

# Vontobel Fund - mtX Sustainable Emerging Markets Leaders AI

Approved for institutional investors in: CH, CL, DE, GB, IT, LU, SG (professional investors).

## Investment objective

This equity fund aims to generate long-term capital growth while considering specific sustainability criteria and respecting risk diversification.

## Key features

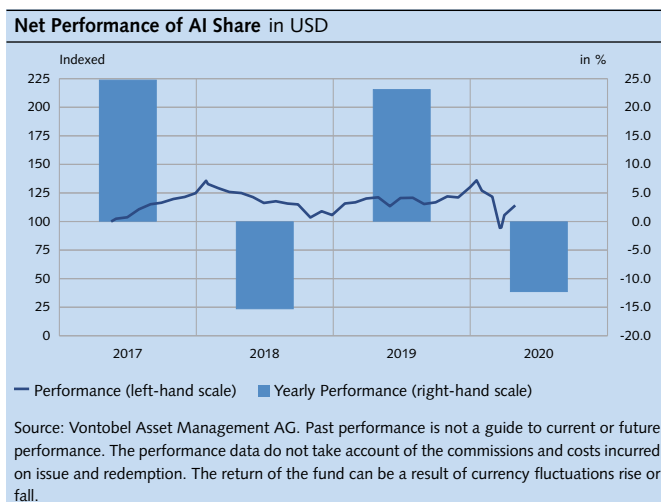
The fund invests across emerging markets in a concentrated portfolio mainly including stocks of companies which are among the leaders in their industry, offer high and sustainable profitability potential, and whose stock prices have attractive upside versus the estimated enterprise values at the time of the investment.

## Approach

The specialized and seasoned investment team takes long-term high-conviction investment decisions based on in-depth research combined with systematic screening. The team also considers environmental, social and governance criteria to select particular companies with farsighted strategies, sound financials and robust structures, convinced that these strengths can enhance a firm's future profitability potential and thus stock price. The team actively adapts portfolio positions to seize attractive new opportunities and control risks always in line with their latest assessment of investment conditions. They may use derivative financial instruments as well.

Fund Data	
Portfolio Manager	Roger Merz / Thomas Schaffner
Portfolio Manager location	Zurich
Fund name / domicile	Vontobel Fund / Luxembourg
Fund currency	USD
Share class currency	USD
Swinging Single Pricing	Yes
Net asset value	110.26
Highest since launch	134.73
Lowest since launch	91.25
Fund volume in mln	5,280.88 USD
Share class volume in mln	139.92 USD
Management fee	0.825%
TER (per 28/02/2020)	1.16%
Launch date	18/05/2017
Launch price	100.00
End of fiscal year	31. August
Last distribution	1.60 / November
ISIN	LU1609308298
Valor	36643668

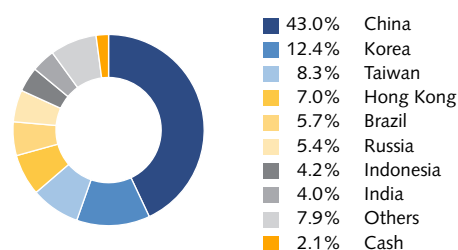
Net Performance of AI Share (in USD and %)								
	1 mth.	YTD	2019	2018	2017	3 y. p.a.	5 y. p.a.	since inception
Fund	8.1	-12.3	23.1	-15.3	24.8	n.a.	n.a.	14.1
Index	8.5	-17.1	18.8	-14.8	19.2	n.a.	n.a.	0.0
	<b>05.15 – 04.16</b>	<b>05.16 – 04.17</b>	<b>05.17 – 04.18</b>	<b>05.18 – 04.19</b>	<b>05.19 – 04.20</b>			
Fund	n.a.	n.a.	n.a.	-3.0	-5.8			
Index	n.a.	n.a.	n.a.	-5.0	-12.5			
Benchmark: MSCI Emerging Market TR net								
Source: Vontobel Asset Management AG. Past performance is not a guide to current or future performance. The performance data do not take account of the commissions and costs incurred on issue and redemption. The return of the fund can be a result of currency fluctuations rise or fall.								



