile:** Ireland

**Share class currencies:** Sterling

**Dealing frequency:** Daily

**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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