

Ashmore SICAV Emerging Markets Local Currency Bond Fund (SICAV LCBF)

SICAV LCBF is an open-ended daily dealing UCITS IV Luxembourg registered fund. Investments are mainly in emerging market transferable securities that are debt in nature and other instruments issued by Sovereigns and Quasi-Sovereigns denominated in local currencies.

Performance

Net Returns:	1 Month	YTD	1 Year	3 Year	5 Year	Since Incep.	Inception Date
Inst USD	-5.00%	-5.00%	-16.73%	-0.28%	-	2.89%	25-Feb-10
JP Morgan GBI-EM GD	-4.63%	-4.63%	-13.81%	0.38%	-	3.58%	-
Inst € Hedged	-5.05%	-5.05%	-17.14%	-0.74%	-	-0.78%	21-Dec-10
JP Morgan GBI-EM GD USD € Hedged	-4.74%	-4.74%	-14.36%	-0.54%	-	-0.41%	-

Calendar Year Performance

Net Returns:	2013	2012	2011	2010	2009	2008	2007
Inst USD	-11.37%	18.50%	-2.58%	-	-	-	-
JP Morgan GBI-EM GD	-8.98%	16.76%	-1.75%	-	-	-	-
Inst € Hedged	-11.82%	17.79%	-2.84%	-	-	-	-
JP Morgan GBI-EM GD USD € Hedged	-9.47%	15.43%	-2.65%	-	-	-	-

Periods greater than one year are annualised, dividends reinvested, index gross. The value of an investment in the Fund may fall as well as rise and investors may not get back the amount originally invested. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Past performance is not a reliable indicator of future results. The above historical performance and statistics represents simulated net returns of the above share classes (for the time period prior to when the current fee structure came into effect) and assumes that the current fee structure was applicable since their respective inception dates. The above figures are for illustrative purposes only and do not represent the actual net returns of the respective share classes since their inception. (Source: Ashmore & JP Morgan)

Top 5 Country Allocations: Weights and Returns

SICAV LCBF			JP Morgan GBI-EM GD		
Country	Weight	Weighted Return	Weight	Weighted Return	Net Contribution
Russia	13.65%	-0.97%	10.00%	-0.87%	-0.10%
Mexico	13.07%	-0.36%	10.00%	-0.24%	-0.13%
Brazil	10.82%	-0.31%	10.00%	-0.30%	-0.01%
Malaysia	10.35%	-0.21%	10.00%	-0.19%	-0.01%
South Africa	10.05%	-1.07%	10.00%	-0.93%	-0.14%

Contribution is indicative and calculations are subject to small rounding differences. (Source: Ashmore & JP Morgan)

Portfolio Review

As the global economy entered 2014, Wall Street strategists held a bullish consensus on equities while being bearish on fixed income, however the first weeks of January saw a sharp reversal of this view. The January move was notably fuelled by investors rebalancing from equities to fixed income after the strong equity market rally of 2013. Demand for fixed income assets was particularly strong in the belly and long-end of the USD and EUR curves, which demonstrated the need to cover large underweight duration positions by liability managers. As bond prices inched higher, 'fast money' hedge funds were forced to unwind 'short bond' positions, adding momentum to the move lower in yield: 10-year US Treasury yields rallied 38bps to 2.65% with the 5yr rallying 25bps to 1.49%. Similarly the 10-year Bund and Gilt yields fell 27bps and 32bps respectively.

EM currencies had very poor performance during January, as countries undertaking totally unrelated idiosyncratic macroeconomic adjustments contaminated sentiment, leading the JP Morgan ELMI+ index to decline 2.2%. ELMI+ Europe declined by 5.0% while ELMI+ Asia was the least affected, down 0.6%. Local currency bonds had poor performance during January, with local rates in a number of countries in EM trading in 'stop loss' mode, after the latest round of FX depreciation added to concerns of higher inflation pass-through from FX. The negative contagion from FX depreciation was one of the reasons behind the change in behaviour of some Central Banks, with the South Africa Reserve Bank (SARB) surprisingly hiking rates by 50bps a couple of days after the Turkish Central Bank hiked 225bps in an extraordinary MPC. The JP Morgan GBI-EM Global Diversified index declined 4.6%, with Middle East and Africa declining 7.9% and Asia outperforming, falling only 1.8%.