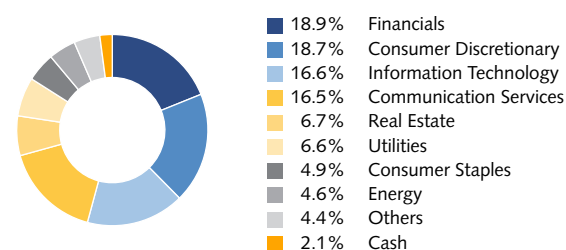
Key Data	
Volatility*	21.43%
Sharpe ratio*	negative
Information ratio*	1.87
Tracking error*	3.56%
Jensen's Alpha*	5.05%
Beta*	0.89
	* 1 year

Major equity positions	
Alibaba Group Holding Ltd ADR	7.4%
Tencent Holdings Ltd	6.2%
Taiwan Semiconductor	6.1%
Samsung Electronics Shs	4.1%
JD.com Inc ADR	3.5%
Netease.Com -Adr-	3.4%
China Overseas Land & Inv Shs	3.2%
PT Telekomunikasi Indonesia (Persero) Tbk	3.2%
NCsoft Corp	3.1%
China Gas Hldgs Ltd Shs	2.9%

### Country Weighting



### Major Sectors



### Opportunities

- + Broad diversification across numerous securities
- + Investments in foreign currencies might generate currency gains
- + Possible extra returns through single security analysis and active management
- + Gains on invested capital possible
- + Use of derivatives for hedging purposes may increase subfund's performance and enhance returns
- + Price increases of investments based on market, sector and company developments are possible.
- + Gains through participating in the growth potential of emerging markets are possible
- + Gains by participating in the growth of industry-leading companies that address environmental, social and governance (ESG) issues are possible.

### Risks

- Limited participation in potential of single securities
- Investments in foreign currencies are subject to currency fluctuations
- Success of single security analysis and active management cannot be guaranteed
- It cannot be guaranteed that the investor will recover the capital invested
- Derivatives entail risks relating to liquidity, leverage and credit fluctuations, illiquidity and volatility.
- Price fluctuations of investments due to market, industry and issuer linked changes are possible.
- Investments in emerging markets may be affected by political developments, currency fluctuations, illiquidity and volatility.
- There is no guarantee that all sustainability criteria will always be met for every investment. Negative impact on subfund's performance possible due to pursuing sustainable economic activity rather than a conventional investment policy.

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This document is directed only at recipients who are qualified investors as defined by Switzerland's Collective Investment Schemes Act («CISA»).

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Past performance is not a reliable indicator of current or future performance. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.

Interested parties may obtain the above-mentioned documents free of charge from the authorised distribution agencies and from the offices of the fund at 11-13 Boulevard de la Foire, L-1528 Luxembourg. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key investor information documents ("KIID"). These documents may also be downloaded from our website at [vontobel.com/am](http://vontobel.com/am), the representative in Switzerland: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich., the paying agent in Germany: the paying agent in Germany: LBBW Landesbank Baden-Württemberg, Große Bleiche 54-56, 55116 Mainz. Refer for more information regarding subscriptions in Italy to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 3, 20123 Milano, telefono: 0263673444, e-mail [clientrelation@vontobel.it](mailto:clientrelation@vontobel.it). The funds authorised for distribution in the United Kingdom can be viewed in the FCA register under the Scheme Reference Number 466625. This information was approved by Vontobel Asset Management SA, London Branch, which has its registered office at Third Floor, 22 Sackville Street, London W1S 3DN and is authorised by the Commission de Surveillance du Secteur Financier (CSSF) and subject to limited regulation by the Financial Conduct Authority (FCA). Details about the extent of regulation by the FCA are available from Vontobel Asset Management SA, London Branch, on request. The KIID can be obtained in English from Vontobel Asset Management SA, London Branch, Third Floor, 22 Sackville Street, London W1S 3DN or downloaded from our website [vontobel.com/am](http://vontobel.com/am). The fund and its subfunds are not available to retail investors in Singapore. Selected sub-funds of the fund are currently recognized as restricted schemes by the Monetary Authority of Singapore. These sub-funds may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore. The fund is not authorised by the Securities and Futures Commission of Hong Kong. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution and if you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This information was approved by Vontobel Asset Management Asia Pacific Ltd., which has its registered office at 1901 Gloucester Tower, The Landmark 15 Queen's Road Central, Hong Kong. In Chile the funds may not be publicly offered, neither as an entity of Vontobel or under registration with the Chilean supervisory authority ("Superintendencia de Valores y Seguros") in accordance with the Securities Act no. 18.045. The offer of the instruments mentioned in this presentation is subject to General Rule No. 336 issued by the Superintendencia de Valores y Seguros of Chile (Superintendencia de Valores y Seguros) ("SVS"). The subject matter of this offer are securities not registered with the Securities Registry (Registro de Valores) of the SVS, nor with the Foreign Securities Registry (Registro de Valores Extranjeros) of the SVS; therefore, such securities are not subject to the supervision of the SVS. Since the securities are not registered in Chile, there is no obligation of the issuer to make publicly available information about the securities in Chile. The securities shall not be subject to public offering in Chile unless registered with the relevant securities registry of the SVS. Please note that certain sub-funds are exclusively available to qualified investors. This communication is for information of institutional investors only (qualified as such by the laws of the Republic of Peru) and does neither constitute an offer of financial services nor a recommendation or offer to purchase or sell shares in any financial instrument. The shares of the fund have not been and will not be registered with the Securities Market Public Register ("Registro Público del Mercado de Valores") kept by the Peruvian Superintendencia for the Securities Market ("Superintendencia del Mercado de Valores", SMV).

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## Glossary

### **Benchmark**

An index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees.

### **Beta**

A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis.

### **Duration (Modified Duration)**

Duration is an indication of how much a bond's price could be affected by a change in interest rates.

### **Effective Duration**

Is a measure of the potential impact on a bond or portfolio price of a 1% change in interest rates across all maturities.

### **Hedging**

Where a Class of Shares is described as hedged ("Hedged Share Class"), the intention is to hedge the Net Asset Value in the Reference Currency of the Sub/Fund into the Currency of the Hedged Share Class.

### **Information ratio**

The information ratio (IR) is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns

### **Jensen's Alpha**

Yield indicator. If the average return on a security or portfolio is larger than its expected return, the alpha is positive. If the average return is smaller than expected, the alpha is negative.

### **Management Fee**

Is a fee which covers all costs relating to possible services rendered in connection with investment management and distribution. Please refer to the fund's prospectus for a complete description.

### **NAV**

The Net Asset Value (NAV) represents the value per share. It is calculated by dividing the total net asset value of the fund (the value of the fund's assets less its liabilities) by the number of shares outstanding.

### **Performance Fee**

The payment made to an Investment Manager if certain performance levels are achieved (often over and above any levels set out in the investment objective) within a set time period. Please refer to the fund's prospectus for a complete description.

### **Reference Index**

The difference to benchmark is that the reference index is not used for calculation of performance fees.

### **Sharpe Ratio**

The Sharpe ratio indicates the additional reward per unit of risk compared to a risk-free investment. It reveals how much performance was achieved at what level of risk.

### **TER**

The fees and incidental costs charged on the management of collective investment schemes are to be disclosed using the internationally recognized Total Expense Ratio (TER). This ratio expresses the sum of all fees and incidental costs charged on an ongoing basis to the collective investment scheme's assets (operating expenses) taken retrospectively as a percentage of the net assets

### **Tracking error**

Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

### **Volatility**

Volatility (or risk or standard deviation) is an indicator of the range of fluctuation of the annualized performance of a fund over a certain period.

### **Weighted Average Coupon (WAC)**

The coupon is the annual interest rate paid by a bond issuer on the face value of the bond.

### **Yield to Maturity**

The rate of return anticipated on a bond if it is held until the maturity date.

### **Yield to Worst**

The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions are used by the issuer.

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