SICAV LCBF closed January down 5.00% after fees, an underperformance of 37bps versus the JP Morgan GBI-EM Global Diversified index. As in December, our underweight to Turkey was the biggest contributor to value-add (+0.22%). The political turmoil in Turkey has continued to exert pressure on the Lira since the beginning of the year. Mexico was the main detractor of relative value-add during January (-0.17%), with security selection, currency allocation and asset and allocation all detracting. Indonesia and South Korea provided marginal relative value, however security selection in South Africa contributed particularly negatively to relative value-add during January.

Emerging Markets carry risks as well as rewards. The risk warning and important information outlined overleaf must be read in conjunction with the latest full prospectus before investing. To the extent permitted by applicable laws and regulations, Ashmore may provide investors holding security interests in this fund with additional historical portfolio information that is not routinely available to other investors in this fund. Ashmore will determine the level of additional information that may be provided. Investors who want to receive such information should make a request to Ashmore and they may be subject to additional confidentiality requirements.

31 January 2014 Fund Update

Share Class
Unit Prices & Assets:
\$ Price: 100.93

€ Hedged Price: 91.81

Total Fund Size:
US\$2,390,869,924.36

(Source: Northern Trust Lux.)

Next Dealing date:
Daily Dealing Fund

Registered for Sale:
Austria
Germany
Luxembourg U.K.
Norway Switzerland

Administrator
Northern Trust Luxembourg

Dealing Team
T: +352 27 62 22 279
F: +352 27 62 22 333
E: Ashmore-TA-Lux@ntrs.com

Investment Manager

EMEA:
T: +44 20 3077 6060

Americas
T: +1 212 661 0061

Asia Pacific
T: +65 6580 8288
E: ashmail@ashmoregroup.com

Ashmore Investment
Management Limited

61 Aldwych
London
WC2B 4AE

Website:
www.AshmoreGroup.com

All source are Ashmore
unless otherwise indicated

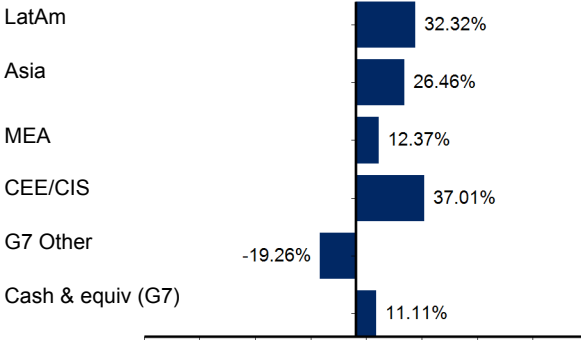
Statistics

Portfolio Statistics

Average Modified Duration	4.31
Average Life (years)	7.48
Yield	7.43%

Country Exposure	(% of NAV)
Russia	13.65%
Mexico	13.07%
Brazil	10.82%
Malaysia	10.35%
South Africa	10.05%
Poland	9.94%
Thailand	8.33%
Turkey	6.09%
Hungary	5.73%
Indonesia	5.25%
Colombia	4.76%
Nigeria	2.10%
Peru	1.79%
Romania	1.59%
Uruguay	1.54%
Philippines	1.46%
South Korea	1.06%
Chile	0.33%
Ghana	0.22%
Czech Republic	0.00%
G7 other	-19.26%
Other Countries	0.00%
Cash & equivalents (G7)	11.11%
Total Countries	23

Exposure By Region



Top 10 Securities¹ (% of NAV)

BRAZIL BLTN 0% 01/01/2017	5.88%
BRAZIL BLTN 0% 01/01/2016	4.57%
POLAND GOVT 5.75% 23/09/2022	3.55%
REP OF SOUTH AFRICA 8.25% 15/09/2017	2.38%
TURKEY CPI 3% 23/02/2022	2.24%
RUSSIA GOVT - OFZ 7.5% 27/02/2019 (6208)	1.96%
RUSSIA 7.4% 19/04/2017 SER 2508	1.94%
THAILAND GOVT 3.875% 13/06/2019	1.94%
REP OF SOUTH AFRICA 7.75% 28/02/2023	1.91%
REP OF SOUTH AFRICA 8% 21/12/2018 R204	1.88%
Total	28.26%
Total Securities	179

Currency Exposure (% of NAV)

MXN	13.07%
MYR	10.35%
ZAR	10.05%
RUB	10.02%
PLN	9.94%
BRL	9.14%
THB	8.33%
HUF	5.73%
IDR	5.22%
COP	3.42%
TRY	3.25%
NGN	2.10%
PEN	1.79%
UYU	1.54%
RON	1.48%
PHP	1.46%
GHS	0.22%
CLP	0.14%
CZK	0.00%
ILS	0.00%
G7 other	-8.36%
Other Currencies	-0.02%
Cash & equivalents (G7)	11.11%

Credit Rating (% of NAV)

Aa2/AA	1.06%
Aa3/AA-	0.27%
A2/A	18.05%
A3/A-	19.91%
Baa1/BBB+	20.74%
Baa2/BBB	6.98%
Baa3/BBB-	12.01%
Ba1/BB+	0.49%
B2/B and below	0.22%
Not Rated	9.17%
Cash & equivalents (G7)	11.11%

Cash and equivalents includes unencumbered bank balances and investments in marketable liquid instruments and securities, encumbered cash backing derivatives and margin balances. G7 Other includes investments not categorised above, such as G7 countries and certain hedge related transactions. Duration and Yield figures include all positions with a verified duration and yield figure, and as such exclude defaulted positions, those which are unlikely in the opinion of the manager to repay in full or on time and any positions where such metrics are not applicable, such as Cash or Foreign Currency trades. Ratings values are based on the higher rating of either S&P, Moody's or Fitch.

¹Derivatives not shown apart from total return swaps.
RISK WARNING: The fund invests in Emerging Markets, which may be more volatile than more mature markets, and the value of an investment in the fund could move sharply down or up. In extreme circumstances, this could result in a total loss of the investment. Emerging Markets are volatile and may suffer from liquidity problems; changes in rates of exchange between currencies may cause the value of investments to decrease or increase; the operational risks of investing are higher than in more developed markets. For a full description of these and further risks, investors should refer to the fund's latest full prospectus.
IMPORTANT INFORMATION: Ashmore SICAV (société d'investissement à capital variable) is a Luxembourg-domiciled UCITS (Undertaking for Collective Investment in Transferable Securities) and is recognised in the UK under Section 264 of the Financial Services and Markets Act 2000. All or most of the protection provided by the UK regulatory system does not apply to investments in the fund and compensation will not be available under the UK Financial Services Compensation Scheme. The information and any opinions contained in this document have been compiled in good faith, but no representation or warranty, express or implied, is made as to their accuracy, completeness or correctness. Save to the extent (if any) that exclusion of liability is prohibited by any applicable law or regulation, Ashmore, its officers, employees, representatives and agents expressly advise that they shall not be liable in any respect whatsoever for any loss or damage, whether direct, indirect, consequential or otherwise however arising (whether in negligence or otherwise) out of or in connection with the contents of or any omissions from this document. This document does not constitute and may not be relied upon as constituting any form of investment advice or inducement to invest and prospective investors are advised to ensure that they obtain appropriate independent professional advice before making any investment in the fund. All prospective investors must obtain a copy of the current Key Investor Information Document ("KIID") and full prospectus prior to making any decision to invest. Subscriptions will only be received and shares issued on the basis of the current KIID and full prospectus. Copies of the KIID, full prospectus and financial statements can be obtained from Ashmore Investment Management Limited at the address below. Copies of the constitutional documents may be inspected at the offices of the Management Company, Ashmore SICAV, 2, rue Albert Borschette, L-1246 Luxembourg. Shares in Ashmore SICAV are not available for sale in any jurisdiction in which such a sale would be prohibited. Accordingly this document is not available for distribution in any jurisdiction where the sub-fund has not been approved for sale. The Fund is not registered under the United States Securities Act of 1933, nor the United States Investment Company Act of 1940 and therefore may not directly or indirectly be offered or sold in the United States of America or any of its states, territories, possessions or other areas subject to its jurisdiction or to or for the benefit of a United States Person. This document is issued by Ashmore Investment Management Limited (Ashmore), 61 Aldwych, London WC2B 4AE U.K. which is authorised and regulated by the Financial Services Authority in the United Kingdom.

SICAV LCBF

31 January 2014

Fund Update

Min. Initial Investment:

Institutional \$, €
1,000,000

Benchmark:

JP Morgan GBI-EM GD

Bloomberg:

\$ Inst: ASHEMLB LX
€ Inst: ASEMLCI LX

ISIN:

\$ Inst: LU0493866213
€ Inst: LU0493865678

Price Listing

Financial Times,
Bloomberg, Luxembourg
Stock Exchange